

Housing Requirement

11. Policy SP3 states that the housing requirement is 885 dwellings per year, equating to 14,603 new homes over the plan period 2024 to 2041. Paragraph 3.27 of the Local Plan then states that the housing trajectory is 'stepped', to allow sufficient time "...for the significant uplift in housing delivery to be realistically delivered."

Question 13 – What is the justification for the stepped trajectory proposed, which anticipates housing delivery going from 485 dwellings per year to 1,255 dwellings per year from 2031 onwards?

13.1 The Council considers that the stepped approach in the housing trajectory is sound and justified as it follows national policy in the NPPF 2023 and the planning practice guidance. Paragraph 69 of the NPPF 2023 states:

69. ... Planning policies should identify a supply of:

- a) specific, deliverable sites for five years following the intended date of adoption³⁵; and*
- b) specific, developable sites or broad locations for growth, for the subsequent years 6-10 ...*

³⁵ *With an appropriate buffer, as set out in paragraph 77...*

13.2 Planning practice guidance on housing supply and delivery (Paragraph: 012 Reference ID: 68-021-20190722) states:

A stepped housing requirement may be appropriate... where strategic sites will have a phased delivery or are likely to be delivered later in the plan period.

13.3 As set out in HOU 01.02 SADC Housing Land Supply, Windfall & Capacity Evidence Paper (2024), the housing trajectory includes a stepped annual housing requirement to allow sufficient time for the significant uplift in housing delivery to be realistically delivered. The trajectory outlines a stepped annual housing requirement of 485 net dwellings per annum for years 1-5 (post adoption) from 2026/27 to 2030/31; 1,255 net dwellings per annum for years 6-10 (post adoption) from 2031/32 to 2035/36; and 1,025 net dwellings per annum for years 11-15 (post adoption) from 2036/37 to 2040/41.

13.4 The Council considers that the stepped housing trajectory is realistic and based on recent evidence of build out rates for housing sites. As set out in HOU 01.02 SADC Housing Land Supply, Windfall & Capacity Evidence Paper (2024), the approach to build out rates is generally informed by the methodology in the Lichfields 'Start to Finish (third edition)' 2024 report¹. The report examined historic housing delivery in England and Wales (outside London) between 1996/97 and 2022/23. It concluded

¹ Start to Finish (third edition), Lichfields (March 2024) <https://lichfields.uk/content/insights/start-to-finish-3>

that smaller housing sites have shorter lead in times (the planning and delivery stages before housing is completed) and lower build out rates, whereas larger housing sites have longer lead in times and higher build out rates. The estimated lead in times and build out rates for planning permissions and most of the site allocations in the housing trajectory correspond with data from the 'Start to Finish 3' report. This evidence supports the Council's relatively conservative approach to build out rates in the housing trajectory, given that the District is a relatively attractive housing market with high demand for new homes. The estimated annual build out rates of site allocations included in the housing trajectory are set out in HOU 01.01 SADC Housing Land Supply, Windfall & Capacity Evidence Paper Housing Trajectory Addendum (2024).

- 13.5 The relatively lower housing requirement of 485 net dwellings per annum in years 1-5 (post adoption) of the plan period from 2026/27 to 2030/31 corresponds with the relatively lower level of housing land supply in this period. The supply in years 1-5 (post adoption) is sourced primarily from existing planning permissions (annual average of 198 net dwellings per annum including -8% lapse assumption) and the annual windfall allowance of 145 net dwellings per annum. In addition, some of the small to medium sized site allocations and Hemel Garden Communities site allocations are estimated to be delivered in years 4-5 (post adoption) from 2029/30 to 2030/31. Evidence from the 'Start to Finish 3' report demonstrates that small to medium sized sites (including planning permissions, windfall and some site allocations) can deliver housing earlier in the plan period at a lower rate.
- 13.6 The relatively higher housing requirement of 1,255 net dwellings per annum in years 6-10 (post adoption) of the plan period from 2031/32 to 2035/36 corresponds with the relatively higher level of housing land supply in this period. The supply in years 6-10 (post adoption) is sourced primarily from larger, strategic scale site allocations including Hemel Garden Communities, Broad Locations and Large Sites (annual average of 1,033 net dwellings per annum). It also comprises the annual windfall allowance of 145 net dwellings per annum and existing planning permissions (annual average of 78 net dwellings per annum including -8% lapse assumption). Evidence from the 'Start to Finish 3' report demonstrates that larger sized sites (including planning permissions, windfall and strategic scale site allocations) can deliver housing in phases relatively later in the plan period at a higher rate.
- 13.7 It can also be noted that as part of the Sustainability Appraisal work to define alternatives there was consideration of the stepped trajectory, at LPCD 03.01 - St Albans Local Plan Sustainability Appraisal Report (2024).

Question 14 – To be effective, should the intended step-up in housing delivery be reflected in one of the Plan’s strategic policies?

- 3.1 On reflection, SADC agrees that to be more effective, the stepped trajectory should be reflected in Strategic Policy SP3. A suggested main modification of Policy SP3 would be:

Amend first paragraph of Policy SP3 as follows:

The minimum number of homes needed in the District, following a local housing need assessment conducted using the Government’s required Standard Methodology – is **885** dwellings per year, or a total need of **14,603** to 2041. This housing need figure is the same as the housing requirement figure of **885** dwellings per year, or a total need of **14,603 in the period 1 October 2024 to 31 March 2041** to be delivered as follows:

- a) Estimated Completions (2024/25 to 2025/26): **778** net dwellings at an average of 389 net dwellings per annum
- b) Years 1-5 (post adoption) (2026/27 to 2030/31): **2,425** net dwellings at an average of 485 net dwellings per annum
- c) Years 6-10 (post adoption) (2031/32 to 2035/36): **6,275** net dwellings at an average of 1,255 net dwellings per annum
- d) Years 11-15 (post adoption) (2036/37 to 2040/41): **5,125** net dwellings at an average of 1,025 net dwellings per annum