

EAST HERTS COUNCIL

DISTRICT PLANNING EXECUTIVE PANEL - 28 NOVEMBER 2012  
EXECUTIVE - 4 DECEMBER 2012

REPORT OF EXECUTIVE MEMBER FOR STRATEGIC PLANNING  
AND TRANSPORT

STRATEGIC LAND AVAILABILITY ASSESSMENT (SLAA) – ROUND 2  
INITIAL REPORT AND WINDFALL ANALYSIS (OCTOBER 2012)

WARD(S) AFFECTED: ALL

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**Purpose/Summary of Report**

- This report presents Members with the initial technical report of Rounds 1 and 2 of the Council's ongoing Strategic Land Availability Assessment (SLAA), which also includes analysis in respect of 'windfall' development to inform the housing requirement in the District plan.

**RECOMMENDATIONS FOR DISTRICT PLANNING EXECUTIVE**  
**PANEL AND EXECUTIVE: That:**

|            |   |
|------------|---|
| <b>(A)</b> | <b>the Officer responses to the feedback received from stakeholders as part of Round 2: Stakeholder Engagement of the Strategic Land Availability Assessment (SLAA), be supported;</b>  |
| <b>(B)</b> | <b>the Strategic Land Availability Assessment (SLAA) Technical Study: Initial Report - Rounds 1 and 2 (October 2012), be supported as technical work to inform the preparation of the East Herts District Plan and for housing supply purposes;</b> |
| <b>(C)</b> | <b>the district-wide SLAA Round 2 capacity of 2,350 dwellings be supported for informing ongoing work in developing the District Plan: Part 1; and</b>  |
| <b>(D)</b> | <b>the 'windfall' allowance of 1,700 dwellings be supported for informing ongoing work in developing the District Plan: Part 1.</b>   |

| <b><u>RECOMMENDATIONS FOR COUNCIL:</u> That:</b> |  |
|--|--|
| <b>(A)</b>                                       | <b>the Officer responses to the feedback received from stakeholders as part of Round 2: Stakeholder Engagement of the Strategic Land Availability Assessment (SLAA), be agreed;</b>  |
| <b>(B)</b>                                       | <b>the Strategic Land Availability Assessment (SLAA) Technical Study: Initial Report - Rounds 1 and 2 (October 2012), be agreed as technical work to inform the preparation of the East Herts District Plan and for housing supply purposes;</b> |
| <b>(C)</b>                                       | <b>the district-wide SLAA Round 2 capacity of 2,350 dwellings be used to inform ongoing work in developing the District Plan: Part 1; and</b>  |
| <b>(D)</b>                                       | <b>the ‘windfall’ allowance of 1,700 dwellings be used to inform ongoing work in developing the District Plan: Part 1.</b>   |

## 1.0 Background

- 1.1 Publication of the National Planning Policy Framework (NPPF) in March 2012 has reiterated the requirement for local planning authorities to prepare a Strategic Housing Land Availability Assessment ‘*to establish realistic assumptions about the availability, suitability and the likely economic viability of land to meet the identified need for housing over the plan period*’ (NPPF paragraph 159).
- 1.2 The SLAA is part of the proactive plan-making process and will help ensure that the Council meets its requirement to maintain a continuous five year supply of housing across the district.
- 1.3 The SLAA is being undertaken in stages or rounds in tandem with the preparation of the District Plan. It is however, a separate and technical piece of work.
- Round 1 - series of stakeholder meetings to provide advice and guidance on SLAA sites
  - Round 2 - assessment of sites deemed to be available for development within settlement boundaries
  - Round 3 - assessment of sites outside settlement boundaries and any further sites within settlement boundaries

- Round 4 - annual update of SLAA to review site assessments and assess any additional sites

1.4 In addition to the fact that the SLAA is being undertaken in rounds, it should be noted that the SLAA is an ongoing piece of work in the sense that its conclusions will be updated annually. This is because the overriding purpose of the SLAA is to have up-to-date information on the availability of land across East Herts. Thus if the status of a particular site changes (e.g. a site ceases to be occupied) this change should be reflected in the SLAA.

1.5 The Initial Report of the SLAA Technical Study - Rounds 1 and 2 (October 2012) is available to view as a background paper to this report at [www.eastherts.gov.uk/slaa](http://www.eastherts.gov.uk/slaa). This document explains how the SLAA has been undertaken and presents an assessment of the deliverability of sites assessed through Round 2 of the SLAA. The SLAA Technical Study will be updated and re-published at the end of Round 3 to take account of the additional sites that have been assessed. It will then be revised and re-published annually (Round 4) to ensure that it provides a robust assessment as possible of the availability of land in East Herts.

1.6 It should be remembered that the SLAA does *not* make decisions about whether a site should come forward for development: it simply provides an assessment as to the *likelihood* of a site coming forward for development.

## 2.0 Report

### SLAA Round 1

2.1 Round 1 of the SLAA sought strategic advice and guidance on the deliverability of sites across the district from a number of stakeholders from the development industry. Representatives of town and parish councils and civic societies were also invited to attend. Seven SLAA Partnership meetings were held throughout autumn 2011. The valuable feedback received has informed the assessments undertaken in Round 2. The feedback also provided useful contextual information in respect of the preparation of the District Plan itself.

### SLAA Round 2

2.2 Round 2 considered sites within the development boundaries of the Six Main Settlements and Category 1 Villages i.e. those sites

where there is no in-principle objection to development. Owing to limited Officer resources it was agreed to focus attention on those sites deemed to be initially available for development. As such, there will be additional sites within settlement boundaries that need to be assessed. This work is likely to be undertaken alongside Round 3.

- 2.3 In undertaking Round 2, Officers completed an initial assessment of each site (available at [www.eastherts.gov.uk/slaa](http://www.eastherts.gov.uk/slaa)). Stakeholders, including members of the SLAA Partnership, town and parish councils, and East Herts District Councillors were invited to comment on these initial assessments in May/June 2012. The comments received were made available to Members at the District Planning Executive Panel on 26<sup>th</sup> July 2012.
- 2.4 The feedback received from this period of stakeholder engagement has informed the final site assessments and a schedule of Officer responses to the stakeholder engagement is attached at **Essential Reference Paper 'B'**.
- 2.5 There have been a number of amendments to the site assessments. Such amendments have been based on:
- Feedback received to the stakeholder engagement;
  - Updated information and assessment by Officers to better take account of deliverability; and,
  - Changes to the SLAA Assessment Criteria
- 2.6 A schedule setting out the material changes to the SLAA sites (i.e. where there has been a change to either the time period or housing capacity of the site) is attached at **Essential Reference Paper 'C'**. The full final SLAA site assessments are included as a background paper to this report which is available online at [www.eastherts.gov.uk/slaa](http://www.eastherts.gov.uk/slaa).
- 2.7 Following the stakeholder engagement, it was considered appropriate to revise the SLAA Assessment Criteria as set out in Figure 1. Where appropriate, the assessment criteria have also been updated to take into account the publication of the NPPF by removing references to Planning Policy Statements (PPS).

Figure 1: Revisions to SLAA Criteria

| Criteria  | Previous (Nov 2011)  |  | Revised (Nov 2012)   |  | Reason for Change  |
|---|--|--|--|--|--|
|   | Comment  | Assessment   | Comment  | Assessment   |  |
| Major – Flood Risk<br>Is the site in an area of flood risk? | PPS25 sets out a sequential approach to development in areas of flood risk with the aim to steer new development away from areas of highest risk (Zone 3). Information from the Environment Agency Flood Maps and East Herts Strategic Flood Risk Assessment (SFRA). | Zone 3 high probability – RED<br>Zone 2 medium probability – AMBER<br>Zone 1 low probability –GREEN        | The NPPF sets out a sequential approach to development in areas of flood risk with the aim to steer new development away from areas of highest risk (Zone 3). Surface water flooding could also act as a constraint on development on sites identified as being at risk. Information from the Environment Agency Flood Maps and Surface Water Inundation Maps and East Herts Strategic Flood Risk Assessment (SFRA). | Zone 3 high probability – RED<br>Zone 2 medium probability OR Any site identified to be at risk of surface water flooding – AMBER<br>Zone 1 low probability –GREEN | Following stakeholder feedback received from EHC Engineering, it was considered that the issue of surface water flooding should be added to the site assessment criteria, as this could also act as a constraint on development. |
| Access – Buses<br>Is the site accessible to a bus stop?     | Within 800m (10 mins) walk of a bus stop. Sites closer to passenger transport facilities are regarded as being in more sustainable   | Outside threshold – RED<br>Within the threshold but where the bus stop has a low service frequency – AMBER | Within 400m (5 mins) walk of a bus stop. Sites closer to passenger transport facilities are regarded as being in more sustainable  | Outside threshold – RED<br>Within the threshold but where the bus stop has a low service frequency – AMBER   | Following stakeholder feedback received from HCC Passenger Transport, who stated that the normal assessment  |

|  |  |   |   |  |  |
|--|--|---|---|--|--|
|  | locations.   | Within threshold - GREEN  | locations.  | Within threshold - GREEN   | criteria is assumed to be within 400m walk of a bus stop.  |
| Site – Access Standards<br>Does access to the site affect its development?   | Need to ensure that the access (whether existing or proposed) meets current highway standards.                                     | Does not meet current standards – RED<br>Requires highway works – AMBER<br>Access acceptable/minor works required - GREEN | Need to ensure that the access for the site (whether existing or proposed) meets or is likely to meet current highway standards. Major highway works include new roads, major changes to junctions etc. | No access to site/Unlikely to meet current standards – RED<br>Requires major highway works – AMBER<br>Access acceptable/minor highway works required - GREEN | Following stakeholder feedback, it was considered that this assessment criteria needed amending to introduce greater clarity to the traffic light assessment.                                |
| Local – Leisure, Recreation, Community<br>Is the site designated for leisure, recreational or community use in the Local Plan? | Local Plan Policies LRC1, LRC11 and OSV8 seek to prevent the loss of facilities which contribute to sustainable mixed communities. | Yes – AMBER<br>No - GREEN   | Local Plan Policies STC8, LRC1, LRC11 and OSV8 seek to prevent the loss of facilities which contribute to sustainable mixed communities.  | Yes – AMBER<br>No - GREEN  | Local Plan Policy STC8 also seeks to prevent the loss of facilities which contribute to sustainable mixed communities, with particular regard to local centres and provision in rural areas. |

- 2.8 It should be noted that the final site assessments also incorporate the revisions to the assessment criteria and a full copy of the revised assessment criteria is included in the Technical Study which is available as a background paper to this report at [www.eastherts.gov.uk/slaa](http://www.eastherts.gov.uk/slaa).
- 2.9 One other revision to the ‘methodology’ is to the site size threshold. Previously, it was proposed to apply a different threshold to sites in Category 1 and 2 Villages. However, on reflection, and given the difficulty in identifying smaller sites, it is felt that a single threshold of 5 or more dwellings or 0.16 hectares should be applied across the District. This also ties in with the monitoring processes employed by Hertfordshire County Council in respect of small sites and dovetails neatly with the approach to ‘windfall’ analysis set out below and in the Technical Study background paper which is available at [www.eastherts.gov.uk/slaa](http://www.eastherts.gov.uk/slaa).
- 2.10 For comparison purpose, the initial SLAA Round 2 assessments identified capacity within the development boundaries of the Six Main Settlements and Category 1 Villages, of 2,173 dwellings district-wide over a 15 year period. Following the stakeholder engagement this figure has been revised to 2,350 and is as follows:

*Figure 2: Initial and Final SLAA Numbers*

| <b>Round 2</b>                             | <b>Initial Assessment</b> | <b>Final Assessment</b> |
|--|---------------------------|-------------------------|
| <b>Bishop’s Stortford</b>                  | 708                       | 817                     |
| <b>Buntingford</b>                         | 67                        | 44                      |
| <b>Hertford</b>                            | 875                       | 913                     |
| <b>Sawbridgeworth</b>                      | 111                       | 91                      |
| <b>Stanstead Abbots &amp; St Margarets</b> | 37                        | 17                      |
| <b>Ware</b>                                | 147                       | 239                     |
| <b>Category 1 Villages</b>                 | 228                       | 229                     |

- 2.11 A number of sites that have been assessed have now been discounted because they are considered to be unsuitable for development at the current time. These are identified with a ‘0’ (zero) in the capacity column in the schedule of material changes which is attached at **Essential Reference Paper ‘C’**. Please note: whilst these sites have been discounted at the current time, they will continue to be monitored in case their status changes and this results in them being deemed suitable for development. Should this be the case, they will be incorporated into the SLAA.

## SLAA Round 3

- 2.12 It is currently anticipated that Round 3 of the SLAA will be undertaken during Spring/Summer 2013. Round 3 considers those sites which are located outside the current settlement boundaries of the Six Main Settlements and Category 1 Villages, and will be informed by the broad locations identified for development in the Draft District Plan: Part 1. Additional sites within the development boundaries of the Six Main Settlements and Category 1 Villages will also be assessed. The SLAA technical study report will then be updated and re-published.

## Housing Requirement

- 2.13 The SLAA is an important piece of technical work because it informs housing supply in respect of meeting the District housing requirement or target. This target is currently set by the East of England Plan, but in light of its impending abolition, it is the responsibility of East Herts Council to generate its own housing target. This will be set out in the District Plan and must be based on an assessment of objectively assessed needs.
- 2.14 However, it should be noted that the District Plan will not allocate land to meet the full housing requirement. Instead, it will meet a 'to-find figure'. This is the residual number of homes that need to be delivered having taken account of other components of supply including the number of new homes built (known as housing completions) from the start of the plan period to point of adoption, taking account of any shortfall, and an allowance for the number of homes that will come forward from windfall sites (see below).

## Windfall Analysis

- 2.15 Windfall sites are sites which have not been specifically identified or allocated as available for development in the Local Plan / District Plan. They are those sites which unexpectedly become available for development because an application for planning permission is granted.
- 2.16 Once granted, in accordance with the NPPF, windfall sites can be counted in the five year supply of housing land. Detailed analysis of windfall development is included within the SLAA Technical Study which is available as a background paper at [www.eastherts.gov.uk/slaa](http://www.eastherts.gov.uk/slaa).



2.17 Windfall sites usually comprise those sites which are difficult to predict whether they might come forward for development, such as small sites, conversions and changes of use (e.g. flats above shops). Windfalls also usually come forward on previously developed or brownfield land but importantly, should not include residential gardens. In East Herts, the following types of windfall development have been identified:

- . Conversions - change of use of the existing building to residential
- . Non-residential Brownfield Redevelopment - demolition of a building and erection of dwellings on land
- . Residential Brownfield Redevelopment - demolition of dwelling/s and erection of additional dwellings
- . Garden Land Development - erection of dwelling/s on greenfield residential garden land also known as 'backland' development
- . Greenfield Development - erection of additional dwelling/s
- . Replacement Dwellings - demolition and erection of replacement dwelling/s with no net increase

2.18 Using the size thresholds in the Local Plan, windfall sites can further be split between small (four or less) and large sites (five or more).

2.19 The breakdown by windfall type and site size is set out in Figures 3a and 3b below. As can be seen, completions have totalled 1,273 over the five year period. The East Herts Local Plan 2007 assumed that 160 dwellings would be delivered through windfalls per annum, equating to 800 over a five year period. Thus, windfall completions have been 59% higher than expected.

*Figure 3a: Completions by Windfall Type on Small Sites*

|                                   | 07/08 | 08/09 | 09/10 | 10/11 | 11/12 | Total      | Annual Average |
|-----------------------------------|-------|-------|-------|-------|-------|------------|----------------|
| <b>Conversions</b>                | 17    | 39    | 22    | 36    | 18    | <b>132</b> | 26             |
| <b>Non-residential Brownfield</b> | 15    | 37    | 13    | 30    | 7     | <b>102</b> | 20             |
| <b>Residential Brownfield</b>     | 20    | 19    | 12    | 0     | 7     | <b>58</b>  | 12             |
| <b>Garden Land</b>                | 13    | 23    | 15    | 27    | 16    | <b>94</b>  | 19             |
| <b>Greenfield Development</b>     | 1     | 3     | 3     | 3     | 7     | <b>17</b>  | 3              |
| <b>Replacement Dwellings</b>      | 1     | -6    | 4     | 0     | 3     | <b>2</b>   | 0              |

*Figure 3b: Completions by Windfall Type on Large Sites*

|                                   | 07/08 | 08/09 | 09/10 | 10/11 | 11/12 | Total      | Annual Average |
|-----------------------------------|-------|-------|-------|-------|-------|------------|----------------|
| <b>Conversions</b>                | 30    | 47    | 13    | 23    | 38    | <b>151</b> | 30             |
| <b>Non-residential Brownfield</b> | 113   | 265   | 88    | 30    | 89    | <b>585</b> | 117            |
| <b>Residential Brownfield</b>     | 11    | 12    | 34    | -55   | 41    | <b>43</b>  | 9              |
| <b>Garden Land</b>                | 26    | 23    | 0     | 9     | 4     | <b>62</b>  | 12             |
| <b>Greenfield Development</b>     | 0     | 23    | 8     | 0     | 1     | <b>32</b>  | 6              |

By definition, replacement dwellings do not contribute to the supply of additional homes and are monitored only because they represent a 'loss' in one year followed by a 'gain' a subsequent year. They also only comprise small sites.

- 2.20 Indeed, since 2001 windfalls have accounted for a significant proportion (54%) of net completions in East Herts.
- 2.21 However, it would not be appropriate simply to roll forward this level of development as a windfall allowance to 2031, for the following two reasons.
- 2.22 Firstly, the presence of the SLAA means that some windfall sites have been identified in the SLAA (and are therefore no longer windfalls, by virtue of the fact that they have already been identified). Including them as windfalls would result in double counting. In particular, it is considered reasonable to conclude that the SLAA will identify non-residential brownfield land and greenfield land opportunities on large sites whereas, on all of the other types of windfall site, identifying which ones may come forward for development is difficult

- 2.23 Secondly, whilst the NPPF permits dwellings built on residential garden land can be counted as windfalls for monitoring purposes, they cannot be included in any windfall allowance<sup>1</sup>. Notwithstanding this, whilst residential garden land is no longer considered to be brownfield, residential dwellings are. Thus, any dwellings constructed on the *footprint* of the existing dwelling or dwellings can still be counted as part of the windfall allowance.
- 2.24 Taking the above into account, based on Figures 3a and 3b above, 773 dwellings (94+585+62+32) should be deducted from the total windfall completions of 1,273 for the five year period 2007/08 to 2011/12. This represents a reduction of 61%. Compared with the assumed windfall supply of 800 in the Local Plan 2007 over the same period, the reduced rates represent 97%.
- 2.25 Looking forward, in terms of commitments, it is expected that over the next four years, a total of 1,035 dwellings will come forward as windfalls (see Figure 4). Similarly to the level of completions, this rate of commitments is 62% above the Local Plan assumptions.

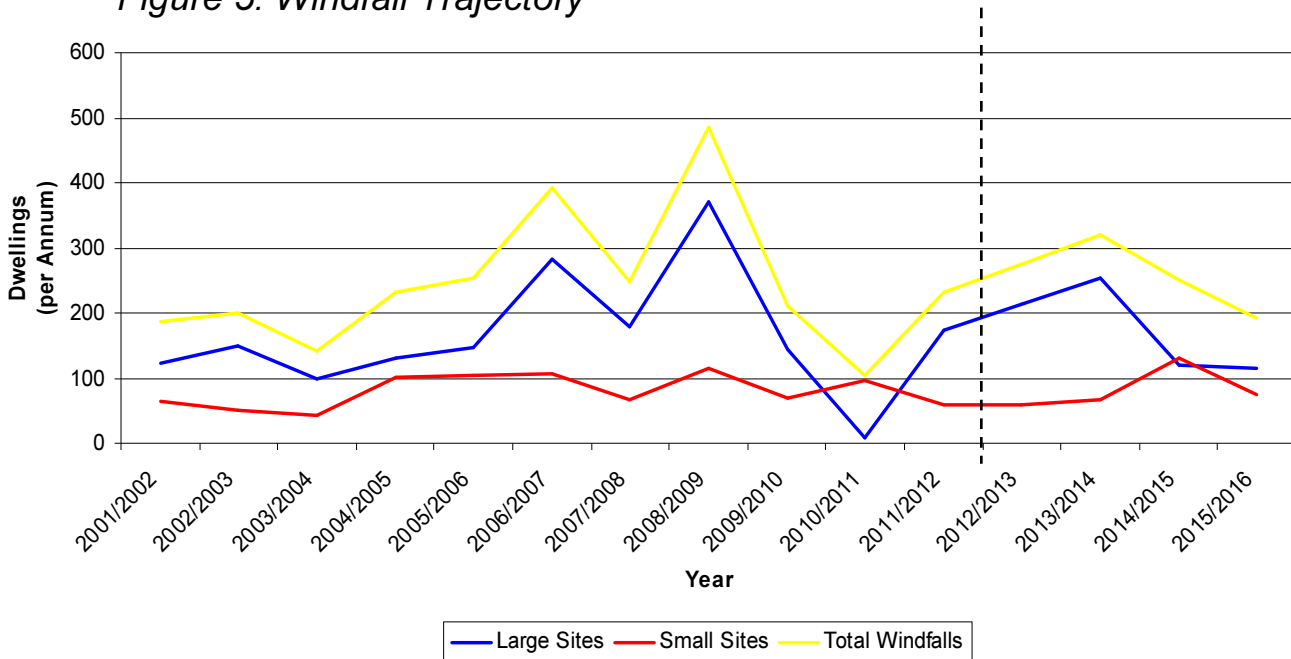
Figure 4: Windfall Commitments

|                             | 2012/13    | 2013/14    | 2014/15    | 2015/16    | Total        | 4 Year Average |
|-----------------------------|------------|------------|------------|------------|--------------|----------------|
| <b>Small Windfall Sites</b> | 214        | 253        | 121        | 116        | <b>704</b>   | 176            |
| <b>Large Windfall Sites</b> | 60         | 66         | 130        | 75         | <b>331</b>   | 83             |
| <b>Total</b>                | <b>274</b> | <b>319</b> | <b>251</b> | <b>191</b> | <b>1,035</b> | <b>259</b>     |

- 2.26 In terms of formulating a windfall allowance for the District Plan, the starting point must be existing commitments of 1,035 (annual average of 259). However, this figure needs to be reduced by 61% to avoid including garden land and double counting with those sites identified in the SLAA (259x39% = 101). As such, it is considered reasonable to assume an annual windfall allowance of 100 dwellings for the District Plan.
- 2.27 Notwithstanding the above, it is also important to consider the trends in respect of windfall as expressed graphically in the windfall trajectory shown in Figure 5. This includes expected likely

commitments 2012/13 to 2015/16 (although excludes the reductions outlined above).

Figure 5: Windfall Trajectory



2.28 Windfalls seem to reflect the wider economic climate and there is a general upward trend. However, the trajectory does suggest that the supply of windfalls will decrease in the future (which is sensible since windfalls are a finite supply as opportunities for redevelopment, conversion and infill become more limited over time). In order not to over-estimate the potential supply from windfalls, it is considered appropriate to apply a percentage reduction to the average annual windfall allowance of 100 dwellings. Furthermore, it is also considered reasonable that because the District Plan runs for twenty years to 2031, that the reduction should be increased over time (see Figure 6).

Figure 6: Windfall Reduction

| Years        | Reduction | Annual Allowance | 5 Year Total |
|--------------|-----------|------------------|--------------|
| 1 - 5        | 0%        | 100              | 500          |
| 6 - 10       | 10%       | 90               | 450          |
| 11 - 15      | 20%       | 80               | 400          |
| 15 - 20      | 30%       | 70               | 350          |
| <b>Total</b> |           |                  | <b>1,700</b> |

Please note: the windfall allowance for years 1-5 does not match the level of commitments. This is because the commitments include windfalls on residential garden land and sites that would be identified in the SLAA.

## Conclusions

2.29 In summary, this report seeks Members agreement that the following figures be used to inform the preparation of the District Plan:

- SLAA allowance – 2,350 homes
- Windfall allowance - 1,700 homes

2.30 In terms of the SLAA allowance, it should be noted that the number of homes identified on each site is purely indicative and represents what Officers consider to be realistic based on the information available for the purposes of the SLAA. The number is neither a maximum nor a minimum and is simply a guide as to what may be appropriate. The number quoted could both increase and decrease, subject to the type of scheme that is proposed, the appropriateness of which will be determined through a planning application.

2.31 In respect of windfalls, consideration will also need to be given to the planning policy context within which windfalls will come forward. Currently, in accordance with the Local Plan 2007 infill development (i.e. up to five small dwellings) is permitted in principle within the built-up areas of the Six Main Settlements and Category 1 and 2 Villages. Should the emerging District Plan propose an alternative approach, either in respect of the principle of infill development or the locations within which such development is permitted in principle, this may have a knock-on effect on the supply of dwellings from windfall development.

2.32 As of October 2012, the development strategy in the District Plan has not been finalised. As such, the approach to setting an appropriate windfall allowance may need to be revisited in subsequent versions of the SLAA Technical Report.

## 3.0 Implications/Consultations

3.1 Information on any corporate issues and consultation associated with this report can be found within **Essential Reference Paper 'A'**.

## Background Papers

The following background papers are available electronically at [www.eastherts.gov.uk/slaa](http://www.eastherts.gov.uk/slaa). A hard copy is also available to view at the Council's Offices in Hertford.

- SLAA Technical Study: Initial Report - Rounds 1 and 2 (October 2012)
- Initial Site Assessments (April/May 2012)
- Final Site Assessments (September/October 2012)

### LDF Executive Panel Reports:

- Report to District planning Executive Panel 26<sup>th</sup> July 2012 Agenda Item 7: Strategic Land Availability Assessment (SLAA) - Round 2 Update Report  
<http://online.eastherts.gov.uk/moderngov/documents/s15481/Strategic%20Land%20Availability%20Assessment.pdf>
- Report to LDF Executive Panel – 29<sup>th</sup> March 2012 Agenda Item 8: Strategic Land Availability Assessment (SLAA) Progress  
<http://online.eastherts.gov.uk/moderngov/ieListDocuments.aspx?Clid=151&MId=2024&Ver=4>
- Report to LDF Executive Panel – 24<sup>th</sup> November 2011 Agenda Item 5: Strategic Land Availability Assessment (SLAA) Next Steps  
<http://online.eastherts.gov.uk/moderngov/ieListDocuments.aspx?Clid=151&MId=1928&Ver=4>

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<sup>1</sup> NPPF paragraph 48 (DCLG, March 2012)