HEARING STATEMENT

TUESDAY
30TH JANUARY

MATTER NO 3
ISSUE NO 3.3

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3.3 Assessing the supply of housing land to deliver Policy SPT3

i. Is the methodology used by the Councils in the Strategic Housing Land Assessment to assess the availability, suitability and likely economic viability of land that could meet the identified need for housing over the plan period sound? Are the reasons for selecting preferred sites and rejecting others clear?

1.1 No, the Council’s assessment of economic viability fails to pay true regard to planning cost and abnormal cost matters. The reasons for choosing some sites and rejecting others are often unclear.

ii. At March 2016 the Councils forecast a potential supply of some 29,800 dwellings during the plan period (TP3 Table 12a). Would this provide sufficient head room between the overall land supply and housing requirement figures to enable the Council to react quickly to any unforeseen change in circumstances and to ensure that the full requirement is met during the plan period?

1.2 There has been a significant under-delivery of housing particularly in both Plymouth and the South Hams. The figures provided in EXC9 (JLP4) show that there has already been a shortfall in provision for the first three years of the plan period (2014/15 – 2016/17) of over 800 units.

1.3 This under-delivery is largely because of a lack of a stock of sites with consent that are available to the market. There are two main reasons for this –

1.3.1 A lack of viability within Plymouth City (predominately due to the ‘tax’ requirement of PCC)

1.3.2 In the South Hams, a significant delay in opening up Sherford.
1.4 Table 14 of the TP3 provides a breakdown in the proposed headroom rates between the Plymouth Policy Area (8.6%) and the TTVPA (17%). No evidence has been provided by the Councils to justify this differential approach to headroom rates between these areas. The majority of growth (71%) proposed in the JLP is directed to the Plymouth Policy Area and it is unclear why this area should have a lower headroom rate than the TTVPA, where a significantly lower level of growth is proposed.

1.5 We are concerned that there is insufficient flexibility in particular in relation to the Plymouth Policy Area, to ensure that the identified housing requirement will be met.

iii. Are the sources of supply and the expected contribution from Neighbourhood Plans, student accommodation release, small and large sites which are not allocated, and small site windfalls included in Table 12a justified?

1.6 No. Please see our comments, in particular, relating to Matter 3.1 (iv and v) and student accommodation. The likelihood of student accommodation release has been overstated (or, if that happens, there is likely to be a corresponding loss of general needs stock to student occupation).

1.7 The likelihood of the contribution from small sites has also been overstated. The SLP proposes a lowering of the affordable housing threshold. That lowering is likely to have a significant impact upon the viability of smaller sites, many of which are currently at the margins of viability. This is a particular problem in Plymouth which as well as being a CIL charging authority continues to (often unlawfully) insist on S106 obligations on a ‘head charge’ basis.

iv. Are the allowances for a lapse rate in the completion of planning permissions of 10% for PPA and 15% for TTVPA appropriate? Is there any evidence to indicate these should be changed?

1.8 In our view the evidence provided in TP3 with regard to lapse rates is vague, and does not point towards a differential lapse rate to the provided between the two proposal policy areas.

1.9 In the analysis of historic lapse rates for Plymouth (Appendix 7.3a of TP3) paragraph A7.19 states that high lapse rates (of between 21% - 33%) were recorded during the recessionary years (2009/10 – 2013/14) but that these were not considered appropriate to consider within the Councils assessment. However, it is notable that in 2003/4
a higher lapse rate of 36% was recorded and demonstrates that higher lapse rates are not restricted to recessionary years. If all years were included, then average lapse rate for the period 2002-16 equates to 16%.

1.10 The only justification we could find in relation to the lapse rates for the TTVPA is at paragraph A7.22, which states that a mid-point of 10-20% that has been referred to by the HBF (paragraph 7.26 of TP3), as the recent history of lapsed permissions has not yet been captured by South Hams and West Devon.

1.11 In light of the above, an uplift to the lapse rate should be applied accordingly.

v. Monitoring targets for each LPA are set out in Annex 2 to the JLP. It is stated in TP3 para 8.22 that each LPA will monitor delivery against these target figures to ensure that the requirements of para 47 of the NPPF are being met. It is then stated in para 8.25 of TP3 that the PA targets in STP3 will be used for 5 year housing land supply analysis for development management purposes. Can the Councils please explain how this will work in practice? For example, if there is a shortfall in delivery within the PPA, would it become the responsibility of Plymouth CC or S Hams to find further allocations to make up the shortfall?

1.12 The proposed geography of the Plan area plays a role in confusing the ‘step down’ in housing delivery. The introduction of the ‘Plymouth Policy Area’ recognises the contribution made by SHDC to meeting the housing needs of the Plymouth TTWA.

1.13 Our statement to issue 3.2 covers this matter.

vi. Based on a requirement for 26,700 dwellings, is the annual requirement 1,335, split between PPA 950 and TTVPA 385?

1.14 From the information provided by the Councils in EXC9, this is the Councils calculated requirement for the individual policy areas (see Tables PPA5 and TTV5).

vii. In order to calculate a five year supply, is it appropriate to provide for the backlog within the first five years, with a 20% buffer to secure choice in supply? Would the five year requirement then be 9,815 in the first five years?
1.15 Yes, it is appropriate for historic backlog to be included within the first five years (Sedgefield method) and in light of the Councils persistent undersupply, a 20% buffer should be applied in accordance with paragraph 47 of the Framework, to secure choice and competition in the market.

1.16 For the reasons we have set out in relation to Matters 3.1, the JLP requirement is not considered to be correct as it has not accounted for historic shortfall in housing delivery. If the OAN is correct, it establishes a base figure, however this needs to be uplifted accordingly.

viii. Can the figures on housing land supply be updated to March 2017, including revised detailed housing trajectories to replace TP3A, TP3B and TP3C? (Hard copies should be no greater than A3 size)

1.17 No comment – it is for the Councils to provide this confirmation.

ix. To what extent has the data in the trajectories been discussed and agreed with the development industry?

1.18 As far as we are aware, the trajectories have not been discussed with the development industry.