

<b>Meeting:</b>	<b>Cabinet</b>
<b>Meeting date:</b>	<b>21 September 2016</b>
<b>Title of report:</b>	<b>Interim position statement on housing delivery</b>
<b>Report by:</b>	<b>Cabinet member: infrastructure</b>

## **Classification**

Open

## **Key decision**

This is a key decision because it is likely to be significant in terms of its effect on communities living or working in an area comprising one or more wards in the county.

Notice has been served in accordance with Part 3, Section 9 (Publicity in Connection with Key Decisions) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012

## **Wards affected**

Countywide

## **Purpose**

To approve an interim position statement on housing delivery.

## **Recommendation(s)**

**THAT:**

- (a) the draft interim position statement upon housing delivery (at appendix 1) be approved; and**
- (b) the need for such a statement be reviewed on an annual basis or earlier if it is clear that the council is able to demonstrate the existence of a five year supply of available housing land.**

## Alternative options

- 1 Alternative options to preparing an interim statement would include:
  - 1) Continuing to process planning applications without an interim statement. This would not provide a positive response to the lack of a five year housing supply and would result in significant difficulties at planning appeals in justifying why adopted policy SS3 – ensuring sufficient housing land delivery of the core strategy was not being fully implemented.
  - 2) Undertake a partial review of the core strategy or adoption of new development plan documents. Policy SS3 does provide the option for a partial review of the core strategy in order to increase the supply of housing land. This option is not recommended given how recently the core strategy was approved and that adopting this option would require the identification of additional strategic allocations and would not provide a solution in short/medium term. Given the rate at which neighbourhood plans are now being finalised and adopted, and the potential for a positive improvement in the overall housing land supply within that period, to undertake a partial review or adopt new development plan documents is not currently recommended; it is proposed that the position be reviewed annually.

## Reasons for recommendations

- 2 To provide planning officers and planning committee with advice regarding the approach to dealing with planning applications for housing in the absence of a 5-year supply of available housing land.

## Key considerations

- 3 In order to ensure an ongoing and adequate supply of housing land developers should be encouraged to advance proposals for suitable and sustainable developments to meet the county's housing needs Paragraph 49 of the national planning policy framework (NPPF) states that "Housing applications should be considered in the context of the presumption in favour of sustainable development. Relevant policies for the supply of housing should not be considered up-to-date if the local planning authority cannot demonstrate a five-year housing land supply.
- 4 The core strategy inspector considered that the the five year housing land supply was "marginal but realistic" more recently inspectors at appeals have determined Herefordshire Council could not demonstrate a five year supply.
- 5 The housing supply position as of April 2016 has now been reassessed. and the position set out in the five year housing supply position statement ([www.herefordshire.gov.uk/media/8060801/5-year-supply-july-16.pdf](http://www.herefordshire.gov.uk/media/8060801/5-year-supply-july-16.pdf)). The methodology used in this statement is that which was agreed at the core strategy examination. It considers a range of sources of housing supply including:
  - 1) Extant planning permissions;
  - 2) Sites which have received a resolution to grant planning permission between March 2015 - April 2016

- 3) Strategic proposals in the adopted core strategy;
  - 4) Proposals which are included in neighbourhood development plans (NDPs);
  - 5) A “windfall” allowance – sites not specifically identified but are expected to come forward.
- 6 In determining whether a five year supply can be demonstrated the report compares the supply against the five year requirement, based upon the agreed core strategy trajectory and taking account of the past shortfall in completions and the need to include a 20% buffer (in accordance with the NPPF). The requirement consists of
- 1) planning commitments (outstanding planning permissions);
  - 2) sites which have received a resolution to grant planning permission between March 2015 - April 2016;
  - 3) an estimated level of housing delivery on the core strategy strategic urban extensions;
  - 4) an estimate of the housing delivered through Neighbourhood Plans over the next 5-years;
  - 5) an estimate of other sites which will come forward (windfall allowance).
- 7 The resulting calculation is set out below and indicates that the housing land supply in the county stands at 4.49 years supply.

<b>Source</b>	<b>Homes</b>
a) Core strategy 2011 – 2031 target	16,500
b) Core strategy requirement 1/4/2011 – 1/4/2016 (5 yrs)	3,000
c) Homes completed (net) 1/4/2011 – 31/3/2016 (5 yrs)	1,974
d) Core strategy requirement for next five years 2016 – 2021	4,250
e) Plus residual shortfall ( b minus c)	1,026
f) Plus 20% buffer (required by NPPF)	1,055
<b>g) Total requirement (2016 – 2021) = d + e + f</b>	<b>6331</b>
h) <i>Annualised requirement = (Total g divided by 5 years)</i>	1,266
<b>i) Total deliverable dwellings*</b> *(as set out in paragraph 6 above)	<b>5,692</b>
<b>Housing supply (i divided by h)</b>	<b>4.49 yrs</b>

- 8 As a result of not being able to demonstrate a five year supply of housing land paragraph 49 of the NPPF will need to be considered when planning applications are determined. Core strategy policy SS3 provides the policy framework for where dwelling completions are below the target figure. The policy indicates that priority will be given to increasing housing supply using appropriate mechanisms including; the preparation of an interim position statement utilising evidence from the strategic housing land availability assessment.
- 9 The approval of an Interim position statement would provide a short/medium term response to the housing supply issue in accordance with adopted policy SS3. A draft interim statement is attached in appendix 1, The statement provides a commitment to continue to increase housing land supply in the county by:
- 1) utilising existing evidence as identified by the strategic housing land availability assessments to give preference to sustainable sites identified in strategic housing land availability assessment (SHLAA) with low constraints, before those with significant constraints;
  - 2) ensuring that appropriate weight is given to the policies and proposals in adopted/emerging NDPs; and
  - 3) recognising that despite being considered out-of-date weight can continue to be given to the housing supply policies of the core strategy in appropriate circumstances.
- 10 This statement will be an important document which will guide the council's planning committee in determining planning applications for housing and set out a positive approach to encouraging developers to come forward with proposals for suitable housing developments to meet the county's needs. However, although it will be a material consideration in the determination of planning applications the approval of the statement will not constitute a new local plan policy and should be considered as an implementation mechanism of core strategy policy SS3.
- 11 The council is already working hard to facilitate the delivery of housing growth in Herefordshire. In addition to the interim statement other mechanisms to increase delivery of new housing have already been identified and are starting to be addressed and these include:
- a. pro-active work with the developers/owners/agents of the strategic sites to progress these as soon as possible to application and approval stage. With this in mind a major sites delivery board has been established in order to help with this process.
  - b. the procurement of a development partner to contribute to housing growth targets through the development of new homes on council-owned land; and
  - c. continuing encouragement of neighbourhood development plans to include housing allocations. This is important as there remains a significant element of the housing requirement for the county to be met in rural areas and market towns. Crucially national planning policy guidance (PPG) states that where a local authority cannot demonstrate a five year land supply the local decision maker should take account of the relevant Neighbourhood Development Plan in force. It is therefore important that Parish Councils pursue the completion of NDP's for their neighbourhood area.

- d. the council is also proactively progressing the delivery of essential transport infrastructure which supports the housing growth targets set out in the Core Strategy.

## **Community impact**

- 12 The principal aim of the interim position statement is to help implement the policies set out in the adopted core strategy in order to ensure that there are sufficient homes provided for all members of the community.

## **Equality duty**

- 13 This report proposes a course of action which will implement an element of policy contained within the adopted core strategy. The core strategy was subject to an equality impact assessment which has been completed. The assessment ensures that there is no potential for discrimination and that all appropriate opportunities have been undertaken to advance equality and foster good relations

## **Financial implications**

- 14 There are no specific costs associated with the approval of the interim statement. However, its use in processing planning application should reduce the likelihood of costs being awarded against the council at planning appeals.

## **Legal implications**

- 15 The core strategy is part of the statutory development plan for Herefordshire as required by relevant provisions of the Planning and Compulsory Purchase Act 2004. The preparation of an interim statement upon increasing housing land supply is a specific mechanism referenced within policy SS3 of the council's core strategy to safeguard the delivery of the core strategy housing target. The NPPF paragraph 17 bullet point 1 requires that Local Plans are kept up to date and are consistent with Government Household projections. This interim position statement will also assist the Council to ensure sufficient housing land delivery.

## **Risk management**

- 16 By making a formal decision to implement a key element of policy SS3 of the core strategy the council will be seen to be developing positive mechanisms to increase the housing land supply in the county. Not approving the interim statement will not provide additional advice to planning officers and planning committee and may increase the risk of the loss of planning appeals.

## **Consultees**

- 17 A Member briefing regarding the 5 year land supply position was held in July 2016. The core strategy was subject to significant consultation during its preparation.

## **Appendices**

Appendix 1: Interim position statement upon housing delivery.

## **Background papers**

- None identified.