

Appendix to the Report to the Executive

Selby District Council

5 Year Housing Land Supply Report 2015-2016

Position at 31st March 2016



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1 Introduction

1.1 The purpose of this report is to:

- set out an updated methodology used in assessing the 5-year housing land supply (5YHLS);
- provide an updated 5YHLS calculation based upon the revised methodology which uses recent completions and forecast delivery figures; and
- provide a clear position on 5YHLS which supersedes the Council's last public statement on housing land supply, which was published in December 2015.

1.2 The Council has produced a five-year housing land supply report annually since 2010, with the last statement (for 2014/15 financial year) being published in December 2015. That statement set an assessment base date of 1st October 2015 (half way through the financial year) to enable the Council to have the most up-to-date evidence base possible in terms of housing supply for on-going work on the preparation of PLAN Selby sites and policies document.

1.3 This statement uses a base date of the 31st March 2016, the 5-year supply period within it will run to 31st March 2021.

2 Background

2.1 This section of the report briefly details the national policy context to housing land supply and the history of 5-year housing land supply as they relate to Selby District.

National Policy & Guidance

2.2 Paragraph 47 of the National Planning Policy Framework (NPPF) requires local planning authorities to:

- identify and update annually a supply of specific deliverable¹ sites sufficient to provide five years' worth of housing against their housing requirements; and

¹To be considered deliverable, sites should be available now, offer a suitable location for development now, and be achievable with a realistic prospect that housing will be delivered on the site within five years and in particular that development of the site is viable. Sites with planning permission should be considered deliverable until permission expires, unless there is clear evidence that schemes will not be implemented within five years, for example they will not be viable, there is no longer a demand for the type of units or sites have long term phasing plans.

- identify a supply of specific, developable² sites or broad locations for growth, for years 6-10 and, where possible, for years 11-15.

2.3 Paragraph 49 of the NPPF states that relevant policies for the supply of housing should not be considered up-to-date if the local planning authority cannot demonstrate a five-year supply of deliverable housing sites.

2.4 The National Planning Practice Guidance (PPG) states that: *“Deliverable sites for housing could include those that are allocated for housing in the development plan and sites with planning permission (outline or full that have not been implemented) unless there is clear evidence that schemes will not be implemented within five years. However, planning permission or allocation in a development plan is not a prerequisite for a site being deliverable in terms of the five-year supply. Local planning authorities will need to provide robust, up to date evidence to support the deliverability of sites, ensuring that their judgements on deliverability are clearly and transparently set out”*.

2.5 The national guidance is quite clear then that as part of this annual update of its housing supply position, Selby District Council should consider the deliverability of sites in the five year supply very carefully, so that the assessment can be considered robust.

5YHLS Statement – Methodology Update – February 2015

2.6 This report had a base date of the 1st April 2014, and detailed that the authority had a 4.3 year supply of housing. This report used windfall completions for the first time and the overall supply and completions levels were improved due to a reinvigorated housing market. However, the Council still had less than a 5-year housing land supply and so paragraph 49 of the NPPF still applied.

5YHLS Statement – Methodology Update – December 2015

2.7 This report had a base date of the 1st October 2015 and detailed that the district had a 5.8 deliverable supply of housing land, the increase in supply was largely due to the large number of dwellings approved by the Council when it did not have 5-year supply. This meant that, in line with paragraph 49 of the NPPF, relevant policies that relate to the supply of housing were considered to be up-to-date once again.

Strategic Housing Land Availability Assessment (SHLAA) – August 2016

2.8 The Council’s fourth SHLAA contains a methodology for assessing the delivery of sites over time, as well as an assessment of sites contained within the 5YHLS.

² To be considered developable, sites should be in a suitable location for housing development and there should be a reasonable prospect that the site is available and could be viably developed at the point envisaged.

The assessment and methodology were produced with the help of a working group composed of landowners, professionals from the development industry and key stakeholders such as infrastructure providers and neighbouring authorities.

2.9 The working group helped inform the following key aspects of the SHLAA methodology, following a review of empirical evidence.

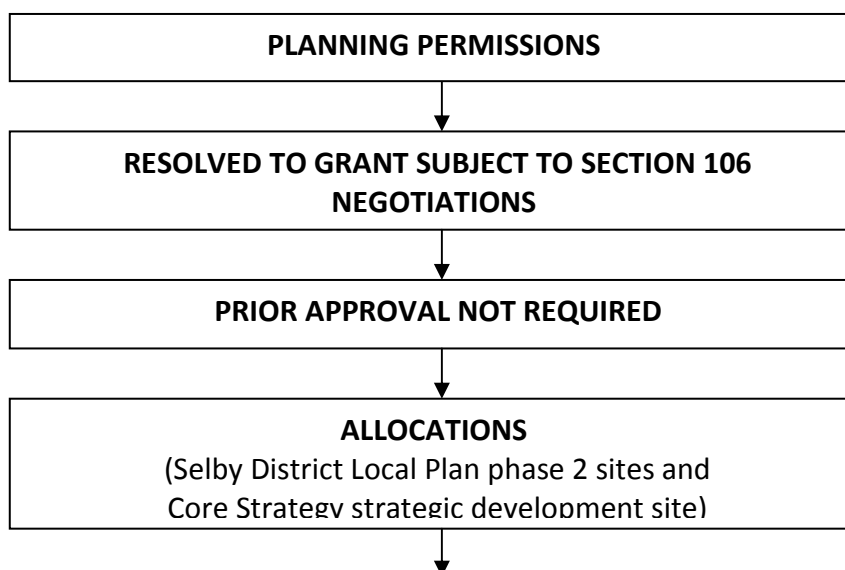
- Varied net developable area ratios – the larger the site, the lower the ratio.
- Varied lead-in times – the less advanced the site is in the planning process, the longer the lead in time.
- Varied build rates – the larger the site, the greater the build rate and number of builders.
- Varied density rates – higher in urban locations and lower in rural locations.
- The inclusion of prior approvals not required as a separate type of site.

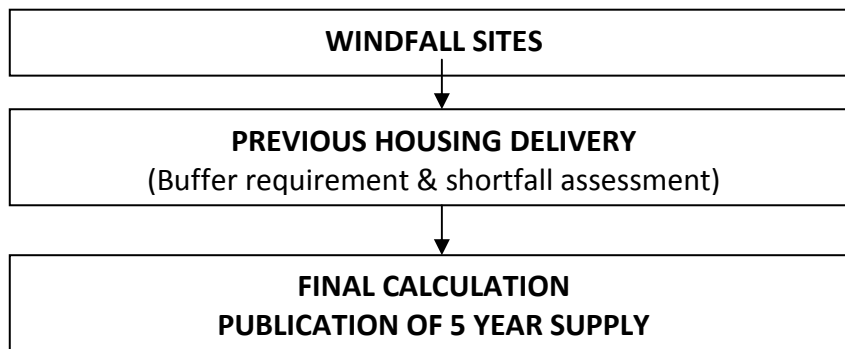
2.10 The application of the SHLAA methodology for the delivery of sites in the 5YHLS can be seen in the supply spread sheet in appendix 2. For more information on the 2016 SHLAA, please see: <http://www.selby.gov.uk/strategic-housing-land-availability-assessment-shlaa>.

3 Types of sites in the deliverable 5 year supply

3.1 The flowchart below identifies the process involved in undertaking the annual update and which data sources are used. Further explanation of each stage is outlined in detail later in this section and in section 4.

Figure 1: The 5-year housing land supply assessment process





3.2 The Council has carried out a survey of sites with planning permission within the district to ascertain the status of each site to determine what is built and what remains outstanding for future development. All of the planning permissions in the assessment are extant; any that had lapsed on their permission expiry date and had not started on site have been removed from the assessment.

3.3 This list of permissions includes outline planning permissions, as the principle of development has been established, subject to reserved matters. In undertaking the site assessments, small sites and large sites with permission have been classified differently, this is due to the different way they have been assessed in the 2016 SHLAA, with small sites being assessed in less detail than the large sites.

Smaller sites with planning permission (less than 5 dwellings)

3.4 As of the 31st March 2016, there were **116** dwellings with planning permission (gross) on sites with less than 5 units. All of these dwellings are projected to be built in the first 5 years of the plan period.

Larger sites with planning permission (5 dwellings or more)

3.5 As of the 31st March 2016, there were 4613 dwellings with planning permission (gross) on sites with 5 units or more. The number that is projected to be delivered in the next 5 financial years is **3406**.

Sites resolved to grant subject to section 106 negotiations

3.6 As of the 31st March 2016, there were no applications of this type being considered by the authority.

Prior approval not required

3.7 The scope of prior approvals can include developments of multiple dwellings. They are not technically planning permissions and so have been included as

their own type of site. As of the 31st March 2016, there were **14** dwellings on sites of this type, all of which are projected to be delivered in the first 5 years of the plan period.

Selby District Local Plan allocations (phase 2 sites)

- 3.8 Phase 2 allocations from the Selby District Local Plan (which was adopted in 2005) have been analysed in detail with regards to their deliverability. The landowners (or agents/developers) of all allocated sites have been contacted directly during the writing of this report in order to ascertain whether and when a site will be coming forward.
- 3.9 The viability of each site was discussed with the land owner and/ or the agent. It was also identified whether there are plans to submit a planning application, what the timescale for submission would be and when they would expect to be on site. This information has been used to determine which allocated sites are included within the 5-year housing land supply.
- 3.10 Where no information has been provided by the landowners it is assumed that the site is not available for development and it is therefore not included within the 5-year housing land supply calculations. A summary of the deliverability is shown in appendix 1. As a result of the detailed investigations into the deliverability of the phase 2 allocations, the amount of dwellings these sites can contribute to the 5 year supply is **300**.

Core Strategy Olympia Park allocation

- 3.11 This site is allocated as a strategic mixed use development site in the Core Strategy in policy SP7. This policy states that development within the defined area will be programmed to deliver 1000 new homes, a large part of the allocated site to the west already has permission for 863 dwellings (2012/0541/EIA). The remaining 137 dwellings will occur on site Selby-7, as the remainder of the site below the railway line is stipulated by SP7 to be developed for employment uses. The viability and deliverability of this site is considered in appendix 1, this site contributes 137 dwellings to the supply, **100** of which can be delivered in the first 5 years.

4 Methodology for calculating the 5 year supply

4.1 This section explains the different criteria and assumptions which are applied in the calculation of the 5 year supply. For each criteria, it is explained how its application is consistent with the most recent guidance, case law and empirical evidence

Planning permissions and the non-implementation discount

4.2 A non-implementation discount is applied to all sites with planning permission, prior approvals not required and sites granted subject to section 106 agreements. In the projection of the supply, the discount is used to demonstrate the fact that a proportion of sites may not start in the 5-year period and their permissions will lapse. An analysis of permissions in the SHLAA showed that although the majority of larger permissions are implemented, a greater proportion of smaller sites lapse. The applied 10% discount rate is also consistent with rates applied by other local authorities in their 5-year housing land supply statements.

Windfall allowance

4.3 Paragraph 48 of the NPPF 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'.*

4.4 The Council considers all sites not allocated for housing in the Local Plan to be windfall. In order to quantify the allowance, the Council has:

- considered evidence from historic supply that shows windfalls have consistently made a substantial contribution to the supply; and
- projected the average number of these past windfall plots forward as completions, at a similar rate to which they were being completed in recent years; and
- deducted the average number of windfall plots completed on residential garden land, reflecting policy in the NPPF and Core Strategy.

4.5 Windfalls are expected to continue to be a reliable source of supply, but there are a number of factors which will occur over the next 5 years of the plan period which will influence the rate of its delivery.

- The natural churn of brownfield land which occurs within urban areas will continue, where businesses and non-housing uses relocate and free up land for housing. There may be a slight trend upwards as evolving national planning policy (such as the requirement for a brownfield register) continues to re-focus upon the effective regeneration of brownfield sites.
- The PLAN Selby sites and policies document is due to be adopted in 2018 and will allocate enough housing land for the district to meet its housing needs up to the year 2027. Completions on these sites will not be classed as windfall. This is considered to be a downward driver on larger windfall sites and an uplift factor on small windfalls as settlement development boundaries may be redefined.
- The presumption in favour of sustainable development in the NPPF and Core Strategy (policy SP1) will continue to see applications for housing permitted outside of areas allocated in the Local Plan, providing they are sustainable and comply with relevant policies in the Local Plan. This may be a downward trend as PLAN Selby will clearly define settlement boundaries and less greenfield windfall may come forward.
- The expansion of permitted development rights to enable farm buildings and offices to be converted to housing without planning permission will also boost windfall supply.
- Losses of dwellings inevitably occur year on year, this is due to a variety of reasons including, demolitions, mergers and change of use. This is a downward driver in the net number of windfalls that can come forward.

4.6 There are likely to be both upward and downward windfall trends and on balance the Council is continuing to support a modest windfall allowance in the 5-year housing land supply. This is in line with policy SP4 of the Core Strategy (Management of Residential Development in Settlements).

4.7 Table 1 provides the historic data for gross completions on non-allocated sites (windfalls) in the district since 2005. This shows that there has been a high level of completions on windfall sites.

Table 1: Net completions on windfalls

Financial year	Net completions	Net completions on windfalls	% windfall completions
2005-06	638	580	91
2006-07	874	687	79
2007-08	583	343	59
2008-09	226	163	72
2009-10	270	163	60
2010-11	366	211	58
2011-12	311	176	57
2012-13	245	162	66
2013-14	263	186	71
2014-15	464	150	32
2015-16	439	194	44
Total 2005-2016	4679	3015	64
Average 2005-2016 (11 years)	425	274	64%
Average 2011-2016 (5 years)	344	174	51%
10% garden land reduction		157	

- 4.8 In order to forecast the windfall completions over the next 5 years, the average number of windfall plots completed over the last 5 years (174) was taken as a starting point as this reflects recent trends in the local housing market. The expected completion figure over the next 5 years was reduced from this figure (and rounded) to 160, to take account of the number of dwellings completed on garden land (shown to be 10%), which the NPPF states should not be accounted for.
- 4.9 The average of 160 completions was reduced further to better reflect the factors influencing the rate of delivery windfall described in paragraph 4.5 above. Overall, it is considered that there will be a reduced rate of delivery on windfall sites, as large-scale unallocated sites outside of the development limits are resisted, and the Core Strategy is introduced in 2018, resulting in a number of sites available to develop. Therefore, the average annual rate has been reduced by 25% to 120.
- 4.10 The projection for the predicted average rate of 120 completions per annum can be seen in table 2 below. This method prevents any double counting of windfall plots with existing permissions, as windfall plots are only projected as if

they were first given planning permission in the financial year 2015-16. Lead-in times are also factored into the projection (as per the 2016 SHLAA) so no windfalls are provided in the first 2 years of the plan period. The total cumulative completions from windfalls over the first 5 years is **360**.

Table 2: Windfall completion projection

Financial year complete					
16/17	17/18	18/19	19/20	20/21	Total
0	0	120	120	120	360

Applying the buffer

- 4.11 The NPPF (paragraph 47) requires that local planning authorities should have a 5-year housing land supply with an additional buffer of 5% (moved forward from later in the plan period) to ensure choice and competition in the market for land. Where there has been a record of persistent under delivery of housing, Local Planning Authorities should increase the buffer to 20% (moved forward from later in the plan period) to provide a realistic prospect of achieving the planned supply and to ensure choice and competition in the market for land”

Table 3: Housing requirement & annual completions

Year	Plan period	Net completions	Target	Gap
05-06	Selby District Local Plan Plan Period	638	620	+18
06-07		874	575*	+299
07-08		583	440	+143
08-09		226	440	-214
09-10		270	440	-170
10-11		366	440	-74
Total net provision		2957	2955	+2
11-12	Core Strategy plan period	311	450	-139
12-13		245	450	-205
13-14		263	450	-187
14-15		464	450	14
15-16		439	450	-11
Total net provision		1,722	2,250	-528

* Total annual dwelling requirement up to 31st December 2006 is 620 and 440 from 1 January 2007, providing a requirement of 575 dwellings between 1st April 2006 and 31st March 2007.

- 4.12 Table 3 illustrates the completions for the past nine years within the District. The average annual completion is 407 over the last 10 years. The average

number of completions over the Core Strategy plan period (from 2011 onwards) is 350. It can be seen that there was over-delivery in the years before the financial crash in 2008 and under-delivery after it, as a result of the slowdown in the housing market. More recently, there has been an upturn in the market, due to an improving economy.

- 4.13 The National Planning Practice Guidance does not provide any further clarification on what the 'persistent under delivery' in the NPPF equates to. Table 3, however, shows there was under-delivery in 4 out of the previous 5 financial years. This can only reasonably be determined as demonstrating a record of persistent under delivery, meaning that a 20% buffer should be applied.
- 4.14 The Council therefore considers that it is appropriate to demonstrate an additional buffer of 20% within the 5-year housing land supply calculation for 2015/16. However if future housing delivery in the district is consistently above the Core Strategy requirement, this position will be reviewed in future editions of the 5-year housing land supply report.

Dealing with the shortfall

- 4.15 Table 4 overleaf shows that housing delivery has fallen short of the annual target between 1st April 2011 (the base date of the Core Strategy) and 1st October 2015 by 500 dwellings.
- 4.16 In dealing with under supply, the National Planning Practice Guidance states that: '*Local planning authorities should aim to deal with any undersupply within the first 5 years of the plan period where possible*' (see paragraph: 035, reference ID: 3-035-20140306). The Council has dealt with undersupply by ensuring that the entirety of it to be made up in the first 5 years of the plan period, thus complying with best practice.
- 4.17 In keeping with advice from the Planning Inspectorate and Planning Advisory Service, the buffer has been applied to both the plan requirement and the shortfall combined.

5 Five year housing supply calculation

5.1 Tables 4 and 5 show how the sites described in section 3 of the report and the methodology for calculating the supply in section 4 of the report come together to produce a 5 year housing supply figure.

Table 4: Summary of sites contributing to 5 year supply

Summary of sites contributing to 5 year supply		Potential yield (dwellings)
A	Planning permissions <ul style="list-style-type: none"> • Dwellings on sites less than 5 units: 116 • Dwellings on sites of 5 or more units: 3410 • Prior approval not required: 14 	3,540
B	Dwellings approved at committee subject to section 106 agreements	0
C	Sum of permissions with 10% discount for non-implementation (A+B x 0.9)	3,186
D	Selby District Local Plan allocated housing sites: 300 Core Strategy allocation: 100	400
E	Windfall	360
Total plots considered to contribute to 5 year supply (C+D+E)		3,946

Table 5: Five year housing land supply calculations as at 1st October 2015

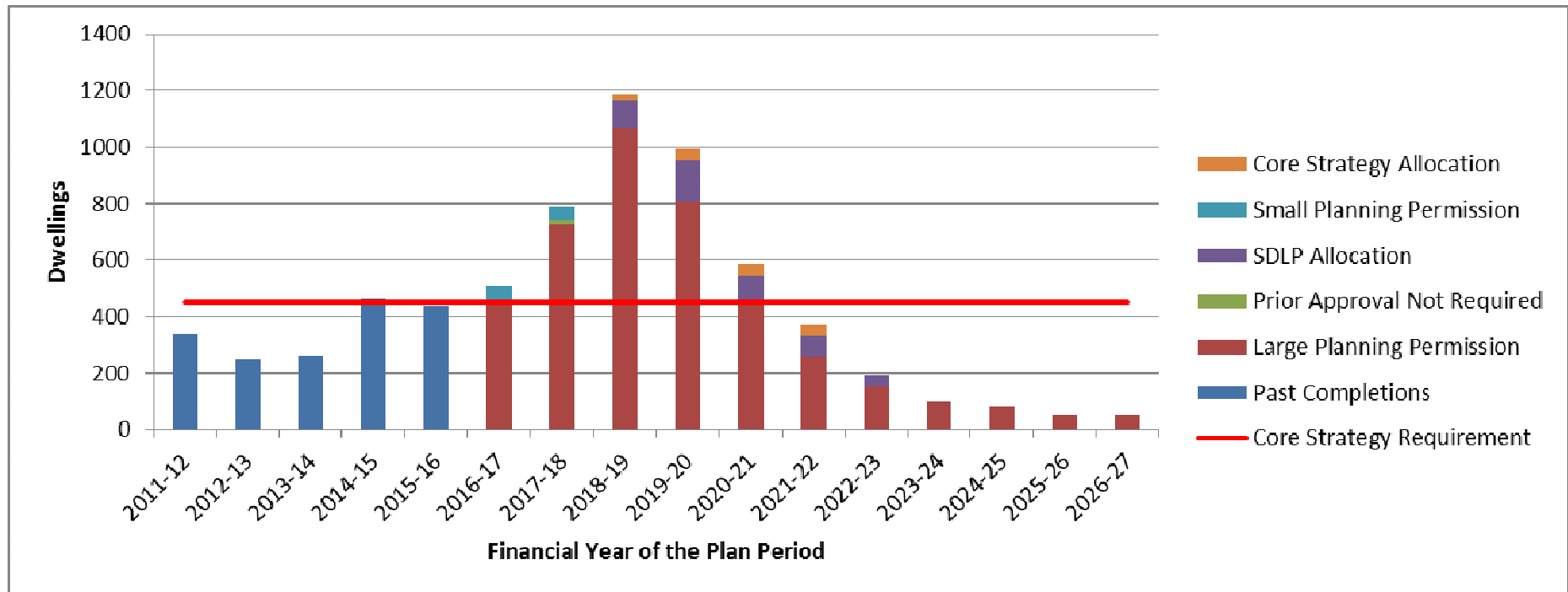
A	Housing target for the plan period (2011-2027)	7,200
B	Annual housing target across plan period (A ÷ 16 years)	450
C	Five year target, no adjustment (B x 5)	2,250
D	Shortfall of housing provision from the plan period (requirement less completions)	528
E	Shortfall + target (C+D)	2,778
F	20% buffer applied (E x 1.2)	3,334
G	Annual target for next five years (F ÷ 5)	667
H	Current expected deliverable supply: (1st October 2015 to 1st October 2020)	3,946
I	Gap (F - H)	+612
J	Council's housing and supply equivalent to (H ÷ G)	5.9 years

- 5.2 As at 1st October 2016, the district has a 5.9 year supply of housing. This now means that in line with paragraph 49 of the NPPF relevant policies that relate to the supply of housing are now considered to be up-to-date once again. Paragraph 12 of the NPPF states that: *“development that accords with an up-to-date Local Plan should be approved and proposed development that conflicts should be refused unless other material considerations indicate otherwise.”*
- 5.3 Appendices 2 and 3 provide a database of sites with maps, which contribute towards the 5-year housing land supply.

6 Housing trajectory

- 6.1 Paragraph 47 of the National Planning Policy Framework (NPPF) states *“for market and affordable housing, illustrate the expected rate of housing delivery through a housing trajectory for the plan period and set out a housing implementation strategy for the full range of housing describing how they will maintain delivery of a five-year supply of housing land to meet their housing target”*.
- 6.2 Figure 2 below shows the housing trajectory, for the first 3 years of the Core Strategy plan period there was under provision against targets due to the downturn in the housing market. In the last two financial years, completions were above or near the target, this can be attributed to the build out of the phase 2 allocated sites released by the Council and a gradual recovery in the housing market.
- 6.3 Due to the large numbers of sites permitted by the council since the start of the 2014/15 financial year, the district is projected to have completions above the 450 requirement for the next 5 years. The graph shows that completions are predicted to be below the requirement from the year 2021 onwards.
- 6.4 The introduction of the PLAN Selby allocated housing sites from the year 2018 onwards (not shown in the graph) will ensure the district has housing completions above the Core Strategy target up until the end of the plan period in 2027.

Figure 2: Housing trajectory



Appendices

Appendix 1: Deliverability assessment of the 2005 Selby District Local Plan/Core Strategy housing allocations

SDLP/CS allocation reference	SHLAA reference	Location	Settlement hierarchy	Area (ha)	Dwelling capacity years 1-5	Deliverability in the 2015-16 5YHLS report
SP7	Selby-7	Olympia Park (Land between A19 and A63 Bypass, Barlby)	Principal Town	5.6	100	Found to be deliverable based on recent response from owner/site promoter. Application submitted on site.
BRY/1	Byram-6	Land South of Byram Park Avenue, Byram	Designated Service Village	0.79	24	Found to be deliverable based on recent response from owner/site promoter. Application submitted on site.
CAR/2	Carlton-5	Land west of Low Street, Carlton	Designated Service Village	1.23	0	Not deliverable – no owner interest
CAM/1	Camblesforth-10	Land south of Mill Farm, Camblesforth	Secondary Village	2.05	37	Found to be deliverable based on recent response from owner/site promoter. Application submitted on site.
EGG/2	Eggborough-4	Land East of High Eggborough Lane, Eggborough	Designated Service Village	1.43	39	Found to be deliverable based on recent response from owner/site promoter. Application submitted on site.
EGG/3	Eggborough-3	Land south of Selby Road, Eggborough	Designated Service Village	3.14	85	Found to be deliverable based on recent response from owner/site promoter.
H2	Osgodby-5	Land west of South Duffield Road, Osgodby	Designated Service Village	1.56	0	Not deliverable – no owner interest
SEL/1	Selby-15	Land at Cross Hills Lane, Selby	Principal Town	22.75	125	Found to be deliverable based on recent response from owner/site promoter.
SHB/1	Sherburn-26	Land West of A162, Sherburn In Elmet	Local Service Centres - Sherburn	4.85	0	Not deliverable - Remainder of the allocated site without permission assessed to be undeliverable due to flood risk

TAD/2	Tadcaster-18	Land west of Inholmes Lane, Tadcaster	Local Service Centres - Tadcaster	3.47	0	Not deliverable - Land owner has shown no intention of developing the site.
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Appendix 2: Database of sites contributing to the 5YHLS

Appendix 3: Maps of sites contributing to the 5YHLS

For both of the above please visit: <http://www.selby.gov.uk/authorities-monitoring-report>