

5 Year Housing Land Supply Assessment for the Borough of Newcastle-under-Lyme: 1st April 2014 to 31st March 2019

Purpose of the Report

To present the results of the 5 year supply assessment report for information purposes.

To provide guidance on the significance and impact of the 5 year supply position on the Development Management decision making process.

Recommendations

- 1) That members note the results of the 5 year supply report.**
- 2) That members note the significance of the 5 year supply in Development Management decision making.**

Reasons

To ensure the Council makes decisions in-line with up-to-date planning policy and the latest 5 year housing land supply position.

1.0 INTRODUCTION

- 1.1 This report briefly outlines the findings of the 5 year housing land supply assessment statement (2014-19) and provides guidance of the significance of these findings on the Development Management or decision making process.
- 1.2 The report draws from information on housing completions and the availability of sites in the monitoring year 1st April 2013 to 31st March 2014. It also projects this information forward to determine the extent to which the current supply of housing sites in the Borough contribute to a supply of deliverable housing sites over the next five years (1st April 2014 to 31st March 2019). Full details of how the 5 year supply has been calculated are included in the 5 year housing land supply assessment statement attached as an Appendix to this report and which will be made available in due course on the Council's website within the Planning Policy section.
- 1.3 Local Planning Authorities are required to assess whether they can meet the housing requirement for their area. The National Planning Policy Framework (NPPF) requires that Local Planning Authorities update their 5 year housing land supply assessment on a yearly basis. Whether the Council can demonstrate a 5 year supply of 'deliverable' housing is important as it affects how planning applications for new housing are determined.
- 1.4 The National Planning Policy Framework (NPPF) requires that local authorities apply additional housing land supply buffers on top of their housing requirement. A 5% buffer is applied to all authorities' housing requirements and an additional 20% buffer is applied where a local authority has a record of 'persistent under delivery' of housing (this is explained further in section 2.3 below)
- 1.5 Windfall sites (i.e. sites that have not been previously identified through the Local Plan process) can be included in the housing land supply where there is evidence to support this.

- 1.6 The assessment report calculates the 5 year housing land supply using the Borough's requirement of 5,700 net dwellings for the 'plan period' 2006-2026 (285 net dwellings per year), as set out in the adopted Newcastle-under-Lyme and Stoke-on-Trent Core Spatial Strategy (October 2009). National Planning Practice Guidance (the NPPG) indicates that housing requirement figures in up-to-date adopted Local Plans should be used as the starting point for calculating the 5 year supply, and that considerable weight should be given to the housing requirement figures in adopted Local Plans, which have successfully passed through the examination process, unless significant new evidence comes to light. The Core Spatial Strategy is, for the present, the appropriate basis upon which to base the assessment.
- 1.7 The NPPG now allows all student accommodation (including communal halls) and older person's housing (including residential institutions - Use Class C2) to be taken in account in within the local housing requirement. Currently this cannot be factored into the Borough's five year housing land supply calculations because the Core Spatial Strategy does not take these types of development into account in its housing requirement figure. The five year housing land supply calculation can however include proposals for self-contained student accommodation and any elderly persons accommodation classified as Use Class C3.

2.0 KEY FINDINGS

2.1 5 year supply trend in the plan period

The Borough's land supply for the next five years (excluding buffer) at 31st March 2014 provides the equivalent of 3.12 year's worth of deliverable housing development. Table A below compares this figure to the 5 year housing land supply figures from the previous 7 years of the plan period. This shows that the 5 year availability of land has been steadily decreasing since 2007/08, as sites that were previously available have undergone development and have not been replaced sufficiently with new ones. This year however the land supply has decreased at a markedly slower rate, as the completions over the past two years have exceeded the annual targets set by the Core Spatial Strategy. This has helped to reduce the backlog, or shortfall, of housing and therefore the amount additional housing required to be delivered for the next five year period.

| Five year land supply period | Five year housing land supply in years | Difference from Previous Year |
|------------------------------|--|-------------------------------|
| 2007 - 2012 | 5.5 | N/A |
| 2008 - 2013 | 6.4 | +0.9 |
| 2009 - 2014 | 5.7 | -0.7 |
| 2010 - 2015 | 5.1 | -0.6 |
| 2011 - 2016 | 4.74 | -0.36 |
| 2012 - 2017 | 3.98 | -0.76 |
| 2013 - 2018 | 3.27 | -0.71 |
| 2014 - 2019 | 3.12 | -0.15 |

TABLE A

2.2 Housing delivery in the plan period

Table B below shows that the Borough under delivered against the net annual housing requirement (285 dwellings per year) in each of the first six years of the plan period, however, as described above, delivery has increased in the past two years to exceed the annual target. The under delivery in the first six years has led to an overall shortfall

of 303 dwellings when compared to the requirement over the same period established within the Core Spatial Strategy, however this is lower than last year's shortfall of 313 dwellings.

| Monitoring year | Delivery – net number of completions |
|---|--------------------------------------|
| 2006-07 | 208 |
| 2007-08 | 142 |
| 2008-09 | 277 |
| 2009-10 | 207 |
| 2010-11 | 183 |
| 2011-12 | 251 |
| 2012-13 | 414 |
| 2013-14 | 295 |
| Total Completions 2006-14 | 1,977 |
| Average per year 2006-14 | 247 |
| Total Completions 2009-14 (most recent five year period) | 1,305 |
| Average per year 2009-14 | 261 |

TABLE B

2.3 5% or 20% housing land supply buffer

Paragraph 47 of the National Planning Policy Framework (NPPF) requires local authorities to add an additional buffer to the five year housing requirement. Councils are required to:

“identify and update annually a supply of specific deliverable sites sufficient to provide five years worth of housing against their housing requirements 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 of housing, local planning authorities should increase the buffer to 20% (moved forward from later in the plan period) to provide a realistic prospect of achieving the planned supply and to ensure choice and competition in the market for land.”

- 2.4 Given that there has been an under delivery of the Borough's housing requirement in the first six years of the plan period and that there is a current shortfall of 303 dwellings arising from past underdelivery, it is considered that the Borough should continue to allow for a 20% buffer. However, as delivery has improved over the past two years and the number of completions has exceeded the annual requirement, then there may be the opportunity for the Council to consider removing this additional 20% buffer if this trend continues in future monitoring years, and instead apply the 5% buffer.

2.5 Managing shortfall in housing delivery

There is only general Government guidance on how any shortfall in housing delivery compared to the housing requirement should be dealt with. Local planning authorities should aim to deal with any undersupply within the first 5 years of the plan period (the Sedgefield approach), rather than spread out over the remainder of the plan period. The Sedgefield approach tends to be adopted by Planning Inspectors when making planning appeal decisions in respect of housing schemes. This approach has therefore been applied to the Borough's five year housing land supply calculations.

2.6 Housing land supply

The overall identified housing land supply for the next 5 year period is 1,079 dwellings. This includes an allowance of 80 dwellings to take account of anticipated windfall delivery in the final two years of the next five year period (i.e. 2017-19). This approach has been applied because the windfall allowance in the first three years is likely to already be covered by existing planning approvals.

2.7 5 year housing land supply excluding a buffer

This assessment identifies that the Borough currently has a 3.12 year housing land supply in the next 5 year period (2014-2019). This is the result of there being a current land supply of 1,079 dwellings, whereas the requirement over the next five years is for 1,728 new dwellings to be delivered.

2.8 Shortfall in housing land supply

When the 20% buffer is taken into account, the supply falls short of the requirement by 995 dwellings.

2.9 Updating the 5 year housing land supply

The 5 year housing land supply is updated annually. The data required to calculate the 5 year supply for the monitoring year 2013-14 has been provided in an appendix to the 5 year housing land supply statement

3.0 DEVELOPMENT MANAGEMENT IMPLICATIONS

- 3.1 Paragraph 49 of the NPPF states that housing applications should be “considered in the context of the presumption in favour of sustainable development” and that “relevant policies for the supply of housing should not be considered to be up to date if the local planning authority cannot demonstrate a five year supply of deliverable housing sites”. This is the position that the Borough Council is in.
- 3.2 The NPPF goes on to indicate, in paragraph 14, that, insofar as development management or decision-taking, is concerned, the presumption in favour of sustainable development, where the development plan is absent, silent or relevant planning policies are out of date, means, unless material considerations indicate otherwise, granting planning permission unless
 - any adverse impacts of doing so would significantly and demonstrably outweigh the benefits, when assessed against the policies in the Framework taken as a whole; or
 - specific policies in the Framework indicate development should be permitted
- 3.3 The Framework in giving examples of the latter policies refers to policies relating to land designated as Green Belt, designated heritage assets and locations at risk of flooding. The NPPG, published in March 2014, notes that unmet housing need is unlikely to outweigh the harm to the Green Belt and other harm to constitute the “very special circumstances” justifying inappropriate development on a site within the Green Belt.
- 3.4 As the situation has developed there have been a series of responses of the planning authority to this situation, in development management terms. With the focus always being on achieving sustainable development, there has been an acceptance for some time that an objection of conflict with policies on housing land supply within the development plan cannot be raised to the development of greenfield sites within the urban area. There are numerous examples of this with probably the most significant

one being the recently considered proposal for the site known as Apedale South. A similar approach has been taken to greenfield sites in the Rural Service Centres (Madeley, Loggerheads and Audley Parish). Each of these locations has a village envelope or, in the case of Audley Parish, a series of village envelopes, the boundaries of which are set out in the Local Plan and on the Local Development Framework Proposals Map.

- 3.5 The same position has been adopted with respect to proposals within those village envelopes that are not within the Rural Service Centres and are not “washed over” by the Green Belt. This means Betley, Mow Cop, Madeley Heath, Baldwins Gate, Ashley and Whitmore. Even though Core Spatial Strategy Policy ASP6 seeks to direct residential development, within the rural areas, to the Rural Service Centres, this policy cannot be considered to be “up to date” and provided the development in question is a sustainable one such locations can be an acceptable location for development. An example of this approach was that taken with respect to the proposed development at the Sheet Anchor (reference 13/00145/OUT).
- 3.6 Over the last year there have been a series of applications relating to residential proposals on sites which whilst not within a village envelope are adjacent to it and are not within the Green Belt. Examples include the Gateway Avenue, Baldwins Gate proposals (13/00426/OUT) refused in February (and now the subject of an appeal), and those for the land to the rear of Rowley House, Moss Lane, Madeley (13/00990/OUT), approved in March (subject to the prior completion of a legal agreement).
- 3.7 The approach taken by your officers on such applications has reflected the position set out in paragraph 14 of the NPPF and will continue to do so given the continuing lack of a 5 year housing land supply as here being reported. It is expected that applications for residential development will continue to be received that will be neither within the urban area nor within the Rural Service Centres nor village envelopes indicated above. Developers have already made public announcements about their intention to submit planning applications for sites such as Tagedale Quarry and land off New Road, Madeley. Each will need to be considered on its own merits bearing in mind in particular the guidance set out within paragraph 14 of the National Planning Policy Framework, as set out in paragraph 3.2 above.
- 3.8 Similarly applications may be received on employment sites whose development for residential purposes may be considered to be contrary to Local Plan Policy E11 on proposals that would lead to the loss of good quality business and general industrial land. Again the same approach will need to be taken, as it was in reports on applications such as those for Linley Trading Estate (13/00625/OUT) approved in January (subject to the prior completion of a legal agreement) and Land off Watermills Road (13/ 00974/OUT) refused in April, upon which an appeal is expected.