

WARWICK DISTRICT COUNCIL LOCAL PLAN EXAMINATION MATTER 3: – THE SUPPLY AND DELIVERY OF HOUSING LAND

This Statement is prepared on behalf of Sharba Homes Ltd in relation to their various land interests within Warwick District. We respond to each question in turn below.

1) Taking the Council's latest Housing Trajectory (June 2016) what is the estimated total supply of new housing in the plan period 2011-2029? How does this compare with the planned level of provision of 932 dwellings per annum?

- 1.1 The Council's housing trajectory (Doc Ref: HO27PM) sets out the delivery of 17,991 (net) dwellings within the Plan period (2011-2029). Based on the Council's trajectory this includes a potential '*oversupply*' of 1,215 dwellings – which equates to a 7.2% potential uplift on the housing target of 16,776 dwellings.
- 1.2 We note that the discussions in relation to Matter 2 may amend the housing target further, however, without knowing the outcomes of Matter 2 we can confirm that we are generally supportive of the Council's attempt to add flexibility to the Plan. Such an approach should not in any way be seen as unjustified or excessive; in fact paragraph 14 of the NPPF states explicitly that as well as meeting objectively assessed needs Local Plans should have '*sufficient flexibility to adapt to rapid change*'. The provision of '*sufficient flexibility*' is in our view an essential component of successful Plan-making in accordance with the NPPF, with such flexibility being a critical aspect of demonstrating a Plan is '*aspirational but realistic*' as required by paragraph 154 of the NPPF.
- 1.3 Whilst the Plan has included an element of flexibility, in our view further flexibility should be added through additional allocations in the most sustainable locations. Indeed, the Council's housing trajectory envisages a rapid increase from 619 actual completions in 2015/16 up to 1,157 forecast completions in 2016/17 and rising to over 1,700 completions in years 2018/19-2021/22 (2018/19 - 1,749 dw, 2019/20 - 1,943 dw), 2020/21 - 1,935 dw and 2021/22 – 1,775 dw).
- 1.4 To achieve such an increase over the first half of the trajectory is clearly challenging and will require the Council to allocate as many sustainable sites as is possible in a range of market areas to give the Plan the best chance of meeting the necessary objectively assessed housing needs.

2) What is the estimated total supply in the plan period from:

2.1 Based on the trajectory we understand the following to be the Council's proposed sources of supply:

- a) completions since 2011 – 2,102 dwellings (Row A of trajectory).
- b) existing planning permissions – 7,270 dwellings (Rows B and J of trajectory).
- c) other commitments e.g. sites subject to S106 – 0 dwellings.
- d) proposed site allocations (submitted Plan and Council's suggested modifications) – 7,175 dwellings (Rows F, G, H and I of trajectory).
- e) other sources specifically identified – 200 dwellings (Row E of trajectory).
- f) windfalls – 1,244 dwellings (Rows C and D of trajectory).

2.2 We comment below on the robustness of the above supply estimates in response to question 3 below.

3) What are the assumptions about the scale and timing of supply and rates of delivery from these various sources? Are these realistic? Has there been any discounting of sites with planning permission for example?

3.1 We seek to highlight a number of serious concerns in terms of the Council's assumptions with the trajectory. These relate to the following four areas:

- Build rates;
- Geographical distribution;
- Windfall/employment assumptions; and
- The inclusion of a lapse rate.

3.2 Firstly, in terms of build rates, we note that the Council appears to have generally applied a maximum delivery rate of 100 dwellings per annum for each site, barring a few exceptions. The exceptions to this are generally quite minor (up to 120 dwellings per annum), with the only site showing a marked difference in this maximum being land at Kings Hill Lane (Ref: H43) on which it is envisaged that 200 dwellings per annum are to be delivered from the first year of delivery in 2020/21 through to the end of the Plan period.

3.3 It is our view that such a site will inevitably require significant infrastructure and thus is likely to have a period of time where it builds up to the maximum delivery rate, whether this be 200dpa or lower. Such an approach would be consistent with a number of sites in the trajectory

where there is an expectation of a site starting to deliver at a lower rate and then rising to peak delivery (i.e. Land at Westwood Heath, Crewe Gardens Woodside Training Centre, Thickthorn).

- 3.4 As no justification has been offered to explain why or how such a substantially higher trajectory on this specific site might be achieved, we would suggest that the trajectory should be amended to show the more realistic approach to site delivery expectations as utilised across the wider trajectory's, to ensure that the assumptions made are more robust.
- 3.5 Large sites such as this may be delivered at a much slower rate across the Plan period than is anticipated within the Council's trajectory. This is clearly dependant on several factors including the number housebuilders operating on a Site and any competing priorities they may have, as well as local competition, all of which have the potential to reduce delivery rates, and thus impact on the Council's ability to meet its annual targets. This once again highlights the need to be realistic when setting delivery rates and to allow additional flexibility within the trajectory.
- 3.6 Secondly, as set out in Table 3 of the Council's 'Distribution of Development Strategy Paper', it is expected that a total of 3,720 dwellings will be delivered to the south of Warwick, Whitnash and Leamington Spa in a relatively tight geographical area during the Plan period.
- 3.7 Whilst Warwick and Leamington Spa benefit from a relatively buoyant housing market, there remains the risk of over saturation of the market in such a tight geographical area. There are inevitably a limited number of national housebuilders to take forwards sites in such proximity to another, and there is a market capacity to such assumptions – however buoyant the market may be. We ask that caution be applied in the trajectory to the expectation of numerous strategic sites all delivering at such a high rate simultaneously – as is foreseen to the south of Warwick.
- 3.8 This matter in our view highlights the importance of offering locational choice for new residents and developers by providing growth in sustainable locations, for example, non-Green Belt Growth Villages.
- 3.9 Thirdly, we note that there are a number of assumptions made linking to the inclusion of windfall sites and employment sites, such as Common Lane for which the redevelopment is predicated on the existing occupier relocating. The Council has historically benefitted from a number of windfall sites, however, this could be considered to be as a result of not being able to demonstrate a deliverable five-year housing land supply and not having an up-to-date Plan

in place. If the Council achieves both of these targets, then the rate of windfall delivery would be expected to reduce substantially.

3.10 Finally, we also note that there has been no allowance for a lapse rate and discounting of sites with planning permission to account for the percentage of consents which will inevitably lapse – or come forward at a slower rate than is expected. Sites can lapse for a variety of reasons and, to ensure the robust delivery of housing and sufficient flexibility to be provided, we would suggest that a *minimum* lapse rate of 5% should be applied. A similar approach is supported by most Local Plans which have proceeded to Examination.

3.11 In this regard we note that historically the Council have applied a 5% lapse rate to consented sites not under construction (Paragraph 4.1 of the Five Year Housing Land Assessment 2013-2018: July 2013). It is unclear why the Council have determined that a 0% lapse rate is now appropriate, and will be for the remainder of the Plan period.

3.12 For all of the above reasons, we would again stress that the level of flexibility afforded by the Council should be considered as a minimum level, with there being considerable scope for greater flexibility by allocating additional sustainable sites to provide housing during the Plan period.

3.13 In order to address the concerns highlighted above, we seek the **allocation of additional sites** within the Plan and the application of a **minimum lapse rate of 5%**.

4) How has flexibility been provided in terms of the supply of housing? Are there other potential sources of supply?

4.1 The provision of additional sites and allocations through the modification process has clearly added to the flexibility of the supply of housing over the Plan period.

4.2 However the addition of further sites would allow for greater flexibility in terms of supply; particularly as there remains some uncertainty in terms of deliverability for some sites which have no known developer on board at the present time. It is not considered that the potential for the Growth Villages, particularly those in non-Green Belt locations has been fully explored. For example, Radford Semele is identified as having additional capacity for only 60 dwellings in the latest Plan. However, since 2014, Sharba Homes received outline planning permission for two separate schemes of 60 and 150 dwellings respectively, and in the same period two more schemes of 65 and 25 dwellings have been granted to other developers. This takes the planning consents to 300 dwellings on 4 separate sites and a further allocated site is proposed

in the emerging Local Plan for an additional 60 dwellings. This shows that the most sustainable Growth Villages have a greater capacity than that which has been previously identified in earlier drafts of the emerging Local Plan.

4.3 We enclose at Appendix 1, an example of a policy contained within the recently adopted Stratford Core Strategy (adopted in July 2016) which includes a policy which facilitates sustainable forms of development in accordance with the NPPF. Such a policy allows for non-allocated' sites to come forward provided the development is deemed to be a sustainable form of development. This would allow additional sources of supply to come forward thus ensuring greater flexibility in housing delivery.

5) Has there been persistent under delivery of housing? In terms of a buffer for a five year supply of housing sites, should this be 5% or 20% in relation to para 47 of the NPPF? How should the level of completions since 2011 be taken into account? What would the requirement be for a five year supply including a buffer?

5.1 We consider that there has been a persistent under delivery of housing within Warwick District as demonstrated within the Council's latest housing trajectory, and in previous annual monitoring reports. Whilst it is appreciated that the District were operating a housing moratorium from September 2005 to February 2009, it is clear that housing delivery has not recovered appropriately since and this position has continued during the early years of this Plan period. Using an annualised requirement it is now seven years since the close of the moratorium and the requirement has not been met in any single one of those seven years since that restriction was lifted.

5.2 It is therefore considered in light of paragraph 47 of the NPPF that a 20% buffer should be applied to the calculation of five year housing land supply.

6) Should the annual housing requirement figure be staggered to reflect the need for additional site allocations to meet unmet needs in Coventry and realistic lead in times (see Appendix 4 to Council's Housing Supply Topic Paper June 2016) i.e. a lower figure in the early years of the plan period, increasing later? If so what would be a reasonable basis for the annual figures? Should the early years be based on OAN for Warwick? How would this affect the requirement for a five year supply?

- 6.1 We are of the opinion that the housing requirement figure should be annualised as currently set out within the housing trajectory at 932 dwellings per annum (or our proposed figure of 1,040 dwellings per annum depending on the outcome of Matter 2). We consider this to be a reasonable and consistent basis upon which to monitor and record the delivery of housing over the Plan period.
- 6.2 Furthermore, after many years of under delivery as set out above, there is clearly a pent up demand to deliver within the District to meet the local housing needs of the housing market area, including those of the adjoining authority of Coventry. This has contributed towards significant affordability issues in the District. To further delay the delivery of the objectively assessed need would only serve to further exacerbate this position.
- 6.3 An annualised target also provides transparency within the calculation of five year housing land supply. This will ensure that the calculations remain consistent year on year, which will in our view provide clarity for monitoring and enable the Council to react swiftly should the Plan be failing to deliver the appropriate level of housing.

7) Would the Local Plan realistically provide for a five year supply on adoption? Will a five year supply be maintained?

- 7.1 In order for a five year supply to be demonstrated and indeed maintained throughout the plan period to 2029, the Council's challenging housing trajectory will be required to be met. In order for this to occur, the Council will require as many sustainable and deliverable sites to come forward as possible.
- 7.2 The Housing Supply Topic Paper June 2016 contains an updated five year housing land supply calculation within it which demonstrates that the Council believe that they are able to deliver a five year supply of land with a 5.18 year supply of housing land available upon Plan adoption.
- 7.3 It further sets out that the five year supply will continue to improve throughout the Plan period to 2029 as the sites allocated for development are released and developed accordingly. We have above set out our concerns over the ability of the Council to demonstrate and maintain a five year housing land supply post adoption, which is dependent on a range of factors beyond the Council's control materialising.

8) In overall terms would the Local Plan realistically deliver the number of dwellings required over the plan period?

- 8.1 On balance we have concern over the ability of the Plan to deliver the number of dwellings required over the Plan period. The Council is reliant on almost all matters linked to housing supply materialising perfectly in the District over the Plan period and there is minimal flexibility built in should there be delays in delivery. A number of the proposed strategic Green Belt releases have significant constraints and are in the early stages of assessment such that they are far from certain to be achievable.
- 8.2 We consider that it would add flexibility and robustness to the Plan, as well as accord with the NPPF, to add further allocations on sustainable sites, especially outside of the Green Belt, that accord with the overall distribution strategy.

APPENDIX 1

**Extract from Stratford upon Avon Core Strategy 2011-31
Policy CS.1**

2.2 Sustainable Development

All Strategic Objectives are relevant to this Policy.

Policy CS.1

Sustainable Development

The Council supports and will apply the principle that planning to secure a high quality environment, managed economic growth and social equity are of equal importance.

All development proposals should contribute towards the character and quality of the District and to the well-being of those who live and work in and visit the District.

Development should be located and designed so that it contributes towards the maintenance of sustainable communities within the District.

When considering development proposals, the Council will take a positive approach that reflects the presumption in favour of sustainable development contained in the National Planning Policy Framework (NPPF). It will work proactively with applicants to find solutions which mean that proposals can be approved wherever possible, and to secure development that improves the economic, social and environmental conditions in the area.

Planning applications that accord with the policies in the Core Strategy (and, where relevant, with policies in neighbourhood plans) will be approved without delay, unless material considerations indicate otherwise.

Where there are no policies in the Core Strategy that are relevant to the application, the Council will grant permission unless material considerations indicate otherwise, taking into account whether:

- any adverse impacts of granting permission would significantly and demonstrably outweigh the benefits, when assessed against the policies in the NPPF when taken as a whole; or
- specific policies in the NPPF indicate that development should be restricted.

Explanation

2.2.1 The Core Strategy seeks to promote sustainable development and this is the central theme that underpins the policies in the plan. The National Planning Policy Framework (NPPF) emphasises that the purpose of the planning system is to contribute to the achievement of sustainable development. This means that development should be able to meet the needs of the present without compromising the ability of future generations to meet their own needs. The principle recognises the importance of ensuring that all people should be able to satisfy their basic needs and enjoy a better quality of life, both now and in the future.

2.2.2 The NPPF defines sustainable development as follows:

- Planning for prosperity (an economic role) – use the planning system to build a strong, responsive and competitive economy, by ensuring that sufficient

Section 2 Sustainability Framework – 2.2 Sustainable Development

land of the right type, and in the right places, is available to allow growth and innovation; and by identifying and co-ordinating development requirements, including the provision of infrastructure.

- Planning for people (a social role) – use the planning system to promote strong, vibrant and healthy communities, by providing an increased supply of housing to meet the needs of present and future generations; and by creating a good quality built environment, with accessible local services that reflect the community's needs and supports its health and well-being; and
- Planning for places (an environmental role) – use the planning system to both protect and enhance our natural, built and historic environment, to use natural resources prudently, ensuring the effective use of land through reusing previously developed land and promoting mixed use developments, and to mitigate and adapt to climate change, including moving to a low-carbon economy.

2.2.3 This national direction is complemented by the Council's own Sustainability Appraisal process. The SA has played a fundamental role in the preparation of the Core Strategy. It assesses the impact of the location and scale of development and the implications of policies in economic, social and environmental terms.

2.2.4 In determining planning applications, the particular circumstances of the individual case will be assessed to establish the relative weight that should be given to each aspect of sustainable development.

2.2.5 Given the distinctive character of much of the District, with its attractive rural landscapes and villages, historic market towns and the international visitor attraction of Stratford-upon-Avon, the Council's planning and development strategy emphasises the importance of protecting and enhancing the local environment. While ensuring this is the case, scope will also be provided to meet the social requirements of the District's communities and to ensure that the local economy is strong and diverse.

2.2.6 Development proposals will be expected to minimise and mitigate any harm that would be caused to environmental assets and distinctive features in the area.

2.2.7 Specific attention will be given to those parts of the District - urban and rural - that require investment and regeneration in order to achieve environmental, economic or social improvements.

Development Management Considerations

(1) This policy provides the overarching basis by which all planning applications will be considered and determined. In determining a planning application, consideration will be given to all relevant policies in the Core Strategy as to whether it comprises a sustainable form of development. The manner in which the provisions of one policy are balanced against those of another will depend on the circumstances of the individual case in terms of what is proposed and where, and the impacts and opportunities that arise.

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Implementation and Monitoring

Responsible agencies	Stratford-on-Avon District Council
Delivery mechanism	Through the determination of planning applications
Funding	Not applicable
Timescale	Throughout the plan period
Risk	The provisions of the policy need to be applied in a balanced manner in order to protect the character of the District and to ensure that the social and economic health of the District is supported.
Monitoring indicators	<ul style="list-style-type: none">• Policy will be monitored through measuring the achievement of the stated objectives of the Sustainability Appraisal.