

Home Builders Federation

Matter 10

CENTRAL BEDFORDSHIRE LOCAL PLAN EXAMINATION

Matter 10 - Housing Land Supply

Issue 1 – Five-Year Housing Land Requirement

Q1. What is the basic five-year housing land requirement, what is it based on and how has it been calculated?

Any comments made below are on the basis of the Council's housing requirement as set out in the local plan. However, we remain concerned that the Council has underestimated needs and should be planning for a higher level of housing delivery.

In considering the basic five-year housing land supply on adoption the Council must seek to address any backlog in its housing needs within the 5 years as required by planning practice guidance and against a “flat” housing trajectory. With regard to buffer paragraph 47 requires the Council to include either a 5% or, if there is a record of persistent under delivery, 20%. Whilst the plan is being examined under the transitional arrangements and should strictly be tested on this basis, we recognise that the Plan and the buffer applied to the five-year housing land supply will be based on the Housing Delivery Test. The Government's Housing Delivery Test indicates that the CBC is, at present only required to provide a 5% buffer. Using the approach described above and the Council's published trajectory, the five-year housing land supply requirement for 2019/20 to 2023/24 is 10,609 new homes.

Table 1: Five-year land requirement 2019/20 to 2023/24

A. Basic five-year requirement 2019/20 to 2023/24	9,838
B. Backlog 2015/16 to 2018/19	266
C. Total 5-year requirement 2019/20 - 2023/24 (A+B)	10,104



D. Buffer (C x 0.05)	506
E. Requirement with buffer (C+D)	10,609
F. Supply 2019/20 to 2023/24	13,159
G. Surplus/shortfall (F-E)	2,550
H. Years supply in first five years	6.20

Q2. How does the five-year housing land requirement compare to previous rates of delivery?

The five-year requirement is a significant increase in delivery on the previous rates of delivery where the Council has averaged around 1,600 dwellings per annum. Delivery at the higher rates indicated by the Council will be challenging and it will be important that the Council delivers quick and timely permissions if it is to achieve its expectations. It will also be important for the Council to have compelling evidence for including delivery of strategic sites in its five year housing land supply assessment. We note that the Council's latest position on land supply indicates that the Council can show a buffer of 24% in its five-year housing land supply. As the HBF does not comment on the deliverability of sites we cannot say whether this revised position valid but on face value we would welcome the decision to deliver supply well above its requirement. In general, we suggest that Council's should plan for a 20% buffer regardless of the Housing Delivery Test as this ensures that there is flexibility in supply should sites not come forward as expected. This is even more important where there is a reliance on strategic sites coming forward within the first five years of the plan, as is the case in Central Bedfordshire.

Q3. Taking a longer-term view, how has the Council performed against previous annual housing requirements? Does this represent the 'persistent undersupply' defined by the Framework? In this context, should the buffer be 5% or 20%?

As outlined above this Plan will be implemented under the 2019 NPPF and as such any consideration of the "buffer" will be made on the basis of the Housing Delivery Test. The Government published the outcomes of the HDT earlier this year which showed that CDC would be classified as a 5% buffer.

Q4. If a 20% buffer applies, should this be applied to the basic five-year requirement, or the five-year requirement and any undersupply?

It is standard practice to apply this to the five-year requirement including any undersupply.

Q5. If there has been an undersupply, should this be addressed within the next five years (the 'Sedgefield' method), or over the remainder of the plan period (the 'Liverpool' method)? Is the Council's approach consistent with the PPG which advises that local planning authorities should aim to deal with any undersupply within the first 5 years of the plan period where possible?

In order to be consistent with national policy any under supply should be addressed within 5 years. On the basis of the Council's proposed trajectory there is no justification for the use of the Liverpool approach in assessing five-year housing land supply.

Q6. Taking the above into account what is the five-year housing land requirement?

As set out in our answer to question 1 we consider the Council's 5-year land supply requirement to be 10,609 units between 2019/20 and 2023/24.

Issue 2 – Supply

The HBF does not generally comment on the deliverability of sites allocated in local plans. However, we do advise Councils to be cautious when considering the rate at which sites can be delivered and the potential lead in times. It is important that Councils recognise the risk that strategic sites can come forward much slower than expected and deliver at the lower rates than anticipated. Where there is a significant reliance on such sites coming forward in order to meet the housing needs, we consider it important that a buffer of 20% is included within the housing land supply to ensure needs are met. We also note that nationally, Lichfield's research entitled 'Stock and Flow Planning Permissions and Housing Output' indicates that permission was granted for 261,644 new homes in 2015 in England, whilst net completions in 2015–16 amounted to 189,650 (of which 163,940 were new build). Similarly, in a presentation given by a DCLG Planning Director (Ruth Stanier) to the HBF Planning Conference in September 2015, DCLG presented research findings estimated that c.15-20% of permissions are re-engineered with a re-permission sought, which would have the effect of delaying completions, potentially for a significant period. At present the Council can show an oversupply of 12% across the plan period. Again, taking this position and the proposed delivery rates at face value we welcome the Council's decision to include a buffer in overall supply. However, would advise that planning for 20% above the requirement for the plan period would provide the necessary certainty that the housing requirement will be met.

Issue 5 – Flexibility

Q1. What flexibility does the plan provide if some of the larger sites do not come forward in the timescales envisaged? Does the Plan identify a buffer over and above the total housing requirement to account for flexibility?

The Council have identified a 12% buffer to overall supply within the local plan. Whilst we welcome the inclusion of this buffer. However, we do not consider it to be sufficient.

As set out above the HBF recommends a 20% buffer to ensure a sufficiently robust and the plan has the flexibility to adapt to any rapid changes in circumstance.

Q2. Is it necessary to have a review mechanism in the Plan to consider progress against these, and other sites, and to identify any appropriate steps to increase supply if required?

Whilst we have no objections to the inclusion of a review mechanism to consider progress against delivery, we have concerns regarding their effectiveness. Such review mechanisms are used by local authorities to avoid providing the necessary flexibility within the supply of homes set out in their local plans. The most appropriate response is to provide a substantial buffer through additional allocations of small and medium sized sites.

We would suggest that the most pressing issue is for the Council, should this plan be found sound, is to prepare a new plan on the basis of the 2019 NPPF. The Council have proposed to review the plan within 6 months, which is welcomed, but we would suggest this should be set out in policy and commit to the submission of the plan within three years. Such a commitment should also have some teeth and we would therefore propose that if a new plan is not submitted in three years the Council's housing requirement will revert to the local housing needs as calculated using the standard methodology.

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