

## **Matter 17 The Supply and Delivery of Housing Land**

***Issue-Whether the approach towards the supply and delivery of housing land is justified, effective and consistent with national policy.***

***Relevant policy: H3PU***

**17.1 What is the estimated total supply of new housing in the plan period 2021-2038 and how does this compare with the requirement?**

- 17.1.1 The housing trajectory forming Local Plan Publication Draft Appendix E (CD2) identifies a potential total supply of 4,881 dwellings (table 2, page 51) from a range of sources. This compares to a requirement for 2,482 homes over the plan period.
- 17.1.2 The Council has put forward an updated housing trajectory for the Inspector to consider under Minor Modification MI-APP5 (CD17). This is based on more up to date evidence which identifies a potential total supply of 4,491 dwellings over the plan period.
- 17.1.3 The updated trajectory uses actual completion figures for the 2021/22 period. This information was not available when producing the trajectory which formed part of the Local Plan Publication Draft.

**17.2 What is the estimated total supply in the plan period from:**

- a) Completions since 31 March 2021**
- b) Sites under-construction**
- c) Planning permissions**
- d) Proposed allocations**
- e) Windfall sites**

### **Completions since 31<sup>st</sup> March 2021**

- 17.2.1 The Local Plan Publication Draft Appendix E – Housing Trajectory (CD2) predicted 252 dwellings would be completed between 1<sup>st</sup> April 2021 and 31<sup>st</sup> March 2022 (year 1). This figure has been replaced in the Housing Trajectory Update (Minor modification MI-APP5 (CD17) to include actual completions over the same period (144 dwellings).
- 17.2.2 Monitoring records shows that 104 dwellings were completed between 1<sup>st</sup> April 2022 and 30<sup>th</sup> September 2022 (the majority of these will be shown as sites under construction in the Housing Trajectory Update which had a base date of 31<sup>st</sup> March 2022).

### **Sites under construction**

- 17.2.3 Monitoring data shows that of the 249 dwellings which have extant planning permission on sites under 5 units<sup>1</sup>, 159 of these were under construction at 31<sup>st</sup> March 2022.
- 17.2.4 Monitoring data shows that of the 908 dwellings with extant planning permission on sites of 5 units or more<sup>1</sup>, 330 of these were under construction at 31<sup>st</sup> March 2022.

### **Planning Permissions**

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<sup>1</sup> Identified in Table 2 in the Housing Trajectory Update (Minor Modification MI-APP5 – CD17)

17.2.5 The Housing Trajectory Update shows that 249 dwellings benefit from full planning permission on sites under 5 units. 90 of these dwellings had not yet commenced at 31<sup>st</sup> March 2022.

17.2.6 It also shows that 908 dwellings benefit from full planning permission on sites of 5 units or more; 578 of these dwellings had not yet commenced at 31<sup>st</sup> March 2022.

17.2.7 The document also shows that there are 235 dwellings which have outline planning permission at 31<sup>st</sup> March 2022.

#### Proposed Allocations

17.2.8 The Local Plan Publication Draft Appendix E (Housing Trajectory) (CD2) identifies a potential total supply of 2,907 dwellings from allocated sites over the plan period.

17.2.9 The Updated Housing Trajectory referred to in the Minor Modifications (MI-APP5 (CD17) identifies a slightly lower supply of 2,711 dwellings. This is due to delivery being pushed back on the Marchon site (HWH5) to later in the plan period.

#### Windfall Sites

17.2.10 The Local Plan Publication Draft Appendix E (Housing Trajectory) (CD2) identifies a potential total supply of 462 dwellings on windfall sites from years 24/25 onwards.

17.2.11 The Updated Housing Trajectory referred to in the Minor Modifications (MI-APP5 (CD17) identifies a slightly lower supply of 420 dwellings on such sites over the same period. This is as the annual windfall allowance is slightly lower than previously as an additional year of actual trend data was available and has been taken into account.

### **17.3 What are the assumptions about the scale and timing of supply and annual rates of delivery from these various sources? Are these realistic? How do they compare to previous rates?**

17.3.1 The assumed scale and timing of supply along with annual delivery rates are set out in the Housing Trajectory (Table 1) (CD2) and the Updated Housing Trajectory referred to in the Minor Modifications (MI-APP5 (CD17)).

17.3.2 Assumptions relating to each source of site referred to above are discussed in turn below:

#### Completions since 31<sup>st</sup> March 2021

17.3.3 No assumptions are required; these are dwellings that have been completed on site according to building control completion records or Council Tax data.

#### Sites under construction

17.3.4 The Housing Trajectory (CD2), updated trajectory and Five Year Housing Land Supply (EB41) documents include sites under construction (excluding those on allocated sites) within the same group as other windfall sites where development has not yet commenced. Monitoring data that has informed these documents does however show whether the site is under construction or not.

17.3.5 Table 5 of the of the submitted housing trajectory (CD2) (and Table 5, page 17 of the Updated post-submission Trajectory) shows anticipated delivery rates on sites with extant planning permission for 5 or less dwellings. Development has commenced on all of these sites and all dwellings are expected to be complete in years 2 (22/23) and 3 (23/24).

- 17.3.6 Table 6 of the submitted housing trajectory (CD2) (and Table 6, page 29 of the Updated post-submission Trajectory) relates to sites with extant planning permission for 6 or more units. The post-submission trajectory indicates whether a site is under construction or whether development has not yet commenced.
- 17.3.7 Where development has commenced it is assumed that dwellings will be completed from year 2 (22/23) onwards at a rate of 10 units per annum or less (unless an alternative delivery rate has been provided by the developer) or where delivery has stalled (see paragraph 3.1.3 of the Five Year Housing Land Supply document - EB41).
- 17.3.8 The annual delivery rate is considered to be realistic, if not conservative – see paragraph 17.3.11 below for further information to support this assumption.

#### Proposed Allocations

- 17.3.9 The anticipated delivery on sites allocated for housing is shown in Table 4 of the submitted housing trajectory (and Table 4, page 9 of the Updated post-submission Trajectory). Details regarding commencement dates and annual delivery rates on 7 of the sites were provided by the developer in 2021). Delivery on the remaining 26 sites has been assumed, either because there is currently no developer active on the site or delivery rates were not provided.
- 17.3.10 The Council has assumed that, where no commencement dates or delivery rates have been provided, the first completions on the site will be seen in year 4 (25/26) or later. This is to allow time for planning permission to be sought, S106 to be signed (where appropriate) and conditions to be discharged.
- 17.3.11 In terms of the annual rates of delivery, where an allocated site does not benefit from planning permission, or delivery rates have not been provided by a developer, an assumed completion rate of 10 dwellings per year has been used. This is a slightly conservative estimate given that Table 4 in the Five Year Housing Land Supply, September 2022 document (EB41) shows that on average 15 dwellings have been completed each year on sites since 1<sup>st</sup> April 2013. The table shows that annual delivery has ranged from 6 dwellings per year (2021/22) to 26 per year (2013/14). It is likely that the figures have fallen in the past few years as the majority of allocated sites are now complete.

#### Windfall Sites

- 17.3.12 Windfall sites are identified within the Local Plan Glossary and supporting documents as those “*which are not specifically identified within the development plan*”. They are comprised of sites with and without planning permission where development may or may not have commenced.
- 17.3.13 Paragraphs 17.3.4-17.3.8 above discuss the assumptions used on windfall sites where dwellings are under construction.
- 17.3.14 Where development has not yet commenced, but the site benefits from full planning permission, the first completions are expected on site in year 3 (23/24); this is to ensure sufficient time for the discharge of any outstanding conditions etc. This approach aligns with the NPPF Glossary that states that all sites with detailed planning permission should be considered deliverable unless there is clear evidence to show that the homes would not be delivered within 5 years.

17.3.15 Table 7 of the submitted housing trajectory (and Table 7, page 37 of the Updated post-submission Trajectory) shows anticipated delivery on sites that *only* have an outline planning permission. The sites included within the list are a variety of sizes, some with permission for only a single dwelling and some for upto 85 dwellings. A number of sites have outline permission but separate parts of the site have gained reserved matters, this is noted within the table.

17.3.16 On sites with outline planning permission, the Council has assumed that the first completions will be delivered on site in year 4 (24/25) unless development has already commenced elsewhere on the site (through a separate Reserved Matters permission). An annual delivery rate of 10 dwellings or less has been used; the justification for this is provided in paragraph 17.3.11 above.

17.3.17 The assumptions made regarding delivery on windfall sites that don't benefit from planning permission can be found on pages 3 and 4 of the post-submission housing trajectory and pages 10-12 of the Five Year Housing Land Supply document (EB41). This category of sites includes sites that the Council is aware of through pre-application discussions and unidentified sites (e.g. those which could come forward through future site clearances, the sub-division of larger properties etc).

17.3.18 The assumptions are considered to be realistic based on past trends.

**17.4 How has flexibility been provided in terms of the housing land supply? Are there other potential sources of supply not specifically identified? Can this be specified?**

17.4.1 The Local Plan is flexible in that it, by identifying sites which could provide significantly more housing than required, it is not overly reliant upon the delivery of one or two sites.

17.4.2 The Council is unaware of any additional sources of sites which should be included within the housing land supply.

**17.5 In overall terms, would the Local Plan realistically deliver the number of houses required over the Plan period?**

17.5.1 The housing land supply over the Local Plan period comprises deliverable sites (those which can be brought forward within the first 5 years) and developable sites. The NPPF Glossary defines deliverable sites as those which "*should be available now, offer a suitable location for development now, and be achievable with a **realistic** prospect that housing will be delivered on the site within five years*" and developable sites as those which "*should be in a suitable location for housing development with a **reasonable** prospect that they will be available and could be viably developed at the point envisaged.*"

17.5.2 The Council feels that, the Local Plan will realistically deliver the number of houses required within the 5 year period and that there is a reasonable prospect that the number of homes anticipated longer term will be delivered.

**17.6 Has there been persistent under delivery of housing? In terms of a buffer for a five-year supply of housing sites, should this be 5% or 20% in relation to para 47 of the NPPF?**

17.6.1 The Five Year Housing Land Supply Statement 2021/22 (EB41), section 2.5 states that:

*"The NPPG (Paragraph: 022 Reference ID: 68-022-20190722) states that a buffer must be added to the housing requirement:*

*“To ensure that there is a realistic prospect of achieving the planned level of housing supply, the local planning authority should always add an appropriate buffer, applied to the requirement in the first 5-years (including any shortfall), bringing forward additional sites from later in the plan period. This will result in a requirement over and above the level indicated by the strategic policy requirement or the local housing need figure. Buffers are not cumulative, meaning that an authority should add one of the following, depending on circumstances: 5% - the minimum buffer for all authorities, necessary to ensure choice and competition in the market, where they are not seeking to demonstrate a 5-year housing land supply; 10% - the buffer for authorities seeking to ‘confirm’ 5-year housing land supply for a year, through a recently adopted plan or subsequent annual position statement (as set out in paragraph 74 of the National Planning Policy Framework), unless they have to apply a 20% buffer (as below); and 20% - the buffer for authorities where delivery of housing taken as a whole over the previous 3 years, has fallen below 85% of the requirement, as set out in the last published Housing Delivery Test results.”*

*The Council is not seeking to produce an Annual Position Statement and the housing delivery test has been met as set out in the last published Housing Delivery Test results<sup>15</sup> therefore a 5% buffer is applicable.”*

### **17.7 How would any shortfall since 2021 be dealt with?**

17.7.1 Section 2.6 of the Five Year Housing Land Supply Position Paper 2021 states that:

2.6.1 *“Paragraph 011 of the NPPG addresses the question “can strategic policy-making authorities take account of past under delivery of new homes in preparing plans?”*

2.6.2 *It states that: “The affordability adjustment is applied to take account of past under-delivery. The standard method identifies the minimum uplift that will be required and therefore it is not a requirement to specifically address under-delivery separately. Where an alternative approach to the standard method is used, past under delivery should be taken into account.”*

2.6.3 *Given this, it is not necessary to add shortfall against an out-of-date plan when calculating the 5-year supply against the standard methodology”*

17.7.2 Whilst the housing requirement has not been calculated using the standard methodology, the figure is significantly greater than that produced by the standard methodology. Given this and the above, the Council does not feel it necessary to add any shortfall since 2021 (144 dwellings) onto the basic housing requirement.

### **17.8 What would the requirement be for a five-year supply including a buffer and accommodating any shortfall since 2021?**

17.8.1 The September 2022 Update to the Five Year Supply Position Paper identifies what the five-year supply requirement would be based on the housing requirement in the Local Plan and the standard methodology. Based on the Local Plan housing requirement, with a 5% buffer applied and no uplift for previous shortfall, the five year supply requirement is for 767 dwellings over the 5 year period starting 1<sup>st</sup> April 2022.

Table 2: Housing Need based on the Standard Methodology

Housing Need 1 <sup>st</sup> April 2022 to 31 <sup>st</sup> March 2027 based on housing need identified through the Standard Methodology		
	Calculations	Net additional dwellings required
Housing need	5x5	25
5% buffer		2 (rounded up)
Alternative 10% buffer		3 (rounded up)
<b>Total with 5% buffer</b>		<b>27</b>
<b>Total with 10% buffer</b>		<b>28</b>

Table 3: Housing Need Based on the SHMA 2021 Requirement

Housing Need 1 <sup>st</sup> April 2022 to 31 <sup>st</sup> March 2027 based on housing need identified in the SHMA 2021		
	Calculations	Net additional dwellings required
Housing need	146x5	730
5% buffer		37
Alternative 10% buffer		73
<b>Total with 5% buffer</b>		<b>767</b>
<b>Total with 10% buffer</b>		<b>803</b>

**17.9 Would the Local Plan realistically provide for a five-year supply on adoption? Will a five-year supply be maintained?**

17.9.1 Yes, the Council has identified a supply of 1,090 dwellings over the five year period from 1<sup>st</sup> April 2022. Whilst the housing requirement in the Core Strategy has not been met over recent years, the adopted plan will introduce a range of new, attractive allocated sites to the supply which will help boost delivery.

17.9.2 The housing trajectory identifies that it may be difficult to maintain a five year housing supply towards the end of the Local Plan period from year 12 onwards as completions on allocated sites start to fall. The Council will have carried out a Local Plan Review before this happens

**17.10 Is Policy SP H3PU justified, effective and consistent with national policy?**

17.10.1 Policy H3 is justified and effective as it identifies the actions that will be taken by the Council to ensure housing is delivered in line with the development strategy over the plan period. This supports the NPPF’s aim of delivering a sufficient supply of homes and achieving sustainable development.

17.10.2 The policy, particularly criterion 3, also allows consideration of whether the Local Plan strategy, which directs development to the most sustainable areas is working. This criterion would allow for an early review of policies within the Local Plan, for example, should development in the lower tiers of the hierarchy significantly exceed that anticipated, **to the detriment of the larger settlements**. This approach is consistent with paragraph 16 of the NPPF which states that “Plans should be prepared with the objective of contributing to the achievement of sustainable development”.

17.10.3 The policy is also consistent with Paragraph 11 of the NPPF which engages the tilted balance where Council's are unable to demonstrate a 5 year supply of deliverable housing sites and paragraph 76 of the NPPF which states the following:

*“To maintain the supply of housing, local planning authorities should monitor progress in building out sites which have permission. Where the Housing Delivery Test indicates that delivery has fallen below 95% of the local planning authority's housing requirement over the previous three years, the authority should prepare an action plan in line with national planning guidance, to assess the causes of under-delivery and identify actions to increase deliver.”*