

# FIVE YEAR HOUSING LAND SUPPLY POSITION STATEMENT 2021 PUBLISHED NOVEMBER 2021

# Contents

FIVE	E YEAR HOUSING LAND SUPPLY POSITION STATEMENT 2021	1
PUB	BLISHED NOVEMBER 2021	1
1.	Introduction	3
2.	The Five Year Housing Supply Position	3
Tabl	le 1 – Housing Requirement 1 April 2021 to 31 March 2026	4
Tabl	le 2 – Housing Supply – 1 April 2021 to 31 March 2026	4
3.	Housing Requirement	5
a)	Objectively Assessed Need	5
b)	Undersupply from Previous Years	5
c)	The Additional Buffer	5
4.	Housing Supply	7
a)	Assessing Deliverability	7
b)	Housing Completions	8
c)	Small and Medium Sites with Outstanding Planning Permission	8
d)	Large Sites with Outstanding Planning Permission	9
e)	Sites with a Resolution to Permit	10
f)	Sites allocated in LPP1 and the Made Farnham Neighbourhood Plan	10
g)	Other Identified Deliverable Sites	10
h)	Contribution from Small Windfall Sites	11

#### 1. Introduction

1.1 The purpose of this document is to report on progress that is being made towards meeting Waverley's housing need. It sets out the position on five year housing land supply in the Borough and covers the period from 1 April 2021 to 31 March 2026. The document has a base date of 1 April 2021. The information in the document represents the most up-to-date information that is available at the time of publication. This Housing Land Supply Position Statement, replaces the Housing Land Supply Position Statement 2020 which covered 1 April 2020 to 31 March 2025. The Housing Land Supply Position Statement reassesses the Borough's housing land supply position in accordance with the requirements set out in the updated National Planning Policy Framework (NPPF) published in July 2021 and the updated Planning Practice Guidance.

#### 2. The Five Year Housing Supply Position

2.1 Paragraph 74 of the 2021 NPPF required Local Planning Authorities (LPA) to:

"identify and update annually a supply of specific deliverable sites sufficient to provide a minimum of five years' worth of housing against their local housing requirement set out in adopted strategic policies or against their local housing need where the strategic policies are more than five years old"

- 2.2 The Waverley Borough Local Plan Part 1: Strategic Policies and Sites (LPP1) was adopted on 20<sup>th</sup> February 2018. Policy ALH1 of LPP1 makes provision for at least 11,210 net additional homes in the period 2013 to 2032, equivalent to 590 dwellings per annum. As the Borough Council adopted its strategic policies (i.e. LPP1) less than 5 years ago the Five Year Housing Land Supply Position Statement uses the housing target within LPP1 as the basis for determining the five year housing requirement.
- 2.3 Table 1 below demonstrates the amount of housing required within Waverley for five years from 1 April 2021. The five year requirement includes the amount of housing required to meet all the undersupply of housing in the period 1 April 2013 to 31 March 2021. Following the publication of the Housing Delivery Test results in January 2021, the Council has to apply a 5% buffer to its housing requirement. The 5% buffer is shown in Table 1. On this basis there is a total housing requirement of 4,443 dwellings for the five year period (the equivalent to 889 homes per annum).
- 2.4 In accordance with the definition in paragraph 74 of the NPPF, Table 2 below set out the number of net new homes that are deliverable in the five years between 1 April 2021 and 31 March 2026. The council can demonstrate that a total of 4,665 homes are deliverable within this period, equating to **5.2 years** of housing land supply.

Table 1 – Housing Requirement 1 April 2021 to 31 March 2026

		Number of Dwellings	Average Per Annum
А	Housing requirement 01/04/2013-31/03/2021 (590 x 8)	4,720	590
В	Number of dwellings completed 01/04/13-31/03/2021	3,439	430
С	Shortfall in supply 01/04/2013- 31/03/2021	1,281	160
D	Housing requirement 01/04/21 to 31/03/26 (590 x 5)	2,950	590
Е	Total five year housing requirement 01/04/21 to 31/03/26 (c+d)	4,231	846
F	Total five year housing requirement 01/04/21 to 31/03/26 plus 5% buffer	4,443	889

Table 2 – Housing Supply – 1 April 2021 to 31 March 2026

		Number of Dwellings	Average Per Annum
A	Outstanding planning permissions on small and medium sites (net dwellings on sites of 9 dwellings or less) as of 01/04/21 including prior approvals.	643	129
В	Outstanding planning permissions on large sites (net dwellings on sites of 10 or more net dwellings) as at 01/04/21 including prior approvals.	3,327	665
С	Sites with a Resolution to Permit	5	1
D	Sites in the adopted Waverley Borough Local Plan and Made Farnham Neighbourhood Plan	250	50
Е	Other Identified Deliverable Sites	294	59
F	Estimated dwellings from small sites windfalls from 01/04/21 to 31/03/2026 (i.e. on sites where less than five net new homes can be delivered)	146	29
G	Total housing supply identified for 01/04/21 to 31/03/26	4665	
Number of years' worth of supply		5.2	

# 3. Housing Requirement

#### a) Objectively Assessed Need

3.1 The housing requirement of 590 dwellings per annum is set out in the adopted LPP1 (February 2018)<sup>1</sup>.

#### b) Undersupply from Previous Years

3.2 The National Planning Practice Guidance (NPPG)<sup>2</sup> states that the level of 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 5 year period (the Sedgefield approach). This means adding the shortfall to the housing requirement over the next five years instead of spreading the shortfall over the remaining plan period. Therefore, the five year housing supply requirement from 1 April 2021 to 31 March 2026 includes a shortfall from the start of the local plan period (1 April 2013) of 1,281, resulting in a supply requirement, without the buffer, of 4,231 dwellings.

#### c) The Additional Buffer

3.3 Paragraph 74 of the NPPF (2021) states:

"Strategic policies should include a trajectory illustrating the expected rate of housing delivery over the plan period, and all plans should consider whether it is appropriate to set out the anticipated rate of development for specific sites. 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<sup>3</sup>, or against their local housing need where the strategic policies are more than five years old<sup>4</sup>. The supply of specific deliverable sites should in addition include a buffer (moved forward from later 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<sup>5</sup>, to account for an fluctuations in the market during that year; or

<sup>&</sup>lt;sup>1</sup> See paras 6.2 to 6.10 of the adopted Local Plan Part 1.

<sup>&</sup>lt;sup>2</sup> Paragraph 044 Reference ID 3-044-20180913 Housing and economic land availability assessment.

<sup>&</sup>lt;sup>3</sup> "For the avoidance of doubt, a five year supply of deliverable sites for travellers – as defined in Annex 1 to Planning Policy for Traveller Sites – should be assessed separately, in line with the policy in that document".

<sup>&</sup>lt;sup>4</sup> "Unless these strategic policies have been reviewed and found not to require updating. Where local housing need is used as the basis for assessing whether a five year supply of specific deliverable sites exists, it should be calculated using the standard method set out in national planning guidance".

<sup>&</sup>lt;sup>5</sup> For the purposes of paragraphs 73b and 74 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."

- c) 20% where there has been significant under delivery of housing over the previous three years, to improve the prospect of achieving the planned supply<sup>6</sup>.
- 3.4 The Housing Delivery Test result for Waverley, published by MHCLG in January 2021, puts Waverley at 98%, meaning that a 5% buffer is applied. As a result the overall housing requirement for the five years is 4,443 (i.e. 4,231 + 5%).

<sup>6</sup> From November 2018, this will be measured against the Housing Delivery Test, where this indicates that delivery was below 85% of the housing requirement."

# 4. Housing Supply

#### a) Assessing Deliverability

- 4.1 To be included in the five year housing supply new homes have to be on sites that are deliverable as defined in the glossary of the NPPF (2021) and in the NPPG.
- 4.2 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. In particular:
  - a) Sites which do not involve major development and have planning permission, and all 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, (for example because they are no longer viable, there is no longer a demand for the type of units or sites have long term phasing plans).
  - b) Where a site has outline planning permission for major development, has been allocated in a development plan, has a grant of permission in principle, or is identified on a brownfield register, it should only be considered deliverable where there is clear evidence that housing completions will begin on site within five years.
- 4.3 In preparing the Five Year Housing Land Supply Position Statement the Council has had regard to two recent decisions which are detailed below.
- 4.4 The judgement in the Consent Order in respect of Land rear of 7 12 The Willows, Thrapston, Northamptonshire is relevant as it provides an interpretation of the definition of "deliverable" as any site which can be shown to 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' will meet the definition; and that the examples given in categories (a) and (b) are not exhaustive of all the categories of site which are capable of meeting that definition. Whether a site does or does not meet the definition is a matter of planning judgment on the evidence available.
- 4.5 The Secretary of State decision for Land to the East of Newport Road and to the East and West of Cranfield Road, Woburn Sands, Buckinghamshire (Application reference 16/00672/OUT) is also considered relevant as the Secretary of State confirmed that evidence that post-dates the base date can be used to support the delivery of sites provided that the sites were identified by the Council at the base date.
- 4.6 In accordance with the above definition the Council has assessed the deliverability of housing in the Borough from the following sources:

- Net new dwellings with outstanding planning permission on 1 April 2021
- Net new dwellings on sites where the Council has resolved to grant planning permission subject to the signing of a S.106 agreement
- New dwellings on sites allocated in the adopted LPP1 and the Made Farnham Neighbourhood Plan
- Other deliverable sites including sites on the Brownfield Register
- Windfall development on small sites<sup>7</sup>
- 4.7 The Council has assessed the deliverability of homes on sites in all the above categories. In carrying out an assessment of deliverability it has:
  - (1) Considered the policy approach set out in the NPPF and NPPG.
  - (2) Taken account of information provided to the Council by landowners and/or promotors of sites that are included.
  - (3) Taken account of progress with any relevant planning applications, discharging of conditions etc.
  - (4) Local evidence from developers on lead-in times and delivery rates for different types of sites.
- 4.8 Evidence documents on the deliverability of sites included within the projected five year housing supply can be found on the Council's website at <a href="https://www.waverley.gov.uk/Services/Planning-and-building/Planning-strategies-and-policies/Housing-supply-and-delivery/Five-year-housing-s

#### b) Housing Completions

4.9 The number of additional homes completed from 2013/14 to 2020/21 was 3,439. Further details can be found in Appendix 1. The Council has reviewed the completions data for 2017/18, 2018/19 and 2019/20 and in doing so has identified some additional completions that have previously not been included in the five year supply data in previous years. These additional completions have been included in the completions data for the Five-Year Housing Land Supply Position Statement 2021. A list of all the completions between 1 April 2013 and 31 March 2021 can be found on the Council's website at <a href="https://www.waverley.gov.uk/Services/Planning-and-building/Planning-strategies-and-policies/Housing-supply-and-delivery/Five-year-housing-supply.">https://www.waverley.gov.uk/Services/Planning-and-building/Planning-strategies-and-policies/Housing-supply-and-delivery/Five-year-housing-supply.</a>

# c) Small and Medium Sites with Outstanding Planning Permission

- 4.10 All small and medium sites with outstanding planning permission (less than net 10 dwellings) are deliverable within the five years from 1 April 2021 in line with the definition of the term deliverable in the NPPF.
- 4.11 Although the housing trajectory for Local Plan Part 1 applies a 10% lapse rate to this source of housing this was considered important in demonstrating that

<sup>&</sup>lt;sup>7</sup> Small sites are defined as sites delivering a net increase of 1 -4 dwellings, medium sized sites deliver a net increase of 5 -9 dwellings and large sites deliver 10+ net dwellings.

the plan could continually meet five years' worth of housing supply each year going forward. However, the Local Plan Inspector examining the plan considered that as the NPPF did not require a blanket discount of this scale the lapse rate "may therefore lead to an unnecessarily pessimistic assessment of the 5 year supply position". The Council's approach of not including a lapse rate has been supported in a recent appeal decision for Land at Lower Weybourne Lane, Farnham<sup>8</sup>. Therefore, for the purposes of this five year housing supply position statement a lapse rate is not applied. **643** new homes on sites of 9 dwellings or less with outstanding planning permission have been assessed as deliverable. Details of those sites are attached at **Appendix 2**.

#### d) Large Sites with Outstanding Planning Permission

- 4.12 Sites of 10 or more dwellings are defined as major development sites in the NPPF glossary of terms. The Council has individually assessed the delivery of all sites of 10 or more dwellings with planning permission. In assessing the deliverability of the large sites with planning permission, the Council has taken into account the fact that, according to the NPPF definition, all 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. The Council has taken the view that all of the large sites that have a full planning permission are deliverable within the relevant five year period. In considering deliverability of sites within this category, the Council has revisited sites and considered the delivery rates to date on each site. For those sites with outline planning permission or partial reserved matters the Council has considered the deliverability of each site and the evidence available to establish if the site is deliverable.
- 4.13 The Council has also taken into account the progress made through different stages of the planning process and information received directly from site owners or promoters. It will be noted that a considerable number of these sites have progressed to detailed planning approval stage and many have already commenced on site.
- 4.14 It is acknowledged that some of the large sites either only have outline planning permission or a partial detailed permission. In accordance with the NPPF definition the Council has assessed these sites to determine whether there is evidence to show that there is a realistic prospect that some or all of the approved dwellings will be delivered within five years.
- 4.15 As the sites have been assessed individually, no discount has been applied generally to this source of housing land supply. Where the assessment of the individual site has indicated that houses will not be delivered within the 5 year period, the Council has not counted these. It has been concluded that **3,327**

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<sup>&</sup>lt;sup>8</sup> Appeal reference APP/R3650/W/20/3262641

homes on sites of 10 or more net additional dwellings, with outstanding planning permission, are capable of being delivered by 31 March 2026. Details of the large sites with planning permission considered to be deliverable in whole or in part are included in the table attached at **Appendix 3**. Further details regarding the deliverability of each of the sites with outline planning permission (or part detailed and part outline approval) can be found at **Appendix 4**.

#### e) Sites with a Resolution to Permit

4.16 As of 01/04/2021 there were **5** homes from this source, arising from three sites, that can contribute to the five year housing land supply. Details of the sites and the reasons why the Council considers them to be deliverable, are set out in the table attached at **Appendix 5**.

#### f) Sites allocated in LPP1 and the Made Farnham Neighbourhood Plan

- 4.17 All of the sites allocated in the adopted LPP1 have been granted planning permission as of 1 April 2021, except for Coxbridge Farm (Policy SS1) and part of the Dunsfold Park site (Policy SS7). The Council has assessed these allocations individually based on the information from the landowner. As mentioned above Local Plan Part 1 allocated 2,600 homes on Dunsfold Park. Outline planning permission has been granted for 1,800 homes on the site (for details see Appendices 3 and 4).
- 4.18 The Local Plan site allocation at Coxbridge Farm, Farnham is the subject of a current outline planning application for 320 dwellings. On 18 May 2021 the Council's Planning Committee resolved to grant outline planning permission subject to the signing of a S.106 agreement.
- 4.19 The Farnham Neighbourhood Plan allocates the Centrum Business site for 150 dwellings. The Council was aware of the site prior to the base date. The site has been included in the five year supply for 100 dwellings to reflect the need to secure planning permission for the site.
- 4.19 The total projected supply from this source in the next five years is, therefore, 250. Details of the expected delivery on these three sites, together with the Council's justification for including the sites in the five year housing supply, are set out in the table attached as Appendix 6.

#### g) Other Identified Deliverable Sites

4.20 Other deliverable sites are sites outside the above categories, where the Council considers that there is a realistic prospect that completions will take place within the five year period. This includes sites with pending planning applications, sites on the Brownfield Register and other sites that were considered deliverable at the base date of 1<sup>st</sup> April 2021.

- 4.21 An evidence based assessment, in line with best practice, based on available information, was undertaken. This included reviewing pre-application consultation, planning history and information gathered from developers and landowners. Details of the Council's individual site assessments and the accompanying evidence are set out in **Appendix 7**. The sites included in this category are relatively small with the largest having a capacity of 60 dwellings. All of the sites in Appendix 7 are considered to be deliverable within five years. The contribution to the supply from this source is also set out in **Appendix 7**. A total of **294** dwellings is anticipated as being deliverable from this source.
- 4.22 The Council is currently preparing Local Plan Part 2 (LPP2) and will be looking to allocate housing sites in Haslemere, Milford and Witley. Consultation on the Pre-Submission version of LPP2 took place in November 2020 January 2021. The Council has published an updated Local Development Scheme and is aiming to submit Local Plan Part 2 to the Secretary of Statement for independent examination by the end of 2021. Several Parish and Town Councils are preparing Neighbourhood Plans. Some of them propose or allocate housing sites including Chiddingfold, Bramley and Cranleigh. Please see Appendix 8 for further information.

#### h) Contribution from Small Windfall Sites

4.23 Paragraph 71 of the NPPF says that:

"Where an allowance is to be made for windfall sites as part of anticipated supply, there should be compelling evidence that 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 polices to resist inappropriate development of residential gardens, for example where development would cause harm to the local area."

- 4.24 Windfall is defined in the glossary of the Framework on page 73 as "sites not specifically identified in the development plan".
- 4.25 Paragraph 048 of the PPG also requires annual position statement of five year land supply to assess the permissions granted for windfall development by year and how this compares with the windfall allowance.
- 4.26 The Council considers that a windfall allowance in the five year housing supply from sites of less than five dwellings (small windfall sites) is justified as the Council's Land Availability Assessment (LAA) only identifies sites available for housing of five or more new dwellings, and historically sites of less than five new homes have contributed significantly to new housing in the Borough. The potential contribution of the number of new homes from small windfall sites to the overall supply of housing is **146** dwellings and is based on the annual

- average of past trends from this source since 2003. Details are set out in the table attached as **Appendix 9.**
- 4.27 It is expected that small sites of less than five dwellings will continue to come forward and contribute to the Borough's supply of housing. The contribution is, however, only considered appropriate for the final two years of the five year housing supply only (i.e. 2024/25 to 2025/26). This is to avoid any double counting because windfall sites contributing within the first three years will often have already received planning permission.
- 4.28 There is no contribution to the five year housing supply from windfall sites that deliver five or more net homes (medium and large windfalls). This is because the LAA has tried to identify all new homes that can be delivered on sites of more than 5 dwellings. These sites would also be expected to be allocated in the emerging Local Plan and Neighbourhood Plans. However, it is likely that other sites will be capable of delivering five or more net new homes in the next five years which the Council is currently unaware of. Details of the status of all the Neighbourhood Plans in Waverley at 1 September 2021 can be found at Appendix 8.