

Home Builders Federation

Matter 8

THANET LOCAL PLAN EXAMINATION

Matter 8 – Housing Land Supply

Issue 1 – Five-Year Housing Land Requirement

Q1. What is the basic five-year housing land requirement, what is it based on and how has it been calculated?

On the basis of the Council's proposed housing requirement and stepped trajectory in the local plan the basic five-year requirement on adoption of the plan in 2019/20 will be 5,100 dwellings. The backlog in supply must be added to this housing requirement. The Council's proposal effectively sets its requirement between 2011 and 2016 at the level of delivery. As such the backlog that needs to be taken into account is calculated only for the period 2016/17 to 2018/19. Based on the Council's evidence there will be a backlog in supply of 1,712 homes by the end of 2018/19. If this is to be addressed within 5 years, as required by PPG, then the five-year requirement (without buffers) on adoption will be 6,812. Should the Council's requirement be considered to underestimate needs this position would obviously need to be reconsidered.

Q2. How does the five-year housing land requirement compare to previous rates of delivery?

The level of delivery in this five-year period is higher than the Council has delivered previously. However, poor delivery in previous years should not be seen as a reason to not meet needs early in the plan period. The recent worsening in affordability highlighted in our matter 2 statement would suggest that there is a need to increase delivery to ensure that this position doesn't continue to deteriorate.

Paragraph 47 of the Framework states that to significantly boost the supply of housing, local planning authorities should identify and update annually a deliverable five-year supply of housing, with an additional buffer of 5% (moved forward from later in the plan period) to ensure choice and competition in the market for land. Where there has been a record of persistent under delivery this should be increased to 20% to provide a realistic prospect of achieving the planned supply and to ensure choice and competition in the market for land.



Q3. Taking a longer-term view, how has the Council performed against previous annual housing requirements? Does this represent the 'persistent undersupply' defined by the Framework? In this context, should the buffer be 5% or 20%?

Figure 3 in the 2017 AMR (CD7.11) shows that since 2011/12 there has been a significant and persistent under supply of housing against identified needs. This would suggest that the 20% buffer should be applied when assessing the Council's five-year housing land supply. However, whilst the local plan is being examined against the 2012 NPPF, any monitoring of delivery and consideration of buffers, will be made on the basis of the 2019 NPPF. Paragraph 73 footnote 39 requires any authority where delivery has fallen below 85%, as measured against the Housing Delivery Test, to include a 20% buffer within their assessment of the five-year housing supply. The first results from the Housing Delivery Test have now been published and show that Thanet had delivered 44% of the number of homes required and as such was required to include a 20% buffer in its 5-year land supply.

Q4. If a 20% buffer applies, should this be applied to the basic five-year requirement, or the five-year requirement and any undersupply?

It is standard practice to apply this to basic five-year requirement plus any undersupply.

Q5. If there has been an undersupply, should this be addressed within the next five years (the 'Sedgefield' method), or over the remainder of the plan period (the 'Liverpool' method)? Is the Council's approach consistent with the PPG which advises that local planning authorities should aim to deal with any undersupply within the first 5 years of the plan period where possible?

Paragraph 7.4 of the SHLAA (CD4.4) sets out the Council's intention to apply the Liverpool methodology. This is not consistent with nationally policy which expressly states that backlog should be addressed within 5 years. This position has been clarified by Government in the amendments to PPG which confirms that the Sedgefield approach is the appropriate method for dealing with any backlog. However, we recognise that this position is caveated in both previous and current guidance. Under the earlier guidance the Council should have looked to its neighbours using the duty to co-operate to see if they could help by delivering sites earlier in their own plans to address any backlog. There is no evidence that the Council has done this which would suggest a failure of co-operation within East Kent.

Q6. Taking the above into account, what is the five-year housing land requirement?

Using the Sedgefield methodology and applying a 20% will result in a five-year housing land supply requirement between 2019/20 and 2023/24 of 8,147 dwellings. Given the Council's proposed level of supply will mean that on adoption the Council will have a 4.67-year land supply. The table below sets out the outcomes for the Council's five-year housing land supply for both approaches and both potential buffers. Given that the Council has decided to use a stepped trajectory to reduce its requirement we would

suggest that the Council must look to bring forward supply from later in the plan period to be delivered in the next five years to ensure the plan is sound on adoption.

	Liverpool method (5% buffer)	Liverpool (20% buffer)	Sedgefield (5% buffer)	Sedgefield (20% buffer)
Basic 5-year requirement 19/20- 23/24	5,100	5,100	5,100	5,100
Backlog 16/17- 18/19	713	713	1,712	1,712
Total 5-year requirement 18/19- 22/23	5,813	5,813	6,812	6,812
Total requirement with buffer	6,104	6,976	7,153	8,174
Supply 19/20- 23/24	7,627	7,627	7,627	7,627
Surplus/shortfall	1,523	651	474	-547
N° of years supply in first five years	6.25	5.47	5.33	4.67

Issue 2 – Supply Methodology

The PPG states that 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 clear evidence to support the deliverability of sites, ensuring that judgements on deliverability are clearly and transparently set out.

The PPG also advises that the size of sites will be an important factor in identifying whether a housing site is deliverable within five years. Plan makers should consider lead-in times and build-out rates to ensure a robust five-year housing land supply.

The HBF does not comment on the merits or otherwise of individual sites therefore our representations are submitted without prejudice to any comments made by other parties on the deliverability of specific sites included in the overall housing land supply, the five-year housing land supply and housing trajectories. However, we want to stress the importance of having realistic delivery expectations within any allocations to ensure the deliverability of the plan across its lifetime. This is particularly important where there is a reliance on strategic sites to deliver the majority of new homes within the plan period.

As a significant amount of the development being proposed in this plan will be delivered on strategic sites it will be essential that the Council's development strategy is based on realistic delivery expectations. Where delivery is considered to be unjustified, we would suggest that the timescales for the delivery of sites be regularly reviewed with the option of bringing forward other sites which would be deliverable within the plan period. Any undersupply across the period can then be offset and provide a mix of development opportunities and in general offer a more flexible local plan that is a requirement of paragraph 14 of the NPPF.

Issue 4 – Windfall Allowance

Paragraph 48 of the Framework states that local planning authorities may make an allowance for windfall sites in the five-year supply if they have compelling evidence that such sites have consistently become available in the local area and will continue to provide a reliable source of supply. Any allowance should be realistic having regard to the SHLAA, historic windfall delivery rates and expected future trends, and should not include residential gardens. Taking this into account:

Q1. What allowance has been made for windfall sites coming forward over the first five years, and thereafter throughout the plan period?

Q2. What is this based on and is it justified on appropriate available evidence?

The annual average windfall suggested in the Borough is very high at 225 dpa. In arriving at this figure, the Council have only included small sites of less than 10 units in their windfall assessment and taken an average of these sites from the 2008/09 to 2014/15 period. Whilst we support the decision to only consider small sites, we are concerned that the period used includes two years where delivery was substantially higher than the norm. Whether such high delivery will occur with any level of frequency is in doubt and the 2012 NPPF requires there to be compelling evidence for the inclusion of a windfall allowance. We would agree that there is evidence to support the inclusion of windfall within the trajectory it should not be at the level suggested by the Council.

Issue 6 – Flexibility

Q1. What flexibility does the plan provide if some of the larger sites do not come forward in the timescales envisaged?

Q2. Is it necessary to have a review mechanism in the Plan to consider progress against these, and other sites, and to identify any appropriate steps to increase supply if required?

The requirement to review plans every five years and the introduction of the Housing Delivery Test will provide a mechanism to ensure that should delivery fall significantly below supply then the Council will need to improve supply. However, we would suggest that the Council commits to publish an action plan each year in line with that proposed

in paragraph 75 of the NPPF and paragraphs 3-068 to 3-075 of PPG. National policy requires such a plan to be published only where the Council has a HDT of 95% or less, but the preparation of such a plan each year would offer the opportunity to review progress on delivery and ensure the early identification of any potential difficulties or delays in delivery that will need to be addressed.

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