

## Future Housing Need – Hertfordshire. 2020 – 2036

### 1. Impact of revised ONS figures

The Office for National Statistics (ONS) makes projections of future household formation that inform and direct local planning. This year it updated its projections using a 2018-year base confirming a trend for much lower household formation. Table 1 below shows that these reductions are a significant and meaningful change for Hertfordshire and each of its districts.

- When the Current Standard Method is applied, using the up to date 2018 based projections, rather than the out of date 2014 based projections, the annual housing need for Hertfordshire is **reduced by 57%**.
- CPRE Hertfordshire says the use of 2014-based projections **cannot be justified** in Local Plan making, especially when it would inflate housing land allocations in the Green Belt and open countryside.

**Table 1. Annual Housing Need comparing 2014 and 2018 based projections**

Local Authority	Annual Household Change	Annual Housing Need	Annual Housing Need	Annual Need Reduction	Local Plan Annual Target
	2020 – 36	Current Standard Method	Current Standard Method	with 'up to date' figures	(adopted or emerging plans)
	ONS Baseline Projections	2014 based	2018 based	2014-based to 2018-based	
	2018 based				
	1	2	3	(2-3)	4
<b>Broxbourne</b>	88	594	109	-485 (-82%)	454
<b>Dacorum</b>	341	1,022	536	-486 (-48%)	756
<b>East Herts</b>	439	1,145	710	-435 (-38%)	839
<b>Hertsmere</b>	201	717	328	-389 (-54%)	599
<b>North Herts</b>	283	974	414	-560 (-57%)	845
<b>St Albans</b>	208	893	398	-495 (-55%)	913
<b>Stevenage</b>	137	445	153	-292 (-66%)	380
<b>Three Rivers</b>	138	624	227	-397 (-64%)	514
<b>Watford</b>	111	787	165	-622 (-79%)	577
<b>Welwyn Hatfield</b>	305	875	432	-443 (-51%)	632
<b>Hertfordshire</b>	2,251	8,077	<b>3,472</b>	<b>-4,604 (-57%)</b>	<b>6,509</b>

The projections bring into question many of the current local plan housing need targets. They have immediate implications in Welwyn Hatfield and North Hertfordshire where hearings into Local Plans are proceeding.

### **Welwyn Hatfield Local Plan**

- Even using the Government's contentious 'standard method of calculating need', the impact of the 2018 based projections are a 'meaningful change' with a 51% reduction in the annual housing need up to 2036.
- The Submitted Local Plan rate was 632 a year. After 2014-based ONS projections came out the Inspector told WHBC there was a 'need' for 16,000 in the light of that evidence. The examination debate is ongoing on both 'need' and 'requirement'.
- Allocations for housing in Green Belt cannot be justified by the use of 'out of date' projections (the 2014 projections).
- Annual housing need must reflect local factors and would be no less than 314 dwellings a year. The standard method isn't applied for the current local plan, but as a guideline it would indicate up to 432 dwellings a year (a total for the borough over 15 years of between 4,710 and 6,480 – see Table 2). 9,500 dwellings fewer than the Inspector recommended.

### **North Herts Local Plan**

- The plan allocations in the Green Belt are based on annual housing need calculations that are out of date when the 2018 based projections are applied
- The Submitted Local Plan proposed 845 dwellings a year
- The annual housing need should be between 291 – 414 dwellings a year (a district wide total over 15 years of between 4,365 and 6,210)

### **Other local authorities**

For **Watford, Dacorum, Three Rivers** and **Hertsmere**, where new draft local plans are being prepared, the Local Planning Authorities must give weight to and apply the evidence of the 2018 based ONS Household Projections. This is a key requirement for a sound evidence base in calculating future housing need.

The up to date ONS 2018 based projections confirm concerns in Hertfordshire that local plan targets may be far more than the latest research shows is needed, with associated **unjustified** loss of Green Belt.

## 2. Impact of the proposed New Standard Method

Between August and October 2020, slightly lost in the headlines about the Planning White Paper, the Government consulted on a controversial *New Standard Method* – a new algorithm to replace the *Current Standard Method*. The government wished to find a formula to retrospectively reach its policy goal of 300,000 dwellings a year. A number and an approach that are aspirational but not evidenced based.

Table 2 demonstrates huge increases in Hertfordshire as a result of the new algorithm. When contrasted with the use of 2018-based figures under the Current Standard Method the new Standard Method **doubles** the future housing need for Hertfordshire (an increase of 99%)

Precise calculation on need is complex and depends on many local factors but using the latest ONS projections CPRE anticipate the annual need for Hertfordshire should be in a range of 2,317 to 3,472. **Not even half** what is dictated by the new standard method which proposes 6,907 dwellings a year.

**Table 2. Anticipated Housing Need and Impact of New Standard method**

Local Authority	2020 – 36	Annual Need	CPRE anticipated range	Annual Need	% Increase in Housing Need	Local Plan Annual Target
	Minimum Housing Need	Current Standard Method	Annual Housing Need 2020-2036	New Standard Method	New Standard Method compared to Current Standard Method	(adopted or emerging plans)
	2018 based	2018 based	2018 Based	2018 based		
	1	2	1 to 2	4	(2-4)	5
<b>Broxbourne</b>	91	109	91 - 109	464	325%	454
<b>Dacorum</b>	351	536	351 - 536	921	72%	756
<b>East Herts</b>	452	710	452 - 710	1,122	58%	839
<b>Hertsmere</b>	207	328	207 - 328	667	103%	599
<b>North Herts</b>	291	414	291 - 414	625	51%	845
<b>St Albans</b>	214	398	214 - 398	997	150%	913
<b>Stevenage</b>	141	153	141 - 153	323	111%	380
<b>Three Rivers</b>	142	227	142 - 227	589	159%	514
<b>Watford</b>	114	165	114 - 165	533	223%	577
<b>Welwyn Hatfield</b>	314	432	314 - 432	666	54%	632
<b>Hertfordshire</b>	2,317	3,472	2,317 to 3,472	6,907	99%	6,509

If the proposed New Standard Method is employed, we shall see a continuation of the trend of unprecedented Green Belt losses. The new standard method demands 103,605 dwellings over 15 years in Hertfordshire up to 2036. If the government applied the 2018 based ONS projections using the current method, then CPRE anticipate the Objectively Assessed Need within Hertfordshire would be between 2,317 and 3,472 dwellings a year (a county total of between 34,755 and 52,080).

Moreover, under proposals in the current Planning White Paper, automatic permissions would be granted for growth areas, inevitably including Hertfordshire's Green Belt, under centrally dictated targets. Green Belt land would be allocated but remain unbuilt long into the future, unjustified on need grounds. Investment would meanwhile be diverted away from brownfield land, town centre regeneration and empty / underused property.

Informed by CPRE campaigning, many MPs in a Parliamentary debate (8<sup>th</sup> October 2020) spoke against the New Standard Method demanding a further vote. The approach nationally appears to be giving land to the 'haves' in the wealthy south and taking land from the 'have nots' in the north. Quite at odds with any 'levelling up' agenda. Meanwhile the White Paper undermines the priority of social housing needs.

**CPRE Hertfordshire**  
**26th October 2020**  
[www.cpreherts.org.uk](http://www.cpreherts.org.uk)  
[office@cpreherts.org.uk](mailto:office@cpreherts.org.uk)

**NOTES:**

1. The tables show the results of calculations of Housing Need (as defined in the National Planning Policy Framework and National Planning Policy Guidance), using the current 'Standard Method' set out in that Government guidance using the latest (2018-based) ONS Household Projections, and HM Government's proposed new standard method which was consulted on to October 2020. The results of the calculation using the current standard method and the 2014-based projections are also shown because Government guidance (illogically) still advises local authorities to use those earlier projections rather than the more recent.
2. The proposed housing requirement or target included in each council's latest emerging or adopted local plan is stated for comparison (Table 1 column 4, and Table 2 column 5). The figures are annual because plans have different end dates.
3. The Government has a separate aspirational target for 300,000 net additional dwellings to be built each year 'from the mid-2020's', but this is not shown in any version of the NPPF or Planning Practice Guidance.
4. The government wishes to change the methodology to meet its pre-determined policy target of 300,000 a year, lifting it even higher to 337,000. (N.B. This target was an aspiration based on historic building patterns from a House of Lords Committee Report *Building More Homes* 2016. The target depended on substantial local authority and housing association building).
5. Table 2, Columns 1-2, show what the anticipated range of housing need should be by district. It provides for 3% vacancy rate added to the ONS baseline projections. Allowance above this is needed to reflect local factors such as concealed households or any past under provision.
6. Councils have to decide how much of the housing need they would provide for in the context of other planning policies and considerations such as Green Belt and environmental constraints.