

COMMITTEE: **PLANNING**

DATE: **28 February 2017**

SUBJECT: **Update on Housing Delivery**

REPORT OF: **Director of Regeneration and Planning**

Ward(s): All

Purpose: To provide Members with an update on recent housing delivery and the current position in relation to the Five Year Housing Land Supply

Contact: Matt Hitchen, Senior Strategy & Commissioning Officer
(Planning Policy)
Tel no: (01323) 415253
E-mail: matt.hitchen@eastbourne.gov.uk

Recommendations: That Members note the contents of this report.

Executive Summary

Housing Completions:

- Total units delivered in Plan Period (up to 31 December 2016) = **2,501**
- Target for units delivered at 31 December 2016 = **2,580**
- Updated annual average target = **245.9**
- Net residential completions in Third Quarter 2016/17 = **50**
- Net residential completions in 2016/17 year to date (Q1 to Q3) = **128**

New Commitments:

- Net residential units granted permission in Q3 2016/17 = **100**
- Net residential units refused permission in Q3 2016/17 = **127**

Total Commitments:

- Total number of residential units with permission where development is yet to commence = **610**
- Total number of residential units currently under construction = **271**

Five Year Housing Land Supply:

- Five Year Housing Requirement (inc. 5% buffer) = **1,291**
- Current Five Year Housing Land Supply (units) = **881**
- Current Five Year Housing Land Supply (%) = **68.2%**
- Current Five Year Housing Land Supply (years) = **3.41 years**

1.0 Introduction

- 1.1 This report provides an update on housing delivery in the third quarter of the 2016/2017 financial year. It is part of the quarterly feedback to Planning Committee on housing delivery rates.
- 1.2 This report identifies the number of units granted permission in the previous quarter and the financial year as a whole, the number of units with permission that have yet to start construction, the total number of units completed, and updates Members on the latest position in relation to the Five Year Housing Land Supply.

2.0 Background

- 2.1 National planning policy places considerable weight on the delivery of new housing. Delivery of housing is assessed in two ways: the number of residential units built; and the number of residential units due to be built in the next five years (known as the Five Year Housing Land Supply). The two are linked to the extent that a reduction in the number of units built will increase the number needed to be built in the next five years to make up for the shortfall.
- 2.2 The identification of a Five Year Housing Land Supply is a requirement of the National Planning Policy Framework (NPPF). A Five Year Housing Land Supply means identifying sufficient housing land in order to meet the cumulative annual housing delivery target for the next five years (i.e. annual target multiplied by five), plus a 5% buffer.
- 2.3 The NPPF 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)*.
- 2.4 This means that if a five year housing land supply cannot be demonstrated, there is 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.
- 2.5 National policy and case law has shown that the *'demonstration of a 5 year supply is a key material consideration when determining housing applications and appeals'* (Planning Practice Guidance, Paragraph: 033 Reference ID: 3-033-20150327¹).
- 2.6 The Government's White Paper *'Fixing Our Broken Housing Market'*, published

¹ <https://www.gov.uk/guidance/housing-and-economic-land-availability-assessment>

on 7th February 2017, includes a proposal to introduce a new housing delivery test to assess the number of residential units delivered against the local plan target from November 2017. Depending on the percentage of the target delivered, different responses will be required with the intention of boosting the supply of housing.

- 2.7 The first assessment period for the Housing Delivery Test will be for financial years April 2014 – March 2015 to April 2016 – March 2017. Local authorities delivering less than 85% of their housing target will be required to add a 20% buffer to their Five Year Housing Land Supply calculation.

3.0 Housing Completions

- 3.1 The Core Strategy (adopted 2013) plans for the delivery of 5,022 net additional dwellings between 2006 and 2027. As of the end of the third quarter of 2016/17 (31 December 2016), a total of 2,501 units had been delivered since the start of the plan period. This leaves 2,521 units to be delivered until the end of the plan period at an annual average of **245.9** units per year.
- 3.2 Falling housing delivery rates over recent years has meant that the total number of units that have been delivered is now less than the cumulative target. At this point in the plan period, **2,580** units should have been delivered, which is 79 more than has actually been delivered.
- 3.3 In the third quarter of 2016/17, a total of **50** new dwellings were completed. Of these 50 completed units, the largest single development was of 16 units through an office to residential conversion at 23 St Leonards Road. The remaining 34 new dwellings were provided across 19 other development sites.
- 3.4 In the first three quarters of 2016/17, a total of **128** units have been completed, which equates to just over half of the target for the year.

4.0 New Commitments

- 4.1 A total of **100** units were granted permission during the third quarter of 2016/17 across 19 sites. The largest single commitment was prior approval for the change of use of office to 56 residential units until permitted development rights at 20 Upperton Road. This means that a total of 243 units have been granted permission so far in 2016/17.
- 4.2 For comparison purposes, it has been identified that a total of **127** net additional units across 8 development sites were refused planning permission in the quarter. This means that a total of 162 units have been refused permission so far in 2016/17.
- 4.3 It is important to recognise that not all of the units granted permission will be built. Evidence over the Core Strategy plan period (since 2006) suggests that

78% of units granted permission are completed. At a 78% delivery rate, meeting the Core Strategy target of 240 units per year would require 308 units to be granted permission each year.

5.0 Total Commitments

5.1 As at the end of the Quarter 2, there were **610** net additional dwellings with permission that have yet to commence across 96 sites. This includes:

- 102 units at Bedfordwell Road Depot
- 61 units at the former Caffyns site on Upperton Road
- 56 units at 20 Upperton Road
- 36 units at 2-4 Moy Avenue
- 35 units at St Anne's House, St Anne's Road

5.2 As at the end of the second quarter of 2016/17, there were **271** units under construction across 31 development sites. This includes:

- 72 units at Site 1, Sovereign Harbour
- 70 units at Site 7c, Sovereign Harbour
- 30 remaining units at Meadows View, Kings Drive
- 13 units at land at Sumach Close

6.0 Five Year Housing Land Supply Assessment

6.1 The annual requirement over the remaining plan period is 245.9 units per year, and therefore the five year requirement is 1,230 units. The additional 5% buffer equates to an additional 61 units, making the Five Year Housing Land Supply requirement for Eastbourne **1,291** units. Eastbourne Borough Council is required to identify sufficient land to meet this requirement.

6.2 The current assessment of the Five Year Housing Land Supply identifies that as of 31 December 2016, Eastbourne has a supply of housing land equivalent to **881** units. This currently consists of sites with permission, including those where construction has started and those where construction has not started. This is because it is currently not possible to identify sufficient housing development sites that have the potential to come forward within the next five years.

6.3 The Assessment shows that Eastbourne currently has a **3.41 year** supply of housing land (or **68%** of the Five Year Housing Land Supply requirement including 5% buffer). As demonstrated in Figure 4, Eastbourne Borough Council is 410 units short of having a Five Year Housing Land Supply (including 5% buffer).

6.4 As a five year housing land supply cannot be demonstrated, current policies cannot be relied upon to justify a refusal of permission and therefore there is a significant risk of future planning refusals for residential development being

overturned at appeal.

- 6.5 The under-delivery of housing continues to increase the Five Year Housing Land Supply requirement, as under delivery increases the annual target used to calculate the requirement. In addition, a low rate of sites being granted permission means that the number of units in the Five Year Housing Land Supply is falling. Both factors combined mean that it will be very difficult for a Five Year Housing Land Supply to be identified in the near future, unless additional housing development sites can be identified.

7.0 Conclusion

- 7.1 National planning policy places considerable weight on the delivery of new housing, and the five year housing land supply is a material consideration in the determination of planning application.
- 7.2 Eastbourne current has a housing land supply equivalent to 881 units, which represents 3.41 years supply of land. Therefore a five year housing land supply cannot be demonstrated.
- 7.3 The process for identifying additional sites is currently underway through the Strategic Housing & Employment Land Availability Assessment. This study is due to be completed in spring 2017. The more sites identified as developable through this process, the closer to the Five Year Housing Land Supply requirement will be. This will give Members better control over approvals and greater comfort that refusals won't be overturned on appeal.
- 7.4 However the introduction of a 'housing delivery test' in the Housing White Paper also means that under-delivery of housing in previous years will make it more difficult to achieve a Five Year Housing Land Supply in the future.

Background Papers:

The Background Papers used in compiling this report were:

- Eastbourne Core Strategy Local Plan 2006-2027
- National Planning Policy Framework (2012)
- Fixing Our Broken Housing Market – Government White Paper (2017)

To inspect or obtain copies of the background paper, please refer to the contact officer listed above.

Appendix 1 – Housing Delivery Statistics for Quarter 3 2016/17 by Ward

Ward	Net Completions in Quarter	Net Newly Committed in Quarter	Total Commitments (not commenced)	Total Under Construction
Devonshire	14	22	112	14
Hampden Park	0	1	2	13
Langney	0	2	5	0
Meads	17	3	48	42
Old Town	0	3	12	0
Ratton	0	0	5	1
Sovereign	0	0	1	161
St Anthonys	0	10	64	7
Upperton	19	59	361	33
TOTAL	50	100	610	271

A full list of sites in each category is available on request