

PLANNING SERVICES

FIVE YEAR LAND SUPPLY STATEMENT

2020

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5 Year Housing Land Supply Statement: 2020

1. Background

- 1.1 The National Planning Policy Framework (NPPF) requires all local authorities as part of their strategic planning function to identify a continuous five-year supply of housing land. Being able to demonstrate a five year supply or not is an important material consideration when determining planning applications for new housing. It does not in itself, however, provide justification for approval or refusal of a planning application.
- 1.2 This statement supersedes the 2019 5 year Housing Land Supply Statement which stated the authourity had 6.98 years worth of supply.

2. National Policy and Guidance

- 2.1 Paragraph 73 of the National Planning Policy Framework (NPPF) requires Local Planning Authorities to annually identify and update a supply of specific deliverable sites sufficient to provide five years' worth of housing against their housing requirement set out in adopted strategic policies, or against their local housing need (LHN) where the strategic policies are more than five years old.
- 2.2 To be considered 'deliverable', sites should be available now, offer a suitable location for development now, and be achievable with a realistic prospect that housing will be delivered on the site within five years. Sites that are not major development and have planning permission should be considered deliverable unless there is clear evidence that homes will not be delivered within five years. Where a site has outline planning permission, they should only be classed as deliverable where there is clear evidence that housing completions will begin within five years. As detailed further in section 6, sites visited through Annual Monitoring, have been subject to this criteria.
- 2.3 As well as the supply of specific deliverable sites, there should be a buffer included. This ranges from 5% to 20% of the need which depends upon how much housing has been delivered against the target in previous years, this is to ensure deliverability, choice and competition in the market. This is linked to the Housing Delivery Test, where there has been under delivery over the past three years, a 20% buffer should be applied. If the Council were to produce an annual position statement which has gone through engagement with developers and has been considered by the Secretary of State, then a 10% buffer should be applied. Otherwise a 5% buffer is appropriate.

3. Housing Need

- 3.1 As stated within paragraph 73, the NPPF states that the five year supply should be set out against the strategic requirement as set out in adopted strategic policies or against their LHN where the policies are more than 5 years old. The existing strategic policies for the City are set out within the Core Spatial Strategy which was adopted in October 2009, and is therefore over 5 years old, and has not been reviewed. With this in mind, the five year supply is to be considered against the Council's LHN figure.
- 3.2 The standard method within the NPPG was revised in December 2020. Notably, it now includes a 35% uplift for those urban local authorities in the top 20 cities and urban centres list (this includes Stoke-on-Trent). It should be noted that this list can change.
- 3.3 However, the NPPG has included a transitional period of 6 months before the new 35% uplift is applied (June 2021). Therefore, the housing land supply calculation does not include the 35% uplift.
- 3.4 The methodology to calculate the LHN figure applies an average annual household growth figure from the 2014 based Household Growth Projections for the next 10 years. The base date of the housing land supply assessment is April 2020. Therefore, the calculation of the of the LHN figure is applied from 2020 to 2030. The National Planning Practice Guidance states that although more recent projections are available, the 2014 projections are used to provide stability. This is then tested against a measure of affordability to identify the extent of any uplift to the housing need figure to enable local house prices to become more aligned to average workplace earnings.

| Need | Figure |
|-------------------------------------|--------|
| Average annual change | 484 |
| Affordability ratio | 4.51 |
| Adjustment factor | 1.03 |
| Annual Local Housing Need Figure | 500 |

Table 1 - Local Housing Need figures

4. Past delivery against the latest assessment of housing need

- 4.1 To ensure choice and competition in the market for land, the NPPF requires local planning authorities to add an additional 5% buffer to their housing requirements over the next five years. For local authorities where there has been under-delivery in the last 3 years, this buffer is to be increased to 20%.
- 4.2 The NPPF states in paragraph 73c, footnote 39, that under delivery will be measured against the Housing Delivery Test from November 2018. The latest published Housing Delivery Test is the 2020 version, which shows Stoke-on-Trent City Council as performing at 193%. Therefore it is appropriate to apply a 5% buffer.

5. Windfall Allowance

- 5.1 Paragraph 70 of the revised NPPF states that local planning authorities can make an allowance for windfall development in their five year supply if there is compelling evidence that such sites have consistently become available in the area and will continue to provide a reliable source of supply. Windfall sites are defined as those which have not specifically been identified as available in the Local Plan process. A windfall allowance should be realistic and have regard to the Strategic Housing Land Availability Assessment (SHLAA), historic windfall delivery rates and expected future trends.
- 5.2 Table 3 below shows the past trends in windfall site completions since 2006, where data is available. These typically comprise of changes of use and conversions and smaller sites not already identified in the published SHLAA.

| | | | <u></u> |
|------------------|-----------------|--------------------------|---------|
| Year | Conversions and | Units delivered on sites | City |
| Tear | change of use | under 0.25 hectares | Total |
| 2006/7 | - | 108 | 108 |
| 2007/8 | - | 97 | 97 |
| 2008/9 | 88 | 228 | 316 |
| 2009/10 | 46 | 101 | 147 |
| 2010/11 | 57 | 160 | 217 |
| 2011/12 | 109 | 127 | 236 |
| 2012/13 | 47 | 92 | 139 |
| 2013/14 | 54 | 110 | 164 |
| 2014/15 | 129 | 209 | 338 |
| 2015/16 | 149 | 280 | 429 |
| 2016/17 | 117 | 28 | 145 |
| 2017/18 | 86 | 61 | 147 |
| 2018/19 | 119 | 143 | 262 |
| 2019/20 | 64 | 104 | 169 |
| | | | |
| Average Per Year | | | |
| Over Plan Period | 79 | 132 | 211 |

Table 2: Calculation of the windfall allowance

5.3 Table 3 shows that windfall development makes a large contribution to the amount of completions each year. Therefore it is considered appropriate to include this within the supply, and whilst the NPPF does allow for the inclusion within the 5 year period, it is not considered appropriate to apply this to each year. To avoid double counting with those sites that already have permission,

the windfall allowance has been excluded from the first few years. It has been noted that a high percentage of windfall developments complete within 2 years of having permission and therefore windfall development has only been excluded from the first 2 years.

6. Current Five Year Housing Land Supply

- 6.1 The Appendix to this statement lists sites included in the five year housing land supply as at 1st April 2020 (the base date), that are considered deliverable and have been assessed through annual site monitoring. This includes sites with planning permission that have dwellings remaining to complete, these sites maybe under construction or not started. There are additional deliverable sites in the SHLAA however for the purposes of this five year housing land supply statement they have been excluded.
- 6.2 It is recognised that there is a much larger supply of sites with planning permission that have not been included within the supply. This includes sites which have gained formal planning permission as of the 1st April 2020, outline permissions which do not have the clear evidence of their delivery as yet and also there are additional deliverable sites in the SHLAA. However for the purposes of this five year housing land supply statement they have been excluded. Therefore it is assumed that there are further sites that will be delivered within the next 5 years, but due to the rigourous checks in accordance with the NPPF, they have not been included.
- 6.3 As stated above, to ensure choice and competition in the market for land, an additional buffer is applied to the requirement. Whilst it could be argued that there is some double counting in applying two buffers, it is noted that there is a historical rate of planning permissions (total dwellings) lapsing of 16% over the last 3 years. The Council considers that it has been robust by only including sites as deliverable where clear evidence of their deliverability exists. This ensures that the 5 year supply calculation is robust and for clarity a lapse rate has only been applied to the sites with planning permission that are not started account for 1876 dwellings, with an 16% discount applied. After applying the lapse rate, 300 dwellings are taken off the deliverable supply.

Table 3: Housing site supply 2020-2025

| Source of Supply: | Figure | |
|--|--------------------------------|---|
| Remaining capacity of sites with planning approval at 1 st April 2020 (phased): | 2595 | |
| | (Under Construction) 576 | 2019 - Not commenced (Lapse Rate applied 16%) 1696 |
| Windfall Allowance | 633 | |
| Total | 2905 | |

7. Housing Land Supply Calculation

- 7.1 The previous sections of this statement explain all of the different considerations that need to be factored in to calculating the supply of housing land. This section brings together all of these factors to determine how the capacity of land for housing development compares with the area's recommended housing need figure for the next five years.
- 7.2 The basic calculation to determine this is for the amount of housing land available (the deliverable supply) to be divided by the annual requirement (the demand). This is set out in Table 5 below.

Table 4: Calculation of the housing land supply

| Housing Land Supply | Figure | |
|---|--------|--|
| Housing requirement 2020-2025 (including 5% buffer) | 2625 | |
| Annual Requirement | 525 | |
| Total Deliverable Supply Capacity | 2905 | |
| Number of years' worth of housing land supply against the requirement: | 5.53 | |

8. In conclusion Stoke-on Trent City Council has 5 year's worth of housing land supply, set against the most up to date Local Housing Need figure (in line with paragraph 73 of the NPPF).