

Bolsover District Council

Planning Committee

4th July 2018

Five Year Housing Supply

Report of the Interim Planning Policy Manager

This report is public

Purpose of the Report

- To set out the background to the assessment of the Council's five year supply of deliverable housing.
- To approve the annual assessment and publication of the five year supply of deliverable sites for housing as required by paragraph 47 of the National Planning Policy Framework (NPPF) 2012.

1 Report Details

Introduction

- 1.1 Councils are required to monitor housing supply and indicate publically on an annual basis whether or not they have a five year housing supply.
- 1.2 Members will be aware that where a Council cannot demonstrate a five year supply of deliverable housing sites, housing applications fall to be considered in the context of the presumption in favour of sustainable development, as relevant policies for the supply of housing may not be considered up to date. Therefore whether or not an authority has a five year supply has a direct impact on the Council's ability to influence the location of new housing. The adoption of a new Local Plan and achievement of a five year supply will give members greater control over the location of new housing development in the district.
- 1.3 Whilst the absence of a five year supply is not conclusive in favour of the grant of planning permission, the Secretary of State and their Inspectors usually place great weight on the need to demonstrate a five year supply in line with paragraph 47 of the NPPF which emphasises the need 'to boost significantly the supply of housing'.
- 1.4 In August and November of last year, we were able to report that due to the positive and proactive approach the Council had taken to housing sites, we could demonstrate a five year supply and therefore planning policies relevant to the supply of housing could no longer be considered as out of date.

Objectively Assessed Need and Housing Targets

- 1.5 The National Planning Policy Framework (2012) introduced the phrase ‘objectively assessed needs’ for housing. It is important to note that objectively assessed need is not the same as housing provision or a housing target.
- 1.6 Objectively assessed need (OAN) is based on modelling work using demographic factors such as births, deaths, number of households; migration patterns; and, employment to predict the number of houses likely to be needed in an area. This basic data is refined by considering other factors, such as whether household formation has been suppressed by affordability or past under-provision, or whether the figures will support forecast employment growth to arrive at an objectively assessed need.
- 1.7 The objectively assessed need for housing in Bolsover District was calculated by independent consultants and is set out in the North Derbyshire and Bassetlaw Objectively Assessed Need Update report (October 2017). This report identifies that the most appropriate figure for Bolsover District’s OAN, based on the current methodology and the latest Subnational Population Projections (SNPP) as suggested in government guidance, should be 272 dwellings per year.
- 1.8 This evidence has also been considered within the Council’s plan making work and the Council has used the identified OAN to inform the scale of housing provision within the Publication Local Plan for Bolsover District (May 2018).
- 1.9 The Government has announced the intention of introducing a new, simpler, method to calculate the level of housing need which will replace calculating OAN. In addition, the Government has also announced the intention of introducing an additional method for assessing whether an appropriate supply of housing is being maintained, namely the Housing Delivery Test, to operate alongside the five year supply assessment. However, at the time of writing confirmation on when these new methods will come into force is still awaited and is expected to be provided when the new NPPF is published. It is worth noting that the Governments approach would give us a minimal requirement of 242 per annum.

The Housing Requirement

- 1.10 Based on the current national methodology, the housing requirement is provided by the North Derbyshire and Bassetlaw Objectively Assessed Need Update report (October 2017) which states that most appropriate figure for Bolsover District’s OAN is 272 dwellings per year.
- 1.11 The 2017 OAN Update Report has a base date of 2014. Any variations in delivery from this date have to be considered in relation to the requirement. Table 1 below shows that between the 1st April 2014 and the 31st March 2018, the number of completions has exceeded the OAN requirement by 35.

Table 1: The shortfall to date against the Objectively Assessed Need of 272 and selected Local Plan housing target

Year	Annual Requirement	Completions (Net)	Shortfall
2014/15	272	253	-19
2015/16	272	326	+54
2016/17	272	293	+21
2017/18	272	251	-22
Total	1088	1123	+35

1.12 Based on this situation, the Council has no record of ‘persistent under delivery’ and therefore in accordance with existing Government guidance the Council only need apply a 5% buffer to its housing requirement.

The Housing Supply

1.13 Government policy in relation to the supply of housing in the five year supply is that it should be ‘deliverable’. For the purposes of this assessment this means that sites should be available; in a suitable location; 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. Not all sites with planning permission are considered ‘deliverable’, within the next five years, whilst some sites will only make a partial contribution within this period.

1.14 The assessment of the five year supply for deliverable housing follows the completion of the annual Residential Land Assessment. This includes a survey of all the sites in the District with planning permission, and sets out how many houses have been built, and how many houses are still to be built. Owners / developers of major sites with planning permission have been surveyed to help assess when sites are likely to be developed. This information feeds into the assessment of how many sites will be deliverable over the next five years.

1.15 In addition to sites with planning permission, the Council has included housing allocations within the Publication Local Plan for Bolsover District (May 2018). These sites may make a contribution to the supply of deliverable housing sites where they fall within the five year supply window.

1.16 Table 2 gives a breakdown of the components of the five year deliverable supply.

Table 2: Components of the five year deliverable supply

Year	Supply - Sites with planning permission at 31 st March 2018 considered to be deliverable	Additional deliverable supply from Local Plan allocations	Total
2018/19	365	0	365
2019/20	484	20	504
2020/21	466	85	551
2021/22	260	60	320
2022/23	231	105	336
Total	1806	270	2076

- 1.17 As can be seen in Table 2, following the Council's positive response to the historical lack of a five year supply through its decisions on planning applications in recent years, the supply of deliverable sites has been significantly boosted. In this context, the additional supply of deliverable sites from Local Plan allocations is expected to make a modest contribution towards the end of the five year supply period.
- 1.18 The Council has taken a robust approach in relation to considering what elements of our supply can be considered to be deliverable over the next five years. This has seen sites that we consider are unlikely to deliver within the five year period to be excluded. In addition, the later years of provision from larger sites that will take more than five years to build out are also excluded.
- 1.19 Whilst all major sites in the district have been assessed for their deliverability, it is not practical to assess each minor site. Therefore, a lapse rate of 15% based on historic lapse rates on minor sites has been applied to the total number of dwellings that could be provided by minor sites. This reduced total level of deliverable minor sites has then been apportioned across the first three years of the supply period to reflect the three year period for implementation and the fact that infrastructure requirements for such sites are generally minimal.
- 1.20 Overall, we are only relying on 33% of our overall supply and discounting 4,130 potential dwellings. This shows that a robust approach has been taken to discounting, however, this is far from a precise science. Sites previously discounted have, due to changed circumstances, recently seen renewed interest. Therefore there is no guarantee that these sites will not come forward, so delivery could actually be higher.
- 1.21 A full list of the deliverable sites included in the five year supply is set out at Appendix B.

Assessment of the five year supply

- 1.22 The Council has consistently followed the Sedgefield method when assessing its five year supply and so has always planned to meet any shortfall within 5 years rather than across the whole of the Plan period (the Liverpool method). On the same basis we have spread the excess of 35 dwellings to date (Table 2) across the next 5 years, to reflect how many houses would need to be built for the Council to stay on track.
- 1.23 As outlined above, now that the Council can evidence that since 2014 we have exceeded our requirement there is no requirement to have a buffer of 20% to respond to a record of persistent under delivery. Rather, there is an excess to spread out over the next 5 years and a need to only provide for a 5% buffer in accordance with the NPPF.
- 1.24 Table 3 below shows the requirements set against the deliverable supply and the NPPF requirements in future years.

Table 3: Deliverable supply set against the requirement and 20% buffer					
Year	OAN pa. + excess to date spread over 5 years	Potential Delivery pa.	Cumulative requirement	Cumulative Potential delivery	NPPF requirement (+5%)
2018/19	265	365	265	365	1391
2019/20	265	504	530	869	
2020/21	265	551	795	1420	
2021/22	265	320	1060	1740	
2022/23	265	336	1325	2076	

- 1.25 This table clearly shows that the potential delivery sites exceed the requirement throughout. Over the period, the Council has 2,076 deliverable dwellings, 685 dwellings in excess of the NPPF requirement, meaning the Council can demonstrate that it has in excess of a 5 year deliverable supply.
- 1.26 To calculate the extent of the Council's deliverable supply, if one were to add the over-provision to date (35 dwellings) to the deliverable supply (2,076 dwellings) and divide this number (2,111 dwellings) by our annual requirement (272 dwellings pa.) the Council can show just over 7³/₄ years supply for the period 2018/19 to 2022/23.
- 1.27 Appendix A sets out the Council's definitive account of its five year supply. Appendix B sets out the sites in the five year supply of deliverable housing sites.

2 Conclusions and Reasons for Recommendations

- 2.1 The five year housing supply is a consideration of the amount of housing that is deliverable on housing sites within the District at the 31st March 2018.
- 2.2 The assessment of the five year housing supply is a technical exercise. Based on the above assessment the Council can demonstrate that it has a five year housing supply as required by the NPPF.

3 Consultation and Equality Impact

- 3.1 Other Officers involved in the preparation of this report were: Interim Planning Policy Manager; Principal Planning Officers; Senior Planning Information Officer and Planning Information Officer.
- 3.2 Members consulted during the preparation of the report: Cllrs Munro and Turner.

4 Alternative Options and Reasons for Rejection

- 4.1 As explained at paragraphs 1.1 & 1.2 above there is a requirement under national planning policy to carry out the assessment of the five year supply of deliverable housing sites. This means that there is no alternative course of action.

5 Implications

Finance and Risk Implications

- 5.1 The assessment of the five year supply of deliverable housing sites is part of the annual monitoring work. As such it can be funded from existing budgets. However, it is important that this budget is maintained in future years.

Legal Implications including Data Protection

- 5.2 The Council has a statutory duty to keep under review the matters which may be expected to affect the development of their area. The development of land for housing is a key issue that affects the growth of the district.

Human Resources Implications

- 5.3 The assessment can be met within existing staffing resources.

6 Recommendations

- 6.1 That the Planning Committee:

- I. Notes the detailed issues set out in the report;
- II. Approves the assessment of the Council's current five year supply of deliverable housing sites as set out at Appendix A;
- III. Authorises the publication of the five year Supply Assessment (Appendix A) and Schedule of Deliverable Sites in the five year supply (Appendix B) on the Council's website; and
- IV. Gives delegated authority to the Interim Planning Policy Manager in consultation with the Chair, and Vice Chair of Planning Committee to make any minor changes to the text or information referred to in recommendation 6.1 III. prior to publication.

7 Decision Information

Is the decision a Key Decision? (A Key Decision is one which results in income or expenditure to the Council of £50,000 or more or which has a significant impact on two or more District wards)	No
District Wards Affected	All

Links to Corporate Plan priorities or Policy Framework	<p>The maintenance of a five year supply of deliverable housing has an impact on the way decisions on planning applications for residential development are determined. As such it has potential impacts on the following corporate aims:</p> <p>COMMUNITY SAFETY – Ensuring that communities are safe and secure</p> <p>ENVIRONMENT – Promoting and enhancing a clear and sustainable environment</p> <p>REGENERATION – Developing healthy, prosperous and sustainable communities</p>
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8 Document Information

Appendix No	Title
Appendix A	Assessment of Five Year Supply
Appendix B	Details of sites in the current five year supply
Background Papers (These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Cabinet (NEDDC) or Executive (BDC) you must provide copies of the background papers)	
Assessment of deliverability of major sites	
Calculation of lapse rate of minor sites	
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