

**Decision Maker:** DEVELOPMENT CONTROL COMMITTEE

Date: **Tuesday 6 November 2018**

**Decision Type:** Non-Urgent      Non-Executive      Non-Key

**Title: LB BROMLEY FIVE YEAR HOUSING LAND SUPPLY PAPER UPDATE - NOVEMBER 2018**

**Contact Officer:** Claire Glavin, Planner  
Tel: 0208 313 4477 E-mail: [Claire.Glavin@bromley.gov.uk](mailto:Claire.Glavin@bromley.gov.uk)

**Chief Officer:** Chief Planner

**Ward:** (All Wards);

## 1. Reason for report

1.1. The Council usually considers an updated five year housing land supply paper annually in line with Government guidance. The last paper was agreed by Development Control Committee on 16<sup>th</sup> November 2017 and therefore an update to the Council's position is due to be considered. It is advisable though, principally in light of the relatively recent publication of the new National Planning Policy Framework (NPPF) at the end of July 2018 and National Planning practice Guidance (NPPG) in September 2018 to delay its consideration slightly until late 2018 or early 2019 so that these policies and guidance can be assessed.

1.2. The current five year housing supply position of November 2017 is still considered to be a reasonable representation of the supply position in the Borough at this point in time. Therefore in the short term, prior to the revised Paper being reported, the November 2017 five year housing land supply position is recommended to be extended.

## **2. RECOMMENDATION(S) that: -**

- 2.1 The Council's next Five Year Housing Land Supply Paper is presented for approval at late 2018 or early 2019.
- 2.2 The November 2017 five year housing land supply position is extended in the short term until the next Paper is considered by Members.

## Impact on Vulnerable Adults and Children

1. Summary of Impact: No impact
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## Corporate Policy

1. Policy Status: Existing Policy:
  2. BBB Priority: Quality Environment Safe Bromley Vibrant, Thriving Town Centres Regeneration:
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## Financial

1. Cost of proposal: No Cost:
  2. Ongoing costs: Not Applicable:
  3. Budget head/performance centre: Planning Division Budget (Excl. Building Control Land Charges & Renewal)
  4. Total current budget for this head: £711.2k
  5. Source of funding: Existing controllable revenue budget for 2018/19
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## Personnel

1. Number of staff (current and additional): 50ftes
  2. If from existing staff resources, number of staff hours:
- 

## Legal

1. Legal Requirement: Statutory Requirement:
  2. Call-in: Not Applicable:
- 

## Procurement

1. Summary of Procurement Implications: No implications
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## Customer Impact

1. Estimated number of users/beneficiaries (current and projected): All residents in the Borough as well as those making planning applications for development in the Borough.
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## Ward Councillor Views

1. Have Ward Councillors been asked for comments? No
2. Summary of Ward Councillors comments: N/A

### **3. COMMENTARY**

#### **Background**

##### **Draft Local Plan Examination**

- 3.1 The Council usually considers an updated five year housing land supply paper annually in line with Government guidance. The last paper was agreed by Development Control Committee on 16<sup>th</sup> November 2017 and therefore an update to the Council's position is due to be considered. It is advisable though, principally in light of the relatively recent publication of the new NPPF at the end of July 2018 and NPPG in September 2018 to delay its consideration slightly until late 2018 or early 2019 so that these policies and guidance can be assessed.
- 3.2 The current five year housing supply position of November 2017 is considered to still be a reasonable representation of the supply position in the Borough at this point in time. Therefore in the short term, prior to the revised Paper being reported, the November 2017 five year housing land supply position is recommended to be extended.
- 3.3 In light of the slight delay in reporting the housing land supply position it is anticipated that the base date of the next five year period will be to a date later than April 2018, to reflect the later date of its preparation.

##### **Relevant policy background to five year housing land supply**

- 3.4 Set out below are key elements of the relevant planning policy background relevant to the compilation of the Council's next five year housing land supply (5YHLS) for information.
- 3.5 Government guidance on 5YHLS has been updated in the past year through the publication of the revised National Planning Policy Framework (July 2018) and National Planning Practice Guidance (September 2018) and provides more detailed guidance on five year housing land supply matters.
- 3.6 Paragraph 11 of the NPPF entitled 'The Presumption in favour of sustainable development' sets out how plans and decisions should apply a presumption in favour of sustainable development. Clauses c) and d) set out that in decision-taking this means:

*"c) Approving development proposals that accord with an up-to-date development plan without delay;*

*or*

*d) where there are no relevant development plan policies, or the policies which are most important for determining the application are out-of-date (footnote 7), granting permission unless:*

*i the application of policies in this Framework that protect areas or assets of particular importance provides a clear reason for refusing the development proposed (footnote 6); or*

*ii any adverse impacts of doing so would significantly and demonstrably outweigh the benefits, when assessed against the policies in this Framework taken as a whole."*

- 3.7 Footnote 7 of the Framework sets out the following; "*This includes, for applications involving the provision of housing, situations where the local planning authority cannot demonstrate a five year supply of deliverable housing sites (with the appropriate buffer, as set out in paragraph 73); or where the Housing Delivery Test indicates that the delivery of housing was substantially below (less than 75% of) the housing requirement over the previous three years. Transitional*

*arrangements from 2018 - 2020 for the Housing Delivery Test are set out in Annex 1, paragraph 215 of the Framework”.*

3.8 Paragraph 73 states that Local planning authorities should identify and update annually a supply of specific deliverable sites sufficient to provide a minimum of five years' worth of housing against their housing requirement set out in adopted strategic policies (deliverable sites for Travellers to be assessed separately) or against their local housing need where the strategic policies are more than five years old (unless these strategic policies have been reviewed and found not to require updating). The supply of specific deliverable sites should in addition include a buffer (moved forward from late in the plan period) of:

- a) 5% to ensure choice and competition in the market for land; or
- b) 10% where the local planning authority wishes to demonstrate a five year supply of deliverable sites through an annual position statement or recently adopted plan (a plan adopted between 1 May and 31 October will be considered recently adopted until 31 October of the following year; and a plan adopted between 1 November and 30 April will be considered recently adopted until 31 October in the same year – Footnote 38) to account for any fluctuations in the market during that year; or
- c) 20% where there has been significant under delivery of housing over the previous 3 years, to improve the prospect of achieving the planned supply (From November 2018 this will be measured against the Housing Delivery Test where this indicates that delivery was below 85% of the housing requirement).

3.9 Annex 2 of the Framework defines Deliverable as set out below. It specifically refers to sites with outline planning permission or draft allocation:

**'Deliverable':** To be considered deliverable, sites for housing 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. Sites that are not major development, and sites with detailed planning permission, should be considered deliverable until permission expires, unless there is clear evidence that homes will not be delivered within five years (e.g. they are no longer viable, there is no longer a demand for the type of units or sites have long term phasing plans). Sites with outline planning permission, permission in principle, allocated in the development plan or identified on a brownfield register should only be considered deliverable where there is clear evidence that housing completions will begin on site within five years.'

3.10 Paragraph 74 specifies that a five year supply of deliverable housing sites, with the appropriate buffer, can be demonstrated where it has been established in a recently adopted plan, or in a subsequent annual position statement which:

- a) has been produced through engagement with developers and others who have an impact on delivery, and been considered by the Secretary of State; and
- b) incorporates the recommendation of the Secretary of State, where the position on specific sites could not be agreed during the engagement process.

3.11 The Framework advises in paragraph 75 that to maintain the supply of housing, local planning authorities should monitor progress in building out sites which have permission. Where the Housing Delivery Test indicates that delivery has fallen below 95% of the local planning authority's housing requirement over the previous three years, the authority should prepare an action plan to assess the causes of under-delivery and identify actions to increase delivery in future years.

3.12 Paragraph 70 of the Framework states that where an allowance is to be made for windfall sites as part of anticipated supply, there should be compelling evidence they will 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. Plans should consider the case for setting out policies to resist inappropriate development of residential gardens, for example where development would cause harm to the local area.

## **NATIONAL PLANNING PRACTICE GUIDANCE (NPPG) (as updated September 2018)**

### **Housing Need Assessment**

3.13 Guidance is given in paragraph 018, in relation to the calculation of local housing need where plans cover more than one area. In such cases the housing need for the defined area should at least be the sum of the local housing need for each local authority within the area. It will be for the relevant strategic policy-making authority to distribute the total housing requirement which is then arrived at across the plan area. Where a spatial development strategy has been published local planning authorities should use the local housing need figure in the strategy and not seek to re-visit the local housing need figure when preparing strategic and non-strategic policies.

### **Housing and economic land availability assessment**

3.14 Paragraph 028 sets out that a 5 year land supply (5YHLS) is a supply of specific deliverable sites sufficient to provide 5 years' worth of housing against a housing requirement set out in adopted strategic policies, or against a local housing need figure where appropriate in accordance with paragraph 73 of the NPPF. Paragraph 029 states that's the purpose of the 5YHLS is to provide an indication of whether there are sufficient sites available to meet the housing requirement set out in adopted strategic policies for the next five years.

3.15 Paragraph 030 clarifies that housing requirement figures identified in strategic policies should be used as the starting point for calculating the 5YHLS figure for the first five years of the plan, and where the strategic housing policies plans are more than five years old, but have been reviewed and are not in need of updating.

3.16 Paragraph 030 also advises that authorities can use evidence such as a Strategic Housing Land Availability Assessment (SHLAA) / Housing and Economic Land Availability Assessment (HELAA) which will identify sites which may be suitable, available and achievable for housing development and also provide some evidence as to their deliverability. Sites should be reviewed and their status updated each year in the Authority Monitoring Report and Annual Position Statement (if the five year position is being confirmed).

3.17 Further advice is presented in paragraph 030 that in order to demonstrate 5 years' worth of deliverable housing sites, strategic policy-making authorities will need to provide robust, up to date evidence to support plan preparation. Judgments on deliverability of housing sites, including windfall sites, will need to be clearly and transparently set out. Authorities may also consider how they can involve people with an interest in delivery in assessing the deliverability of sites. They may develop benchmarks and assumptions based on evidence of past trends for development lead-in times and build-out rates. Testing these assumptions with developers and using them to inform assessments of deliverability can also make deliverability assessments more robust.

3.18 Reference is made in paragraph 33 of the guidance to stepped trajectories. Paragraph 34 sets out that a stepped requirement may be appropriate where there is to be a significant change in

the level of housing requirement between emerging and previous policies and/or where strategic sites will have a phased delivery or are likely to be delivered later in the plan period. Strategic policy makers will need to set out evidence to support using stepped requirement figures, and not seek to unnecessarily delay meeting identified development needs.

3.19 Paragraph 036 helps to clarify what a deliverable site is as defined in Annex 2 of the Framework. It states that for sites with outline planning permission, permission in principle, allocated in a development plan or identified on a brownfield register, where clear evidence is required to demonstrate that housing completions will begin on site within 5 years, this evidence may include:

- Any progress being made towards the submission of an application
- Any progress with site assessment work; and
- Any relevant information about site viability, ownership constraints or infrastructure provision.

It sets out that for example this could be a statement of common ground between the local planning authority and the site developer (s) which confirms the developers' delivery intentions and anticipated start and build-out rates. Additionally, another example could be a hybrid planning permission for large sites which links to a planning performance agreement that sets out the timescale for conclusion of reserved matters applications and discharge of conditions.

3.20 Paragraph 039 states that if an authority cannot demonstrate a 5 year land supply, plus any relevant buffer, the presumption in favour of sustainable development will apply, as set out in Footnote 7 of the Framework to enable the development of alternative sites to meet the policy requirement.

3.21 Paragraph 044 clarifies that any deficit or shortfall will need to be calculated from the base date of the adopted plan and should be added to the plan requirements for the next five year period (Sedgefield approach). If a strategic-policy making authority wishes to deal with past under delivery over a longer period, then a case may be made as part of the plan-making and examination process rather than on a case by case basis at appeal.

3.22 The guidance states in paragraph 045 that where areas deliver more completions than required the additional supply can be used to offset any shortfalls against requirements from previous years.

3.23 Paragraph 048 sets out what information annual reviews of 5 year land supply are expected to include (including annual position statements) as follows:

- For sites with detailed planning permission details of numbers of homes under construction and completed each year; where delivery has either exceeded or not progressed as expected; commentary indicating reasons for acceleration or delays to commencement on site or effects on build out rates;
- For small sites details of current planning status and record of completions and homes under construction by site;
- For sites with outline consent or allocated in adopted plans (or with PiP identified on Part 2 of brownfield land registers and where included in 5YHLS) information and clear evidence that there will be housing completions on site within 5 years including current planning status, timescales and progress towards detailed permission;

- Permissions granted for windfall development by year and how this compares with the windfall allowance;
- Details of demolitions and planned demolitions which will have an impact on net completions;
- Total net completions from plan base date by year (broken down into types of development including affordable housing) and
- The 5YHLS calculation clearly indicating buffers and shortfalls and the number of years of supply.

3.24 The guidance specifies in paragraph 065 that, in relation to the Housing Delivery Test, local planning authorities covered by a Spatial Development Strategy will be monitored against their requirement as set out in the individual borough for the purposes of the test where this requirement is less than five years old. Housing Delivery Test consequences will therefore apply to local planning authorities individually.

#### London Plan (2016)

3.25 An annual housing monitoring target of 641 units currently applies to the Borough and has been adopted through the 2016 London Plan. The 2013 London-wide Strategic Housing Land Availability Assessment (SHLAA) sets out the basis for the current target of 641 units per annum for Bromley.

3.26 The London Plan para 3.14A and Policy 3.3 specifies that minimum housing supply targets for each borough are set out from 2015 until 2025. For Bromley, this target is 641 dwellings per annum. These targets are informed by the GLA's Strategic Housing Market Assessment (SHMA) (2013) and London's housing land capacity as identified through the 2013 GLA Strategic Housing Land Availability Assessment (SHLAA). The SHLAA methodology is designed to identify capacity authoritatively in the distinct circumstances of London, including the limited stock of land and the uniquely pressurised land market and dependence on recycling brownfield land currently in existing uses. The methodology has been developed and refined over time through partnership working with boroughs and others involved in London housing as well as to reflect the principles of government guidance on preparation of SHLAAs nationally.

3.27 The London Plan (para 3.19A) observes that national policy requires boroughs to identify a supply of specific deliverable sites sufficient to provide 5 years' worth of housing against their requirements with an additional buffer of 5% moved forward from later in the plan period. In compiling their 5 year supply estimates boroughs should demonstrate that they have maximised the number of identified sites. However, given London's reliance on recycled land currently in other uses and the London SHLAA's evidence, it must be recognised that in addressing this national objective, capacity which elsewhere in the country would be termed "windfall" must here form part of the 5 year supply. In order to support the range of activities and functions required in London as set out in this Plan application of the 5% - 20% buffers should not lead to approval of schemes which compromise the need to secure sustainable development as required in the NPPF.

#### Draft London Plan 2017

3.28 Consultation on the Draft London Plan commenced on 1st December 2017 and closed in March 2018. Bromley Council has raised objections on housing land requirements and supply with specific objections over the capacity data in the 2017 SHLAA and its' phasing of development as have other authorities. An Examination in Public into the Draft London Plan is expected to commence in January 2019 and last until May 2019.

- 3.29 Set out below are some key elements included in the Draft London Plan related to housing land supply for the Borough. It is important to note at this point in time the Draft London Plan is considered to have limited weight.
- 3.30 Draft Policy H1 Increasing housing supply includes ten year targets for net housing completions in Table 4.1. The ten year target (2019/20 – 2028/29) for Bromley Borough is 14,240 units (1,424 annualised). Table 4.2 sets out ten year targets for net completions on small sites (below 0.25ha), for Bromley the target is 10,290 units (1,029 annualised). Paragraph 4.1.8 states boroughs are supported in using windfall assumptions in their five-year trajectories based on the numbers set out in Table 4.2. Paragraph 4.3.3 sets out that housing completions against the London Plan small sites target are likely to increase over time as Policy H2 Small Sites is implemented so this should be taken into account when monitoring housing delivery during the early years of the Plan.

### Draft Bromley Local Plan

- 3.31 In addition, the draft Local Plan is at a relatively late stage of preparation. Depending upon its progress, it may be possible further to reflect the draft Local Plan in the forthcoming Five Year Housing Land Supply update.

## **4. POLICY IMPLICATIONS**

- 4.1 The five year supply position is important to establish how the Borough is performing in terms of housing completions and future housing supply. The NPPF (July 2018) specifies that housing applications should be considered in the context of the presumption in favour of sustainable development. As set out above the policies which are most important for determining the application are considered out-of-date if the local planning authority cannot demonstrate a five-year supply of deliverable housing sites. Footnote 7 advises that this includes, for applications involving the provision of housing, situations where the local planning authority cannot demonstrate a five year supply of deliverable housing sites (with the appropriate buffer) or where the Housing Delivery Test indicates that the delivery of housing was substantially below (less than 75%) of the housing requirement over the previous three years. Transitional arrangements currently apply as set out in Annex 1 of the Framework.
- 4.2 In such instances paragraph 11 d) of the NPPF advises that planning permission should be granted unless the application of policies in the Framework that protect areas or assets of particular importance provides a clear reason for refusing the development proposed; or any adverse impacts of doing so would significantly and demonstrably outweigh the benefits, when assessed against the policies in this Framework taken as a whole.
- 4.3 The Council usually considers an updated 5YHLS annually in line with Government guidance. It is considered advisable though, principally in light of the relatively recent publication of the new National Planning Policy Framework (NPPF) at the end of July 2018 and National Planning practice Guidance (NPPG) in September 2018 to delay its consideration slightly until late 2018 or early 2019 so that these policies and guidance can be assessed.

## **FINANCIAL AND PERSONNEL IMPLICATIONS**

- 5.1 The Five Year Housing Supply Paper should be updated and produced annually. Failure to produce the paper at all could result in significant resource implications in both financial and staffing terms, as the number of hearings and public inquiries related to housing supply issues could increase substantially, if a five year supply of housing cannot be demonstrated. It is advisable though, principally in light of the relatively recent publication of the new National

Planning Policy Framework (NPPF) at the end of July 2018 and National Planning practice Guidance (NPPG) in September 2018 to delay its' consideration slightly until late 2018 or early 2019 so that these policies and guidance can be assessed.

<b>Non-Applicable Sections:</b>	Impact on vulnerable adults and children Legal Procurement
Background Documents: (Access via Contact Officer)	National Planning Policy Framework (July 2018) National Planning Practice Guidance (September 2018) The London Plan (2016) The Draft London Plan (2017) Draft Local Plan (2017)