

**Craven Local Plan
Inspector’s Matters, Issues and Questions for Examination**

Matter 6 – Housing Land Supply

Issue 1 – The Five-Year Housing Land Requirement

Q1. What is the basic five-year housing land requirement, what is it based on and how has it been calculated?

Q2. How does the five-year housing land requirement compare to previous rates of delivery?

Paragraph 47 of the Framework states that to boost significantly the supply of housing, local planning authorities should identify and update annually a deliverable five-year supply of housing, with an additional buffer of 5% (moved forward from later in the plan period) to ensure choice and completion in the market for land. Where there has been a record of persistent under delivery this should be increased to 20% to provide a realistic prospect of achieving the planned supply and also to ensure choice and competition in the market for land.

Q3. Taking a longer-term view, how has the Council performed against previous annual housing requirements? Does this represent the ‘persistent undersupply’ defined by the Framework? In this context, should the buffer be 5% or 20%?

Q4. If a 20% buffer applies, should this be applied to the basic five-year requirement, or the five-year requirement and any undersupply?

Q5. If there has been an undersupply, should this be addressed within the next five years (the ‘Sedgefield’ method), or over the remainder of the plan period (the ‘Liverpool’ method)? Is the Council’s approach consistent with the PPG which advises that local planning authorities should aim to deal with any undersupply within the first 5 years of the plan period where possible?¹⁵

Q6. Taking the above into account, what is the five-year housing land requirement?

1. The Craven Local Plan identifies a housing requirement of 4,600 net additional dwellings over the period 2012 to 2032, equivalent to a housing requirement of 230 dwellings each year.
2. Table 1 below identifies the delivery of homes against the Housing Requirement during the plan period. It clearly demonstrates an undersupply of housing within the plan period. The HBF recommend that this undersupply should be addressed within the next five years, using the Sedgefield method. This is considered to be in compliance with the Governments ambitions to boost housing supply and the PPG (ID 3-035).

Table 1: Housing Delivery (Plan Period)				
Year	Net Dwelling Completions¹	Housing Requirement	Over / Under Supply	Cumulative
2012/13	118	250	-132	-132
2013/14	36	250	-214	-346
2014/15	128	250	-122	-468
2015/16	187	250	-63	-531
2016/17	230	250	-20	-551
2017/18	230	250	-20	-571

¹ Taken from Table 3 of the Draft AMR

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Total	929	1,500	-571	
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3. Taking a longer-term view, the Council has not/ delivered the proposed housing requirement over eight of the last ten years, as set out in Table 2 below. The HBF consider that this represents a persistent under-supply and that as such a 20% buffer would be appropriate.

Table 2: Housing Delivery (Longer Term)				
Year	Net Dwelling Completions²	Housing Requirement	Over / Under Supply	Cumulative
2008/09	289	250	39	39
2009/10	83	250	-167	-128
2010/11	129	250	-121	-249
2011/12	267	250	17	-232
2012/13	118	250	-132	-364
2013/14	36	250	-214	-578
2014/15	128	250	-122	-700
2015/16	187	250	-63	-763
2016/17	230	250	-20	-783
2017/18	230	250	-20	-803
Total	1,697	2,500	-803	

4. Taking the above into account the HBF consider that the five-year housing land requirement is 1,921.2 dwellings or 384 dwellings each year. This allows for the shortfall in housing delivery to be addressed using the Sedgfield method, and adding in the 20% buffer to allow for choice and competition in the market. Table 3 below sets out how the 5-year supply has been calculated.

Table 3: Calculating the 5 Year Requirement		
A	Proposed Housing Requirement (2012 – 2032)	4,600
B	Annual Housing Requirement (A/Plan Period) (4,600/20 = 230)	230
C	Five Year housing rate (= B x 5) (= 230 x 5)	1,150
D	Actual completions (Plan period)	929
E	Proposed Housing Requirement expected Completions (= B x 6) (= 230 x 6)	1,380
F	Surplus / Shortfall in housing delivery (= D – E) (= 929 – 1,380)	-451
G ^L	Five Year Requirement (Liverpool) (incorporating surplus / shortfall) (= C – ((F/remaining plan period)x5))	1,311

² Taken from Table 3 of the Draft AMR

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	(= 1,150 – ((-451/14)*5))		
G ^S	Five Year Requirement (Sedgefield) (incorporating surplus / shortfall) (= C – F) (= 1,150 – (-451))		1,601
		Liverpool	Sedgefield
H ^{5%}	Buffer (5%) (= G ^L x 5%) (= 1,311 x 5%) (= G ^S x 5%) (=1,601 x 5%)	65.55	80.05
I ^{5%}	Five Year Requirement (incorporating surplus / shortfall and buffer) (= G + H^{5%})	1,376.55	1,681.05
J ^{5%}	Annual target for next 5 years (= I ^{5%} / 5)	275.31	336.21
H ^{20%}	Buffer (20%) (=G ^L x 20%) (=1,311 x 20%) (=G ^S x 20%) (=1,601 x 20%)	262.2	320.2
I ^{20%}	Five Year Requirement (incorporating surplus / shortfall and buffer) (= G + H^{20%})	1,573.2	1,921.2
J ^{20%}	Annual target for next 5 years (= I ^{20%} / 5)	314.64	384.24

Issue 2 – Supply Methodology

The PPG¹⁶ states that planning permission or allocation in a development plan is not a prerequisite for a site being deliverable in terms of the five-year supply. Local planning authorities will need to provide clear evidence to support the deliverability of sites, ensuring that judgements on deliverability are clearly and transparently set out.

The PPG¹⁷ also advises that the size of sites will be an important factor in identifying whether or not a housing site is deliverable within five years. Plan makers should consider lead-in times and build-out rates to ensure a robust five-year housing land supply. Taking this into account:

Q1. What evidence is there to indicate that the sites with planning permission will come forward as illustrated in the Craven Local Plan Housing Trajectory 2012 to 2032 (2018 Update for Submission)¹⁸?

Q2. Are there any sites in the Housing Trajectory which have a resolution to grant planning permission subject to the completion of a planning obligation? If so, how has this been taken into account in determining deliverability?

Q3. How does the Housing Trajectory take into account sites with outline planning permission, compared to sites with full planning permission?

Q4. What lead-in times and build-out rates have been applied to sites with planning permission?

Q5. Have the same lead-in times and build-out rates been used for sites across Craven? If so, is this appropriate and justified?

Q6. How has the Council calculated the deliverability of sites without planning permission? Have different lead-in times and build-out rates been used?

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Q7. How has the Housing Trajectory taken into account that some sites may not come forward due to unforeseen circumstances. Has a lapse-rate or allowance for non-deliverability been applied? If so, has it been applied to all sites?

Q8. Based on the latest evidence available, is the estimated delivery of sites realistic, reasonable and justified?

5. The HBF do not wish to comment on the deliverability, lead in times and build out rates of individual sites. However, the Council's assumptions on deliverability, lead-in times and delivery rates should be realistic, based on evidence, supported by the parties responsible for housing delivery and sense checked by the Council based on local knowledge and historical empirical data.
6. Where standardised lead-in times and build out rates are applied the HBF would expect the Council to be transparent as to how these rates have been determined and to provide the evidence that this has been based on, for example evidence of historic trends. Without this information it can be difficult to determine if the rates applied are realistic, reasonable and justified.
7. The Housing Trajectory does not appear to have taken into account that some sites may not come forward due to unforeseen circumstances and does not appear to have included a lapse rate or an allowance for non-deliverability. The HBF would normally expect a lapse rate to be applied to the sites that currently have planning permission and have not yet commenced, along with any sites that do not have permission. This lapse rate would allow for changing circumstances which may lead to some sites not being brought forward.

Issue 4 – Windfall Allowance

Paragraph 48 of the Framework states that local planning authorities may make an allowance for windfall sites in the five-year supply if they have compelling evidence that such sites have consistently become available in the local area and will continue to provide a reliable source of supply. Any allowance should be realistic having regard to the SHLAA, historic windfall delivery rates and expected future trends, and should not include residential gardens. Taking this into account:

Q8. What allowance has been made for windfall sites coming forward over the first five years, and thereafter throughout the plan period?

Q9. What is this based on and is it justified on appropriate available evidence?

Q10. Having regard to the answers provided to the questions above, and questions regarding the OAN for housing under Matter 2, will there be a five-year supply of deliverable housing sites on adoption of the Local Plan?

8. Whilst the plan does not appear to make an allowance for windfall sites as such it does appear to include an allowance for small sites within Tier 5. The HBF would expect the Council to provide compelling evidence, as set out in the PPG and NPPF (2012), that these sites will continue to provide a reliable source of supply. It is considered that the Council will need to monitor the provision that windfall development is making to the delivery of homes in the Borough to ensure that the supply remains and is continuing to provide additional flexibility and the opportunity to boost housing supply.

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Issue 5 – Future Supply

Paragraph 47 of the Framework states that local planning authorities should also identify a supply of specific, developable sites or broad locations for growth for years 6-10, and, where possible, years 11-15.

Q1. How has the Council arrived at the figures in the Housing Trajectory for years 6-10 and 11-15?

Q2. What factors were taken into account in arriving at the figures in the Housing Trajectory? Are they justified and based on appropriate available evidence?

Q3. Is there likely to be a sufficient supply of housing land throughout the lifetime of the Plan?

9. As set out previously, the HBF do not wish to comment on the deliverability, lead in times and build out rates of individual sites. However, the Council's assumptions on deliverability, lead-in times and delivery rates should be realistic, based on evidence, supported by the parties responsible for housing delivery and sense checked by the Council based on local knowledge and historical empirical data.
10. Where standardised lead-in times and build out rates are applied the HBF would expect the Council to be transparent as to how these rates have been determined and to provide the evidence that this has been based on, for example evidence of historic trends. Without this information it can be difficult to determine if the rates applied are realistic, reasonable and justified.
11. The Housing Trajectory does not appear to have taken into account that some sites may not come forward due to unforeseen circumstances and does not appear to have included a lapse rate or an allowance for non-deliverability. The HBF would normally expect a lapse rate to be applied to the sites that currently have planning permission and have not yet commenced, along with any sites that do not have permission. This lapse rate would allow for changing circumstances which may lead to some sites not being brought forward.

Issue 6 – Flexibility

Q1. What flexibility does the plan provide in the event that some of the larger sites do not come forward in the timescales envisaged?

Q2. Is it necessary to have a review mechanism in the Plan to consider progress against these, and other sites, and to identify any appropriate steps to increase supply if required?

12. The HBF consider that the supply should be more than the housing requirement, to allow for flexibility and respond to changes in circumstances. It is important that the plan should seek not only to provide sufficient development opportunities to meet the housing requirement but also to provide a buffer over and above this requirement.
13. The HBF recommends that appropriate targets are introduced and that specific monitoring triggers are used, with actions identified along with appropriate timescales.

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This will help to ensure that action will be taken when a target is not met, and a policy needs reviewing.