

Stevenage Borough Council
Statement of Case – Appendix 1
Five Year Housing Land Supply Supplementary Statement

Appeal by Hill Residential Ltd under S78 of the Town and Country Planning Act 1990 (as amended) against the decision of Stevenage Borough Council to refuse planning permission in respect of the Full application for the proposed demolition of existing office building (Use Class B1) and structures, and the construction of seven apartment buildings comprising 576 dwellings (Use Class C3) together with internal roads, parking, public open space, landscaping, drainage and associated infrastructure works.

Land West of Lytton Way, Stevenage, Hertfordshire, SG1 1AG

Insp Ref: APP/K1935/W/20/3255692

LPA Ref: 19/00474/FPM

5 March 2020

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1. Introduction

- 1.1. This Supplementary Statement has been prepared to update the Inspector on the Council's current Five Year Housing Land Supply and to address issues raised by the appellant in their note titled "Stevenage Borough Housing Land Supply Update" submitted to the Council on 4 February 2021.
- 1.2. The paper has been prepared by David Hodbod, MSc, a Principal Planning Officer from the Council's Planning Policy Team.

2. Relevant Policy

- 2.1. Paragraph 73 of the National Planning Policy Framework (NPPF) states that:

Strategic policies should include a trajectory illustrating the expected rate of housing delivery over the plan period, and all plans should consider whether it is appropriate to set out the anticipated rate of development for specific sites. Local planning authorities should identify and update annually a supply of specific deliverable sites sufficient to provide a minimum of five years' worth of housing against their housing requirement set out in adopted strategic policies³⁶, or against their local housing need where the strategic policies are more than five years old³⁷. The supply of specific deliverable sites should in addition include a buffer (moved forward from later in the plan period) of:

- a) *5% to ensure choice and competition in the market for land; or*
- b) *10% where the local planning authority wishes to demonstrate a five year supply of deliverable sites through an annual position statement or recently adopted plan³⁸, to account for any fluctuations in the market during that year; or*
- c) *20% where there has been significant under delivery of housing over the previous three years, to improve the prospect of achieving the planned supply³⁹.*

- 2.2. The NPPF provides a definition of 'deliverable' in Annex 2: Glossary:

Deliverable: *To be considered deliverable, sites for housing should be available now, offer a suitable location for development now, and be achievable with a realistic prospect that housing will be delivered on the site within five years. In particular:*

- a) *sites which do not involve major development and have planning permission, and all sites with detailed planning permission, should be considered deliverable until permission expires, unless there is clear evidence that homes will not be delivered within five years (for example*

because they are no longer viable, there is no longer a demand for the type of units or sites have long term phasing plans).

b) where a site has outline planning permission for major development, has been allocated in a development plan, has a grant of permission in principle, or is identified on a brownfield register, it should only be considered deliverable where there is clear evidence that housing completions will begin on site within five years.

- 2.3. With regards to Part B of the NPPF's definition of 'deliverable', the Planning Practice Guide (PPG) explains what could constitute 'clear evidence' to determine whether a housing site should be considered 'deliverable':

What constitutes a 'deliverable' housing site in the context of plan-making and decision-taking?

In order to demonstrate 5 years' worth of deliverable housing sites, robust, up to date evidence needs to be available to support the preparation of strategic policies and planning decisions. Annex 2 of the National Planning Policy Framework defines a deliverable site. As well as sites which are considered to be deliverable in principle, this definition also sets out the sites which would require further evidence to be considered deliverable, namely those which:

- have outline planning permission for major development;*
- are allocated in a development plan;*
- have a grant of permission in principle; or*
- are identified on a brownfield register.*

Such evidence, to demonstrate deliverability, may include:

- current planning status – for example, on larger scale sites with outline or hybrid permission how much progress has been made towards approving reserved matters, or whether these link to a planning performance agreement that sets out the timescale for approval of reserved matters applications and discharge of conditions;*
- firm progress being made towards the submission of an application – for example, a written agreement between the local planning authority and the site developer(s) which confirms the developers' delivery intentions and anticipated start and build-out rates;*
- firm progress with site assessment work; or*
- clear relevant information about site viability, ownership constraints or infrastructure provision, such as successful participation in bids for large-scale infrastructure funding or other similar projects.*

Plan-makers can use the Housing and Economic Land Availability Assessment in demonstrating the deliverability of sites.

Paragraph: 007 Reference ID: 68-007-20190722

Revision date: 22 July 2019

- 2.4. Footnote 39 of the NPPF refers to the Housing Delivery Test (HDT) to help define what is meant by “significant under delivery of housing”. The PPG explains in more detail how the HDT results should be used when a Council calculates a minimum five years’ worth of housing. It also states what the consequences are if a Council falls below certain levels of delivery:

What happens if the identified housing requirement is not delivered?

From the day following publication of the Housing Delivery Test measurement, where delivery of housing has fallen below the housing requirement, certain policies set out in the National Planning Policy Framework will apply. Depending on the level of delivery, these are:

- the authority should publish an action plan if housing delivery falls below 95%;*
- a 20% buffer on the local planning authority’s 5 year land supply if housing delivery falls below 85%; and*
- application of the presumption in favour of sustainable development if housing delivery falls below 75%, subject to the transitional arrangements set out in paragraph 215 of the Framework.*

These consequences apply concurrently, for example those who fall below 85% should produce an action plan as well as the 20% buffer. The consequences will continue to apply until the subsequent Housing Delivery Test measurement is published. The relevant consequence for any under-delivery will then be applied. Should delivery meet or exceed 95%, no consequences will apply.

Where a new housing requirement is adopted after the publication of the measurement, the Housing Delivery Test calculation will be re-run using the new requirement as set out in paragraphs 17 to 18 of the Housing Delivery Test rule book. Any consequences for under-delivery will be applied from the day after the publication of the re-run measurement.

Paragraph: 042 Reference ID: 68-042-20190722

Revision date: 22 July 2019

- 2.5. The Stevenage Borough Local Plan (adopted May 2019) sets out the total housing target of 7,600 homes across the Local Plan period between 1 April 2011, and 31 March 2031. Policy SP7: High Quality Homes states:

This Local Plan supports significant growth in and around Stevenage to help meet needs across the market area. We will:

- a) Provide at least 7,600 new homes within Stevenage Borough between 2011 and 2031.*

- 2.6. This can be annualised to give a figure of 380 dwellings per year.

3. Background

- 3.1. In accordance with NPPF paragraph 73, the Council has identified and updated annually a supply of specific deliverable sites sufficient to provide a minimum of five years' worth of housing. The supply has been set against the housing requirement of 380 dwellings per year set out in Policy SP7 of the Local Plan.
- 3.2. Sections 3 and 4 explain that the Council has identified a supply of sites using the definition of 'deliverable' from the NPPF Glossary, in line with the appropriate buffers specified in NPPF paragraph 73 and PPG paragraph 042, and using the evidence suggested in PPG paragraph 007 to support the inclusion of housing sites within the 'deliverable' supply where necessary.

September 2020 - Five Year Housing Land Supply Update

- 3.3. In September 2020, the Council published a Five Year Housing Land Supply Update (Appendix A) which set out how the Council could demonstrate it had a sufficient Housing Land Supply (HLS).
- 3.4. As will be explained in Section 4, the September 2020 Update calculated the housing requirement using the 'Liverpool' approach to take account of historic undersupply and a 5% buffer in line with the previous year's Housing Delivery Test score of 113%.
- 3.5. The September 2020 Update set out the deliverable housing supply in line with the two-part NPPF definition of 'deliverable'. Part A was made up of units under construction, with full planning permission and with prior notification. Part B included units with Outline Permission and/or Local Plan allocations where supported by clear evidence that housing completions will begin on site within five years.
- 3.6. The information for Part A was taken from Hertfordshire County Council's Smart Herts database. This database compiles all the planning permissions in Hertfordshire (split by district) giving a 'live' record of the number of permitted units at any one time. The database also provides a status for each permission: either 'commenced', 'complete' or 'not commenced'. The status is only updated once per year when Hertfordshire County Council officers have undertaken an annual survey where they visit the location of each extant permission. Therefore some figures in Smart Herts are correct as of 31 March and remain unchanged for a 12 month period.
- 3.7. Units were included in Part B if there was sufficient evidence to meet the guidance of PPG paragraph 007 regarding what constitutes sufficient evidence. The units included in Part B were mainly supported by a written agreement between the local planning authority and the site developer(s) to confirm the developers' delivery intentions and anticipated start and build-out rates. Written agreement was mainly secured in the form of Statements of Common Ground (SoCG) which set out

milestones for each development and expected build-out rates for residential units. One site was supported by email confirmation rather than a SoCG.

- 3.8. The conclusion of the September 2020 Update was that the Council had a **5.64 year Housing Land Supply** with a surplus of 336 units for the 5yr period 1 April 2020 – 31 March 2025.

Housing Delivery Test 2020

- 3.9. In January 2021, MHCLG published the 2020 Housing Delivery Test results. For Stevenage, the results are included in Table 1:

ONS code	Area name	Number of homes required			Total number of homes required
		2017-18	2018-19	2019-20	
E07000243	Stevenage	366	381	348	1,094
Number of homes delivered			Total number of homes delivered	Housing Delivery Test: 2020 measurement	Housing Delivery Test: 2020 consequence
2017-18	2018-19	2019-20			
78	297	327	702	64%	Presumption

Table 1 - Stevenage's HDT 2020 Score

- 3.10. As illustrated in Table 2, the 2020 result was a significant drop compared to the HDT scores of the previous two years. Previously, Stevenage had achieved a level exceeding even the highest threshold for consequences:

HDT	No. of homes required	No. of homes delivered	Score	Consequence
2018	1,115	1,119	100%	None
2019	1,120	1,262	113%	None
2020	1,094	702	64%	Presumption

Table 2 - Stevenage's Historic HDT Scores

- 3.11. The most significant reason for the low HDT score is the impact of delivering only 78 units in 2017/18. This low delivery likely occurred as a result of a low level of applications being submitted in the previous year when the Council held the Examination in Public for the emerging Local Plan. It is understandable that developers would delay submitting planning applications until after the Local Plan was adopted so their application would be assessed against up-to-date policies with up to date allocations.
- 3.12. However, developers would not have envisaged the 18 month Holding Direction (Appendix B) that was subsequently placed on the Local Plan prior to its adoption. Delays in submitting applications will have had a more lasting impact than in normal circumstances as it took a prolonged period of time before the Holding Direction

was released (Appendix C) and the Local Plan could be adopted to promote development.

- 3.13. In line with PPG paragraph 042, the Council's 2020 HDT score of 64% means that for the next 12 months, the Council must:
 - 1) prepare an Action Plan to assess the causes of under-delivery and identify actions to increase delivery in future years,
 - 2) include a buffer of 20% when calculating the authority's Housing Land Supply rather than 5%, and
 - 3) apply the presumption in favour of sustainable development in decision-making.
- 3.14. The Council is currently preparing an Action Plan to assess the causes of under-delivery. The Action Plan will set out how the Council will attempt to increase supply in the future.
- 3.15. Many of the measures that a Council can take are already being implemented by the Council. The Council has a recently adopted Local Plan which sets an aspirational housing target. The Council has been determining applications for housing with a high level being granted. The Council is working proactively with developers to design and bring forward the strategic sites allocated in the Local Plan. The Council is promoting schemes on its own land, including allocated and windfall sites. As such, and made clear by the list of sites that are classed as deliverable and those the Council currently classes as 'developable', the Council is applying considerable effort to increase the housing supply of the borough.
- 3.16. As a result of the Council's efforts to promote house building and the fact that the 2017/18 figure won't be part of next year's score, the Council expects the low result of the 2020 HDT to be a one-off and that the 2021 HDT score will ensure the Council will not have to apply the presumption for a prolonged period.

January 2021 - Five Year Housing Land Supply Update Addendum

- 3.17. Shortly after the HDT 2020 scores had been published in January 2021, the Council published an Addendum (Appendix D) to the September Five Year Housing Land Supply Update to address the second of the HDT consequences.
- 3.18. The January 2021 Addendum recalculated the authority's Housing Land Supply using a 20% buffer instead of a 5% buffer. In addition, it included houses which had been granted permission since 01 April 2020 to the total of deliverable houses under Part A of the definition of deliverable. The figures in the September 2020 Update were 9 months old at this point and it seemed sensible to include newer permissions to give a more up-to-date position.
- 3.19. The Business and Planning Act 2020 temporarily modified the Town and Country Planning Act 1990 and the Planning (Listed Buildings and Conservation Areas) Act

1990 to enable certain planning permissions and listed building consents in England which lapsed or were due to lapse during 2020 to be extended. This meant that any permissions which expired or were due to expire between 19 August 2020 and 31 December 2020 were extended to 1 May 2021. As such, the Council did not have to remove any houses from the previous number of sites with detailed planning permission. 172 additional sites had been granted permission although 133 were already included within Part B. As such, 39 units were added to the Part A portion of deliverable supply.

- 3.20. The January 2021 Addendum did not make other amendments figures from the September 2020 Update.
- 3.21. The conclusion of the January 2021 Addendum was that the Council had a **5.002 year Housing Land Supply** with a surplus of 1 unit for the 5yr period 1 April 2020 – 31 March 2025.

This Supplementary Statement and Future Update

- 3.22. Section 4 will update the Inspector on the Council's current HLS. The HLS will be correct as of 5 March 2021, the date that Statement of Cases for APP/K1935/W/20/3255692: Land West of Lytton Way, SG1 1AG were submitted.
- 3.23. Section 4 will explain how the Council has calculated its HLS and will explain any differences between the up to date HLS and those in the September 2020 Update and the January 2021 Addendum for the appellant's benefit.
- 3.24. As previously mentioned, the data for units that have been completed and those under construction is only updated once per year, based on HCC's survey which was undertaken in the March 2020. As such, some of the data used in the Section 4 will be over 11 months old and will shortly be superseded. Officers from Hertfordshire County Council are currently undertaking the annual housing survey and the HCC Smart Herts database will therefore be updated shortly after the Statements of Case are submitted for this planning appeal.
- 3.25. The HLS in Section 4 will therefore be out of date before the Hearing commences.
- 3.26. In order to provide the Inspector with relevant information at the time of the Hearing or Inquiry, the Council will recalculate its HLS to include the updated HCC Smart Herts database. The Council will commit to finalising this update as soon as possible after HCC's Smart Herts database has been updated and will submit the information to the Planning Inspectorate.
- 3.27. It should be noted that the updated HLS will relate to the five year period between 1 April 2021 and 31 March 2026 rather than 1 April 2020 and 31 March 2025 as in Section 4.

4. The Council's Current Five Year Housing Land Supply

- 4.1. This section gives the Council's HLS as of 5 March 2021. The HLS has been calculated using the methodology and agreed build-out rates (confirmed by appended SoCGs) in the September 2020 Update, but with the 20% buffer as in the January 2021 Addendum and up-to-date permissions data from the HCC Smart Herts database.
- 4.2. Any differences from the September 2020 update and/or the January 2021 Addendum will be stated.

Sedgefield v Liverpool

- 4.3. The Council calculates its Housing Land requirement using the 'Liverpool' approach rather than the 'Sedgefield' approach.
- 4.4. A quick explanation of the two different approaches is that the 'Sedgefield' approach incorporates all historic undersupply in the demand for housing within the next five years. The 'Liverpool' approach allows for the historic undersupply to be delivered across the rest of the Local Plan period.
- 4.5. At the Examination Hearings for the Local Plan, the Council demonstrated why it should address historic shortfall of housing delivery using the 'Liverpool' approach rather than the more standard 'Sedgefield' approach.
- 4.6. Following the Examination period for the Local Plan, the Inspector agreed that the Sedgefield approach was unrealistic for Stevenage and that the five-year housing supply should be calculated using the Liverpool approach. See extract from the Inspector's Report (Appendix E) below:

"The Council's reliance on a small number of large strategic sites makes early delivery of a large quantum of housing very challenging. This is because of the lead in time for housing to be built on these sites, following the adoption of the Plan and the rate at which the developers can build. Using the Sedgefield approach to dealing with previous shortfall would require the delivery of around 700 homes per year for the first 5 years. This is wholly unrealistic when considering previous delivery rates. Spreading the delivery of the previous shortfall over the Plan period is not ideal as it delays providing the shortfall over an even longer period. However, in this case there are a particular set of circumstances that mean it is the only sensible option."

- 4.7. The Local Plan was adopted in May 2019, less than 2 years ago, and the Inspector's statement that delivering 700 homes per year in the first 5 years is wholly unrealistic still stands. The Council is reliant on a number of relatively large, strategic sites which take time to progress, particularly if being planned well. As such, they take time to come forward and delivering housing at rates significantly

above the Council's Objectively Assessed Need will not be possible until later in the Plan period.

Housing Requirement

- 4.8. Table 1 shows the cumulative total of net housing completions in Stevenage since the start of the Local Plan period as included in the HCC Smart Herts database.

Monitoring Year	Actual Net Housing Completions	Cumulative Net Housing Completions
2011/12	190	190
2012/13	85	275
2013/14	172	447
2014/15	146	593
2015/16	153	746
2016/17	690	1436
2017/18	71	1507
2018/19	285	1792
2019/20	321	2113

Table 3 - Cumulative Net Housing Completions - 2011/12 - 2019/20

- 4.9. As of 31 March 2020, the Council had delivered 2,113 units since the start of the Local Plan period on 1 April 2011. This is an historic undersupply of 1,307 units.
- 4.10. Using the 'Liverpool' approach, the undersupply can be annualised by dividing it by the number of years remaining in the Local Plan period, in this instance 11 years between 31 March 2020 and 31 March 2031.
- $$1,307 / 11 = 118.18$$
- 4.11. The annualised undersupply is then added to the Council's annual housing requirement of 380 dwellings per year (from Local Plan policy SP7) and the Council's annual housing requirement can be calculated by applying a 20% buffer, as a consequence of the HDT 2020 score, to that sum.
- $$(380 + 118.18) \times 1.2 = 598.572$$
- 4.12. The annual housing requirement should then be multiplied by 5.
- $$598.572 \times 5 = 2,992.9$$
- 4.13. The Council's five year housing requirement is **2,993 units** for the period 01 April 2020 – 31 March 2025.

Part A Deliverable - Sites Under Construction

- 4.14. Based on the information in HCC's Smart Herts database, there are 331 units under construction.
- 4.15. As explained in paragraph 3.6, this figure was recorded by HCC during their housing survey in March 2020 and will shortly be superseded. It should be noted that this number differs from the figure (310) in the September 2020 Update and the January 2021 Addendum. Permission ref: 18/00740/FPM for 21 one- and two-bed flats at 12 North Road, Stevenage had been incorrectly omitted from Smart Herts database until recently. This scheme gained planning permission on 24 January 2020 and construction has commenced. As such, the September 2020 Update and January 2021 Addendum underrepresented the number of sites under construction.

Part A Deliverable - Sites with Detailed Planning Permission

- 4.16. Based on the information in HCC's Smart Herts database, there are 400 units with detailed permission.
- 4.17. This figure is correct as of 5 March 2021 and differs from the figures included in the September 2020 Update (358) and the January 2021 Addendum (397). Further units have been approved since the January 2021 Addendum as part of planning ref: 20/00672/FP for three 3-bed dwellings at Garages and Forecourt Area to the Rear of 13-19 The Chace, Stevenage.

Part A Deliverable - Sites with Prior Notification

- 4.18. Based on the information in HCC's Smart Herts database, there are 21 units with prior notification.

Part B 'Deliverable' Housing sites

- 4.19. The rest of this section details the sites we include in our Housing Land Supply which meet Part B of the definition of deliverable. These sites and build-out rates were included in the September 2020 Update and were mainly supported by Statements of Common Ground between the Council and the developers. The SoCGs were finalised in late summer and contain a collection of dates of how we expected developments to progress. In a few cases, certain progress hasn't matched the dates, however due to the conservative nature of many of the dates and the time allowed to undertake certain steps, we still believe the build-out rates are appropriate and no amendments need to be made to the deliverable supply compared to what was in the September 2020 Update.

Matalan

- 4.20. There is an extant Outline Planning Permission for 526 units at the Matalan site.
- 4.21. The Council signed a Statement of Common Ground with the developers of the Matalan site. In the SoCG, the Council and developer state their expectation that a

submitted Reserved Matters planning application would be considered by Planning and Development Committee in February 2021 and a Decision Notice would be issued by April 2021. The Reserved Matters application was approved at Committee on 2 March 2021 and seeing as the Section 106 agreement was signed for the Outline Permission, a Decision Notice is very likely to be issued ahead of the schedule included in the SoCG.

- 4.22. The Council and developer scheduled 9 months to discharge any pre-commencement conditions prior to commencing on site in January 2022. This is still considered appropriate.
- 4.23. The developers are planning for an 18 month build once on-site. The developers have a deadline to complete the development in order to access an Affordable Housing Grant from Homes England. As a social housing landlord, Affordable Housing grants form a key part of funding for the developer's schemes and if they miss the deadline, they will not receive the money. This gives the Council certainty that the developers will look to progress the site promptly.
- 4.24. An 18-month build starting in January 2022, would achieve completion by August 2024. This allows for an 8 month delay without any of the units not being completed within the five year period.
- 4.25. The Council therefore considers that all **526 units** should be included in the Housing Land Supply.

SG1

- 4.26. SG1 is the Council's major town centre regeneration scheme which will deliver 1,867 residential units as well as ground floor retail and commercial floorspace, new public open space and improved public sector facilities.
- 4.27. A hybrid planning application, seeking detailed permission for the 760 units in Phase 1 was approved by Planning and Development Committee in October 2020. The Statement of Common Ground assumed that planning permission would have been granted by the end of 2020, but as of 5 March 2021, the S106 agreement has not yet been signed. It is expected to be signed later in March 2021.
- 4.28. The Council signed a Statement of Common Ground with the developers of the SG1 scheme. The SoCG assumed that pre-commencement conditions would be discharged within 6 months of permission being granted with all units being completed across the following two years by March 2024. Both plots in Phase 1 have Prior Approval for clearance of the site and the build-out rates agreed in the SoCG were on the conservative side. As such, even with a delay of a few months whilst the S106 is finalised, there is still sufficient time for the units to be completed by March 2024, as specified in the SoCG. In any case, the expected completion

date in the SoCG allows time for an additional 12 month delay without any of the units not being completed within the five year period.

- 4.29. The Council therefore considers that all **760 units** should be included in the Housing Land Supply.
- 4.30. As an additional note, once the S106 has been signed, the overall scheme for 1,867 units will have Outline Permission and the Council will include any units expected to be delivered in the five year period in its Housing Land Supply. Currently, Phase 2 of the scheme is expected to deliver an additional 172 units within the five year period. Phase 3 is expected to start delivering completed units in the year following the five year period. The overall scheme will be a major contributor to the Council's Housing Land Supply for years to come.

North Stevenage

- 4.31. The North Stevenage site is allocated for 800 units as HO3 in the Local Plan and is one of the Plan's largest Strategic Sites.
- 4.32. Outline Permission for a mixed-use scheme including 800 units has been approved at Planning and Development Committee twice. One scheme was considered before the Council adopted a Community Infrastructure Levy Charging Schedule and another scheme was considered after CIL had been adopted with changes to the Section 106 agreement to take account of the adoption of the CIL.
- 4.33. The Council signed a Statement of Common Ground with the developers of the North Stevenage development. The SoCG expected a decision notice to have been issued by the end of 2020 with a Reserved Matters Application being submitted shortly after with the granting of permission and discharge of pre-commencement conditions being completed by the end of 2021.
- 4.34. As of 5 March 2021, the S106 agreement for the Outline Permission has not been signed and the Reserved Matters application has not been submitted as a result. However, the S106 is expected to be signed imminently and there are still nine months for the RMA to be approved and for conditions to be discharged prior to the SoCG's expected commencement on site. This is still considered an appropriate timeline.
- 4.35. There will be two developers on site, both of which will complete houses at an assumed rate of 75 per year, totalling 150 per year. The SoCG conservatively assumed that completions would only start after April 2022, so the site only contributes 450 units to the Housing Land Supply. Considering that the SoCG assumed no delivery prior to April 2022, a three month buffer was essentially included in the timeline so it is still considered likely that the SoCG's build-out rate will be achieved to make up for the current short delay whilst the S106 is signed.

4.36. The Council therefore considers that **450 units** should be included in the Housing Land Supply.

West Stevenage

4.37. The West Stevenage site is allocated for approximately 1,350 dwellings as HO2 in the Local Plan. It is the Plan's largest Strategic site outside of the town centre redevelopment.

4.38. The Developers signed a Planning Practice Agreement with the Council in January 2020 which set out an extensive 11 month pre-application process to ensure the application to be submitted had already been heavily considered and would meet policy requirements and those of statutory consultees from the outset where possible, rather than having to make amendments once submitted in light of consultee representations.

4.39. The development team met all the deadlines within the PPA, including submitting a Master Plan for the Council's Executive Member for Environment and Regeneration to approve by August 2020.

4.40. The Council signed a Statement of Common Ground with the two developers of the West Stevenage scheme part-way through the Pre-Application schedule. It was expected by all parties, and stated in the SoCG, that a hybrid application would have been submitted by December 2020. As of 5 March 2021, the application has not been submitted.

4.41. The development team had prepared an application in November but were waiting for the landowners (two private landowners and Homes England) to agree to its final submission. The developers are currently preparing to submit the application to the Council imminently. The hybrid application will seek detailed permission for 390 units

4.42. The SoCG assumed that the application would have been approved by Planning and Development Committee and that the S106 would have been signed by the end of June 2021. This is now considered unrealistic.

4.43. However, the SoCG allowed for a conservative 12 month period to discharge conditions and commence on-site after permission has been granted. As such, the Council still consider it realistic for the developers to be on-site by July 2022 as agreed in the SoCG.

4.44. The scheme has been through an extensive pre-application process and has therefore already had input from a large number of stakeholders and statutory consultees. It is expected that the determination period will be relatively quick for such a large site and that the agreed commencement date remains achievable.

- 4.45. For the build-out rate included in the SoCG, the two developers assumed a build-out rate in line with their average annual completion rates for similar large-scale, greenfield developments and applied the buildout rates proportionally starting from July 2022. This gives 362 completions within Phase 1 of the scheme within the five year period which the Council still considers a realistic trajectory. This leaves 28 units of Phase 1 to be completed after the five year period.
- 4.46. The Council therefore considers that **362 units** should be included in the Housing Land Supply.
- 4.47. As an additional note, once the S106 has been signed, the overall scheme (for 1,500 units) will have Outline Permission and the Council will include any units expected to be delivered in the five year period in its Housing Land Supply. Some units from Phase 2 are therefore expected to be included in the five year period relatively soon, although that quantum has not yet been specified.

Pin Green School

- 4.48. Pin Green School is allocated in the Local Plan for 42 homes. The site is a vacant, greenfield site in public ownership of Hertfordshire County Council. No extraordinary infrastructure is required for housing to be delivered on site.
- 4.49. The County Council's Property Team provided confirmation by email that they aim to deliver this site within the five year period. Whilst the written agreement is not in the form of a Statement of Common Ground, it constitutes a written agreement with the landowner/developer. The Council still consider that the scheme will be delivered within the five year period, particularly as the County Council has recently established its own housing delivery arm, Herts Living Ltd, to help accelerate the delivery of housing on its own land.
- 4.50. The Council therefore considers that all **42 units** should be included in the Housing Land Supply.

SBC Sites

- 4.51. Stevenage Borough Council currently own and are progressing with the delivery of three housing sites that are allocated in the Local Plan for residential development. These sites are:
- HO1/4 Dunn Close Garage Court – allocated for 5 dwellings
 - HO1/10 Land at Elliot Road – allocated for 16 dwellings
 - HO1/15 Shephall View – allocated for 25 dwellings.
- 4.52. An application has been submitted for Land at Eliot Road, pre-application has been submitted for the Shephall View and progress towards submission of a pre-application has been made for Dunn Close.

- 4.53. All three sites are easy to develop due to them being in public ownership, vacant, easily accessible and not requiring significant infrastructure to enable housing to be delivered. This was assessed as part of the Local Plan Examination process.
- 4.54. The Council therefore maintains that all 46 units should be included in the Housing Land Supply.
- 4.55. As an additional note, the Council is progressing a number of other schemes, both on allocated and windfall sites. Whilst these are likely to be delivered in the five year period, they don't meet the NPPF definition of 'deliverable' at this point so haven't been included in the Council's HLS figures. However, when the HLS is updated, it is likely that additional Council-owned schemes will be included in the HLS.

Windfall

- 4.56. Paragraph 70 of the NPPF allows LPAs to make an allowance for windfall sites as part of an anticipated supply and as windfall sites are included in Development Plans as a housing allocation, they can be considered as deliverable under part B of Annex 2 as stated in the NPPF.
- 4.57. The Stevenage Borough Local Plan allocates 20 dwellings per year as part of windfall sites in Policy HO1.
- 4.58. The Council assumes this will lead to 80 windfall units being delivered over the five-year period as the first year is almost over and it is unlikely that applications for 20 as yet unknown sites will be submitted, granted and delivered prior to 31 March 2021.
- 4.59. The Council therefore considers that **80 windfall units** should be included in the Housing Land Supply.

Total Deliverable Housing Supply

- 4.60. Table 4 shows that the total supply of deliverable housing identified by the Council for the five year period between 1 April 2020 and 31 March 2025 is 3,018 dwellings.

Total Number of Dwellings for Sites Under Construction	331
Total Number of Dwellings for Sites with Detailed Planning Permission	400
Total Number of Dwellings for Sites with Prior Notification	21
Total Number of Dwellings for Sites with Outline Permission	526
Total Number of Dwellings for other 'Deliverable' Sites	1660 (760+450+362+42+46)

Total Number of Dwellings for Windfall Sites	80
Total Identified Supply	3,018

Table 4 - Total Deliverable Housing Supply

The Council's Housing Land Supply

- 4.61. To conclude, based on the Total Deliverable Housing Supply and the Five Year Housing Requirement, the Council can demonstrate a Housing Land Supply of **5.04 years and a surplus of 25 dwellings** for the five year period between 1 April 2020 and 31 March 2025.

Five Year Housing Supply Calculation		As of 5 March 2021
A.	Objectively Assessed Need (dwellings per year)	380
B.	Local Plan Period (Years)	20
C.	Adopted Housing Target 2011-2031 (A x B)	7,600
D.	Completions 1 Apr 2011 – 31 Mar 2020	2,113
E.	Target 1 Apr 2011 – 31 Mar 2020	3,420
F.	Shortfall against target at 31 Mar 2020 (E – D)	-1,307
G.	Target 1 Apr 2020 – 31 Mar 2025	1,900
H.	Surplus / Shortfall to be delivered in 5yr period (F / 11 x 5)	-594
I.	Buffer to be applied (5% / 20%)	20%
J.	Total 5yr requirement ((G – H) x I)	2,993
K.	Dwellings under construction	331
L.	Dwellings granted permission or prior approval	421 (400+21)
M.	Dwellings granted outline permission or subject to S106	526
N.	Other dwellings considered 'deliverable'	1,660
O.	Dwellings from Windfall sites	80
P.	Total deliverable dwellings (supply) 1 Apr 2020 – 31 Mar 2025 (K + L + M + N + O)	3,018
Q.	Surplus of dwellings (P – J)	25
R.	Total Years Housing Supply ((P / J) x 5)	<u>5.04 yrs</u>

Table 5 - FYHLS Calculation

5. Response to Appellant's Statement of Case

- 5.1. On 4 February 2021, the appellant provided the Council with a note setting out "an assessment of Stevenage Borough Council's (SBC) latest housing land supply (HLS) which was published in September 2020, after submission of the appeal. This assessment supersedes the position as set out in our Statement of Case (SoC)".
- 5.2. This note raised certain issues with the Council's assumptions and calculations. The Council's response to these issues is included in the rest of Section 5.

Part A 'Deliverable' Sites - Under Construction

- 5.3. The appellant accepted the figure of 310 units were under construction included in the September 2020 Update.
- 5.4. We have added a further 21 units to the number of units under construction due to the previously incorrect omission of Ref: 18/00740FPM from the Smart Herts database. This site should have been added to the previously published figures. The appellant is yet to comment on the inclusion of these units.

Part A 'Deliverable' Sites - With Detailed Planning Permission

- 5.5. The appellant accepted the figure of 358 units with detailed planning permission included in the September 2020 Update.
- 5.6. However, the appellant noted that it was unrealistic to expect completions at one of these sites, Land at Six Hills House, at the rate that the September 2020 update suggested. Construction hadn't started by September 2020 and they also pointed out that a S73 application was submitted in October 2020 and remains undetermined.
- 5.7. The Council accepts both of these points but maintains that all units related to Land at Six Hills House are likely to be delivered within the five year period. Following permission being granted, the site underwent a change in ownership and the S73 application was submitted shortly after the change in ownership to ensure the future scheme was what the new owners want to deliver. The new owners' immediate correspondence with the Council and the prompt submission of the S73 application indicates they are keen to deliver housing on the site and there is nothing to suggest that units won't be delivered within the five year period.
- 5.8. We have added a further 42 units to the number of units with detailed planning permission as these have gained permission since 1 April 2020. The appellant is yet to comment on the inclusion of these units.

Part A 'Deliverable' Sites - With Prior Notification

- 5.9. The appellant accepted that 21 units had prior notification.

Part B ‘Deliverable’ Housing Sites

Matalan

- 5.10. The appellant did not accept 526 units at Matalan would be delivered in the five year period and stated that this should be reduced to 250 homes. They acknowledge that the site may have Reserved Matters approved by the time of the Hearing and we can confirm that the scheme approved at Planning & Development Committee on 2 March 2020 so is likely to have permission in the coming weeks.
- 5.11. The appellant believes the 18 month build time is unrealistic for a scheme of that size, however the developers have stated their strong intention to meet that timeframe in order to access the Homes England Affordable Housing Grant funding. The fact that the dates of the SoCG have so far been met, albeit 2 days late for the Planning and Development Committee session, supports the Council in its confidence that the developer is keen to progress the scheme quickly and well in advance of the end of the five year period.

SG1

- 5.12. The appellant did not accept that 760 units from Phase 1 of the scheme would be delivered in the five year period. They stated that dates included in the viability statement submitted with the planning application have been missed already and that the build-out rate in the SoCG is therefore unmanageable and should be reduced to 300 units in the five year period.
- 5.13. The build-out rates in the SoCG were agreed with the developer many months after the viability statement had been prepared and the application submitted, The dates took account of the progress that had been made since the application was submitted and included an accurate prediction of when the scheme would be considered by Planning and Development Committee.
- 5.14. As mentioned in Section 4, whilst the date of signing the S106 agreement has not been met, it is expected imminently and we consider that the build-out rates remain achievable and realistic with sufficient time incorporated to allow the slight delay to the S106. This will allow all units to be completed within the five year period.

North Stevenage

- 5.15. The appellant did not accept that 450 units would be delivered at the North Stevenage site in the five year period.
- 5.16. They state that the scheme needs re-considering at Planning and Development Committee and that it would be unachievable to grant Reserved Matters and discharge conditions by the end of 2021.
- 5.17. The scheme has been re-considered by Planning and Development Committee with a resolution to grant permission. Although the S106 has not been signed as of 5th

March, it is expected imminently. There are still nine months remaining for the Reserved Matters application to be approved and conditions discharged. As mentioned in Section 4, because the build-out rates included in the SoCG conservatively assumed that completions will only start in 2022/23, this allows for another delay of 3 months (using the developers' assumed build-out rates of 75 units per year each) which adds more certainty that 450 units can be delivered within the five year period.

West Stevenage

- 5.18. The appellant did not accept that 362 units would be delivered at the West Stevenage site in the five year period.
- 5.19. We accept that the appellant notes the hybrid application has not yet been submitted, but reiterate that it is expected imminently. The appellant states that the minimum determination period will be 12 months, but as explained in Section 4, the scheme has been through an extensive 11 month pre-application process which has allowed Council officers and other statutory consultees to have input into the scheme prior to submission. As such, many detailed aspects of the scheme have already been developed to meet requirements and the determination period should be relatively quick for a site of such a size and the commencement date included in the SoCG is still achievable.
- 5.20. The appellant also argues that the construction rates included in the SoCG are inappropriate and that they should be replaced with an assumption of 3 completions per month per house builder, plus 25% affordable housing. The construction rates included in the SoCG were agreed by each developer based on their average build-out rates for similar greenfield sites of a similar size. This is considered a robust assumption to base predicted housing completions on, certainly more robust than the figures quoted by the appellant. As the site is a greenfield site, the appellant's assumption of 25% Affordable Housing provision is also wrong. Local Plan Policy HO7: Affordable Housing Targets, states that sites on land other than Previously Developed Land must provide 30% Affordable Housing.
- 5.21. The Council therefore maintains that the delivery of 760 units included in the SoCG is still appropriate.

Pin Green School

- 5.22. The appellant did not accept that 42 units would be delivered at the Pin Green site in the five year period.
- 5.23. They state that because Hertfordshire County Council, as landowner and site promoter, has confirmed that no detailed work has started for the scheme yet that it doesn't meet the definition of deliverable.

5.24. The Council does not dispute that Hertfordshire County Council confirmed they haven't started detailed work yet, but would reiterate that they did confirm their intention to deliver the site in the five year period. This constitutes a written agreement with the developer/landowner, as specified in PPG paragraph 007. Whilst the Council accepts that the written agreement does not have the level of detail as the other SoCGs, this site will not take a significant amount of time to bring forward due to it being vacant, in public ownership, allocated, and not requiring extra-ordinary infrastructure. As such, there is no need for HCC to have started detailed work yet in order to deliver the scheme by the end of the five year period.

SBC Sites

5.25. The appellant accepted 46 units on Council-owned sites will be delivered.

Windfalls

5.26. The appellant considers the windfall allowance of 80 (20 per year for the latter four years of the five year period) should be reduced by one years' worth of sites, down to 60.

5.27. They state that any home to be delivered by April 2022 would require permission by September 2020.

5.28. The Council disputes this and has already made an allowance for time being required to deliver small windfall sites by excluding windfall sites from the first year of the five year period.

5.29. The Council therefore maintains that 80 windfall units should remain in the Housing Land Supply.

Sedgefield v Liverpool

5.30. The appellant disputes the use of the Liverpool approach when calculating the housing requirement. They state that because the Local Plan policies do not state that the Liverpool method should be used, the Council should instead use the more commonly used Sedgefield approach. This would have the effect of reducing the HLS because all previous undersupply would have to be delivered in the next five years.

5.31. The Council has covered its reasoning for the use of the Liverpool approach in Section 4, starting at paragraph 4.3. This issue was debated at the Local Plan Examination and the Inspector gave a clear judgement that the Sedgefield approach was "wholly inappropriate" and that spreading historic undersupply across the rest of the Plan period, ie the Liverpool approach, was "the only sensible option".

6. Conclusion

- 6.1. As explained in Section 4, the council can demonstrate that it has a **5.04 year Housing Land Supply with a surplus of 25 dwellings** for the five year period ending 31 March 2025.
- 6.2. The HLS is made up of sites that meet Part A of the definition of deliverable from robust data sources and sites that meet Part B of the definition of deliverable supported by written agreements, mainly in the form of Statements of Common Ground, to show the developers' intentions to bring the sites forward expediently.