

CHESHIRE EAST COUNCIL

REPORT TO: Portfolio Holders

Date of Meeting: 10th February, 2014
Report of: Head of Strategic and Economic Planning
Subject/Title: Cheshire East Housing Land Supply- Position Statement (31st December, 2013)
Portfolio Holders: Councillors David Brown and Don Stockton

1.0 Report Summary

- 1.1 Several recent planning appeal decisions have questioned the Council's lack of a demonstrable five year supply of housing land in accordance with the requirements of the *National Planning Policy Framework (NPPF)*.
- 1.2 In order to meet the requirement in national planning guidance, a *Housing Land Supply - Position Statement* has been prepared for Cheshire East with a base date of the 31st December, 2013.
- 1.3 The *Position Statement* (attached to this report at Appendix 1) illustrates that, as of the 31st December, 2013, Cheshire East was able to demonstrate the availability of a 5.87 years supply of housing land using the 'Sedgefield' methodology with a 5% 'buffer' and 5.14 years supply with a 20% 'buffer'.
- 1.4 This report is due to be considered by the Strategic Planning Board on the 5th February, 2014 and the outcome of that meeting will be reported orally to this meeting of the Portfolio Holders on the 10th February, 2014.

2.0 Decision Requested

- To approve and endorse the *Cheshire East Housing Land Supply- Position Statement (31st December, 2013)* attached at Appendix 1;
- To resolve that the *Housing Land Supply - Position Statement* be given due weight in the determination of planning applications; and
- To resolve that the *Housing Land Supply - Position Statement* provides a basis for the emerging *Cheshire East Local Plan Strategy* and the updated *Strategic Housing Land Availability Statement (SHLAA) - 2014*.

3.0 Reasons for Recommendation

- 3.1 In order to meet the requirements in national planning guidance, it is important that the Council maintains an up-to-date position on its 5-year housing land supply.
- 3.2 The ongoing monitoring of housing land supply should also inform the emerging *Local Plan Strategy-Submission Version*, which is due to be

presented to a meeting of the Strategic Planning Board on the 26th February, 2014 prior to being considered by Full Council on the 27th February, 2014.

4.0 Wards Affected

4.1 All Wards

5.0 Local Ward Members

5.1 All Ward Members

6.0 Policy Implications

- 6.1 Determining Planning applications:** Paragraph 47 of the NPPF requires that as part of the objective of boosting significantly the supply of housing, Council's should undertake regular assessments of housing land. These should seek to identify five years supply of deliverable housing sites. Paragraph 49 of the *NPPF* further advises that housing applications should be considered in the context of the presumption in favour of sustainable development. It goes on to advise that relevant 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. Paragraph 14 of the *NPPF* outlines the presumption in favour of sustainable development where such requirements cannot be demonstrated.
- 6.2** The availability of a demonstrable 5-year supply of housing land is therefore fundamental in the determination of planning applications on sites not included in current and emerging local plans or which are contrary to the Council's adopted planning policy framework.
- 6.3** For the purposes of Development Management, appeals continue to be defended where appropriate, guided by the saved policies of the Local Plans for Congleton, Macclesfield and Crewe & Nantwich. They have influenced decisions on matters including settlement zone lines and countryside character.
- 6.4** The availability of robust evidence, which is both contemporary and well researched, should also assist both the Council and local communities in refusing housing proposals which fall outside of the plan-led approach.
- 6.5 The Development Plan:** The provision of sufficient housing land to meet objectively assessed needs is a key requirement of Paragraph 47 of the *National Planning Policy Framework (NPPF)* and one which must also be addressed in the preparation of the Council's emerging Local Plan Strategy.
- 6.6** For the purposes of the emerging Local Plan, the Council will need to prepare a housing trajectory which demonstrates how the overall housing need is to be accommodated over the whole of the plan period up to 2030. This assessment will draw upon evidence gathered in a 2014 update of the *Strategic Housing Land Availability Assessment (SHLAA)* which was originally considered and approved by the Strategic Planning Board in February, 2013.

- 6.7 Providing sufficient housing is important in not only replenishing the housing stock and providing a roof over people's heads, but also in assisting economic growth and meeting Council's health, caring and educational objectives.

7.0 Financial Implications

- 7.1 There are no direct financial implications arising from this report, but indirectly, it is forecast that less resources should be expended in defending planning applications at appeal, together with any potential cost claims against the Council from successful appellants.

8.0 Legal Implications

- 8.1 Paragraph 47 of the *NPPF* requires all local planning authorities to demonstrate the availability of a minimum five years supply of housing land. This must be predicated on sites that are both developable and deliverable. An additional 'buffer' of 5% must be provided, but where there is a history of persistent under provision that 'buffer' must be increased to 20% to provide a realistic prospect of achieving the planned supply. Added to these requirements is a need to provide flexibility to account for choice and competition in the housing market as well as addressing any undersupply from previous annualised targets.
- 8.2 Where local planning authorities have failed to demonstrate a 5 year housing land supply, they have been vulnerable to speculative planning proposals for housing on land that is not identified in up-to-date development plans for the reasons set out above. This is a situation that has prevailed in Cheshire East, where previous assessments have shown a considerable shortfall in supply. It is therefore important, in the absence of an adopted local plan, to ensure that sufficient housing land is either under construction, is being planned for or is readily available for development.

9.0 Risk Management

- 9.1 It must be acknowledged that there are risks associated with preparing housing land supply statements, as they are always subject to challenge by those seeking planning consent for residential proposals. However, it is considered that the *Housing Position Statement* provides a robust assessment based upon a rigorous analysis of the situation prevailing in Cheshire East as of the 31st December, 2013.
- 9.2 The results of the assessment clearly demonstrate that the authority has a 5-year supply of housing land using both a 5% and 20% 'buffer', though it is the Council's position that the application of a 5% 'buffer' is the appropriate methodology in the circumstances prevailing in Cheshire East.
- 9.3 Clearly, the Council needs to adopt a monitoring regime that allows for the analysis to be updated periodically, reflecting current circumstances. This should provide the basis for informed decision-making on individual planning applications that are deemed to be contrary to the Council's adopted planning policy framework.

10.0 Background and Context

- 10.1 A number of recent appeal decisions have concluded that the Council has not conclusively demonstrated a five year supply of deliverable housing land. The *Position Statement* seeks to remedy this, by evidencing a five year supply of housing land in the Borough. The approach taken to the Statement has been informed by policy requirements and by consultation with the Housing Market Partnership.
- 10.2 The Borough's five year housing land requirement is 8,311. This is calculated using the 'Sedgefield' method of apportioning the past shortfall in housing supply across the first five years. It includes a 5% buffer, which is considered appropriate in light of the Borough's past housing delivery performance and the historic imposition of a moratorium.
- 10.3 A standard formula of build rates and lead-in times has been applied to all housing sites of which the Council is aware. Those considered deliverable within the five year supply have been 'sense-checked' and assumptions altered to reflect the circumstances of the particular site.
- 10.4 Sources of supply include sites under construction; sites with full and outline planning permission; sites awaiting Section 106 Agreements; selected Strategic Sites which are included in the emerging Local Plan; sites in adopted Local Plans; and small sites. This approach accords with the *National Planning Policy Framework*, existing guidance and the emerging *National Planning Policy Guidance*.
- 10.5 A discount has been applied to small sites, and a windfall allowance included reflecting the applications which will come forward for delivery of small sites in years four and five.
- 10.6 A number of sites without planning permission have been identified and could contribute to the supply if required. However, these sites are not relied upon for the five year supply at present.
- 10.7 With a total annual requirement of 1,662 based on the 'Sedgefield' methodology and a 5% 'buffer', the *Five Year Housing Land Supply Position Statement* demonstrates that the Council has a 5.87 year housing land supply which could accommodate in the region of 9,757 residential units. If a 20% 'buffer' is applied, this reduces to 5.14 years supply.

11.0 Next Steps

- 11.1 It should be stressed that a *Position Statement* is only a snapshot in time and will therefore require periodic updating if it is to provide a robust defence against planning refusals, regardless of whether such decisions are appealed against by prospective developers.
- 11.2 Whilst there is a clear need to update the *SHLAA* with a base date of 31st March, 2014 to inform the emerging Local Plan Strategy and to prepare an

Annual Monitoring Report for 2014, the *Position Statement* should be subject to periodic review. This should ensure that the current housing land supply position is both monitored and evidenced in the Council's decision-making processes.

12.0 Access to Information

12.1 The background papers relating to this report can be inspected by contacting the report writer:

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Appendix

Appendix 1 Cheshire East Council – Five Year Supply Position Statement (31st December, 2013)