

Five year housing-land supply

1. This paper provides the Inspector with the requested update on five-year supply and housing delivery in general. This was not matter on which the Inspector raised any queries in his letters of 9 July and 9 August 2019. However, a significant amount of time has elapsed since these matters were first examined in November 2017.
2. Planning permissions have been granted in the intervening period on a number of sites proposed for allocation in the Plan, either within existing settlements or on sites that are presently designated as Rural Area beyond the Green Belt. However, the extent of the present Green Belt across the District limits the amount of development that can be brought forward until such time as existing boundaries are positively reviewed through the plan-making process. This is a position that NHDC has set out clearly and repeatedly to the examination given the clear majority of development that is proposed in this plan, and which remains to be permitted, is upon sites that are presently within the Green Belt.
3. The Local Plan examination has been ongoing for two-and-a-half years. This has unavoidably affected the amount of development that can now be realistically delivered. Figures previously provided to the examination are no longer considered achievable. The Council regrettably considers that it will now be necessary for the Plan to be amended to reflect this.
4. The Council wishes to proactively and pragmatically address this matter for a number of reasons:
 - Firstly to restore the primacy of the statutory Development Plan in an authority that has been operating under the ‘presumption in favour of sustainable development’, for a number of years;
 - Secondly to avoid a similar scenario to that recently experienced in Milton Keynes; a planning appeal decision here in September 2019 determined that the Council did not have a five-year land supply just six months after adopting their new Development Plan¹;
 - Thirdly, to limit any further delay in allowing the plan’s proposed strategic developments to come ‘on-stream’ and start delivering much needed, long-term sources of housing supply;
 - Fourthly, to avoid further extensions and / or delays to the examination; and
 - Fifth, to provide a platform of (relative) planning stability while the Council continues to explore further opportunities to boost housing supply and meet longer-term development requirements that can be brought forward in a Plan review.
5. On this last point, NHDC is now required to undertake a review of the plan within five years and already anticipates that changes to the plan will be necessary following that review. This will be necessary to align with or reflect the reviews of Plans within shared

¹ Appeal Decisions APP/Y0435/W/18/3214365 & APP/Y0435/W/18/3214564

housing market areas. This includes, but is not necessarily limited to, East Hertfordshire (adopted 2018, statutory duty to review by 2023); Stevenage (2019 and 2024 respectively) and Luton (2017 with a commitment to commence a review by the end of 2019). The Plan sets out an expectation that a review will be completed by the mid-2020s at the latest (LP1, p.224, paragraph 14.37). However it is important that this plan can form the basis of development management decisions prior to the outcome of any review to ensure the primacy of the plan-led system in North Hertfordshire.

6. The Local Plan examination has and will continue to proceed under the policies and guidance contained in the 2012 version of the National Planning Policy Framework (the NPPF). However, for decision-making purposes, the newer version of the framework most recently revised and updated in February 2019 (NPPF2) will apply although the Local Plan will, once adopted, be used for the housing requirement and five year supply calculation. It is important to set out the implications of this to aid the Inspector's consideration of this matter.

Context

7. The Green Belt boundaries in North Hertfordshire were last reviewed when the District Plan 2nd Review was adopted in 1993. Until such time as any new Plan for the District is adopted, a number of its proposed housing allocations remain within the Metropolitan Green Belt. As set out in both the NPPF and NPPF2, the provision of new housing within the Green Belt is 'inappropriate development' in many instances. Planning permission in such cases can only be granted where *very special circumstances* have been demonstrated². It has been Government policy for a number of years that housing need alone does not represent *very special circumstances*³.
8. Any resolution by a Council minded to grant permission for inappropriate development remains bound by relevant regulatory requirements. These include notifying the Secretary of State in prescribed circumstances so (s)he may determine whether to 'call-in' the application for their own consideration⁴.
9. NHDC is aware of instances where planning permission has been granted upon proposed Local Plan allocations in the Green Belt in advance of Plan adoption. Such permissions have relied on the *very special circumstances* test set out in the NPPF and include schemes granted upon appeal and by the Secretary of State.
10. The Council is in receipt of a number of planning applications on sites currently within the Green Belt but proposed for allocation in the Plan. However, at the time of writing, NHDC has not reached a position where any of these applications have been presented for positive consideration under *very special circumstances*. This position has been influenced by the absence of any post-hearings or interim findings on the proposed new

² Paragraphs 143 to 146 of NPPF2.

³ Written Ministerial Statement by Brandon Lewis MP, 1 July 2013, <https://publications.parliament.uk/pa/cm201314/cmhansrd/cm130701/wmstext/130701m0001.htm>

⁴ The Town and Country Planning (Consultation) (England) Direction 2009

Local Plan. The Inspector's letter of 9 July raises a number of further queries on Green Belt matters. These facts inevitably affect the weight which can be attributed to the new Plan under Paragraph 48 of NPPF2. In turn, this affects the extent to which a proposed allocation in the emerging Plan might contribute to any case of *very special circumstances*.

11. At the time of the Plan's writing, adoption was anticipated in March 2018, nearly two years ago. This anticipated timetable was a significant influence upon the housing trajectory contained in the submitted Plan (LP1, p.223). This version of the trajectory had a base date of 1 April 2016:

The proposed submission plan (LP1) and housing background paper (HOU1) made assumptions on the timing and delivery of sites based upon the Local Development Scheme in place at the time of writing (January 2016). This had anticipated receipt of an Inspector's report by the end of 2017 and adoption of a new plan in the first quarter of 2018.

(ED3, p.8, paragraph 3.10)

12. At the time of its writing, the Council anticipated delivery would accelerate to deliver more than 600 homes in the 2018/19 monitoring year and more than 900 homes per year on an ongoing basis from 2019/20. These figures were predicated on substantive delivery beginning on many of the proposed Green Belt sites in the Plan during 2019/20 (HOU1, Appendix 3, pp.66-67) following its anticipated adoption in March 2018.

13. A partial update of HOU1, relating to housing monitoring and five-year supply, was produced following submission of the Plan for examination (ED3). This document updated the housing information to a base date of 1 April 2017. In doing so, the Council made some allowances for a delay in adoption, particularly recognising the importance of this for Green Belt sites:

When resolving to submit the plan for examination in April 2017, the Council adopted a revised Local Development Scheme (OLP1). This now anticipates receipt of an Inspector's report in May 2018 with adoption following shortly after.

This change is particularly relevant for sites proposed to be removed from the Green Belt where the (prospective) change in their policy status is critical to the determination of planning applications.

As a consequence there has been a modest re-profiling of anticipated delivery. It is now considered prudent to not anticipate housing delivery from (current) Green Belt sites until the 2019/20 monitoring year at the earliest, as compared with a modest allowance for 2018/19 included in HOU1.

(ED3, p.8, paragraphs 3.11 to 3.12)

14. The revised trajectory in this document anticipated a lower level of delivery in the 2018/19 monitoring year of 433 homes. However, delivery from 2019/20 onwards was still anticipated to exceed 900 homes (ED3, p.11). This version of the trajectory formed the basis of the original hearing sessions held between November 2017 and March 2018 nearly two years ago. At these sessions NHDC reiterated the Plan's reliance upon positive decisions in relation to proposed Green Belt sites, particularly in its discussion of the most appropriate approach to five-year supply:

The NPPF recognises, at Paragraph 52, that the supply of new homes can sometimes be best achieved through planning for larger scale development, including extensions to existing villages and towns.

In order to deliver upon these, this plan undertakes a comprehensive review of the District's Green Belt in order to release a range of sites for development. The merits of this approach are discussed in more detail under other matters.

Substantial residential sites currently located within the Green Belt normally require an adopted plan which removes them from the Green Belt (or at least a clear indication that they are highly likely to remain within any such plan once adopted) in order to proceed.

ED3 therefore recognises (paragraph 3.13, p.8) that it is not prudent to anticipate housing delivery from current Green Belt sites until the 2019/20 monitoring year at the earliest.

The 'components of supply' trajectory in the Council's Matter 6 statement demonstrates that significant reliance needs to be placed on extant planning permissions and Local Housing Allocations in the early years following adoption of the plan before the Strategic Housing Sites become the main component of supply.

(NHDC Matter 4 Hearing Statement, p.6, paragraphs 39 to 43)

15. A similar message was echoed in the Council's evidence upon the proposed stepped housing target⁵:

In this regard, many of the factors identified in response to Issue 4.3(d) similarly justify the use of a staged housing target:

- *The plan seeks to meet its objectively assessed housing needs in full over the plan period (paragraph 38 of this statement);*
- *The reliance of the plan on Green Belt review and strategic development sites in order to achieve this (paragraphs 39 to 42);*

⁵ The submission Plan proposed a stepped approach to housing delivery of 500 homes per year over the first ten years of the plan period (2011-2021) rising to 1,100 homes per year between 2021 and 2031 (LP1, p.50, paragraph 4.99). Following the Matter 4 hearing it was requested that this approach be formalised through modifications. These are set out in MM372 (proposed Policy IMR1) and MM373 (supporting text) respectively.

- *The need for clarity in plan-making terms as to the future status of these sites before they can proceed (paragraph 41);*
- *The significant reliance on permitted supply (including sites where the current absence of a five-year land supply has been a factor in determination) and smaller, local housing allocations in the early years following plan adoption (paragraph 43); and*
- *The absence of realistic alternate means of delivering additional housing in shared market areas under the Duty to Co-operate (paragraphs 44 to 46).*

(NHDC Matter 4 Hearing Statement, p.10, paragraph 67)

16. By the close of the scheduled hearing sessions in March 2018, it was clear that the timetable in OLP1 and relied upon by ED3 would not be met. NHDC included a further update on housing land supply in its responses to the Inspector's 'homework' arising out of the hearing sessions (ED140, Action 4 & Appendix 3, pp.13-15 & 33-34). This again acknowledged the impact of previously assumed timetables being exceeded:

Further changes are also proposed to the detailed delivery schedules for some individual sites. This includes, but is not necessarily limited to, altering phasing assumptions to:

- *reflect the length of the examination. ED3 states that its housing trajectory was predicated on adoption of a plan in mid-2018. This timetable has slipped following (re)scheduling of examination hearing sessions...*

(ED140, p.13, paragraph 65)

17. The updated trajectory in ED140 contained a further downward revision in delivery. This version of the trajectory assumed delivery of 367 homes in the 2018/19 monitoring year and 617 in 2019/20. At the time of its writing, receipt of an Inspector's report and any adoption of the plan were anticipated in late 2018, over a year ago and early 2019, nearly a year ago, respectively. This is reflected in the assumptions which include a small amount of development on proposed allocations currently within the Green Belt in 2019/20 before more substantive completions from these sites in 2020/21.

18. Following the extended consultation period for the Main Modifications consultation and the Inspector's letters of 9 July and 9 August these assumptions will now also not be met. Should the Inspector hold additional hearing sessions as proposed, NHDC would now anticipate receipt of any Inspector's report and a decision on adoption in the second half of 2020 at the earliest. This is a substantial delay of at least 2½ years on the timetable assumed when writing the proposed submission version of the Plan (see Paragraph 11 above). This has a critical impact upon the delivery of those sites reliant on the Plan to deliver a change in their current Green Belt status.

19. Following the completion of monitoring visits in spring 2019, the actual housing completions achieved in the 2018/19 monitoring year has been confirmed as 220 units (net). This is substantially below the figures anticipated at earlier stages of the Plan and its examination, as set out above.

Current position

20. The Council has taken a positive position where appropriate. Permissions or resolutions to grant have been issued on a number of proposed non-Green Belt allocations within towns and villages and in the Rural Area beyond Green Belt. The current absence of a five-year land supply has been a factor in relevant decisions. A summary of the proposed allocations in the Plan where permissions or resolutions have been granted at the time of writing is set out in the table below.

Table A: Progress on proposed Local Plan allocation sites

Site	Settlement	Status
AS1	Ashwell	Detailed planning permission granted September 2019
BA6	Baldock	Detailed planning permission granted September 2019
BK1	Barkway	Reserved Matters granted June 2018 Site under construction
KB3	Knebworth	Detailed planning permission granted December 2017 Site under construction
LG6 (part)	Letchworth GC	Outline permission for 8 units granted August 2016 Reserved Matters for 8 units granted November 2019
LG9	Letchworth GC	Outline planning permission granted March 2018
LG17	Letchworth GC	Detailed permission granted May 2018 Site under construction
LS1	Lower Stondon	Detailed planning permission granted October 2019
RY1	Royston	Outline planning permission granted February 2019 Reserved Matters granted October 2019
RY2	Royston	Outline planning permission granted December 2016 Phase 1 reserved matters granted May 2018 Phase 2 reserved matters granted September 2018 Site under construction
RY4 (part)	Royston	Detailed planning permission for 39 units granted March 2018
RY8	Royston	Detailed planning permission granted February 2018 Site under construction
RY10	Royston	Resolution to grant outline permission August 2019
WH2	Whitwell	Detailed planning permission granted December 2017 Site under construction

21. Equally, the Council has resisted a number of 'hostile applications' on sites not proposed for allocation in the Plan. Several of these were sustained at appeal during 2018⁶. These appeal decisions were predicated, at least in part, upon the anticipated resolution of the Council's current five-year supply issues through the new Local Plan in the near future.

⁶ Appeal references APP/X1925/W/17/3192151, APP/X1925/W/18/3194048, APP/X1925/W/17/3187286 and APP/X1925/W/17/3184846

However, the ongoing delays in the Local Plan examination place the Council's ability to sustain such a position in any future appeals at risk. This, in turn, undermines the planned system and the delivery of sustainable development.

22. For Development Management purposes, the approach to five-year supply set out in NPPF2 now applies. This has a two-fold impact on NHDC. Firstly, and in the absence of an adopted, up-to-date Plan, it means that the Government's 'standard method' figures must be used to calculate the housing requirement⁷. These figures are notably higher than the figures proposed in the Local Plan under the stepped approach. Secondly, the definition of 'deliverable' sites set out in Annex 2 of NPPF2 *excludes* proposed allocations in emerging Local Plans. To date, the Annex 2 definition has been viewed as a closed list.
23. As at 1 April 2019, and for decision-making purposes only, the Council's current published position is that presently it has only a **1.3-year land supply**. NHDC recognises that this is a particularly acute position. **It places further emphasis on the urgent need to progress the current examination to a conclusion at the earliest reasonable opportunity.**

Updated delivery and five-year supply assumptions for plan-making purposes

24. From the start of the plan period on 1 April 2011 to 31 March 2019, a total of 2,496 net additional homes have been delivered in North Hertfordshire. This represents an average of 312 homes per year over that period. This represents a considerable shortfall against the annual rates of development suggested by the Plan, even allowing for the proposed stepped target and use of the *Liverpool* method for calculating five-year supply.
25. A revised trajectory of anticipated housing delivery has been produced. This is summarised at Appendix A to this paper alongside the previous trajectories submitted to the examination. The latest figures are based upon the assumption of positive progress on the Plan being achieved during 2020. This would, subject to other relevant considerations, allow for positive consideration of planning applications on a number of proposed allocations currently within the Green Belt by the end of the 2020/21 monitoring year.
26. Under these conditions and based upon current information, the Council considers it could deliver approximately 3,300 homes in the five-year period from 1 April 2019 to 31 March 2024 and in excess of 4,000 homes in the five-year period from 1 April 2020 to 31 March 2025. These figures would suggest average completion rates of approximately 660 and 800 homes per year respectively. It would represent a 'significant boost' upon the rates achieved over the plan period to date (312 dpa), being more than double the average figure identified in paragraph 24.

⁷ Paragraph 73 of NPPF2

27. However the Council is conscious that there would be now be significant challenges in meeting the total proposed housing requirement set out in Policy SP8 of 15,950 homes by 2031, even with this anticipated uplift in delivery and the identification of sufficient sites and land to meet this figure.
28. At an earlier stage in the examination, the Council set out a range of five-year land supply scenarios. This included consideration of a stepped vs. non-stepped housing target and the *Liverpool* vs. *Sedgefield* approaches to dealing with any backlog (ED42). This was used to support the Council's position that a stepped housing target and use of the *Liverpool* method was the most appropriate basis for the Plan. Proposed Main Modifications MM372 and MM373 set out this proposed approach in a new policy, IMR1, and associated supporting text. There has been no indication in any of the correspondence that the Inspector has any in principle concerns with a stepped housing target and use of the *Liverpool* method.
29. However, the delays set out above mean that the Plan cannot now demonstrate a five-year supply against IMR1's requirements which proposed a delivery rate of 500 dwellings per annum for the period 2011 to 31 March 2021, a total delivery of 5,000 dwellings for that period. Based upon actual delivery of new homes to 31 March 2019 and the revised assumptions on housing delivery contained in Appendix A, the Council could demonstrate:
- A **2.3-year land supply** against the Plan's proposed targets and approach as at 1 April 2017 (the base date used in the Matter 4 hearings); and
 - A **2.8-year land supply** as at 1 April 2019 (most recent information).

Options for proceeding

30. Resolving this position is inevitably going to involve a degree of pragmatism, an approach which Local Plan Inspectors are strongly encouraged to take. Given the age of the District's current Local Plan, housing delivery is beginning from a very low base (around 312 dpa). Although the Council recognises it should not necessarily be 'rewarded' for its past failure to Plan, it should equally not be left open to unplanned and unsustainable development that undermines the integrity of the Plan-led system.
31. The Council maintains its position that the current suite of sites "*makes maximum use of reasonable and available development sites*" (LP1, p.224, paragraph 14.34). Of the sites considered suitable and available for consideration at the time of plan preparation, the sites not carried forward for development were largely:
- Further sites in villages already considered to be receiving an appropriate maximum of development from other proposed allocations; or
 - In areas of flood risk that would be subject to the sequential and exception tests set out in national policy

(See NHDC Matter 5 statement, p.4, Table A)

32. The land West of Stevenage has been proposed for safeguarding for long-term use pending a future Plan review. Notwithstanding any potential for earlier delivery, this site would still have a considerable lead time and could do nothing to address short-term development needs, indeed even if allocated it is unlikely to deliver more than a few hundred or so houses at the end of the plan period.
33. *The selection of additional sites from the options previously identified is therefore not supported by the Council as a potential way forward.*
34. Any decision to search for, consider or include more sites at this stage in the process would result in yet further, substantial delay and a probable suspension of the examination. The Council would need to conduct a further call for sites exercise to ensure potential alternatives were properly considered and carry out necessary testing of (e.g.) transport and infrastructure implications. It would be necessary to update the sustainability appraisal and other evidence documents, such as the Green Belt Review, to take account of any further sites. This would inevitably lead to a requirement for substantial further examination hearings. These would potentially lead to further modifications requiring consultation. This is a process far better left to a review of the plan which will need to have been undertaken in any event within five years of its adoption.
35. In the meantime, the policy status of the existing, proposed site allocations within the present Green Belt sites would remain stalled; any additional capacity that might be realised from such an exercise would highly likely be offset by further delay to the delivery of (in particular) the proposed strategic sites in the Plan.
36. *The suspension of the Examination to allow for the identification and consideration of additional sites is therefore not supported by the Council as a potential way forward.*
37. The NPPF suggests that Plans should cover a realistic time period, preferably 15 years from the date of adoption. The proposed plan period remains at 2011-2031. Given the presently anticipated timetable (see Paragraph 25), there is now likely to be around 10 years of the plan period remaining at the point of any future adoption.
38. Clearly it is not appropriate at this stage to amend or extend the plan period as that will simply add to the overall housing requirement and exacerbate the issues identified. *Extending the Plan period is therefore not supported by the Council as a potential way forward.*

The way forward

39. In light of the factors above, and having ruled out support for a number of alternate options, the Council presently considers that the most appropriate way forward is as follows:
- A reduction in the proposed housing requirement in Policy SP8 to 14,000 homes to reflect a realistic level of housing delivery with a modest buffer;

- Amending the requirements of proposed policy IMR1 to a three-stepped approach. This would consist of the following elements:
 - **Step 1:** Recognise the delivery of ~2,500 homes between 2011 and 2019 as a fixed quantum over which no further control can be exercised and set a target of 350 homes per year for this period. This would limit the undersupply from the early years of the Local Plan. A similar approach was used in the adopted Local Plan of Arun⁸ and is under consideration in interim advice issued by the Inspector at Epping Forest “to ensure that the Council is not set up to fail”. This advice recognises that “to justify a stepped trajectory, it should neither be possible to meet the averaged annualised requirement nor to move supply forward from later in the Plan period”⁹;
 - **Step 2:** Set a target for five-year land supply monitoring purposes of 500 homes per year for the five years from 1 April 2019. This would set a target to provide 2,500 homes in the next five years which represents a step change to the level of housing that has been delivered over the plan period to date (312 dpa). It would also enable the Council to demonstrate a five year supply given that it would be a 20% authority, at least to start with, which would actually require demonstration of a supply of 3,000 homes (600pa) plus a contribution towards the accrued undersupply from Step 1; and
 - **Step 3:** Set a target of 1,250 homes per year for the remainder of the Plan period from 1 April 2024;
- A recognition in relation to the above that:
 - The Plan would continue to identify sufficient land to meet the originally identified OAN and housing requirement but that, on current estimates of delivery, this would continue to be delivered beyond the plan period. **It is important to be clear that the Council is not proposing the removal of any sites from the Plan.** The reduction in projected delivery arises solely from the forecast completion of several strategic sites now being extended beyond 2031;
 - The Council maintains an aspiration to accelerate delivery (well) above these short-term target levels and to meet the original targets insofar as practicable. As above, retaining the existing suite of proposed sites in full provides the best opportunity for developers to bring forward schemes and, where possible, accelerate towards the delivery ambitions set out in the Plan as originally submitted; and
 - This approach is the only reasonable means of ensuring a realistic and achievable housing requirement for the remainder of the plan period

⁸ <https://www.arun.gov.uk/download.cfm?doc=docm93jjjm4n12488.pdf&ver=12506>, see particularly Paragraph 95 (p.19), accessed December 2019.

⁹ <http://www.efdclocalplan.org/local-plan/inspectors-advice/>, see particularly Paragraphs 25 to 27 of Document reference ED98, accessed December 2019.

and providing an achievable five-year land supply for the coming years;

- A recognition that the present evidence on (e.g.) transport and infrastructure [which is based on existing trajectories] demonstrated a reasonable 'worst case' and reflect the aspirations above. They therefore remain a robust evidence base for the Plan with no requirement for further work or update; and
- A commitment to an early whole-plan review to commence by the end of 2023 at the latest to, among other matters:
 - Roll-forward the time horizon of the Plan;
 - Re-assess actual and anticipated delivery rates upon the sites identified in this Plan;
 - Identify, as considered appropriate at the time, any additional sites to address assessed needs, including the feasibility of a new settlement; and
 - Coincide with, or reflect the outcomes of, anticipated reviews of other authorities in shared housing market areas which would include the exploration of whether any other authorities could take any unmet needs arising in North Hertfordshire.

40. In suggesting the above, the Council has considered a wide-range of potential alternate approaches to the matter of five-year supply. A summary of these is set out at Appendix B. This analysis clearly demonstrates the above approach (or a very close variant thereof) is the only option which provides a realistic prospect of demonstrating a five-year supply and maintaining the integrity of the plan-led system in this District. The detailed calculations supporting this position are contained in Appendix C.

41. As set out to the examination in 2017, the Council cannot achieve a five-year supply under the recommended *Sedgefield* approach to dealing with any backlog in delivery under a two-step approach to the housing target. This remains the case even with a proposed reduction in the overall housing requirement.

42. The only achievable way forward is therefore to annualise the remaining housing requirement (the *Liverpool* approach) and then step this as set out above. Due to the delays in the examination, and based upon current information, the Council regrets that around 2,000 homes originally intended to be delivered within the Plan period under the trajectory submitted in June 2017 are now unlikely to be brought forward by 2031.

Appendix A: Revised housing trajectory as at 1 April 2019

Monitoring period (1 April to 31 March)	Current delivery assumptions (December 2019)	Previous delivery assumptions		
		ED140 (Apr 2018)	ED3 (Jul 2017)	LP1 (Oct 2016)
2011-12	384	384	384	384
2012-13	291	291	291	291
2013-14	259	259	259	259
2014-15	180	180	180	180
2015-16	341	341	341	341
2016-17	539	539	539	413
2017-18	282	339	339	448
2018-19	220	367	433	608
2019-20	401	617	926	936
2020-21	494	1,384	1,361	1,329
2021-22	474	1,541	1,353	1,362
2022-23	780	1,443	1,361	1,280
2023-24	1,205	1,417	1,257	1,229
2024-25	1,468	1,280	1,270	1,236
2025-26	1,420	1,160	1,329	1,265
2026-27	1,378	1,051	1,151	1,213
2027-28	1,349	1,000	1,107	1,164
2028-29	1,299	983	1,123	1,058
2029-30	1,102	998	1,073	997
2030-31	975	955	984	909
Total 2011-2031	14,841	16,529	17,061	16,902

Actual / known completions shown in bold

Appendix B: Consideration of five-year supply scenarios

Approach considered		Commentary based upon revised trajectory
Housing requirement	Trajectory	
15,950 homes as per Policy SP8	Stepped approach as per proposed Policy IMR1 (500 homes per year 2011-2021 then 1,100 2021-2031)	No prospect of achieving five-year supply under either <i>Liverpool</i> or <i>Sedgefield</i> methods either at the point of adoption or on an ongoing basis. Based upon the trajectory, five-year supply would gradually increase over time. Lowest measure of 2.4 years (<i>Sedgefield</i> method at 2019). Highest measure of 4.0years (<i>Liverpool</i> method in 2023 and 2024).
	Non-stepped approach (800 homes per year 2011-2031)	As above but with lowest measure of 1.8 years (<i>Sedgefield</i> , 2019).
	Three stepped approach (300 homes per year 2011-2019; 600 homes per year 2019-2024; 1,500 homes per year 2024-2031)	This approach would set a target for the period to 31 March 2019 to broadly reflect actual delivery consistent with the <i>Arun</i> and (proposed) <i>Epping Forest</i> examples discussed above. An intermediate target of 600 homes per year would then be set for the first five years post adoption. However, this requires a target for the last five-years of the Plan period of 1,500 homes per year which is considered unrealistic. In any event this approach still cannot demonstrate a five-year supply with a supply of 4.7 years at 2019 which then deteriorates as the requirement increases.

Approach considered		Commentary based upon revised trajectory
Housing requirement	Trajectory	
Amended requirement of ~14,000 homes to reflect realistically anticipated delivery with a buffer	Non-stepped approach (700 homes per year 2011-2031)	No prospect of demonstrating a five-year supply under either <i>Liverpool</i> or <i>Sedgefield</i> approaches as scale of backlog requires continued application of 20% buffer. Lowest measure of 2.1 years (<i>Sedgefield</i> , 2019).
	Two-Stepped approach based upon IMR 1 (400 homes per year 2011-2021; 1,000 homes per year 2021-2031)	As above but with lowest measure of 3.1 years (<i>Sedgefield</i> , 2019).
	Three-stepped approach (350 homes per year 2011-2019; 500 homes per year 2019-2024; 1,250 homes per year 2024-2031)	This approach would set a target of 350 homes per year for the period to 31 March 2019 broadly reflecting actual delivery. The remaining plan period would be split in two. A target of 500 homes per year would apply for the first five years, increasing to 1,250 for the remainder of the Plan period. This option provides the only realistic prospect of demonstrating a five-year supply at the point of assessment / adoption with a 5.3 year supply under the <i>Liverpool</i> approach at 2019. Five-year supply would hold at between 5.1 years and 5.4 years until 2024.

Appendix C: Five-year supply calculations (Actual figures at 1 April 2019. Subsequent years assume housing delivery as per App. A)Scenario 1:

Housing requirement: 15,950

Stepped approach as per proposed Policy IMR1 (500 homes per year 2011-2021; 1,100 per year 2021-2031)

	Five-year supply (Sedgefield)	1 April 2019	1 April 2020	1 April 2021	1 April 2022	1 April 2023
A	Cumulative completions since 1 April 2011	2,496	2,897	3,391	3,865	4,645
B	Cumulative target since 1 April 2011	4,000	4,500	5,000	6,100	7,200
C	Shortfall against target as at 1 April (A – C)	-1,504	-1,603	-1,609	-2,235	-2,555
D	Target for next five years	4,300	4,900	5,500	5,500	5,500
E	Shortfall to be addressed in five year period (Sedgefield method) (-C)	1,504	1,603	1,609	2,235	2,555
F	Buffer to be applied	+20%	+20%	+20%	+20%	+20%
G	Total five year requirement (D + E) * F	6,965	7,804	8,531	9,282	9,666
H	Projected delivery in five-year period	3,354	4,421	5,347	6,251	6,820
I	Years land supply (H / G) * 5	2.4	2.8	3.1	3.4	3.5

	Five-year supply (Liverpool)	1 April 2019	1 April 2020	1 April 2021	1 April 2022	1 April 2023
A	Cumulative completions since 1 April 2011	2,496	2,897	3,391	3,865	4,645
B	Cumulative target since 1 April 2011	4,000	4,500	5,000	6,100	7,200
C	Shortfall against target as at 1 April	-1,504	-1,603	-1,609	-2,235	-2,555
D	Target for next five years	4,300	4,900	5,500	5,500	5,500
E	Shortfall to be addressed in five year period (Liverpool method) (-C annualised * 5)	627	729	805	1,242	1,597
F	Buffer to be applied	+20%	+20%	+20%	+20%	+20%
G	Total five year requirement (D + E) * F	5,912	6,754	7,565	8,090	8,516
H	Projected delivery in five-year period	3,354	4,421	5,347	6,251	6,820
I	Years land supply (H / G) * 5	2.8	3.3	3.5	3.9	4.0

NORTH HERTFORDSHIRE DISTRICT COUNCIL LOCAL PLAN EXAMINATION

Scenario 2:

Housing requirement: 15,950

Non-stepped approach (800 homes per year 2011-2031)

	Five-year supply (Sedgefield)	1 April 2019	1 April 2020	1 April 2021	1 April 2022	1 April 2023
A	Cumulative completions since 1 April 2011	2,496	2,897	3,391	3,865	4,645
B	Cumulative target since 1 April 2011	6,400	7,200	8,000	8,800	9,600
C	Shortfall against target as at 1 April (A – C)	-3,904	-4,303	-4,609	-4,935	-4,955
D	Target for next five years	4,000	4,000	4,000	4,000	4,000
E	Shortfall to be addressed in five year period (Sedgefield method) (-C)	3,904	4,303	4,609	4,935	4,955
F	Buffer to be applied	+20%	+20%	+20%	+20%	+20%
G	Total five year requirement (D + E) * F	9,485	9,964	10,331	10,722	10,746
H	Projected delivery in five-year period	3,354	4,421	5,347	6,251	6,820
I	Years land supply (H / G) * 5	1.8	2.2	2.6	2.9	3.2

	Five-year supply (Liverpool)	1 April 2019	1 April 2020	1 April 2021	1 April 2022	1 April 2023
A	Cumulative completions since 1 April 2011	2,496	2,897	3,391	3,865	4,645
B	Cumulative target since 1 April 2011	6,400	7,200	8,000	8,800	9,600
C	Shortfall against target as at 1 April	-3,904	-4,303	-4,609	-4,935	-4,955
D	Target for next five years	4,000	4,000	4,000	4,000	4,000
E	Shortfall to be addressed in five year period (Liverpool method) (-C annualised * 5)	1,627	1,956	2,305	2,742	3,097
F	Buffer to be applied	+20%	+20%	+20%	+20%	+20%
G	Total five year requirement (D + E) * F	6,752	7,147	7,565	8,090	8,516
H	Projected delivery in five-year period	3,354	4,421	5,347	6,251	6,820
I	Years land supply (H / G) * 5	2.5	3.1	3.5	3.9	4.0

Scenario 3:

Housing requirement: 15,950

Three-stepped approach (300 homes per year 2011-2019; 600 homes per year 2019-2024; 1,500 homes per year 2024-2031)

	Five-year supply (Sedgefield)	1 April 2019	1 April 2020	1 April 2021	1 April 2022	1 April 2023
A	Cumulative completions since 1 April 2011	2,496	2,897	3,391	3,865	4,645
B	Cumulative target since 1 April 2011	2,400	3,000	3,600	4,200	4,800
C	Shortfall against target as at 1 April (A – C)	96 (surplus)	-103	-209	-335	-155
D	Target for next five years	3,000	3,900	4,800	5,700	6,600
E	Shortfall to be addressed in five year period (Sedgefield method) (-C)	0	103	209	335	155
F	Buffer to be applied	+20%	+20%	+20%	+20%	+20%
G	Total five year requirement (D + E) * F	3,600	4,804	6,011	7,242	8,106
H	Projected delivery in five-year period	3,354	4,421	5,347	6,251	6,820
I	Years land supply (H / G) * 5	4.7	4.6	4.4	4.3	4.2

	Five-year supply (Liverpool)	1 April 2019	1 April 2020	1 April 2021	1 April 2022	1 April 2023
A	Cumulative completions since 1 April 2011	2,496	2,897	3,391	3,865	4,645
B	Cumulative target since 1 April 2011	2,400	3,000	3,600	4,200	4,800
C	Shortfall against target as at 1 April	96 (surplus)	-103	-209	-335	-155
D	Target for next five years	3,000	3,900	4,800	5,700	6,600
E	Shortfall to be addressed in five year period (Liverpool method) (-C annualised * 5)	0	47	105	186	97
F	Buffer to be applied	+20%	+20%	+20%	+20%	+20%
G	Total five year requirement (D + E) * F	3,600	4,736	5,885	7,063	8,036
H	Projected delivery in five-year period	3,354	4,421	5,347	6,251	6,820
I	Years land supply (H / G) * 5	4.7	4.7	4.5	4.4	4.2

Scenario 4:

Housing requirement: 14,000

Non-stepped approach (700 homes per year 2011-2031)

	Five-year supply (Sedgefield)	1 April 2019	1 April 2020	1 April 2021	1 April 2022	1 April 2023
A	Cumulative completions since 1 April 2011	2,496	2,897	3,391	3,865	4,645
B	Cumulative target since 1 April 2011	5,600	6,300	7,000	7,700	8,400
C	Shortfall against target as at 1 April (A – C)	-3,104	-3,403	-3,609	-3,835	-3,755
D	Target for next five years	3,500	3,500	3,500	3,500	3,500
E	Shortfall to be addressed in five year period (Sedgefield method) (-C)	3,104	3,403	3,609	3,835	3,755
F	Buffer to be applied	+20%	+20%	+20%	+20%	+20%
G	Total five year requirement (D + E) * F	7,925	8,284	8,531	8,802	8,706
H	Projected delivery in five-year period	3,354	4,421	5,347	6,251	6,820
I	Years land supply (H / G) * 5	2.1	2.7	3.1	3.6	3.9

	Five-year supply (Liverpool)	1 April 2019	1 April 2020	1 April 2021	1 April 2022	1 April 2023
A	Cumulative completions since 1 April 2011	2,496	2,897	3,391	3,865	4,645
B	Cumulative target since 1 April 2011	5,600	6,300	7,000	7,700	8,400
C	Shortfall against target as at 1 April	-3,104	-3,403	-3,609	-3,835	-3,755
D	Target for next five years	3,500	3,500	3,500	3,500	3,500
E	Shortfall to be addressed in five year period (Liverpool method) (-C annualised * 5)	1,293	1,547	1,805	2,131	2,347
F	Buffer to be applied	+20%	+20%	+20%	+20%	+20%
G	Total five year requirement (D + E) * F	5,752	6,056	6,365	6,757	7,016
H	Projected delivery in five-year period	3,354	4,421	5,347	6,251	6,820
I	Years land supply (H / G) * 5	2.9	3.6	4.2	4.6	4.9

Scenario 5:

Housing requirement: 14,000

Two-stepped approach based upon IMR1 (400 homes per year 2011-2021; 1,000 homes per year 2021-2031)

	Five-year supply (Sedgefield)	1 April 2019	1 April 2020	1 April 2021	1 April 2022	1 April 2023
A	Cumulative completions since 1 April 2011	2,496	2,897	3,391	3,865	4,645
B	Cumulative target since 1 April 2011	3,200	3,600	4,000	5,000	6,000
C	Shortfall against target as at 1 April (A – C)	-704	-703	-609	-1,135	-1,355
D	Target for next five years	3,200	3,800	4,400	5,000	5,000
E	Shortfall to be addressed in five year period (Sedgefield method) (-C)	704	703	609	1,135	1,355
F	Buffer to be applied	+20%	+20%	+20%	+20%	+20%
G	Total five year requirement (D + E) * F	5,405	6,124	6,731	7,362	7,626
H	Projected delivery in five-year period	3,354	4,421	5,347	6,251	6,820
I	Years land supply (H / G) * 5	3.1	3.6	4.0	4.2	4.5

	Five-year supply (Liverpool)	1 April 2019	1 April 2020	1 April 2021	1 April 2022	1 April 2023
A	Cumulative completions since 1 April 2011	2,496	2,897	3,391	3,865	4,645
B	Cumulative target since 1 April 2011	3,200	3,600	4,000	5,000	6,000
C	Shortfall against target as at 1 April	-704	-703	-609	-1,135	-1,355
D	Target for next five years	3,200	3,800	4,400	5,000	5,000
E	Shortfall to be addressed in five year period (Liverpool method) (-C annualised * 5)	293	320	305	631	847
F	Buffer to be applied	+20%	+20%	+20%	+20%	+20%
G	Total five year requirement (D + E) * F	4,912	5,663	6,365	6,757	7,016
H	Projected delivery in five-year period	3,354	4,421	5,347	6,251	6,820
I	Years land supply (H / G) * 5	3.4	3.9	4.2	4.6	4.9

Scenario 6:

Housing requirement: 14,000

Three-stepped approach (350 homes per year 2011-2019; 500 homes per year 2019-2024; 1,250 homes per year 2024-2031)

	Five-year supply (Sedgefield)	1 April 2019	1 April 2020	1 April 2021	1 April 2022	1 April 2023
A	Cumulative completions since 1 April 2011	2,496	2,897	3,391	3,865	4,645
B	Cumulative target since 1 April 2011	2,800	3,300	3,800	4,300	4,800
C	Shortfall against target as at 1 April (A – C)	-304	-403	-409	-435	-155
D	Target for next five years	2,500	3,250	4,000	4,750	5,500
E	Shortfall to be addressed in five year period (Sedgefield method) (-C)	304	403	409	435	155
F	Buffer to be applied	+20%	+20%	+20%	+20%	+20%
G	Total five year requirement (D + E) * F	3,365	4,384	5,291	6,222	6,786
H	Projected delivery in five-year period	3,354	4,421	5,347	6,251	6,820
I	Years land supply (H / G) * 5	4.98	5.04	5.05	5.02	5.03

	Five-year supply (Liverpool) RECOMMENDED APPROACH	1 April 2019	1 April 2020	1 April 2021	1 April 2022	1 April 2023
A	Cumulative completions since 1 April 2011	2,496	2,897	3,391	3,865	4,645
B	Cumulative target since 1 April 2011	2,800	3,300	3,800	4,300	4,800
C	Shortfall against target as at 1 April	-304	-403	-409	-435	-155
D	Target for next five years	2,500	3,250	4,000	4,750	5,500
E	Shortfall to be addressed in five year period (Liverpool method) (-C annualised * 5)	127	183	205	242	97
F	Buffer to be applied	+20%	+20%	+20%	+20%	+20%
G	Total five year requirement (D + E) * F	3,152	4,120	5,045	5,990	6,716
H	Projected delivery in five-year period	3,354	4,421	5,347	6,251	6,820
I	Years land supply (H / G) * 5	5.3	5.4	5.3	5.2	5.1