

CBC Five year housing land supply

1st April 2012 – 31st March 2017

Introduction

The Council is required (in the National Planning Policy Framework) to demonstrate the availability of five years worth of 'deliverable' sites and where possible 'developable' sites for years six to ten and eleven to fifteen. This requirement was first set in Planning Policy Statement 3: Housing (PPS3), 2006. As a Local Planning Authority (LPA), Cheltenham Borough Council is required to identify and maintain a rolling five year supply of deliverable housing land, to ensure the continued supply of homes in the area.

This document has been prepared in accordance with the NPPF. The NPPF requires an additional buffer of 5% on top of the five year supply to ensure choice and competition in the market for land. Where there has been a record of persistent under delivery of housing, LPAs should increase the buffer to 20% to provide a realistic prospect of achieving the planned supply and to ensure choice and competition in the market for land.

This document sets out the Council's assessment of the housing land supply position within Cheltenham Borough as of 1st April 2012, and presents an assessment for the five year period from **1st April 2012 to 31st March 2017**.

It should be noted that this is an interim position given that the Borough Council is working collaboratively with Gloucester City and Tewkesbury Borough on the preparation of a Joint Core Strategy (JCS). The JCS Preferred Option is expected to go out for public consultation in Summer 2013 which will establish the strategic requirements for housing over a plan period 2011 – 2031. This statement will be reviewed in the context of the emerging JCS. Until that time there is no sound statistical basis for identifying the five year housing land supply requirement for Cheltenham. In the absence of this, the Regional Spatial Strategy for the South West is used.

Monitoring and Review

The Council monitors housing delivery on an annual basis and will use this to inform and update the five year housing land supply. The monitoring processes are reported through the Residential Land Availability (RLA) and Annual Monitoring Reports (AMR), both published every year in the summer and winter. These reports are available to view on the Council's website www.cheltenham.gov.uk.

Strategic Housing Land Availability Assessment

The Strategic Housing Land Availability Assessment (SHLAA) is a study of sites that are considered to be *potentially* capable of delivering housing development over the next 15 years and beyond. The SHLAA has been prepared in accordance with NPPF and SHLAA Practice Guidance, July 2007, produced by DCLG.

A Housing Market Partnership was established to assess the achievability of the sites. This partnership consisted of house builders, development agents and consultants, Registered Social Landlords as well as local authority Housing Enabling Officers. A joint panel session was held on 27th November 2012 to discuss and inform the deliverability and developability of sites and subsequent housing trajectory planning. This will be the fourth year that the Housing Market Partnership has been used to inform the SHLAA.

The 2012 SHLAA is available to view at www.cheltenham.gov.uk/shlaa. This five year housing land supply statement has been informed by Cheltenham Borough's SHLAA 2012.

Development Plan

As set out above, Gloucester City, Cheltenham Borough and Tewkesbury Borough Councils have been preparing a Joint Core Strategy (JCS). This is a co-ordinated strategy guiding how the three authority areas develop up to 2031. Until the JCS is sufficiently progressed Cheltenham Borough Council's adopted Local Plan (2006) remains the current development plan until the JCS is adopted.

Housing Requirement

The National Planning Policy Framework (NPPF) states that local authorities should identify sufficient specific deliverable sites to deliver housing in the first five years with an additional 5% buffer to be moved forward from later in the plan period. The NPPF also states authorities should identify specific 'developable' sites and broad locations that will enable continuous delivery of housing for years 6 – 10 and, where possible, for years 11 – 15.

In recent years the Council has used the dwelling requirement for Cheltenham of 8,100 dwellings for the period between 2006 and 2026 taken from the Secretary of State's Proposed Changes to the Regional Spatial Strategy for the South West (July 2008).

The Coalition Government announced its intentions on the 27th May 2010 to abolish Regional Spatial Strategies (RSS) through the Localism Bill, published 13 December 2010 (now the Localism Act) and to make LPAs responsible for establishing the right level of local housing provision for their area. The Secretary of State advised that local authorities should continue to collect and use reliable information to justify their housing supply policies and defend them during the Local Plan examination process.

Currently the RSS remains the most up to date planning strategy document and, except where more up to date or more detailed local evidence can be produced, the evidence base behind the RSS for the South West remains valid and should not be ignored.

Following the announcements made regarding the RSS, the JCS authorities have reacted positively and are continuing to progress with the JCS and working on the Evidence Base. In considering the development requirements for the Gloucester, Cheltenham and Tewkesbury JCS, the three Councils have chosen to review their requirement locally, including detailed analysis of trend projections and taking account of differences occurring between local projections and ONS projections together with econometric testing of options. This work is progressing in collaboration with all Gloucestershire Districts, co-ordinated by Gloucestershire County Council. This is the Gloucestershire Housing Evidence Review – a research exercise that investigates the housing market in Gloucestershire and its relationship to the nature of the local population, the local economy and the presence of housing need. The review examines key relationships and patterns of change in the recent past and will also allow forecasts of the future. This is available at www.gct-jcs.org/evidencebase.

Housing Supply

The Council's housing land supply consists of the following:

- Sites with planning permission but not yet complete
- Sites specifically allocated (not implemented) in the Local Plan/LDF
- Sites where planning permission has expired and is now considered through the SHLAA.
- Sites that are not allocated, but are identified in the SHLAA.

This document includes a full schedule of sites that are considered able to deliver housing in the next 5 years. In accordance with the NPPF all sites identified within the 5 year supply must be available for development, situated in a suitable location and achievable within 5 years. Sites have been assessed as:

- **Suitable** – The schedule of sites includes permissions and SHLAA sites within Cheltenham Borough Council's administrative boundary, thereby being within a suitable location to contribute to the creation of sustainable communities.
- **Available** – the schedule of sites includes those that are already in the planning system and have gained planning permission, as well as sites proposed by the landowner to the SHLAA process that could come forward quickly as considered by the Housing Market Partnership. SHLAA sites that are more advanced such as going through pre-application discussions or have been marketed are also recorded as available.
- **Achievable** – The schedule includes sites with permission, SHLAA sites and allocations considered by the Housing Market Partnership to have a reasonable prospect of being delivered within 5 years with any constraints being overcome in the short term.

Sites with planning permission

The 2012 SHLAA shows that there are 1,209 commitments (dwellings with planning permission that are either under construction or not yet started). However, only 1,153 dwellings are likely to be developed within the first 5 years.

Local Plan Site Allocations

Cheltenham Borough's adopted Local Plan 2nd Review (July 2006) allocated 6 sites for redevelopment. This consists of 558 dwellings. The deliverability of these sites has since been reviewed as a result of the SHLAA process, which estimates that 233 remain deliverable within the first 5 years. An allocated site has already gained planning permission for 161 dwellings and is included within existing commitments. See the SHLAA report for assessment details.

Local Plan allocations are currently saved indefinitely until replaced by the JCS.

Strategic Housing Land Availability Assessment Sites

SHLAA identifies and assesses sites for their potential to deliver housing. It contains specific, unallocated sites that could contribute to the 5 year housing supply. The

potential housing sites have been identified, mapped, assessed by officers and the Housing Market Partnership.

The 2012 SHLAA considered that 503 dwellings will be deliverable within the first 5 years. This excludes the Local Plan allocation sites (233 dwellings). The 2012 SHLAA is available at www.cheltenham.gov.uk/shlaa.

Windfall Allowance

Windfalls are those development sites which have not been specifically identified as available but which become available unexpectedly, for example, as a result of a factory closure or a new flat over a shop. By their nature it is impossible to predict when and where such sites may become available.

An approach for identifying a windfall allowance was agreed at the SHLAA Panel session on 27th November 2012. Cheltenham Borough Council has distributed its windfall allowance across 20 years of the trajectory. The approach is as follows:

Use the urban capacity figure from the JCS Developing the Preferred Option document – 3,700 dwellings
Minus gross completions in 2011/12 (142 dwellings) – 3,558 dwellings
Divided by 10 (10% reduction rate) – 356 dwellings
Divided by 20 (20 year trajectory) – 18 dwellings per annum

Given the urban nature of the borough, small sites and conversions which are not identified in the SHLAA have historically contributed to the delivery of housing. It is realistic to assume that the supply of these will continue to come forward.

Windfall allowance of 18 dwellings per annum has therefore been included within the Housing Land Trajectory.

Expiry Rates

In considering the existing commitments, it is likely that a number of them will not go on to be developed, but the permission will instead expire. The latest RLA shows that 20 planning permissions which include 93 dwellings have expired in 2010/11. Since mid-1991, planning permissions for 562 dwellings have expired, an average of 26 a year.

The rates of expired planning permissions since 1991 have been consistently low however this has significantly increased in the last 2 years. This is due to the continuing economic downturn where applicants are waiting for the market to improve as opposed to implementing the planning permission.

The Housing Market Partnership Panel has advised that a 90% implementation rate for small sites up to 5 dwellings should be applied to the trajectory. A total of 192 dwellings are made up from these small sites and as a result only 173 dwellings will be included within the trajectory.

Housing Delivery

The distribution of housing delivery over time has been informed in the first instance by submissions to the SHLAA and monitoring contact with developers carried out as part of routine annual monitoring of planning consents. In addition, information regarding potential build out rates was gathered from the Housing Market

Partnership, from developer meetings undertaken to inform the JCS Broad Location evidence base, development briefs, masterplans and planning officer information.

Where no other information was available, the following assumptions, agreed by the Housing Market Partnership, are made with regard to lead-in times and build out rates:

Lead-in times – for sites under 100 dwellings assume one year to gain planning consent. For sites over 100 dwellings assume 18 months.

Build-out rates – Assume 25 dwellings in the first year and 50 dwellings per developer, per annum thereafter, whether on single or multiple developer sites.

It is acknowledged that these assumptions on lead-in times in practice may be different however the SHLAA report is reviewed annually. The 2012 SHLAA is therefore a snapshot in time. If sites are granted planning permission following the publication of the SHLAA, then delivery information will be provided in the review undertaken in 2013.

5 Year Housing Land Supply Calculation

Until locally derived housing targets have been agreed there is no statistical basis available for the housing supply requirement.

The planned housing delivery in the calculation provided below is taken from the Secretary of States Proposed Changes to the South West RSS (8,100 dwellings between 2006 - 2026).

RSS Proposed Changes

1. Requirement (Y):		CBC	5% Buffer	20% Buffer
A	RSS Proposed Changes: Requirement between 2006 – 2026	8,100		
B	Net dwellings built 01/04/2006 – 31/03/2012	2,211		
C	Residual requirement up to 2026	5,889		
D	No. of remaining RSS years	14		
E	Annual requirement (C divided by D)	421		
F	Five year requirement (E x 5)	2,105		
G	NPPF Buffer (F+ 5% or 20%)		2,211	2,526
2. Deliverable Supply (X):				
A	Dwellings on allocated sites with planning permission	176		
B	Dwelling on allocated sites without planning permission	233		
C	Dwellings on unallocated sites with permission	977		
D	Other deliverable sites as identified by 2011/12 SHLAA * The SHLAA is a technical assessment and is independent of planning decisions. Inclusion in this category does not pre judge any decision to be taken by Cheltenham Borough Council.	503		
E	Windfall allowance of 18 dwellings per year	90		
F	Total Deliverable supply (A+B+C+D+E)	1,979	1,979	1,979
3. Five year supply				
X	Total deliverable housing supply	1,979	1,979	1,979
Y	Five year housing requirement (01/04/2012 – 31/03/2017)	2,105	2,211	2,526
	Number of years supply (X divided by Y x 5)	4.7	4.5	3.9