

Craven District Council



Five Year Housing Land Supply Methodology and Report

1 April 2021 to 31 March 2026

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1. Introduction

- 1.1 Paragraph 74 of the July 2021 National Planning Policy Framework (NPPF) requires local planning authorities to: *“identify and update annually a supply of specific deliverable sites sufficient to provide a minimum of five years’ worth of housing against their housing requirement”*.
- 1.2 The purpose of this five-year housing land supply report is to:
- Set out the methodology used by the Council to demonstrate a five-year supply of deliverable housing sites to meet the requirements of the Craven District;
 - Give the Council’s position on the housing land supply for the period 1st April 2021 to 31st March 2026, and;
 - Provide details of all the sites contributing to the housing land supply and their estimated delivery rates.
- 1.3 The five-year housing land supply report will be updated each financial year, based on the Council’s annual monitoring of housing commitments.

2. Five Year Housing Land Supply Methodology

- 2.1 This report sets out the Council’s methodology for calculating its five-year housing land supply. The methodology has been designed to cover the requirements of the NPPF and NPPG. There are four stages involved:
- A.** Identify the five year period;
 - B.** Calculate what the housing requirement is, in terms of the number of dwellings, for which land needs to be made available over the five years;
 - C.** Calculate what the supply is, in terms of the number of plots for dwellings, which is available over the five year period;
 - D.** Compare the supply against the requirement and express this in a way that shows whether there is or is not sufficient supply.
- 2.2 This report explains each of the above stages in more detail, setting out the calculations and assumptions which have been made.
- 2.3 The July 2019 revision of the National Planning Practice Guidance (NPPG) states that a 5-year housing land supply can be demonstrated in one of two ways:
- 1) By using the latest available evidence such as a Strategic Housing and Economic Land Availability Assessment, or an Authority Monitoring Report; or,

2) by 'confirming' the 5 year land supply using a recently adopted plan or through a subsequent annual position statement (as set out in paragraph 74 of the NPPF).

(See NPPG paragraph 004, reference ID 68-004-20190722).

- 2.4 A Local Plan is considered to be 'recently adopted' for 12 months after the date of adoption. This is clarified in footnote 40 of the NPPF, which states: *"... a plan adopted between 1 November and 30 April will be considered recently adopted until 31 October in the same year."* The Craven Local Plan was adopted on 12th November 2019, therefore after the end of October 2020, it was no longer classed as a recently adopted document.
- 2.5 Craven District Council does not have a recently adopted Local Plan and has not produced an annual position statement. Therefore, the five-year land supply will be demonstrated using option 1 of the two given in the NPPG and listed at paragraph 2.3, above; that is, by using the latest available evidence. This five-year land supply report has been based on the evidence in the Authority Monitoring Report (AMR) for 2020/21. The AMR includes a housing trajectory, giving the Council's housing position at 1st April 2021. The trajectory sets out the estimated delivery of housing sites within the District over the next 15 years (up to 2035/2036). Sites which are considered deliverable in the first 5 years of that 15-year period have been included in the calculation of the five-year land supply. The AMR Housing Trajectory is included at Appendix 1 and shows the full list of sites and sources of supply.
- 2.6 The NPPF and the NPPG have been taken into account when preparing the Council's methodology and it is considered that the calculation of the five-year land supply is in conformity with both. Further detail on the relevant sections of each of these documents is given below, to show how each step of the methodology has had regard to the guidance and regulations.

A. Identifying the five-year period

- A1 The first stage in calculating the five-year land supply is to establish what period the five years will cover and identify the start date.
- A2 This Five Year Housing Land Supply Report covers the period **1 April 2021 to 31 March 2026**. This is because the Council monitors housing sites with planning permissions to identify the number of dwellings completed each year and the number of dwellings under construction. It also monitors planning permissions for change of use or demolition and redevelopment of residential units to other non-residential uses, so that a net figure for housing completions each year can be calculated. The monitoring period runs between 1 April and 31 March; therefore, it is logical to start the five-year land supply calculation on the same date to ensure that the assumptions made are based on the most up-to-date data.

B. Calculating the Housing Requirement

- B1 Paragraph 74 of the NPPF (July 2021) states that, for local authority areas with a Local Plan that has been adopted within the last five years, the housing requirement set out in the strategic policies should be used for calculating the five-year supply.
- B2 Craven District Council adopted its new Craven Local Plan on 12th November 2019. The housing requirement for the plan period 1st April 2012 to 31st March 2032 is set out in Policy SP1 of the Local Plan and is for **4,600** net additional dwellings. This equates to an annual average housing requirement of **230 net additional dwellings per annum**.
- B3 However, between 1st April 2012 and 31st March 2021, a net total of **1,614** new dwellings have been gained, which gives an annual average delivery rate over the nine years from 1st April 2012 to 31st March 2021 of **179** net additional dwellings per year. This is a shortfall of **51** dwellings per year (or a total of **459** dwellings over the 9 years) since 1st April 2012. Details of net completions and housing losses between 1st April 2012 and 31st March 2021 are provided in Table B1.

Table B1: Annual gross housing completions, housing losses and net housing completions in the Craven District between 1st April 2012 and 31st March 2021

Year (1 st April to 31 st March)	Gross Housing Completions	Housing Losses	Net Housing completions
2012/13	128	12	116
2013/14	47	9	38
2014/15	197	66	131
2015/16	193	6	187
2016/17	248	18	230
2017/18	237	10	227
2018/19	242	4	238
2019/20	300	19	281
2020/21	168	2	166
TOTALS	1590	144	1614

Annual Average Completions 179.3

- B4 To take account of the shortfall in delivery between the 1st April 2012 and the 31st March 2021, the deficit will be added on to the housing requirement for the five-year period from 1st April 2021 to 31st March 2026. Therefore, the housing requirement for 1st April 2021 to 31st March 2026 is 1,150 dwellings (230 x 5) plus the shortfall in delivery of 459 dwellings, giving a total requirement of **1,609** dwellings for the five-year period. This equates to an annual average of **322** dwellings per year.
- B5 The NPPF (paragraph 74) also requires local authorities to identify a 5% buffer to ensure choice and competition in the housing market. It is made clear in the NPPF that the 5% buffer is moved from later in the plan period and is not an additional 5% requirement for more housing. A 10% buffer must be applied where the local planning authority wishes to demonstrate a five-year supply of deliverable sites through an annual position statement or recently adopted plan, to account for any fluctuations in the market during that year. Where there has been a significant under delivery of housing over the previous 3 years, a 20% buffer must be applied, to improve the prospect of achieving the planned supply.

- B6 Table B2, below, shows net housing completions in the previous 3 years compared to the development plan housing target for Craven.

Table B2: Net housing completions in the Craven District (outside the Yorkshire Dales National Park) for the three-year period of 2018/19 to 2020/21, compared to the annual housing target

Year	Annual Housing Target/Requirement	Net Housing Completions	Net Average Annual Completion Rate
2018/19	230	238	
2019/20	230	281	
2020/21	230	166	
Total	690	685	228 dwellings per annum

- B7 Table B2 shows that, despite a drop in housing completions over the 2020/21 period (which can be attributed to the national lockdown following the outbreak of COVID-19 bringing building work to a halt) the net average annual completion rate for the previous three years of 228 dwellings per annum is only 2 below the housing target of 230 dwellings per annum for the Craven District (outside the Yorkshire Dales National Park). Net housing completions over 2018/19 and 2019/20 exceeded the annual housing target, which has maintained the average completion rate for the three year period.
- B8 It is not considered that a net average figure of 228 dwellings per annum constitutes a significant under supply of housing. Therefore, it is not necessary to apply a 20% buffer to the five-year land supply requirement. Nor is it necessary to apply a 10% buffer, as the Council is not relying on an annual position statement or recently adopted local plan to demonstrate the five-year supply of deliverable sites. Therefore, a 5% buffer will be applied to the housing requirement for Craven.
- B9 A 5% buffer would require sites for an additional **80** dwellings to be available during the five-year period (5% of 1,609). This makes the total five-year housing land requirement for Craven (including the 5% buffer) **1,689** dwellings, or **338** dwellings per year.

C Calculating the Housing Land Supply

- C1 To calculate the housing land supply, the Council has to identify what land is available and likely to be deliverable during the five-year period. The glossary in Annex 2 of the NPPF provides the following definition of a deliverable site:

“To be considered deliverable, sites for housing 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. In particular:

- a) Sites which do not involve major development and have planning permission, and all sites with detailed planning permission, should be considered deliverable until permission expires, unless there is clear evidence that homes will not be delivered within five years (for example because they are no longer viable, there is no longer a demand for the type of units or sites have long term phasing plans).*
- b) Where a site has outline planning permission for major development, has been allocated in a development plan, has a grant of permission in principle, or is identified on a brownfield register, it should only be considered deliverable where there is clear evidence that housing completions will begin on site within five years.”*

- C2 Annex 2 to the NPPF also gives a definition of major development, which, for the purposes of housing development, is considered to be a site where 10 dwellings or more will be provided, or where the site has an area of 0.5 hectares or larger.

C3 Identifying the housing land supply

The Council considers that the following types of site are potentially suitable for inclusion in the five-year housing land supply and fall within the above NPPF definition of a deliverable site.

- C4 Falling within part a) of the NPPF definition:

- All sites which do not involve major development and have planning permission (outline or detailed).
- All sites with detailed planning permission for major development.

- C5 Falling within part b) of the NPPF definition:

- Sites with outline permission for major development, where evidence that homes will be built within 5 years has been provided.

- Residential sites allocated in the Craven Local Plan (which do not have planning permission), where evidence that homes will be built within 5 years has been provided
- Sites where there is a resolution to grant permission, where evidence that homes will be built within 5 years has been provided

C6 A detailed breakdown of each of these categories is given below.

C7 The full list of sites contributing to the five-year housing land supply for Craven is included in the Housing Trajectory for 2021 to 2036, which is included in this report at Appendix 1. This information is used as the starting point to calculate the housing land supply. The Council undertakes ongoing monitoring of residential planning consents and completions on all of these sites.

C8 Sites which do not involve major development and have planning permission (outline or detailed)

This will include all sites with full, detailed planning permission or outline planning permission for less than 10 dwellings, or on sites under 0.5 hectares, which are either under construction or where development has not started. Expired consents are not included. Residential prior approvals which fall below the threshold for major development, and which meet these criteria will also be counted in this category, including:

- Office to residential prior approvals;
- Agricultural buildings to residential prior approvals;
- Shops (A1) and financial/professional services (A2) to residential prior approvals; and,
- Betting/ payday loan shops, amusement arcades, casinos and storage/distribution centres (B8) to residential prior approvals.

(N.B. Single dwellings on sites of over 0.5 hectares have been included in this category. These sites are not considered to be 'major' development, despite the larger site area).

C9 Evidence on the likely future delivery on small sites of less than 10 dwellings or 0.5 hectares, is based on previous completion rates. The completion rates on sites of less than 10 dwellings or 0.5 hectares have been analysed for the previous 15 years, between 1st April 2006 and 31st March 2021.

C10 It is considered that this 15-year period is sufficient to account for fluctuations in the economy and the subsequent affect this had on housing delivery, including the recession that followed the 2008 financial crisis, which resulted in a significant drop in housing completions. Given the uncertainty of the future economy following the Covid-19 pandemic, it is considered prudent to

look at past trends in housing completions over a period that includes a downturn in the economy. By analysing completions on smaller sites between 2006 and 2021, it will be possible to make assumptions about likely future delivery on these sites.

- C11 Between 1st April 2006 and 31st March 2021, a total of 1,281 houses were completed on sites with consent for less than 10 dwellings, or of less than 0.5 hectares. This gives an annual average of 85.4 completions per year. If a delivery rate of 85 dwellings per annum were projected forwards for the next five years, it would result in 425 houses being completed on small sites between 2021 and 2026.
- C12 The Housing Trajectory included at Appendix 1 lists all sites with an extant full or outline planning permission or prior approval for residential development of less than 10 dwellings or on sites under 0.5 hectares. At 1st April 2021 there were 415 dwellings with planning permission on these small sites.
- C13 This figure is slightly lower than the estimation of future completions based on past delivery rates. Therefore, it is reasonable to assume that a figure of 415 is a deliverable housing figure for the five-year period and may be exceeded.
- C14 For the purposes of calculating the five-year land supply, the annual average of 85 dwellings will be applied. A continuation of past delivery rates is considered to provide the best estimate of future delivery. Therefore, the five-year housing supply that could potentially be achieved on sites of less than 10 dwellings or less than 0.5 hectares is 425 dwellings.
- C15 The figure of 85 dwellings per year will be applied across the full fifteen-year period covered by the housing trajectory for sites of less than 10 dwellings or on less than 0.5 hectares. This figure will be reviewed and updated annually based on actual completions achieved.

C16 All sites with detailed planning permission for major development

This category will include all sites with full, detailed planning permission for major development, which Annex 2 of the NPPF defines for housing as development where 10 or more dwellings will be provided, or on sites of 0.5 hectares or larger. This includes sites which are either under construction or where the development has not started. Expired consents are not included. Again, residential prior approvals for major development which meet these criteria will also be included as follows:

- Office to residential prior approvals;
- Agricultural buildings to residential prior approvals;
- Shops (A1) and financial/professional services (A2) to residential prior approvals; and,

- Betting/ payday loan shops, amusement arcades, casinos and storage/distribution centres (B8) to residential prior approvals.

C17 Annex 2 to the NPPF states that “*sites with detailed planning permission, should be considered deliverable until permission expires, unless there is clear evidence that homes will not be delivered within five years* “. The Council carries out regular site visits as part of its on-going housing monitoring work. Where development has been implemented, and a site visit has shown work to be underway, a site is considered to be deliverable within five-years. If the development is particularly large, housing delivery may extend into years 6 to 10 of the Housing Trajectory.

C18 Where development has not started, the Council undertakes consultation with the developer or landowner to find out about their intentions for the site through a ‘Sites with Consent’ questionnaire. The process for this is outlined in paragraphs C24 to C30 below. The Council’s Development Management officers may also be able to provide information on the likely progress of a site from their discussions with developers on the discharging of planning conditions or amendments to a planning consent.

C19 Sites with outline permission for major development

This category includes all sites with outline planning permission for 10 or more dwellings or on sites of 0.5 hectares or larger, where the consent has not expired and where the Council has evidence that housing completions will begin on site within five years.

C20 Residential sites allocated in the Craven Local Plan

This includes all residential sites allocated in the 2019 Adopted Craven Local Plan (which do not already benefit from planning permission) which are expected to be delivered within the next five years.

C21 If an allocated site already has planning permission, it is included in the relevant category listed above.

C22 Sites where there is a resolution to grant permission (subject to signing of a section 106 Agreement)

This includes all sites where there is a resolution to grant planning permission subject to signing of a S106 Agreement, where there is clear evidence that housing completions will begin on site within five years. These sites have been presented to the Council’s Planning Committee and recommended for approval, and are considered to be available, achievable and in a suitable location.

C23 The Council is in regular contact with the applicants of these sites during the negotiation of the S106 agreement so can be certain of their intentions to develop the site. If negotiations have been ongoing for more than six months, and are in deadlock, delivery of the site will be pushed back to a later period in the housing trajectory.

C24 Evidence of deliverability for sites falling under Part b) of the NPPF definition

The Council undertakes regular engagement with the landowners and developers of sites with detailed or outline planning consent for major development, sites with prior approval for major development, and sites allocated for residential development in the Craven Local Plan. This allows for regular progress checks and for information on likely delivery dates for completions to be reviewed, and helps to identify any possible barriers to delivery, which the Council might be able to provide assistance with.

C25 Engagement is initially through a “Sites with Consent” questionnaire, for sites with planning consent or prior approval for major development, or an “Allocated Sites” questionnaire, for those sites allocated for residential development in the Local Plan. These questionnaires are sent out annually to all landowners, developers or agents for the sites. The Council may then make further contact depending on the information provided in the completed questionnaire.

C26 The questionnaires seek information on the expected timescales for development process milestones (by year quarters e.g. first quarter 2022). This includes marketing of the site; completion of technical pre-application studies; submission of applications for outline/reserved matters/full consent; completion of site preparation works, and the number of houses anticipated to be completed on site each year following the start of building.

C27 If the information provided seems overly optimistic or unachievable, the Planning Officer will ‘reality check’ the data. The rate of completions may be spread over a greater number of years (for example, where a developer has given an unrealistically high annual completion rate), or the start date for delivery may be pushed back (for example, when outline consent has only recently been approved and the developer has stated that dwellings will be delivered on site within the next 6 months). This reality checking is based on officer knowledge of realistic build rates and the likely time periods for gaining approval of reserved matters, the necessary discharging of pre-commencement conditions, or site clearance works etc.

C28 If a landowner/ developer indicates that a site is not likely to be implemented within a five-year period, then delivery on that site is pushed back to a later period in the Housing Trajectory. Similarly, delivery on very large sites of

more than 150 dwellings may take more than five years. Subject to the exact size of these sites and whether there will be more than one house builder on site at any given time, these may take longer than five years to be completely built out, so not all the dwellings on very large sites will be delivered within the five-year period.

- C29 If the Council has not received a recently completed questionnaire (or similar correspondence) for a site with an unimplemented full permission or outline planning permission (returned within the last 2 years), and officers have no other evidence to indicate that the site is likely to be delivered within five years (e.g., from discussions between the developer and the Council's Development Management team at pre-application stage or during the determining of an application on a site etc.), the site is taken out of the first five year delivery period and pushed into the later part of the plan period.
- C30 Paragraph 007 (Ref ID 68-007-20790722) of the PPG on Housing Supply and Delivery includes advice on the evidence needed to demonstrate deliverability of a site. According to the PPG, such evidence can include the current planning status and progress towards submission of an application or approval of reserved matters, progress with site assessment work, or clear information about site viability, ownership constraints, or infrastructure provision. It is considered that the information provided by the landowners or developers in their completed questionnaires, alongside any information provided from the Development Management team on their discussions with developers, is sufficient evidence to demonstrate deliverability in line with the PPG. The information provided through this engagement allows the Council to be reasonably confident that sites are deliverable within the five-year period.
- C31 The Council also maintains contact with the landowners and developers of sites allocated in the Craven Local Plan through the preparation and maintenance of the Strategic Housing and Employment Land Availability Assessment (SHELAA).
- C32 The SHELAA is a database of all sites in the Craven plan area that are considered suitable, available and achievable for development. It contains a much larger portfolio of sites than those included in the housing trajectory, and forms a 'pool of sites' from which suitable land can be found for allocation in future updates to the Craven Local Plan.
- C33 Despite the fact that the sites within the SHELAA have been assessed as deliverable, at the current time the Housing Trajectory is considered to be a more suitable source of sites for inclusion in the five-year land supply. The sites in the Housing Trajectory have a more realistic chance of being delivered in the short term, owing to the fact that they already benefit from

planning permission or an allocation in the Craven Local Plan. The Council may use the SHELAA to demonstrate a five-year land supply in future. (The 2021 SHELAA trajectory shows a potential for 6,332 houses to be delivered on sites within the Craven plan area for the period 2021 to 2026).

- C34 The SHELAA is updated annually, and the Council undertakes regular consultation with the landowners and developers of SHELAA sites. The responses provided from developers and landowners to the Council's Land Availability Questionnaire for the 2021 update of the SHELAA have been referred to when considering the evidence on the delivery of residential sites allocated in the Craven Local Plan.

C35 Calculating the Supply from the Identified Deliverable Sites

The Housing Trajectory at Appendix 1 provides a list of all known sites and sources of supply discussed above. Table C1 shows the supply of available dwellings from each source, as identified in the Housing Trajectory.

Table C1: Number of dwellings provided from each source and the total housing supply for the five year period 1 April 2021 to 31 March 2026

Source of supply	Number of dwellings
All sites which do not involve major development and have planning permission (outline or detailed)	425
All sites with detailed planning permission for major development	927
Sites with outline permission for major development	19
Residential sites allocated in the Craven Local Plan	670
Sites where there is a resolution to grant permission	0
Total supply	2,041

- C26 Table C1 shows that **2,041** dwellings could be delivered between 1st April 2021 and 31st March 2026. This is the housing supply.

D Comparing the housing requirement against the supply

- D1 This section of the Five Year Land Supply Report sets out the results of the five-year land supply calculations. The five-year housing requirement is: -
- based on the housing requirement in Policy SP1 of the adopted Craven Local Plan (November 2019);
 - Includes the identified shortfall in housing delivery against the objectively assessed housing need between 1st April 2012 to 31st March 2021 and
 - Includes a 5% buffer
- D2 The identified housing requirement is **1,689** dwellings and the identified supply is **2,041** dwellings. This shows that the Council can demonstrate that it has a five-year housing land supply in accordance with the NPPF.
- D3 Table D1 shows how the five-year land supply has been calculated.

Table D1: The five-year housing land supply calculation for Craven District Council for the period 1st April 2021 to 31st March 2026

Five Year Land Supply Calculation			
a	Adopted Craven Local Plan (Nov 2019) Housing Requirement in Policy SP1 1 April 2012 to 31 March 2032 (20 year period).		4,600
b	Average annual housing requirement 1 April 2012 to 31 March 2032	a/20 years	230
c	5 year housing requirement	b x 5	1,150
d	Total net completions 1 April 2012 to 31 March 2021 (9 years)		1,614
e	Net average annual completions 1 April 2012 to 31 March 2021	d/9 years	179
f	Shortfall 1 April 2012 to 31 March 2021	(b-e) x 9	459
g	5 year housing supply requirement 1 April 2021 to 31 March 2026	c + f	1,609
h	Five percent buffer	g x 0.05	80
i	Total five year requirement 1 April 2020 to 31 March 2025 including five percent buffer	g + h	1,689
j	Average annual housing requirement 1 April 2021 to 31 March 2026	i/5	338
k	Estimated supply over five year period	(see Appendix 1)	2,041
l	Five year land supply as a percentage of requirement including 5% buffer	(k / i) x100	121%
m	Five year land supply expressed in years	k / j	6 years

[illegible]

[illegible]

[illegible]

[illegible]