

13 August 2018

<b>Report of</b>	Assistant Director: Corporate & Policy	<b>Author</b>	Sean Tofts
<b>Title</b>	Housing Land Supply Statement June 2018		☎ 503639
<b>Wards affected</b>	All		

## 1. Executive Summary

- 1.1 The Housing Land Supply Statement has been prepared in line with the National Planning Policy Framework (NPPF) which requires Local Planning Authorities to identify and update annually, a five year supply of housing land.
- 1.2 The document presents the position as of 1st April 2018 and considers the relevant five year housing land supply period; 1st April 2018 to 31st March 2023. The document demonstrates that there is a sufficient supply of homes for the forthcoming five year period within the Borough. The document includes two new sections that relate to windfall allowance and emerging allocations.

## 2. Recommended Decision

- 2.1 The Committee is asked to note the publication of the CBC Housing Land Supply Position Statement June 2018.

## 3. Reason for Recommended Decision

- 3.1 To make members aware of the latest housing supply position.

## 4. Alternative Options

- 4.1 There are no alternative options – the report is for information only.

## 5. Background Information

- 5.1 The Housing Land Supply Statement June 2018 (or Position Statement) has been prepared in line with the National Planning Policy Framework (NPPF) which requires Local Planning Authorities to identify and update annually, a five year supply of housing land.
- 5.2 Traditionally this information has been released within the Authority Monitoring Report (AMR) at the annual December committee. The information is however readily available to update the Council's position shortly after the end of each financial/monitoring year enabling more frequent updating if required. The updates will supplement the ongoing AMR publication with the potential for a mid-year assessment; for example in December 2018 the AMR may include the figures for the first 6 months of 2018/19.
- 5.3 The Housing Supply Statement now includes further information in relation to a windfall allowance and emerging allocations.

## **National Policy**

- 5.4 On Tuesday the 24th of July 2018 the government published a revised National Planning Policy Framework, the first review of the original NPPF since its initial publication in 2012. The revised NPPF incorporates the changes that have been consulted on following last year's housing white paper and "planning for the right homes in the right places" consultation.
- 5.5 Where plans are being prepared under the transitional arrangements set out in Annex 1 to the revised National Planning Policy Framework, the policies in the previous version of the framework, published in 2012, continue to apply, as will any previous guidance which has been superseded since the new framework was published in July 2018.

## **Windfall Allowance**

- 5.6 In simple terms windfall sites are those sites which are not included as allocations as part of the housing land supply, which subsequently become available for housing development. A windfall allowance is a calculation that can be included within future housing completion projections to allow for development that is likely to come forward from a currently unknown site or location.
- 5.7 Based on the evidence of historic trends of windfall within the Borough, the Council will be applying a windfall allowance going forward. Although there is no universally used formula to account for the anticipated windfall several considerations have been taken into account.
- 5.8 The housing position statement considers a criterion to define windfall which is considered to be in line with definition of windfall as set out in the 2018 revisions to the NPPF.
- 5.9 For the purposes of the position statement the criteria for a site to be considered windfall is that it should not form part of a current or emerging allocation; including the historic growth and regeneration areas unless the site was clearly not intended to be subject to the policy. An example of this could be a small infill site or an office to residential conversion brought forward through permitted development rights.
- 5.10 The position statement identifies past windfall development that has been completed within the borough. This has been seen to increase within recent years with an average in the last 5 years of 204 completions, within the last 3 years there has been 260 completions and if the predicted completions for 2018/19 are taken into account this rises further to 284 dwellings per year on average. As the completions for the current year, 2018/19, are probable, it has been considered that a conservative approach would be to allow for an average of 260 dwellings to be completed per year for the five year supply period.
- 5.11 There is no reason for the Council to believe that this level of windfall is not achievable and with office to residential conversions still prevalent within the Borough it is seen to be a conservative estimate of the windfall that will be realised in actuality.
- 5.12 The position statement offers further clarity on how an additional windfall allowance is calculated for the Borough from paragraph 5.5 to 5.9. It is important to note that the housing trajectory already includes sites that amount to windfall development and this can be termed 'known windfall'. It is important to note that these will not be double counted i.e.: included in the trajectory as a specific site and also used to justify an additional 'windfall allowance'.

- 5.13 The position statement highlights that there are 725 dwellings from 'known windfall' that are anticipated to be completed within the five year period and therefore this figure must be subtracted from anticipated average figure of 260 windfall dwellings a year. Furthermore it is noted that the year 2018/19 is unlikely to include any further windfall beyond that included within the trajectory from 'known windfall' permissions due to the short lead in time for completions and because the figure for the year already exceeds the predicted average windfall applied going forward.
- 5.14 Taking into account the above a further 315 dwellings are anticipated to be completed within last four years of the five year supply period from additional windfall sites that the Council is currently unaware of. This figure has been included in the five year housing supply calculation.

### **Emerging Allocations**

- 5.15 Officers consider that a pragmatic approach should be taken in relation to the inclusion of emerging allocations within the housing position statement. A new section has been added to the document specifically considering the inclusion of emerging allocations within the five year housing supply calculations. The section notes deliberations within the National Planning Policy Framework (NPPF) and Planning Practice Guidance (PPGs) and relevant case law.

#### National Policy and Guidance:

- 5.16 Footnote 11 of the 2012 NPPF identifies that to be considered deliverable, sites 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 5 years and in particular that development of the site is viable. Planning Policy Guidance gives guidance on what constitutes a deliverable site for the application of housing policy. In relation to emerging allocations the first sub-paragraph of Paragraph 031 is pertinent: "deliverable sites for housing could include those that are allocated for housing in the development plan ... unless there is clear evidence that schemes will not be implemented within 5 years"

#### Relevant Case Law

- 5.17 The Court of Appeal delivered judgment in *St Modwen v SSCLG & ERYC* 2017 concerning the meaning of the phrase "deliverable sites" in the context of the requirement in paragraph 47 of the National Planning Policy Framework for a five year housing land supply. Lord Justice Lindblom said that, to be deliverable in this sense, a site has to be capable of being delivered within five years, but it does not need to be certain or probable that the site actually will be delivered within five years. Sites can be included in the five year supply if the likelihood of housing being delivered on them within the five year period is no greater than a realistic prospect; just because a particular site is capable of being delivered within five years, it does not mean that it necessarily will be. In his view, there is a distinction between the identification of deliverable sites for the purpose of showing a supply of specific deliverable sites sufficient to provide five years' worth of housing against an authority's requirements and the expected rate of delivery to be reflected in a housing trajectory. The Judge also noted that the NPPF recognises that local planning authorities do not control the housing market.
- 5.18 The appeal case of *Wainhomes (South West) Holdings v SSCLG* 2013 clarified that inclusion of a site in an emerging Local Plan is at least some evidence that the site is deliverable. Judge Stewart-Smith J surmised that a site's deliverability is reliant on the evidence to support the proposed allocation on a site by site basis. The weight to be

attached to the quality of the authority's evidence base is a matter of planning judgment for an inspector.

### Conclusion on the inclusion of emerging allocations

- 5.19 The inclusion of the sites within the emerging allocations highlights that the Council believes that the sites are deliverable and this will be further robustly critiqued through the Local Plan examination. All emerging sites within the 5 year trajectory are subject to early discussions and there are no known insurmountable constraints that will effect deliverability. Notwithstanding this, though the Council is not reliant upon emerging allocations to illustrate a sufficient 5 year supply they have been included within the calculations.

### **Five year Supply Position**

- 5.20 As stated within the executive summary the Council is able to demonstrate sufficient housing for the five year period. The figure is dependent on 2 factors:
- The number of houses required for the five years and;
  - The supply of housing anticipated for the five year period.

### **Requirement**

- 5.21 Colchester's five year housing land supply requirement is based on an annual housing target of 920. This figure is derived from an objectively assessed housing need study published in 2015 by Peter Brett Associates in full compliance with national guidance. This housing target equates to a requirement to deliver 4,600 new dwellings over a five year period. A further 39 dwellings must also be added to this figure to allow for a minor shortfall of delivery since 2013/14. Notably this shortfall has diminished significantly over the time period and the predicted completion figures for 2018/19 within the housing trajectory suggest the Council will have provided a small surplus of housing by the end of this financial year.
- 5.22 The Inspector of the Strategic (Section One) Plan, Roger Clews advised the Councils on 27 June 2018 that he considered that the housing requirement policies in Policy SP3 of Section 1 were soundly based. The letter is available in full on the [Braintree District Council website](#), where the examination webpages have been hosted.
- 5.23 Further to the 4,639 dwellings needed within the borough, national policy requires an additional contingency buffer to be added to this figure. A five percent buffer has been added to this figure which equates a total need of 4,871 dwellings to be deliverable within the borough within the five year period between 1st April 2018 and 31st March 2023.

### **Supply**

- 5.22 The supply of housing within the Borough is predominantly anticipated to be from existing planning permissions. Combining permissions with existing allocations and the additional windfall allowance it is expected that 5045 dwellings will be delivered within the borough within the five year period. A further 1293 dwellings are expected to be delivered from the emerging allocations within the new Local Plan towards the latter part of the five year period.

## **Calculation**

- 5.23 As set out on page 12 in section 7 of the position statement the council is able to provide a sufficient supply of housing for the five year period:
- **5.18 years** of housing from permissioned sites, existing allocations and additional 315 dwelling windfall allowance;
  - **6.51 years** when including the above and emerging allocations.

## **Monitoring**

- 5.24 Section eight of the document highlights the monitoring process. The document will be updated annually with six month reviews as required.

## **6. Equality, Diversity and Human Rights implications**

- 6.1 An Equality Impact Assessment has been prepared for the Local Plan, and is available to view by clicking on this link:-  
<https://colch.sharepoint.com/:b:/s/Store/DyLi/EZA0GdflinZFsYaVaABNZigBvKSbQowOONFR-CqjyG4XAAQ>

## **7. Strategic Plan References**

- 7.1 The Council's Strategic Plan 2018 – 2021 includes a key priority concerning housing delivery. The Housing Land Supply Position Statement includes information relevant to several corporate targets.

## **8. Consultation**

- 8.1 None required.

## **9. Publicity Considerations**

- 9.1 The Housing Land Supply Position Statement June 2018 is published on the Council's website via <https://www.colchester.gov.uk/info/cbc-article/?catid=housing-land-supply&id=KA-02033>.

## **10. Financial, Community Safety and Health and Safety Implications**

- 10.1 There are no financial, community safety or health and safety implications for the Council

## **11. Risk Management Implications**

- 11.1 Housing Land Supply Position Statement will reduce the risk of the Council being subject to planning application appeals with five year supply issues being main issues. It will also aid in receiving adverse appeal decisions.

## **Appendices**

- Housing Land Supply Position Statement June 2018.