

# Harlow Local Development Plan Pre-Submission Publication

## Housing Land Supply.

This note is prepared to review the housing land supply in the Plan, specifically the housing requirement of 9,200 dwellings over the Plan period 2011- 2033 as set out in policy HS1 of the submitted Plan. It explores options including stepped trajectories to ensure that there is a five year housing land supply at the point of adoption of the Plan. The note also provides further background, to the Housing Memorandum of Understanding jointly signed by the Housing Market Area (HMA) Districts.

### Memorandum of Understanding. (MoU)

The four HMA Districts comprising Harlow; Epping Forest; East Hertfordshire and Uttlesford Districts were signatories of the MoU in March 2017.

The MoU set out the 'Spatial Option' of the Objectively Assessed Housing Need (OAHN) of 51,100 dwellings for the HMA. The following table shows the distribution of the OAHN around the HMA districts.

**Figure 5 – The 'Spatial Option' of OAHN - 2011-2033**

Local authority	Net new dwellings 2011-2033
East Hertfordshire District Council	~ 18,000
Epping Forest District Council	~ 11,400
Harlow District Council	~ 9,200
Uttlesford District Council	~ 12,500
<b>Total across the HMA</b>	<b>~ 51,100</b>
<i>...of which the area in and around Harlow* will provide</i>	<i>~ 16,100</i>

*\* This represents net new dwellings*

*\*\* 'In and around Harlow' refers to Harlow town as well as around Harlow in adjoining districts*

*\*\*\*Uttlesford District Council accept this figure as appropriate based on 2012 based housing projections. However, the Council is testing a figure of 14,100 based on 2014 projections to*

This shows that Harlow's contribution to the Spatial Option was 9,200 dwellings, which is reflected in Policy HS1 in the submitted Plan.

Paragraph 1.9 of the MoU states that the authorities have agreed an overall quantum of development for the HMA as well as a housing figure for each of the four authority areas, of which a component will be accommodated in and around Harlow. Beyond these agreed figures the four authorities will determine the spatial distribution of housing in their respective areas through their own local plan processes.

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Harlow accepts that the 9,200 was its acknowledged share of the overall OAHN for the HMA, however, the original SHMA figure of 5,900 (2015) was for Harlow only and was not attributed to any one of the other three districts in terms of assisting them with their housing supply. Harlow's share was based on the capacity for housing development to meet the town's corporate priorities and to help bring about better affordability and support regeneration.

The 9,200 figure was, therefore, above the originally apportioned SHMA (2015) OAHN of 5,900 dwellings for Harlow and the 2017 updated SHMA figure of 7,400 dwellings.

Harlow by a letter dated 4 January 2018 responding to a letter of 21 November 2017 confirmed it was not in position to contribute towards the undersupply of housing at Epping Forest District. By an email of 19 December 2018, sent after submission of the Harlow Local Plan, EFDC again raised the issue of a contribution whilst acknowledging their own understanding that Harlow would not be in a position to assist. There has been no agreement since that time that any capacity existing in Harlow should go towards any identified unmet need arising in EFDC. The Council is keen to stand by the plan as submitted in this regard so that, for example, there is no question of EFDC approaching the Council after adoption seeking nomination assistance in relation to housing placements.

### Housing Trajectory

In order to achieve a five year land supply based on the Plan's requirement of 9,200 dwellings the Council has set out six options for a "stepped" trajectory which takes into account any under supply in the five years from 31<sup>st</sup> March 2019.

The Council submits that the need for a stepped trajectory arises because of the reliance on large strategic sites at Newhall and East of Harlow and the redevelopment of the hospital. They will come on stream towards the end of the five year period and over the remainder of plan period, and consequently is unlikely to contribute significantly to the five year supply. Furthermore, Harlow as a former new town with tightly drawn boundaries and the distinctive green wedges which are important to the town's distinctive green character, reflecting the planned nature of the town means uniquely there is little scope to bring forward housing sites to fulfil a five year housing land supply as may be the case in a large district.

Six options for a stepped trajectory have, been explored:

1. Distribute 9,200 over Plan period – 4.5 years supply
2. Distribute OAHN over first 13 years (including 5 year period) – 7.0 years supply
3. 5.0 year supply at point of adoption
4. 5.5 year supply at point of adoption
5. 5.2 year supply at point of adoption
6. 6.0 year supply at point of adoption

For each scenario any under supply has been accounted for in the 5 year period. Beyond the five year period the housing requirement has been stepped up to ensure that 9,200 dwellings are achieved by the end of the plan period. The options are set out on the next page.

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The council wishes to ensure that there is a robust supply to meet the 5 year land supply requirement in years 2019/20 to 2023/24. The Council also wishes to ensure that any under supply in any year in the period 2024/25 to the end of the plan period 2032/33 is minimised.

To explain this further the following observations are made in respect of potential options:

Option 1: Does not achieve a 5 year supply

Option 2: Has a 7 year supply, but in years 16, 17, 18 and 22 the expected supply falls short of the requirement which may put a 5 year supply in jeopardy at those future dates

Option 3: Has a 5 year supply and is not considered robust, although only year 22 falls short.

Option 4: Has a 5.5 year supply falls short on years 16, 18 and 22.

Option 5: Has a 5.2 years but this is not considered robust and falls short in year 16 and year 22.

Option 6: Has a 6 year supply which the Council considers a robust supply, and whilst it falls short in years 16, and 18 the shortfall on the requirement is minimal being only 39 dwellings, 36 dwellings and 131 dwellings in the final year.

The undersupply on the specific years is indicated by red blocks on the table on the next page.

In each of the options the last year of the plan (year 22) there is a shortfall as the known developments build out.

The Council wishes to propose option 6 as its preferred approach to the stepped trajectory, as this provides a robust 6 year housing land supply, any shortfall during the remainder of the plan would be minimised, and would meet the plans requirement for 9,200 dwellings.

It is pointed out that additional housing supply is likely to come forward through the emerging options being considered through the Harlow Town Centre Area Action Plan programmed for adoption in 2020.

### Stepped Trajectory Options.

Supply from Commitments																																		
Start of Local Plan								Current Year	1	2	3	4	5																					
								YR9	YR10	YR11	YR12	YR13	YR14	YR15	YR16	YR17	YR18	YR19	YR20	YR21	YR22													
2011/12								2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33						
389								152	126	204	225	340	351	675	664	445	611	787	716	648	764	462	529	465	646	655	640	370	10864					
Requirement Scenarios																																		
Option	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	*Requirement	No of steps	Under Supply	SYLS 20%	Comment							
	1	418	418	418	418	418	418	418	418	418	418	418	418	418	418	418	418	418	418	418	418	418	9,196	0	883	4.5	Evenly Distributed Requirement							
	2	336	336	336	336	336	336	336	336	336	336	336	336	336	537	537	537	537	537	537	537	537	9,201	1	229	7.0	OAHN - Delivery Falls Short on 4 years							
	3	395	395	395	395	395	395	395	395	395	395	395	395	395	452	452	452	452	452	452	452	452	9203	1	702	5.0	Produces 5YR supply exactly - Delivery Falls Short on 1 year							
	4	377	377	377	377	377	377	377	377	377	377	377	377	377	478	478	478	478	478	478	478	478	9203	1	556	5.5	Produces 5YR supply - Delivery Falls Short on 3 years							
	5	386	386	386	386	386	386	386	386	386	386	386	386	386	464	464	464	464	464	464	464	464	9194	1	629	5.2	Produces 5YR supply - Delivery Falls Short on 2 years							
	6	361	361	361	361	361	361	361	361	361	361	361	361	361	501	501	501	501	501	501	501	501	9202	1	429	6.0	Produces 5YR supply - Delivery Falls Short on 3 years							
Supply on option 6																	-39	28	-36	145	154	139	-131											

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### Lapse Rates

It was put forward at the examination that there should be a lapse rate taken into account to boost the 5 year supply should some development not come forward as expected in that period.

Twelve sites out of twenty four commitments are under construction and should not be included in the calculation. The remaining deliverable sites total 1204 dwellings which at 10% equates to 120 dwellings and at 5% to 60 dwellings. This would equate to a 5.8 and 5.9 years supply respectively. The Council do not consider this to be significant. Further, in Harlow the position is clear that the 5 year supply at the point of adoption (adopting the proposed modifications below) will be comprised of sites with planning permission. Accordingly, applying the NPPF 2012 footnote 11 there is no basis for a lapse rate.

### Proposed Modifications

The following modifications are proposed in the Plan in order to incorporate a stepped trajectory.

- 6.1 National planning policies require the Council to identify a supply of specific deliverable<sup>1</sup> sites sufficient to provide five years' worth of housing<sup>2</sup>. In addition a buffer of 5% or 20% should be added to the five year requirement if there has been an undersupply of dwellings in the past. Based on the 9,200 dwelling requirement annualised to 418 dwellings per annum, ~~2,509~~ 3,345 dwellings should have been completed by March 2017 19. However, in reality there were ~~1,736~~ 2,462 completions (~~239 dwellings per annum~~) achieved during this period, resulting in a shortfall of ~~1,073~~ 883 dwellings on the requirement. This shortfall indicates a persistent under supply and a 20% buffer, of 633 dwellings, should be provided to meet the NPPF requirement. ~~Therefore, additional housing sites that can be completed in the five years need to be brought forward in order to meet the five year housing requirement calculation (see Appendices).~~
- 6.2 The housing requirement of 9,200 dwellings over the plan period equates to a 4.5 years housing land supply for the years 2019/20 to 2023/24, and not a 5 year housing land supply, as required by the NPPF. To insure that a 5 year supply is achieved a "stepped trajectory" is proposed which will provide for a 6 year housing land supply. To achieve this a target of 361 dwellings per annum has been assumed from 2011/12 to 2023/24. This produces a shortfall of 426 dwellings that will be added to the 5 year requirement. From 2019/20 to the end of the plan period a stepped up requirement of 501 dwellings per annum has been set. (See appendix 1 and 2 for the supply calculation and trajectory).
- 6.3 In addition to the need to identify deliverable sites, national planning policies also require the Council to identify a supply of specific developable sites or broad locations for growth for years 6 to 10 of the Local Plan period and, if possible, years 11 to 15.

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<sup>1</sup> National planning policies state that to be considered deliverable, sites should be available now, offer a suitable location for development and be achievable with a realistic prospect that housing will be delivered on-site within 5 years and in particular that the development is viable. Sites with planning permission should be considered deliverable until permission expires, unless there is clear evidence that schemes will not be implemented within five years, for example they will not be viable, there is no longer a demand for the type of units or sites have long-term phasing plans.

<sup>2</sup> The responsibility for the delivery of housing lies with housebuilders and not the Council.

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The Strategic Housing Site East of Harlow allocated for 2,600 dwellings in Policy HS3 and the housing sites allocated in Policy HS2 meet the national planning policy requirements for the first five years and the later year periods.

- 6.4 There have been ~~1,436~~ 2,462 dwelling completions since the start of the Local Plan period (1 April 2011). There is also planning permission for ~~4,122~~ 4,697 dwellings (as at 31 March ~~2017~~ 2019) which contributes to the housing supply. The Local Plan is, therefore, required to allocate at least ~~3,700~~ 2,041 dwellings. The housing trajectory (see Appendices 1 & 2) illustrates the expected rate of housing delivery for the Local Plan period.

- 7.31 The Local Plan has identified a dwelling requirement of 9,200 during the Local Plan period. There have been ~~1,436~~ 2,462 dwellings completed during the period of 1 April 2011 to 31 March ~~2017~~ 2019 and an additional ~~4,122~~ 4,697 dwellings have planning permission. This leaves a residual requirement of ~~3,642~~ 2,041 dwellings to be provided.

- 7.32 The Strategic Housing Site East of Harlow (forming part one of the four new Garden Communities in the Harlow and Gilston Garden Town) will provide 2,600 dwellings in Harlow during the Local Plan period, and the sites allocated in Policy HS2 for ~~1,147~~ 1,105 dwellings provide a total of ~~3,747~~ 3,705 dwellings. This is ~~105~~ 1,664 dwellings more than the residual requirement of ~~3,642~~ 2,041. This overage provides an element of flexibility should some sites not come forward or their capacity is less than expected.

### Proposed Modification of Appendix 1 and 2 in the Plan.

SEDGEFIELD METHOD				
Calculating the required supply Dwellings				
a	Requirement to be delivered in plan period	9200		
b	Completions since start of plan	2462		
c	Residual to be delivered over remaining plan period [a-b]	6738		
d	Annual requirement over plan period [a/22]	418		
e	Stepped Five year requirement	1805		
f	Under Supply since start of plan 2011-2018	426		
g	Five year requirement plus under supply [e+f]	2231		
h	Annualised figure with under supply [g/5]	446		
i	Buffers 0% 20% [g; g*0.2]	0		
j	Total 5 year requirement with buffers [g+i] [j/5] (annual)	2231	446	
				20% Buffer
				446
			2677	535
k	Proposed allocations (19/20 to 23/24)	264		264
l	Commitments (at 1st April 2018)	2959		2959
m	Total Five Year Supply [k+l]	3223		3223
n	Percentage Achievable [j/m*100]	144		120 %
o	Years Supply [(k/j) (annual)]	7.2 years		6.0 years

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