

Part A

Report to: Cabinet

Date of meeting: Monday, 1 November 2021

Report author: Head of Planning and Development

Title: Housing Delivery Test Action Plan (2020)

1.0 Summary

- 1.1 The Housing Delivery Test (HDT) was introduced through the revised National Planning Policy Framework (NPPF) by the Government in 2018 to determine which local authorities have been able to meet their housing requirement and which have not. The test is based on a comparison between homes required, based on nationally set housing targets, and homes delivered over the three previous financial years. Results are published annually by the Department for Levelling Up, Housing and Communities (previously Ministry of Housing, Communities & Local Government.)
- 1.2 Should the HDT results fall below certain percentages, the NPPF requires specific actions to be taken:
- Where less than 95% of housing requirements have been met, an Action Plan is required.
 - Where less than 85% has been met a 20% buffer is applied when calculating the 5 year housing supply.
 - When less than 75% has been delivered the presumption of sustainable development applies.
- 1.3 The 2020 results were published on 19th January 2021 and Watford Borough Council achieved 48% of its housing delivery target. This means all three of the listed actions apply. This report is relevant to the first, which stated that an Action Plan is required. Producing an Action Plan is therefore a requirement under the NPPF for Watford.

2.0 Risks

2.1

Nature of risk	Consequence	Suggested Control Measures	Response (treat, tolerate, terminate or transfer)	Risk Rating (combination of severity and likelihood)
Failure to publish an action plan	<p>WBC will not be in compliance with national policy and its statutory obligations.</p> <p>The absence of an action plan may lead to challenge by developers when submitting planning proposals or during appeals</p>	The Council approves the publishing of an Action Plan	Treat	4 (2x2)

3.0 Recommendations

- 3.1 That the Housing Delivery Test Action Plan 2020 is approved to be published on the Council's website to ensure the Borough complies with the NPPF and PPG. The report for publication is attached as Appendix A.

Further information:

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Report approved by: Donna Nolan, Managing Director

4.0 Detailed proposal

4.1 Introduction

- 4.1.1 Watford Borough Council must report annual housing completion figures to the Department of Levelling Up, Housing and Communities. These housing delivery rates are then compared against local housing targets set nationally, using the government's standard methodology, for the local authority. The results of this comparison are published annually as the Housing Delivery test (HDT) results.
- 4.1.2 Watford achieved 48% of the required housing over the last 3 year testing period, from 2018 to 2020.

- 4.1.3 When a local authority has not met their required housing need there are three stages of consequence set out in the NPPF depending on the scale of under-delivery. Action Plans are a statutory requirement for all authorities where housing delivery falls below 95% of their housing targets.
- 4.1.4 In order to develop the HDT Action Plan the Council has conducted cross-departmental research, analysed data and engaged with the development and housebuilding industry to determine what the main barriers are to housing delivery in the Borough and what appropriate actions the Council could take to support housing delivery in Watford.
- 4.1.5 Through this evidence gathering it was found that some of the largest barriers to housing delivery are matters that the Council has little or no control over, such as the lack of sites available, site constraints, changing market conditions and high existing land values. One of the main issues identified is the high number of extant planning permissions in the borough and the slow rate of their implementation. A proportion of these permissions are expiring in the next financial year which may be due to viability, supply chain and economic issues including uncertainty around the Covid-19 pandemic.

4.2 Barriers

- 4.2.1 The Council has established the following items to be a difficulty, barrier or limitation to housing delivery:
- The need for a new local plan
 - Lack of suitable sites in Watford
 - Site constraints
 - Reliance on windfall sites
 - High amount of extant permissions
 - Viability challenges
 - Completions dictated by market – not by the council
 - Local income relative to house prices
 - Cost of housing lower than neighbouring authorities but high nationally.
 - Housing mix requirements
 - Uncertainty and changes due to Covid-19
- 4.2.2 If the Council fails to publish a Housing Delivery Test Action Plan in a timely manner this could cause potential issues at the examination of the Local Plan in terms of demonstrating the deliverability of the Plan. It is noted that Watford falls below the 75% threshold and is therefore subject to the presumption in favour of sustainable development or the 'tilted balance' as it is often referred to. This renders the existing local planning policies for housing as 'out of date', making it more difficult for the Council to resist inappropriate housing development applications. Without an action plan it could place more emphasis on the 'tilted balance' and it may be more difficult for the Council to win planning application appeals.

4.3 Main Actions

4.3.1 The following are the actions that have been identified in the Housing Delivery Test Action Plan (Appendix A):

- Ensure planning applications and permissions continue to be determined in a timely manner and maintain a high standard of performance from Development Management. During this 3 year testing period, between 85% and 100% applications were approved on time.
- Proceed with adoption and further promotion of the new Local Plan. Currently the local plan is in its examination period with hearing dates in early 2022 and adoption expected in summer 2022.
- Continue to work to complete housing projects across the borough
- Work with developers to create the conditions to enable them to build out allocated sites
- Create frameworks and masterplans to promote areas of development
- Maintain an up to date Infrastructure Delivery Plan
- Maintain and update the Brownfield Land Register
- Work with developers and Homes England to secure delivery of affordable homes through policy requirements and grant applications.
- Be supportive and proactive about build to rent schemes
- Increase use of council land for housing delivery

It should be noted that the Council are actively working on these actions.

5.0 Implications

5.1 Financial

5.1.1 The Shared Director of Finance comments that there are no new financial implications arising directly from this report. As noted in 4.3.1 the Council is already actively working on the delivery of the actions and this is funded through existing budgets. Where delivery of the action plan leads to investment of Council land a full financial appraisal will be undertaken.

5.2 Legal Issues (Monitoring Officer)

5.2.1 The Group Head of Democracy and Governance comments that it is a requirement of the NPPF (paragraph 76) that an Action Plan be prepared when housing delivery falls under 95% of the target allocated.

5.3 Equalities, Human Rights and Data Protection

5.3.1 Having had regard to the council's obligations under s149, it is considered that there is no need for an EqIA in regards to this report.

Having had regard to the council's obligations under the General Data Protection Regulation (GDPR) 2018, it is considered that officers are not required to undertake a Data Processing Impact Assessment (DPIA) for this report.

5.4 Staffing

5.4.1 Current staff have prepared this report and Action Plan and there is no additional staffing requirement.

5.5 Accommodation

5.5.1 There is no impact on accommodation.

5.6 Community Safety/Crime and Disorder

5.6.1 There is no impact on community safety or crime and disorder.

5.7 Sustainability

5.7.1 There is no impact on sustainability.

Appendices

- Appendix A: Housing Delivery Test – Action Plan (2020)

Background papers

No papers were used in the preparation of this report.