

**Assessment of 5 Year Housing Land Supply**

---

**As at 31<sup>st</sup> March 2011**



**June 2011**

## **HOUSING SUPPLY IN CHARNWOOD**

### **I. INTRODUCTION**

- 1.1 Planning Policy Statement 3, Housing (PPS3) states that from the 1<sup>st</sup> April 2007 local planning authorities will need to assess and demonstrate the extent to which existing plans fulfil the requirement to identify and maintain a rolling five-year supply of deliverable land for housing (paras 7, 8 and 68 to 74).
- 1.2 This paper sets out an assessment of whether there is a five year supply of deliverable housing land in Charnwood. This assessment will inform decisions on applications for residential planning permission.
- 1.3 This year's assessment updates that published in August 2010, which was based on the housing land availability position as at 31<sup>st</sup> March 2010. Further advice from the Department of Communities and Local Government (CLG) in its report 'Housing and Planning Delivery Grant Allocation Mechanism and Summary of Consultation Responses' (July 2008) states that from April 2008, Local Authorities should have a forward looking approach to the Five Year Supply. Therefore for this report, the reporting period is 1<sup>st</sup> April 2012 to 31<sup>st</sup> March 2017.
- 1.4 This update reflects the housing supply position at 31<sup>st</sup> March 2011 including new sites permitted 1<sup>st</sup> April 2010 to 31<sup>st</sup> March 2011. It also takes account of the consultation responses of developers and landowners to ensure that the Council's expectations of the deliverability of housing are informed and balanced.
- 1.5 This assessment will inform decisions on planning applications for housing to be determined in accordance with Planning Policy Statement 3 paragraphs 68-74. Accordingly planning applications for housing will be considered having regard to policies in the adopted Development Plan, Planning Policy Statement 3, in particular paragraph 69, and other material considerations.
- 1.6 Appendix I contains a schedule of the sites that contribute to the five year supply. It includes large (10 dwellings and over) and small sites (up to 9 dwellings) within (PUA) and outside (Non PUA) of the Leicester Principal Urban Area and an account is also given of the predominant land type in line with the amended Planning Policy Statement 3 published in June 2010.

## **2. THE DEVELOPMENT PLAN**

- 2.1 The provision of housing has historically been a product of the development plan process. Since 2004, strategic policies on housing supply have been expressed through a two tier system of regional spatial strategies and local development frameworks.
- 2.2 The adopted development plan for Charnwood is now made up of:
- The saved policies of the Charnwood Borough Local Plan (January 2004);
  - Leicestershire Minerals Core Strategy and Development Control Policies Development Plan Document (October 2009);
  - Leicester and Leicestershire Waste Core Strategy and Development Control Policies Development Plan Document (October 2009); and
  - The remaining saved minerals and waste local plan policies prepared by Leicestershire County Council.
  - Regional Strategy (The East Midlands Regional Plan, 2009)
- 2.3 The East Midlands Regional Plan will remain in place until such time as statutory provisions to abolish Regional Strategies in the Decentralisation and Localism Bill can be brought into effect. The earliest date for this is November 2011 although it is now thought that this will happen sometime during 2012.

## **THE HOUSING TARGET FOR CHARNWOOD**

- 2.4 This report does not seek to establish the housing targets for Charnwood; rather, it provides an assessment of the five year supply of housing against reasonable and known options available as at 31<sup>st</sup> March 2011. The assessment made in this report is therefore without prejudice and should not be taken as inference of any decision having been made about Charnwood's strategic housing target, which is a decision that should properly be made by the Cabinet.
- 2.5 This five year supply assessment is made against the Regional Plan housing target.
- 2.6 The Regional Plan sets an overall target of 15,800 homes in Charnwood over the period 2006-2026 with an annual requirement of 790 homes. 330 of the total number of homes (42%) should be provided within or adjoining the Leicester Principle Urban Area.

## **3. DELIVERABLE HOUSING LAND**

- 3.1 Planning Policy Statement 3 states that for sites to be considered deliverable they need to be available, suitable and achievable within a five year period (para 54). To establish whether there is a five year supply of deliverable housing land in the Borough, existing site permissions and remaining Local Plan allocations have been assessed and a judgement has been made about whether they are available, suitable and achievable. This assessment has been based on the following assumptions.

3.2 A site is **Available** if it;

- is under construction,

*or*

- is a Local Plan Allocation,

*or*

- has planning permission in full, outline or reserved matters with the intention to implement,

*or*

- is owned by a developer with an intention to develop, there is known developer interest or is advertised for sale.

3.3 A site is **Suitable** if:

- it has no irresolvable physical/environmental constraints preventing development such as:

- A significant flood risk
- Active mineral extraction sites
- Oil and high pressure gas pipelines and 400kv (National grid) overhead electricity lines
- SSSIs and scheduled ancient monuments

*and*

- it is a suitable location for housing development and would contribute to the creation of sustainable mixed communities in terms of:

- the Borough Council's guidance on development in rural communities <http://www.charnwood.gov.uk/pages/newdwellingsincharnwoodsrruralcommunities>,
- its accessibility to services and facilities, and
- whether it is within or adjoining the settlement boundary or can be combined with another site that is itself within or adjoining the settlement boundary

*and*

- a suitable access can be achieved. Access to the site may be suitable if it is provided from an adjacent site if it is within the control of the applicant or landowner.

3.4 For sites to be considered **Achievable** there should be a reasonable prospect that housing will be delivered on the site in 5 years. Sites are considered achievable if:

- there are no irresolvable market factors affecting development such as:
  - land values
  - market demand

*and*

- there are no irresolvable cost factors affecting development including:
  - site preparation costs
  - any necessary work to comply with planning conditions or planning obligations
  - funding issues to address identified constraints or assist development.

*and*

- there are no irresolvable delivery factors affecting development including
  - the developers own phasing,
  - whether there is a single developer or several developers offering different housing products, or
  - the size and capacity of the developer.

3.5 Appendix I sets out the assessment of sites with planning permission and remaining Local Plan allocations on the basis of these criteria. The assessment is based on the housing land supply information available as at 31st March 2011. The assessment considers the 5 year period 2012-2017.

3.6 The assessment utilised information available from the Borough Council's planning and building control records combined with site visits to check progress on site and consultation with applicants, agents and landowners.

#### 4. THE FIVE YEAR SUPPLY OF DELIVERABLE HOUSING LAND

- 4.1 No allowance has been made for windfalls in the calculation of the five year supply. However, it is expected that small and large windfalls will continue to make a contribution to housing land supply. Subsequent permissions on windfall sites will be reflected in the supply calculations when the assessment is updated annually. The deliverable stock of small site permissions has been included in the calculation in order to obtain a more accurate assessment of supply.
- 4.2 Figure I demonstrates that the Council does not have a Five Year Supply of deliverable sites measured against the Regional Plan housing target for Charnwood as a whole and that the situation has worsened since the last assessment in August 2010.

<b>Figure I – Five Year supply calculation against the Regional Plan Housing Target</b>				
		<b>Charnwood Total</b>	<b>PUA</b>	<b>Non-PUA</b>
a	Regional Plan Housing Requirement (2006-2026)	15800 790 per annum	6,600 330 per annum	9,200 460 per annum
b	Completions (2006-2011)	3810	685	3,125
c	Expected Completions (2011-12)	605	108	497
d	Completions 06-11 and Expected Completions 11-12(b + c)	4415	793	3622
e	Residual Requirement 2012-2026 (a – d) (11,385 \ 14 years = 813)	11,385 813per annum	5,807 415 per annum	5,578 398 per annum
f	Requirement for 5 years 2012-2017, (5x 813 or 415 or 398).	4,065	2,075	1,990
g	Expected supply of deliverable sites.(planning permissions likely to be built 2012 -2017)	1,996	445	1551
h	Surplus over requirement (g - f)	-2069	-1,630	-439
i	Number of years supply (g divided by 813 or 415 or 398).	2.46 years	1.07 years	3.90 years

- 4.3 The reason for the lower supply is because a number of large site planning permissions have lapsed and there has been 562 housing completions in 2010/11. This means that the overall permitted housing stock has reduced. The small number of planning permissions on large sites granted since 1<sup>st</sup> April 2010 has provided only around 300 dwellings (all in the Non-PUA area) towards the supply overall.

- 4.4 The Charnwood area has only 2.46 years supply and the situation is worse within the PUA area (Birstall / Thurmaston) with only around 1 years supply but the Non-PUA area has 3.90 years supply with a shortfall of 439 dwellings. The Non-PUA area will have to be monitored closely during 2011/12 because if a number of large sites are granted planning permission there is the possibility that a 5 years supply maybe achieved at some point during 2011/12 within the Non PUA area.
- 4.5 The supply situation will need to be addressed through the Core Strategy Development Plan Document and the Site Allocation Development Plan Document.