

## **G17 - Telford Wrekin Housing Land Supply Statement 2016-2021 (Update January 2017)**

### **Evidence Document submitted by Telford & Wrekin Council post Submission**

Telford & Wrekin Council wishes to submit this document to examination, as an update of the council's evidence on housing Land supply. This document is in reference to the council's response to Matter 1 of the Inspector's Matters, Issues and Questions (MIQs) and hearing statement J1/47/1 and evidence Library document H1

Date: 12 January 2017

# Telford and Wrekin Housing Land Supply Statement 2016-2021 (update January 2017)


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# 1 Introduction

## 1 Introduction

**1.0.1** The January 2017 statement<sup>(1)</sup> is an update to the previous statement issued in October 2016<sup>(2)</sup>. It includes a revised land supply calculation for the period 2016-2021. The statement also updates the supporting commentary, as appropriate, on matters relating to housing land supply in Telford and Wrekin.

**1.0.2** The National Planning Policy Framework<sup>(3)</sup> (NPPF), published in March 2012, requires all local authorities as part of their strategic planning function to identify a continuous five-year supply of housing land. The ability to demonstrate whether or not a five year supply exists forms an important material consideration when determining planning applications for new housing. It does not, of itself, however, provide justification for approval or refusal of a planning application.

**1.0.3** The statement comprises five main parts:

- the calculation of the five year housing land requirement;
- the sources and methods used that form the housing land supply;
- the calculation of the five year housing land supply position;
- a section dealing with the Telford & Wrekin Local Plan examination Inspector's questions relating to housing land supply matters;
- a schedule of sites related to the current housing land supply for the period (2016-2021) in the appendices.

### January 2017 Update

Following the update published in response to the local plan inspector's MIQs in October 2016, the Council has prepared a further update (the subject of this statement). This incorporates new analysis on its objectively assessed need (OAN) undertaken by PBA in preparation for a s78 planning appeal held between November-December 2016<sup>(4)</sup>, and a re-appraisal of sites in the deliverable supply in light of that appeal.

### Key differences between the latest update and October 2016 version:

- Application of an updated OAN calculation of 502 per annum (previously 497) provided by PBA, resulting in a revised five-year housing requirement of 2,635 (previously 2,610);
- An updated section dealing with assumptions for lead-in times and build out rates, based on analysis of recent delivery performance.
- Following an updated assessment of the site schedule, the supply figure has been revised from 6,727 to 5,424 dwellings up to April 2021. This is because of a number of factors: some sites have not progressed as quickly as envisaged in April 2016; based on new information, some sites are unlikely to deliver any housing by end of

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1 Examination document G17

2 Examination document G5

3 Paragraph 47

4 APP/C3240/W/16/3144445

**March 2021 (but may do so in future five year periods); a shortening of the period up to end of March 2021; those sites approved since April 2016 have not been included at this stage (unless already included in the June 2016 version<sup>(5)</sup>).**

### 2 Summary

**2.0.1** The Council is able to show that it has more than five years' supply of deliverable land for the period 2016-21. It has carried out an update to the 2015 statement and has applied the advice in the National Planning Policy Framework (the NPPF) and the Government's Planning Practice Guidance (PPG).

**2.0.2** Having calculated both the housing requirement and the deliverable supply of dwellings over the next five years, the Council considers that it now has 10.4 years supply of housing land (if applying an OAN-based housing requirement, with a 5% buffer), or 6.72 years (if applying a proposed local plan housing requirement, with a 5% buffer). The methodology used to derive this figure is explained in the rest of this statement.

## 3 Determining a five-year requirement

**3.0.1** This section updates the Council's approach to calculating the housing requirement against which land supply will be measured. The calculation has been prepared in line with the NPPF and the PPG, as well as reflecting a number of High Court rulings on the subject of housing land supply.

**3.0.2** The process involves a number of stages:

- Identifying the base housing requirement;
- Assessing the significance, or otherwise, of past delivery;
- Applying an appropriate buffer; and then
- Adjusting the requirement to take account of the buffer.

**3.0.3** The statement will deal with each point in the rest of this section.

### 3.1 Base housing requirement

**3.1.1** In line with paragraph 47 of the NPPF and more recent High Court rulings<sup>(6)</sup> the starting point for establishing an appropriate housing requirement is the 'full, objectively assessed need for market and affordable housing'. The council therefore commissioned consultants Peter Brett Associates (PBA) to determine the objectively assessed needs for the borough up to 2031<sup>(7)</sup>, in line with the TWLP. In doing so, the Council is able to measure the deliverable supply of land against a five year requirement based on the PBA report that covers the period 2016-21.

**3.1.2** The Council published the findings of the PBA study in March 2015. This represents the most up to date measure of objectively assessed need (OAN) for a five year period. In assessing the need, the council has not made any adjustment to reflect actual delivery during the period 2006-11. In doing so, the Council relies on the ruling in Zurich Assurance<sup>(8)</sup>. This ruling helpfully clarifies how shortfalls (or 'backlog') from previous plan periods should be dealt with in assessing future housing need.

**Table 1 Five-year housing requirement for the period 2016-21**

<b>A</b>	Objectively assessed need (OAN) for the period 2011-31	10,040
<b>B</b>	Five-year housing requirement for the period 2016-2021 (A divided by 20, multiply by 5)	2,510
	Annualised five-year housing requirement (B divided by 5)	502

### Update on OAN

**3.1.3** The work carried out by PBA in the lead-up to submissions for the s78 planning appeal in Newport updates the OAN published in March 2015<sup>(9)</sup>. This incorporated new information on population and household projections published in July 2016 (2014-based ONS projections).

6 Most notably, *Hunston Properties Ltd v SSCLG and St Albans City and District Council* 2013 EWHC 2678 (Admin); and *Gallagher Homes Ltd and Lioncourt Homes Ltd v Solihull MBC* 2014 EWHC 1283 (Admin)

7 *Telford and Wrekin Objectively Assessed Need 2011-31: Final Report*, March 2015

8 *Zurich Assurance Ltd v Winchester City Council and South Downs National Park Authority* 2014 EWHC 758 (Admin)

9 Examination document G14

## 3 Determining a five-year requirement

The updated OAN was calculated at 10,040 dwellings for the period 2011-31. As a result, Table 1 shows the base requirement figure for the latest five year housing supply calculation as 2,510 dwellings, 502 per year. The revised figure is very close to the previous figure of 497, thus making very little difference to the five year supply calculation based on an OAN.

### 3.2 Assessing past delivery

**3.2.1** The assessment of past delivery falls into broadly two categories; firstly, whether any shortfall has occurred when measured against up to date requirements; and, secondly, making a judgement on the significance, or otherwise, of any observed under-delivery in the past and whether this has been persistent.

#### Comparing current delivery against the housing requirement

**3.2.2** In terms of shortfall, this is relatively straightforward to calculate and involves comparing delivery of new dwellings against the five year requirement (identified in paragraph 3.6). This is set out in Table 2.

**Table 2 Comparison between delivery and the OAN-based housing requirement 2011-16**

	Net completions (10)	Five year housing requirement (per year)	Comparison (delivery vs requirement)	Cumulative difference
2011-12	720	497	+223	-
2012-13	607	497	+110	+333
2013-14	842	497	+345	+678
2014-15	1074	497	+577	+1,255
2015-16	1,255	497	+758	+2,013
Total	4,498	2,485	N/a	N/a

**3.2.3** Table 2 illustrates the delivery performance in Telford and Wrekin during the last five years. It can be seen that, at least when considered against an OAN-based housing requirement, that there is no evidence of any shortfall.

**3.2.4** It is recognised that the emerging local plan does not have the full weight of an adopted plan but, nonetheless, it is useful to compare delivery against the housing requirement that the Council intends to adopt. This will give an indication of whether a shortfall is evident against the Plan.

**Table 3 Comparison between delivery and the TWLP-based housing requirement 2011-16**

	Net new completions <sup>(11)</sup>	Housing Requirement (per year)	Comparison (delivery vs requirement)	Cumulative difference
2011-12	720	778	-58	-
2012-13	607	778	-171	-229
2013-14	842	778	+64	+165
2014-15	1074	778	+296	+131
2015-16	1,255	778	+477	+608
Total	4,498	3,890	N/a	N/a

**3.2.5** Table 3 indicates that over the last five years delivery has exceeded the housing requirement set out in the TWLP<sup>(12)</sup>, averaging about 900 net new dwellings per year since 2011. The figures also illustrate that a shortfall in the early part of a five year period can not only be made up but also exceeded in the latter part.

#### Past-delivery

**3.2.6** Paragraph 47 of the NPPF requires the Council to assess the record of housing delivery, and to make a judgement as to whether or not any under-delivery has occurred and whether this has been persistent. If it is judged that persistent under-delivery has occurred to such an extent then an appropriate buffer should be added to the requirement, usually 20%, so that under-delivery can be addressed. Unlike the shortfall, the matter of under-delivery cannot be measured simply by calculation. It is based on a planning judgement taking into account all the relevant considerations including the scale of any under-delivery observed. The assessment of a local delivery record is likely to be more robust if a longer term view is taken, since this is likely to take account of the peaks and troughs of the housing market cycle<sup>(13)</sup>.

**3.2.7** The Council's record of past performance each year since 2006 is presented in its Annual Monitoring Reports (AMRs). A summary comparison of delivery and the housing figures set out in the Core Strategy is set out in Figure 1 below.

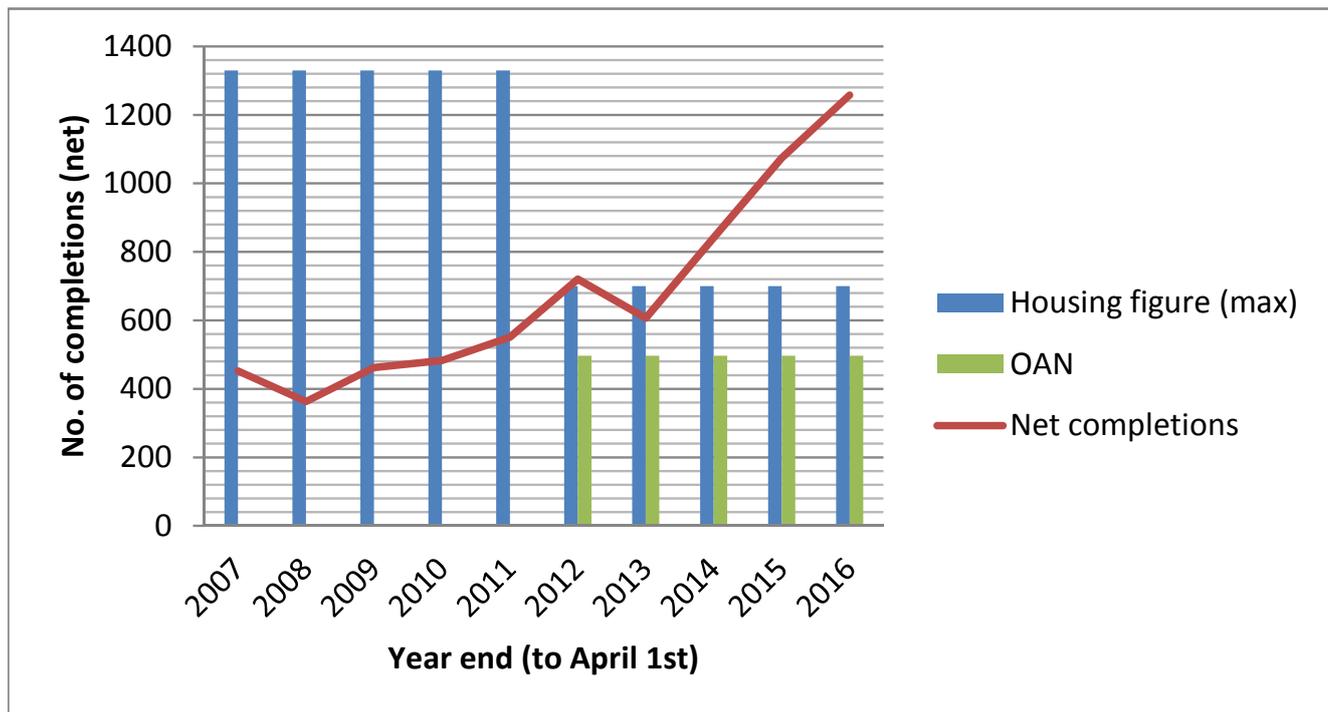
11 Data based on Telford & Wrekin Council annual monitoring figures up to April 2016. The AMR 2016 report will be published shortly

12 As stated in Policy HO1 of the Telford and Wrekin Local Plan

13 Planning Practice Guidance Paragraph: 035 Reference ID: 3-035-20140306

# 3 Determining a five-year requirement

Figure 1 AMR completions v Plan housing figures/OAN 2006-16



Source: Telford and Wrekin Annual Monitoring Reports, PBA.

**3.2.8** For the period since 2006, the housing figures used as a comparator here are derived from the existing Core Strategy Policy CS1. These, in turn, replicated directly the housing figures set out in the West Midlands Regional Planning Guidance (WMRPG) adopted in 2004, thus predating both the NPPF and the recent worldwide economic recession. Figure 1 illustrates the mismatch between (net) delivery and the aspiration of the WMRPG. The WMRPG figures adopted for Telford & Wrekin identified the borough, and in particular Telford urban area, reflected the role of the borough as a sub-regional foci for growth in the western part of the region. However, in the longer term, the WMRPG sought to direct development back into metropolitan area as part of the wider strategy of urban renaissance. This is why the figures step down significantly from 2011 onwards. Consequently, the housing figures set out in the core strategy did not represent a measure of overall housing need, rather they represented the 'policy-on' objectives taken forward through the regional planning process.

**3.2.9** Even if the figures for recent delivery rates were compared to the previous housing figures, the Council considers that this would not assist in the discussion on the significance or otherwise of historic development rates. This is due to previous housing figures being expressed as 'maxima', rather than 'requirements to be met'. Furthermore, no minimum targets were ever set covering the previous plan period (2006-16), therefore delivering homes at below the maximum would not constitute failure on the Council's part. Taken further, even if no houses had been built in the borough this would not constitute under-delivery against the development plan. The figures were expressed as maxima because the Council was not expected to deliver the completion levels assigned to it, given that a significant proportion of the new households would be the result of significant levels of migration into the borough from other parts of the region. So if those households do not move to Telford as envisaged then those homes would not be needed.

**3.2.10** When assessing delivery over the last ten years, the period is clearly formed of two parts; 2006-11; and 2011-16. Delivery did fall short of the maximum over the first five years, but then exceeded the housing figures in the latter period. Furthermore, if taken at face value, Figure 1 shows that the Council, in fact, exceeded the housing figures on four out of the ten year assessment period. And where the OAN is used as the measure, delivery has exceeded the OAN-based requirement every year since 2011. Consequently, on the basis of the evidence presented here, the Council does not consider that this constitutes persistent under-delivery or failure on the part of the Council to ensure sufficient homes are delivered that would necessitate a significant adjustment to the base housing requirement.

### **3.3 Applying an appropriate buffer**

**3.3.1** In establishing a robust housing requirement, the Council must also consider adding an appropriate buffer to the basic figure of 2,485 referred to previously. The NPPF identifies that this should be 5%, to account for choice in the local market or, alternatively, 20% to reflect a record of persistent under-delivery. The key point of contention is whether this Council should, apply a 5% or 20% buffer to its housing requirement. This issue has been the subject of some considerable debate at a number of recent planning appeals.

**3.3.2** The two main factors of influence are shortfall and under-delivery. These factors have been assessed in paragraph 3.2.2-3.2.10 of this statement. On the basis of that assessment, the Council is not a "20% authority". No shortfall has occurred since 2011. Moreover, the Council has not under-delivered on housing completions given recent performance and the nature and purpose of the housing figures in question.

**3.3.3** Consequently, the Council has applied a 5% buffer in line with the advice in paragraph 47 of the NPPF. By adding 5% to the base housing requirement, this increases the overall figure to 2,635, or 527 per year up to 2021.

# 4 Components of supply

## 4 Components of supply

**4.0.1** In determining whether or not a sufficient supply of housing land exists to meet the housing requirement established in Table 2, the Council must assess the deliverability of the sites currently identified for housing. Deliverability is defined in the NPPF as sites that, "*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 and in particular that development of the site is viable.*"<sup>(14)</sup>.

**4.0.2** It is necessary to point out that planning permission is not a prerequisite to a site being assessed as 'deliverable' (in line with the *Wainhomes* <sup>(15)</sup>). Indeed, many councils include additional sources of land within their five year supply calculation; sites with resolution to grant subject to legal agreements being signed which it can be demonstrated will come forward in five years, or existing site allocations and windfall allowances. Telford & Wrekin Council has included only those sources it considers justified in forming part of the five year supply, In line with the *Wainhomes* ruling, the Council has kept under review the other potential sources of supply, that is sites that the Council has resolved to grant permission for subject to a signed legal agreement, and has included additional sites which it considers have realistic prospects of coming forward within the next five year period.

### 4.1 Recent legal rulings

**4.1.1** An important factor in assessing 'deliverability' is the appropriate application of the term 'available now'. Broadly speaking, the view amongst both applicants and many local authorities has been that in order for a site to be judged available now it must have the benefit of an extant planning permission. Indeed, this approach has formed the basis for the previous housing land supply statements issued by Telford and Wrekin Council.

**4.1.2** However, a High Court case <sup>(16)</sup> in April 2016 provides some very helpful clarification on the proper meaning of 'available now'. At paragraph 21 of the ruling, Ouseley J stated:

*" "...Availability now" cannot be demonstrated by showing that development on a site is "achievable with a realistic prospect that housing will be delivered on the site within five years..." But that last phrase covers an important aspect of "deliverability". The planning judgment as to "deliverability" can clearly be made in respect of sites which do not have planning permission now, but can reasonably be expected to receive it so as to enable housing to be built on them within the next five years. .... These would include allocations in an emerging local plan, once assessed for the purpose of inclusion in the housing land supply, or indeed in an adopted plan..." "Now" means "now", and I accept that "available now" looks to the present availability of the land in question. But...argument that that phrase covers the grant of planning permission and requires planning permission to have been granted "now", lacks a sound planning basis, and that is the first reason why it is wrong."*

**4.1.3** Ouseley J went on to say, in paragraph 23:

14 NPPF paragraph 47, footnote 11

15 *Wainhomes (South West) Holdings Limited v SSCLG v Wiltshire Council 2013 EWHC 597 (Admin), paragraph 34*

16 *St Modwen Developments Ltd v SSCLG and East Riding of Yorkshire Council and Save Our Ferriby Action Group [2016] EWHC 968 (Admin)*

*"...if the Secretary of State had intended to require that only sites with planning permission were to be included within the five year supply figures, something of a radical change to what had hitherto been done, the obvious way to have done that would have been to use express words to that effect, rather than by using such oblique language as "available now", and in a footnote to "deliverable". The need for planning permission, in order for a site to be included in the supply figures, would have been an obvious criterion to specify by itself. I find it impossible to accept that such a critical, and simply expressed, factor was left to be spelt out from "available now"."*

**4.1.4** The implications of this ruling are clear. It is that there is no sound planning reason to specifically exclude any site solely on the basis that that site does or does not have the benefit of planning permission on day one of the relevant five year period, given that deliverability is measured over five years. Furthermore, it is even less credible in planning terms to measure deliverability on the basis of whether or not those sites in the supply 'will' deliver new homes, given that a site can be considered 'deliverable' without planning permission. As Ouseley J states, in paragraph 20:

*"...I can see no planning rationale for depriving the planning authority and Inspector of the opportunity to reach a judgment on the general criteria for deliverability on sites in an emerging local plan. Planning permission clearly goes to the issue of deliverability because a site with permission is suitable for housing development, and a barrier to delivery has been removed. But it cannot sensibly be argued that planning permission is required now for a site to be realistically deliverable over the next five years."*

**4.1.5** The next section deals with the components of supply, in a manner that is consistent with this judgment.

# 4 Components of supply

## 4.2 Sources of supply

**4.2.1** The Council has updated the assessment of deliverable supply up to April 2016. The following sources of supply are considered to be appropriate for inclusion:

- Sites with planning permission with dwellings under construction as at April 2016;
- Sites with planning permission but not yet started, as at April 2016;
- Sites with planning permission, subject to signing a legal agreement (oft described as 'resolution to grant'), as at April 2016;
- Other sites considered to be deliverable, as at April 2016; and
- An allowance for small windfall sites (= < 0.1 ha).

**4.2.2** The results of the assessment of sites are set out in the appendices. Table 4 below sets out the various assumptions and figures underpinning the total five year supply. Based on the various sources of supply set out in Table 1, the Council has identified a deliverable supply of 5,484 dwellings for the period 2016-2021. It should be recognised that this figure only covers the period up to April 2021, less than five years.

**Table 4 Summary of supply calculation 2016-21 (at January 2017)**

<b>A</b>	Dwellings from major sites <sup>(17)</sup> currently under construction, at April 2016	2,185
<b>B</b>	Dwellings from major sites not yet started, at April 2016 <sup>(18)</sup>	2,003 <sup>(19)</sup>
<b>C</b>	Dwellings from small sites <sup>(20)</sup> currently under construction, at April 2016	153
<b>D</b>	Dwellings from small sites not yet started, at April 2016	313 <sup>(21)</sup>
<b>E</b>	Dwellings from sites with resolution to grant, at April 2016	318
<b>F</b>	Dwellings from housing site allocations considered deliverable up to April 2021	333
<b>G</b>	Other deliverable sites at April 2016	119
<b>H</b>	Allowance for windfalls in the period 2019-21 <sup>(22)</sup>	60
	<b>Total deliverable housing land supply, at April 2016</b>	<b>5,484</b>

### Sites with Planning Permission

**4.2.3** In line with the NPPF, the principal source of land supply for the purposes of the five year calculation is sites with planning permission. The NPPF states that:

17 Major sites are classed as comprising ten dwellings or more

19 485 plus 1,518

18 comprising sites with full and outline planning permission

20 classed as sites comprising 9 dwellings or less

21 348 minus 10% for non-implementation

22 sites less than 0.1 hectare

"Sites with planning permission should be considered deliverable until permission expires, unless there is clear evidence that schemes will not be implemented within five years, for example they will not be viable, there is no longer a demand for the type of units or sites have long term phasing plans."<sup>(23)</sup>

**4.2.4** This is important for Telford & Wrekin as a significant amount of current supply is related to a small number of large, strategic sites, principally those identified in the Core Strategy (Lawley, Lightmoor, and Telford Millennium Community) plus a number of other large development sites approved across the borough, which continue to be delivered in a phased manner. Therefore, the assessment recognises where certain sites have either lead-in times that extend over a number of years, or which are subject to phased delivery. Therefore, where development of sites is expected to take more than five years to complete, only that part of the supply is included within the five year period. This is achieved by applying appropriate lead-in times and assessing the likely rate of delivery, otherwise known as build out rates. See Appendices 1-3 and 6 for details.

#### Sites with planning permission (resolution to grant)

**4.2.5** A number of sites that have the benefit of planning permission, subject to the signing of a legal agreement before development can commence, have been included in the deliverable supply. Whilst not being available at the start of the period, the council considers that these sites have the potential to deliver over the next five years. See Appendix 4 for details.

#### Proposed local plan allocation site

**4.2.6** The deliverable supply also includes a number of proposed allocations that are already being progressed through the development process and which, it is envisaged, could deliver new homes during the next five years. These sites have been included because there is an expressed interest from the landowner to sell the land for development, or a developer/builder intends to submit a planning application in the near future. See Appendix 5 for details.

#### Windfall sites

**4.2.7** An allowance has been included for those dwellings that could be delivered during the five year period, but which currently are not specifically identified. The council has included a very modest allowance for future windfall sites (0.1 ha or less) likely to come forward during the next five year period, based on assessment of past delivery during the last ten years. The modest nature of the allowance recognises that many small sites may have already been identified through the SHLAA<sup>(24)</sup> process, or will have planning permission already and so, by definition, cannot be defined as new windfalls.

**4.2.8** It is also important to point out that the allowance has only been applied to an assessment of windfalls involving previously-developed sites, for example conversions. This is to exclude residential garden land from within the allowance, in line with paragraph 48 of the NPPF.

23 NPPF, paragraph 47, footnote 11

24 Strategic Housing Land Availability Assessment

## 4 Components of supply

**4.2.9** In addition, and in line with other councils across England, the allowance is only applied in the latter stages of the period (2018/19 and 2019/20). This is to ensure that, as far as reasonably possible, the risk of double-counting is minimised within the windfall allowance by excluding from the allowance those dwellings that are already approved and in the process of coming forward. The analysis indicates that an average of 30 dwellings have come forward on windfall sites since 2001.

**4.2.10** The average has then been multiplied by two to establish the allowance for the last two years of the period, as set out in Table 4.

### Annual estimated delivery - 2016/21

**4.2.11** In line with guidance in the PPG, an estimate has been made of the annual delivery that could come forward from each site. The summary table below (Table 5) sets out the figures for major sites ten dwellings or more.

**Table 5 Estimated Annual Delivery - 2016/21**

Component of Supply <sup>(25)</sup>	2016/17	2017/18	2018/19	2019/20	2020/21
Sites under construction	1088	483	281	225	108
Sites with Full Planning Permission	25	162	172	76	50
Sites with Outline Planning Permission	0	94	328	570	526
Site with Resolution to Grant	0	10	20	123	165
Proposed Housing Site Allocations	0	22	63	110	140
Other Deliverable Sites	0	4	26	49	40
<b>Totals</b>	<b>1113</b>	<b>773</b>	<b>890</b>	<b>1153</b>	<b>1029</b>

### 4.3 Lead-in times and build out rates: assumptions

#### Lead-in times

**4.3.1** Whilst no legal definition exists, the PPG provides some guidance on what LPAs should consider in terms of 'lead-in' time<sup>(26)</sup>. As part of the latest update, the Council has included more detail on the estimated lead-in to commencement for each site in addition to the existing allowance made for a developer or house builder to physically commence on site and deliver the first completions. In terms of applying appropriate allowances for lead-in time to commencement, an analysis was undertaken of the time period involved in bringing forward those sites currently under construction. This is included in the update to Appendix 1<sup>(27)</sup>. It can

25 On major sites of 10 or more dwellings

26 Paragraph: 031 Reference ID: 3-031-20140306

27 Informed by data submitted as part of planning appeal APP/C3240/W/16/3144445

be seen that the time periods involved vary greatly across the different stages. Consequently, the Council has applied various assumptions which are informed by recent performance, recognising that the circumstances relating to each individual site and the extent of information available will vary. Notably, in line with the PPG<sup>(28)</sup> the Council has applied up to date knowledge of its own, or information provided directly by landowners, developers, or agents working on their behalf, to ensure that the judgements made are as 'live' as possible.

**4.3.2** The vast majority of sites in the schedule already have the benefit of at least outline consent with no outstanding s106 agreements to be signed (with the exception of those sites with resolution to grant, resubmission sites, or proposed site allocations not yet determined). Time has been allowed for the signing of legal agreements, where appropriate, (typically six months). Allowances have been applied for the consideration of an outline application (at least six months) from validation to Planning Committee. Allowances have been applied for the preparation of a reserved matters application (typically six months) and determination of the application by the Council (typically four months). Allowance is also made for the discharge of pre-commencement conditions (at least six months for sites 50 or more dwellings, and three months for smaller sites). An additional allowance has also been applied in cases where a site is to be sold by the applicant (typically 6 months). The updated analysis for each site, including the relevant assumptions that have been applied, are set out in Appendix 2 to 6.

**4.3.3** It is clear that because the vast majority of sites already have the benefit of at least outline consent at April 2016, these sites have therefore passed a significant way through the planning application process. Other sites have the benefit of full permission, whilst others are in the process of obtaining a full grant of permission, for example once a s106 has been agreed. Only a relatively small number of sites do not (at either April or December 2016) or have not previously benefited from any planning consent at this time. These are confined to the proposed housing allocations set out in Appendix 5, and then only comprise four out of the nine sites. One of these sites is considered not to be in a position to deliver any homes by 2021 (Land north east of Wyevale Garden Centre, off New Trench Road, Donnington<sup>(29)</sup>; and Land North of Priorslee Roundabout, St. Georges)<sup>(30)</sup>. The three remaining sites are all being actively progressed by the landowners, with the intention to bring forward the sites during the five year period.

**4.3.4** Allowances have also been applied for lead-in to completion of the first dwelling following commencement. This is assumed to vary between 3 to 12 months, depending on the likely preparation required before delivery of dwellings on the site.

**4.3.5** As a result of the updated assessment at January 2017, a small number of sites have been removed from the current five year delivery period. However, these are still included in the schedule for the sake of consistency with previous updates. For clarification, Appendix 8 provides a list of these sites specifically. The reason for the exclusion are included in the updated commentary relating those particular sites.

## **Build out rates**

28 Paragraph: 023 Reference ID: 3-023-20140306

29 Proposed site allocation H1

30 Proposed site allocation H12

## 4 Components of supply

**4.3.6** In line with the PPG<sup>(31)</sup>, build out rates have been applied for each year of the five-year period. The build out rate is the estimate of what a site or outlet (ie. one sales centre) will achieve in any 12 month period once the lead-in period has been passed. In devising the rates, an assessment has been undertaken of recent delivery record of builders operating in Telford & Wrekin. This is set out in Appendix 7. Table below summarises the rates for the current five year period.

**Table 6 Telford & Wrekin Housing Land Supply 2016-21: Build Out Rates**

Builder Type	Assumed build out rate
National	40
Regional	20
Local	12

**4.3.7** Based on this analysis, a national volume house builder is assumed, generally, to deliver around 40 new build completions per annum (potentially more), whilst regional and local builders are likely to deliver at a slower rate (36 dwellings per annum, dpa, and 12 dpa<sup>(32)</sup>, respectively). Where some sites have been judged to have capacity to deliver above the 40 dpa built out rate, for example at Lawley, this is normally due to there being multiple outlets on these sites, or where a builder (for example a Registered Provider (RP), or private house builder working in partnership with an RP) is building homes that are pre-sold to meet specific needs rather than simply building homes for sale on the open market.

### 4.4 Accounting for demolitions

**4.4.1** The Council has accounted for losses in the existing stock, both in terms of past delivery and future supply, as part of the five year supply calculation. Annual delivery (dwelling completions) is presented as of losses as part of the annual monitoring process. This means that each year the gross number of dwellings completed in given period is discounted by the number of demolitions that occur in the same monitoring period. In terms of the supply from future sites, the losses will be accounted for slightly differently depending on when those losses have occurred, or are likely to occur. For example, where an existing dwelling or dwellings has/have been demolished or converted in the preceding period up to April 2016, these will be accounted for in the net completions figure. The performance of the plan against the requirement will then be judged using the net figure.

**4.4.2** However, if any losses proposed in relation to a new housing proposal have not yet occurred as at April 2016, then the future supply will take account of this by being discounted from the total number of new dwellings proposed on those sites. This is to ensure that future supply (during the period 2016-2021) does not over estimate future delivery. This approach ensures that the figures that are presented properly account for losses in the existing stock on the April monitoring date each year.

31 Paragraph: 023 Reference ID: 3-023-20140306

32 Previously 20 dpa

## 5 Five year housing supply calculation

**5.0.1** Table 5 below sets out the housing land supply position for the period 2016-21, as at April 2016. The table incorporates information from table 1 and 4, in particular the housing requirement and the number of dwellings considered to be deliverable.

**Table 7 Five year supply of housing land for Telford and Wrekin 2016-2021**

<b>A</b>	Five year housing requirement (2016-21) - see table 1	2,635 <sup>(33)</sup>
<b>B</b>	Annual rate (A divided by 5) <sup>(34)</sup>	527
<b>C</b>	Total deliverable housing land supply - see table 4	5,484
	Number of years housing land supply (c divided by B)	10.4

**5.0.2** The result of the assessment delivery and likely supply over the next five years, compared to the five year housing requirement, demonstrates that the Council has far in excess of the minimum five years worth of housing land supply.

**5.0.3** As stated above, Telford & Wrekin Council is required to demonstrate that there is an additional buffer of 5% to ensure choice and competition in the market for land. Based on the figures presented in this assessment, it is clear that the Council has not only met this requirement but has considerably exceeded it.

33 2,510 x 5%

34 includes 5% buffer

# 6 Additional Commentary in light of Inspector's MIQs

## 6 Additional Commentary in light of Inspector's MIQs

**6.0.1** The inspector examining the Local Plan has asked that the Council update certain information relating to the components of overall housing supply through the plan period, and present an updated five year supply calculation based on the proposed housing requirement<sup>(35)</sup>. The following commentary deals with these matters.

**6.0.2** The inspector's question in Matter 1.4 is repeated here in full, for reference.

Can an adequate and flexible supply of housing land be demonstrated in respect of (1) the Local Plan's housing target, and (2) the five year housing land supply as required by the Framework and PPG? [*Inspector's note: It is suggested that the Council revises its Housing Land Supply Statement to cover the components of overall land supply (through the Local Plan period) and to update five year land supply data to accord with the Plan's proposed housing requirement.*] (Matters, Issues and Questions Paper, September 2016)

**6.0.3** In response to (1), the Council has updated the components of overall supply set out in the Telford & Wrekin Local Plan (submission version)<sup>(36)</sup>. The revised figures are set out below in Table 8.

**Table 8 Housing Land Provision for the borough 2011-31 (as at April 2016)**

		Gross	Net
A	Net Completions (2011-16)		4,498
B	Dwellings with Planning Permission (under construction)		1,068
C	Dwellings with Planning Permission	7,719	
	Less 20% allowance for non-implementation	(1,544)	
D	Net supply from dwellings not started		6,175
E	<b>Total existing supply (A+B+D)</b>		<b>11,741</b>
F	Supply from resolution to grant sites	2,341	
	Less a 20% allowance for non-implementation	(468)	1,873
G	Site allocations	2,255	
	Less a 20% allowance for non-implementation	(451)	1,804
H	Windfall allowance (sites less than 0.1 hectares)		450
I	Madeley Neighbourhood Development Plan		50
J	<b>Total Future Supply</b>		<b>4,177</b>
	<b>Total housing land provision 2011-31</b>		<b>15,918</b>

35 See examination library document F3 for the exact wording

36 Telford & Wrekin Local Plan 2011-31, Table 10

**6.0.4** The main differences between the previous table and the revision are the addition of another year's completions, and a reduction in the site allocations component as a result of H2 (Land off Castle Farm Way, Priorslee) receiving the benefit of planning permission (subject to resolution of a section 106 agreement). Hence, the increase in the resolution to grant figure from 1,680 to 2,341. Other changes relate primarily to the progress of sites through the construction process, with an increase in dwellings under construction and a consequential fall in the number of dwellings with planning permission not yet started.

**6.0.5** In response to (2), the Council has prepared a revised five year supply calculation based on the Local Plan proposed housing requirement. This is set out in Table 9. The deliverable supply figure is taken from Table 4 of this statement.

**Table 9 Five year supply of housing land for Telford & Wrekin 2016-21 (based on 'Plan-led' requirement, at December 2016)**

Component		5%	20%
A	Five year housing requirement <sup>(37)</sup>	4,085	4,840 <sup>(38)</sup>
B	Annual rate (A divided by 5)	816	968
C	Total deliverable housing land supply (C/B)	5,484	5,484
	<b>Number of years supply</b>	<b>6.72</b>	<b>5.67</b>

**6.0.6** For illustration purposes only, an extra column has been added to show how the supply compares to a Plan-led housing requirement which includes a 20% buffer. As can be seen, even after applying a buffer for under-delivery, sufficient deliverable land has been identified to ensure supply exceeds five years, as required by the NPPF.

**Table 10 Five year supply of housing land for Telford & Wrekin 2016-21 (based on 'Plan-led' requirement, at December 2016), with allowance for delivery excess during 2011-16**

Component		5%	20%
A	Five year housing requirement, minus the excess of 608 dwellings <sup>(39)</sup>	3,446	3,938
B	Annual rate (A divided by 5)	689	788
C	Total deliverable housing land supply (C/B)	5,424	5,424
	<b>Number of years supply</b>	<b>7.87</b>	<b>6.88</b>

38 Assumes the base five year requirement of 4,670 (778 plus 20%, multiplied by 5), plus the difference between the requirement (4,670) and total net completions since 2011 (4,498), resulting in a shortfall of 172, which is in turn is added back onto the requirement.

37 Based on a housing requirement-led five year requirement of 816 dwellings per year (778 multiplied by 5 and assuming a 5% buffer) multiplied by 5

39 778 x 5yrs - 608 x buffer

## 6 Additional Commentary in light of Inspector's MIQs

**6.0.7** The assessed housing land supply set out in Table 9 assumes that the annual starting point remains constant at a base requirement of 778, and 816 with a 5% buffer. Given that as part of the annual assessment any shortfall would be added back onto the requirement, it could be argued that any excess delivered up to that point should be applied as a commensurate reduction in the future base five year requirement. This will ensure that the overall requirement for the plan period remains at 15,555 (778 per year) and is not unnecessarily inflated. Table 10 illustrates the effect that applying the excess of 608 dwellings<sup>(40)</sup>, delivered between 2011 and 2016, would have on the future five year requirement, assuming the plan requirement remains at 778 dwellings per year.

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40 see Table 3 of this statement

## **7 Appendices: Deliverable sites schedule and supporting information**

7.1 See separate schedules

**7.1 Appendix 1 Deliverable supply from sites under construction**

**7.2 Appendix 2 Deliverable supply from sites, Full Planning Permission**

7.2 See separate schedule

**7.3 Appendix 3 Deliverable supply from sites, Outline Planning Permission**

7.3 See separate schedule

**7.4 Appendix 4 Deliverable supply from sites, resolution to grant**

7.4 See separate schedule

**7.5 Appendix 5 Deliverable supply from sites, TWLP housing allocations**

7.5 See separate schedule

**7.6 Appendix 6 Deliverable supply from other sites**

7.6 See separate schedule

**7.7 Appendix 7 TWC delivery rates, 2012-2016**

7.7 See separate schedule

**7.8 Appendix 8 Sites removed from the deliverable supply calculation**

7.8 See separate schedule

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