

CABINET ITEM COVERING SHEET PROFORMA

AGENDA ITEM

REPORT TO CABINET

DATE 11 JULY 2013

**REPORT OF CORPORATE
MANAGEMENT TEAM**

CABINET DECISION

Portfolio (Regeneration and Transportation) – Lead Cabinet Member – Councillor Smith

FIVE YEAR HOUSING SUPPLY 2013 - 2018

1. Summary

This report informs Members of the completion of the Five Year Deliverable Housing Supply Final Assessment 2013 - 2018 and that the report will now be updated quarterly on a trial basis.

2. Recommendations

It is recommended that Cabinet

1. Note the content of the report (see Appendix 1)

3. Reasons for the Recommendation

To ensure that Cabinet is fully briefed on the latest update of the five year deliverable housing supply.

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

This report informs Members of the completion of the Five Year Deliverable Housing Supply Final Assessment 2013 - 2018 and that the report will now be updated quarterly on a trial basis.

RECOMMENDATIONS

It is recommended that Cabinet

1. Note the content of the report (see Appendix 1)

DETAIL

- 1 The National Planning Policy Framework (NPPF) states that local planning authorities should identify and update annually a supply of specific deliverable sites sufficient to provide five years' worth of housing against their housing requirements.
- 2 An additional buffer of 5% is required to ensure choice and competition in the market for land. Where there has been a record of persistent under delivery of housing, the buffer should increase to 20%.
- 3 The NPPF does not define persistent under delivery. The authority takes the view that the record of housing delivery in the Borough is robust in the context of the challenging conditions in the housing market. Therefore a buffer of 5% has been added.
- 4 The report shows that the authority has a deliverable housing supply of 3.96 years with a 5% buffer added, which is a shortfall of 630 dwellings. This means that the authority is not able to demonstrate a five year supply of deliverable housing sites.
- 5 The issue of whether or a 5% or 20% buffer is appropriate was debated at the recent Land off Low Lane, Ingleby Barwick Public Inquiry. It is possible that the Inspector's Report will comment on this issue. If a 20% buffer were added then the deliverable housing supply is 3.46 years which is a shortfall of 1062 dwellings.
- 6 It was recently suggested that the authority must now have a five year supply as about 1000 dwellings have been granted consent since the Five Year Deliverable Housing Supply Final Assessment 2012 - 2017 Report was published. However, the five year deliverable housing supply assessment is concerned with how many dwellings will be built within 5 years, rather than the total number with planning permission. For example, the developer for the Morley

Carr, Yarm planning permission (350 dwellings) has estimated a build out of 120 dwellings within a five year time frame.

- 7 It is also relevant that the housing requirement is a 'net' requirement. This means that it is net of demolitions and other losses to the Borough's dwelling stock. When there is an addition to the number of demolitions / losses that are planned this has to be taken into account. For example, since the previous five year supply assessment a total of 254 demolitions have been approved for Victoria Estate and all of these are scheduled to take place within five years.
- 8 At a recent planning committee meeting, Members expressed concern that reliance was still being placed on the previous five year housing assessment and requested that recent planning approvals be added in to the next update.
- 9 The report uses a base date of 31-3-2013. This means that it does not show that the Section 106 (S.106) Agreement for the Allens West planning application has now been signed. This does not alter the delivery assessment for Allens West as this anticipated the signing of the S.106 Agreement. Nor does it make any reference to planning approvals granted since this time.
- 10 However, in view of the concerns expressed by Members (see paragraph 8) the report will now be updated on a quarterly basis. The base date for the next update is 30-6-2013 which means that it will be assessing the five year housing supply for the period 1 July 2013 to 30 June 2018. The quarterly update will be done initially on a trial basis to assess whether the commitment of officer time required is proportionate to the benefits of the exercise.
- 11 The updated quarterly report will be available late July / early August depending on how soon all of the relevant data is available. In addition to new planning approvals, data regarding housing completions and demolitions/losses will be updated so that the baseline is robust.
- 12 However, quarterly reports will not include a new exercise of contacting all developers for updated housing build out schedules. This will continue to be done on an annual basis.
- 13 It should be noted that no decision notice has been issued regarding the decision of the Planning Committee of 4-6-2013 to grant permission for 370 dwellings at Green Lane, Yarm. This is because an Article 25 Directive has been issued. This means that the Secretary of State has been asked to call-in the application for his consideration. For this reason this cannot, at the present time, be considered to be either a planning permission or a commitment.
- 14 It has been suggested that the authority should review the housing requirement. The housing requirement is stated in the Adopted Core Strategy and could only be changed through the plan process. As part of the Regeneration and Environment LDD process, representations have been made regarding the housing requirement. These have included both expressions of support for a lower requirement and the contention that the requirement should be higher. The preference of the authority is to maintain the average annual housing requirement of 555 dwellings that is stated in the Core Strategy. It is expected that this will form a significant part of the Examination in Public that will be held for the Regeneration and Environment LDD next year.
- 15 A change since the previous report is the inclusion of an allowance for windfall sites. This relates to small sites (see paragraphs 21 to 23 of the report attached at Appendix 1).
- 16 It has been suggested that the windfall allowance should include provision for bringing empty homes back into uses. Empty properties were taken into account when determining the annual average housing requirement of 555 dwellings through a vacancy rate. There is a need for a certain number of vacant properties to allow for turnover in existing

dwelling stock. Bringing properties back into use is part of the normal 'churn' in the housing market and distinct from additions to the dwelling stock as the properties already form part of the dwelling stock.

- 17 If bringing empty properties back into use were to be included in the five year supply assessment, then it would also be necessary to include properties becoming vacant over each 12 month period as the housing requirement is a 'net' requirement; that is to say it is net of demolitions and losses. This would be virtually impossible to monitor as whilst it is possible to monitor a snapshot of how many properties are vacant at any given point; a property can be vacant for 1 day, 1 month, 3 months, 3 years and so on.
- 18 However, a report will shortly be presented to Cabinet recommending approval for a funded programme to bring long-term empty properties back into use. This programme is intended to run for the lifetime of the New Homes Bonus as this will be, if approved, a definitive funded programme and therefore distinct from the normal churn in the housing market associated with empty properties, consideration is being given as to whether it would be robust to include a supply from this source in a future update of the five year supply assessment.
- 19 It is possible that the Review of Planning Practice Guidance led by Lord Taylor, due to report in July 2013, will comment on recommended best practice for carrying out five year supply assessments. If it does then the relevant comments will be taken into account at that point.

FINANCIAL IMPLICATIONS

- 20 None identified

LEGAL IMPLICATIONS

- 21 It is important that the five year deliverable housing supply report is credible and robust in order to withstand future challenges based on the NPPF.

RISK ASSESSMENT

- 22 The Five Year Deliverable Housing Supply Final Assessment is categorised as low to medium risk. Existing management systems and daily routine activities are sufficient to control and reduce risk.

SUSTAINABLE COMMUNITY STRATEGY IMPLICATIONS

- 23 The 'Five Year Deliverable Housing Supply Final Assessment 2013 – 2018' is relevant to the 'Environment and Housing' theme in the Sustainable Community Strategy as it is a material consideration when determining planning applications for residential development.
- 24 There are no implications for community safety.

EQUALITIES IMPACT ASSESSMENT

- 25 This report is not subject to an Equalities Impact Assessment because it is for information only and is not a policy requiring endorsement.

CONSULTATION INCLUDING WARD/COUNCILLORS

- 26 The Five Year Deliverable Housing Supply Final Assessment 2013 – 2018 is equally applicable in all parts of the Borough, therefore there was no consultation with specific wards or ward councillors. However, it has been reported to Planning Committee because of its obvious particular relevance to this committee.

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Education related?_No

Background Papers

Appendix 1: The Five Year Deliverable Housing Supply Final Assessment 2013 - 2018