



Lewes District Council
South Downs National Park Authority

Lewes District Local Plan Part 1: Joint Core Strategy

Updated Housing Trajectory
and
Five Year Housing Land Supply as at 1 October 2015

January 2016

Housing Land Supply Position for the Lewes district as at 1 October 2015

1. On 16th and 17th December 2015 the resumed Examination in Public hearing sessions into the Lewes District Council (LDC) and the South Downs National Park Authority (SDNPA) Joint Core Strategy (JCS) were held. During the morning session¹ of Day 1 some participants focused on the District's five year housing land supply, particularly the need for the Councils to provide a mid-year land supply position.
2. Following these discussions, and at the Inspector's request, the Councils have produced an updated five year housing land supply position as at 1 October 2015, which includes; four scenarios based on whether the 'Sedgefield' or 'Liverpool' approach is used for dealing with a shortfall of delivery from the first few years of the plan, and whether a 5% or 20% buffer is used; and justification for the implemented position. An updated Housing Trajectory as at 1 October 2015 has also been prepared at the request of the Inspector and is provided as an appendix to this note.
3. The updated 1 October 2015 housing land supply position, against the four scenarios (tables 1 to 4), is provided below, as requested. Appendix 2 contains a schedule of sites that feed into the five year housing land supply calculation. The Councils are firmly of the view that the approach taken to calculating the five year supply (Liverpool Approach with a 5% buffer, Scenario 1) is reasonable and appropriate in the circumstances specific to Lewes District. Justification for this approach is also provided below.
4. The housing land supply calculations are made against the housing requirement of 6,900 net additional units as set out in the Joint Core Strategy Submission Document – Proposed Modifications Version, August 2015.
5. As a point of information, since 1 October 2015 notable progress has been made on several sites. Six sites, totalling 352 units, previously with resolution to approve subject to Section 106 have now secured planning permission, giving greater certainty to the delivery of these sites. 191 of the 352 units are anticipated to come forward in the coming five years. In addition, on 12 November 2015 the Ringmer Neighbourhood Plan (RNP) successfully passed referendum². Several RNP housing site allocations are currently subject to planning applications, one of which now has planning permission and another will be considered by the LDC Planning Application Committee (13/01/2016) with an officer recommendation for approval. These two sites total 50 units. Furthermore, progress has been made on two strategic housing site allocations: North Street Quarter, Lewes; the planning application (SDNP/15/01146/FUL) for mixed use development (including 416 residential units) was approved subject to Section 106 at the SDNPA Planning Committee on 10 December 2015; and Land north of Bishop's Lane, Ringmer (SP6 - 110 units) site has been allowed following the recovery of the Appeal decision by the Secretary of State (dated 5 January 2016).

¹ Issue 4 - Housing Scale and Distribution

² Ringmer Neighbourhood Plan successfully passed referendum on 12 November 2015 and is due to go to District Council's Cabinet 07 January 2016 and Full Council 25 February 2016 and the SDNPA's Planning Committee 21 January 2016.

The Four 5 Year Housing Land Supply Scenarios, as at 1 October 2015

Five Year Housing Land Supply Scenarios, as at 1 October 2015				
	1. Liverpool Approach with 5% Buffer	Units	2. Liverpool Approach with 20% Buffer	Units
A	Core Strategy revised figure <i>(Core Strategy figure annualised)</i>	6,900 <i>(345)</i>	Core Strategy revised figure <i>(Core Strategy figure annualised)</i>	6,900 <i>(345)</i>
B	Net Completions (2010/11 to 30 th September 15)	1039	Net Completions (2010/11 to 30 th September 15)	1039
C	Residual Requirement <i>(Residual annualised)</i>	5,861 <i>(404)</i>	Residual Requirement <i>(Residual annualised)</i>	5,861 <i>(404)</i>
D	Residual 5 year requirement <i>(404 x 5)</i>	2,021	Residual 5 year requirement <i>(404 x 5)</i>	2,021
E	NPPF 5% buffer <i>(0.05 x 2,021)</i>	101	NPPF 20% buffer <i>(0.2 x 2,021)</i>	404
F	Total 5 year requirement figure <i>(Annualised over 5 years)</i>	2,122 <i>(424.4)</i>	Total 5 year requirement figure <i>(Annualised over 5 years)</i>	2,425 <i>(485)</i>
G	Commitments <i>Large and small sites with planning permission</i> <i>Sites subject to Section 106</i> <i>Unimplemented Local Plan Allocations</i> <i>Core Strategy site allocations</i> <i>Neighbourhood Plan allocations</i> <i>Windfall allowance</i> <i>Deliverable SHLAA sites</i>	2,407 887 270 164 705 104 145 132	Commitments <i>Large and small sites with planning permission</i> <i>Sites subject to Section 106</i> <i>Unimplemented Local Plan Allocations</i> <i>Core Strategy site allocations</i> <i>Neighbourhood Plan allocations</i> <i>Windfall allowance</i> <i>Deliverable SHLAA sites</i>	2,407 887 270 164 705 104 145 132
H	Supply Years	5.67	Supply Years	4.96
	3. Sedgfield Approach with 5% Buffer	Units	4. Sedgfield Approach with 20% Buffer	Units
A	Core Strategy revised figure <i>(Core Strategy figure annualised)</i>	6,900 <i>(345)</i>	Core Strategy revised figure <i>(Core Strategy figure annualised)</i>	6,900 <i>(345)</i>
B	Net Completions (2010/11 to 30 th September 15)	1039	Net Completions (2010/11 to 30 th September 15)	1039
C	Shortfall from start of Plan period	858.5	Shortfall from start of Plan period	858.5
D	5 year requirement <i>(345 x 5 + 858.5)</i>	2,583.5	5 year requirement <i>(345 x 5 + 858.5)</i>	2,583.5
E	NPPF 5% buffer <i>(0.05 x 2,583.5)</i>	129.2	NPPF 20% buffer <i>(0.2 x 2,583.5)</i>	516.7
F	Total 5 year requirement figure <i>(Annualised over 5 years)</i>	2,712.6 <i>(542.5)</i>	Total 5 year requirement figure <i>(Annualised over 5 years)</i>	3,100.2 <i>(620)</i>
G	Commitments <i>Large and small sites with planning permission</i> <i>Sites subject to Section 106</i> <i>Unimplemented Local Plan Allocations</i> <i>Core Strategy site allocations</i> <i>Neighbourhood Plan allocations</i> <i>Windfall allowance</i> <i>Deliverable SHLAA sites</i>	2,407 887 270 164 705 104 145 132	Commitments <i>Large and small sites with planning permission</i> <i>Sites subject to Section 106</i> <i>Unimplemented Local Plan Allocations</i> <i>Core Strategy site allocations</i> <i>Neighbourhood Plan allocations</i> <i>Windfall allowance</i> <i>Deliverable SHLAA sites</i>	2,407 887 270 164 705 104 145 132
H	Supply Years	4.44	Supply Years	3.88

Meeting the backlog

6. In calculating the District's five year housing land supply as at 1 October 2015, the Liverpool Approach, rather than the Sedgefield Approach, is applied to meeting the backlog of housing incurred from the start of the Plan period (2010/11 to October 2015/16). The Liverpool Approach is also applied to the JCS trajectory. This approach is considered reasonable and appropriate given the district's circumstances, and particularly in light of the JCS housing trajectory (Appendix 1).
7. As can be seen from the housing trajectory and above figures, a significant number of homes are expected to be delivered in the early part of the Plan period. The Council's Housing Trajectory is clearly front-loaded, with a number of the substantial strategic housing allocations expected to be delivered, or substantially implemented during the coming five years of the plan. This includes the North Street Quarter development, which will see an average of 104 units completed per annum in years 2017/18 to 2020/21. Although this is a high rate of delivery, the buoyancy of the Lewes town housing market, coupled with substantial and upfront infrastructure costs and a wide ranging mix of housing types and tenures, mean that a high rate of delivery is realistically expected (this has been confirmed by the majority landowner and proponent of the scheme). The strategic sites at Land at Bishops Lane, Ringmer; Land at Greenhill Way, Haywards Heath; and Land at Lower Hoddern Road, Peacehaven are also expected to be delivered within the coming five year period (the northern section of the Greenhill Way site has planning permission for 62 units and is now under construction). However, allowing for planning permissions to be sought, the lead in period for these sites and other strategic housing allocations mean that we do not expect a significant amount of housing completions to arise from any allocations made in the Joint Core Strategy in the next two years of the plan period.
8. In light of the above the housing trajectory shows an anticipated rate of housing delivery that falls short of the annualised target in the first two years following adoption of the JCS. This shortfall is expected. Housing completions in years one and two will be predominately from sites with extant planning permission, of which several of the larger sites are either already under construction or anticipated to commence within the next 12 to 18 months with completions anticipated from 2017. There are no known constraints to the delivery of these sites. After the first two years, the rate of housing delivery increases significantly with an annual average of 644 completions expected between 2017/18 and 2020/21. While the Councils are confident that such a rate of delivery is achievable (confirmed through ongoing liaison with strategic site proponents throughout the preparation of the JCS and supported by representations made by the site proponents to the JCS), it does represent a significant increase from the average number of housing completions in the district over the last 14 years (approx. 236 net additional dwellings per annum) and a higher rate of delivery than in any one single year from this period (the previous highest number of completions in Lewes District was 416 units in 2007/08).
9. It is considered that the Liverpool method of addressing past undersupply in combination with a 5% buffer, is the correct approach in the context of a Joint Core Strategy which allocates strategic housing sites early in the plan period and includes part of a relatively new National Park with a strong, albeit short, track record of housing delivery.
10. This approach has been supported by Planning Inspectors reporting on several appeal decisions elsewhere in the National Park. The 2014 Sussex Road decision in Petersfield

(APP/Y9507/A/14/2218678) stated that the Liverpool approach was justified because of the recently set up National Park Authority with a recently adopted Joint Core Strategy (East Hants) that allocated large strategic sites early in the Plan Period. Additional reasons for supporting the Liverpool approach, rather than the front-loaded Sedgefield method, included serious environmental constraints, the statutory purposes of the National Park designation and NPPF requirements applying to the National Park, which were also heard at the Lewes District JCS examination.

11. A 2015 appeal decision at Causeway Farm, Petersfield (APP/Y9507/A/14/2217804) came to similar conclusions, stating that:

“This is a relatively new authority and the housing requirements now set out were not known at the beginning of the plan period and it would not be reasonable to place considerable weight on the past supply against back dated figures... It is also clear to me that [SDNPA and East Hants DC] are taking the need for housing supply seriously and are putting in place a sound approach to achieving the targets. On top of this is the difficulty for the South Downs National Park Authority in terms of the landscape in to which housing is to be provided. In all the circumstances I do not accept that the past record of supply against targets demonstrates persistent under-supply... Given the restraints imposed by the National Park, I consider that spreading the remaining housing requirement across the whole of the plan period is reasonable.”

12. The very fact that planning permission has been granted for 79 homes at South Downs Road, Lewes and the resolution to grant permission for 416 homes at North Street Quarter, Lewes (SP3), demonstrates that the SDNPA takes the urgent need for housing supply in Lewes District seriously and is doing its best to meet needs within the difficult and recognised constraints of a nationally designated landscape.
13. If the Councils were to adopt the Sedgefield approach it would require the introduction of further strategic allocations if a minimum of a five year housing land supply is to be demonstrated at the point of adoption of the JCS. Given the time it will take to identify sites, secure relevant permissions, discharge conditions and prepare the site, any such sites would not deliver a housing supply until year three (at the earliest) of the coming five year period. This is at the same time that the delivery of a number of the strategic allocations in the Core Strategy is expected to take place. Hence, the projected relatively low number of housing completions in the first two years of the plan period will remain unaltered. However, there would be an increase on what are already projected to be very high rates of housing delivery in years three to five. Such levels of growth have not been delivered at any point in recent years (16 years at least) in Lewes District.
14. If such additional levels of growth were to be planned for, there is no evidence to suggest that the housebuilding industry will actually be able to deliver such levels of growth in the district. Such rates of delivery will be further called into question by some of the difficulties that house builders are currently experiencing in sourcing suitable labour (acknowledged in the Home Building Skills Research Report 2013 http://www.hbf.co.uk/uploads/media/Home_Building_Skills_Report_Aug_2013.pdf (and

mentioned by a number of local house builders) and materials and that very high levels of housing growth will also be delivered in and around towns that exert a strong influence on Lewes District, such as Burgess Hill, at the same time.

15. Another reason for implementing the Liverpool approach is due to the reasonable prospect that the housing land supply situation will improve significantly from the point of adoption of the JCS. This will be through the allocation of sites in the large number of neighbourhood plans that are being progressed in the district, and failing that through the SDNPA Local Plan and the Lewes District Local Plan Part 2. These plans are likely to proceed more quickly and with confidence once the JCS is in place. Delays to progressing Local Plan Part 2 may delay the delivery of housing site allocations, currently projected to contribute to the housing delivery from year six, maintaining the housing supply through the middle and latter parts of the plan period.
16. As highlighted above, the Councils are seeking to significantly boost the supply of housing, in line with paragraph 47 of the NPPF, in the early and middle parts of the Plan through the early delivery of strategic site allocations. The Inspector for Rother District Council's (RDC) Core Strategy recognised that the whilst the planned level of housing to be delivered resulted in an immediate shortfall the housing land supply would considerably improve, given local circumstances. The Inspector in her Report (July 2014) agreed with RDC's approach to the application of the Liverpool Approach in calculating the five year housing land supply concluding that:

"45. The relatively low number of housing completions (358 dwellings) in the first 2.5 years of the plan period (April 2011 to September 2013) gives rise to a shortfall of 480 dwellings. Planning practice guidance advises that 'LPAs should aim to deal with any undersupply within the first five years of the plan period where possible'. Rother is only able to demonstrate a five year supply of housing land if this shortfall is made up over the remainder of the Plan period, rather than within in the first five years. If the latter approach were taken the Council would be able to demonstrate only 4.3 years supply. However, there is a reasonable prospect that the housing land supply situation in Rother will improve considerably in the next few years for two main reasons. The first is that the completion of the Bexhill to Hastings Link Road will enable the planned urban extension to the north east of Bexhill, including about 1,300 dwellings, to be developed, and there is clear evidence before me of the majority landowner's commitment to expedite development of the site. The adoption of the CS will assist in bringing forward this substantial development. Secondly, the DSAP and neighbourhood plans will allocate sites for development and help to boost the five year housing land supply. These Plans are likely to progress more quickly if an adopted CS is in place. In these particular circumstances, I consider that the Council's approach to calculating the five year housing land supply is consistent with the broad thrust of the Framework to boost significantly the supply of land for housing, albeit that it takes a different approach to dealing with the undersupply which has arisen in the early years of the plan period than that preferred by planning practice guidance."

17. Paragraph 035 (ID 3-035-20140306) of National Planning Policy Guidance (PPG) states that *"Local planning authorities should aim to deal with any undersupply within the first 5 years, where possible"*. Whilst the PPG promotes the 'Sedgefield Approach' it is not a requirement of government policy, as highlighted in the High Court judgement *Bloor Homes v Secretary of State for Communities & Local Government* [2014] EWHC 745 where Mr Justice Lindblom concluded it was a matter of planning judgment as to which method should be taken. He also noted that: *"Neither method is prescribed, or said to be preferable to the other, in government policy in the NPPF. In my view the Inspector was free to come to his own judgment on this question"*.

Supply Buffer

18. Paragraph 47 of the NPPF states that local planning authorities (LPAs) must include an additional 5% buffer against their housing requirement to ensure choice and competition in the market for land. This additional percentage buffer increases to 20% where LPAs have a record of persistent under delivery of housing.
19. In establishing the appropriate buffer to apply, the Councils have assessed rates of housing delivery between 2006/07 and 2014/15. Looking back over a nine year period incorporates years both pre and post the economic recession, in line with Paragraph 035 (ID3-035-20140306) of the PPG. The delivery rates are assessed against the housing requirement figure as set out in the South East Plan (SEP). The SEP set a housing requirement figure of 4,400 dwellings or Lewes District over the period 2006 to 2026 (220 dwellings p.a.).
20. The SEP figure is used to assess the delivery rate as this is the last adopted housing requirement figure for the district. It is considered reasonable and appropriate to take this approach, rather than assessing delivery against the agreed OAN figure³ or emerging Joint Core Strategy housing requirement figure⁴, as it reflects the housing delivery rates achieved within the context of a plan-led system.
21. The table below sets out the district's net completions since 2006/07 against the SEP annualised housing requirement figure.

Year	Net completions	Annualised SEP target	Annualised Target (adjusted for completions)
2006/ 07	296	220	220
2007/ 08	416	220	216
2008/ 09	257	220	205
2009/ 10	175	220	202
2010/ 11	161	220	204
2011/ 12	249	220	206
2012/ 13	220	220	203
2013/ 14	113	220	202
2014/ 15	277	220	210
Total	2,164	-	-

22. Since 2006/07 the Council has delivered an annual average completion rate of 240 units p.a., (compared to the SEP annual target of 220 units p.a.) equating to a surplus of 184 units. Over the last nine years the completion rates within the district only fell below the annualised SEP figure on three occasions (2009/10, 2010/11 and 2013/14), two of which were during the last economic recession, and therefore in wider circumstances beyond the Councils' control and reflective of the decreased national housing delivery rates. Delivery rates have since improved to levels seen in pre-recession years. This cannot be considered a persistent under delivery and therefore does not justify a 20% buffer being applied. The above is considered consistent with

³ It was agreed at the initial January 2015 Examination Hearings, and reiterated in the Inspector's Interim Findings Letter (10 February 2015), that the figure at top end of the identified OAN range (10,400) represents the full OAN of the district.

⁴ 6,900 net additional dwellings as set out in the Inspectors' Interim Findings Letter and Joint Core Strategy Submission Document – Proposed Modifications Version, August 2015.

the findings of the Inspector at the Groby Appeal⁵ who noted that whilst there had been a deficit in 6 of the 8 years from the start of the Borough Council's adopted plan period, looking over a longer period an overall surplus of housing had been delivered. He therefore concluded that a persistent under delivery could not be demonstrated and applied a 5% buffer.

23. In light of the above, applying a 5% buffer is considered consistent with approaches taken elsewhere and national guidance. The Inspector at a recent appeal in Woking⁶ concluded that whilst Surrey Heath Borough Council showed an under delivery in five out of nine years a 5% buffer was appropriate stating that: *"there had been no pattern of under delivery or any significant shortfall in provision overall. In the absence of any persistent under delivery, indeed many of the years have provided a surplus, I conclude that the 5% buffer is appropriate"*.

Summary

24. In light of the reasons set out above, the Councils maintain that the approach taken to meeting the housing shortfall (Liverpool Approach) and supply buffer (5%) in calculating the district's five year housing land supply and in the JCS housing trajectory is correct and justified.

25. In the event that the Inspector was minded to conclude that a Sedgefield Approach should be applied this would result in a delay to the adoption of the JCS and potentially introducing uncertainty on some sites coming forward in a timely and plan-led manner. Delaying the JCS would also be likely to result in delays to the adoption of the Local Plan Part 2. Adopting the JCS without delay would, as concluded by the Inspector to the Fenland Core Strategy Examination⁷, provide confidence to developers and proponents of sites. She noted that:

"Furthermore, with only a very outdated Local Plan currently in place (adopted 1983), it is critical for Fenland to adopt an up-to-date Local Plan without delay to identify those sites and locations where development is to be directed to give developers confidence and to bring sites forward as soon as possible, thus boosting the supply of housing."

Adopting the JCS would also provide certainty for the District Council to progress its Local Plan Part 2, as well as confidence to those local communities currently undertaking, or considering producing, neighbourhood development plans.

⁵ Appeal reference: APP/K2420/A/12/2181080, Land East of Groby Village Cemetery, Ratby Road, Groby, Leicestershire. 11 March 2015

⁶ Appeal reference: APP/D3640/W/15/3028247, Land south of 24-46 Kings Road and 6 & 9 Rose Meadow, West End, Woking, Surrey. 17 December 2015.

⁷ Inspector's Report to Fenland District Council on the Examination into Fenland District Council Core Strategy Local Plan, 9th April 2014