

# Cheshire East Council

## Cabinet

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<b>Date of Meeting:</b>	13 <sup>th</sup> March 2018
<b>Report of:</b>	Executive Director Place
<b>Subject/Title:</b>	Notice of Motion - Local Plan Housing Land Supply
<b>Portfolio Holder:</b>	Cllr Ainsley Arnold, Housing, Planning and Regeneration

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### 1. Report Summary

- 1.1. Council requested, at its meeting on 14<sup>th</sup> December 2017, that a report be presented to the Cabinet setting out the work required to refresh the Local Plan to ensure that Cheshire East has a secure and robust 5-year housing land supply. The request was in response to a Notice of Motion proposed by Cllr Sam Corcoran which drew attention to a recent Government consultation regarding potential changes to national planning policy for housing (*Planning for the right homes in the right places*, DCLG, September 2017) and a figure for Cheshire East's annual housing need published alongside the consultation paper which was less than the figure set out in the recently adopted Local Plan Strategy.
- 1.2. This report explains the background to the Government's consultation and its implications for the Local Plan Strategy including its housing figure.

### 2. Recommendation

- 2.1. That the Cabinet notes the explanation given in this report why a recent indicative figure of housing need for Cheshire East published alongside the recent Government consultation paper *Planning for the right homes in the right places* cannot be substituted for the current Local Plan housing figure for the purposes of calculating 5 year housing supply.

### 3. Reasons for Recommendation

- 3.1. The recommendation addresses the request made by Council.

### 4. Other Options Considered

- 4.1. There are no realistic alternatives.

## 5. Background

- 5.1. The Council adopted its Local Plan Strategy in July 2017. It sets out a 20 year planning framework to deliver sustainable development. It provides for 36,000 additional homes which supports further economic investment and jobs growth to 2030. This equates to an annual average housing requirement of 1,800 homes. The adoption of the Plan followed an exhaustive examination of the Plan's policies and proposals by an independent and senior Planning Inspector. The Inspector found that the plan was sound subject to a number of modifications and therefore capable of adoption. In concluding that the Plan was sound, he was satisfied that it provided for a 5 year supply of deliverable housing land.
- 5.2. The Notice of Motion is reproduced in Appendix 1 to this report. It highlights that a recent Government consultation included a figure of housing need in Cheshire of 1,142 homes/year and that the Council could take advantage of this lower figure through a review of the Local Plan which would then secure a robust 5 year housing land supply.
- 5.3. A priority of the Government is to significantly increase the supply of housing. In February 2017 the Government published a Housing White Paper, *Fixing our broken housing market*, setting out plans to reform the housing market and boost the supply of new homes in England. It identified the continued need to reform the planning system to assist with the achievement of these objectives. One aspect of this was to make local plans easier to produce, including reducing the complexity and lack of transparency around identifying housing requirements. The White Paper highlighted the absence of a single methodology to establish housing requirements and the delay in getting plans in place because of the lengthy debate on this issue at local plan examinations. The White Paper stated that the Government would consult on options for introducing a standardised approach to assessing housing requirements.
- 5.4. In September 2017, the Government published a consultation document *Planning for the right homes in the right places*. It sought views on a number of planning reform proposals including a standardised formula for calculating local housing need. Alongside the consultation paper, the Government published indicative figures of housing need for each local planning authority based on this proposed new formula. The indicative figure for Cheshire East was 1,142 homes/year.
- 5.5. Like the Government's proposed new housing need formula above, the 1,800 dwellings per annum figure in the Cheshire East Local Plan Strategy takes account of both the Office for National Statistics' projected household growth and housing market signals. However, it also reflects other factors such as the level of jobs growth projected to take place in the Borough over the Plan period (net jobs growth of 31,400, which equates to an average of 0.7% per annum). It was this level of jobs growth, alongside provision for older people that ultimately elevated the Council's housing requirement to the 1,800 figure in the Plan.

- 5.6. The National Planning Policy Framework requires Councils to identify and update annually a supply of specific deliverable sites sufficient to provide five years' worth of housing against their "*housing requirements*". The National Planning Practice Guidance indicates that "housing requirement figures in up-to-date adopted Local Plans should be used as the starting point for calculating the 5 year supply". It goes on to suggest that "considerable weight" should be given to those figures, unless significant new evidence comes to light.
- 5.7. It should also be borne in mind that the proposed new formula for calculating housing needs is currently a draft proposal the subject of consultation. The consultation closed on 9 November and the Government is still considering the feedback it received. As such it is currently not known whether, or in what form, any new formula will be taken forward by way of formal changes to national planning policy. It is understood that the Government intends to publish draft changes to the National Planning Policy Framework early this year for consultation, with a view to formally updating the Framework during summer 2018.
- 5.8. Despite the Local Plan Inspector agreeing with the Council that a 5 year supply of deliverable housing land (5.3 years) could be demonstrated through the Local Plan Strategy, the existence of a 5 year supply continues to be challenged at appeal. In two recently dismissed appeals relating to sites at White Moss Quarry, Alsager and Park Road, Willaston, both decided following Public Inquiries, the Inspectors found that the deliverable housing land supply was either marginally less than or marginally above the required 5 years. They took the view that a 5 year supply could not be robustly demonstrated and, as such, the 'tilted balance' as set out in paragraph 14 of the National Planning Policy Framework should be applied in making their decisions. Where the 'tilted balance' is engaged, planning permission should be granted unless 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.
- 5.9. The issue of 5 year supply is next being considered as part of an appeal by Muller Properties relating to a proposal for 189 homes on land between Audlem Road/Broad Lane and Peter Destapleigh Way, Stapeley, Nantwich (Public Inquiry 20-23 February). Members may be familiar with this proposal which has a long planning history and is now being re-determined by the Secretary of State following a High Court judgement last year. The Council's firm position is that there is a 5 year housing supply based on the fact that there are over 20,000 committed homes through the planning application system and an additional 600 ha of housing land allocated in the Local Plan Strategy. The Council's evidence has been completely updated since the appeals in the autumn. In support of that position it is being highlighted that:
- the five year supply demonstrated through the Local Plan followed 11 weeks of examination hearings with housing being a core matter throughout. The Inspector concluded that the Council had '*undertaken a robust, comprehensive and proportionate*

*assessment of the delivery of its housing land supply, which confirms a future 5-year supply of around 5.3 years.';*

- the Council's approach towards determining lead-in times and dwelling completions on sites should be followed in deciding planning appeals given that they have been considered and endorsed by the Local Plan Inspector and they align with the most up to date evidence;
- recent case law from the Court of Appeal places more emphasis on the capability of sites coming forward within 5 years rather than their actual delivery timescale;
- the Council is working proactively with landowners and developers to bring sites forward without delay and is continuing to update its intelligence about housing delivery and site progress;
- the Council's is making considerable efforts to boost housing supply, evident through the continued increase in housing delivery year-on-year and the significant number of permissions being granted. To illustrate this:
  - there are now over 20,000 dwellings with permission but not yet constructed;
  - in the last 12 months alone, 5269 dwellings were granted planning permission; and
  - just under half of all the dwellings proposed on allocated Strategic Sites now have planning permission (8,904 out of 18,555 proposed dwellings);
- the Council is putting greater focus on developers to bring forward sites and develop them out quickly. There is no shortage of housing land in the Borough – the issue is ensuring that it is able to be built on without delay;
- the Council continues to secure support at a national level towards key infrastructure that will help bring forward the development of housing sites, including £20million of Housing Infrastructure Fund to facilitate housing growth in both Crewe and Macclesfield announced at the beginning of February.

5.10. In conclusion, National Guidance is clear that the housing requirement in the Local Plan should be the benchmark for calculating housing supply. The indicative housing need figure published by the Government alongside its recent consultation paper *Planning for the right homes in the right places* does not provide a substitute figure to the one set out in the Local Plan Strategy. In as much as the draft national figure is material, it shows that in setting a housing requirement of 1800 homes, the Council has taken full account of local housing needs. The Council remains firm in its position

that there is a 5 year supply of deliverable housing land and is continuing to robustly argue this point at appeal.

## **6. Wards Affected and Local Ward Members**

- 6.1. No wards are directly affected by this report although planning for housing is of close interest to members and their constituents across the borough.

## **7. Implications of Recommendation**

### **7.1. Policy Implications**

- 7.1.1. There are no new policy implications arising from this report.

### **7.2. Legal Implications**

- 7.2.1. There are no specific legal implications arising from this report but as the report outlines the issue of five year supply is linked to planning appeals.

### **7.3. Financial Implications**

- 7.3.1. There are no financial implications arising from this report.

### **7.4. Equality Implications**

- 7.4.1. There are no equality implications arising from this report.

### **7.5. Rural Community Implications**

- 7.5.1. There are no specific implications for our rural communities arising from this report but clearly the issues relating to the Local Plan and the delivery of five year supply has impacts on the whole of Borough including rural areas.

### **7.6. Human Resources Implications**

- 7.6.1. There are no human resource implications arising from this report.

### **7.7. Health and Wellbeing Implications**

- 7.7.1. There are no implications for health and well-being arising from this report.

## **7.8. Implications for Children and Young People**

7.8.1. There are no implications for children and young people arising from this report.

## **7.9. Overview and Scrutiny Committee Implications**

7.9.1. There are no implications for children and young people arising from this report.

## **7.10. Other Implications**

7.10.1. There are no other implications arising from this report.

## **8. Risk Management**

8.1. This report does not give rise to any additional risks.

## **9. Access to Information**

Documents referred to in this report:

1. *Housing White Paper: Fixing our broken housing market*, DCLG, February 2017

<https://www.gov.uk/government/collections/housing-white-paper>

2. *Planning for the right homes in the right places: consultation proposals*, DCLG, September 2017

<https://www.gov.uk/government/consultations/planning-for-the-right-homes-in-the-right-places-consultation-proposals>

3. *Cheshire East Local Plan Strategy*, July 2017

[http://www.cheshireeast.gov.uk/planning/spatial\\_planning/cheshire\\_east\\_local\\_plan/local-plan-strategy/local\\_plan\\_strategy.aspx](http://www.cheshireeast.gov.uk/planning/spatial_planning/cheshire_east_local_plan/local-plan-strategy/local_plan_strategy.aspx)

## 10. Contact Information

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