

Report to Planning Committee 27th September 2018

5 year Housing Land Supply Statement for the Borough of Newcastle-under-Lyme covering the 5 year period from 1st April 2018 to 31st March 2023

Purposes of the Report

To present updated information on the current 5 year housing land supply position as set out accompanying Statement.

Recommendations

- 1) That members note the content of the 5 year Housing Supply Statement and agree that it represents the current position of the Council.
- 2) That members note the significance of the 5 year supply position in Development Management decision making and the proposed approach as set out in this report.

Reasons for recommendations

To ensure the Council calculates its 5 year housing Land Supply Statement in accordance with up-to-date planning practice guidance and reflects the most up to date position in terms of terms of its supply of deliverable housing sites, and to acknowledge the change in approach that will be taken with respect to housing proposals in the light of the new Statement

- 1.0 Member's attention is drawn to the accompanying 5 year Housing Land Supply Statement and its Appendix A. The purpose of this report is not to repeat the content of the Supply Statement but rather to draw attention to the key elements of it
- 1.1 Whilst the Statement is a Supply Statement it is a measurement of the area's supply of deliverable housing sites against the housing requirements or needs of the area. To this end the Statement explains that evidence relating to the housing need for both Newcastle and Stoke has been published in the Strategic Housing Market Assessment and the Strategic Housing Market Assessment Review 2017. At this stage the evidence is only a recommendation to the two authorities. Both documents have been published, and were introduced as part of the Joint Local Plan Strategic Options public consultation exercise.
- 1.2 These studies indicate that Newcastle-under-Lyme Borough Council and Stoke-on-Trent City Council share a single housing market area (HMA). The SHMA Review, 2017, recommends a full Objectively Assessed Need (OAN) of 1,390 dwellings per annum across the HMA for the period 2013 to 2033. This need draws on the implications of employment growth on housing need and supporting a return to a higher level of household formation for younger people.
- 1.3 The SHMA Review, in order to identify a recommended OAN for the housing market area, is comprised of an up-to-date assessment of Newcastle's housing need. The assessed housing need for Newcastle-under-Lyme is 586 dwellings per annum from 2013 through to 2039. This assessment does not represent a full OAN as the recommended requirement does not apply across the HMA. In simple terms the recommended figure of 586 dwellings per annum is the Borough's component of the recommended OAN. This figure formed the basis for the approach set out in the Joint Local Plan Preferred Options Document which was consulted upon earlier this year
- 1.4 Since the publication of the last 5 year Housing Land Supply Statement (in August 2017) the Government have both consulted upon and now put in place a standardised methodology for identifying what is termed the minimum annual local housing need. A critical factor in preparing a Five Year Housing Land Supply Statement is determining what to measure an area's supply of deliverable housing sites against. Your officers have reviewed the Revised National Planning Policy Framework and Planning Practice Guidance that has very recently been provided by the Government and it is clear that at least at present the appropriate

benchmark is the minimum annual local housing need figure derived from the Government's standard method for assessing housing need rather than the significantly higher OAN figure.

- 1.5 However members do need to note that, assuming the Borough Council maintains its view that the OAN figure should be adopted in the Draft Local Plan, this may only be a temporary position for a relatively short period of time. There is an alternative argument that it is not until much later on – when the Local Plan Inspector is convinced that adoption of a Local Housing Need in excess of that derived from the Government's method is justified- that it would be appropriate to adopt that higher figure for the purposes of calculation of the 5 year housing land supply. What position is correct for the local planning authority to take is for a future report and does not need to be settled at this point. However it is important that the new Supply Statement is not interpreted / construed as a statement that the Borough's housing needs have diminished.
- 1.6 As a result of the decision to use the minimum figure and the Government's standard methodology's approach to historic under delivery, the annual housing requirement has fallen from one of 1,007 per year to one of 413 per annum
- 1.7 To be included in an area's 5 year housing land supply statement, sites have to be deliverable which means that they should be available now, offer a suitable location for development now, and be achievable with a reasonable prospect that housing will be delivered on the site within the 5 years and in particular that development of the site is viable. Sites that are not major development, and sites with detailed planning permission, should be considered deliverable until permission expires, unless there is clear evidence that homes will not be delivered within 5 years (e.g. they are no longer viable, there is no longer a demand for the type of units or sites have long term phasing plans). Sites with outline planning permission, permission in principle, allocated in the development plan or identified on a brownfield register should only be considered deliverable where there is clear evidence that housing completions will begin on site within 5 years.
- 1.8 **In terms of the number of years' worth of its housing requirements the estimated supply 2,431 units is equivalent to 5.89 years. The Borough is currently accordingly able to demonstrate a five year housing land supply – when that supply is measured against the figure derived using the Government's standard methodology.**
- 1.9 Paragraph 11 of the recently published revised Framework states that Plans and decisions should apply a presumption in favour of sustainable development. For decision-taking this means approving development proposals that accord with an up-to-date development plan without delay; or where there are no relevant development plan policies, or the policies which are most important for determining the application are out-of-date, granting permission unless:
 - the application of policies in the Framework that protect areas or assets of particular importance provides a clear reason for refusing the development proposed; or
 - any adverse impacts of doing so would significantly and demonstrably outweigh the benefits, when assessed against the policies in this Framework taken as a whole.
- 1.9 Policies are considered to be out of date, in the consideration of applications involving the provision of housing, in situations where the local planning authority either cannot demonstrate a five year supply of deliverable housing sites (with the appropriate buffer, as set out in paragraph 73 of the revised Framework); or where the Housing Delivery Test indicates that the delivery of housing was substantially below (less than 75%) of the housing requirement over the previous three years. The Housing Delivery Test – which measures net additional dwellings provided in a local authority area against the homes required, using national statistics and local authority data - does not yet apply in terms of the application of the presumption in favour of sustainable development. It will however apply from the publication of the Housing Delivery Test results in November 2018 and is to be phased in with initially the term substantially below being defined by a much lower % threshold. The

Borough's anticipated "score" is relevant in that the Borough needs to allow for a 20% buffer in calculating its supply.

The Council's supply exceeds the 5 year figure by 0.89 years or 368 units. The figures are considered to be robust and defensible. As a "target" a supply of 6 years deliverable housing site is likely to be more appropriate (particularly as the 5.89 years figure now published reflects what is termed by the government the "minimum annual local housing need" figure, and the Council's Joint Local Plan Preferred Options Document did advance a significantly higher figure than that minimum local housing need figure). Taking these points into account your officer is recommending that in some cases, even though it can demonstrate a 5 year housing land supply, it will be appropriate to proceed on the basis that whilst a proposal may not accord with the provisions of the approved development plan, there are other material considerations which should be given greater weight. However that will be a selective approach to be applied only where sites by reason of their proximity to services are considered to be very sustainable locations for development. In other less sustainable locations it will remain appropriate to give full weight to restrictive development plan policies and not to approach the application as requiring approval in all cases where the adverse impacts are not significantly and demonstrably outweighed by the benefits of the scheme – the approach that has been taken to date.

Date report prepared: 18th September 2018