



**Report Reference Number: E/18/15**

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**To:** Executive  
**Date:** 6<sup>th</sup> September 2018  
**Ward(s) Affected:** All Wards  
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**Title: 2018-2023 Five Year Housing Land Supply Report**

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## **1.0 Purpose of Report**

- 1.1 To update the Executive on the housing land supply in the District, at the beginning of the 2018-19 financial year.
- 1.2 The planning policy team have calculated that as of the 31<sup>st</sup> March 2018, the District has a 6.5 year supply of deliverable housing land.

## **2.0 Introduction and background**

- 2.1 In common with other Councils, Selby District Council publishes, at least annually, a report on the 5 year housing land supply in the district. This report usually has a base date of 31<sup>st</sup> March 2018.
- 2.2 The Council's last 5 Year Housing Land Supply (5YHLS) report was published in November 2017, with a base date of 30<sup>th</sup> September 2017. This report found that the Council had a deliverable supply of 6.2 years.
- 2.3 The Council's positive 5YHLS position has since been endorsed by a number of recent appeal decisions at Ulleskelf, Church Fenton, North Duffield and Thorpe Willoughby<sup>1</sup>. The following elements of the five year supply methodology were also confirmed by these appeal decisions:

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<sup>1</sup> refs. APP/N2739/W/17/3173108, APP/N2739/W/17/3175463, APP/N2739/W/17/3183958, APP/N2739/W/17/3181460

- The use of an 8% discount rate to take account of the possible non-implementation of permissions;
- The use of a 5% buffer (as opposed to a 20% buffer for those authorities that have had a record of persistent under-delivery); and
- The inclusion of windfall sites in the 5YHLS calculation

2.4 In preparing the position at 31<sup>st</sup> March 2018, the way in which sites are assessed through the SHLAA has been informed by a methodology which has been agreed with a SHLA Working Group, comprised of professionals from the house building industry.

### **3.0 Housing Figures at 31<sup>st</sup> March 2018**

#### Completions from the 1<sup>st</sup> April 2017 to 31<sup>st</sup> March 2018

3.1 Over this twelve month timeframe there have been 623 gross (615 net) completions in the District. This means that the authority has now over-provided against the 450 dwelling per annum target for the last 3 financial years (2015/16, 2016/17 and 2017/18) and it is on this basis and given the confirmation from recent appeal decisions, that the Council's use of a 5% buffer is justified and consistent with paragraph 73 of the new NPPF.

#### Permissions from the 1<sup>st</sup> April 2017 to 31<sup>st</sup> March 2018

3.2 Over this twelve month time period there have been 1201 (gross) dwellings given permission in the District (1184 net). These sites have all been assessed through the SHLAA methodology in terms of predicting when they will be delivered over the supply period, by factoring in lead in times (from the point of permission to first build) and build rates (dwellings per year per site).

3.3 Thorough and rigorous checks have also been made to determine the deliverability of those sites that officers deem at risk of being challenged at any potential appeals. The process is described in more detail in paras 2.15 to 2.18 of the main report.

### **4.0 Changes to the Methodology**

4.1 Following consultation with the working group and the consideration of the latest evidence on house building, changes have been made to how the 5YHLS is calculated, which are as follows:

- Pre-build lead-in times (the amount of time it takes to finish the first dwelling) have been increased for sites of 40 dwellings or more which don't have planning consent (from 30 to 36 months), to take into account the latest empirical evidence and the comments from the SHLAA Core

Working Group. This change only applies to a small number of sites in the supply.

- Following discussion with the working group and following an analysis of recent build rates in the district, build rates have been changed for sites of 201-300 dwellings from 70 dpa to 50dpa. However 70dpa are still applied for this size of site if there are two developers on site. This change only applies to a small number of sites in the supply.
- The non-implementation discount is now only applied to small sites with permission (less than 5 dwellings). This is to take into account the fact that large sites with permission already have a deliverability assessment undertaken and built into the final 5YHLS figure, therefore there is no reason to double count non-implementation on these sites. The rate of non-implementation is calculated (using the most recent evidence) as being 10% on small sites and these changes have the overall effect of lowering the number of dwellings that are deducted from the 5 year supply.

## 5.0 Preliminary 5YHLS estimate

5.1 The following tables show how the sites assessed by the SHLAA and the methodology for calculating the supply come together to produce a 5 year housing supply figure.

**Table 1: Summary of net dwellings contributing to the five year supply**

Summary of sites contributing to 5 year supply		Dwellings
A	Planning permissions <ul style="list-style-type: none"> <li>• Dwellings on sites less than 5 units (with 10% non-implementation rate applied): <math>197 \times 0.9 = 177</math></li> <li>• Prior approval not required (with 10% non-implementation rate applied): <math>10 \times 0.9 = 9</math></li> <li>• Dwellings on sites of 5 or more units: <u>2665</u></li> </ul>	2851
B	Dwellings approved at committee subject to section 106 agreements	0
C	Deliverable SHLAA sites	200
D	Sum of permissions (A+B+C)	3051
E	Selby District Local Plan allocated housing sites: 106 Core Strategy allocation: 0	106
F	Windfall	303
<b>Total plots considered to contribute to 5 year supply (D+E+F)</b>		<b>3460</b>

**Table 2: Five year housing land supply calculations as at 31<sup>st</sup> March 2018**

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)	280
E	Shortfall + target (C + D)	2530
F	<b>5% buffer applied (E x 1.05)</b>	<b>2657</b>
G	Annual target for next five years (F ÷ 5)	531
H	<b>Current expected deliverable supply: (1 April 2018 to 31 March 2023)</b>	<b>3460</b>
I	Gap (F - H)	+803
J	Council's housing land supply equivalent to (H ÷ G)	<b>6.5 years</b>

5.2 As of 31<sup>st</sup> March 2018, and based on this preliminary assessment, the district has a **6.5 year deliverable supply of housing**. This means that in line with the NPPF, relevant policies that relate to the supply of housing continue to be considered up to date.

## **6.0 Changes to the NPPF**

6.1 The revised NPPF was published on 24<sup>th</sup> July 2018. The main amendments relating to the delivery of a sufficient supply of housing are the introduction of a Housing Delivery Test and an Annual Position Statement.

6.2 Paragraph 75 of the NPPF requires that local authorities should monitor the progress in building out sites which have planning permission. Where the Housing Delivery Test indicates that delivery has fallen below 95% of the authority's housing requirement over the previous three years, the authority should prepare an action plan in line with national planning guidance, to assess the causes of under-delivery and identify actions to increase delivery in future years. Annex 1 states that the Housing Delivery Test will apply from the day following the publication of the Housing Delivery Test results in November 2018. Notwithstanding this, the Council have supplied in excess of their housing target for the last 3 financial years and new permissions are also significantly above the amount needed to replace those completions in the supply.

- 6.3 The NPPF has also introduced the potential for an Annual Position Statement which is a document which will set out the 5 year housing supply position on 1<sup>st</sup> April each year, prepared by the local authority in consultation with developers and other interested parties. If the local authority wishes to demonstrate their 5YHLS through an Annual Position Statement, this is subject to a 10% buffer, rather than a 5% buffer. Currently the Government have published no further details about how an Annual Position Statement might be prepared and its proposed contents and given the absence of pressure from appeals, the Council do not intend to adopt an annual position statement this financial year.

## **7.0 Conclusion**

- 7.1 From 1st April 2017 to 31<sup>st</sup> March 2018 the District has continued to deliver completions well above the Core Strategy target for the district. New permissions are also significantly above the amount needed to replace those completions in the supply. Table 2 shows that based on a preliminary assessment, the supply at 31<sup>st</sup> March is **6.5 years**.

## **Appendixes**

Appendix A: 5 Year Housing Land Supply Report 2018-2023 – Main Report