

Kirklees Local Plan Examination

Stage 1 – Initial Hearings

MATTERS, ISSUES AND QUESTIONS (MIQs)

Council Response

Matter 4 – Housing land supply and delivery

- 1.1 This statement sets out the council's responses in relation to the Inspector's matters and issues Matter 4 – Housing land supply and delivery. All of the documents referred to in this statement are referenced within the statement.

Issue – Is the identified overall housing requirement in the plan (31,140 dwellings) justified, deliverable and consistent with national policy?

Questions

- a) **What are the Council's reasons for seeking to deliver full OAHN in Kirklees? Is the approach justified, and in line with paragraph 14 in the NPPF? Has the Council considered whether an uplift should be made in market housing to provide additional affordable housing?**
- 1.2 The council is planning positively by seeking to deliver the full Objectively Assessed Housing Needs (OAHN) in Kirklees in accordance with NPPF (NE1) paragraph 14 which states that "*Local Plans should meet objectively assessed needs*" and NPPF (NE1) paragraph 47 which states that local planning authorities should "*use their evidence base to ensure their Local Plan meets the full, objectively assessed needs for market and affordable housing in the housing market area*". As set out in the SHMA (SD18, paragraphs 3.38 – 3.42), the Kirklees district is a self-contained housing market area for the purposes of plan making. As such the council are seeking to deliver the full OAHN in Kirklees.
- 1.3 The potential housing capacity to meet the Kirklees housing requirement was determined through the assessment of sites using the site allocations methodology (BP22 and BP23), consideration of reasonable alternatives through the Sustainability Appraisal and the Habitat Regulations Assessment. The Green Belt Review Supporting Document (BP25, section 6) states that such scrutiny of the existing supply of housing land within the urban area has shown that green belt land must be considered if the objectively assessed needs are to be met within the Kirklees district.
- 1.4 NPPF (NE1) paragraph 14 refers to green belt as a specific restrictive policy in the Framework in footnote 9. To ensure the use of green belt is justified the council have set out evidence to determine the green belt implications of meeting OAHN in Kirklees. The Green Belt Review (SD19) examined the green belt at a district-wide geography including strategic gaps and an assessment of the green belt boundary across the whole of Kirklees. This determined that there is potential to use green belt land for development. Exceptional circumstances justifying the release of land from the green belt can only be shown following a judgement, based on an individual site assessment, that the benefits of meeting objectively assessed need outweighs the harm caused in accordance with NPPF (NE1) paragraph 83. This has been demonstrated for each

accepted development option as set out in the Accepted Site Options Technical Appraisals (BP29). As a result, on balance, the use of green belt to meet the OAHN in Kirklees is justified and there is therefore no impediment to meeting the OAHN in full within Kirklees on this basis.

- 1.5 Although the OAHN can be met in Kirklees, the housing market relationship with other local authorities has been considered. CR3 sets out the Leeds City Region context for housing market areas. In order to ensure individual local authority Strategic Housing Market Assessments meet Duty to Co-operate obligations the Leeds City Region Enterprise Partnership commissioned work on the Leeds City Region housing market geography (CR13). CR13 identifies that the Kirklees/Calderdale and Kirklees/Wakefield Housing Market Areas (HMA) are impermeable, but that the Kirklees/Leeds HMA boundary is permeable (around Batley) and the Kirklees/Bradford HMA boundary is highly permeable (around Cleckheaton) (CR13, box 4, page 34). As set out in the Duty to Co-operate (DtC) Statement (SD14, Appendix A, Ref 1C), adjoining authorities are planning to meet their own objectively assessed needs for housing. As set out in the DtC Statement (SD14, paragraphs 5.15 – 5.17 and Appendix A, Ref 1C), the council identified that it could meet the OAHN within Kirklees and agreement was reached through the Leeds City Region DtC process that each local planning authority is aiming to meet their Objectively Assessed Need for housing within their own boundaries.
- 1.6 Further to this and the findings of CR13 with respect to the Kirklees and Leeds/Bradford HMA boundaries, Bradford Council confirmed in writing that it is planning to fully meet its own objectively assessed needs within its district (BP28, page 10). In view of this correspondence and the fact that Leeds City Council already has an adopted housing requirement which it plans to fully meet within its district, Kirklees council does not consider that it would be prudent to give consideration to helping meet the development needs of either Leeds or Bradford Councils without being expressly asked to do so. It should be noted that the adjoining authorities in the Leeds City Region are proposing the use of green belt land to meet their own needs.
- 1.7 The council have considered whether there should be an uplift in market housing to provide additional affordable housing and have concluded that no such uplift is justified. There is an annual imbalance of 1,049 affordable dwellings each year if the shortfall is to be resolved within 5 years (SHMA, SD18, paragraph 8.21). This is not a target for delivery but expresses the overall need from household survey evidence with the current supply of affordable housing. If the shortfall is to be cleared over 10 years this falls to an annual imbalance of 397 affordable dwellings and if it is to be cleared over the Local Plan period this falls to an annual imbalance of 108 affordable dwellings. As stated in SHMA (SD18, paragraphs 6.32 – 6.34), the PAS guidance¹ states that there is no arithmetical way of combining the two calculations in PPG to produce a joined-up assessment of overall housing need. There is an overlap between overall housing need and affordable housing need.
- 1.8 Other measures of affordability can be considered to see whether an uplift in the requirement is needed to increase affordable housing delivery. As set out in the council's response to Matter 3(e), the SHMA (SD18) reports on two measures of affordability – the House Price Ratio (HPR) and the Rental Affordability Ratio (RAR). As set out in the SHMA (SD18, paragraph 6.28) PPG does not specify a mechanism

¹ [Planning Advisory Service Objectively Assessed Need and Housing Targets Technical Advice Note Second Edition July 2015](#)

for uplift but the LPEG report² recommends uplift from the demographic starting point based on two measures of affordability: House Price Ratios and Rental Affordability Ratios. Although this is not part of national policy, for completeness these ratios are considered below. For Kirklees, the ratios are HPR 5.2 and RAR 25.9. Uplifts are recommended by LPEG when the HPR exceeds 6.3 and the RAR 25%. However, for Kirklees, the HPR is well within the range where no uplift is necessary and for the RAR, this is continuing to fall and has reduced from 28.3% in 2011 to 25.9% in 2015. As such, no uplift is proposed (SD18, paragraph 6.28). More recent information for 2016³ shows that the RAR has now decreased to 24.6% and 2017 data indicates a continuation of this trend. The RAR is now below the uplift threshold which further support the conclusion in the SHMA that no uplift is required.

b) Should the overall housing requirement of 31,140 dwellings in the Plan be expressed as a minimum rather than an approximate figure? Should the requirement be included in a policy?

1.9 The Spatial Development Strategy (SD1, page 36 - 37) states the provision of "*about, (but not less than) 31,140 new dwellings.*" which provides flexibility. It is acknowledged that the housing strategy (SD1, paragraph 8.6) refers to the requirement specifically as 31,140. As such, an amendment may be required to ensure internal consistency within the Strategy and Policies document. As the intention of the current wording in the Spatial Development Strategy is to apply the requirement as a minimum, the council would therefore be willing to consider a modification to refer to the provision of "a minimum of 31,140 dwellings" in the Spatial Development Strategy and paragraph 8.6 (SD1, Strategy and Policies).

1.10 The National Planning Policy Framework and Planning Practice Guidance do not require the inclusion of a housing requirement policy and, as such, the council do not believe that this is necessary as part of planning positively to meet local needs.

c) Housing completions and commitments data in Table 5 of the Plan has been updated in the Housing Supply Topic Paper (July 2017) for 2015/16. What is the effect on the windfall allowance and demolition allowance in the Council's supply calculations? What are the implications for overall housing delivery and the Council's five year housing land supply? Will a five year supply be provided on adoption and maintained over the Plan period? Does the Plan allow sufficient flexibility to respond to changing circumstances?

1.11 The Housing Supply Topic Paper (EX30) provides an update to include 2015/16 information. This update does not have any effect on the windfall allowance or demolitions allowance. The average windfalls over the period 1999/2000 – 2015/16 are 892 per annum compared to 885 per annum excluding 2015/16. The justification for a windfall allowance of 450 per annum remains as set out in EX30 (paragraphs 2.7 – 2.12). The average losses (including demolitions, conversion and change of use) were also updated to include 2015/16 information and the average changed from 88 to 90 per annum as a result. The council had already rounded up the previous allowance for losses to 90 per annum so there are no impacts from the 2015/16 update.

² [Local Plans Expert Group - Report to the Communities Secretary and to the Minister of Housing and Planning, March 2016 \(Appendix 6\)](#)

³ Zoopla rental information

1.12 In relation to overall housing delivery, the 2015/16 update still enables the housing requirement to be met during the plan period and for a five year supply to be demonstrated at adoption. The Housing Supply Topic Paper (EX30, Table 8, pages 21-22) demonstrates 5.73 years supply from 2018/19 in accordance with NPPF (NE1, paragraph 47). The council remains confident that a five year supply can be maintained during the plan period but this can only be calculated at a point in time and depends on a range of factors. The council will continue to monitor commitments and completions on an annual basis. The housing implementation strategy as set out in SD1 (paragraph 8.26) shows the actions which would be considered if the council could not demonstrate a five year supply at any stage during the plan period. The council will be updating the completions and commitments data to include 2016/17 prior to the October examination hearings and so will be in a position to comment further when the revised information is available.

1.13 The Local Plan allows sufficient flexibility to respond to changing circumstances in relation to the five year supply and overall housing delivery including:

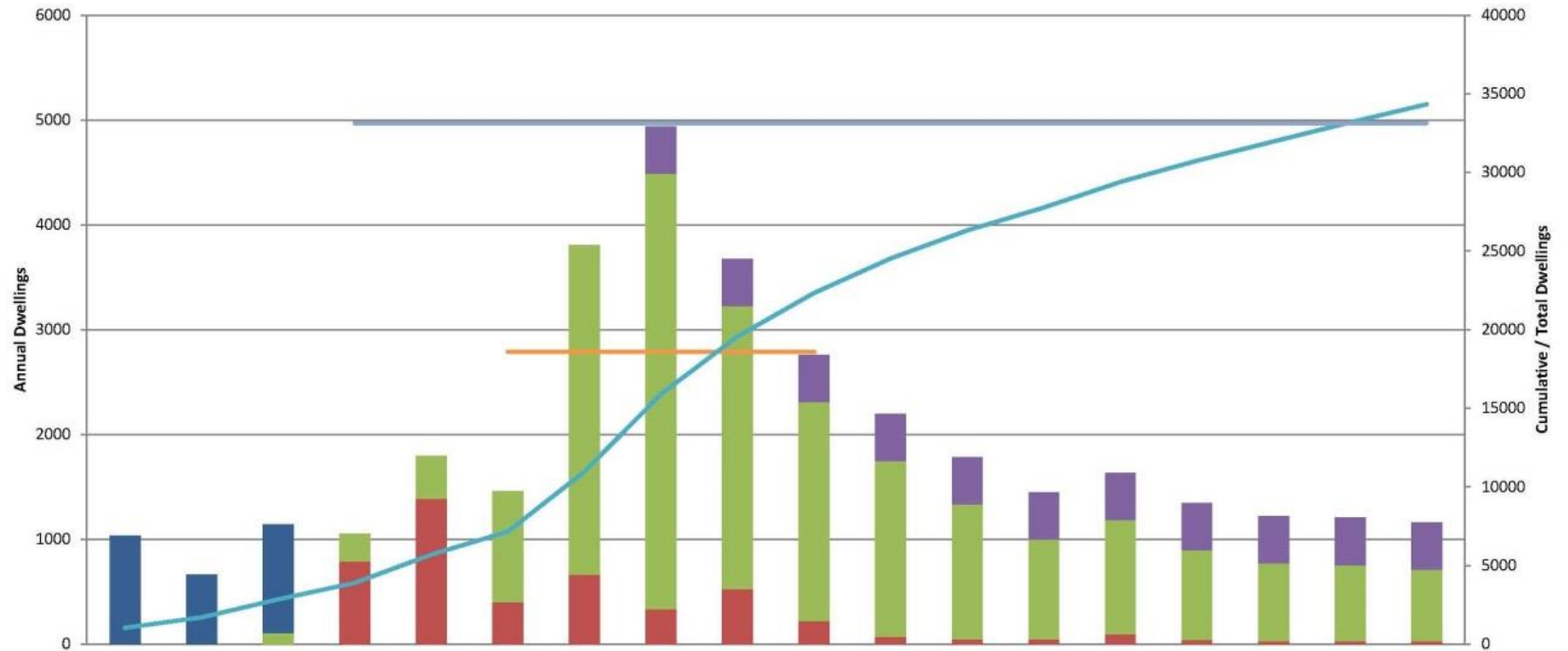
- A list of potential actions to boost the delivery of market housing as set out in the housing implementation strategy (SD1, paragraph 8.26)
- The allocation of more housing capacity than required, based on the calculation set out in Table 5 of SD1 and updated in Table 1 of EX30
- 10% flexibility rate on planning permissions
- Relatively conservative windfall allowance relying mainly on small sites
- Inclusion of 20% buffer in the five year housing land supply calculations
- No allowance for empty homes being brought back into use
- The Local Plan strategy does not prescribe an exact housing requirement for each settlement
- Indicative phasing schedule which does not restrict housing capacity from being delivered earlier than anticipated
- Provision of Safeguarded Land
- Additional potential actions in relation to affordable housing delivery are set out in the Housing Supply Topic Paper (EX30, paragraph 4.28).
- Affordable housing policy (PLP11) allows consideration of the latest viability evidence in the consideration of planning applications
- Policies such as PLP 11 refer to viability evidence as a consideration in their implementation
- Reference in PLP 11 to the latest housing mix evidence allows updated evidence to be considered

d) Can the Council confirm the contribution the different sources of housing supply are likely to make each year over the Plan period? (e.g. the figures which have informed the housing trajectory graph in the Plan)? Should this information be included in the Plan alongside the graph?

1.14 The contribution the different sources of housing supply are likely to make (the figures which have informed the housing trajectory) is set out in the housing trajectory on the next page. This includes the updated 2015/16 monitoring information as set out in the housing trajectory in the Housing Supply Topic Paper (EX30, figure 1, page 19).

1.15 As the trajectory provides a snapshot in time showing anticipated delivery, the detailed data which informs it will change through annual monitoring of completions, windfalls and commitments. As such, the council does not believe the inclusion of the detailed figures within the Local Plan alongside the trajectory graph is necessary or appropriate to ensure the soundness of the plan.

Kirklees Local Plan - Housing Trajectory (2016 based)



	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
Completion (annual)	1036	666	1033															
Permissions (annual)				788	1386	402	666	337	528	219	72	50	50	96	42	30	30	28
Local Plan Allocations	0	0	109	266	410	1056	3140	4149	2698	2092	1673	1284	949	1086	856	742	726	683
Windfall (annual)								450	450	450	450	450	450	450	450	450	450	450
Annual 5 year supply figure required						2787.6	2787.6	2787.6	2787.6	2787.6								
Cumulative Total	1036	1702	2844	3898	5694	7152	10958	15894	19570	22331	24526	26310	27759	29391	30739	31961	33167	34328
Total Gross Dwellings Needed to meet requirement				33131	33131	33131	33131	33131	33131	33131	33131	33131	33131	33131	33131	33131	33131	33131

- e) Is the Council’s approach to calculating five year land supply robust and in line with national policy and guidance? Should the Plan include reference to the Council’s assumptions and parameters and the five year supply position?**
- 1.16 The Housing Supply Topic Paper (EX30, Table 8) sets out the latest (2016-based) five year supply calculation. The approach taken is robust and consistent with the requirements of NPPF (NE1) paragraph 47. EX30 (paragraphs 4.7 - 4.14) bases the five year supply calculation from 1st April 2018 to show that a five year supply can be demonstrated at the anticipated adoption date of the Local Plan.
- 1.17 The housing requirement for the five year supply is consistent with the Kirklees SHMA (SD18, paragraph 6.44) and the emerging Local Plan housing requirement as reflects the latest housing need evidence. The five year supply calculation takes account of the shortfall since the Local Plan and SHMA base date (1st April 2013). The approach seeks to deliver the shortfall within the first five years of the plan period in accordance with NPPG (NE2, paragraph 3-035). The council will provide updated housing capacity information to include 2016/17 prior to the Stage 1 hearings with updated commentary in this regard. The approach concludes that the 20% buffer should be applied in accordance with NPPF (NE1, paragraph 47).
- 1.18 Capacity included in the five year supply is from sites with planning permission or proposed Local Plan housing allocations. In accordance with NPPF (NE1, paragraph 47) (footnote 11) sites with planning permission are considered deliverable until permission expires, unless there is clear evidence that schemes will not be implemented within five years. The capacity from sites proposed as housing or mixed use allocations has also been included in the five year supply where these sites are considered deliverable. This has taken account of current policy constraints which may prevent capacity being delivered in the early part of the five year period as well as lead-in times and build rates.
- 1.19 The methodology used and the evidence to support the lead-in times and build rates is set out in the Housing Supply Topic Paper (EX30, paragraphs 3.15 – 3.31). In accordance with NPPF (NE1, paragraph 48) the council has set out compelling evidence that windfall sites have become available in Kirklees and will continue to provide a reliable source of supply in the Housing Supply Topic Paper (EX30, paragraphs 2.7 – 2.12). Only three years of windfall allowance capacity have been included in the five year housing land supply calculation to ensure no double counting with current planning permissions. A demolitions allowance (EX30, paragraphs 2.13 – 2.14) and lapse rate on planning permissions (10%) that have not been assessed through the Local Plan site allocations methodology (EX30, paragraphs 2.5 – 2.6) have been included in the calculation to ensure the five year supply capacity is realistic.
- 1.20 As set out above, the five year supply calculation assumptions are robust and consistent with national planning policy and guidance. The calculation will be updated annually through the Annual Monitoring Report. Such monitoring requires the flexibility to deal with changes to the NPPF/NPPG as well as windfall assumptions, demolition assumptions and the timescales for meeting the shortfall since the Local Plan base date. To ensure such flexibility, the council does not believe the detailed assumptions and parameters should be set out in the Local Plan.

f) What are the main risks and potential barriers to the delivery of the housing requirement in Kirklees over the Plan period?

1.21 The main risks and potential barriers to the delivery of the housing requirement in Kirklees over the plan period, based on the overarching key considerations set out in the Local Plan Delivery Statement (BP27, paragraphs 5.1-5.53), are as follows:

- Consideration of occupier demand
There are risks that the housing needs may not be met during the plan period and the potential barrier that prospective home owners cannot obtain a mortgage or raise a sufficient deposit.

The Local Plan seeks to address these issues by setting out to meet the local plan housing requirement as evidenced by the SHMA (SD18). Policy PLP 11 (SD1, pages 68-69) seeks to ensure the housing mix on sites reflects evidence of local needs and seeks to deliver affordable housing to meet needs. Government initiatives such as Help to Buy will also help to minimise this risk.

- Land supply shortage
The lack of a sufficient land supply could represent a risk in relation to the delivery of the housing requirement as 1,730 new homes per annum are required to meet the Local Plan housing requirement.

The Local Plan seeks to address this issue by allocating sufficient land to meet the housing requirement and overcome the current housing land supply issues. Additional factors include the 20% buffer applied to the five year supply calculation in accordance with NPPF (NE1, paragraph 47) and that the Local Plan sets out actions to be taken if delivery issues occur (SD1, paragraph 8.26) including factors such as overcoming ownership issues.

- Delivery capacity
The capacity of developers to build the number of homes required also represents a risk and potential barrier to delivery of the housing requirement. This includes the general capacity of developers, sites not being delivered to the anticipated timescales and potential land banking issues.

The Local Plan Delivery Statement (BP27, page 32) evidence shows that Kirklees is attractive to a range of national and regional housebuilders. The Local Plan allocates a range of site sizes and the majority of the windfall capacity will be delivered by small and medium sized builders. The council is supportive of self-build and have set up a self-build register (Strategy and Policies (SD1, paragraph 8.32). Potential government funding is available to improve site delivery such as the Starter Homes Land Fund and Housing Infrastructure Fund. Early delivery of housing capacity is on sites which already have planning permission or planning applications. The Local Plan lead-in times and build rates are realistic in relation to anticipated site delivery and the Local Plan evidence base also includes site promoter evidence for larger sites (SS1-SS14) and Statements of Common Ground which provide further certainty in relation to delivery. Developers would need to play a role in developing land banking issues should these arise during the plan period.

- Delivery mechanisms

There is a potential risk if planned infrastructure delivery is delayed especially in relation to the strategic sites. Further risks include the non-implementation of planning permissions and viability issues impacting on delivery.

The CIL and Infrastructure Delivery Plan set out evidence in relation to the delivery of infrastructure to support the new housing development. The Local Plan Delivery Statement (BP27, paragraph 1.34) concludes that the policy expectations are flexibly worded so that they will not necessarily harm viability. For example, Policy PLP 11 (SD1) which refers to viability assessments in relation to the affordable housing requirement. In relation to non-implementation of planning permissions, the Local Plan applies a 10% lapse rate to the overall capacity with planning permission on sites which were not assessed according to the site allocations methodology (as set out in EX30, paragraph 2.4).

1.22 In addition to the actions listed above the council have also set out actions taken within the plan or future actions which aim to reduce such barriers, as set out in the list of potential actions to boost delivery of market housing (SD1, paragraph 8.26) and affordable housing (EX30, paragraph 4.28).

g) Is the application of a 10% lapse rate to outstanding planning permissions justified and supported by the evidence? Should a lapse rate also be applied to allocations?

1.23 The council believes that a 10% lapse rate to outstanding planning permissions (where these are not also allocated as Local Plan sites) is justified when considering the available evidence and its limitations, consultation with the development industry and relevant appeal decisions.

1.24 Analysis of the lapse rate of planning permissions granted in the years 2009/10 to 2012/13 in Kirklees shows a range between 11% and 20%, with an average rate of approximately 16%. This analysis is based on whether the site had an expired planning permission at 2016 which could include potential double counting of lapse rates for example on sites which had more than one planning permission between 2009/10 and 2012/13. It is also possible that sites recorded as lapsed in 2016 may still be delivered in future years through a new planning application. These limitations therefore indicate that the approximate 16% average lapse rate from the analysis of the local evidence is inflated.

1.25 Given such uncertainty, the council have explored the issue of lapse rates through consultation on the Local Plan. The 10% discount was broadly supported by the representations on the Publication Draft Local Plan. This includes comments from developers⁴, landowners⁵ and the Home Builders Federation⁶. There is also appeal evidence which supports the 10% lapse rate although it is acknowledged that there are mixed appeal decisions in relation to this issue. A 10% lapse rate has been accepted in a range of planning appeals including at Honeybourne⁷ and at Marston Green.⁸ At Marston Green (paragraph 8) the planning inspector noted that “*Predicting the number*

⁴ PDLP_SP289 (Redrow Homes), PDLP_SP288 (Taylor Wimpey UK Ltd), PDLP_544 (Barratt & David Wilson Homes), PDLP_SP774 (Strata Homes)

⁵ PDLP_SP436, PDLP_SP290, PDLP_SP287

⁶ PDLP_SP497

⁷ [Planning Appeal by Lioncourt Homes against Wychavon District Council at Honeybourne, Worcestershire \(APP/H1840/A/12/2171339\)](#)

⁸ Planning Appeal by Persimmon Homes Ltd against Solihull Metropolitan Borough Council at Marston Green, Solihull (APP/Q4625/A/11/2157515)

of planning permissions that will be implemented can never be done with any certainty, but I consider the application of a 10% discount, an approach widely practised when undertaking calculations of this kind, to be fair and reasonable". This situation is appropriate to Kirklees given the limitations of the local analysis on this issue. Although the Inspector's comments in each of these cases were in relation to the calculation of a five year housing land supply the principle of discounting capacity from planning permissions is relevant.

- 1.26 Overall the 10% lapse rate is deemed to be appropriate when considering the local evidence (and its limitations), appeal decisions and soundings from the development industry through Local Plan representations.
- 1.27 The council does not believe a 10% lapse rate is justified for proposed Local Plan allocations as these have been assessed using the robust Local Plan methodology. This provides confidence that they will deliver the expected number of homes during the plan period. The Local Plan also allocates more capacity than required (21,919 compared to the requirement for 20,444 which provides further flexibility (EX30, paragraph 4.5). As such, it is considered that a lapse rate to be included for these sites is not justified.

h) Is the windfall rate of 450 dwellings per annum justified and supported by local evidence?

- **To what degree is this figure based on large windfall sites (0.4 hectares or more), and what are the reasons for the inclusion of this element? Is the information on large potential housing sites in the SHLAA and other evidence sources sufficiently comprehensive? Does the Plan allocate all known large potential housing sites within existing built-up areas?**
 - **Does the use of a large windfall rate create issues of double counting with outstanding permissions on large sites and allocations within urban areas in the period 2020-2031?**
 - **Is the application of the windfall rate from 2020/21 justified and reasonable?**
 - **To what degree have historical windfall rates been influenced by the availability of housing allocations and other site-specific opportunities in the area?**
- 1.28 The council has set out evidence to demonstrate that the windfall rate of 450 dwellings per annum is justified and supported by local evidence in EX30 (Housing Supply Topic Paper, paragraphs 2.7 – 2.12 and Appendix 1). The inclusion of a windfall allowance is justified by the compelling evidence that windfall sites have consistently become available in the local area and will continue to provide a reliable source of supply (in accordance with NE2, paragraph 48). The Housing Supply Topic Paper (EX30, Appendix 1) provides detailed annual windfall delivery information in Kirklees for all sites and also just for smaller sites (less than 0.4ha) which are below the Local Plan allocation threshold.
- 1.29 For all windfall sites, this shows an average delivery of 892 windfall dwellings per annum in Kirklees (since 1999/2000) (EX30, Table A1, page 28). As this analysis includes sites over 0.4ha there is the risk that delivery may be reduced once the Local Plan is adopted due to the increased availability of larger housing sites. Analysis of windfall delivery on smaller sites demonstrates an average delivery of 453 dwellings per annum (EX30, Table A2, page 28). As these sites will be unaffected by the increase in supply from Local Plan allocations, there is compelling evidence that this windfall delivery will continue during the plan period. The council have therefore

applied a relatively conservative windfall allowance of 450 per annum within the Local Plan based mainly on smaller sites. In reality, there will continue to be some windfall delivery from larger sites during the plan period (such as land currently in employment uses which become unexpectedly available) but the windfall allowance does not rely on the inclusion of sites over 0.4 hectares.

- 1.30 The information on larger potential housing sites in the SHLAA and from other sources is comprehensive and has emerged from a wide range of sources such as multiple calls for sites, current UDP allocations, a review of council owned land, interrogation of the Register of Public Sector Land and other sources. The detailed list of sources is set out in the Housing Supply Topic Paper (EX30, paragraphs 3.2 – 3.3). The Local Plan considered all known larger potential housing sites within existing built up areas and these are proposed as housing allocations where they accord with Local Plan strategy and meet the requirements set out in the site allocations methodology (BP22/BP23) and Sustainability Appraisal. Changes in circumstances during the plan period may mean other sites become available for housing development during the plan period and these would form part of the windfall delivery.
- 1.31 It has been assumed that most of the housing requirement for the early years of the Local Plan will be delivered on sites which already have planning permission. As such the approach to apply the windfall allowance from 2020/21 onwards is justified and reasonable as it prevents double counting of capacity with sites which have planning permission and presents a realistic assumption of windfall delivery during the plan period. As set out above, the majority of the windfall delivery during the plan period is expected to be delivered on sites less than 0.4ha which reduces the risk of double counting of sites, particularly of capacity on larger sites. The Local Plan Delivery Statement (BP27, paragraph 6.5) refers to the windfall rates in the Local Plan as conservative. There has also been significant discount from past windfall delivery rates by almost half to calculate the Local Plan windfall allowance. This minimises the risk of relying on too much capacity from windfall.
- 1.32 In relation to the influence of the availability of housing allocations and other site-specific opportunities, the fact that the Kirklees Unitary Development Plan was adopted in 1999 means that there have been no new housing allocations since that date. As EX30 (Appendix 1) demonstrates, the windfall allowance increased to around 70% within 5 years of adoption of the UDP even though the UDP allocated new sites to meet the housing requirement at that time. The lack of new housing allocations during this period may have had some impact on the windfall rate in relation to larger sites. Some of these sites assessed as windfall may have already been allocated for housing had an earlier revised Local Plan been adopted. The lack of an up to date development plan would not however influence the availability of smaller windfall sites as set out in Table A2 (EX30) which shows small windfall sites (less than 0.4ha) have consistently provided capacity in Kirklees since 2006/07 with an average of 453 dwellings per annum.

i) How many empty homes have been brought back into use in the borough in recent years? Does the Council have a projected figure or target for future supply from this source?

1.33 The Kirklees SHMA (SD18, Table 5.1, page 82) sets out the number of long-term empty properties since 2005 as follows:

Year	2007	2008	2009	2010	2011	2012	2013	2014	2015
Long term vacant dwellings	3,625	4,088	4,003	3,696	3,606	3,353	2,676	2,507	2,217
%	2.09	2.33	2.24	2.05	1.99	1.84	1.47	1.37	1.20

1.34 There has been a decreasing trend in vacant properties since 2008. Recent reductions are likely to be partly as a result of the council charging 150% council tax if properties are empty for 2 or more years. In 2015 the long-term vacant dwellings total was 1.2% which is comparable with the Yorkshire and Humber (1.1%) and England (0.9%) (SD18, Table 5.2, page 83).

1.35 The council does not have a projected figure or target for bringing empty properties back into use as the purpose of the Kirklees Empty Homes Strategy (LE25) is to provide advice to property owners. The uncertainty around empty homes also means that it would be difficult to provide evidence to justify an empty homes allowance within the plan. The council are aiming to refresh the Empty Homes Strategy in 2017.

1.36 Evidence in SHMA (SD18, table 5.2) shows the proportion of empty homes in Kirklees is comparable to the regional and national averages. Considering this, the lack of evidence to justify an allowance from this source and to avoid the risk of double-counting the council do not rely on this as a source of supply in the Local Plan. Any long-term empty properties brought back into use will provide additional flexibility during the plan period.

j) Are the estimated delivery and phasing rates from site allocations in Appendix 3 of the Plan robustly based and justified⁹? In particular:

- **Are the standard lead-in times and build out rates (as set out in Tables 9 and 10 in the Council's Housing Technical Paper) justified by local evidence? [*in responding the Council is requested to pick up on points raised by representors to the Publication Draft Local Plan, including the research undertaken by Nathaniel Lichfield (submission on behalf of KeyLand Developments Ltd)]***
- **Have the standard lead-in times been applied to all sizes of schemes?**
- **Is the standard net density of 35 dwellings per hectare (dph) justified by local evidence? Why has this approach been adopted?**

Lead-in times

1.37 The council has proposed an amendment to part of the lead-in times methodology through the Housing Supply Topic Paper (EX30, paragraphs 3.16 – 3.27). The proposed amendment is to allow a further 6 months at the start of the lead-in times to include the preparation of the initial planning application. This results in a maximum 24 months lead-in time for sites depending on their current planning status (unless site specific evidence justifies a different lead-in time). The council's view is that this represents a more realistic position on delivery timescales.

⁹ Having regard to updated phasing estimates in the Council's Housing Supply Topic Paper (July 2017).

1.38 The council have analysed the lead-in times within the planning process. This analysis includes all housing sites granted permission between 2009/10 and 2012/13 and shows a wide range of lead-in times from the validation of a planning application to development starting on site. The average lead-in times within the planning process for each year is between 19.1 months and 23.2 months, the overall average is 21.8 months. The council undertakes housing monitoring site visits annually. As such a site could start in September but would not be recorded as started until the monitoring process starts the following April which artificially extends the recorded lead-in time. The table below considers the lead-in times where sites have started on land granted planning permission in the relevant monitoring year.

	2009/10	2010/11	2011/12	2012/13
Average Kirklees lead in times	19.1	22.8	19.7	23.2

1.39 The Nathaniel Lichfield report (SD25, representation PDLP_SP648) refers to different lead-in times for a variety of site sizes including almost 3 years for sites of 0-99 dwellings and 4 years for sites of 100-499 dwellings although this analysis is based on a relatively limited sample size. This differs from the analysis of past delivery in Kirklees but the Kirklees analysis provides robust local analysis of lead-in times. The council do not have localised evidence relating to the lead-in times for the larger sites due to the lack of delivery from such sites in recent years. Site promoters for a number of larger sites have provided technical reports or masterplanning evidence as part of their Local Plan submission which provides further certainty (SS1 – SS14). As requested by the Inspector, Statements of Common Ground have been prepared for the largest allocations between the council and site promoters which provide more certainty in relation to anticipated delivery.

1.40 The Local Plan and Community Infrastructure Levy Viability Study (CIL1/CIL2, page 29) refers to a lead-in time of 3 – 6 months from the granting of planning permission but the Local Plan has used 6 months for this post-permission period as the more conservative of these delivery rates. The certainty provided by the adoption of the Local Plan is likely to encourage more full planning applications to be submitted rather than outline followed by reserved matters which would shorten the overall lead-in times.

1.41 The Housing Supply Topic Paper (EX30) takes into account the latest available monitoring information (to 1st April 2016) but also acknowledges that the 2017/18 monitoring period has started. As such, the lead-in times in the Housing Supply Topic Paper (EX30, Table 5, page 16) start 6 months into the 2017/18 monitoring period and changes to the planning status of sites since 1st April 2016 such as whether planning permission has been granted. The Housing Supply Topic Paper (EX30, paragraphs 3.25-3.27) also adjusts the start date for applying lead-in times on green belt sites to reflect the current policy constraint on these sites until the adoption of the Local Plan. Although many site promoters have already undertaken work in relation to their sites and may be preparing planning applications, the lead-in times for green belt sites start from the adoption of the Local Plan (i.e. 2018/19 onwards). This provides flexibility as delivery is not expected on these sites until 2020/21.

1.42 The standard lead-in times have been applied as a starting point to all sizes of schemes (where site specific evidence has not been submitted) because the council do not have local evidence to justify different lead-in times for sites of different sizes. There are variations to this approach to take account of site specific phasing information provided by the site promoter (including Statements of Common Ground for larger strategic sites), current policy constraints (e.g. green belt), other site constraints and adjustments to reflect that some adjacent sites may be delivered together.

- 1.43 The council's view is that the amendments made to the approach to lead-in times have addressed the concerns raised in representations. These concerns related to the reliance on early delivery from some sites which had yet to be granted planning permission and that the phasing of green belt sites was too optimistic. The revised assumptions are summarised in Table 5 of the Housing Supply Topic Paper (EX30, page 16).
- Build rates
- 1.44 Sites with less than 200 dwellings have been phased with the expectation that there would be one developer on the site leading to delivery of approximately 30 dwellings per annum (EX30, paragraphs 3.28 – 3.29). It is anticipated that larger sites (200-500) would have a higher rate of delivery each year (50 dwellings per annum) because their size would allow more than one developer to deliver the site and offer a greater range of products at different prices. For sites larger than 500 dwellings a bespoke build rate has been assumed based on site specific evidence.
- 1.45 The approach taken is in accordance with NPPG (NE2, paragraph 3-023) which states that allowance should be made for several developers to be involved on the largest sites. The council believes that such build rates are justified by local evidence. The build rates are also based on those set out in the Local Plan and Community Infrastructure Levy Viability Study (CIL1, paragraph 5.1.7) but with a more bespoke approach where site specific phasing information has been provided by site promoters including through developer-led masterplans for larger sites, for example, strategic urban extension sites in South Dewsbury (H2089) and Chidswell (MX1905). The build rates were also agreed with the Kirklees SHLAA working group consisting of developers and agents (in accordance with NPPG) in 2013.
- 1.46 For completions on sites less than 200 dwellings in Kirklees, on sites with at least one full year of delivery, there are a wide range of build rates. It should be noted that housing completions are monitored on an annual basis so a significant number of smaller sites start and complete within the same financial year or the recorded build rate is limited because of the small capacity of sites. There are also challenges in calculating annual build rates for sites containing apartments because in reality a whole apartment block will complete at once. Despite this there are examples where the proposed build rates in the Local Plan have been achieved and exceeded and can therefore be achieved on other sites in Kirklees. Completions within Kirklees on larger sites (over 200 dwellings) have included an average build rate of 64 dwellings per annum on Z0263A/B (Cowrakes Lane, Lindley) between 2013/14 – 2015/16 and 38 dwellings within the first year of completions on site Z0408 (Lindley Moor Road, Lindley) followed by 63 completions for 2016/17 in the emerging monitoring update.
- 1.47 There is a lack of evidence relating to past delivery on sites over 200 dwellings because of the scarcity of such sites in Kirklees in recent years. The lack of delivery of larger sites gives further weight to the need for the Local Plan to provide sufficient new sites to meet housing needs in Kirklees.
- 1.48 In the absence of a significant amount of localised completions data, particularly for larger sites, the council have relied on the available evidence, information set out in the Kirklees Local Plan Viability Report (CIL1, paragraph 5.1.7) and agreements with the Kirklees SHLAA working group (2013) as a sounding to determine the appropriate build rates. These provide sufficient justification for the build rate using local evidence. The council has reviewed the evidence set out in the Nathaniel Lichfield report "Start to Finish" (SD25, representation PDLP_SP648, Appendix 2). This is a national report with a focus on larger sites and is based on a relatively small sample size. In relation to the

build rates, the outcomes appear to be broadly consistent with the build rates set out in the Local Plan, as acknowledged by the Nathaniel Lichfield representation (SD25, representation PDLP_SP648) in relation to these assumptions. Their report also recognises the range in build rates which can occur on sites which makes the prediction of such build rates difficult.

Density

- 1.49 As set out in EX30 (Housing Supply Topic Paper, paragraphs 3.7 – 3.14) the council have applied an indicative housing capacity to allocations using the available information. Where sites had planning permission or planning applications, the housing capacity from the planning application was used to ensure a realistic capacity was assigned to the site. The site promoters for some sites have provided detailed masterplanning information and in those cases the evidence was considered to determine whether this represented a justifiable indicative capacity for the site. Where there was no available information, the council had to assign an indicative capacity to the site using Kirklees specific density evidence. This approach has been adopted in the absence of other site capacity information to enable the council to determine whether the Local Plan allocates sufficient sites to meet the housing requirement.
- 1.50 The approach to the application of the standard density (where no other capacity information is available for sites) is justified by local evidence as set out in Table 4 of EX30 (Housing Supply Topic Paper, page 13). This shows a mean density of 36 dwellings per hectare and a median density of 35 dwellings per hectare between 2006 and 2016 on all new build sites (excluding apartment only developments). These past density calculations for sites in Kirklees are based on the red line boundary of the planning application in most cases and therefore include estate roads and public open space provided within sites. As such, there is no justification for an additional standard discount rate to be applied to the capacity of all sites. Site specific constraints have been considered through the Local Plan assessment of sites to determine whether an adjustment to the developable area was required on a site by site basis.
- k) Does the Plan provide sufficient clarity regarding the total number of dwellings which are proposed for allocation? Should the figure be included in a policy?**
- 1.51 The council have allocated a capacity of 21,919 dwellings in the Local Plan which are based on indicative site capacities (EX30, paragraph 4.5). The Local Plan sets out the housing requirement which is to be met within the Local Plan period which requires the allocation of land to accommodate 20,444 dwellings (EX30, Table 1). The additional capacity from the allocations provides flexibility in the delivery of the Local Plan housing requirement.
- 1.52 The indicative capacities are already shown on a site by site basis in the site boxes in SD2 (Allocations and Designations) and the phasing table in SD1 (Strategy and Policies) (updated by EX30, Appendix 4). As the housing land supply information will change through the annual monitoring of completions and commitments, the council does not feel that the capacity allocated through the plan needs to be specifically referenced in the Local Plan Strategy and Policies document (SD1) within a policy or within the justification text.

I) Has sufficient flexibility been provided in the housing trajectory? Should an additional buffer be applied to ensure that the overall housing requirement is met and exceeded?

- 1.53 The council believes that the Local Plan and housing trajectory provides sufficient flexibility and there is no justification for a further buffer to be applied to ensure the overall housing requirement is met and exceeded. Such flexibility includes a 20% buffer within the five year housing land supply calculation in accordance with NPPF (NE1, paragraph 47) due to persistent under delivery. This provides flexibility to ensure delivery of sufficient housing capacity in the earlier years of the plan period. The five year supply will be monitored on an annual basis during the plan period to ensure any shortfalls are identified and addressed using the actions set out in the housing implementation strategy (SD1, paragraph 8.26). The planning permissions capacity has also been discounted by 10% where these are not also Local Plan allocations.
- 1.54 The Local Plan also allocates more capacity than required (21,919 compared to the requirement for 20,444 which provides further flexibility (EX30, paragraph 4.5). It also contains other flexibility factors including a relatively conservative windfall allowance, no allowance for empty homes being brought back into use and an indicative phasing schedule which does not restrict sites from being delivered earlier than anticipated. The full list of flexibility factors is set out in Matter 4 (c) which support the view that no additional buffer is required.