LOCAL PLAN FOR BOLSOVER DISTRICT EXAMINATION

Response to the issue raised in relation to the consideration of dwelling completions

28th January 2019
ISSUES RAISED ABOUT COMPLETIONS

AQ2. Does the change to the definition of a completed dwelling have any impact on the 5 year housing land supply? [Mr Basil Hill]

AQ2.1. In Local Plan terms I would suggest that the answer is no.

AQ2.2. I note that the MHCLG Housing Statistical release paper of November 2018 defines a completed dwelling as:

“A dwelling is regarded as completed when it becomes ready for occupation or when a completion certificate is issued whether it is in fact occupied or not.”

AQ2.3. This is clearly not the definition that the Council has historically used as being wind and water tight and this paper looks at the impact of that fact and considers the potential for using Table 253 a) related to new build dwellings as suggested by a respondent.

AQ2.4. The approach we take is also used by other local planning authorities in Derbyshire including North East Derbyshire District Council, Chesterfield Borough Council and Derby City Council.

AQ2.5. We survey all sites on an annual basis (March/April). The purpose of the survey is to monitor the number of approved dwellings at that time that:

- have not been started;
- are under construction but not yet completed;
- have reached the stage where the roof is on and windows and doors are in, so that there is a secure water type shell, which we deem to be complete.

AQ2.6. Houses where the roof is on and windows and doors are in, so that there is a secure water tight shell, has been used as a way of defining a ‘completion’ for a considerable time. It is accepted that when surveyed on this basis some units may be about to undergo second fix, or it may be completed and ready for occupation or even occupied.

AQ2.7. Our approach includes dwellings at all of these stages. However, we do not count units that maybe getting windows fitted the day after our survey and will have second fix commenced by the end of that week, and occupied within a couple of months. Surveys are a snap shot in time and as we take the same approach year on year, any anomalies are ironed out in this approach.

AQ2.8. Indeed this method was developed due to the limitations of reliance on other forms of estimating the net number of new dwellings added to the existing housing stock, such as those forms of monitoring returns that rely on self-certification where actual levels of return leave gaps in the record. Our figures contribute to the tables MHCLG recommend to be used when considering housing supply (Tables 122 Housing supply: net additional dwellings, by local authority district England), although it is accepted that based on the definition given, this surrogate measure is wrong.

AQ2.9. The difference in definition relates to simply the fact of whether a dwelling is considered completed when it is at least watertight and ready for second fix, or when it is fully finished and awaiting occupation. In many cases, based on a once yearly survey of all the sites, many are already in habitation when counted as completed, whilst others may have simply had roof, windows and doors completed. Historically we cannot tell other than whether they were watertight or not.
AQ2.10. In terms of the Local Plan, the difference is whether we count a dwelling as completed or whether it remains in with all of the existing permissions and allocated sites about to come forward within the next 5 years. Whilst the time taken from commencement to occupation varies, it appears that 6 months appears to be a reasonable assumption. This is why in many cases even dwellings not started at the previous survey may be occupied at the time of the next survey.

AQ2.11. The only way that the change in definition would generate a Local Plan issue is if it could be shown that there were a large number of dwellings that had passed the watertight stage (and therefore counted as complete) but they would not actually be completed to a potential occupation stage within the next 5 years. In such an unlikely scenario, the five year supply situation would be impacted upon, but the issue would have been recognised in the following year’s survey and addressed.

AQ2.12. The Council’s approach is considered to be reasonable, ensuring accuracy, consistency and timeliness. The Council has used this definition and approach for many years, which enables comparison between the years, and with our neighbouring authorities. Importantly the approach provides for a reasonable and proportional evidence base for the Local Plan, based on actual survey data of all sites.

AQ2.13. However, the Council recognise that in going forward, there is a need to address this issue in future years to ensure that the collection method aligns with the definition.

MHCLG Tables

AQ2.14. The information we survey is submitted to MHCLG and makes up Tables 122 Housing supply: net additional dwellings, by local authority district England: 2001–02 to 2017 -18

AQ2.15. The tables attached to Mr Waumsley’s e-mail are MHGLG table 253a – House Building: Permanent dwellings started and completed by tenure and district, which is part of the New built Dwellings statistics.

AQ2.16. Under the ‘MHCLG guide to Housing statistics it explains that the purpose of this return is to collect quarterly estimates of new build starts based on inspection for building control reasons.

AQ2.17. It provide estimates of all new housebuilding activity by local authority area, after it is combined with parallel data from the National House Builders Council (NHBC).

AQ2.18. Its role and usefulness is clearly different as it is seen as key information for the government and media on economic conditions generally, for the construction industry and about housing market activity.

AQ2.19. It is unclear how comprehensive it is and experience of using these returns suggest that the information can be patchy especially amongst smaller builders. It is also unclear whether changes of use or conversions would be picked up by this approach, and the tables seem to have no way of reflecting demolitions so that the figures would be gross. However, from a national perspective it does provide useful information on activity, but not necessarily housing supply.

AQ2.20. The November 2018 Housing Statistical Release contains a table of statistical releases and what the figures in them are most appropriate for (Table 4 – Page 10). This shows:
Table 4: House building; new build dwellings and related statistics

<table>
<thead>
<tr>
<th>Release</th>
<th>What do statistics show?</th>
<th>Frequency</th>
<th>Where does the data come from?</th>
<th>What are these figures most appropriate for?</th>
</tr>
</thead>
<tbody>
<tr>
<td>This release: Housing supply; net additional dwellings</td>
<td>Total housing supply that comprises all new build, conversions, change of use, other gains/losses and demolitions</td>
<td>Annual (November)</td>
<td>Comes from local authorities outside London (Housing Flows Reconciliation Return)</td>
<td>Provides an accurate assessment of annual change in all housing stock and is the most comprehensive estimate of supply.</td>
</tr>
<tr>
<td>MHCLG (Based on BDC approach)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>House building; new build dwellings</td>
<td>Quarterly estimates of new build starts and completions</td>
<td>Quarterly (Mar, June, Sep, Dec)</td>
<td>Building control officers at: National House Building Council Local Authorities • Approved Inspectors</td>
<td>This is a ‘leading indicator’ of house building, available soon (&lt; 2 months) after quarter end</td>
</tr>
<tr>
<td>MHCLG (Referred to by Mr Waumsley)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

AQ2.21. I understand and sympathise with the confusion that so many tables and different approaches may cause. However I believe that it is clear that the Council’s approach is a reasonable one, and as an issue, whether some houses are counted a year early or a year later is not significant across the Plan period. In terms of our returns to date and housing supply figures, they are the ones recommended as the most comprehensive supply figures by MHCLG.

Conclusion

AQ2.22. For the reasons set out on this paper, it is considered that the approach that the Council takes, whilst contrary to the definition, has provided for an approach that has provided a robust and comprehensive set of figures, although in essence counting our chickens a bit early.

AQ2.23. The change of definition is not likely to make any significant difference to the difference to the Local Plan housing supply. Unfortunately the tables referred to by Mr Waumsley are not the tables that should be used in considering the housing supply, but are more of a reflection of activity rates within the building sector.

AQ2.24. I am aware that whilst a number of Authorities use the same approach that we do, others across Derbyshire use a second fix approach to counting dwellings as complete. In looking forward, I understand that changes are intended to make clear what can be confusing sets of tables. Draft guidance is apparently coming forward in relation to monitoring of house building in April 2019. The Council will obviously comply with any agreed way forward on this issue, in future years.

AQ2.25. However, currently our approach is tried, tested and trusted. It clearly provides for a robust, reasonable and proportional evidence base in relation to the completion of dwellings.