

Five Year Housing Land Supply Methodology

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Why maintain a 5-year supply

- Councils have a duty to maintain a 5-year supply of housing land (NPPF paras 47 & 48)
- Otherwise, the NPPF presumption in favour of sustainable development prevails (NPPF paras 14 & 49), whereby
- Permission will be granted unless significant/demonstrable adverse impacts outweigh benefits

What is taken into account

- 5-year supply calculation updated annually at 1st April each year
- Takes account of completions (built units), unimplemented planning permissions, and local plan allocations
- May include windfall sites allowance if compelling evidence shows sites will continue to provide a reliable source of supply

Basis of calculation

- Based on former South East Plan target of 11,080 dwellings 2006/26 – target tested through examination
- 5-year calculation published in council's Annual Monitoring Reports
- Table in 2011/12 AMR used to demonstrate methodology

5-year housing target

- Completions between April 2006 and March 2012 are deducted from the 20-year target
- This balance is divided by remaining number of years to give an annual target + 5% buffer per NPPF
- The annual target is then multiplied by 5 years = 2,561 dwellings

5-year housing supply

- All outstanding planning permissions at 1 April 2012 down to sites of 1 dwelling (1,433 units)
- Local plan allocations expected to contribute at 1 April 2012 (468 units)
- Previously developed sites identified through the SHLAA 2009 (82 units)
- Total of 1,983 units on deliverable sites

Calculation (based on 2011/12 AMR)

Five Year Housing Land Supply at 1 April 2012	No. dwellings
Interim housing target 2006/07 to 2025/26	11,080
Residual target after deducting 4,250 dwellings that were completed* between 2006/07 and 2011/12	6,830
Annual target over remainder of plan period (residual target divided by 14 years remaining to 2026)	488
Annual target including 5% buffer (to allow for choice/competition – NPPF)	512
5 year housing land supply target (annual target x 5 years)	2,439
5 year housing land supply target (annual target x 5 years) including 5% buffer	2,561
5 year housing land supply* 2012/13 to 2016/17 (permissions and allocations)	1,983
5 year supply of housing land as a percentage of the target at 1 April 2012	77%
Number of years of housing land supply at 1 April	3.9
* Includes all net dwellings down to one unit	

NPPF paragraph 48

“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 Strategic Housing Land Availability Assessment, historic windfall delivery rates and expected future trends, and should not include residential gardens”. (My emphasis)

What is a windfall site?

“Sites which have not been specifically identified as available in the Local Plan process. They normally comprise previously-developed sites that have unexpectedly become available”.

Source: NPPF Annex 2 Glossary

Informed judgements

- Councils may, at their discretion, include an allowance for windfall sites in 5-year calculations
- NPPF does not say should – must have compelling evidence to support this approach
- No fundamental change in national policy in this regard (PPS3/NPPF)

Why exclude windfall sites

- All sites down to one unit are monitored
- All sites recorded are net of losses
- Phasing for sites of 5+ units are confirmed with agents & developers
- Permissions likely to be developed beyond 5 years are excluded from supply
- 2009 SHLAA PDL sites are included

Compelling evidence (1)

- Detailed assessment of supply of sites undertaken
- Windfall allowance cannot be a pure mathematical projection of past completions, or there is a risk of double counting
- Projection using outstanding planning permissions more robust

Compelling evidence (2)

- For same reasons that a windfall allowance is excluded, no discount is included for non-implementation of planning permissions (8.5%)
- Moratorium on release of greenfield sites led to reliance on PDL sites as a major contributor to 5-year supply, many identified through UCS/SHLAA

Compelling evidence (3)

- In Maidstone completion rates have been high but PDL sites are not materialising at same rates as before
- So no compelling evidence that windfall sites will continue to provide a reliable source of supply
- Windfall rates are used in latter years of 20-year housing trajectories where supply less predictable

Future 5-year supply

- At 1 April 2012 the council had 3.9 years deliverable housing land supply (including 300 dwellings from strategic sites)
- Using the same method, at 1 April 2013 the council has 4.2 years (including 931 dwellings from strategic sites)
- Sites granted permission since 1 April 2013 will be included when the calculation is rolled forward to 1 April 2014 – together with another year's target

Conclusions

- A robust methodology is used to calculate a 5-year deliverable supply of housing land
- No compelling evidence windfall sites will continue to materialise at previous rates
- A 5-year supply cannot be demonstrated at 1 April 2012 or at 1 April 2013
- Regular and rigorous monitoring of 5-year housing land supply will continue