

KIRKLEES LOCAL PLAN EXAMINATION
STAGE 1 – MATTERS, ISSUES AND QUESTIONS:
MATTER 4

SITE ID: H1796

REPRESENTING: Priory Asset Management LLP

SITE: Land north and east of Laverhills and Quaker Lane, Hightown

RESPONSE TO MATTER 4: HOUSING LAND SUPPLY AND DELIVERY

Issue 4 – Is the identified overall housing requirement in the Plan (31,140 dwellings) justified, deliverable and consistent with national policy?

- 1.1 **Issue 4b** queries whether the OAN of 31,140 dwellings should be a minimum rather than an approximate figure. It is our view that the Local Plan should include a specific policy in relation to the selected housing target, and the wording of that policy should reflect the fact that this figure is a minimum.
- 1.2 **Issue 4f** asks what are the main risks and potential barriers to the delivery of the housing requirement in Kirklees over the Plan period? We note that the supply of housing identified to be provided from windfall development totals almost 16% of the remaining housing requirement. Therefore, this indicates that the plan is heavily reliant on the delivery of windfalls at 450 per annum, from 2020, and a requirement of 4,950 dwellings across the plan period. Failure to deliver this level of windfalls will have implications for the delivery of the plan, and its ambitions. The Council is reliant on as yet unidentified sites delivering significant numbers of new homes. In the context of a plan-led system, it is respectfully suggested that the Council is planning unsustainably by not identifying and allocating sufficient land for housing. Such an approach is contrary to Paragraph 17 (Bullet Point 1) of the Framework:

“be genuinely plan-led, empowering local people to shape their surroundings, with succinct local and neighbourhood plans setting out a positive vision for the future of the area. Plans should be kept up-to-date, and be based on joint working and co-operation to address larger than local issues. They should provide a practical framework within which decisions on planning applications can be made with a high degree of predictability and efficiency”.

- 1.3 In respect of a windfall allowance, Paragraph 48 of the Framework states that:

“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.”

1.4 Paragraph 48 of the Framework establishes some important principles:

- Compelling evidence is required to include windfalls in 5-year supply calculations.
- The test is in two parts: sites have to have consistently become available in the past **and** will continue to do so in the future.
- Any allowance must be realistic having regard to the Council's Strategic Housing Land Supply Assessment (SHLAA).

1.5 Whilst windfall delivery has been high in the past this is in the context of an out of date plan. The use of an evidence base to identify allocations to the end of the plan period, is likely to mean that there will be fewer sites which can be delivered. We would suggest that additional evidence is provided to confirm that this delivery will occur in order to justify the windfall figure.

1.6 Entrusting such a large proportion of the District's housing to windfall does not accord with the planned approach required in Paragraph 17 (Bullet Point 1) (see above), or Paragraph 50 of the Framework which states:

“To deliver a wide choice of high quality homes, widen opportunities for home ownership and create sustainable, inclusive and mixed communities, local planning authorities should:

- *plan for a mix of housing based on current and future demographic trends, market trends and the needs of different groups in the community (such as, but not limited to, families with children, older people, people with disabilities, service families and people wishing to build their own homes);*
- *identify the size, type, tenure and range of housing that is required in particular locations, reflecting local demand; and*
- *where they have identified that affordable housing is needed, set policies for meeting this need on site, unless off-site provision or a financial contribution of broadly equivalent value can be robustly justified (for example to improve or make more effective use of the existing housing stock) and the agreed approach contributes to the objective of creating mixed and balanced communities. Such policies should be sufficiently flexible to take account of changing market conditions over time.”*

- 1.7 The use of such a high windfall delivery rate, as advocated in Draft Policy SS4, will not result in plan-led development and does not enable the Council to direct housing to the locations where it would have the most benefit.
- 1.8 **Issue 4g** asks whether the application of a 10% lapse rate to the outstanding planning permissions is justified. Shelter completed a research paper in July 2017 entitled ‘Shelter ‘Phantom Homes’ Research’. This research paper looks specifically at the topic of planning and housing development. On Page 8, Shelter declare the following:
- “The number of completed homes between 2011/12 and 2015/16 was 68% of the number of planning permissioned units between 2010/11 and 2014/15.*
- This is a ‘shortfall’ of 324,000 homes. A shortfall was particularly driven by large gaps in London and the North West.”*
- 1.9 Shelter identify that this under-delivery is made worse by the fact that there is a time lag between the securing of planning permission and a start on site:
- “Time naturally elapses between gaining planning approval, starting on site and actually completing a home. The latest evidence on this from the planning and development consultancy, Nathaniel Lichfield and Partners, establishes that the time taken moving from permission to completion varies with site size. On sites of over 2,000 units, the first homes are completed on average after 10 months. On sites of 500 – 2000 homes, the first homes are delivered around 12 months on average, and sites of <500 units wait on average 18 months for their first completion.”*
- 1.10 The research paper concludes that whilst numbers can shift, with a 10-percentage point difference between no lag and inclusion of a two-year lag, the overall headline is the same. The current housing model has resulted in shortfalls between consented units and final completions.
- 1.11 A Report published by Savills this year entitled ‘Planning to solve the housing crisis’ records similar findings. Page 8 identifies that whilst the number of full residential consents increased to 293,000 in 2016, only 210,000 new homes were completed, which is a shortfall of more than 90,000 consents. This represents a shortfall of over 30%.
- 1.12 The Local Plans Expert Group (LPEG) provided a Report to the Communities Secretary, and to the Minister of Housing and Planning, in March 2016. The aim of the Report was to provide the government with a list of recommendations as to how local plan making can be made more efficient and effective.
- 1.13 Their recommendations in relation to boosting housing supply were as follows (page 53):
- “Local Plans should identify a housing requirement with sufficient deliverable or developable sites or broad locations to meet full objectively assessed housing need (FOAHN) over the full plan period for their local area, including*

any unmet need from within or beyond the Housing Market Area, plus an additional allowance for flexibility appropriate to local circumstances, as far as is consistent with the policies set out in this Framework.

Local Plans should make a further allowance; equivalent to 20% of their housing requirement, in developable reserve sites as far as is consistent with the policies set out in this Framework, for a minimum fifteen-year period from the date of plan adoption, including the first five years (this recommendation does not apply where it has been demonstrated that a local authority does not have sufficient environmental capacity to exceed its local plan requirement). The purpose of reserve sites is to provide extra flexibility to respond to change (for example, to address unmet needs) and/or to help address any actions required as a result of the Government's proposed housing delivery test.

Local Plans should contain a policy mechanism for the release of reserve sites in the event that monitoring concludes that there is less than 5 years housing land supply or there is a need to address unmet needs;

Local Plans should be supported by a Housing Implementation Strategy ("the HIS") that illustrates the expected rate of housing delivery through a housing trajectory for the whole of the plan period (at least fifteen years) and also sets out the mechanisms by which the local authority will manage delivery of a five-year supply of housing land to meet its housing requirement."

- 1.14 The four pieces of research referenced within this section all recognise that allocating and approving enough housing to meet a Local Authority's objectively assessed need does not necessarily result in the delivery required to actually meet the need. Adopting the recommendation from LPEG to allocate an additional 20%, and safeguard sufficient land for future development, will assist the Council in boosting significantly their housing land supply in accordance with the Framework.
- 1.15 Paragraph 2.4 of the Housing Topic Paper (EX30) identifies, up to 1 April 2016, a figure of 8,419 units with planning permission. This high level of planning permissions does not accord with the 2,346 dwellings which were delivered between 1 April 2013 and 31 March 2016, and suggests that there is a much higher lapse rate than 10% occurring within the District.
- 1.16 It is therefore concluded that the 10% slippage is insufficient and does not accord with the LPEG recommendations. The 10% non-delivery rate may result in the Local Plan not meeting the housing need requirement, and subsequently a 20% slippage rate may be more appropriate.
- 1.17 **Issue 4e** questions whether the Council's approach to calculating a five-year supply is robust and in line with national policy.
- 1.18 The Housing Land Supply Position can be seen within Table 8 of the Housing Supply Topic Paper (EX30). Our client is supportive of the use of the Sedgefield method and the application of a 20%

buffer to both the shortfall and the supply when calculation the five-year requirement. Our client is also supportive of the use of a lapse rate, although as discussed above this should be increased to 20%, in accordance with the LPEG requirement and to ensure delivery.

- 1.19 Our client, for the reasons stated previously, disagrees with the use of the applied windfall allowance when calculating the five-year housing land supply. The windfall allowance accounts for over 15% of the delivery within the years 2020 to 2023. The adoption of a Local Plan, with new housing allocations and settlement boundaries will vastly reduce the level of windfalls being delivered. The proposed rate of 15% is too high and does not accord with the requirement in the Framework.

Hourigan Connolly
31 August 2017