Housing Action Plan - March 2021

Contents

1. Introduction	3
2. Land availability	4
3. Actions considered	5
4. Review	8
5. Summary and conclusions	12

Introduction 1

1.1 This is the second Action Plan prepared by the FoDDC in response to the government's Housing Delivery Test. This test sets a level of dwelling completions against which housing delivery is measured and then prescribes action according to the result if it falls below a certain percentage of the figure required. For 2018/ 2019 the result of the test was that the FoDDC saw 89% of the level of completions expected when the formula used by the test was applied. For 2019/ 2020 the calculation produced a result of 94%. This is a level which is 1% or nine homes below the 95% required. Despite this small margin the action required is that any LA achieving recording less than 95% of the required completions must prepare an Action Plan. This document is the second one prepared for the FODD.

1.2 This Plan is also the second prepared at a time when delivery has been impacted by the pandemic, and early in the financial year development sites were in some cases paused, although the impact of the restrictions are more likely to be seen in 2020/21, a year throughout which there were some restrictions in place. Delivery results for 2020/21 will be measured later this year and will inform the 2021 HDT.

1.3 Of the various sanctions which the test performance may trigger the 94% result simply requires a further Action Plan. More significant action is required if the level of provision drops below 85% (an additional buffer (20%) of available land over supply) and if below 75% then the presumption in favour of development (as when a five year land supply is lacking and explained in the NPPF is applied. This Action Plan is written as an update to the previous version, taking account of any changes in delivery over the year.

2 Land availability

2.1 Housing sites that are being developed in the FoDD are chiefly the result of the identification of land in the 2018 Allocations Plan. This ensures that sufficient land is available for development to meet the current requirement of 330 units pa. In 2019/20, 336 (net) completions were recorded and in 2020/21, 350#. These figures exceed the required 330 and total delivery for the relevant three year periods over which the HDT is calculated is 869 for 2019/20 and is expected to be 956 in 2020/21. This AP considers the situation up to March 2020, although it is relevant to use more recent information in order to inform this document.

2.2 Meeting the HDT requirement requires a suitable supply of land with planning permission but also sufficient activity from builders to implement the permissions. Providing a range of sites is identified in a plan or plans, and permissions granted where appropriate, the actual delivery of them is therefore something the LPA are not in control of. Without demand from the market or elsewhere permissions are unlikely to be taken up and the rate of development on individual sites will be controlled by the builders themselves.

2.3 In recognition of the need for new housing (especially affordable housing) the FoDDC works closely with developers and agents in seeking to deliver all forms of housing. One way in which delivery could be improved and an ongoing action which was identified in last year's HDT was to promote and encourage delivery of housing by Registered Providers (RPs) using finance from Homes England. This process has now led to a number of sites being taken up, and two which are presently being built out and a third should commence shortly being the subject of a resolution to permit.

Actions considered 3

3.1 The following were seen as areas to consider in the previous HDT and are considered and updated below.

Barriers to early commencement after planning permission is granted and whether such sites are delivered within permitted timescales.

3.2 Some planning consents, especially those obtained by developers are likely to be commenced relatively quickly although there may be delays between outline permissions and final commencement or as conditions are discharged or other approvals sought. Although the need for conditions that require further submissions is kept to a minimum, there will be some cases whwere they are necessary. Not all result in delays and not all delays are in control of the LPA. Similarly situations where a scheme is modified perhaps due to market conditions or shortage of materials (requiring alternatives to be approved) may delay a development. The LPAs role is to deal efficiently with any such needs and to use conditions which require discharge only when necessary.

Barriers to delivery on sites identified as part of the 5 year land supply (including land banking, scheme viability, affordable housing requirements, pre-commencement conditions, lengthy section 106 negotiations, infrastructure and utilities provision, involvement of statutory consultees etc.).

3.3 Once sites are identified as contributing to the five year land supply, they should be able to be delivered. This is not the same as them being delivered as builders/ developers are in control of when permissions are implemented. Detailed permissions will have resolved the main issues arising from the factors listed above although there may be additional matters or different circumstances which require changes to permissions, affect viability and involve further work. These factors cannot be avoided but should be dealt with efficiently.

3.4 The major limiting factor on the supply of deliverable sites is the rate at which permissions are sought or taken up. Where the market has a given capacity or where there are large sites already being developed there may be a finite capacity and sites though able to be developed may be held back by the market, or by individual developers who wish (or have to) pace the rate of development. There is currently a rapid take up of sites in some areas, and the re supply of detailed permissions has kept pace with the rate of completions. Individual settlements may have capacity for a certain rate of delivery as each outlet and the number of outlets is likely to be governed by market demand. In Lydney for example there are a large number of permissions sufficient to feed several years' development covered by outline permissions as well as those allocated in the LP while providing for a rate of completions estimated to be about 150pa.

Whether sufficient planning permissions are being granted and whether they are determined within statutory time limits.

3.5 In order to grant permissions there need to be applications. The flow of planning applications is governed by a variety of factors not all of which are in control of the LPA. While some applications are delayed, the reasons for delay do vary and include for example waiting for additional information from consultees or from the applicant. Some delay due to the resources available to consider and process applications is inevitable but is probably less significant than those resulting from the need

3 Actions considered

for additional information to support applications. Discussions in relation to viability, the need for additional ecological information and highway and access issues are often complex and add time to that needed to process applications.

Whether the mix of sites identified is proving effective in delivering at the anticipated rate

3.6 Overall the range of sites offered by the Allocation Plan is wide and considered adequate. They are identified to provide for development in keeping with the needs of the area and that to offer a range of locations and types of site. Some geographical areas are less attractive to developers and previously developed land is less attractive unless there are particular circumstances which apply to an individual site. Overall a balance has to be found so that development is able to occur in a manner that best provides for the FoDD. Recent evidence suggests that the rate of development is matching the identified needs of the market but that the need for affordable housing remains high.

Whether proactive pre-planning application discussions are taking place to speed up determination periods.

3.7 Pre application discussions continue to be promoted and generally do speed the process of obtaining approval. They do require resources and as with applications not all such discussions are with the eventual developer of a given site. It is right that LPAs engage in the process.

The level of ongoing engagement with key stakeholders (for example, landowners, developers, utility providers and statutory consultees), to identify more land and encourage an increased pace of delivery

3.8 A generally high level of engagement is sought, with annual calls for sites and a Local Plan Review at an early stage at present. Landowners are generally able to submit sites they consider should be considered for development. Utility providers are engaged as are bodies such as the EA. There are however limited resources on all sides and for example the EA and Highway Authority are quite stretched so unable to provide a response as rapidly as may be hoped for.

Whether the existing housing market can deliver increases in the rate of completions.

3.9 Recent experience (2019/20 and 2020/21) has shown that the rate of delivery in the FoDD can match that set in the current LP. Although this does exceed the rate of increase in households suggested by ONS it is actually below that likely to be set as a minimum requirement under the revised standard method of calculation. The delivery is not all market housing but includes some sites being exclusively delivered by Registered Providers developing a mixture of affordable homes. This is welcome because it brings housing to those in need. A variety of sites are being delivered by RPs and are in the process of being secured by them including some which could have been less attractive to the open market but also others where the RP was effectively in open competition with the market. This aspect is noteworthy but also possibly suggests that some of the less viable (including previously developed sites) are not being targeted by the current way in which grants are provided to the registered providers by HE. This potentially reduces the delivery of new homes and also the range of sites and their locations.

<u>Other ways in which delivery could be increased especially in respect of housing need experienced</u> in the FODD

Actions considered 3

3.10 As indicated above delivery by a range of means is desirable and will continue to be promoted. Especially important is the involvement by RPs and also the encouragement of small and medium builders, mainly aided by there being a range of sites.

The timescale over which changes to the delivery rate can be made

3.11 Most actions intended to improve housing delivery will take some time to implement being directed for example to bringing sites forward or securing financial support for them.

3.12 Overall the above will influence delivery which has increased recently. One factor which may be overriding however is the general observed increased demand for market housing in parts of the FoDD. This has been accompanied by increased selling prices which have been recorded. This in turn supports more rapid build rates. Aside from making the sites available, the LPA has little or no influence on these wider market forces even though the rates of delivery and therefore the HDT result is influenced by them. Worsening affordability may be seen at a time when there is an increase in housebuilding.

4.1 The following are key actions considered appropriate to consider in order to maximise housing delivery in the FoDD. Some are new while others represent a continuation of current practice. They are taken from the considerations above.

<u>Revisiting the Strategic Housing Land Availability Assessment (SHLAA) / Housing and Economic</u> <u>Land Availability Assessment (HELAA) to identify sites potentially suitable and available for housing</u> <u>development, including public sector land and brownfield land.</u>

4.2 The SHLAA process is one that has been conducted on an annual basis in the FoDD and has most recently contributed to the AP and in particular the process of identifying additional sites allocated during the examination process. The current SHLAA will inform the new 2041 LP as one of the key inputs to that. A full exercise seeking sites was completed in 2020 and is being repeated in 2021. Both will inform the new LP which is at an early stage. The SHLAA process is an important part of site identification producing a pool of sites that can be considered for development (though they will not necessarily be identified). It does however identify land said to be available by the landowner and/ or potential developer.

Action: Continue with the annual call for sites (SHLAA) exercise and review sites for potential to become allocations in LP. A call for sites took place in early 2020 and again in 2021 in addition to there being an arranged informal consultation on the emerging LP seeking both general comments and suggested sites for development.

Working with developers on the number of houses on site, including whether sites can be subdivided.

4.3 Sub division of sites is seen only in the very largest of the FoDD sites at present and is governed by how the developer wishes to see the site released and by any planning requirements. The FoDDC has been flexible in accommodating this division in response to needs and this has enabled the site to be developed at the present rate.

4.4 There are almost always negotiations in respect of the number of dwellings that may be accommodated on a site. The initial guide is often the AP policy but there is scope for variation. This may however result in an increase or a decrease in numbers in seeking to provide a suitable development that is both viable and addresses the need for affordable housing. Examples in the FoDD include one site increased from 170/ 180 to 230 now approved, another allocated for 50 likely to provide 57 but also others providing 80 rather than 85 and 80 rather than 95. There are several variations within the major east of Lydney development including one site with permission and expected to deliver 177 dwellings rather than the original 110 in the first outline permission. There is a mixed picture of sites providing according to the requirements of individual developers albeit within the overall guidance of the LP. Overall the main consideration must be the successful development of a particular site and finding an appropriate density as guided by the LP or other policies. Where additional capacity can be realised this is supported but equally developments that realise a lower number than first envisaged should be considered and approved where appropriate.

Action: Continue to discuss site delivery with applicants as required. This includes possible sub division.

Offering more pre-application discussions to ensure issues are addressed early.

4.5 As referred to in the discussion of issues, early engagement in the application process is already encouraged and pre application submissions are regularly used. They have real benefits in respect of all levels of application where there is a dialogue which can highlight and address issues that may arise.

Action : continue to promote pre application discussions

Using Planning Performance Agreements.

4.6 Performance agreements and their use is kept under review but they are not at present utilised. They are more likely to be employed when new very large sites come forward and the current situation is that there are no very large sites remaining in the current allocations for the present plan period.

Action: review whether there is scope for performance agreements especially in respect of future very large sites.

<u>Revising site allocation policies in the development plan, revising existing policies acting as a barrier to delivery, setting out new policies aimed at increasing delivery, or accelerating production of an emerging plan incorporating such policies.</u>

4.7 It is essential to have an up to date development plan, and this can be maintained by review and by anything from complete replacement to more minor revision to policies and or allocations. The process is still long but is one that is continuing in every planning authority. Emerging plans are tied to a series of processes and although stages can be cut prior to their publication, this may come at the risk of (for example) missing an opportunity for the submission of candidate sites. Plans when submitted must be able to be considered sound by those preparing them and this does mean assembling large amounts of evidence which then needs to be considered in relation to the submitted plan.

4.8 Although a draft plan is just that its status as an emerging development plan document that reflects the views of the relevant authority can be used to emphasise that draft allocations are considered appropriate and developable by the council. This aspect may be helpful in granting permission in advance of the adoption of a plan and has been used in FoDDC during the gestation of the current AP. Sites in the draft do not have the same status as any in an adopted plan in respect of a calculation of a five year supply and the intention to bring them forward does not make any difference to an existing plan which may not be regarded as up to date under the regulations. It does however make a practical difference in that the council's in principle support for certain sites is expressed. There may be issues in respect of the subject of a planning application, which can be made at any time during the plan making process, any decision in respect of sites coming forward in advance of an adopted LP will be made fairly and openly.

Action: Ensure that sites that are considered suitable for development are promoted as such when the draft LP is published, progress the review of the LP as rapidly as possible.

Engaging regularly with key stakeholders to obtain up-to-date information on build-out of current sites, identify any barriers, and discuss how these can be addressed.

4.9 A periodic survey is conducted in the FoDD seeking information about build out rates and future expectations. This produces a return from active sites and others with and without the benefit of planning permission. The returns are the views of developers, builders and other land owners and their agents and are often qualified by particular constraints that are referred to. They provide a useful check and guide to material used in the housing trajectory but need to be considered in context. Nearby potentially competing sites and particular issues that have delayed an application may affect the return and can be a useful marker for action. Returns from larger sites especially where there are several active in one location highlight the market capacity and although this can be examined in this study, it is something that the FoDDC don't control. The market capacity in individual settlements is a consideration for a LP but may not be the overriding one when allocating sites for the long term development of the district and its sustainability.

Action: Continue regular engagement with stakeholders and develop further, especially discussion about impediments to delivery

Establishing whether certain applications can be prioritised, conditions simplified or their discharge phased on approved sites, and standardised conditions reviewed.

4.10 Planning applications are subject to various time limits although there are recognised ways in which time to determine can be extended. It is however necessary to process all applications against the same limits and is not possible to prioritise those that will deliver housing. There are other priorities for the FoDDC and if applications are dealt with on a basis of when they are submitted, then that is considered a fair and transparent approach.

4.11 Guidelines which govern delivery and the use of pre commencement conditions ensure that these are not incorrectly applied. Inevitably permissions will require conditions to be discharged and some can only be actioned after commencement of a development. The key is that they are effective and do not unnecessarily delay a scheme. They are by definition needed to ensure that development is of an appropriate quality and may be the best way to ensure a permission can be issued and implemented.

Action: none, unless necessary in response to government requests

Ensuring evidence on a particular site is informed by an understanding of viability.

4.12 Additional information currently being gathered on viability will support the LP, inform the decision to adopt or not CIL and show how AH can be delivered. The information will be used in order to support allocations in the forthcoming LP especially to demonstrate that they are likely to be able to be developed in the plan period. This will also assist with judgements about present viability and hence the deliverability of current sites, providing information in respect of s106 contributions and affordable housing delivery that can be supported by the types of sites being considered. Changes to the way in which CIL operates or a complete replacement may occur and although the current viability information could be used to inform CIL, FoDDC may await further developments.

Action: new sites to be allocated will need to be compliant with NPPF regarding viability.

Considering compulsory purchase powers to unlock suitable housing sites.

4.13 This is an available power which is kept under review. Though it may deliver a site, the site would then have to be developed which would entail finding / marketing to a willing developer.

Action: awareness and review

Using Brownfield Registers to grant permission in principle to previously developed land.

4.14 Although the principle that previously developed land should be brought forward for development is agreed, and a register of such land is maintained, the effectiveness of Permissions in Principle is far less clear. Previously developed sites in the FoDD often need financial support in order to come forward and actions to do this are considered the best way to ensure their development. Examples include the Northern Quarter development in Cinderford where a range of initiatives are being employed in order to bring the land to delivery. A permission in principle would not assist in bringing forward these sites which enjoy outline permission nor would it assist with others that remain undeveloped.

Action: none

Encouraging the development of small sites and higher site densities.

4.15 The basis for guidance on densities in the NPPF and in the LP is that they should be appropriate for the site. Development should make good use of the land available. This may mean agreeing lower densities than are physically possible. Ultimately the requirement is to achieve a high quality of development in step with guidance including the national design guidance. Density will be affected by the mix of units on a site but the mix sought would normally be a reflection of several key factors including the possible need for smaller affordable homes, proximity to services and whether the site is within or on the edge of an urban area. The existing LP does not prescribe densities except to guide the numbers located under its policies though it does seek an efficient use of the land concerned.

4.16 Small sites are a feature of the existing LP and are likely to be so in the successor, and there are also a larger percentage of sites under 1ha than encouraged in guidance. This is a function of the nature of the area and of the LP seeking to identify a broad range of opportunities by allocation for development. The LP also encourages the development of small unallocated sites in accord with its policies which are based on the principles of sustainable development and relate to the character of the area.

Action: ensure through planning policies that there will be a potential supply of small sites. Review densities achieved to ensure they are appropriate.

5 Summary and conclusions

Summary and Conclusions

5.1 Delivery of new homes in accord with need is a fundamental requirement of a plan. The FoDD LP supports this and sets out the range of local priorities which accord with those contained in national guidance. The overall aim is to achieve sustainable development of all kinds and meet the needs of the area.

5.2 The current supply of permissions is sufficient to sustain the required level of completions. They more than cover the number of dwellings which would be required to meet the remainder of the current plan's needs. There is not considered to be an overall shortage of sites with permission.

5.3 This action plan has been prepared in order to satisfy the government requirement to provide one when housing delivery is below 95% of the calculated requirement. The actual "shortfall" for 2020 was one where 94% of the calculated need was delivered, and this represents a total delivery over three years of eight homes below the 95% (869 delivered, 924 required for 100% or 877 for the 95% target).

5.4 Although the targets change over time this action plan is considered to demonstrate a variety of actions which will enable delivery rates to increase and for the requirements to be met. Actual delivery depends on the actions of builders and developers as well as on those of the FoDDC. This is why a range of actions are proposed that improve the conditions to increase housing numbers. The FoDDC's performance in this and future delivery tests depends therefore on continuing efforts to ensure that there are sites that are attractive to develop and that all providers are engaged in the process of bringing them forward.

5.5 The current economic conditions and wider pandemic (June 2021) are such that it is not known what any long term impact on the economy may be, but short term changes were very apparent, slowing dwelling construction and the planning process. These impacts will reduce the flow of housing completions and will therefore impact on the delivery test. It may be that the test needs to be modified or although the monitoring of permissions and delivery will continue.

5.6 A copy of the FoDDC housing trajectory is available at: <u>https://www.fdean.gov.uk/planning-and-building/planning-policy/local-plan-supporting-information/</u> together with further information on housing land availability.