

5 Year Housing Land Supply December 2014



**COTSWOLD
DISTRICT COUNCIL**

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I. Introduction

This document demonstrates that Cotswold District has over a 5 year plus 20% buffer supply of deliverable housing sites for the period 1st April 2014 to 31st March 2019. Taking account of the 20% buffer, the District has a **6.6 year supply**.

This document has been prepared in accordance with government advice set out in the National Planning Policy Framework (NPPF) and National Planning Policy Guidance. It also conforms with the latest position described by Planning Inspectorate in appeals decisions and Planning Advisory Service training on 5 year housing land supply.

The Council has also received advice from a specialist independent 5 housing supply consultant and their recommendations have been incorporated within this report.

In accordance with NPPF paragraph 47 and footnote 11, sites identified within the 5 year supply must be deliverable. To be considered deliverable, sites should be available now, offer a suitable location for development now, and be achievable with a realistic prospect that housing will be delivered on the site within five years and, in particular, that development of the site is viable. Sites with planning permission should be considered deliverable until permission expires, unless there is clear evidence that schemes will not be implemented within five years.

2. How much housing is Cotswold District required to deliver?

For the purposes of five year housing land supply the Council previously relied upon the Regional Spatial Strategy (RSS) requirement figure of 345 dwellings per annum. Recent appeal decisions have declared it is no longer feasible to use the RSS for the purposes of determining if an authority has 5 year supply. Authorities should be using the objectively assessed need, or ideally the adopted housing requirement figure within a new Local Plan.

In a recent appeal decision APP/F1610/A/14/2213318 Land south of Cirencester Road Fairford, the Inspector stated:

“The Council accepts that it does not have an OAN. The figures it has produced for housing requirement do not represent the OAN for the district, and do not take account of employment considerations or market signals, as required by the PPG. Consequently, in the absence of an OAN I conclude that the Council is unable to demonstrate a five-year supply of deliverable housing sites.”

The NPPF requires local authorities to significantly boost the supply of housing, and should use the evidence base to ensure that Local Plans meet the full objectively assessed needs for market and affordable housing in the housing market area, as far as is consistent with the policies set out in the Framework, including identifying key sites which are critical to the delivery of the housing strategy over the plan period (NPPF, paragraph 47).

Evidence has been prepared for the emerging Local Plan 2011-2031 to establish the objectively assessed housing need across the housing market area of Gloucestershire. The report prepared by Neil McDonald with Christine Whitehead (*The Objectively Assessed Housing Needs of Stroud, Forest of Dean and Cotswold*) can be viewed on the Council's website <http://www.cotswold.gov.uk/residents/planning-building/planning-policy/emerging-local-plan/evidence-base-and-monitoring/>

The independent study identifies an OAN for Cotswold District of 7,500 dwellings over the twenty year period 2011-2031. This equate to 375 dwellings per year and is the figure used in this 5 year supply calculation. In accordance with advice, any shortfall against previous plan periods is taken into account within the OAN evidence, therefore the figure of 375 per annum applies from 2011 onwards.

Please note: this report is an update to the May 2014 position using the OAN figure instead of the RSS. All other aspects of supply remain as at May 2014 (i.e. the 31st March 2014 monitoring period).

3. Housing Land Supply

This report includes a full schedule of sites that are considered to be able to deliver housing in the next 5 years. To be deliverable, sites must be:

- **Available**
Sites already in the planning system with planning permission, or allocated for housing, as well as sites proposed by landowners through the SHLAA process that have been assessed as being able to come forward quickly.
- **Suitable**
The schedule includes sites without planning permission that are within the development boundaries of Cirencester and the 9 other Principal Settlements within Cotswold District. Therefore, these sites are considered to be in a suitable location to contribute to sustainable communities, in accordance with the saved policies of the Council's adopted Local Plan (2001-11).
- **Achievable**
The schedule includes sites with planning permission, SHLAA sites and allocations considered by the Advisory Panel to have a reasonable prospect of being delivered within 5 years. This includes being economically viable.

Housing land supply is derived from the following sources:

1. Sites with planning permission but not yet complete
2. Sites specifically allocated (not implemented) in the Local Plan/LDF
3. Sites that are not allocated, but are identified in the SHLAA
4. A windfall site allowance

Although the District has an extremely large number of holiday homes, these are not included within the 5 year housing land supply, as these have occupancy conditions that mean they do not form part of the dwelling stock.

1) Sites with planning permission

This includes unimplemented planning permissions and sites under construction that create new dwellings. The Council has also made an allowance that takes account of large and small site planning permissions that inevitably lapse.

The Council's Residential Land Availability (RLA) annually records the number of housing commitments (dwellings with planning permission that are either under construction or not yet started) as well as the number of housing completions. The latest RLA position from April 2014 is used to inform this 5 year supply, which shows that there are 2,634 commitments. This report is available to view on the Council's website: <http://www.cotswold.gov.uk/residents/planning-building/planning-policy/emerging-local-plan/evidence-base-and-monitoring/>

Each planning permission has been assessed to ensure that only new dwellings that are realistically deliverable within the next 5 years are counted within the 5 year housing land supply. Furthermore, larger sites (10 or more dwellings) have been extensively scrutinised to evaluate performance against available, suitable and achievable criteria to support accurate reporting of their deliverability over time. Appendix 3 provides evidence to support the deliverability of each of these sites.

2) Sites specifically allocated in the Local Plan

The Cotswold District Local Plan (Adopted 2006) allocated some 1,023 dwellings. Some sites remain undeveloped and their deliverability has since been reviewed as a result of the SHLAA process, which shows that 30 dwellings remain deliverable within the first 5 years, after discounting those now considered not deliverable.

Each Local Plan allocation has been assessed to ensure that only new dwellings that are realistically deliverable within the next 5 years are counted within the 5 year housing land supply. Each site has been assessed in detail to evaluate performance against available, suitable and achievable criteria to support accurate reporting of their deliverability over time. See Appendix 3 for more details of each remaining site's deliverability.

The Local Plan allocations are currently saved indefinitely until replaced by a new Development Plan Document.

3) Strategic Housing Land Availability Assessment

The Cotswold SHLAA (2014) has been produced in accordance with requirements set out in the National Planning Practice Guidance and as such forms robust and credible evidence to inform the preparation of Local Plan documents. The Council's SHLAA will be published in May 2014 and will be available to view on the 'Evidence Base and Monitoring' page of the Council's website: <http://www.cotswold.gov.uk/residents/planning-building/planning-policy/emerging-local-plan/evidence-base-and-monitoring/>

The SHLAA identifies and assesses sites for their potential to deliver housing in accordance with their availability, suitability and achievability. Of the deliverable sites, only sites that are within the development boundaries of Cirencester and the 9 other Principal Settlements within Cotswold District are included within the 5 year supply. This is because sites outside of these development boundaries are not in accordance with the saved policies of the Council's adopted Local Plan (2001-11), against which any planning permission would be determined.

To ensure SHLAA sites will realistically deliver completed dwellings within 5 years, the Council have thoroughly investigated the deliverability of each SHLAA site included within the 5 year supply. The results of the investigation are shown in Appendix 3.

To avoid double counting, any sites with planning permission are shown within the commitments section of the housing trajectory table (blue) and do not appear within the SHLAA sites section of the table (yellow).

4) Windfall Sites

Windfall sites are those that have not been specifically identified as available in the Local Plan process. Cotswold District, being a large predominantly rural authority, has a historic trend of consistently delivering a large number of windfall developments.

“Local Planning Authorities may make an allowance for windfall sites in the five-year supply if they have compelling evidence that such sites have consistently become available in the local area and will continue to provide a reliable source of supply. Any allowance should be realistic having regard to the Strategic Housing Land Availability Assessment, historic windfall delivery rates and expected future trends, and should not include residential gardens”. (NPPF paragraph 48)

In order to provide evidence to support the inclusion of windfall sites, Cotswold District Council has looked in detail at the housing completions for the last 7 years. Each housing completion has been examined to establish whether the site had previously been identified by the SHLAA, was an allocated site or if it has been developed on a residential garden. Sites that did not meet any of these criteria were identified as windfall sites. The annual results were as follows:

Year	Windfall completions
2007/08	130
2008/09	176
2009/10	33
2010/11	95
2011/12	58
2012/13	101
2013/14	59

The first two years' worth of data appear to be high and do not necessarily reflect a realistic position as the SHLAA was in the early stages of development. The latter five years provide realistic evidence to show the District has delivered an average of **69 dwellings** from windfall sites each year. A table of evidence for each windfall development is available in Appendix 1.

The commitments section of the housing trajectory takes all sized sites into account with planning permission, including existing windfalls. To be robust, the Council has applied the windfall allowance from year 4 onwards only. This is because planning permissions last for 3 years and some of the existing housing commitments will already be windfall developments, which may lead to some double counting.

There will be some windfall developments granted planning permission within the next three years that are not accounted for within this 5 year supply report. The Council has been robust by only incorporating a windfall allowance on years 4 and 5 of the housing trajectory, but it should be noted that the actual housing supply will include windfall developments that have not yet been granted planning permission. Therefore, realistically, the housing supply would actually be higher than what is being reported.

It should also be noted that the Council's existing planning policies do not rule out developments on garden land and it is not envisaged that future policies will do so. However, the windfall allowance does not take account of garden developments, so this will also make the actual housing projection over the next 5 years higher than that reported.

Another factor likely to have a positive effect on the rate of windfalls is the amendment to the Permitted Development rights, which allows changes of use from B1 (office) to C3 (residential) to occur without the need for planning permission. The change to permitted development laws came into force on 30th May 2013 and is expected to boost the number of change of use windfalls delivered each year. In addition, new legislation is also currently being consulted on to bring redundant and empty agricultural buildings into use again, with residential development bring one such permitted use. This would be particularly relevant in Cotswold District being a predominantly rural area with a strong housing market. The agricultural building permitted development law is scheduled to be brought into action in April 2014.

The District has maintained a high average delivery rate of windfalls over the past 4 years, even in an unfavourable economic climate. Taking into consideration all of the factors that may affect windfalls, the Council expects the rate of windfalls to be maintained or increase in future years.

Buffers

The NPPF states that *“to boost significantly the supply of housing, 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 with an additional buffer of 5% (moved forward from later in the plan period) to ensure choice and competition in the market for land. Where there has been a record of persistent under delivery of housing, local planning authorities should increase the buffer to 20% (moved forward from later in the plan period) to provide a realistic prospect of achieving the planned supply”*.

The Inspector's report in the Highfield Farm appeal (Fay & Son Ltd. File Ref: APP/F1610/A/11/2165778 Highfield Farm, Tetbury, Gloucestershire, dated 13 February 2013) found the Council to be a persistent under-deliverer of housing.

In her method of measuring whether the District was a persistent under-deliverer of housing, the Inspector supposed that as the 5 year supply projects forward five years, it was also reasonable to look back five years as a suitable period of time. The Inspector sourced the 2011/12 5 year supply report, which found that in four of the previous five years, insufficient housing had been built to meet the housing requirement. The decision was therefore taken to apply a 20% buffer to the 5 year supply housing requirement.

Since 2011/12, the District has had two years' worth of high delivery figures that meet the required annual delivery rate. The annual numbers of completed dwellings for the previous 5 years are shown in the table below.

Net Annual Housing Completions	
2009/10	177
2010/11	229
2011/12	528
2012/13	393
2013/14	396
Average	344.6

The District must **continue** to deliver high numbers of new dwellings above the annual requirement of 345 dwellings in order to put a case forward for the 20% buffer to be removed.

Lapse Rate

Paragraph 14.26 of the Highfield Farm appeal (Fay & Son Ltd. File Ref: APP/F1610/A/11/2165778 Highfield Farm, Tetbury, Gloucestershire, dated 13 February 2013) Inspector's Report states that:

"While it appears that the lapse rate set out in the 2012 Housing Supply paper applies to both large and small sites, the SoCG records the agreement between the Council and the appellant that in this case, "a small sites lapse rate of 15 dwellings per annum is appropriate". If it is the case that the lapse rate is only to be applied to small sites with planning permission, then it follows that some other means must be found to account for probable lapses on large sites with planning permission. On that basis, I consider the appellant's application of a 10% discount to such sites to be reasonable."

Contrary to the Inspector's understanding that the Council's five year housing land supply calculation applied a lapse rate to small sites only, the calculation actually applied a lapse rate to both large and small sites. Applying a 10% discount on large sites as well as a large site lapse rate double counts the number of dwellings deducted within the supply calculation. Paragraph 14.25 of the same Inspector's Report said that applying a lapse rate to large and small sites was a reasonable approach.

Lapsed planning permissions from both large and small sites contribute to the overall lapse rate reported in the 5 year supply. This supports the Council's justification in providing an evidence-based lapse rate to large and small sites.

A table of evidence for each lapsed planning permission can be viewed in Appendix 2. The table below provides a summary of the total number of lapsed dwellings from the previous 4 years.

Year	Net lapsed commitments
2010/11	24
2011/12	7
2012/13	21
2013/14	10
Average	15.5

Renewed planning permissions can potentially distort the 5 year supply figure, as, although they have not lapsed, the permission may not be delivered within 5 years. Equally, the number of dwellings committed on large sites can rise or fall when Reserved Matters or Full planning permissions replace Outline permissions.

The Council has undertaken further investigation into whether large sites with planning permission have actually been completed within 5 years of the initial permission being granted. Cotswold District has a strong housing market and demand for new housing is high. Appendix 4 provides historical evidence that, on average, large residential planning permissions within the District are completed within the first 5 years of the initial planning permission being granted.

Appendix 4 also shows that, since 1st April 2006, there have been 11 large residential sites where Outline planning permissions that have been fully superseded by Full or Reserved Matters consents. On average, each of these sites has had an additional 16 dwellings permitted when the Reserved Matters or Full consent has been granted.

This demonstrates that renewed planning permissions, and variations in the number of committed dwellings when Reserved Matters or further Full planning permissions are granted, are not issues that affect the 5 year supply within Cotswold District.

Further Clarity

It has come to light that the planning permission at 'Land parcel at North Home and Kingshill' in Cirencester (ref: 09/01597/FUL) delivered 75 units in 2011/12 as opposed to the 83 that were previously reported. The number of dwellings completed in 2011/12 has therefore been corrected from 536 to 528.

4. 5 Year Supply Calculation

Between 1st April 2011 and 31st March 2014, 1,317 dwellings had been completed within the District.

As per the advice set out in the NPPG and the Secretary of State and Planning Inspector's comments in the appeal regarding Todenham Road, Moreton in Marsh, the shortfall should be accounted for promptly within five years (the 'Sedgefield Approach'), and not spread across the plan period (the 'Liverpool Approach').

In line with the Secretary of State and Planning Inspector's method of calculation in the Highfield Farm, Tetbury, appeal decision, the Council apply the 20% buffer to both the annual requirement plus any shortfall.

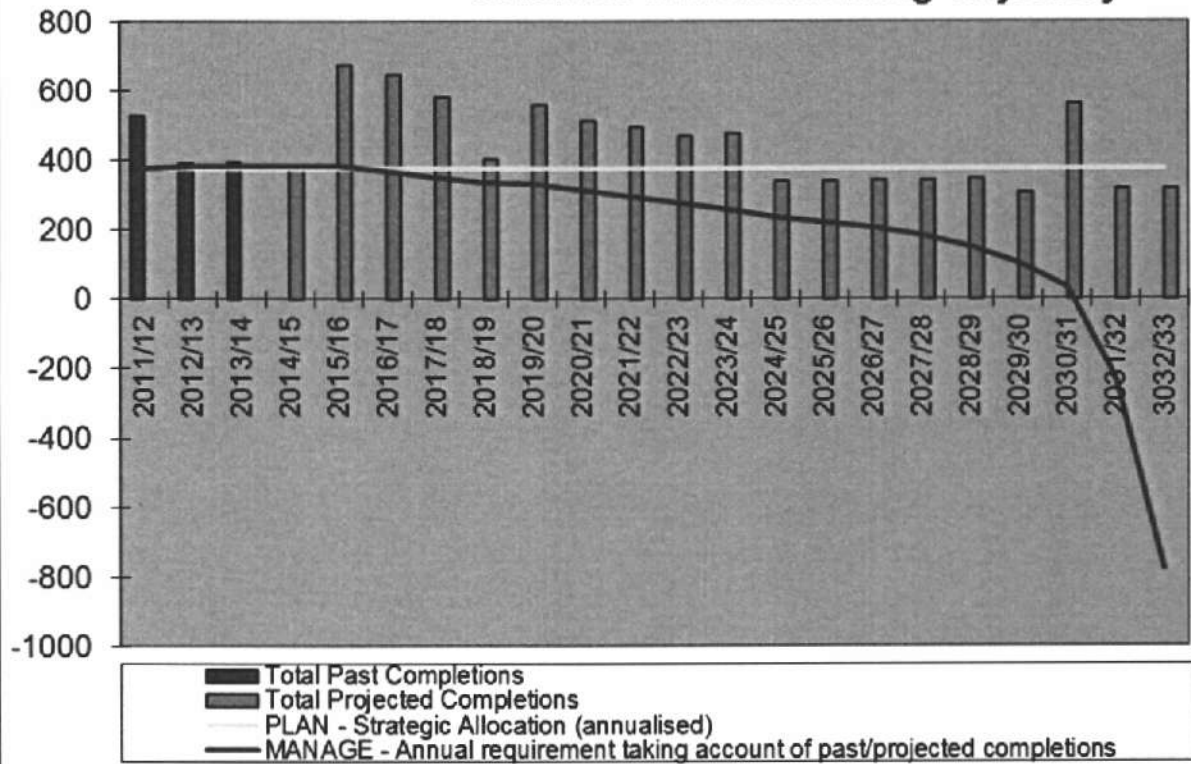
5 YEAR SUPPLY		
A	Requirement: 375 dwellings p.a. (1 st April 2011 to 31 st March 2014) 375 x 3 years	1,125
B	Net dwellings built to date (2011-2014)	1,317
C	Supply shortfall (A-B)	-192
D	5 year requirement (375 x 5) + C	1,683
E	20% buffer on requirement (D x 1.20)	2,020
F	Revised Annual Requirement	404
Supply		
G	Commitments	2,450
	Allocations	30
	SHLAA sites	109
	Windfalls	138
	Lapse rate	-47
	Total supply over next 5 years	2,680
I	5 year land supply position (supply / annual requirement) (G / F)	6.6 years
J	Supply as a percentage	133%
K	Surplus (G - E)	660

Housing Trajectory

	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	TOTAL
Total Past Completions	528	393	396																					1317
Total Projected Completions				380	675	645	580	401	559	512	495	469	476	338	338	342	345	346	307	561	317	318	319	8723
Cumulative Completions	528	921	1317	1697	2372	3017	3597	3998	4557	5069	5564	6033	6509	6847	7185	7527	7872	8218	8525	9086	9403	9721	10040	
PLAN - Strategic Allocation (annualised)	375	375	375	375	375	375	375	375	375	375	375	375	375	375	375	375	375	375	375	375	375	375	375	8625
MONITOR - No. dwellings above or below cumulative allocation	172	1104	1663	1670	1378	-1108	-973	-877	-883	-659	-668	-642	-641	-676	-616	-648	-675	-607	-475	-389	-347	-304	-260	
MANAGE - Annual requirement taking account of past/projected completions	375	386	385	385	385	388	351	335	331	313	296	278	259	235	222	206	183	151	102	33	-231	-778	-1415	

* Note: The background site information table at page 15 onwards, shows the detailed anticipated delivery for sites with planning permission and SHLAA sites that are within development boundaries and assessed as deliverable within 5 years.

Cotswold District Housing Trajectory



Number of dwellings above/below cumulative allocation for Cotswold District

