

DATED _____ 12th August 2025

Memorandum of Understanding

between

Stevenage Borough Council

and

East Hertfordshire District Council

on

The Stevenage Borough Local Plan Partial Update 2025

1. The Parties

- 1.1. This Agreement is between Stevenage Borough Council (“the Council”) and East Hertfordshire District Council (“EHDC”) (together “the Parties”).

2. Introduction

- 2.1. The Stevenage Borough Local Plan 2011-2031 (“the Local Plan”) was adopted by the Council on 22 May 2019 and forms part of the development plan for Stevenage Borough. It sets out a vision and a framework for future development and is comprehensive in this respect except for policies relating to minerals and waste.
- 2.2. The Council is obliged by regulation 10A of the Town and Country Planning (Local Planning) (England) Regulations 2012 (as amended) to review the Local Plan every five years from the date of adoption. The Council duly carried out a review in 2024 and subsequently commenced the process of partially updating the Local Plan (“the Local Plan Partial Update”).
- 2.3. The Council is also obliged by section 33A of the Planning and Compulsory Purchase Act 2004 (as amended) to co-operate with local planning authorities, the county council and other prescribed bodies in the preparation of development plan documents (e.g. the Local Plan Partial Update) so far as relating to strategic matters. EHDC is a local planning authority adjoining Stevenage.

3. Purposes

- 3.1. The purposes of the Agreement are as follows:
- (a) to demonstrate that the Parties have co-operated effectively on all strategic matters arising from the Local Plan Partial Update; and

(b) to highlight the areas of agreement and disagreement on those matters in order to assist the examination of the Local Plan Partial Update.

3.2. The Agreement is a live document which will be reviewed and updated as co-operation on strategic matters continues on an ongoing basis. A schedule of past and planned future meetings alongside key Local Plan Partial Update milestones is shown at Appendix 1.

4. Strategic Matters

4.1. The strategic matters requiring co-operation between the Parties are those which have or would have a significant impact across the planning areas of the Council and EHDC. This includes (but is not necessarily limited to) the use of land in Stevenage for housing, employment premises and public service infrastructure.

4.2. The Parties have met regularly to discuss these matters and will continue to do so. A schedule of past and planned future meetings alongside key Local Development Scheme milestones is shown at Appendix 1.

4.3. The Council has also included EHDC in the regulation 18 and regulation 19 consultations on the Local Plan Partial Update.

4.4. The Parties agree that within the context outlined in paragraph 4.1, the substantive issues arising from the Local Plan Partial Update are as follows:

(a) the overall housing requirement and transitional arrangements;

(b) housing type and tenure;

(c) employment requirements;

(d) retail requirements;

(e) financial viability; and

(f) education (which is covered by a separate agreement).

4.5. Housing Requirements

4.5.1. Policy SP7 is the strategic policy which sets out the Council's overall housing requirement. In the adopted local plan, that requirement is for 7,600 homes to be delivered over the entire plan period from 2011 to 2031. In the Local Plan Partial Update, this overall requirement has not changed.

4.5.2. What has changed is the proportion of those 7,600 homes that need to be delivered between 2024 and 2031: previously the Council planned for 380 homes per year, whereas now it is planning for 708 homes per year. This is reflected in the revised wording of Policy SP7 in the Stevenage Borough Local Plan 2011-2031 (Consolidated with Changes)

(published as part of the June 2025 Addendum to the Local Plan Partial Update), which says that 4,956 homes will be delivered over the remainder of the plan period from 2024 to 2031.

- 4.5.3. The target for 708 homes to be delivered each year for the remainder of the plan period was calculated by subtracting net housing completions from 2011 to 2024 (2,644) from the whole plan period target of 7,600. This updated annualised housing requirement greatly exceeds the figure of 485 homes per year which would result from applying the standard method December 2024 (with March 2025 affordability data).
- 4.5.4. The Local Plan Partial Update will be assessed against the NPPF December 2023 because it qualifies for the transitional arrangements set out at paragraph 234(a) of the NPPF December 2024. A comparison of the draft housing requirement against local housing need (“LHN”) is shown in Table 1 below.

HR (2024-2031)	LHN (Dec 2024)	Difference
4,956	3,395	146%

Table 1 – Draft Housing Requirement vs. Local Housing Need

- 4.5.5. As shown, the draft housing requirement in the Local Plan Partial Update is 146% of the LHN calculated using the standard method December 2024. This is on the basis that the relevant figures are taken from the date of plan review, meaning the final seven years of the plan period.
- 4.5.6. The Council therefore remains committed to delivering the residual homes planned for in the Local Plan but with an accelerated delivery over the remaining seven years of the plan period. This approach goes above and beyond what would be required by applying the standard method and accounts for historic underdelivery over the years of the plan period which have already elapsed.
- 4.5.7. The fact that the overall housing requirement remains unchanged at 7,600 homes means that the sites allocated for housing also remain unchanged in the Local Plan Partial Update. When it was adopted in 2019, the Local Plan identified sites sufficient to deliver at least 7,600 homes over the entire plan period and those sites remain fit to deliver at least that number of homes. It follows that it is not necessary to identify any new sites for housing and that the housing requirement will be met entirely within the borough.
- 4.5.8. Policy SP7 continues to look ahead over the 20-year period from 2011 to 2031 and the proposed acceleration in housing delivery over the final years of the plan does not alter this. The Council is of the opinion that this is consistent with paragraph 22 of the NPPF December 2023, which requires strategic policies to look ahead over a period of at least 15 years from the date of adoption. Any alternative view would prevent local planning authorities from updating their local plans without having more than 15 years remaining in their plan period, since an extended plan period would amount to an entirely new plan.
- 4.5.9. For the above reasons, the Parties agree that the Council's approach to its overall housing requirement is appropriate and are content with Policy SP7 as drafted in the Stevenage

Borough Local Plan 2011-2031 (Consolidated with Changes) (published as part of the June 2025 Addendum to the Local Plan Partial Update). There are no other outstanding issues relating to the housing requirement arising from the Local Plan Partial Update.

4.6. Housing Type and Tenure

- 4.6.1. According to Policy HO7 of the Local Plan, major housing developments on land that is not previously developed should comprise 30% affordable dwellings. In the Local Plan Partial Update, the Council proposes that this is increased to 40%. The level of affordable housing required for developments on previously developed land would remain unchanged at 25%.
- 4.6.2. The Council is also proposing a change to requirements to provide accessible housing in the Local Plan Partial Update. Policy HO11 of the Local Plan requires major residential developments to comprise 50% category M4(2) accessible and adaptable dwellings, whereas the Local Plan Partial Update would require 40% M4(2) and a further 10% M4(3)(b) wheelchair user dwellings.
- 4.6.3. Both of these proposed changes reflect the findings of the Strategic Housing Market Assessment 2023, which considered housing type and tenure requirements for Stevenage in the context of delivering the remainder of the overall Local Plan target to provide 7,600 homes between 2011 and 2031.
- 4.6.4. The Parties agree that the Council's approach to housing type and tenure is appropriate and are content with Policy HO7 and Policy HO11 as drafted in the Stevenage Borough Local Plan 2011-2031 (Consolidated with Changes) (published as part of the June 2025 Addendum to the Local Plan Partial Update). There are no other outstanding issues relating to the housing type and tenure arising from the Local Plan Partial Update.

4.7. Employment Requirements

- 4.7.1. Policy SP3 of the Local Plan identifies a requirement for a total of 140,000m² of employment floorspace to be provided across various sites within the borough. At the time of adoption, it was envisaged that this level of provision would not be sufficient to meet all of the demand for employment space in Stevenage over the plan period. Accordingly, the Council agreed that this unmet need (totalling 13 hectares) would be met by North Hertfordshire District Council and Central Bedfordshire Council.
- 4.7.2. The employment requirements in the Local Plan were informed by a series of studies, including the Employment and Economy Baseline Study 2013, Strategic Land Availability Assessment 2015, Functional Economic Market Area Study 2015, and the Strategic Housing Market Assessment 2015. The Council summarised the findings of these studies and presented its final conclusions on the employment requirements for the Local Plan in the Employment Technical Paper 2015.
- 4.7.3. In preparing the Local Plan Partial Update, the Council has produced an updated assessment, repeating the exercises carried out in the Employment and Economy

Baseline Study 2013 but with more up-to-date data. The findings of this assessment are presented in the Employment Technical Paper 2024.

4.7.4. In response to these findings, the Council has not proposed any updates to Policy SP3 which would be likely to have a significant impact on EHDC.

4.7.5. The Parties agree that the Council's approach to employment is appropriate and are content with Policy SP3 as drafted in the Stevenage Borough Local Plan 2011-2031 (Consolidated with Changes) (published as part of the June 2025 Addendum to the Local Plan Partial Update). There are no other outstanding issues relating to employment arising from the Local Plan Partial Update.

4.8. Retail Requirements

4.8.1. Policy SP4 of the Local Plan establishes the retail hierarchy in Stevenage and sets out the requirements for retail floorspace over the plan period. These requirements were principally informed by the Retail Study 2014.

4.8.2. In preparing the Local Plan Partial Update, the Council commissioned a Retail Study Update, which was published in 2024. As part of this update, a review was carried out into the role and function of the retail designations in the Local Plan, alongside a health check of the defined centres, and an assessment of retail commitments and national planning policy changes since the plan was adopted.

4.8.3. In response to these assessments, the Council has not proposed any updates to Policy SP3 which would be likely to have a significant impact on EHDC.

4.8.4. The Parties agree that the Council's approach to retail is appropriate and are content with Policy SP4 as drafted in the Stevenage Borough Local Plan 2011-2031 (Consolidated with Changes) (published as part of the June 2025 Addendum to the Local Plan Partial Update). There are no other outstanding issues relating to retail arising from the Local Plan Partial Update.

4.9. Financial Viability

4.9.1. In preparing the Local Plan Partial Update, the Council commissioned a Local Plan & CIL Review Viability Assessment, which was published in 2024. This considered the cumulative impact of all of the proposed policy changes (including the proposed affordable housing targets) and the proposed changes to the Council's CIL charging schedule on the financial viability of development within the borough, particularly on the strategic sites which have yet to come forward for development.

4.9.2. The Parties agree that the Local Plan & CIL Review Viability Assessment 2024 is comprehensive in considering the implications of the Local Plan Partial Update and CIL Review on the financial viability of development within Stevenage. The Parties further agree that the proposed changes to planning policy and CIL rates will not have any significant impacts that could undermine the delivery of the plan.

4.10. Other Issues

4.10.1. The Parties agree that there are no other outstanding issues arising from the Local Plan Partial Update which are relevant to any strategic matters between the Parties.

4.10.2. However, the Parties agree to keep this position under regular review as co-operation continues on an ongoing basis.

5. **Signed**

5.1.1. Agreed by:



Alex Robinson

Assistant Director for Planning and Regulation

on behalf of

Stevenage Borough Council



Digitally signed by Cllr Vicky
Glover-Ward
DN: cn=Cllr Vicky Glover-Ward, o,
ou=East Herts District Council,
email=vicky.glover-
ward@eastherts.gov.uk, c=GB
Date: 2025.08.12 11:09:18 +01'00'

Councillor Vicky Glover-Ward

Executive Member for Planning and Growth

on behalf of

East Hertfordshire District Council

Appendix 1

Schedule of Meetings and LDS Milestones

Date	Event
19 April 2023	Secondary Education Strategy Meeting
23 June 2023	HPG Development Plans Meeting
28 June 2023	Secondary Education Strategy Meeting
4 September 2023	East Herts District Plan Review Meeting
14 September 2023	North Herts, East Herts and Stevenage Sports Strategy Meeting
19 September 2023	NEC Herts Meeting
22 September 2023	HPG Development Plans Meeting
26 September 2023	Secondary Education Strategy Meeting
17 October 2023	NEC Herts Meeting
13 November 2023	NEC Herts Meeting
4 December 2023	NEC Herts Meeting
2 February 2024	HPG Development Plans Meeting
14 March 2024	HPG Meeting
5 April 2024	HPG Development Plans Meeting
24 May 2024	HPG Development Plans Meeting
12 June 2024	North Herts, East Herts and Stevenage Sports Strategy Meeting
5 July 2024	Regulation 18 consultation opens
19 July 2024	HPG Development Plans Meeting
14 August 2024	Regulation 18 consultation closes
18 September 2024	Coordinated Green Belt Study Meeting
21 November 2024	Regulation 19 consultation opens
13 December 2024	HPG Development Plans Meeting
14 February 2025	Regulation 19 consultation closes
16 May 2025	HPG Development Plans Meeting
29 May 2025	Duty to Cooperate Meeting
24 June 2025	Addendum consultation opens
4 July 2025	Duty to Cooperate Meeting
4 August 2025	Addendum consultation closes