

## BRECKLAND LOCAL PLAN EXAMINATION

### Matter 4 – Housing: the supply of land for housing, deliverability and viability

#### *Issue – Overall Supply*

#### Question 4.2 Why do projected completions in Appendix 1 Housing Trajectory of the Plan not confirm to the anticipated completions in the Council's latest Housing Land Supply Statement?

In general we do not consider the Council to have provided sufficient detail with regard to its delivery expectations. The HBF does not comment on site specific matters but we would expect to see an up to date SHLAA with an annualised trajectory showing how each allocated site and unimplemented permission contributes to the delivery of the plans housing requirement. This trajectory would also clearly show how much windfall is expected to come forward each year. This has not been undertaken and it is questionable whether the plan can be effectively examined without such a key piece of information. We would suggest that this be provided prior to the relevant hearing sessions.

#### Question 4.3 Are the projected completions in the Housing Trajectory based on a realistic assessment of the likely timing of housing delivery? What evidence is there to support the completions shown each year and what assumptions have been made?

See above.

#### Question 4.5 In broad terms, is the housing development set out in HOU2 based on a sound understanding of financial viability

Paragraph 173 of the NPPF sets out the importance of viability and ensuring that the costs of policies within the Local Plan do not make it undeliverable. In our representation we identified that the current viability study had not taken into account all the costs that will be placed on development as a result of the policies in the local plan. In particular the costs related to the optional technical standards and open space were not identified or costs as par to the whole plan viability study. Without these considerations the Council cannot say whether the plan is deliverable or whether the costs being imposed on development through polices on affordable housing (HOU7), Optional Technical Standards (HOU10) and Open space (ENV04) will limit the deliverability of development.

#### *Issue – Five year land supply*

#### Question 4.8 Should the housing trajectory include a 20% buffer

Yes. The NPPF sets out in paragraph 47 that where there is persistent under delivery of housing a 20% buffer should be applied to the five year housing supply requirement in order to provide a realistic prospect of achieving the planned supply. The level of under delivery against planned supply can be seen in paragraph 2.12 of the Statement of Five Year Housing Land Supply (LP/H/7). Between 2008/09 and 2016/17 the Council failed to hits their stated targets each year apart from 2016/17. Whilst this has improved the

degree of under delivery and the fact that this has been the case since 2008 must be considered to be a clear record persistent under delivery.

Question 4.9 – Why does the Council's latest Housing Land Supply Statement (July 2017) not use the proposed stepped trajectory set out in policy HOU 01?

There are a number of discrepancies between the Housing Land Supply Statement and the trajectory included in the Council's local plan that have not been clearly explained. In addition to the stepped trajectory the expectation on delivery is significantly different. The five year land supply statement expects delivery to be in 3,640 for the first five years of the plan whereas the trajectory expects delivery to be 4,107 dwellings. On examining the 5 year supply statement further it would appear that this statement does not reflect expected delivery, as set out in the housing trajectory in Appendix 1, that would be taken forward should the Plan be found sound. As such the statement does not, as we erroneously thought when making our comments on the pre submission plan, reflect the five year supply position on adoption. The Housing Land Supply Statement remarks in paragraph 4.4 that a number of sites will become available but the Council have not produced an updated statement on supply, or indeed an update Strategic Housing Land Availability Assessment (SHLAA), clarifying which of the sites that have been allocated in the Local Plan have contributed to the Council's most up to date housing trajectory as published in appendix 1 of the Local Plan.

Question 4.10 Is the proposed stepped trajectory justified?

No. The Government have established through PPG that: *“Local planning authorities should aim to deal with any undersupply within the first 5 years of the plan period where possible.”* By utilising both a stepped trajectory and the Liverpool approach the Council are looking to put off the delivery of much needed housing to later on in the plan period. Rather than use a trajectory and the Liverpool approach to the Council should have looked to allocate sufficient small sites to deliver the required homes to address the backlog in the first five years. The importance of addressing the backlog within five years is to ensure that those unmet needs do not continue well into the plan period reducing the effectiveness of the plan in seeking to meet needs and address on-going affordability concerns.

We therefore consider the proposed stepped trajectory to be inconsistent with national policy. The trajectory should be averaged out across the plan period with any backlog in delivery on adoption of the plan being met within the first five years following its adoption.

Question 4.11 Is the SHMA OAN figure of 612 dpa, the most appropriate figure to consider shortfall against.

As outlined in our statement on matter 3, we do not consider the OAN of 612 to be an accurate assessment of need and as such it is not the most appropriate figure against which to consider shortfall. It is an important part of establishing OAN that Councils consider the impact of past rates of delivery as part of the consideration of market signals. Paragraph 2a-019 is clear that where actual supply falls below planned supply then future supply should be increased. Given that actual supply from 2008/09, by the Council's own admission, was well below planned supply should have informed the degree to which the Council responded to market signals as required by PPG.

Question 4.12 Is addressing the shortfall via the Liverpool method justified?

No. As outlined in our response to question 4.10 the Government require any backlog to be addressed within the first five years of the local plan. The Liverpool method spreads

backlog across the whole plan period and as such its use is not consistent with national policy. This is also exaggerated by the Council's use of the stepped trajectory which reduces the Council's requirement below need for the first five years and then spreads it across the remainder of the plan period.

*Question 4.13: Will the plan deliver a five year housing land supply on adoption?*

As we highlighted above the Council's Housing Land Supply Statement does not assess the five year supply position of the local plan. It is a statement of supply based on delivery arising from the Core Strategy. As such supply was identified for the 2017/18 period as 3,605 units rather than the 4,107 units that are expected to come forward following the implementation of the local plan. In addition the stepped trajectory that has not been applied in the five year land supply statement will also have an impact. The five year land supply position must also be considered not for the period of 2017/18 to 2021/22 but for the 2018/19 to 2022/23 period.

Whether or not the Council have a five year land supply will depend on approach that is used in calculating the Council's five year housing requirement. If the Council used the Sedgefield method, as we would suggest is required by national policy, and applies the 20% buffer to ensure that any shortfall is addressed within 5 years then the Council does not have a 5 year land supply. We have calculated that using the Sedgefield method the Council has a 4.9 year housing land supply. If the Council applies a 5% buffer or spreads any shortfall across the plan period then it would appear the Council has a 5 year housing land supply on adoption, if delivery expectations are correct.

However, what is not clear from the Council's evidence base is the breakdown as to the annual delivery from existing permission, each of the allocated sites and any windfall for the local plan. The Statement of five year supply provide this information for the 3,605 homes expected to be delivered 2017/18 to 2021/22 period on the basis of the Core Strategy but similar information has not been provided with regard to the trajectory set out in appendix 1 of the Local Plan. The most recent SHLAA supporting the local plan is from 2014 (with a 2015 addendum) and it is now 4 years since it was published. It is not clear how the Council have updated its expectations with regard to delivery during this time and how this has affected its housing trajectory and five year housing land supply.

We note that the inspector has asked for a breakdown of delivery for allocated sites with regard to infrastructure but we would suggest that this be extended to include annual delivery from sites with planning permission and windfall across the plan period. Without this information it is not possible for the Council to justify its local plan and say unequivocally that the plan has a five year housing land supply on adoption, or indeed whether the plan as a whole is deliverable. It is important that this information is provided in order to test the delivery assumptions that have been made on the sites that form the five year land supply. Overly optimistic delivery expectations from the Council could have a significant impact on the Council's five year housing land supply.