

SLOUGH BOROUGH COUNCIL

REPORT TO: Planning Committee **DATE:** 1st August 2018
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WARD(S): ALL

PART I **FOR DECISION**

FIVE YEAR HOUSING LAND SUPPLY AND HOUSING TRAJECTORY 2017/18

1. **Purpose of Report**

This report provides Members with an update on the supply of housing in Slough demonstrate that Slough continues to have a 5 year housing land supply. This information will be included in to the Annual Monitoring Report 2017-18 and then published on the Council's website.

2. **Recommendation(s)/Proposed Action**

The Committee is requested to resolve that the updated Housing Trajectory and Five Year Housing Land Supply be noted and published in the Annual Monitoring Report 2017-18.

3. **The Slough Joint Wellbeing Strategy, the JSNA and the Five Year Plan**

3a. **Slough Joint Wellbeing Strategy Priorities**

This will have an impact upon the following SJWS priorities:

4. Housing

3b. **Five Year Plan Outcomes**

The Housing monitoring will help deliver the following Five Year Plan's outcomes:

- Slough will be an attractive place where people choose to live, work and visit.
- Our residents will have access to good quality homes.

4. **Other Implications**

(a) **Financial**

There are no financial implications

(b) Risk Management

<i>Recommendation</i>	<i>Risk/Threat/Opportunity</i>	<i>Mitigation(s)</i>
That we carry out an updated housing trajectory and five year land supply on annual basis. That meet the requirement of the National Planning Policy Framework (NPPF)	Not carrying out an updated Housing Trajectory and Five year housing land supply on annual basis will not meet the requirement of the National Planning Policy Framework (NPPF) and the Council could be subject to appeals and costs	Agree the recommendations.

(c) Human Rights Act and Other Legal Implications

There are no Human Rights Act Implications as a result of this report.

(d) Equalities Impact Assessment

There are no equality impact issues

(e) Workforce

The updated Housing Trajectory and Five Year Housing Land Supply is produced within the existing planning policy team.

5. **Supporting Information**

- 5.1 The National Planning Policy Framework (NPPF para 47) requires Local Planning Authorities to “identify and update annually a supply of specific deliverable sites sufficient to provide five years worth of housing against their housing requirement with an additional buffer of 5% to ensure choice and competition in the market for land.”
- 5.2 The importance of having a 5 year land supply is explained in paragraph 14 of the NPPF which states that Local Plan 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. It also states that where relevant policies are out-of-date, permission should be granted unless any adverse impacts of doing so would significantly and demonstrably outweigh the benefits, when assessed against the policies in the NPPF taken as a whole (NPPF, para 14).
- 5.3 This means that without a five year housing land supply there would be a significant risk that refusals of planning permission for residential development could be overturned on appeal, with associated cost implications, even if the application is contrary to Local Plan policy.
- 5.4 The Draft NPPF that was the subject of public consultation in May, proposes a new requirement for a Housing Delivery Test for local authorities from November 2018. The test will identify the number of houses built against the housing target over a rolling three year period.

- 5.5 Failure of the test will result in a number of actions which include the publication of an Action Plan if housing delivery falls below 95% of the target. It will also require adding a 20% buffer to the five-year land supply if housing target if delivery falls below 85%.
- 5.6 As a result we have producing a Housing Trajectory which shows how many houses are projected to be completed and delivered in the next five years from identified sites. This can then be used to calculate the five year housing supply and inform work on the review of the Local Plan.
- 5.7 It should be noted that the Planning Practice Guidance (PPG) states that Council's can now count housing provided for older people, including residential institutions (number of bedrooms) (Use class C2) against their housing requirement. Prior to this change, only self-contained units in residential care homes/ residential institutions were counted towards housing supply. This is an important change which will help toward meeting local housing needs.

Housing Requirement

- 5.8 In order to calculate 5 year land supply you firstly have to work out what the housing requirement is.
- 5.9 The Housing target in the Core Strategy is 315 a year and so we have used this for the beginning of the plan period when this is what we were planning for. In 2015/16 we adopted a higher interim target of 550 a year based upon the Council's Corporate Plan and have used this as the target up until now.
- 5.10 The Planning Practice Guidance states that "where evidence in Local Plans has become outdated and policies in emerging plans are not yet capable of carrying sufficient weight, information provided in the latest full assessment of housing needs should be considered"
- 5.11 The draft National Planning Policy Framework is proposing a new standard method for calculating Objectively Assessed Housing Needs using National Household Projections and applying an adjustment to take account of market signals using the local affordability ratio. The application of this methodology would give Slough a requirement of 912 a year. As a result it is proposed to use this as the target for 2019 onwards when the revised NPPF will apply.
- 5.12 Going forward the Government has indicated that in the absence of an up to date Local Plan the target should be the objectively assessed housing need figure which is calculated using the new standardised methodology in the updated NPPF. This is estimated to be 912 houses a year and so this is that target that we have used for 2019 onwards. This gives a total of 11,419 houses to be built over the twenty year plan period.
- 5.13 We have built 5,864 so far leaving 5,555 to be built in the remaining 8 years at an average of 694 a year.
- 5.14 The NPPF requires that an additional 5% buffer should be added to the five year target to ensure choice and completion in the market for land. The NPPF also states that where there has been a record of persistent under delivery local

planning authorities should increase the buffer to 20%. We don't consider that Slough is an underperforming Borough but this will in future be determined by the Government when it carries out its Housing Delivery Test for each Council on an annual basis.

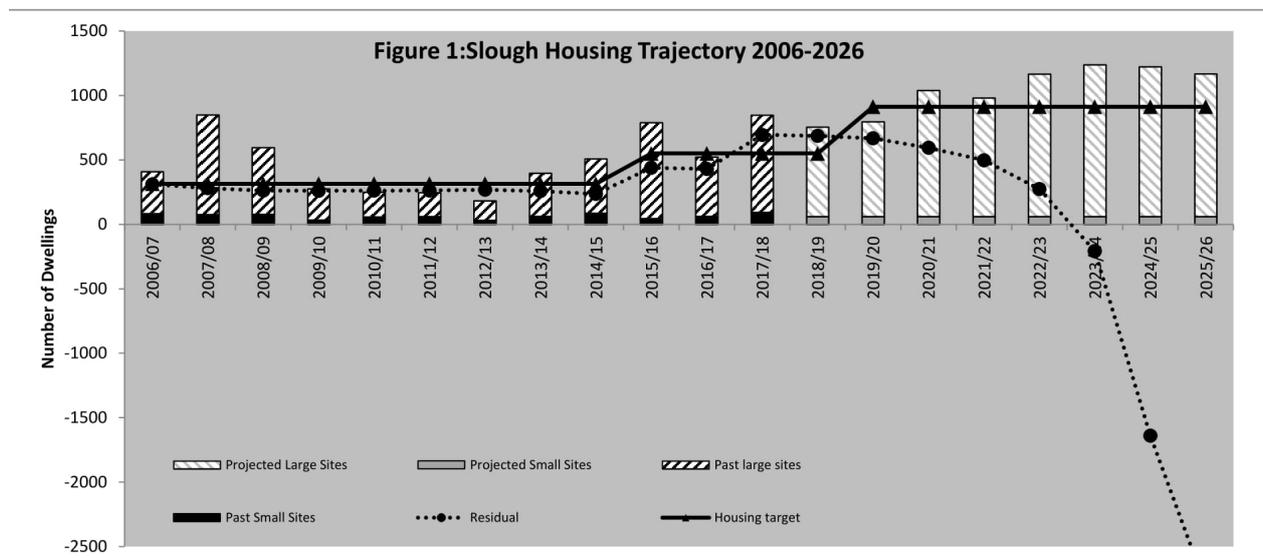
Housing Trajectory 2018

5.15 We have produced an updated Housing Trajectory which shows past completions and how many houses we project will be built each year for the rest of the Plan period. This has been produced using updated information on outstanding planning permissions and new housing permissions from this year. We also have sent letters to landowners and developers of sites in order to obtain their up to date estimates of when sites will be completed.

5.16 The Housing Trajectory identifies specific sites which are considered to be deliverable each year. The bulk of the sites in the trajectory for the next five years have planning permission or are under the direct control of the Council which provides more certainty about their deliverability. There are also some sites where knowledge of landowner activity and intentions also allows them to be included in the five year supply.

5.17 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. The Housing Trajectory only contains sites with 10 or more dwellings and so we have added an allowance of 60 dwellings a year on small sites based upon an analysis of past completion rates and existing permissions.

Figure1: Housing Trajectory Graph



5.18 The Housing Trajectory shows that we can expect to build 4,734 houses over the next 5 years at an average of 947 a year. This exceeds the annual need of 912 a year calculated using the Government's proposed standardised method.

5.19 It also shows that we will have a sustained period of house completions at a higher rate than we have managed in the past.

- 5.20 Many of the sites have come from the previous Site Allocations Plan and the work that we are doing on the Review of the Local Plan to produce a Preferred Spatial Strategy. The rate of development is predicted to increase after the 5 year period when major sites such as TVU, Queensmere and Akzo Nobel are likely to be producing large numbers of new dwellings.
- 5.21 It should be noted that in the longer term up to 2036 we are still predicting a large shortfall of housing as a result of all of the available sites being taken up and the general shortage of land in the Borough. This is why it is necessary to continue to promote the proposed Northern Expansion of Slough into South Bucks as a way of meeting our future housing needs and rebalancing Slough's housing market.

Five Year Land Supply

- 5.22 In order to calculate the five year land supply you have to compare the supply of housing with the housing requirement. Using the residual method we have a requirement to build an average of 694 houses a year over the next five years. When the 5% buffer is added to this the requirement becomes 729 a year.
- 5.23 The housing trajectory shows that we have a supply of 4,734 for the next five years at an average of 947 per year.

Figure 2: Five Year Land Supply Calculations

Total 5 year supply	
Total housing requirement for plan period 2006-2026	11,419
Total net completions from 2006/07-2017/18	5,864
Average Annual Net completions (2006/07-2016/17)	489
Residual requirement	5,555
5 year residual requirement	3,472
Residual annual average requirement	694
5 year Residual requirement plus 5%	3,646
Residual annual average requirement plus 5%	729
5 year identified supply	4,734
Number of years supply inclusive of 5% buffer	6.49

- 5.24 Figure 2 shows that when the results of the Housing Trajectory are fed into the Five Year Housing Supply calculations it can be demonstrated that we have a 6.5 years supply, which comfortably exceeds the requirement including a 5% buffer.

6. Conclusion

- 6.1 Members' approval is being sought for the publication of updated housing trajectory and five year housing land supply data in the Annual Monitoring Report 2017-18. This shows that we have a 6.5 supply of housing for the five year period from 2018 to 2022.

7. Background Papers

'1' Housing Trajectory 2018