

BRECKLAND DISTRICT COUNCIL

Report of: The Executive Director for Commercialisation

To: Planning Committee - 24 August 2015

Author: Iain Withington, Planning Policy Team Leader (Capita)

Subject: 2015 Annual Statement of Five Year Housing Land Supply

Purpose: The purpose of this report is to inform the Planning Committee of Breckland's current situation in regards to a five year housing land supply

Recommendation(s):

It is recommended that the Planning Committee note the contents of this report for their information and any implications for decisions on relevant Planning Applications

1.0 BACKGROUND

- 1.1 It is a requirement of the National Planning Policy Framework (NPPF) to prepare a five year housing land supply statement on an annual basis. The full assessment for 2015 is included at Appendix A of this report.
- 1.2 The 5 year housing land supply calculation (5YHLSC) is a comparison of the anticipated supply of new homes against the number of new homes that are required to be built in Breckland (known as the housing requirement). It is expressed as the number of years' worth of supply. So as to avoid being skewed by annual fluctuations in housing supply, it is calculated over a 5 year period. Any 5YHLSC is a snapshot in time. The 5 year period is a 'forward look' produced on at least an annual basis and standard practice is for the starting point to be 1 April each year.
- 1.3 The 5YHLSC is a means of demonstrating that the Council is meeting the housing development needs of the district and is a key plank of the National Planning Policy Framework (NPPF) to '*boost significantly the supply of housing*' (para47). Further guidance on land availability and 5 year supply is provided in the national Planning Practice Guidance (PPG). Both the NPPF and PPG are available to view at <http://planningguidance.planningportal.gov.uk/>.
- 1.4 Although it formed part of previous Government guidance, the 5YHLSC has obtained critical importance under the NPPF. Not only should housing applications 'be considered in the context of the presumption in favour of sustainable development' but crucially, 'relevant policies for the supply of housing should not be considered "up to date" if the local planning authority cannot demonstrate a five year supply of deliverable housing sites' (para49). The NPPF also requires the 5YHLSC to include a 5% or 20% buffer (moved forward from later in the plan period) to ensure choice and competition in the market.
- 1.5 Land can only be included within the five year supply where it is considered to meet the following criteria (as set out within the NPPF):
- Deliverable – sites should be available now
 - Achievable – sites should have a realistic prospect that housing will be delivered on
 - Suitable – sites should offer a suitable location for development
the site within the five years

- 1.6 Commitments come from a number of sources:
- Sites with full and outline planning permission
 - Sites with planning permission subject to S106
 - Allocated sites e.g. Local Plan, Core Strategy and Neighbourhood Plans (when adopted)
 - Identified Rural Affordable Housing in partnership with housing associations and the Council's Housing Enabling Service
 - Windfall sites i.e. those unidentified sites that get permission. - where it can be demonstrated these will come forward and be delivered
- 1.7 Homes are classed as any self-contained permanent residential dwelling and can, for example, include mobile homes for agricultural workers and homes for older people known as 'extra care' (where the unit is a self-contained dwelling). The 5 year supply calculation is concerned with the 'net' increase to the housing stock¹. Whilst the re-use of empty homes provides an important source to meet housing needs, as with replacement dwellings, bringing empty homes back into use does not normally add to the overall supply of new housing, as there is no 'net' increase in supply. Gypsy and Traveller sites are not included as they do not form part of the standard housing requirement. Gypsy and Traveller pitches are, however, planned for and monitored separately.
- 1.8 Notwithstanding the above, the national PPG (paras 37 Reference ID: 3-037-20140306 & 38 Reference ID: 3-038-20140306) published in March 2014 permits local planning authorities to include *'housing provided for older people, including residential institutions in Use Class C2, against their housing requirement. [...] All student accommodation, whether it consists of communal halls of residence or self contained dwellings, and whether or not it is on campus, can [also] be included towards the housing requirement, based on the amount of accommodation it releases in the housing market. Notwithstanding, local authorities should take steps to avoid double counting'*
- 1.9 The Council must decide whether it has robust information to justify including residential institutions and/or student accommodation in its supply calculation. As indicated above, such accommodation is comprised of bedrooms as opposed to dwellings, and as such, the number of bedrooms provided cannot necessarily be used as a proxy for the number of dwellings. For older people, it would be necessary to judge the extent to which an increase in care accommodation would lead to the release of existing housing onto the market, thus contributing to a net increase in supply.
- 1.10 This matter has not previously been included in the Council's Five year assessment and after review it is considered that the housing target in the Core Strategy does not readily identify a separate need for C2 dwellings. This is also consistent with the previous Strategic Housing Market Assessment, SHMA undertaken by this authority. In order to be consistent no separate allowance has been included in this assessment and inclusion of C2 dwellings is judged to be a matter for the emerging Local Plan.

Housing Land Buffer

- 1.11 As stated in paragraph 1.4, the NPPF requires Local Authorities to include either a 5% or 20% buffer on housing supply. Breckland has previously under delivered against its housing target of 780 completions per annum and therefore in accordance with the NPPF it is considered that the application of a 20% buffer remains appropriate.

¹ The 'net' number of homes is the increase in homes whereas the 'gross' is the actual number of homes provided. For example, if an existing house was demolished and 4 built in its place, the gross housing number would be 4, but the net increase would be 3.

- 1.12 When calculating the five year supply requirement, nationally two approaches have been identified to deal with the previous undersupply of housing. These are known as the Liverpool and Sedgfield approaches. Within the Liverpool methodology, the past undersupply of housing is spread across the remainder of the plan period. The Sedgfield methodology requires the undersupply to be dealt with within the next five year period. **The national Planning Practice Guidance (PPG) states that Local Planning Authorities should aim to deal with any undersupply of housing within the first five years of the plan period where possible i.e the Sedgfield approach.**
- 1.13 However, the Sedgfield approach is not the only legitimate methodology for addressing any accumulated shortfall. The Liverpool method is an alternative approach which could be considered. With this method spreading any accumulated shortfall across the plan period is considered to result in a more measured housing delivery trajectory which may be appropriate in certain circumstances.
- 1.14 In the 5YHLSC of 2014, the Council used the Sedgfield approach to make up the accumulative shortfall within 5 years. However the appropriateness of each approach has been debated in and out of the courts over the recent past. Due to the uncertainty over which approach is preferable with regards to annual monitoring (as opposed to Plan making as referred to in the PPG), and given the high proportion of long term housing provision planned for the district through strategic urban extensions this 5 year land supply statement presents two options for the 5 year calculation.

Breckland's 5 year Assessment

- 1.15 Breckland's Five Year Housing Land Supply paper assesses the period between 2015 and 2020 and based upon the housing delivery targets set out within the adopted Core Strategy and Development Control Policies DPD. The assessment incorporates a range of sites including those with planning permission, those which have been allocated through development plan documents and appropriate windfall development. To help to ensure a robust statement of land availability and deliverability, questionnaires were sent to all those with planning permission on larger sites of 10 or more dwellings. The questionnaire sought information on the likely delivery rates of these sites.
- 1.16 The housing target for the district requires 19,100 new homes to be built in Breckland between 2001 and 2026. Following the adoption of the RSS in 2008, the housing target which was included within the Core Strategy was for the development of 780 dwellings per annum. Since 2008 3,127 dwellings have been completed within Breckland. This is 2,333 dwellings less than the required completions target of 5,460 dwellings. In accordance with guidance set out within the national Planning Practice Guidance (PPG) any shortfall in housing supply needs to be made up within the next five years. This therefore creates an annual target for the next five years of 1,247 new dwellings per annum under guidance and the Sedgfield approach. Spreading the shortfall over the plan period, the Liverpool approach creates a requirement of 992 dwellings per year. These translate into a five year requirement of 6,235 under Sedgfield or 4,960 under Liverpool.
- 1.17 The under delivery of housing in the past is not strictly a reflection on the Council's ability to allocate land for housing development. Planning itself cannot overcome market forces and personal behaviour. Despite the good progress the Council has made on allocating sites through the adopted Local Plan, the reasons for under delivery are influenced by a number of factors which are beyond the Council's control. This includes the slow implementation of schemes which already have the benefit of planning permission. Taking this into account, the Council's five year housing land supply statement has therefore taken a cautious but realistic view of how housing supply will come forward in the five year period.

- 1.18 The 2015 5YHLSC shows that there are 5,216 new dwellings that can be delivered over the next five years in Breckland² .
- 1.19 Under the **Sedgefield approach Breckland** can currently demonstrate a 4.18 years supply of deliverable housing land. However when the 20% buffer of housing land is applied this falls to 3.79 years supply of deliverable housing land. This compares to 3.72 and 3.29 years (20% buffer) supply as previously reported in the 2014 5YHLSC.
- 1.20 Under the **Liverpool approach the Council** can demonstrate a 4.54 years supply of deliverable land once the 20% buffer is applied.
- 1.21 As the Council are currently unable to demonstrate a five year supply of housing land, whichever method is used in the calculation, the specific method remains academic at this stage. Planning applications for residential development need to be determined in accordance with paragraph 49 of the NPPF. This states that adopted Council policies on the supply of housing cannot be considered up to date. The assessment at appendix A includes a Housing Implementation Strategy. This strategy provides further guidance as to how planning applications should be determined in the absence of five years worth of deliverable housing land. For a site to be considered developable, applicants need to demonstrate that their site is available, suitable and achievable. In Breckland, the areas identified as suitable sustainable locations for residential development remain the five market towns and 14 local service centre villages in line with the adopted policies. Where a site is outside a defined settlement boundary, and its redevelopment for residential dwellings is proposed, it is expected that applicants would provide further justification for the departure from the Development Plan. In addition in order to comply with the footnote 11 and 12 of the NPPF applicants must satisfy the Council that the site would come forward and be developed within the five year period.
- 1.22 Work is currently ongoing to prepare a District wide Local Plan, which when adopted will supersede the adopted Development Plan Documents. The Local Plan will review the housing target for the district and will include robust arrangements for phasing and delivery of residential development to help with the housing trajectory and land supply. In order to be adopted the emerging Local Plan is required to demonstrate a five year supply at point of adoption.

2.0 **OPTIONS**

2.1 There are two options available:

Option 1: Members note the content of this report and take into account Breckland's Five Year Housing Land Supply and the Housing Implementation Strategy in the determination of planning applications for residential developments.

Option 2: Do Nothing

3.0 **REASONS FOR RECOMMENDATION(S)**

3.1 It is recommended that Members endorse Option 1. Local Planning Authorities are required through the NPPF and national PPG to prepare a statement setting out their five year housing land supply. This report has been prepared having had regard to this guidance.

4.0 **EXPECTED BENEFITS**

² Table 2 – 2015 5YHLSC

4.1 The expected benefit associated with Option 1 is that the Council meets the requirements of the National Planning Practice Guidance.

5.0 **IMPLICATIONS**

5.1 **Carbon Footprint / Environmental Issues**

5.1.1 It is the opinion of the Report Author that there are no implications.

5.2 **Constitution & Legal**

5.2.1 It is the opinion of the Report Author that there are no implications.

5.3 **Contracts**

5.3.1 It is the opinion of the Report Author that there are no implications.

5.4 **Corporate Priorities**

5.4.1 This report aligns to the corporate priorities to support our local economy and develop stronger communities.

5.5 **Crime and Disorder**

5.5.1 It is the opinion of the Report Author that there are no implications.

5.6 **Equality and Diversity / Human Rights**

5.6.1 It is the opinion of the Report Author that there are no implications.

5.7 **Financial**

5.7.1 It is the opinion of the Report Author that there are no implications.

5.8 **Risk Management**

5.8.1 It is the opinion of the Report Author that there are no implications.

5.9 **Staffing**

5.9.1 It is the opinion of the Report Author that there are no implications.

5.10 **Stakeholders / Consultation / Timescales**

5.10.1 It is the opinion of the Report Author that there are no implications.

6.0 **WARDS/COMMUNITIES AFFECTED**

6.1 All wards in Breckland are affected by the Five Year Housing Land Supply Statement. This report is particularly relevant to the following wards, as they have been identified with a positive housing allocation: Burgh and Haverscroft, Queens, Dereham Neatherd, Dereham Humbletoft, Dereham Central, Dereham Toftwood, Swaffham, Watton, Thetford Saxon, Thetford Abbey, Thetford Guildhall, Thetford Castle, Harling and Heathlands, Shipdham, Nar Valley, and Swanton Morley.

7.0 **ACRONYMS**

- 7.1 NPPF: National Planning Policy Framework
 - 7.2 PPG: National Planning Practice Guidance
 - 7.3 5YHLSC: Five year Housing Land Supply Calculation
 - 7.4 DPD: Development Plan Document
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Background papers:-

Lead Contact Officer

Name and Post: Iain Withington, Planning Policy Team Leader Officer (Capita)

Telephone Number: 01362 6562057

Email: iain.withington@capita.co.uk

Director / Officer who will be attending the Meeting Name and Post:

Iain Withington Planning Policy Team Leader (Capita)

Key Decision: No

Exempt Decision: No

Appendices attached to this report:

Appendix A: Breckland's Statement of Five year Housing Land Supply.