

AGENDA ITEM

REPORT TO CABINET

20 JANUARY 2011

**REPORT OF CORPORATE
MANAGEMENT TEAM**

COUNCIL DECISION / CABINET DECISION / KEY DECISION

Regeneration and Transport – Lead Cabinet Member – Councillor Cook

LOCAL DEVELOPMENT FRAMEWORK:

- **Strategic Housing Land Availability Assessment**
- **Rural Housing Needs Assessment**

1. Summary

Members will recall that the Strategic Housing Land Availability Assessment (SHLAA) is in the process of being updated. The annual updating of SHLAA work is a requirement of the Government's guidance. The 2010 SHLAA is now complete. The assessment has shown that Stockton Borough has a 5-year supply of deliverable housing land based on sites with planning permission that have been assessed as deliverable and that current commitments (using a base date of 1 April 2010) meet housing requirements up to 2020. This report sets out the process by which the 2010 SHLAA has been produced. The document is available on E-genda and in the electronic section of the Member's Library. A hard copy is also available in the Member's Library.

Arc4 (a housing research consultancy) were commissioned in September 2009 to carry out a Rural Housing Needs Assessment. The assessment period ran from September 2009 to January 2010. Arc4 undertook the study in conjunction an independent rural housing specialist. The purpose of the survey was to find out the level of housing need in each parish from both existing and future households. The study, which forms Appendix 2 to this report, was completed in March 2010. This report states the background to the study and summarises its methodology, key findings and how it will be taken forward.

2. Recommendations

Members are recommended to:

1. Note the contents of this report.
2. Approve the Strategic Housing Land Availability Assessment: Final Report for publication as the Stockton-on-Tees 2010 Strategic Housing Land Availability Assessment Report (which forms Appendix 1 to this report).
3. Approve the Rural Housing Needs Assessment: Final Report for publication as the Stockton-on-Tees 2010 Rural Housing Needs Assessment (which forms Appendix 2 to this report).

3. Reasons for the Recommendations/Decision(s)

To make available a document comprising part of the evidence base for the production of local development documents.

4. Members' Interests

Members (including co-opted Members with voting rights) should consider whether they have a personal interest in the item as defined in the Council's code of conduct (**paragraph 8**) and, if so, declare the existence and nature of that interest in accordance with paragraph 9 of the code.

Where a Member regards him/herself as having a personal interest in the item, he/she must then consider whether that interest is one which a member of the public, with knowledge of the relevant facts, would reasonably regard as so significant that it is likely to prejudice the Member's judgement of the public interest (**paragraphs 10 and 11 of the code of conduct**).

A Member with a prejudicial interest in any matter must withdraw from the room where the meeting considering the business is being held -

- in a case where the Member is attending a meeting (including a meeting of a select committee) but only for the purpose of making representations, answering questions or giving evidence, provided the public are also allowed to attend the meeting for the same purpose whether under statutory right or otherwise, immediately after making representations, answering questions or giving evidence as the case may be;
- in any other case, whenever it becomes apparent that the business is being considered at the meeting;

and must not exercise executive functions in relation to the matter and not seek improperly to influence the decision about the matter (**paragraph 12 of the Code**).

Further to the above, it should be noted that any Member attending a meeting of Cabinet, Select Committee etc; whether or not they are a Member of the Cabinet or Select Committee concerned, must declare any personal interest which they have in the business being considered at the meeting (unless the interest arises solely from the Member's membership of, or position of control or management on any other body to which the Member was appointed or nominated by the Council, or on any other body exercising functions of a public nature, when the interest only needs to be declared if and when the Member speaks on the matter), and if their interest is prejudicial, they must also leave the meeting room, subject to and in accordance with the provisions referred to above.

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SUMMARY

Members will recall that the Strategic Housing Land Availability Assessment (SHLAA) is in the process of being updated. The annual updating of SHLAA work is a requirement of the Government's guidance. The 2010 SHLAA is now complete. The assessment has shown that Stockton Borough has a 5-year supply of deliverable housing land based on sites with planning permission that have been assessed as deliverable and that current commitments (using a base date of 1 April 2010) meet housing requirements up to 2020. This report sets out the process by which the 2010 SHLAA has been produced. The document is available on E-genda and in the electronic section of the Member's Library. A hard copy is also available in the Member's Library.

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RECOMMENDATIONS

Members are recommended to:

1. Note the contents of this report.
4. Approve the Strategic Housing Land Availability Assessment: Final Report for publication as the Stockton-on-Tees 2010 Strategic Housing Land Availability Assessment Report (which forms Appendix 1 to this report).
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DETAIL

Strategic Housing Land Availability Assessment

1. In order for Local Planning Authorities to identify sufficient land to meet the housing demand determined by the Regional Spatial Strategy, Planning Policy Statement 3: Housing sets out the requirement for Local Planning Authorities to carry out a Strategic Housing Land Availability Assessment (SHLAA).

2. The Stockton SHLAA comprises part of the evidence base supporting the production of the Stockton Local Development Framework, and in particular the allocation of sites in the Regeneration Development Plan Document.
3. The first Stockton-on-Tees SHLAA was published in October 2008. The national Practice Guidance states that the assessment, once completed, should be regularly updated (at least annually) as part of the Annual Monitoring Report exercise, to support the updating of the housing trajectory and the five-year supply of specific deliverable sites.
4. The national Practice Guidance emphasises the importance of partnership working in the production of a SHLAA and this is reflected in both the regional and Tees Valley SHLAA implementation guides. Accordingly, a steering group comprising representatives of key stakeholders such as the Home Builders Federation, and SBC teams that have relevant professional expertise and knowledge, such as the Development Services and Regeneration teams, guided the production of the 2010 SHLAA.
5. The steering group agreed by e-mail the process for producing the 2010 SHLAA. The project plan follows the same format (call for sites - highways site assessment workshop - internal stakeholder site assessment workshop - consultation on site assessments - steering group come to a conclusion about “contentious” sites) that was agreed for the 2009 SHLAA. However, the following amendments were agreed:
 - The consultation period was four weeks (it was previously five). This took into consideration that the majority of sites would not be new sites.
 - A “drop-in” event was held as part of the consultation for the 2009 SHLAA. This was recommended as best practice following a drop-in event held jointly by Sunderland and South Tyneside councils for their SHLAAs. However, despite all LDF consultees being notified of the event, attendance was poor (about ten people). No developers or landowners attended the event and only two consultants did so. The other attendees, apart from two Members, were all local residents from the same village. It was considered that there was insufficient justification for the cost of booking a venue and the officer time that is required to prepare for and staff a drop-in event when both the number and range of attendees is so limited. Therefore, for the 2010 SHLAA it was agreed to advertise, as part of the consultation, two half-day periods when any consultee could book half an hour to speak to an officer about a SHLAA site. This was instead of a drop-in event.
6. The consultation period ran from 19th July to 13th August. Both public and professional consultees had the opportunity to comment through e-mail or written comments.
7. Following the close of the consultation period the steering group met on 1st September 2010 in order to discuss “contentious” sites. A site is regarded as contentious if comments are received through the consultation process that express a different view from the internal stakeholder assessment.
8. At the meeting the steering group agreed with the draft internal stakeholder assessment of all of the contentious sites, except for two sites where further information was requested. Following further consultations with steering group members by e-mail, the following amendments were agreed to the draft internal stakeholder assessment of the two sites concerned:
 - SHLAA site 15: Land at Little Maltby Farm: The site has been re-assessed as developable following the submission of information regarding highways access.
 - SHLAA site 87: Bowesfield Riverside Phase 1 (East): The site has been re-assessed as developable. However, the amount of developable land will be limited to the area

outside the 1-in-100 year flood extent. This will limit the yield to approximately 18 dwellings.

9. Appendix 3 of the SHLAA Report contains the comments received during the consultation period together with the steering group responses.

Rural Housing Needs Assessment

Background

10. The Tees Valley Strategic Housing Market Assessment (January 2009) provided a broad overview of rural housing need in the borough. However, it was determined by the Spatial Planning and Housing Strategy teams that a more detailed study specifically of rural housing need in the borough was required for the following purposes:
 - To provide the evidence base to support a rural exception policy in the Core Strategy
 - To inform rural housing provision
11. The aims of the study were to:
 - identify the level of housing need across rural parishes, and the extent to which their housing needs cannot be accommodated by market prices and,
 - identify the affordable housing requirements across a range of affordable tenures and dwelling sizes for each rural parish of Stockton-on-Tees, taking into account local connections, incomes and market prices.
12. It is important to note when considering the key findings of the study that the consultants brief did not require sustainability issues (access to shops, schools and other services) to be considered; that is to say it identified affordable housing need where it arose without reference to identifying the locations that would be the most sustainable to meet that need. In this context the key findings should to be cross-referenced to the Core Strategy rural exception site policy stated below and the Planning the Future of Rural Villages study.

Core Strategy Rural Exception Policy

13. Point 5 of Core Strategy Policy 1 (CS1) - The Spatial Strategy, states the following: In catering for rural housing needs, priority will be given to the provision of affordable housing in sustainable locations, to meet identified need. This will be provided through a rural exception site policy.
14. Paragraph 6.8 of the Justification for Policy CS1 states that the Planning the Future of Rural Villages study will assist the Council in applying its approach to housing proposals in the rural area. Members will recall that this study sets out a hierarchy of sustainability for the rural villages in the borough.
15. Point 9 of Core Strategy Policy 8 (CS8) - Housing Mix and Affordable Housing Provision, states the following: The requirement for affordable housing in the rural parts of the borough will be identified through detailed assessments of rural housing need. The requirement will be met through the delivery of a "rural exception" site or sites for people in identified housing need with a local connection. These homes will be affordable in perpetuity.
16. Paragraph 12.42 of the Justification for Policy CS8 states the following: The need for rural affordable housing will be identified through more detailed rural housing assessment work. This will be met through rural exception sites. A rural exception site is a small site in a small rural community that meets a genuine and proven need specifically for affordable housing. Such a site may be in a location that the Council would regard as inappropriate for general market housing and will always be within, or immediately adjacent and well-related to, an existing village. Any proposed rural exception sites will be associated with villages with access to services and facilities by sustainable means.

Methodology

17. Arc4 did a presentation to the Parish Council Liaison Form of 15 June 2009 on the methodology for the proposed Rural Housing Needs Study. It was explained that the preferred approach was to undertake a 100% household survey of the rural parishes in conjunction with a total of four community engagement events with each event serving a cluster of Parish Councils. The clusters of Parish Councils were as follows:
- Aislaby and Newsham, Long Newton, Elton
 - Kirklevington and Castle Levington, Hilton, Maltby
 - Stillington and Whitton, Carlton, Redmarshall
 - Billingham (rural part only), Grindon, Wolviston

Household survey

18. A total of 3,665 households were contacted and 770 questionnaires were returned and used in data analysis (a 21% response rate).

Community engagement events

19. The purpose of the events was to inform residents about the study, encourage survey forms to be returned and provide information on affordable housing provision – Who develops it? Who manages it? Who is it for? Finally, what are the benefits of such provision within rural villages? Residents were asked to leave comments at the events and these are summarised in Appendix 3 along with the number of residents attending each event.

Key Findings

20. The study evidenced that there is a modest need for affordable housing across the rural area of Stockton-on-Tees. An annual shortfall of 5 dwellings each year has been calculated which equates to 24 over the 5-year period 2009/10 to 2013/14. The general consensus amongst local residents is there are pockets of need across the rural areas and affordable development would help support longer-term community sustainability.
21. Of the affordable housing needs identified, half is from existing households who are in need but cannot afford open market options; and half is from newly-forming households who want to remain living in the rural area.
22. Analysis of tenure preferences suggests split of 64% social rented and 36% intermediate tenure for new affordable dwellings. Analysis of data relating to income and other financial resources suggests that most households could afford an intermediate tenure product marketed at between £50,000 and £80,000.
23. The extent to which affordable housing is required varies across the rural areas, with greatest needs identified in Stillington & Whitton, Redmarshall and Wolviston. In other parishes, the number of dwellings required is low and it may be appropriate to group parishes together and any development would aim to address affordable shortfalls for that group of parishes.

Delivery options

24. The Housing Strategy team have identified the following delivery options for meeting rural affordable housing need:

Option 1

New build on infill sites within sustainable villages

25. The Planning the Future of Rural Villages study identifies sustainable villages. A point based scoring criteria was used to rank each village in terms of their sustainability under the

following categories: employment, health, education, shops, leisure, ancillary facilities and access. This provided a clear hierarchy of sustainability amongst the villages (see table 1). The report made a number of recommendations including that infill development will be appropriate within Tiers 1 and 2. The delivery of this option may depend on securing funding support through option 5 and/or option 6.

Table 1: Village Sustainability Rankings

	Village	Sustainability Score
Tier 1 (40 points plus)	Stillington	41
Tier 2 (30 – 39 points)	Long Newton	36
	Carlton	33
	Maltby	33
	Kirklevington	32
	Wolviston	30
Tier 3 (25 – 29 points)	Redmarshall	29
	Hilton	28
	Elton	27
	Thorpe Thewles ¹	25
Tier 4 (24 points and less)	Wynyard	22
	Whitton	21
	Cowpen Bewley	20
	Aislaby	12

Option 2

Purchase properties in rural location from the open market

26. One option to provide small numbers of affordable housing in rural areas would be for a Registered Social Landlord/developer to purchase properties in village locations from the open market, refurbish to their lettable standard for rent and/or low cost sale to households in need which were able to evidence a local connection. Rents would need to be affordable and in line with Tenant Standards Authority requirements. This option would allow local households currently priced out of entering the housing market to remain in village locations. Barriers to this option may include: -
- Grant availability from the Homes and Communities Agency
 - Registered Social Landlord/Private developer finance if required to self fund in the absence of grant and or local authority support

Option 3

Bring empty properties in rural locations back into use

27. In April 2010 there were 2,278 empty properties in the borough, of which 1,043 had been empty for over six months. Rural areas of the borough had 72 empty properties, which had been empty for more than six months. These properties vary in type from terraced accommodation to farmhouses. Four of the 72 properties are on the Councils empty property priority list, as they have been the subject of complaints from residents and include 3 terraced houses and a bungalow. All four properties are located within villages in Tiers 1 and Tier 2 of the sustainability hierarchy shown in table 1.
28. Bringing empty properties back into use could provide necessary affordable accommodation for local people and also improve areas and neighbourhoods. This would however be subject to the provision of incentives for owners and the willingness of owners to take such a project forward.

¹ Thorpe Thewles and Wynyard make up the Grindon area in the Rural Housing Needs Assessment

Option 4

Development on a rural exception site

29. This may depend on securing funding support through option 5 and/or option 6.

Option 5

Off site provision of affordable housing secured through Section 106 agreements and commuted sums

30. Affordable housing secured through Section 106 agreements and commuted sums on market sites throughout the borough could be used for off site provision of affordable housing in rural locations where there is an identified affordable housing need.

Option 6

Disposal of Council land at less than market value

31. The Council could decide to dispose of its land at below market or nil value to Registered Providers to assist with the viability of affordable housing schemes in rural locations and on schemes, which are too small to achieve economies of scale.

Actions

32. The Housing Strategy team have identified the following actions as the basis for an action plan:
- The village study is kept up to date to reflect any development which could affect the sustainability ranking of the villages which could in turn influence the decision to support and or provide affordable accommodation in village locations.
 - Discuss with Registered Social Landlords operating in the borough the opportunities for and barriers to the development of new affordable housing or buying up existing housing.
 - Work with the Councils Empty Property Team to identify any opportunities for bringing long term empty properties in rural locations back into use.
 - Investigate the possibility of Registered Providers managing any long empty properties, which are brought back into use and used for affordable housing, with the property owners receiving a monthly rental income less a management fee.
 - Establish whether there is any suitable Council owned land in appropriate rural locations to develop affordable housing.

FINANCIAL IMPLICATIONS

33. The cost of the SHLAA study is being met from existing budgetary resources. The cost of the Rural Housing Needs Assessment was divided equally between Spatial Planning and Housing Strategy.

LEGAL IMPLICATIONS

34. Having an up-to-date SHLAA available assists and supports the LDF process. There are no legal implications for the Rural Housing Needs Assessment.

RISK ASSESSMENT

35. This Strategic Housing Land Availability Assessment: Final Report and Rural Housing Needs Assessment: Final Report are categorised as low to medium risk. Existing management systems and daily routine activities are sufficient to control and reduce risk.

SUSTAINABLE COMMUNITY STRATEGY IMPLICATIONS

Economic Regeneration and Transport

36. The Core Strategy DPD promotes sustainable transport and regeneration by supporting sustainable, mixed communities. The Regeneration DPD will help deliver the Core Strategy. The SHLAA forms part of the evidence base for both the Core Strategy DPD and the Regeneration DPD. As it is evidence base document for the LDF the Rural Housing Needs Assessment will not specifically promote the economic regeneration and transport.

Safer Communities

37. As evidence base documents for the LDF the SHLAA report and the Rural Housing Needs Assessment will not specifically promote the creation of healthier communities and adults. However, any site identified as suitable for housing within the SHLAA should be capable of contributing to the creation of sustainable, mixed communities. The Rural Housing Needs Assessment supports the rural exception policy in the Core Strategy, which aims to promote sustainable rural communities. Safer communities are a key principle of the Core Strategy and this will be replicated within other emerging policy documents as part of the LDF.

Children and Young People

38. The SHLAA report and the Rural Housing Needs Assessment do not specifically mention children and young people. However some households in rural housing need include children and/or young people.

Healthier Communities and Adults

39. As evidence base documents for the LDF the SHLAA report and the Rural Housing Needs Assessment do not specifically promote the creation of healthier communities and adults. However, any site identified as suitable for housing within the SHLAA should be capable of contributing to the creation of sustainable, mixed communities. The Rural Housing Needs Assessment supports the rural exception policy in the Core Strategy, which aims to promote sustainable rural communities. It is a key principle of the Core Strategy to create healthier communities and this will be replicated within other emerging policy documents as part of the LDF.

Liveability

40. As evidence base documents for the LDF the SHLAA report and the Rural Housing Needs Assessment do not specifically promote liveability. However, any site identified as suitable for housing within the SHLAA should be capable of contributing to the creation of sustainable, mixed communities. The Rural Housing Needs Assessment supports the rural exception policy in the Core Strategy, which aims to promote sustainable rural communities. It is a key principle of the Core Strategy to improve liveability and this will be replicated within other emerging policy documents as part of the LDF.

EQUALITIES IMPACT ASSESSMENT

41. This report is not subject to an Equality Impact Assessment because the Strategic Housing Land Availability Assessment and the Rural Housing Needs Assessment are technical background papers.

CONSULTATION INCLUDING WARD/COUNCILLORS

42. The SHLAA report and the Rural Housing Needs Assessment will be taken to the Planning Committee of 12th January 2011. All ward Councillors will be e-mailed a web-link to the SHLAA report, together with an explanation of the purpose of the document.

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Background Papers

Planning Policy Statement No 3: Housing

Strategic Housing Land Availability Assessment Practice Guidance

Strategic Housing Land Availability Assessment and Development Plan Document Preparation

Stockton-on-Tees 2010 Strategic Housing Land Availability Assessment: Final Report

Stockton-on-Tees 2010 Rural Housing Needs Assessment: Final Report

Ward(s) and Ward Councillors:

All ward councillors

Property

The report does not impact on the Capital Programme and Asset Management Plan.