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A REVIEW OF STROUD DISTRICT COUNCIL'S FIVE YEAR HOUSING LAND SUPPLY

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30 September 2013

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1. Introduction

- 1.1 Stroud District Council instructed Evans Jones LLP to review its 5 year housing land supply figures and to critically assess the deliverability of the included sites and to identify whether there is a 5 year supply of deliverable land for housing. This review is intended to clarify the status of the included sites and to identify a base position that the Council can defend within the development management process.
- 1.2 The review process involved soliciting responses from all large site promoters where these had not previously been supplied to the Council and additionally testing a sample of the small sites.
- 1.3 Where site promoters had indicated that a site was not deliverable or where there were constraints which might affect whether a site would come forward within the period, further enquiries were made to identify whether the constraints could realistically be overcome during the 5 year period.
- 1.4 The figures represent a cautious position which is transparent and the findings are expected to be referenced in the defence of on-going planning appeals and be a material consideration in the determination of future planning applications for residential development. It is also expected that the initial findings will be used to focus on areas of supply which have not currently been incorporated into the delivery figures and would provide a baseline from which further sites could be added (subject to additional analysis and justification).

2. Stroud District Council Published Housing Targets.

- 2.1 Keith Woodhead was commissioned by SDC to review the evidence base and provide commentary on the Population Growth and Total Housing Requirements for Stroud District. His report was published in August 2012. The report reviewed the Council's evaluation of responses to the Preferred Strategy consultation process which identified a need for 3200 additional houses between 2012 and 2026 and on the wider requirement for between 9100 and 9730 new dwellings

throughout the (extended) plan period.

- 2.2 The report has subsequently been updated and amended in April 2013 and again in July to take into account newly available data on sub-national population projections.
- 2.3 The report is based on a detailed and thorough analysis of the housing and population numbers set out in the Council's Core Strategy; a review of the changing requirements for housing numbers; and an examination of the results and recommends a robust methodology for the Council to project the figures for future plan preparation. As an experienced planning consultant specialising in strategic planning, demographic and economic research and former Head of Planning and Senior Policy Manager at the South West Regional Assembly and South West Councils, Keith Woodhead's report and subsequent updates should be relied upon as a robust and thorough assessment of projected housing need within Stroud District.
- 2.4 The Plan period is 1st April 2006 to 31st March 2031 which has been extended to ensure a 15 year lifespan for the local plan following its adoption. During this period SDC has determined that there will be a requirement to provide a minimum requirement of 9500 new dwellings as the local plan target for the period to 2031.
- 2.5 On 1st April 2013 SDC published their annual monitoring report entitled "Residential Commitment in Stroud District at 01 April 2013". This provides the most up to date published information relating to housing commitments and completions as at 31st March 2013 and is the Council's most recent statement in respect of their 5 Year Housing Land Supply position. The annual housing requirement pre-dates the revised housing target now adopted following the review of more up to date projection data. The following is the updated summary of the position from the Council's published set of figures as at 1st April 2013:

		Dwellings
A	Annual requirement + 5% buffer	389
B	Net dwellings completed so far in plan period (1 st April 2006 – 31 st March 2013)	2787
C	7 year requirement (A x 7)	2723
D	Surplus in delivery in first 7 years of plan period (C – B)	64

2.6 On the basis of the completion figures it appears that SDC have been delivering the required housing numbers to meet the plan requirements on an annual basis from the beginning of the plan period in 2006. The housing requirements have now changed, with the Council adopting the recommendations of the Woodhead report and its subsequent updates.

3. Deliverable Housing Land Supply

3.1 The following table provides an updated review of the current 5 year housing supply requirements from April 2013 and the anticipated delivery rates. This is based upon the detailed review undertaken of the available sites and uses the revised local plan target for 9500 new dwellings during the plan period.

Housing Requirements 1/4/2013 - 31/3/2018

		Min Req	SDC Draft plan figure	Max Req
A	Net dwellings required 2006-31	9350	9500	10500
B	Annual requirement (A ÷ 25)	374	380	420
C	Annual requirement plus 5% buffer (B + 5%)	393	399	441
D	Completions to March 2013 (7 years)	2787	2787	2787
E	7 year requirement 2006-2013 (C x 7)	2751	2793	3087
F	Surplus / Shortfall in first 7 years (D - E)	36	-6	-300
G	Five year requirement (C x 5) + / - F	1929	2001	2505

Deliverable Housing Land Supply 1/4/2013 - 31/3/2018

Total Sites deliverable*	2215	2215	2215
5 year requirement (inc 5% buffer)	1929	2001	2505
Percentage of 5 year housing supply	115%	111%	88%
No of years' supply (using 5% buffer)	5.75	5.55	4.4

* excludes Allocations and Windfall allowance

- 3.2 The deliverable sites identified do not however include new permissions issued since April 2014 to date. The effect of this is that the above table actually under-estimates current deliverable sites since the assessment has been made only using the sites which were available as at 31st March 2013. A table providing an overview of the sites identified as deliverable is attached as **Appendix 1** and includes a combined assessment including a figure for the deliverable small sites.
- 3.3 Using the revised housing figure requirements and looking at the next 5 year period i.e. from April 2013-18 the Council currently has 5.55 years' supply of housing land. This incorporates a buffer of 5%. This figure could be increased if recent permissions, post-April 2013 were also included in the projections. The issue of maintaining an up to date figure (rather than the annual position as at 31st March) is one which represents a dilemma for all authorities. The requirement is only to update the figures annually. During this period of uncertainty in terms of the various ongoing appeals, Judicial Review challenge to the Cam decision and in the absence of having an up to date adopted local plan upon which the Council can rely, the Council may well benefit from updating their supply figures more regularly in order to be able to provide as up to date a picture as possible to applicants and Inspectors. Until such time as the new housing requirement figures can be tested (by appeal) the Council may still find its figures being challenged.

4. 5% or 20% Buffer?

- 4.1 A crucial factor in the assessment of SDC's HLS figures set out above relates to whether they can justify using a 5% buffer or whether there is strong evidence to indicate that a 20% buffer should be applied.
- 4.2 Previous delivery rates and targets, based upon the now revoked RSS, are now in effect irrelevant in determining whether delivery over the current plan period would meet the identified targets set out in the Preferred Strategy. The Secretary of State recently confirmed in the appeal decisions at Tetbury, Cotswold District Council, (ref 2173305) that he considered the housing requirements set out in the Structure Plan to be so out of date as to be unfit for purpose in terms of defining the five year housing requirement. The basis for the SDC's required housing numbers over the plan period as detailed in the Woodhead report are believed to be current, robust and defensible.
- 4.3 Based upon completion rates taken over a significant period, the Council can be reasonably confident that delivery would continue at around the same rate for the duration of the current plan period.
- 4.4 Reviewing the historical delivery rates, the Council delivered 7557 new dwellings in the period 1991-2011. This equated to an average annual delivery rate of 378 (notwithstanding what the required annual requirement was during that period). Delivery during the current plan period 2006-2013 has been 2787 dwellings, which equates to an average of 398 dwellings delivered per year. Whilst there may be fluctuations year to year, it is reasonable to view the current plan period as a whole in order to justify reliance on predicted completions for the remaining plan period.
- 4.5 With regard to whether completion rates could be argued as one of persistent under delivery, during the seven years to March 2013, delivery has been at an average of 398 dwellings per year. Using the Council's Draft Local Plan figure of 9500 dwellings required over the plan period, between 2006 and 2013 there was a requirement to have delivered 2793 units (7 x 399) to achieve a delivery

rate incorporating a 5% buffer. The Council delivered 2787, a shortfall of only 6 dwellings. Based on the revised annual housing requirement there is no demonstrable record of what could be regarded as persistent under-delivery over the last 7 years. The Inspector in the Sellars Farm appeal considered that the previous 5 years were the most relevant to considering delivery rates albeit that the figures under review at that time were pre-revision. He determined that a shortfall of 360 during a period of recession, did not amount to a record of persistent under-delivery.

- 4.6 On this basis the Council could in my opinion reasonably justify using a 5% buffer.

5. Appeals

- 5.1 A number of appeals have involved a review of the Council's 5 year HLS figures, prompting the Council to commission the independent review by Keith Woodhead and this report to test whether the numbers are deliverable.

5.2 **Fox's Field – 12 January 2010 (ref 2109409)**

The Inspector's consideration of the Housing Land Supply pre-dates the introduction of the NPPF. Requirements were based upon examination of the HLS at that time which was based on the now revoked RSS and the Gloucestershire Structure Plan which was adopted in 1999. The policy framework now differs significantly in respect of the strategic level housing figures. The Inspector indicated that the Council's own returns did demonstrate a 5 year supply of housing land, if Structure Plan allocations were taken into account, the Council could not demonstrate such a supply. He found against the Council's position. The Structure Plan is now considered to be out of date and unfit for purpose in terms of housing requirements in the District (Tetbury decision).

5.3 **Sellars Farm - 28 May 2012 (ref 2165865)**

The Council agreed that there was not a 5 year HLS in place but the 5 year requirement was then higher (2203 – based on the RSS) to that now identified as the annual requirement (2001 including a 5% buffer plus the allowance for the previous shortfall in delivery). The Inspector did conclude that a review of the previous 5 years delivery 2007-2012 indicated a shortfall in delivery but that, given the period of recession during this time, this did not amount to a record of persistent under delivery and a 5% buffer was accepted. The figures used by the Council, and accepted by the Inspector as a reasonable position, anticipated delivery over a shorter plan period, 2006-26. The Inspector accepted that the Council's approach to use the more up to date evidence base of the emerging RSS and the figure of 9350 dwellings over a 20 year period was considered acceptable. The Council has now ratified its decision to extend the plan period by an additional 5 years, thus reducing the annual delivery requirement.

5.4 **Box Road, Cam - January 2013 (ref 2165671)**

Decision currently the subject of Judicial Review by the Council. Parties agreed to the 9350 figure over 20 years. The Council also submitted Keith Woodhead's report to justify their revised approach to using the figure of 9260 dwellings over an extended plan period 2006-2031. The Inspector gave little weight to the report given the lack of testing before the local plan examination and concerns about the possibility of under delivery against what would be a minimal target. The decision to extend the plan period was not addressed by the Inspector in respect to how this affects the overall calculations. Woodhead's report remains untested, thus any change in projected housing supply requirements over the period will impact directly upon our calculation of the 5 year HLS.

5.5 In contrast to the Sellars Farm appeal, the Inspector considered that during the

plan period, 2006-2012 there was a record of under delivery which was '*persistent*' and he thus concluded that a 20% buffer should be applied. The Inspector considered windfall sites and determined that in the absence of any evidence regarding how many of those previously delivered sites were on Greenfield or garden land a prediction of continued windfall delivery was difficult.

5.6 An identical application has been submitted for the Cam site and is now subject to appeal (ref 2202898) The Grounds of Appeal for this latest identical application indicate that the appellants intend to rely upon the previous Inspector's decision which concluded that the Council cannot demonstrate a 5 year supply and has persistently under-delivered. The previous appeal decision was based on figures which must now be regarded as out of date and is subject to challenge.

5.7 **Tranquility, Rodborough - 16 May 2013**

A detailed examination of the housing supply figures was not undertaken, by the Inspector but he did give weight to the Council's evidence which was updated to take into account the Woodhead report on housing requirements. He also noted that there was an absence of any evidence of a clear-cut shortfall in supply. Figures have been reviewed and revised since the Sellars Farm and Cam decisions and the appellant's arguments relied upon a reference to these previous Inspectors' findings rather than examining revised figures presented by the Council.

6. **Demolitions / Subdivisions.**

6.1 For the purposes of monitoring housing delivery, it is understood that SDC's figures did not use a net gain figure in their previous calculations where a scheme involved the replacement or the subdivision of an existing property.

6.2 A good example of this is site number 695, Land off Cirencester Road,

Minchinhampton. The permission provides for 66 new dwellings but involves the demolition of 40. The net gain of new units from this permission is therefore 26 but it has appeared previously in the Council's projections as providing 66 new dwellings (relying on the inclusion of a minus figure for the demolitions to be incorporated into the next year's review). Similarly where a permission involves the subdivision of a site such as site 35833, Cherry Trees, Cirencester Road, the figure presented in the Council's previous calculations is a commitment of 2, but the permission would actually only deliver one new dwelling.

- 6.3 Of the 33 small sites tested for deliverability, 7 sites or 21% were found to require an adjustment to provide an accurate figure for new units. Figures have now been adjusted to provide an accurate net figure (for the purposes of identifying the 5 year HLS) and can be relied upon going forward to be a correct reflection of new dwellings to be created.

7. Large Sites

- 7.1 The Council had received responses from many of the large site promoters or owners. Responses were then sought for the remainder of the sites by email or telephone and all but four sites have been reviewed and the projections updated accordingly. As set out above, some figures have been adjusted to provide a figure representing the net gain of units from these developments. Where developers have specifically stated that a site will not come forward they have not been included in the projections for the 5 year supply, although the status should be reviewed annually until the permissions expire.
- 7.2 Sites subject to a Section 106 Agreement have been assumed to be deliverable (unless specified otherwise). Sites where the response has been that the site should be delivered within the next five years, but where there is no specified date by which completions would occur have been either distributed across the 5 years or put to the end of, but within, the five year period. Again these figures can be adjusted as part of the annual review. Since no one year within the five year period is significantly lower in terms of

projected completions, this approach has not resulted in any significant skewing of the figures.

8. Small Sites

- 8.1 The current identified sites delivering under 10 units comprise 247 different sites, providing between 1 and 9 units. The sites which had not commenced and which provided 3 or more dwellings were tested. This comprised 33 different sites which account for 134 new units (figures adjusted to account for replacement dwellings).
- 8.2 Of these 33 sites, 8 were found not to be deliverable resulting in 108 units considered reasonably likely to come forward and 26 units not likely to come forward in the next five years. This non-deliverability of numbers of units represents a non-implementation rate of 19%. The smaller small sites were not tested, and have not been scrutinised to identify if they also include additional numbers for replacement dwellings.
- 8.3 The Council's projections for small sites allows for a 10% non-implementation rate, but given the results from the sample testing done on a proportion of these sites, we recommend increasing this allowance to 22%. This limits opportunity for challenging delivery rates in the absence of testing all the small sites. This deliverability rate should be monitored in future years to identifying whether there is a need to change the allowance.
- 8.4 Changes in permitted development that now allow for the conversion of office to residential and the provision in the NPPF to allow any use including residential, for rural building conversions could further boost the windfall figures. Looking forward, if permitted development for conversion of agricultural buildings to residential does come into effect this again could also deliver additional units. These types of consent will need to be monitored in the future to identify if they are delivering more units.

9. Windfall Allowance

9.1 An allowance for windfall sites has not been included within our calculations. In order to simplify the Council's position in terms of being able to argue a clear and straightforward position in regard to their deliverable HLS, an allowance for windfall sites has not been incorporated into the figures set out at 3.1 above. Our review of the small site commitments did indicate that these would continue to provide a steady supply of new dwellings. The Council has evidence that they have consistently delivered windfall sites (on small sites in particular).

9.2 Whilst there is evidence that windfall sites have delivered an average of 83 units in previous years, a review of the current small sites included in the supply identified that an average of only 62 units per year can be considered deliverable. Without a detailed review of all the non-allocated sites (both small and large sites) to identify which would need to be disregarded for the purposes of calculating a windfall figure, the inclusion of a windfall allowance should be avoided. A detailed review of these is recommended in order to establish whether the Council can take advantage of incorporating an allowance.

10. Recommendations

1. Review of windfall delivery with a view to identifying if an additional allowance can be reasonably justified.
2. Review other sources for additional dwelling delivery through examination of lapsed consents, SHLAA sites, allocated sites, conversion schemes through emerging permitted development rights (offices, agricultural buildings) and holiday and annex units.
3. Publish annual review figures and a schedule of sites on the Council's website to provide a transparent statement of the Council's position for all applicants.
4. Consider maintaining an up to date (monthly/quarterly?) review of all new permissions / lapsed permissions since the annual review – to provide an easily accessible resource for all parties which is as up to date as possible and to reduce the amount of updating work required for ongoing appeals.
5. Closely monitor delivery rates upon the larger large sites to ensure delivery is as per developer projections (Hunts Grove, Lister Petter) and if necessary adjust projections

accordingly. Monitor delivery rates on small sites and adjust non-deliverability allowance if required.

6. Work with developers/landowners to actively assist bringing forward consented sites which are stalled (e.g. Fromehall Park, Thompson First).

11. Summary

- 11.1 Based upon the Council's Draft local plan figure of providing 9500 new dwellings during the plan period 2006-31, the Council can demonstrate at least a minimum of 5.55 years supply. There is an opportunity to increase this figure if recent permissions and a windfall allowance were to be included, but this does require additional information to be collated in respect of previous windfall sites, and requires further review of all small sites to identify where sites must be excluded.
- 11.2 The review undertaken of all large sites, plus a sample of small sites provides a clear demonstration of deliverability of individual sites and allows the Council to justify reliance on these figures. A cautious approach has been taken in order to limit opportunities for debate over which sites should be included. Regard has been had to the advice in the NPPF of how sites should be assessed and where the delivery of a site is doubtful it has been excluded.
- 11.3 Maintaining a more frequent update to the figures goes beyond what is required by the NPPF, but in the case of Stroud District, the Council is currently being targeted for opportunist development applications since its housing projections have not yet been subject to rigorous testing, either at appeal or through the local plan process. Detailed monitoring, particularly of the larger sites which are expected to deliver much of the housing numbers is necessary to ensure that the sites are delivering as expected (or as predicted by the developers) and to allow for an adjustment to reflect under-delivery.

APPENDIX 1

Summary of Deliverable Sites

Site Name	Gross permissions	Demolitions	Net Permissions	Net Completions	Net commitments	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	Not built	2013-2018	
Woodlands Yard Eastcombe Stroud Glos.	26	0	26	0	26	26															26	
Former Cashes Green Hospital Cashes Green Road Cashes Green Stroud.	78	0	78	0	78	78															78	
Land at Ebley Wharf	99	0	99	11	88	41	47														88	
Land at Springfields Cam Dursley Glos.	12	0	12	0	12	12															12	
Millend Mill Millend Lane	14	0	14	0	14		9				5										9	
Berkeley Vale Hotel Stone Berkeley	16	0	16	0	16	8	8														16	
Sellars Farm Sellars Road Hardwicke Glos.	200	0	200	0	200	25	37	38	38	37										25	175	
Land at Cromwell Farm Sanigar Farm Newtown Berkeley	65	0	65	53	12	12															12	
Stanley Mills Ryeford Kings Stanley Glos.	146	0	146	0	146			24	24	24	24	24	24	2							72	
Land Adj. Coldwell Close Middleyard Kings Stanley Glos.	21	0	21	0	21	21															21	
Land at Chestnut Park Kingswood Glos.	27	0	27	4	23	23															23	
Land Off Cirencester Road The Tynings And Old Common Minchinhampton.	66	40	26	0	26		10	16													26	
Dark Mills Toadsmoor Lane Brimscombe	36	0	36	0	36	18	18														36	
Locks Mill Brewery Lane	20	1	19	11	8	3	3	2													8	
Egypt Mill Hotel	12	0	12	0	12			12													12	
Land adj Sunny Ridge Townsend Randwick	13	0	13	0	13		13														13	
Police Station Dudbridge Hill Stroud.	13	2	11	0	11		11														11	
Fox's Field Land North of Ebley Road Ebley Stonehouse.	105	0	105	36	55	23	32														55	
Timms Garage Cainscross Road Stroud Glos.	32	0	32	0	32		12	20													32	
106 Stratford Road Stroud	10	0	10	0	10		5	5													10	
Abercairn Belle Vue Road Stroud	14	0	14	0	14		7	7													14	
Stroud Cricket Club Stratford Road Stroud.	77	0	77	52	16	16															16	
Lansdown Kennels Lansdown Stroud	73	0	73	40	33			16	17												33	
Bowbridge Wharf Butterrow Hill Stroud	30	0	30	0	30	12	18														30	
86 - 90 Cainscross Road Stroud.	14	0	14	0	14	7	7														14	
Land at School Lane Whitminster Glos.	14	0	14	0	14	14															14	
Hillgrove House Bath Road Woodchester	10	0	10	4	2	2															2	
Land off Pack Horse Lane Haw Street Wotton under Edge	20	0	20	0	20					20											20	
Former Brockworth Airfield	586	0	586	347	239	28	35	35	61	80											239	
Colethrop Farm (Hunt's Grove)	1750	0	1750	195	1555	99	26	69	76	120	156	156	160	173	160	156	156	123	120		390	
Land at Lister Petter	600	0	600	74	526	40	40	60	60	80	80	80	36							50	280	
Newport Towers Newport Berkeley Glos.	39	0	39	0	39		39														39	
Land at Mitre Pitch Wotton-under-Edge	10	1	9	0	9					9											9	
Land at Northfield Dursley Road Cambridge Glos.	24	0	24	0	24					24											24	
Former Industrial Site Potters Pond Wotton Under Edge Glos.	46	0	46	0	46	20	26														46	
Total large sites deliverable per year						528	403	304	276	394	265	260	220	175	160	156	156	123	120		1905	
Small sites commitment discounted by 22% 396 - 87 = 309 / 5						62	62	62	62	62	62	62	62	62	62	62	62	62	62	62		310
Total deliverable						590	465	366	338	456	327	322	282	410	222	218	218	185	182		2215	