

CENTRAL LINCOLNSHIRE JOINT LOCAL PLAN EXAMINATION

MATTER 6 – HOUSING LAND SUPPLY

The following Hearing Statement is made for and on behalf of the Home Builders Federation (HBF) in regard to the Central Lincolnshire Joint Local Plan. This Statement responds to the questions set out in the Inspectors Matters & Issues document. The following answers should be read in conjunction with our representations to the Joint Local Plan pre submission consultation ended on 26th May 2016.

Issue 6A – THE 5 YEAR HOUSING LAND REQUIREMENT

Q1. It is noted that the Councils 5 year housing land supply (YHLS) calculation is based on a flat trajectory. If this trajectory is re-profiled so annual housing targets are lower in the earlier plan period and higher later as suggested in Q1 any such re-profiling should be fully justified. Whilst it is acknowledged that there is a reliance on housing delivery from Sustainable Urban Extensions (SUEs) 40% of housing is proposed on non-SUE sites which will be contributing to housing delivery most likely on timeframes quicker than the proposed SUEs. The HBF recommendation is that the Councils include as much site diversity as possible into the HLS. The Councils should be aware that to maximize housing supply the widest possible range of sites, by size and market location are required so that house builders of all types and sizes have access to suitable land in order to offer the widest possible range of products to householders. The key to increased housing supply is the number of sales outlets. Whilst some SUEs may have multiple outlets in general terms increasing the number of sales outlets available means increasing the number of housing sites. The wider the variety of sites in different locations ensures all types of house builder have access to suitable land which increases housing delivery. Indeed maximum delivery is achieved not just because there are more sales outlets but because the widest possible range of products and locations are available to meet the widest possible range of demand.

Q2. The HBF preference is for Sedgefield as set out in the National Planning Practice Guidance (NPPG) (ID 3-035-20140306) so that any shortfall in meeting housing needs from the start of the plan period is dealt with as soon as possible. Any further delay to meeting such unmet housing needs is failing those households who needed both market and affordable homes since the start of the plan period. It is important to remember that this is not just a theoretical mathematical exercise there are households who need homes now so it is unreasonable and unequitable to expect them to wait until later in the plan period before their current housing needs are addressed.

Moreover the HBF would be strongly opposed to a re-profiling of the flat trajectory as suggested in Q1 combined with a Liverpool approach to

shortfalls since the start of the plan period as suggested in Q2 which would represent a “double whammy” of deferments in meeting housing needs.

Q3. The HBF support the use of the 20% buffer as proposed by the Councils.

Q4. However the buffer should be applied to the annual requirement and the shortfall. If the buffer is not applied to both the annual requirement and the shortfall the percentage size of the buffer is diminished below 20% making it less effective in achieving the planned supply as set out in the National Planning Policy Framework (NPPF) (para 47). Therefore the HBF strongly disagree with the comments contained in the Councils latest evidence (E007D). If as proposed by the Councils the buffer is not applied to the shortfall then the Councils are providing a buffer of less than 20% thereby making it more difficult rather than easier to achieve the target. This is because 1,540 dwellings is 20% of 7,700 dwellings (an annualised housing requirement of 1,540 per annum x 5 years) but 1,540 dwellings represents only 14.5% buffer against 5 year housing requirement of 10,552 dwellings (7,700 dwellings plus 2,852 dwellings shortfall for the period 2012 – 17). The HBF also refer to the following recent Local Plan Examination Inspector’s Reports which apply 20% buffer to both the annualised housing requirement and shortfall together with a Sedgefield approach to recouping shortfalls :-

- Warwick Local Plan (Interim Report 1 June 2015) ;
- Herefordshire Local Plan (Final Report 29 September 2015) ;
- South Derbyshire Local Plan (Final Report 10 May 2016) and ;
- Stratford upon Avon Local Plan (Final Report 20 June 2016).

Q5. Using the Councils figures from the latest evidence in E007D to recalculate the 5 YHLS based on a 20% buffer applied to the annualised requirement and shortfall together with a Sedgefield approach to recouping shortfalls results in 5.02 years which is a precarious position. The HBF do not comment on individual sites. However other parties may be able to demonstrate that the Councils assumptions about individual sites contained the HLS are not robust thereby reducing the Councils 5 YHLS below 5 years on adoption. Without reasonable certainty that the Councils have a 5 YHLS the Joint Local Plan cannot be sound as it would be neither effective nor consistent with national policy. Moreover under para 49 of the NPPF the Plan would be instantly out of date on adoption.

ISSUE 6B – HOUSING LAND SUPPLY – GENERAL QUESTIONS

Q6. The NPPG specifies that “*where there is a joint plan, housing requirements and the need to identify a 5 years supply of sites can apply across the joint plan area. The approach being taken should be set out clearly in the plan*” (ID : 2a-o10-20140306). The HBF had assumed that the calculation was based on the Central Lincolnshire wide plan area. If not the Councils should have specified separate housing requirements for each District together with separate trajectories. It is critical that the Plan sets out explicitly the method of calculation and the remedy if failing.

Q7. The Councils to respond but the HBF reserves the right to reply to the Councils answer.

Q8. The HBF do not comment on the merits or otherwise of individual sites therefore our representation is submitted without prejudice to any further comments made by other parties on the lead-in times, delivery rates, availability and deliverability of specific sites. However it is essential that the Council's assumptions on lead-in times and delivery rates are realistic as evidenced by historical empirical data and supported by parties responsible for delivering these sites.

Q9. As per answer to Q8.

Q10. As per answer to Q8.

Q11. The Councils latest evidence does not distinguish between outline and full planning consents or the number of conditions on an approval notice in particular pre-commencement conditions. These distinctions are essential in determining when a planning consent becomes implementable which is of great importance in determining an appropriate lead in time.

Q12. The inclusion of completions from sites without planning consents in years 2016/17 and 2017/18 of the updated 5 YHLS Report is highly unlikely to be realistic or justifiable.

ISSUE 6C – HOUSING LAND SUPPLY – SITE SPECIFIC QUESTIONS

SUSTAINABLE URBAN EXTENSIONS

Q13 - Q21. The HBF do not comment on the merits or otherwise of specific individual sites.

OTHER SITE ALLOCATIONS

Q22 - Q37. The HBF do not comment on the merits or otherwise of specific individual sites.

ISSUE 6D – 5 YEAR HOUSING LAND SUPPLY CONCLUSION

Q38. A 5 YHLS on adoption is unlikely as set out in answer to Q5. As previously stated the HBF do not comment on the merits or otherwise of individual sites therefore our representation is submitted without prejudice to comments made by other parties on the deliverability of specific sites. Indeed other parties may be able to demonstrate that the Councils assumptions about HLS are not robust thereby reducing the Councils 5 YHLS significantly below 5 years on adoption.

Q39. An overall HLS is also unlikely. The HBF would recommend as large a contingency as possible especially given that the housing requirement is a minimum not a maximum figure.

Q40. There is very limited flexibility in the Joint Local Plan if SUEs and other housing sites do not come forward in the timescales envisaged. The HBF recommends a 20% contingency. The Department of Communities & Local Government (DCLG) presentation slide from the HBF Planning Conference in September 2015 illustrates a 10 – 20% non-implementation gap together with a 15 – 20% lapse rate (see below). This slide also suggests “*the need to plan for permissions on more units than the housing start / completions ambition*”. Whilst it is acknowledged that this presentation slide shows generic percentages across England the Councils should provide robust evidence to demonstrate that there is sufficient headroom in the proposed HLS for Central Lincolnshire.



Department for
Communities and
Local Government

In recent years there has been a 30-40% gap between permissions and housing starts

- **Gap of around 30-40%** between the number of permissions given for housing and starts on site within a year. Estimate that for a year's permissions for housing around:

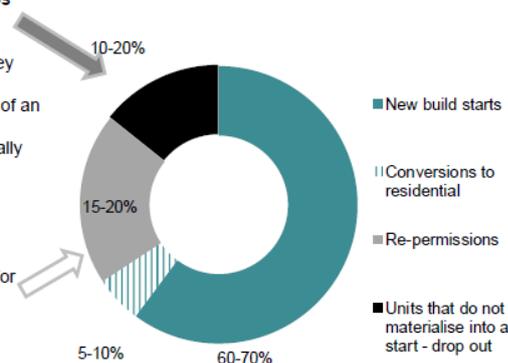
- **10-20%** do not materialise into a start; the permission ‘**drops out**’: this could be because -

- the landowner cannot get the price for the site that they want
- a developer cannot secure finance or meet the terms of an option
- the development is later not considered to be financially worthwhile
- there are supply chain constraints hindering a start.

There may be scope to reduce this through policy.

- **15-20%** are not abandoned but a **re-permission** is sought, for example to make a major change to plans or to extend the development period.

- Recent data and realities of private market suggests need to **plan for permissions on more units than housing start/completion ambition**.



Extract from slide presentation “DCLG Planning Update” by Ruth Stanier Director of Planning - HBF Planning Conference Sept 2015

The recently published Local Plans Expert Group (LPEG) Report also recommends that “*the NPPF makes clear that local plans should be required not only to demonstrate a five year land supply but also focus on ensuring a more effective supply of developable land for the medium to long term (over the whole plan period), plus make provision for, and provide a mechanism for the release of, developable Reserve Sites equivalent to 20% of their housing requirement, as far as is consistent with the policies set out in the NPPF*” (para 11.4 of the LPEG Report).

Therefore a review mechanism is required however this is not an ideal solution. Indeed as described by the Stratford upon Avon Inspector (para 65 of Stratford upon Avon Inspector’s Final Report) this should be a last resort due to the slow response time of such reviews meaning it is not the optimum mechanism to meet the identified level of unmet need at the point at which it is quantified. The release of safeguarded land and / or reserve sites is a more responsive policy solution to ensure delivery of the required number of dwellings over the plan period because such sites are available to provide a

flexible response to any identified need but if not required they do not come forward. It is suggested that Policy LP54 could possibly act as a contingency for both higher than planned for economic growth and HLS difficulties.

ISSUE 6D – BROAD LOCATIONS FOR FUTURE GROWTH – POLICY LP54

Q41. The HBF do not comment on the merits or otherwise of specific individual sites.

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