

ARUN DISTRICT COUNCIL

LOCAL PLAN SUB-COMMITTEE – 28 11 2013

Subject : Residual Housing Supply
Report by : Simon Meecham - Head of Planning Policy and Conservation
Report date : 11th November, 2013

EXECUTIVE SUMMARY

Local Plans need to take account of a wide range of information and data. One of the matters critical to the plan is an understanding of how much housing a local planning authority needs to plan for, over what period and how much of that need is already in the supply chain.

This report determines the 'residual housing supply', or in other words how much housing does Arun still need to identify to meet its objectively assessed needs.

RECOMMENDATION

1. That Local Plan Sub Committee resolves that Full Council adopts the residual housing supply as the basis for the development of relevant policies in the Local Plan.

1.0 BACKGROUND

- 1.1 This report takes forward the recommendations made at the Local Plan Sub Committee meeting on 31st October, 2013. This meeting considered that the objectively assessed housing needs for Arun's Local Plan were 580 per year.
- 1.2 This report takes this requirement as a starting point, and assesses the implications for housing requirements for the period of 2011/12 (the period following the last Local Plan) and 2028/29, (the fifteen year period following the anticipated adoption of the new Local Plan. It then considers a number of supply sources for that requirement to determine the net additional housing requirements for the plan period – the shortfall in supply. Once the shortfall has been identified the next step is consider the strategy for dealing with shortfall.

- 1.3 The report adopts the approach required by the National Planning Policy Framework (NPPF), taking into account the guidance in the draft National Planning Practice Guidance (NPPG). It also adopts the requirements of national and European law in regards to Sustainability Appraisal, Strategic Environmental Assessment and Habitats Regulations Assessment. In addition and quite fundamentally it adopts the sequential approach of the plans preparation including its consultations on vision and objectives, options for growth, Bognor Regis Enterprise Zone and the 2012 draft Local Plan. Throughout this report 'Arun LPA area'/'the area' refers to Arun District excluding the South Downs National Park Authority Local Planning Authority Area.

National Planning Policy Framework (NPPF)

- 1.4 The NPPF was published by the government on 27th March 2012. One of its objectives is to 'boost significantly the supply of housing', and it contains the following provisions:

Local Planning Authorities should:

- use their evidence base to ensure that their Local Plan meets the full, objectively assessed needs for market and affordable housing in the housing market area, as far as is consistent with the policies set out in this Framework, including identifying key sites which are critical to the delivery of the housing strategy over the plan period;
 - identify and update annually a supply of specific deliverable sites sufficient to provide five years worth of housing against their housing requirements with an additional buffer of 5% (moved forward from later in the plan period) to ensure choice and competition in the market for land. Where there has been a record of persistent under delivery of housing, local planning authorities should increase the buffer to 20% (moved forward from later in the plan period) to provide a realistic prospect of achieving the planned supply and to ensure choice and competition in the market for land;
 - identify a supply of specific, developable sites or broad locations for growth.
- 1.5 The framework goes on to refer to requirements for a trajectory for affordable and market housing. This will be addressed when strategic development options have been determined.
- 1.6 The framework also states that LPAs may make an allowance for windfall sites in the housing land supply for the first five years of the plan period 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.
- 1.7 The NPPF additionally contains guidance on deliverability and developability.

National Planning Practice Guidance (NPPG)

- 1.8 The NPPG was published on 28th August 2013 for testing until 14th October 2013. While the guidance is in draft, its direction of travel has been taken into account in this assessment. The NPPG includes guidance on issues such as the starting point for the Housing Land Supply assessment, deliverability, developability and dealing with past under-supply. It also provides advice on windfall site provision in Local Plans.

Housing Requirement

- 1.9 The implication of the NPPF for Local Plans is that they should:
- Meet all objectively assessed needs in the plan area within the plan period
 - Identify a 5 year housing land supply for the first five years of the plan period, together with either a 5% or 20% 'buffer'
 - Identify realistic and deliverable development options for the second and third five year periods of the plan.
- 1.10 The decisions of the Local Plan sub-committee on 31st October establish the basis for the objectively assessed needs for the plan period, i.e. 580 additional homes per year for plan the period (2011-2029).
- 1.11 It is advised that for a Local Plan to be found sound it needs to be demonstrated that the full housing requirement can be met. Applying a precise requirement may be questioned on the grounds that the market may not be able to achieve this outcome because, for instance sites may run into deliverability issues. This is reflected in the NPPF's requirement that 5 year housing land supplies should be continuously bolstered by a 5% buffer 'to ensure choice and competition in the market for land'. The NPPF also requires a Local plan to set out a housing implementation strategy for the full range of housing describing how they the planning authority will maintain delivery of a five-year supply of housing land to meet their housing target. It is therefore appropriate that the Local Plan considers the issue of bringing forward 5% supply forward across 15 years of its duration to ensure its robustness. This issue will be considered in the Housing Implementation Strategy which will form part of the submission documents to the government. The figure for Arun is 5% of $(15 \times 580) = 435$ homes. This is shown on line K of Table A

Housing Supply for the Arun Local Plan

- 1.12 For the first 5 years of the Local Plan the approach to housing land availability is common to the 5 year Housing Land Supply (HLS) which will be considered under a separate paper at this meeting. For the first five years of a Local Plan, sites must be specific, deliverable and developable. For the second and third 5 year periods, the NPPF requires specific, developable sites or broad locations to be identified.
- 1.13 With regard to windfall sites, the NPPF provides for a windfall allowance to be

included in the 5 year HLS and the first 5 years supply for the Local Plan, but the NPPG clarifies that:

'Plan makers should not need to rely on windfall allowance in years 6-15'. Arun provides for windfall in years 1-5 based on demonstrable evidence of past completions.

- 1.14 This report incorporates the five year HLS and projects housing delivery for the second and third five year periods as required by the NPPF. The HLS report includes appendices setting out details of the housing data on which the assessments of both the HLS and the Local Plan requirements are based.
- 1.15 The housing land supply for the Local Plan comprises the following elements:
- Projected completions on large sites (10+ dwellings)
 - Projected completions on small sites (9- dwellings)
 - A windfall allowance for the first 5 year period
 - Projected completions on Strategic Housing Land Availability Assessment (SHLAA) sites
- 1.16 The HLS report sets out the approach to large and small sites and windfall provision in more detail for the first 5 years of the local plan period. Appendix A of that report sets out a comprehensive database of all sites contributing to this assessment, for the full Local Plan period.

SHLAA sites

- 1.17 The NPPG sets out the approach to SHLAA studies as a basis for establishing a range of sites for consideration as potential locations for Local Plan allocations/supply. This Council comprehensively updated its SHLAA in 2012. In addition there has been an open 'call for sites' since then, to encourage sites to be brought forward for consideration. As a result of this exercise a number of additional sites have been considered, as set out in appendix A to this report, indicating whether or not each site has been included in the HLS for the Local Plan. The NPPG advises that all SHLAA sites that are suitable for housing development may be considered for development in the Local Plan/Neighbourhood Plans (ie whether or not they are within settlement boundaries).

Town and Parish Council Allocations

- 1.18 The Summer 2012 draft Local Plan included a policy allocating 1,350 homes to be provided through Neighbourhood Plans (NPs), the housing targets were further broken down into allocations for specific parish and town councils. These allocations were subject to earlier consultation with town and parish councils in 2011 and were broadly welcomed. Therefore, the net housing requirement for the Local Plan assumes the delivery of 1,350 homes through NPs, i.e. this can be added to the Local Plan supply.

- 1.19 However, a number of NPs have now progressed somewhat and their approach to these allocations can be more fully considered. In some cases they have chosen to adopt SHLAA sites within built up area boundaries to meet, or partially meet their allocations. As the Local Plan HLS includes provision from SHLAA sites this could lead to double-counting. To avoid this, these supplies have been netted off the 1,350 so that they are not counted twice. It has also been suggested that NPs should be entitled to 'claim' sites where planning permission has been granted since the base date of 1st April 2013 as counting towards their allocations. Again, such sites have been included in the Local Plan HLS, so there an adjustment has been made to avoid double-counting. Both these areas of netting off can be reviewed in future HLS statements and housing trajectory updates.
- 1.20 Appendix B sets out the Town and Parish Council allocations alongside SHLAA sites and sites where planning permission has been granted since 1st April 2013 (including appeals). The table also shows the proposed deduction from the Town and Parish allocations and the net contribution from Town and Parish allocations to the Local Plan supply.

Net Local Plan Residual Housing Requirements.

- 1.21 The following table provides an assessment of the residual Local Plan housing requirement for the plan period, taking into account the above considerations.

Table 1 – Residual housing calculation

A	Housing Requirement 2011-31 (Based on SHMA rate of 580 pa)	11600
B	Housing requirement to end of plan period (2011-29) 580x18	10440
C	Houses already built April 2011- March 2013 (net)	1198
D	Net requirement 2013-29 (B-C)	9242
E	Existing commitments - pps SHLAA and windfalls (windfalls 2013-18 only)	5102
F	Remaining Housing Requirement (D-E)	4140
G	T&P allocations	1350
H	Deductions for SHLAA/HLS sites in T&P allocations	861
I	Net contribution from T&P allocations (G-H)	489
J	Residual requirement (F-I)	3651
K	Residual requirement plus 5% (to provide for market flexibility)	3651 + 435 = 4,086

The tables from which this is compiled are as follows:

Table 2. Large site completion projections 2013-2029 – SHLAA sites and sites with planning permission (source: appendix A, HLS 2013 report)

Supply 2013-2028	Total sites with Planning Permission	Total SHLAA sites	Gross Total	Total Loss	Net Total
Littlehampton	2158	260	2418	22	2396
Bognor Regis	1072	337	1409	8	1401
Villages	614	115	729	4	725
Totals	3844	712	4556	34	4522

Table 3 – Small site windfalls Arun LPA area 2007-2013 (source WSCC RLA)

	2007	2008	2009	2010	2011	2012	2013	Average
Completions on small sites (9 dwellings or less)	95	82	171	97	135	101	86	109.6
2007-11	95	82	171	97	135			116
2008-12		82	171	97	135	101		117.2
2009-13			171	97	135	101	86	118

Table 4 - Small site commitments and windfall balance 2013-2018 (source WSCC RLA)

		Sites with Planning Permission at 31/3/13	Projected build-out totals					
		Total	2013-14	2014-15	2015-16	2016-17	2017-18	Total
A	ICE (under construction)	167	83.5	50.1	33.4	0	0	167
B	Full	219	32.85	32.85	21.9	10.95	0	98.55
C	Outline	39	0	7.8	3.9	3.9	1.95	17.55
D	Total	425	116.35	90.75	59.2	14.85	1.95	283.1
	Non-Implementation (425-283)	142						
	Windfall balance (116- small site total (row D))		-0.35	25.25	56.8	101.15	114.05	296.9

Table 5 – Total projected completions and windfalls 2013-2029

	Gross	Losses	Net
Projected completions 2013-2029	4556	34	4522
	Total	Non-implementation	Projected completions in small sites
Small site commitment at 1/4/13	425	142	283
Windfall allowance			297
Total supply 2013-29			5102

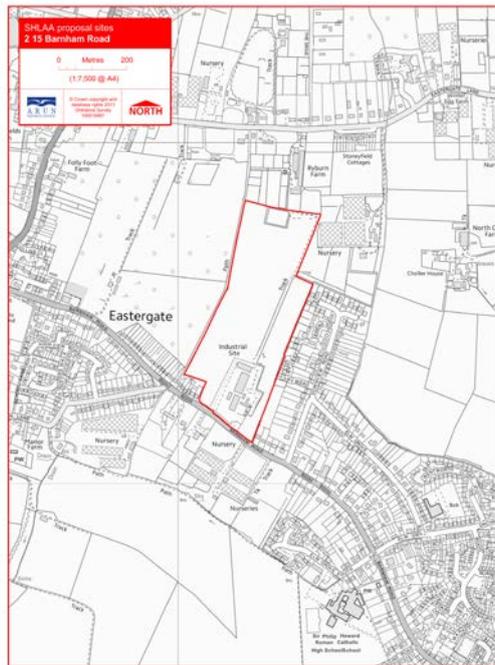
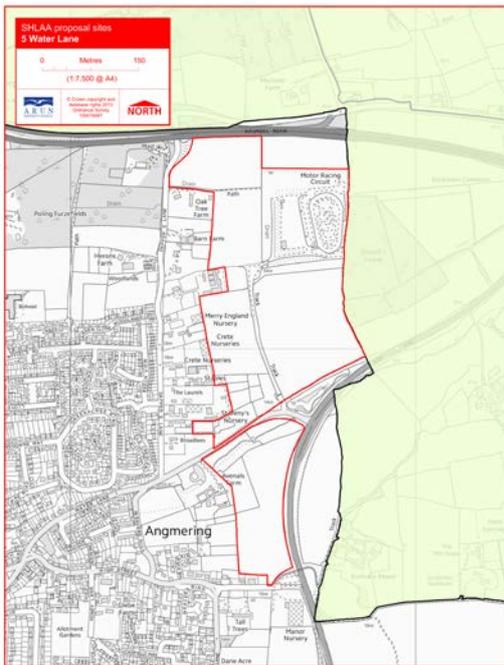
1.22 In conclusion the residual requirement to find supply for is 3,651 homes. This supply will be discussed as in a separate report to be considered by this Committee.

Appendix A –SHLAA sites included in HLS and new SHLAA sites

Sites included in 2012 SHLAA update		
SiteAddress	Comments	Included in HLS?
S/O Cornfield Close Littlehampton	WSCC site. Littlehampton Neighbourhood Plan includes it, described as 'North of the Littlehampton Academy', for 100 dwellings in the period 2020-29. WSCC advise capacity is 118, with 30 units deliverable by 2018	Yes
Hollyacre Toddington Lane Littlehampton	Planning application(LU/116/13) for 63 dwellings to be recommended for approval, pending committee decision Projected delivery 52 by 2018, 11 2018-23	Yes
R/O 1-29 North Bersted Street Bersted	Included in 2012 SHLAA update. Currently subject to pre-application discussions for 25 dwellings gross, 24 net. Projected delivery 13 by 2018, 12 2018-23	Yes
Covers Richmond Road Bognor Regis	Included in 2012 SHLAA update for 110 dwellings.. Understood to be still available for development, pending improved market conditions. Not projected for delivery until 2018-23.	Yes
Regis Centre site The Esplanade Bognor Regis	Part of ADC-promoted development by St Modwens. Planning application expected by end of 2014. Delivery projected to be 40 dwellings by 2018, 40 dwellings 2018-23	Yes
Hothampton car park The Queensway Bognor Regis	Part of ADC-promoted development by St Modwens. Planning application expected by end of 2014. Delivery projected to be 25 dwellings by 2018, 75 dwellings 2018-23	Yes
S/O Bramley Green/n/o Mayflower Way Angmering	Included in 2012 SHLAA update. Understood to be still available for development, pending improved market conditions. Projected delivery, 20 by 2018, 80 for 2018-23.	Yes
Sub station Ford Road Arundel	Included in 2012 SHLAA update, and included in Arundel Neighbourhood Plan. Delivery projected for 2018-23	Yes

SHLAA sites arising since 2012 SHLAA update		
Site Address	Comments	Included in HLS?
Land s/o Littlehampton Academy	WSCC site - surplus educational land. Littlehampton Neighbourhood Plan includes it, described as 'Elm Grove Road', for 69 dwellings in the period to 2019. WSCC advise capacity is 69 dwellings, deliverable by 2018	Yes
Phase 5 Site 6 Land north of Felpham	Planning application (FP/90/13) for 7 additional dwellings for phase 5 site 6 subject to resolution to approve pending s106 agreement	Yes
Bartons School, North Bersted	WSCC school site. School to be relocated 2014. Subject to capacity assessment, but 15 dwellings likely, post-2018	Yes
Land at Water Lane, Angmering	Rydon Homes submission, suggesting 500+ dwellings. Comprehensive planning assessment not undertaken, but outside settlement boundary. Unless planning assessment concludes that any traffic landscape, heritage/biodiversity or community infrastructure constraints are insurmountable, the site would be suitable in principle for housing. Development would require strategic levels of community infrastructure including employment opportunities, community facilities and green space as well as major transport and utility infrastructure	No
15, Barnham Rd, Barnham	Submission by site owner. Site is 14.4 Ha, and suggested density is 35 dpH. However, site includes A29 realignment northern tie-in, which would significantly reduce developable area. Comprehensive planning assessment not undertaken, but outside settlement boundary. Unless planning assessment concludes that any traffic landscape, heritage/biodiversity or community infrastructure issues are insurmountable, the site would be suitable in principle for housing, and could be considered as part of strategic development within the surrounding area of search. Development would require strategic levels of community infrastructure including employment opportunities, community facilities and green space as well as major transport and utility infrastructure	No

SHLAA Site plans



Appendix B – Town & Parish allocations, SHLAA and HLS sites

Parish	Allocation	SHLAA site totals included in HLS	Deduction from T&P contribution to Local Plan requirement	Allocation balance	Comments
Aldingbourne(/ Westergate)	30	0	0	30	
Aldwick	30	0	0	30	
Angmering	100	100	100	0	S/O Bramley Green
Arundel	50	15	25	25	Sub station site+10 in SDNP
Barnham	100	107	100	0	Pollards nursery – allowed on appeal - included in HLS
Bersted	50	39	39	11	R/O 1-29 N Bersted St
Bognor Regis	300	320	300	0	Covers Richmond Road ,Regis Centre site The Esplanade, Hothampton car park The Queensway
Eastergate	100	40	60	40	Brooks nursery approved 26/9/13 included in HLS
East Preston	30	0	0	30	
Ferring	50	0	0	50	
Littlehampton	200	250	200	0	S/O Cornfield Close, Land s/o Littlehampton academy, Hollyacre
Middleton-on-Sea	30	0	0	30	
Pagham	100	0	0	100	
Rustington	30	3	3	27	Clock House and surrounding area
Walberton	50	0	0	50	
Yapton	100	34	34	66	Fellows Gardens approved post-1/4/13 included in HLS
Totals	1350		861	489	