

**Forest Heath District Council
Assessment of a five year supply of housing land
taking a baseline date of 31st March 2015**

**The five years covered in this assessment are 1st April
2016 to 31st March 2021**

DRAFT – subject to Member endorsement on 1 March 2016

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1. Introduction

- 1.1 National Planning Policy Framework (March 2012) requires Planning Authorities to identify and maintain a 5 year land supply of deliverable land for housing. The assessment of land supply will be updated annually. If any significant land supply changes occur during this time, further updates will be prepared and made available on the website.
- 1.2 This report sets out the availability of housing land supply for the period 2016-2021. It takes a baseline of 31st March 2015 and estimates completions and new commitments arising for the year 2015-16, establishing a 'year forward' 5 year supply for the period 2016-2021. For land to be considered deliverable, sites should be available now, offer a suitable location for development now, and be achievable within a realistic prospect that housing will be delivered on the site within five years, and in particular that development of the site is viable. Sites with planning permission should be considered deliverable until permission expires, unless there is clear evidence that schemes will not be implemented within five years. The NPPF does not change the statutory status of the development plan as the starting point for decision making (NPPF, para12).

Approach

- 1.3 At the heart of the National Planning Policy Framework is a presumption in favour of sustainable development which should be seen as a golden thread running through both plan-making and decision-taking (NPPF, para14).
- 1.4 Local Plans should set out the policies and strategies for delivering the level of housing provision, including identifying broad locations and specific sites that will enable the continuous delivery of housing for at least 15 years from the date of adoption of the plan. Sufficient, specific deliverable sites or broad locations for growth should be identified to deliver housing in the first five years, with a further supply of specific, developable sites for years 6-10 and, where possible for years 11-15.
- 1.5 The Forest Heath Local Plan includes the Core Strategy adopted 2010. Policy CS1 provides the settlement hierarchy for Forest Heath, giving a broad indication of the scale of growth appropriate to each settlement in order to promote sustainable development. The Forest Heath Core Strategy Single Issue Review will reconsider Policy CS7 (the part of the Local Plan that was quashed), the overall amount of residential development and the distribution and phasing of housing growth throughout the District.
- 1.6 The Site Specific Allocations Local Plan will identify which sites should be developed, in order to achieve the vision and objectives of the Core Strategy. It will include proposals for new housing, employment, shopping and other development, together with other uses of land such as parks and open spaces. The plan will identify specific sites that will enable a continuous delivery of housing for at least 15 years from the date of adoption.
- 1.7 NPPF requires Local Planning Authorities to identify and update annually a supply of specific deliverable sites. The SHLAA provides evidence of sites and broad locations that are sustainable (referenced included) and unsustainable (referenced deferred).

1.8 For sites to be considered deliverable, National Planning Policy Framework states they should be:

- **Available**- the site is available now.
- **Suitable and Achievable** - the location for development now is suitable and can be achievable with a realistic prospect that housing will be delivered on the site within five years, and in particular that development of the site is viable.

1.9 Potential sites include those allocated for housing within the local plan, those with planning permission, and any known specific unallocated sites with potential to make a contribution to housing delivery during the 5 year period.

1.10 On 6 March 2014 the Department for Communities and Local Government (DCLG) launched the National Planning Practice Guidance (NPPG). It states under section on Housing and Economic Land Availability Assessment paragraph 29;

‘Assessing the suitability, availability and achievability (including the economic viability of a site) will provide the information as to whether a site can be considered deliverable, developable or not currently developable for housing. The definition of ‘deliverability’ and ‘developability’ in relation to housing supply is set out in footnote 11 and footnote 12 of the National Planning Policy Framework’.

1.11 Paragraph 31 of the NPPG states;

‘Deliverable sites for housing could include those that are allocated for housing in the development plan and sites with planning permission (outline or full that have not been implemented) unless there is clear evidence that schemes will not be implemented within five year.

However, planning permission or allocation in a development plan is not a prerequisite for a site being deliverable in terms of the five-year supply. Local planning authorities will need to provide robust, up to date evidence to support the deliverability of sites, ensuring that their judgements on deliverability are clearly and transparently set out. If there are no significant constraints (e.g. infrastructure) to overcome such as infrastructure sites not allocated within a development plan or without planning permission can be considered capable of being delivered within a five-year timeframe.

The size of sites will also be an important factor in identifying whether a housing site is deliverable within the first 5 years. Plan makers will need to consider the time it will take to commence development on site and build out rates to ensure a robust five-year housing supply’.

Calculating the Housing Need

1.12 Forest Heath District Council is producing a Single Issue Review (Core Strategy policy CS7) of its housing figures to establish new housing growth targets. For the period 2001 to 2011 the adopted Core Strategy sets the requirement of 3,200 dwellings (320 per annum).

- 1.13 The Cambridge Sub-Region's Strategic Housing Market Assessment update (SHMA), published June 2013 took a base date of 2011 and made a fresh assessment of housing needs in the district. The SMHA assessed the full, objectively-assessed housing need in Forest Heath between 2011 and 2031 at 7000 dwellings. Using 2011 census data instead of household formations as the starting point for an assessment of future housing demand meant that there was no additional backlog of demand for housing above and beyond the dwellings figures (SHMA, Technical Report para 7.1.6).
- 1.14 Combining the Core Strategy requirement for 2001 to 2011 with the SHMA from 2011 to 2031 gives an overall requirement of 10200 dwellings for the period 2001 to 2031 (3200 dwellings for period 2001 to 2011 and 7000 dwellings for the period 2011 to 2031). However, the SHMA update takes a fresh assessment of the housing need at the base of 2011 therefore based on more up-to-date evidence than that which informed the Core Strategy. Moving forward, it is therefore not necessary for housing supply to make any allowance for past under-delivery prior to 2011. This report therefore assesses the position from the base date of 2011.
- 1.15 The Strategic Housing Market Assessment (SHMA) for Forest Heath was updated in January 2016, setting a need of 6800 dwellings in the period 2011 to 2031. The study was supported by evidence prepared by Peter Brett Associates which assessed market signals. This objectively assessed need (OAN) forms the basis for a five year supply calculation.

Forest Heath Five Year Housing Requirement

a. SHMA (published 2016) 2011-2031 6800 (340pa)	6800
b. Actual net dwelling completions 2011 – 2015	1123
c. Residual requirement 2015 – 2031 (a-b)	5677
d. Annual requirement (a/20)	340
e. 5 year requirement (d x 5)	1700
5 year requirement including 5% buffer (e + 5%)	1785

2. Five Year Housing Supply

- 2.1 As at 31st March 2015 a total of 1123 dwellings have been completed since 2011. In order to meet the 6800 dwelling requirement an additional 5677 will need to be built in the 16 years from April 2015 to March 2031 (financial calendar period).
- 2.2 This assessment of supply includes sites completed and those with planning permission at 31st March 2015. In addition an estimate is made of likely completions and windfall in the current year 2015/16. A housing trajectory is included which illustrates which sites will contribute to the current year supply and the following five year supply.
- 2.3 Sites proposed as preferred options in the 3rd Issues and Options draft Site Allocation Local Plan (SALP) have been included where they are considered available, suitable,

achievable and capable of being delivered within a five-year timeframe, see housing trajectory at Appendix A. These comprise sites identified in the SHLAA, some of which obtained planning permission after 31st March 2015 or a resolution to approve consent. Others are currently subject of a planning application or pre-application discussions have taken place. A pragmatic view has been taken on likely delivery timescale reflecting the status of the planning application, planning conditions and s106 agreements to address infrastructure constraints.

- 2.4 The NPPF gives clear guidance that ‘Sites with planning permission should be considered deliverable until permission expires, unless there is clear evidence that schemes will not be implemented within five years’, (footnote 11, page 12). For Forest Heath’s 5 year supply report all sites with planning permission have been included within the first five years supply. Thereafter the housing trajectory takes a reasonable windfall allowance of 20 units per annum. This windfall allowance reflects a realistic assumption of sites likely to come forward, allowing for some to lapse.
- 2.5 The remaining Local Plan (1995) allocations without planning permission have been excluded due to uncertainty with deliverability.
- 2.6 In calculating the 5 year supply the NPPG at paragraph 035 states ‘Local planning authorities should aim to deal with any undersupply within the first 5 years of the plan period where possible’. However as the SHMA (2016) sets out a fresh assessment of current housing need, based on more up-to-date evidence than that which informed the Core Strategy, it is therefore not considered necessary for the housing supply to make any allowance for past under-delivery before 2011. This approach is consistent with that used in St Edmundsbury which the Inspector into the examination of the Visions 2031 Local Plan considered appropriate. The Forest Heath’s emerging Site Allocations Local Plan plans to meet the full objectively assessed housing need in the district to 2031.
- 2.7 It is relevant to note that there has been a good record of housing delivery over the 6 years to 2011 assessed against the Core Strategy requirement, where total completions over this period (2,280) have exceeded the requirement of 2,100 (350 pa x 6 years = 2,100).

Five Year Deliverable Housing Supply

Identified Sites	As at April 2016
Outstanding Unimplemented planning permissions (large)* minus those expected to be delivered in 2015-16	350
Outstanding Unimplemented planning permissions (small)** minus those expected to be delivered in 2015-16	120
Remaining allocations in Local Plan	0
Other sites (including preferred options SALP sites, some of which have obtained planning consent or a resolution to approve) where there is evidence of deliverability in a 5 year period, new planning permissions arising since 1 st April 2015 and a windfall allowance of 20dw. As demonstrated by the housing trajectory Appended A.	1977
Total supply	2447

* Larger sites = 10 or more homes

** Small sites = under 10 homes

Five year deliverable housing supply	April 2016 – March 2021
<i>Annual Average requirement</i>	340
<i>including 5% buffer</i>	357
5 Year Identified Supply	2447
Five year supply	
<i>Equates to</i> 2447/357 including 5% buffer	6.9 year supply
Five year supply addressing unmet supply since 2011 (Sedgefield approach)	
Shortfall units 2011-2015	239
<i>Equates to</i> 2447 minus 239 = 2208/357 including 5% buffer	6.2 year supply

- 2.8 There is a 6.9 year supply of housing land including a 5% buffer. This methodology is consistent with that used by St Edmundsbury BC, an approach considered appropriate by the Inspector following the examination of the Visions 2031 Local Plan. A 20% buffer is not considered appropriate as there has been a good record of provision in the past 10 years. The inspectors report into the Meddlar Stud appeal (Appeal Ref: APP/H3510/A/13/2197077) stated that he was not persuaded that ‘there has been a persistent under delivery of housing and so a 20% buffer is not justified’.
- 2.9 An alternative methodology which the NPPF states Council’s should aim to use where possible, deals with under supply within the first 5 years of the plan period. In addressing the undersupply of 239 units since 2011, the housing land supply will fall to 6.2 years including a 5% buffer. The undersupply is calculated from the base date of 2011 as the SHMA update (2016) sets out a fresh assessment of current housing need, based on more up-to-date evidence than that which informed the Core Strategy. It is therefore not considered necessary for the housing supply to make any allowance for past under-delivery prior to 2011. The Forest Heath’s emerging Site Allocations Local Plan will plan to meet the full objectively assessed housing need in the district to 2031.
- 2.10 The Hatchfield Farm site is included as a preferred option site (ref N1c) in the Site Allocations Local Plan 3rd Issues and Options, so is included within the 5 year supply calculation. The decision on the call in inquiry is still awaited, however should the recommendation to approve the application be dismissed the council could demonstrate a corresponding 5.9 or 5.2 year supply using methodologies cited above.

3. Monitoring and maintaining the Five Year Supply

- 3.1 The Council will monitor the five year supply of deliverable sites on an annual basis linked to the Monitoring Report. The Assessment of land supply will be updated annually. If any significant land supply changes occur during this time further updates will be prepared and made available on the website.
- 3.2 Forest Heath has a 6.9 year supply of housing land, including a 5% buffer and 6.2 years when addressing the under supply in the first five years (Sedgefield approach). This assessment is based on monitoring data at 31st March 2015, estimates

completions and planning permissions arising in the current year (2015-16) and looks forward one year to give a 5 year supply for the period 2016-2021.

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