

**HERTFORDSHIRE GROWTH BOARD (HGB) –
ACCELERATED HOUSING DELIVERY PROGRAMME
UPDATE**

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1. Purpose of Report

- 1.1. As has been set out in previous reports to the Board, a key dimension of the offer to be made to Central Government, to attract enhanced investment, freedoms and flexibilities, will be the acceleration of planned housing delivery.
- 1.2 In this context, with the support of all partners the Housing subgroup of the Growth Board have been co-ordinating a programme of work in recent months which has attempted to identify opportunities for accelerating housing delivery in the County.
- 1.3 This work has now reached the stage where there is a reasonable degree of confidence about the sites that have been identified, the interventions highlighted and the numbers of potentially accelerated homes that this generates. The next steps will be to share this information with the Ministry of Housing, Communities and Local Government (MHCLG) as part of the discussions about the Growth Proposition. Before that happens the views of the Growth Board are sought on the information that has been collected.

2. Background

- 2.1 The context for the work that has been undertaken on accelerated housing delivery is set by the Growth Board Housing and Communities Policy Statement, which has previously been agreed by the Board. (HGB March 2020) The headlines of that agreed policy statement identify a number of key issues as being priorities for action: -
 - Dealing with increasing and continuing housing demand in Hertfordshire
 - Delivery of large and complex sites
 - Meeting changing needs
 - Increasing the speed of delivery
 - Providing quality, affordable homes
 - Creating quality places
- 2.2 The work on proposals for acceleration has been taken forward in two main stages. Stage 1 commenced with an analysis of overall housing needs in the county together with an analysis of all housing sites of greater than 50 units, that either had planning permission or were in Adopted or emerging local plans.

- 2.3 The assessment of housing need is extremely dynamic and changes according to the latest projections and the methodology guidance emerging from Central Government. Having reviewed the options the conclusion was agreed by the Housing Sub Board that the best working number to aspire to in terms of housing delivery was the estimate of the Objectively Assessed Housing Need (OAN) which was established in 2019. This figure would result in a housing target to 2031 of just under 100,000 dwellings, consistent with the overall working figure for Hertfordshire (unadopted Local Plans numbers accepted).
- 2.4 A series of meetings then took place with Planning officers in each District to identify a first cut list of sites with the potential for acceleration. This initial discussion focused on what the realistic delivery trajectories of candidate sites were and then what interventions were needed to accelerate that delivery. Some of the issues identified were generic ones associated with strategic issues such as difficulties with getting local plans progressed and adopted; issues of resources and expertise to take forward complex sites; and challenges posed by the development industry particularly in relation to viability challenges and the cost of infrastructure. These issues have all been captured and will be referenced in discussions with MHCLG as appropriate.
- 2.5 Having identified an initial list of sites in each District, Round 2 sessions were arranged this time with Local Authority teams comprising Planning, Housing and Property officers. The emphasis of these meetings was in particular to focus on whether the right sites had been identified; the details of how sites could be accelerated in the next five years including preliminary costings of infrastructure and other interventions; affordable housing numbers for each site and the potential for enhancement; and as Covid 19 impacts started to be felt, which sites might have the best potential for a quick start to support economic recovery.
- 2.6 All Round 2 sessions have now been completed and officers feel that the methodology in the approach to this work is reliable and robust. Officers across the county are continuing to work on the information which sits behind the headline figures. The numbers will therefore continue to be refined but there is confidence in the headline numbers that have been assembled. The presentation to the Board on this Agenda item will include the most up to date figures. Subject to Leaders' approval, these are the ones that it is now felt can be shared with MHCLG.
- 2.7 The headline figures are that a range of sites amounting to over 30,000 dwellings have been identified as having some potential for acceleration across the county. Critically there appear to be the opportunity to accelerate the delivery of just over **8000** units into the first five-year period up to **2024**. Of these units approximately 27 % would be anticipated to be affordable housing, although there may be opportunities to increase this as individual sites are progressed. A summary table is attached as Appendix 1.

- 2.8 The current estimate of the cost involved in achieving this acceleration over the first five years is approximately £178 million. The total so far identified over the whole period is approximately £280 million (It should be noted that the major infrastructure costs associated with Hemel Garden Communities and Gilston are excluded from this calculation and are dealt with as individual project proposals for the East-West corridor).
- 2.9 Finally and in addition, the first cut of sites offering some potential to be brought forward even more quickly in response to Covid Recovery initiatives currently stands at 39 sites (see Appendix 2). At this stage this information does need to be treated with caution, in that this was an initial response from District Council officers over a period of several weeks and circumstances may have changed within each Authority. The housing numbers that could be delivered from these 39 sites are also being confirmed.
- 2.10 In terms of the trajectory for increasing the delivery of dwellings, this site by site-based analysis, with all the sites being put forward by individual Authorities, would deliver an increase in delivery rates to reach the OAN annual target rate by 2024. However, as can be seen in the summary table at Appendix 1, potential sites and housing numbers start to fall off after the first five years. This is completely understandable and simply reflects that the further we look into the future the more difficult it becomes to be certain about delivery issues of sites. This is particularly a problem for the large number of green field and often Green Belt sites which are currently identified in local Plans which are at various stages of progression, but which have not yet been adopted.
- 2.11 This has the consequence of making the delivery trajectory fall away in later years if we simply rely on the sites so far identified. To counter this, and to deliver a trajectory to 2031 which takes us to the overall target of 100,000 new homes, presentationally we are proposing that we simply add back in the larger sites which are currently identified in emerging local plans, but which are yet to be confirmed formally. This would be for the period post 2024.

3. Next steps

- 3.1 Work is continuing on refining the data sitting behind these headline figures. In particular, it is acknowledged that some of the information on potential costs of interventions still requires some work on certain sites, although the numbers which have currently been collected are considered reasonably robust for this stage of the process.
- 3.2 It is proposed that these headline numbers are used in the next stages of discussions with MHCLG, so that a good indication of the potential that exists in terms of accelerated delivery can be given. It is likely that as negotiations with MHCLG progress over the summer that a further round of work to refine the details of costs and acceleration of particular sites will be required.
- 3.3 As stated earlier whilst an initial piece of work has been done to identify potential Covid-19 early economic recovery sites, this is an area which does

require further work reflecting the dynamic nature of the housing market as it responds to the economic shock of Covid-19. It is suggested that at this stage the information so far collected in this area is treated with caution and is updated in response to the types of information sought by MHCLG.

- 3.4. The next steps with this work will also need to include reaching out to discuss acceleration of these sites with all of our major housebuilding partners across Hertfordshire.

4. Recommendations

4.1 Growth Board is asked to

- Note the work that has been carried out on the Accelerated Housing Delivery proposal,
- Agree that the emerging conclusions regarding potential accelerated housing numbers, trajectories and intervention costs, be used in initial discussions with MHCLG.

Appendix 1.

	Total_Dwellings	Housing_by_2021	Housing_2021_2026 (0-6)	Investment (£m)	Housing_2026_2031 (6-10)	Investment (£m)	Housing_2031_2036 (10+)	Investment (£m)	Housing_Post_2036								
Broxbourne																	
No Intervention	3400	0	1675		1675		0		0								
With Intervention	3400	0	1800	26.50	1480	21.75	120	1.75	0								
Affordable	1360	0	720		592		48		0								
Dacorum																	
No Intervention	3856	0	511		1545		1800		0								
With Intervention	3863	0	1743	12.84	1800	2.55	320	1.01	0								
Affordable	1489	0	469		820		200		0								
East Herts																	
No Intervention	4120	10	1230		1980		900		0								
With Intervention	6357	10	2310	5.39	4037	5.61	0	0.00	0								
Affordable	4598	4	884		1615		400		0								
Hertsmere																	
No Intervention	2803	130	937		1270		465		0								
With Intervention	3276	20	2365	7.22	891	2.78	0	0.00	0								
Affordable	1202	7	828		312		0		0								
North Herts																	
No Intervention	5762	60	1577		2425		1700		0								
With Intervention	5762	0	2162	14.25	2950	19.46	650	4.29	0								
Affordable	2281	0	1115		1190		0		0								
St Albans																	
No Intervention	1025	0	896		129		0		0								
With Intervention	1028	287	741	4.33	0	0.00	0	0.00	0								
Affordable	329	70	259		0		0		0								
Stevenage																	
No Intervention	4690	701	3054		925		0		0								
With Intervention	5330	95	4895	32.90	340	2.30	0	0.00	0								
Affordable	1386	36	1247		102		0		0								
Three Rivers																	
No Intervention	508	234	224		50		0		0								
With Intervention	508	234	274	2.16	0	0.00	0	0.00	0								
Affordable	23	0	23		0		0		0								
Watford																	
No Intervention	3204	15	1723		1243		223		0								
With Intervention	4817	95	2652	49.17	2070	33.40	0	0.00	0								
Affordable	1090	0	603		487		0		0								
Welwyn Hatfield																	
No Intervention	4283	1765	1875		643		0		0								
With Intervention	5169	311	3113	24.08	2045	15.84	0	0.00	0								
Affordable	2068	124	1245		818		0		0								
TOTAL																	
NO INTERVENTION	33651	2915	13702		11885		5088		0								
WITH INTERVENTION	39510	1052	22055	178.84	15613	103.69	1090	7.05	0			289.58		TOTAL INVESTMENT			
AFORDABLE	15816	241	7393		5936		648		0								

Appendix 2

COVID-19 Sites	
<i>Broxbourne</i>	3
<i>Dacorum</i>	0
<i>East Herts</i>	1
<i>Hertsmere</i>	7
<i>North Herts</i>	8
<i>St. Albans</i>	6
<i>Stevenage</i>	6
<i>Three Rivers</i>	0
<i>Watford</i>	8
<i>Welwyn Hatfield</i>	0
TOTAL	39