

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO PLANNING & DEVELOPMENT COMMITTEE

Agenda Item No. 7

meeting date: THURSDAY, 22 JUNE 2017
title: HOUSING LAND MONITORING
submitted by: CHIEF EXECUTIVE
principal author: JOANNE MACHOLC, SENIOR PLANNING OFFICER

1 PURPOSE

- 1.1 To provide Members with key information on the results of the most recent Housing Land Availability Survey, which has a base date of 31 March 2017.
- 1.2 Relevance to the Council's ambitions and priorities:
 - Community Objectives - The information in this report relates to the delivery of housing which is a key theme of the adopted Core Strategy.
 - Corporate Priorities - This information is relevant to the adopted Core Strategy which is a spatial expression of corporate priorities.
 - Other Considerations - Councils have a duty to update housing supply annually.

2 INFORMATION

Background

- 2.1 The Council has a duty to ensure a 5 year supply of deliverable housing land (NPPF paragraph 47). The issue of five year supply continues to be a key matter in the determination of planning applications and appeals.
- 2.2 Housing land surveys are conducted on a six monthly basis. The latest survey was undertaken at 31 March 2017. The resulting full *Housing Land Availability Schedule April 2017 (HLAS)* can be viewed on the Council's website¹ and a copy has been placed in the Members' Room for reference. Interim updates may be produced to inform major appeals. It is noted that NPPF envisages annual updates.
- 2.3 The HLAS provides information on: dwelling completions; and sites with planning permission and their development status. It enables the Council to create a picture of construction trends and activity rates together with base line evidence on the amount of land that is available to be brought forward from which the latest supply position in relation to the current strategic requirement is calculated.

Overall Requirements

- 2.4 The relevant strategic housing requirement is set out in H1 of the adopted Core Strategy. This requires 5600 dwellings for the plan period 2008 to 2028, equivalent to an annual average completion target of at least 280 per year. The figure of 280 is used for monitoring purposes and will remain appropriate until overall housing requirements are updated as part of any review of the plan. Members will note that the adopted Core Strategy commits to such a review within five years from the

adoption of the Core Strategy to ensure it remains the appropriate strategic figure. The outcome of any review cannot be pre-empted at this stage.

Completions

- 2.5 Outputs from the survey show that 1770 dwellings have been constructed since April 2008 (i.e. a 9 year period). Completions in the single years of the plan period to date are as follows:

Monitoring year	Net dwellings completed	Shortfall (-) or excess (+) in relation to annualised requirement (280)
2008/9	75	-205
2009/10	89	-191
2010/11	69	-211
2011/12	147	-133
2012/13	172	-108
2013/14	183	-97
2014/15	345	+65
2015/16	300	+20
2016/17	390	+110
TOTAL	1770	-750

(source: RVBC housing land monitoring)

In the latest monitoring year (2016-2017) 390 dwellings were built. This represents the third consecutive year in which the annualised requirement of 280 dwellings per year has been exceeded. Overall to date in the plan period there is a shortfall of 750 dwellings, accumulated for the most part in the early years of the plan period and when the overall requirement had not been established (members will note that the requirement of 280 dpa was not established until 2013).

- 2.6 In requiring local authorities to maintain a five year supply of specific deliverable sites against the requirement of 280 per annum, NPPF requires the addition of a buffer of 5% to “ensure choice and competition in the market for land”. Where there has been a “record of persistent under delivery of housing” NPPF requires that the buffer should be increased to 20% “to provide a realistic prospect of achieving the planned supply” The buffer is not in addition to the overall requirement of 5600 dwellings but is part of the 5600 moved forward from later in the plan period.
- 2.7 The table at 2.5 shows that delivery in the plan period to date fell below the annualised requirement of 280 dwellings in the six monitoring years 2008-2014. This was the position at the time the Core strategy was examined and adopted. Thus the Council’s position has been that a 20% buffer was appropriate and this has been the basis for calculating housing land requirements in preceding years.
- 2.8 Neither NPPF nor NPPG define the term “persistent under delivery”. Latest government thinking is clearly set out in the Housing White Paper “Fixing our Broken Housing Market” (February 2017). Significantly the white paper proposes a stringent “housing delivery test” for all local authorities which will highlight whether delivery is below target, and if so, a tiered approach is identified to address the situation. It is proposed that the test will be based on a rolling three year average using the national statistic for net additional dwellings and will be first applied to the three financial years 2014-2017. Whilst ONS has yet to publish the data for 2016-17 the Council’s own monitoring information shows that completions exceeded the annualised requirement of 280 dwellings for the three year period (a three year average of 345 dwellings, approx. 23% above the annualised requirement). In this situation under the housing

delivery test the 20% buffer would not apply. Ribble Valley would be defined as a 5% authority for the purposes of addressing the requirements of NPPF. Hence it is considered appropriate to use the 5% buffer in the light of the definitions the test establishes. The matter will be kept under review as the White Paper progresses and its proposals are introduced.

- 2.9 The calculation of the requirement reflects the decision of Planning and Development Committee on 6th April 2017 in relation to adding the buffer to the five year requirement and the backlog (Minute 683).

Supply

- 2.10 The number of dwellings with planning permission as at 31st March 2017 is as follows:

	<u>No. dwellings</u>
• Units with full planning permission – not started	534
• Units with outline planning permission – not started	1477
• Sites commenced, units remaining but not started	625
• Units under construction	395
• Conversions - not started	88
• Conversions – under construction	80
• Affordable Housing Sites (not started)	799
TOTAL	3998

(note: planning permissions granted since 31st March 2017 are not included)

- 2.11 Sites with planning permission are normally considered deliverable in terms of the NPPF² and therefore are included in five year supply. To enable a realistic assessment of supply, adjustments are made to the calculation relating to: sites which are not considered deliverable in the five year period; the contribution specific large sites may make in the five year period; and the sites which have commenced but where there is no current activity. Details of these are set out in the HLAS. Such sites are kept under review in successive surveys. A 10% allowance for slippage is also included in relation to sites which have not started.
- 2.12 In addition, at 31st March 2017, 277 dwellings were the subject of planning applications awaiting the completion of Section 106 Agreements. They are not included in the table above as they do not yet have planning permission. However development of these sites has been agreed in principle and any dwellings considered deliverable in five years are included in the five year supply (92 out of 277). This approach has been part of the Council's methodology and has been tested through Examination and at appeal. The Council has put in place measures to monitor progress on the completion of Agreements and their inclusion in the supply is regularly reviewed.
- 2.13 The Housing and Economic Development DPD has reached Regulation 19 (Publication) stage and makes provision for outstanding housing requirements of about 50 dwellings to be met through the allocation of sites in Wilpshire and Mellor. These are also included in the five year supply.

² footnote to para. 47 NPPF

- 2.14 The calculation of five year supply also includes a windfall allowance based on definitions and advice in NPPF, as endorsed by Planning and Development Committee on 12 February 2015 (Minute 600).

Five year position at 31st March 2017

- 2.15 The HLAS sets out the five year supply position using an annualised requirement of 280 dwellings. The summary at Appendix 1 shows a five year requirement for 2258 dwellings (equivalent to 452 per year). The identified five year supply is 2588 dwellings. On this basis the Council can demonstrate a 5.73 year supply. Full details are included in the HLAS. It should be noted that this represents a position at a specific point in time; the situation changes constantly as permissions are implemented, new permissions are granted and schemes amended.
- 2.16 The Council will continue to monitor the housing land situation. The next survey is scheduled to take place at the end of September 2017.

3 RECOMMENDATION

- 3.1 That the findings of the study are endorsed and it be agreed that the council applies a 5% buffer in accordance with paragraph 47 of the NPPF, and that the calculation of housing land supply as set out in Appendix 1 to this report is adopted for the purposes of monitoring and decision making.

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MARSHAL SCOTT
CHIEF EXECUTIVE

BACKGROUND PAPERS

Housing Land Availability Schedule April 2017 (available on the Council's website)
NPPF

For further information please ask for Joanne Macholc, extension 3200.

Summary of Housing Land Position at 31 March 2017

For full details, see Housing Land Availability Schedule April 2017

Annualised requirement

H1 of the Core Strategy Policy H1 sets an overall requirement of 5600 dwellings for the plan period 2008–2028 which equates to 280 dwellings per year. The 5 year requirement is:

A	Planned provision 2008 - 2028	5600
B	Annual equivalent	280
C	Five year requirement (Bx5)	1400
D	Completions to date	1770
E	Shortfall to date ([280x9]-D)	750
F	Plus buffer (5% of C+E)	108
G	Total 5 year requirement (C+E+F)	2258
H	Annualised requirement	452

Identified supply at 31 March 2017

<u>SITES NOT STARTED</u>		No. units
Sites subject to Section 106 Agreements		92
Sites with planning permission:		
full permission (market units only)		534
outline permission (market units only)		1477
Conversions not started (market units only)		88
Affordable Units		799
	<i>Sub total:</i>	2990
Less dwellings on sites not deliverable		0
Less dwellings on large sites deliverable beyond 5 year period		-1221
	<i>Sub total:</i>	1769
	Less 10% slippage	-177
	<i>total:</i>	1592
		A

<u>SITES UNDER CONSTRUCTION</u>		No. units
Dwellings not started		625
Dwellings under construction		395
Conversions		80
	<i>Sub total</i>	1100
Less sites not currently active		-26
Less dwellings on large sites deliverable beyond 5 year period		-243
	<i>Sub total</i>	831
		B

<u>ADDITIONAL CONTRIBUTIONS</u>		No. units
Sites allocated in Reg 19 HED DPD to meet residual requirements		50
Plus windfall allowance		115
		C
		D

TOTAL SUPPLY (A+B+C+D)	2588
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<u>FIVE YEAR POSITION</u>		No. years
Total supply ÷ annualised requirement		
2588 ÷ 452		5.73 years