

Matter 23 - Housing supply

Issue - Does the Plan provide an appropriate supply of deliverable and developable sites to meet identified needs and align with national policy?

[Policy WSP 5 paragraphs 2 and 3, and supporting text 6.13-6.17]

[Appendix 2 Housing Delivery Phasing]

[Please note - the questions below are based on the Council's housing supply calculations in the Housing Technical Paper (July 2021 update) (EX.WDC13) and the Five Year Housing Land Supply Statement (July 2021) (EX.WDC10)]

Questions

a) Is the Council's application of an allowance for losses/demolition justified and necessary?

1. Table 13 of the Housing Technical Paper shows the losses in the district between 2009/10 and 2020/21. It shows that there has been an average of 84 dwellings lost each year. Paragraph 4.16 sets out the Council intend to make allowance for 1,436 dwellings to be lost over the remainder of the Plan period (15 years). The HBF considers that this is appropriate.

b) What does the Council's evidence show regarding empty homes and is there a need to include an allowance for the re-use of long-term vacant properties?

2. The Housing Technical Paper does not appear to include any information in relation to empty homes or long-term vacant homes and their potential for re-use, therefore the HBF does not consider that it is appropriate to include an allowance.

c) Is the Council's application of a 15% lapse rate to extant planning permissions (not under construction) justified?

3. The HBF considers that it can be beneficial to include a lapse rate in consideration of the supply, as this allows for circumstances where sites do not come forward as expected or where sites are stalled or where sites are amended and there is a change to the previous permission. It is evident from the information provided by the Council that there are sites that have not come forward as expected or that have had multiple permissions or have stalled, the HBF considers that it is important that this information is taken into consideration as part of the supply considerations. The Housing and Technical Paper (para 4.5) highlights a lapse rate of just over 20% for permissions granted 01/04/10 to 31/03/14. The Council highlight that this period includes a time of recession and has therefore considered that a 15% lapse rate would be more appropriate. The HBF considers that the use of a lapse rate is appropriate and consider that at least 15% should be included given the evidence identified by the Council in the Housing Technical Paper.

d) What lead-in times and build-out rates have been applied in the case of the extant permissions? Are these realistic and reasonable? [In its response the Council is requested

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to provide a table which shows the projections for each extant site, broken down by year (similar to the allocations data tables in Appendix 9 in EX.WDC13)]

4. The HBF does not wish to comment on the deliverability or developability of individual sites. However, the HBF would recommend that the Council works closely with the developers of the sites, where they are known to ensure that the lead in times and build out rates are realistic. For sites without a known developer, the Council should ensure that the lead in times and build out rates reflect the characteristics of the site and the market of the area.

e) *Is the proposed windfall allowance of 50-300 dwellings per annum from 2021/22 justified and soundly based? In particular:*

i. *Does the application of a windfall rate from 2021/22 involve the risk of double-counting with extant permissions (as at March 2021)?*

ii. *Is the windfall rate based on historical completion rates from both large and small sites? If it includes larger sites, is there a risk of double-counting with proposed allocations? [The Council is requested to provide further information on the proportion of historical windfall completions which are categorised as 'large' and 'small', having regard to the size threshold for allocations]*

5. The plan proposes to include a windfall allowance, it suggests 50 homes in 2021/22, 100 homes in 2022/23, 200 homes in 2023/24 and 300 homes in each year in the period 2024/25 to 2035/36.

6. The HBF is concerned that the use of windfalls within the first three years of the Plan would be likely to lead to double counting with the extant permissions from March 2021.

7. The Housing Technical Paper suggests that there has been 5,053 windfall completions during 2012 and 2021, at an average of 562 dwellings each year. It does not set out if this is based on both large and small sites, or just small sites. The Small Housing Sites Information Note identifies that 2,365 dwellings have been completed on small site windfalls between 2012/13 and 2018/19, this would be an average of 338 dwellings each year.

8. The HBF would generally recommend that windfall allowances are not included in the supply and instead form part of the flexibility in supply. However, the HBF recommends that if the Council intends to include an allowance for conversions and windfalls that they have an appropriate evidence base to support this. The HBF also considers that historic trends may not always be an accurate reflection. Again, if an allowance is to be included within the supply the HBF would suggest that the allowance is not included within the first three years from examination of the Plan to avoid double counting.

f) *Are the allocations in the Plan which contribute to supply appropriately categorised as deliverable and developable with reasonable lead-in times and build out rates? What standard assumptions have been applied regarding lead-in times and build-out rates?*

9. The HBF does not wish to comment on the deliverability or developability of individual sites. However, the HBF would recommend that the Council works closely with the developers of the sites, where they are known to ensure that the lead in times and build out rates are realistic. For sites without a known developer, the Council should ensure

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that the lead in times and build out rates reflect the characteristics of the site and the market of the area.

g) Does the Plan identify a sufficient overall supply of homes to meet identified requirements over the Plan period?

10. The Council identifies a supply of 29,599 dwellings, this includes 7,023 completions, 3,662 extant planning permissions, 3,056 dwellings on sites under construction, 3,950 windfalls, 3,368 dwellings on sites from the Local Plan to be carried forward and 8,540 new allocations. The Council identify the housing requirement as 26,600 dwellings. The HBF considers it is appropriate for the Council to ensure that there is sufficient flexibility in the supply to ensure that the housing requirement can be met and the local housing need addressed.

h) Is the Council's approach to calculating five-year housing land supply, as set out in EX.WDC10, robust and in line with national policy and guidance? In particular:

i. Is the application of a 5% buffer supported by the evidence?

ii. Are the same lead-in times and delivery assumptions for extant permissions and Local Plan allocations used as those in the Housing Technical Paper (July 2021)? Are the same yearly site supply totals recorded in EX.WDC10 and EX.WDC13? If not, why has a different approach been taken, with an alternative trajectory?

iii. Why is the windfall allowance applied to the housing requirement in Table 5, rather than to supply? Is this consistent with the NPPF? Does this approach alter the final five year land supply figure?

iv. In the five year calculations for 2022/23 to 2026/27 is the approach of 're-starting' the windfall allowance with 50 dwellings in 2022/23 justified? Why has a different approach been taken in the overall housing supply calculations in EX.WDC13 and the five year workings for 2021/22 to 2025/26 in EX.WDC10, involving the application of 100 dwellings in 2022/23?

11. The NPPF¹ makes it clear that a buffer is required as part of the supply of specific deliverable sites, the 5% requirement is the minimum requirement and applies where the Council is not wishing to demonstrate a five-year supply of deliverable sites through a recently adopted plan (where a 10% buffer would apply) and there has not been a significant under delivery of housing over the previous three years (where a 20% buffer would apply). The NPPF² states that under delivery will be measured against the Housing Delivery Test (HDT), where this indicates that delivery was below 85% of the housing requirement. The 2020 HDT score for Wakefield was 199%, therefore the 20% buffer would not apply. The Council's Five Year Supply Statement states that they do not wish to demonstrate a five year supply, therefore, the 5% buffer appears appropriate.

12. Table 9 of the Council's Five Year Supply Statement sets out the Lead in Periods and Build Out Rates. The HBF would expect the Council to use the same lead-in times and delivery assumptions within the Housing Technical Paper (July 2021) and the Five Year Supply Statement.

¹ Paragraph 74 of the NPPF 2021

² Footnote 41 of the NPPF 2021

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13. The HBF considers that it would be more appropriate for the windfall allowance to be included within the housing land supply rather than as part of the consideration of the housing requirement. The use of windfall (if considered appropriate) as part of the supply is clearly in line with the PPG³ which states that ‘a windfall allowance may be justified in the anticipated supply if a local planning authority has compelling evidence’ and the NPPF⁴ which states the same. Table 5 shows a consistent windfall allowance of 950 dwellings, however, its inclusion within the requirement rather than the supply does appear to have implications for the five-year supply calculation with lower levels of supply calculated when it is moved to the supply rather than the requirement.

i) Should oversupply since 2017/18 be factored into the five-year requirement calculations? And if so, should it be distributed within the five-year period or over the whole Plan period?

14. The HBF does not consider that the oversupply since 2017/18 should be factored into the five-year supply, either over the five-year period or over the remainder of the plan period. The HBF considers that reducing the five-year supply requirement is not in line with the NPPF and the Government’s objective to boost the housing land supply and looks for LPAs to provide a minimum of five years’ worth of housing against their housing requirement. The HBF considers that if there was a deficit or shortfall this should be address over the five-year period as per the Sedgefield approach and as set out in the PPG⁵.

j) Which of the scenarios in Table 10 in EX.WDC10 does the Council consider should apply for the five year period 2022/23 to 2026/27?

15. The HBF considers this is a question for the Council to answer.

k) If the housing requirement of 1,400 dwellings per year is applied, is the Council able to demonstrate a five year supply of land on adoption of the plan?

16. The HBF has undertaken a calculation of the five-year housing land supply based on the PPG methodology, and using the figures provided by the Council as set out in their Five Year Supply Statement, and it is set out in Table 1 below.

Table 1: Five Year Housing Land Supply Calculation		
A	Annual Housing Requirement	1,400
B	Five Year Housing Requirement (A X 5)	7,000 (1,400 x 5)
C	Completions (2017/18, 2018/19, 2019/20, 2020/21 4 yrs)	6,852
D	Expected Completions based on Housing Requirement (A X 4)	5,600 (1,400 x 4)
E	Surplus / Shortfall in housing delivery	1,252

³ ID: 3-023-20190722

⁴ Paragraph 71 NPPF 2021

⁵ PPG ID: 68-031-20190722

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	(C – D)	
F	Five Year Requirement (incorporating any shortfall i.e., E is negative) (B – E)	7,000
G	Buffer (5%) (F X 5%)	350 (7,000 x 5%)
H	Five Year Requirement (Incorporating any shortfall and the buffer) (F+G)	7,350 (7000 + 350)
I	Annualised Five Year Requirement (H / 5)	1,470 (7350 / 5)
J	Housing Supply (Council identified supply 6,622 & 950 windfall allowance)	7,572 (7,572 / 1,470)
K	Year Supply (J / I)	5.15

Table 1 shows that using the Council's data in relation to the housing land supply and retaining the windfall allowance, the Council can marginally show a 5-year supply.

l) Does the Plan provide appropriate and clear information regarding housing supply and five year housing supply? Should a supply summary supply table and five year supply table be included?

17. Appendix 2 of the Plan appears to include information in relation to the housing supply, a summary table of the supply may be beneficial within the Plan.