

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

THE FIVE YEAR HOUSING SUPPLY NOTE HAS BEEN AMENDED TO INCLUDE ADDITIONAL SUPPORTING TEXT ON THE APPLICATION OF THE LIVERPOOL APPROACH WITHIN THE FIVE YEAR HOUSING LAND CALCULATION.

1. The National Planning Policy Framework (NPPF), paragraph 47, requires Local Planning Authorities (LPAs) to *identify and update annually a supply of specific deliverable sites sufficient to provide five years' worth of housing against their housing requirements.*
2. The purpose of this note is to update the District Council's five year housing land supply position to reflect the position as at 1 April 2015. This note concludes that the Council is able to demonstrate a five year supply of deliverable housing land when calculated against the emerging Joint Core Strategy revised housing requirement figure of 6,900 net dwellings.
3. In updating the housing land supply position the Council has considered the outcomes of recent planning appeal decisions, the NPPF, the publication and subsequent updates of Government's National Planning Policy Guidance (PPG), the current status of the Lewes District Council (LDC) and South Downs National Park Authority (SDNPA) Joint Core Strategy (JCS), recent case law and legal advice.

### Housing Requirement figure

4. Since 1 April 2014 the District Council's five year supply has been calculated against the mid-range point of the District's objectively assessed need figure, 9,800 (490 units p.a.). This approach was taken to ensure there was consistency with paragraph 30<sup>1</sup> of the National Planning Policy Guidance (PPG).
5. Since the 1 October 2014 housing supply note the Joint Core Strategy Examination Hearings have been completed and the Inspector has provided his Initial Findings<sup>2</sup>. The Inspector accepts that the level of housing that would be required to meet the OAN figure<sup>3</sup>, even at the lower end of the range, cannot be sustainably delivered in Lewes district. This view was essentially common ground at the Hearings and through many representations received. The Inspector has stated that his preliminary conclusion, with regard to the level of housing growth, is that the JCS housing requirement "has to go up to a minimum of 6,900" dwellings (345dpa) over the plan period. The JCS is now at an advanced stage and is a material consideration to which substantial weight may be attributed where reasonable to do so. The Inspector's Initial Findings letter is also a material consideration.
6. The District Council and SDNPA have agreed<sup>4</sup> the further modifications to the JCS to reflect the Inspector's Initial Findings. To this end, the Council has prepared this updated housing land

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<sup>1</sup> Expresses caution in using out of date evidence from revoked regional strategies and states that where emerging plans are not capable of carrying sufficient weight the latest full assessment of housing needs should be considered. ([http://planningguidance.planningportal.gov.uk/blog/guidance/housing-and-economic-land-availability-assessment/stage-5-final-evidence-base/#paragraph\\_030](http://planningguidance.planningportal.gov.uk/blog/guidance/housing-and-economic-land-availability-assessment/stage-5-final-evidence-base/#paragraph_030)).

<sup>2</sup> [http://www.lewes.gov.uk/Files/plan\\_ID-05\\_Letter\\_to\\_Councils\\_10\\_Feb\\_2015.pdf](http://www.lewes.gov.uk/Files/plan_ID-05_Letter_to_Councils_10_Feb_2015.pdf)

<sup>3</sup> Joint Sussex Coast Housing Market Authorities Housing Study calculates Lewes district's objectively assessed need is to be between 9,200 and 10,400 units between 2011/12 and 2030/31 (460 and 520 units per annum respectively).

<sup>4</sup> LDC Cabinet and Full Council agreed modifications on 6 July and 16 July respectively and SDNPA agreed mods on 9 July.

supply note based on this most recent emerging housing requirement figure, as at 1<sup>st</sup> April 2015.

7. However, in recognising that the Inspector's increased housing requirement is yet to undergo formal consultation and that full weight may not be given to the JCS until adoption, this note also provides the housing land supply position calculated against the 10,400 OAN figure, which the Inspector advises to be the appropriate assessment of OAN for Lewes district. Against the OAN figure the Council is unable to demonstrate a five year housing land supply. It is clear that the OAN cannot be met in Lewes district and hence it would be illogical to continue to use the OAN as the basis for calculating the five year housing land supply position. As a result LDC and SDNPA, after reasoned consideration, are now giving more weight to the emerging JCS housing figure, as described in the Inspector's letter, than to the OAN figure in calculating our housing land supply.
8. The updated housing land supply calculation applies the Liverpool, rather than the Sedgefield Approach<sup>5</sup>, to meeting any shortfall. The change in approach follows discussions at the Examination Hearings where the Inspector advised that he considered applying the Liverpool approach to the housing trajectory would be reasonable in Lewes district, taking into consideration the character and constraints of the district, together with his emerging conclusions on an increased housing requirement. The Inspector has provided the following advice regarding the application of the Liverpool Approach within Lewes district:

*'I am comfortable with them [LDC and SDNPA] using the Liverpool method in all the relevant current circumstances in Lewes, and that I will confirm this in the report in due course'*

### **Housing Land Supply**

#### **Additional supply buffer**

9. Paragraph 47 of the NPPF states that LPAs must include an additional 5% buffer against their housing requirements 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.
10. A 5% buffer is applied in the district's five year supply calculation as it is considered that there has not been a persistent under delivery against the SEP target (*see table below*).

<b>Year</b>	<b>Net completions</b>	<b>Annualised Target</b>
2006/ 07	296	220
2007/ 08	416	216
2008/ 09	257	205
2009/ 10	175	202
2010/ 11	161	204
2011/ 12	247	206
2012/ 13	220	203
2013/ 14	113	202
2014/ 15	277	210
<b>Total</b>	<b>2,162</b>	-

<sup>5</sup> Liverpool approach spreads the shortfall over remainder of the Plan period, whereas the Sedgefield approach seeks to meet the shortfall in the first five years.

## Commitments - Planning permissions

11. Large and small sites benefitting from planning permission, as at 1 April 2015, and which are expected to contribute completions within the next five years are included in the five year housing supply calculation. As at 1 April 2015 there were 904 net units with outstanding permission on large sites (6 units or more) and 170 net units with outstanding permission on small sites (5 units or less).
12. Small site permissions provide a consistent source of supply within the district. However, it is recognised that a proportion of small site approvals are not implemented. To reflect this, a percentage discount is applied to the small site supply total to allow for non-implementation of permissions<sup>6</sup>. Previously the percentage discount applied was 35%. This has been revised to 25% following discussions held at the Examination Hearings, where the Inspector considered the 35% to be an unnecessarily cautious discount. This is reflected in the Inspector's Initial Findings letter. Further work has since been undertaken to establish a more accurate reflection of the situation across the district, which supports the 25% discount now being applied.

Year	Granted	Built	Expired	% Built	% Not Built
2004/05	92	74	18	80.43%	19.6
2005/06	84	64	20	76.19%	23.8
2006/07	98	71	27	72.45%	27.6
2007/08	124	82	42	66.13%	33.9
2008/09	75	53	22	70.67%	29.3
2009/10	50	36	14	72.00%	28.0
2010/11	66	57	9	86.36%	13.8
2011/12	61	46	15	75.41%	24.59

13. As at 1 April 2015 six sites had a resolution to approve subject to Section 106 legal agreement sign off. Four of these sites, totalling 194 net units, are considered deliverable. Of the 194 units 99 are considered deliverable in the next five years and as such are included in the five year housing supply calculation.

### Other Deliverable sites

14. In addition to the above, in line with footnote 11 of the NPPF, the calculation contains sites which are considered deliverable and therefore capable of contributing to the Council's five year housing supply are included. This includes an unimplemented 2003 Local Plan allocation, Caburn Field, totalling 40 units; and sites concluded to be deliverable in the SHLAA or which have since progressed through the planning process.

### Windfall Allowance

15. Paragraph 48 of the NPPF allows LPAs to include an allowance for windfalls in the five year supply so long as it can be demonstrated that windfalls have been, and will continue to be, a reliable source of supply. It also states that any allowance should be realistic having regard to the Strategic Housing Land Availability Assessment, historic windfall and expected future trends, and should not include residential gardens.

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<sup>6</sup> The percentage discount has been calculated by looking at the pattern of individual small site permissions and completions to determine the proportion of small site permissions which were never implemented.

16. Small site completions have provided a consistent source of windfall supply and completions in the district. In previous five year housing land supply calculations a windfall allowance of 37 net units p.a. has been included. This has now been increased to 50 net units p.a. following discussions held during the Examination Hearings where the Inspector considered 37 net units p.a. to under-estimate the potential performance of windfalls given the district's strong and comparatively buoyant housing market and historic windfall delivery rates. This is reflected in the Inspector's Initial Findings letter.
17. Further assessment of the historic rates of small site completions<sup>7</sup> within the district has now been undertaken. Previously the windfall allowance was calculated on the average small site completion rate achieved between 2006/07 and 2012/13 as this period includes years pre and post- the economic downturn. However, it is considered that basing the level of windfall allowance on the five year period pre-economic downturn, 2004/05 to 2008/09, better reflects the district's consistent delivery of windfall. It is also considered that this is a period of housing growth that is more typical of the district's overall performance and potential.
18. In addition to the above revised windfall allowance figure the five year housing supply calculation now includes a contribution for units delivered on rural exception sites. The contribution of rural exception sites to the district's housing delivery was discussed at the Examination Hearings. At the request of the Inspector the Council provided information on previous rural exception site completion rates<sup>8</sup>.
19. Subsequently, the Inspector's Initial Findings letter stated that "it might also be reasonable in principal to make an allowance for a small number of homes, say 150 in total, principally for local needs/ affordable housing, to continue to come forward on rural exception sites over the plan period". As such, the Council and SDNPA assessed previous, current and likely future affordable housing needs across the district to inform a reasonable delivery rate over the remaining 15 years of the JCS plan period. A total of 125 units (8.3 units per year) is concluded to be a reasonable contribution to the overall housing requirement and an allowance for this has accordingly been included in the five year supply.

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<sup>7</sup> Only small site completion rates were considered in determining a windfall allowance rate so as to avoid potential double counting with SHLAA sites (large sites of 6 or more units). Completions on residential gardens were also excluded. Further information on the windfall rate can be found in the 2014 Housing Background Paper on the Council's website.

<sup>8</sup> Between 2000/01 and 2014/15 the Council delivered 66 units, 58 of which were delivered in the last 5 years.

## Five Year Housing Land Supply Calculation as at 1<sup>st</sup> April 2015

<b>1.</b>	<b>Based on the emerging Joint Core Strategy</b>	<b>Units</b>
<b>A</b>	<b>Core Strategy revised figure</b> <i>(Core Strategy figure annualised)</i>	<b>6,900</b> <i>(345)</i>
<b>B</b>	Net Completions (2010/11 to 2014/15)	<b>1020</b>
<b>C</b>	<b>Residual Requirement</b> <i>(Residual annualised)</i>	<b>5,880</b> <i>(392)</i>
<b>D</b>	<b>Residual 5 year requirement</b> <i>(392 x 5)</i>	<b>1,960</b>
<b>E</b>	<b>NPPF 5% buffer</b> <i>(0.05 x 1,960)</i>	<b>98</b>
<b>F</b>	<b>Total 5 year requirement figure</b> <i>(Annualised over 5 years)</i>	<b>2,058</b> <i>(411.6)</i>
<b>G</b>	<b>Commitments</b>	<b>2,198</b>
	<i>Large and small sites with planning permission</i>	<i>1,074</i>
	<i>Sites subject to Section 106</i>	<i>99</i>
	<i>Unimplemented Local Plan Allocations</i>	<i>40</i>
	<i>Core Strategy site allocations</i>	<i>579</i>
	<i>Windfall allowance</i>	<i>250</i>
	<i>Deliverable SHLAA sites</i>	<i>114</i>
	<i>Rural exception site allowance</i>	<i>42</i>
<b>H</b>	<b>Supply</b>	
	<b>Percentage (G / F x 100)</b>	<b>106.80</b>
	<b>Years</b>	<b>5.34</b>

<b>2.</b>	<b>Based on Objectively Assessed Need</b>	<b>Units</b>
<b>A</b>	<b>Upper range OAN figure</b> <i>(OAN figure annualised)</i>	<b>10,400</b> <i>(520)</i>
<b>B</b>	Net Completions (2011/12 to 2014/15) <sup>9</sup>	<b>857</b>
<b>C</b>	<b>Residual Requirement</b> <i>(Residual annualised)</i>	<b>9,543</b> <i>(596.44)</i>
<b>D</b>	<b>Residual 5 year requirement</b> <i>(596.44 x 5)</i>	<b>2,982.44</b>
<b>E</b>	<b>NPPF 5% buffer</b> <i>(0.05 x 2,982.44)</i>	<b>149.11</b>
<b>F</b>	<b>Total 5 year requirement figure</b> <i>(Annualised over 5 years)</i>	<b>3,131.30</b> <i>(626.26)</i>
<b>G</b>	<b>Commitments</b>	<b>2,198</b>
	<i>Large and small sites with planning permission</i>	<i>1,074</i>
	<i>Sites subject to Section 106</i>	<i>99</i>
	<i>Unimplemented Local Plan Allocations</i>	<i>40</i>
	<i>Core Strategy site allocations</i>	<i>579</i>
	<i>Windfall allowance</i>	<i>250</i>
	<i>Deliverable SHLAA sites</i>	<i>114</i>
	<i>Rural exception site allowance</i>	<i>42</i>
<b>H</b>	<b>Supply</b>	
	<b>Percentage (H / G x 100)</b>	<b>70.19</b>
	<b>Years</b>	<b>3.51</b>

<sup>9</sup> Total net completion figure is calculated on same period as OAN assessment period (2011/12 to 2031/32)

