

PART 1 – PUBLIC DOCUMENT

TITLE OF REPORT: HOUSING DELIVERY TEST ACTION PLAN

REPORT OF: SERVICE DIRECTOR - REGULATORY

EXECUTIVE MEMBER : PLANNING & TRANSPORT

COUNCIL PRIORITY : ATTRACTIVE AND THRIVING / PROSPER AND PROTECT / RESPONSIVE AND EFFICIENT

1. EXECUTIVE SUMMARY

1.1 A new Housing Delivery Test has been introduced by the Government. The results of this test will be published annually for all local authorities. The first results were published in February 2019. Because of these results, North Hertfordshire must publish an Action Plan by August 2019 setting out what actions it will take to increase the delivery of new homes within the District. This report seeks approval of that Action Plan.

2. Recommendations

2.1 That the context for the introduction of the Housing Delivery Test (HDT) and the first result for North Hertfordshire District Council be noted.

2.2 That the actions undertaken to date be endorsed and that officers be instructed to continue to implement the activities identified in the Action Plan

2.3 That the HDT Action Plan, attached as Appendix 1, be approved for publication.

3. REASONS FOR RECOMMENDATIONS

3.1 To meet the requirements of national planning policy.

4. ALTERNATIVE OPTIONS CONSIDERED

4.1 To not produce an Action Plan. National policy states that an Action Plan, when required, should be produced within six months of the HDT results being published. However, there is presently no indication as to any sanctions or penalties that might apply if this requirement is not met. Notwithstanding this point, this is not considered an appropriate course of action and has not been pursued.

4.2 To produce an Action Plan in an alternate format and / or with different (or more, or fewer) actions identified. Similar to the above, there has been no suggestion to date that authorities will be judged on the quality or content of their Action Plans. Planning Practice Guidance suggests a range of factors which might be taken into account or addressed through Action Plans. The current Action Plan is not exhaustive in this regard. However, it is focussed upon those actions that, in officers' professional judgement, provide the best opportunity for deliverable outcomes by November 2019.

5. CONSULTATION WITH RELEVANT MEMBERS AND EXTERNAL ORGANISATIONS

- 5.1 The Strategic Planning Matters report to Cabinet of March 2019 identified the need to produce an Action Plan following publication of the HDT results and that this would be reported to a future meeting. The Executive Member for Planning and Transport has been briefed on the matters set out above.

6. FORWARD PLAN

- 6.1 This report contains a recommendation on a key decision that was first notified to the public in the Forward Plan on the 11th May 2019.

7. BACKGROUND

- 7.1 The Government is committed to increasing rates of house building. It has set a target to deliver 300,000 new homes a year across the country by the mid-2020s. A range of measures have been identified to help achieve this.
- 7.2 The Government's aim to 'boost significantly' the supply of new housing was set out in the first version of the National Planning Policy Framework (NPPF), published in 2012. All Councils were required to identify a five-year supply of housing land. Where they were unable to do this, a 'presumption in favour of sustainable development' applied. In broad terms, this required Councils to take a more liberal approach to determining planning applications for new homes. North Hertfordshire has not been able to demonstrate a five-year housing land supply for a number of years.
- 7.3 A revised version of the NPPF was published in July 2018. It was then re-issued with a small number of updates in February 2019. The new NPPF broadly retains the five-year supply test. However, it also introduces the Housing Delivery Test (HDT). This will be an annual measurement of housing delivery in the area of relevant plan-making authorities. North Hertfordshire is a relevant plan-making authority for the purposes of the HDT.
- 7.4 The HDT results will be published annually by the Ministry for Housing, Communities and Local Government (MHCLG). Each result takes into account the number of new homes built over the preceding three years. The first HDT results were published by MHCLG in February 2019 (the 2018 results). The NPPF sets out the consequences of not meeting the HDT. The table below summarises the actions to be taken.

Action	Threshold for action (where HDT results for the year are less than...)		
	2018	2019	2020
Produce an Action Plan ¹	95%		
Apply maximum buffer in five-year land supply calculations ²	85%		
Apply the 'presumption in favour of sustainable development' in	25%	45%	75%

¹ Paragraph 75 of the NPPF

² Paragraph 73 of the NPPF

planning decisions ³			
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- 7.5 The thresholds for producing an Action Plan and applying the maximum buffer are in place from the publication of the 2018 results. The application of the presumption in favour of development is subject to transitional arrangements. The threshold increases over the first three years' results.

8. RELEVANT CONSIDERATIONS

- 8.1 The 2018 HDT results were published by MHCLG on 19 February 2019⁴. North Hertfordshire's result was **55%**. The way in which this result was calculated is set out in the proposed Action Plan, attached as Appendix A to this report.
- 8.2 As a consequence, the District Council must produce an Action Plan. This Plan should detail what steps are being taken to improve performance. The Council must also apply the maximum buffer when working out land supply. The Council has already been doing this for a number of years. The assessment of land supply for the current Local Plan Examination has been carried out in this way.
- 8.3 The Government's Planning Practice Guidance sets out a range of factors which might be considered in an Action Plan (see link in Background Papers for further information). This identifies a wide range of potential issues. The proposed Action Plan focuses on three key themes. These are summarised below and discussed in detail in the Action Plan. These are presently considered to be the most significant constraints to accelerating housing delivery in the District. They are also the areas where the Council can most effectively take action to the benefit of future HDT results.
- 8.4 It should be noted that the release of the first HDT results was delayed. They were originally due to be published in November 2018. The annual HDT cycle will normally run from 1 November to 31 October the following year. The proposed Action Plan therefore covers the period 1 November 2018 to 31 October 2019 to align with the anticipated release of updated results later this year. Some actions within the Plan have therefore already occurred including through the implementation of the approved corporate restructure, previous decisions or under delegated powers.
- 8.5 **Theme 1: Local Plan.** As Members will be aware, the last Local Plan for the District was adopted in 1996. A new Local Plan is progressing and, at the time of writing, is undergoing its Examination. Development within the District is currently constrained by tightly defined development boundaries around its towns and villages.
- 8.6 To have any reasonable prospect of increasing performance under the HDT and / or securing a five-year land supply, it is necessary to proceed a new Plan to adoption so that its policies and allocations can be taken into account in future results and decisions.
- 8.7 The proposed Action Plan identifies a number of measures aimed at securing the adoption of a new Plan in a timely fashion.
- 8.8 **Theme 2: Developer contributions and infrastructure delivery.** As part of the planning process, developers can be asked to enter into legal agreements securing the provision of affordable housing and other (contributions towards) infrastructure. The Action Plan identifies that delays in producing acceptable legal agreements are one of the key factors delaying faster decisions.

³ Paragraph 11 of the NPPF, including footnote 7; Paragraph 215 contains transitional arrangements.

⁴ <https://www.gov.uk/government/publications/housing-delivery-test-2018-measurement>

- 8.9 Officers are engaged in an on-going programme with their counterparts at Hertfordshire County Council – who are a key signatory to these agreements – to improve processes. It is also necessary to update the Council's own guidance on developer contributions to provide greater certainty and transparency. It is presently intended to bring a report on this to Cabinet in July.
- 8.10 Training has previously been provided to Members and Parish Councils on this matter.
- 8.11 **Theme 3: Development Management.** As its final theme, the Action Plan recognises that it is necessary to invest in the Council's Development Management function in order to deliver the growth being planned for the District. Appointments have been made within a new Strategic Sites team to provide dedicated officers who can consider planning applications on the largest sites proposed in the new Local Plan.

9. LEGAL IMPLICATIONS

- 9.1 Cabinet exercises the Authority's functions as Local Planning Authority (except to the extent that those functions are by law the responsibility of the Council or delegated to the Service Director: Regulatory).
- 9.2 The Strategic Planning Matters report to Cabinet of March 2019 identified the need to produce an Action Plan following publication of the HDT results and that this would be reported to a future meeting.
- 9.3 The HDT, and the actions arising from it, form national Government policy on planning as set out in the National Planning Policy Framework.

10. FINANCIAL IMPLICATIONS

- 10.1 The preparation of this Action Plan, and the implementation of the actions arising from it, is funded from within approved revenue budgets for the planning service. The costs of planning appeals (e.g. for non-determination of planning applications within statutory time periods) need to be met from within these budgets.
- 10.2 (Planning for) the delivery of new homes within the District influences future funding for the Council through the revenue base derived from Council Tax as well as application fee income and performance-related Government funding, such as the New Homes Bonus.

11. RISK IMPLICATIONS

- 11.1 There are no direct risk implications from this report but Sustainable Development of the District and the Local Plan are both Cabinet Top Risks. The HDT Action Plan includes pro-active measures to help address these.

12. EQUALITIES IMPLICATIONS

- 12.1 In line with the Public Sector Equality Duty, public bodies must, in the exercise of their functions, give due regard to the need to eliminate discrimination, harassment, victimisation, to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.

- 12.2 There are not considered to be any direct equality issues arising from this report. Future individual schemes or considerations may well be subject to appropriate review to ensure they comply with latest equality legislative need. Any risks and opportunities identified will also be subject to assessment for impact on those that share a protected characteristic.

13. SOCIAL VALUE IMPLICATIONS

- 13.1 The Social Value Act and “go local” policy do not apply to this report.

14. HUMAN RESOURCE IMPLICATIONS

- 14.1 A number of appointments have been made within the planning service since the implementation of the directorate restructure in 2018. Workload and vacancies are monitored on an on-going basis. There are currently two vacancies within the Strategic Planning & Enterprise team and one vacancy within the Development Management team.

15. APPENDICES

- 15.1 Appendix A – Housing Delivery Test Action Plan 2018/19

16. CONTACT OFFICERS

- 16.1 Ian Fullstone, Service Director of Regulatory
01462 474480 ian.fullstone@north-herts.gov.uk

Contributors

- 16.2 Nigel Smith, Strategic Planning Manager
01462 474847 nigel.smith@north-herts.gov.uk
- 16.3 Simon Ellis, Development & Conservation Manager
01462 474264 simon.ellis@north-herts.gov.uk
- 16.4 Nurainatta Katevu, Property & Planning Lawyer
01462 474364 nurainatta.katevu@north-herts.gov.uk
- 16.5 Ian Couper, Service Director of Resources
01462 474243 ian.couper@north-herts.gov.uk
- 16.6 Kerry Shorrocks, Corporate Human Resources Manager
01462 474224 kerry.shorrocks@north-herts.gov.uk

17. BACKGROUND PAPERS

[National Planning Policy Framework](#)

[Planning Practice Guidance – Housing Delivery Test](#)