

Borough Council of King's and West Norfolk Local Plan Review (2016 – 2036):

Consideration of Housing Number Flexibility

1. Introduction

- 1.1 This paper aims to explore the flexibility of housing numbers, where we currently are, how we got here, what is the requirement, what sources of flexibility exist and are available to us, and finally to propose a potential approach going forward.
- 1.2 The NPPF (National Planning Policy Framework) at paragraph 182 is clear that a Local Plan should be considered 'Sound' by the Local Authority before submitting for examination. An independent inspector will examine the Local Plan to assess whether the Plan is 'Sound'. There are four elements to the 'Sound' test; the two of most relevance to this paper are 'positively prepared' and 'consistent with national policy'. Positively prepared means a Plan which is based upon a strategy which seeks to meet the Full Objectively Assessed Need (FOAN). Consistent with national policy, brings in a host of requirements for example paragraph 14 of the NPPF requires that Local Plans should meet FOAN with sufficient flexibility, and paragraph 47 talks about the need to boost significantly housing supply to deliver a wide choice of quality homes.
- 1.3 The Site Allocations and Development Management Policies Plan (SADMP) at examination underwent this process. The SADMP was prepared and based upon an annualised housing need figure of 660 dwellings; The FOAN document which supported the SADMP gave a figure in the region of 690 – 710, and the SHMA (Strategic Housing Market Assessment) gave a figure in the region of 690. There was also the issue of a number of allocations being reduced in terms of dwelling provision, notably at King's Lynn, West Lynn and West Winch. The issue of flexibility and the ability of the SADMP to provide enough dwellings through allocations to meet the housing need with sufficient flexibility was one of the reasons the examination hearing sessions were suspended.
- 1.4 The outcome was the re-instatement of Gravel Hill Lane as part of the West Winch Growth Area, that all of the allocations within the SADMP were all to be expressed as 'at least X number of dwellings', and a commitment by the Borough Council to commence an early review of the Local Plan (the Core Strategy and SADMP). The purpose of the review is to ensure that the Local Plan is based upon an up to date FOAN and provide appropriate, sustainable and achievable housing sites for the longer term, to 2036.

1.5 An element of flexibility in the Local Plan review (2016 -2036) will be required. To simply allocate sites with dwelling numbers to that of the need figure would result in having to rely upon every single dwelling from each allocation being delivered and within the timescales, as envisaged by the plan at adoption. This approach would be difficult to evidence at the examination to an independent inspector and could lead to challenge from prospective land owners/agents, it could also put the five year housing land supply position at significant risk. It is worth noting that the Plan at examination will not only be required to meet the housing need over the plan period with sufficient flexibility, but also we will need to be able to demonstrate a positive five year housing land supply position.

2. Potential Sources of Flexibility and areas for Consideration

2.1 There are number of potential sources of flexibility available to the Borough Council which could be incorporated within the Local Plan review (2016 -2036), and these are discussed below:

3. **Windfall** – a windfall site is any residential development that is granted consent on land not specifically allocated for residential development in a Local Plan. This source of housing has made a significant contribution to the overall number of completions within the Borough over the plan period to date and it is anticipated that it will continue to do so.

3.1 Allowances within the housing trajectory, and therefore the five year housing land supply calculation, are made for windfall and projected forward. This allowance is expressed as per year for both small and large windfall sites; it excludes the first 3 years to allow sufficient time for such developments to come forward. Within the SADMP windfall completions have been included, and there is also a future windfall allowance which is taken into account.

3.2 However relying solely on windfall is relying on development that is out of our control to a certain extent and heavily dependent upon the market, although there are ways of increasing the supply from this source as discussed in the following sections.

Advantages	Disadvantages
<ul style="list-style-type: none">• No extra allocations required making the allocation process quicker• Clearly this source of supply has made a significant contribution and should continue to do so• A windfall allowance is allowed by the NPPF & PPG• Accords with the Housing White Paper (2017)	<ul style="list-style-type: none">• Relying upon windfall by its very nature is not a completely planned approach and out of our control to a degree• For a variety of reasons the level of supply could fall• No certainty of location

4. **Development Boundaries** – the current policy approach to development boundaries is to employ them around the higher tier settlements within the Settlement Hierarchy, i.e. Main Towns, Settlements adjacent to these, Key Rural Service Centres (KRSC) and Rural Villages (RV). This is covered by SADMP Policy DM2 *Development Boundaries*. Broadly development within the boundary will be permitted providing it is in accordance with other policies in the Local Plan, whereas areas outside of the boundaries (except for allocations) will be treated as countryside and as such new development will be restricted apart from specific uses as listed within DM2. Whilst settlements classed in the lower tier of the Settlement Hierarchy are covered by SADMP Policy DM3 *Development in the Smaller Villages and Hamlets*, here there are no development boundaries and instead a policy which sets out certain criteria by which development will be broadly acceptable.

- 4.1 We could look at extending this approach further up the tiers of the Settlement Hierarchy and remove development boundaries and replace them with a criteria based policy. However, the effect of removing development boundaries has provided a degree of uncertainty at those settlements for communities, developers and planners. It has also meant that two similar developments, one at a more sustainable settlement such as a KRSC or RV potential cannot go ahead as it is outside of the development boundary yet the one at a Smaller Village and Hamlet (SVAH) potentially can go ahead. The effect of this is smaller less sustainable settlements growing faster than those which are classed as more sustainable. The approach employed currently is therefore not a consistent one.

Advantages	Disadvantages
<ul style="list-style-type: none"> • Re-instating development boundaries would provide certainty • Would be a consistent approach • Development directed to most sustainable settlements and locations • A criteria based policy which could increase the contribution from windfall 	<ul style="list-style-type: none"> • Leads to a degree of uncertainty • Inconsistent approach across the Settlement Hierarchy / Borough • Potentially smaller (less sustainable) settlements could see more development than larger (more sustainable) ones

5. **Strategic Growth Option** –the strategic growth option we have chosen to take forward for the Local Plan review seeks to allocate sites by a similar approach to that taken with the CS and SADMP, in that the higher tiers of the Settlement Hierarchy are to receive allocations whilst the lower tier settlements do not. This approach has been extended in that we are not seeking to make allocations in either Smaller Villages or Hamlets (as before) or at Rural Villages. The effect of this will be meeting the FOAN within the higher tiers of the Settlement Hierarchy; effectively this should accelerate the allocation process and allow for more organic growth at the smaller settlements, which might be acceptable to those local communities.

Advantages	Disadvantages
<ul style="list-style-type: none">• Ensure development is attributed to the most appropriate and sustainable settlements and locations• Speeds up the allocation process and therefore the plan process overall• Could lead to more organic growth at the smaller settlements• Might be more suited to the aspiration of the smaller settlements' communities	<ul style="list-style-type: none">• Smaller settlements' communities could actually want a relatively large degree of growth• Less certainty of where development will happen and how much in rural villages

6. **Neighbourhood Plans** - this level of plan is held in high regard by the Government. The Borough Council welcomes any qualifying body (parish/town council or neighbourhood forum) who wishes to undertake a neighbourhood plan and will assist them in the process. One of the Basic Conditions a Neighbourhood Plan must meet to ensure it can be 'made' and form part of the Local Development Plan is that it must be consistent with the strategic policies of the Borough Council. Broadly this means that a Neighbourhood Plan cannot plan for less growth than the Local Plan, they can however make their own allocations either in addition to the Local Plan allocations or decided which site(s) should accommodate the growth required by the Local Plan.

6.1 The key question here is will a neighbourhood plan look to achieve a greater level of growth than stated by the Local Plan? Can the Local Plan contain policies which essentially leave the allocation of local sites to a Neighbourhood Plan, given there is no statutory requirement for a Neighbourhood Plan to be prepared for an area? The latter is a suggestion made by the Local Plan Expert Group (LPEG) to Government who have incorporated this into their White Paper (2017), this seeks for neighbourhoods to demonstrate that their site allocations and housing supply policies will meet their share of housing need.

Advantages	Disadvantages
<ul style="list-style-type: none"> Local communities can decide where housing growth could be located Approach supported by LPEG and the Government, could take some of the controversy out of the Local Plan and speed up the process Neighbourhood Plans supported by the Government and Borough Council 	<ul style="list-style-type: none"> No requirement for a Neighbourhood Plan to be undertaken Neighbourhood Plans may only allocate the minimum amount or potentially not at all if a smaller settlement Difficult to evidence that the site will come forward if a neighbourhood plan is not at an advanced stage or made

7. **Allocate a Percentage above the FOAN** – this is not a new concept, and in fact it was something which the Core Strategy sought to do, by allocating 10% above the housing target at the time. A more recent and local example is that of the emerging Greater Norwich Local Plan currently being prepared jointly by the Norwich, Broadland and South Norfolk local planning authorities. Their plan is seeking to allocate at 10% above their FOAN to provide flexibility and market competition. In fact this proposed to be an agreement between all of the Local Planning Authorities in Norfolk as part of the emerging Norfolk Strategic Framework (NSF). By allocating slightly higher than the FOAN a degree of flexibility is provided and a fall-back position if a certain site doesn't come forward as originally anticipated, it also provides market completions and choice, also required by the NPPF.

7.1 This approach could be an alternative to each allocation being described as 'at least' although it would require allocating either large sites or more sites, the preference here would be to allocate further sites as this would be the most flexible and reduce the risk of relying purely on larger sites. Large sites by their very nature take time to start producing completions and reach their conclusion. Again this is proposed to be an agreement within the emerging NSF, and would appear to accord with Government intention as outlined within their recent White Paper 'Fixing our broken housing market' (7 February 2017).

7.2 This approach would be consistent with the NPPF with regard to paragraph 47 in seeking to boost significantly the supply of housing. Below is a table of how allocating above the FOAN could look in terms of dwelling numbers for our preferred strategic growth option (based on a FOAN of 710 dwellings per year):

Preferred Strategic Growth Option	% of Growth	FOAN No. of Dwellings	FOAN +5%	FOAN +10%	FOAN +20%
King's Lynn & Surrounding Area	30%	1,200	1,260	1,320	1,440
Wisbech Fringe	20%	800	840	880	960
Downham Market	20%	800	840	880	960
Hunstanton	2.5%	100	105	110	120
Watlington	5%	200	210	220	240
Marham	2.5%	100	105	110	120
KRSC	20%	800	840	880	960
Rural Villages	0	0	0	0	0
New Settlement	0	0	0	0	0
Total	100%	4,000		4,400	4,800

Advantages	Disadvantages
<ul style="list-style-type: none"> • Could Provide local communities with certainty • Would be consistent with NPPF • Assist with 5 year housing land supply • Would assist in the plan meeting the 'Sound' tests • A conventional and accepted approach • Consistent with the emerging Norfolk Strategic Framework (NSF) • Accords with Housing White Paper (2017) 	<ul style="list-style-type: none"> • Might not be popular with local communities as we would be allocating higher than the need • Could slow the process as further or larger allocations would be required

8. **At least x Number of Dwellings** – remember that this is a review of the Local Plan, we are not starting from a blank sheet of paper. We are seeking to carry through the existing SADMP allocations into the Local Plan review, unless there is significant reason not to do so. Consequently the Local Plan review will contain a large number of sites (all the SADMP sites) which will be expressed as ‘at least’. Therefore it would not appear to be logical or consistent to have some sites that are expressed as ‘at least’ and some that are not.

8.1 We could look to remove the ‘at least’ wording from all of the existing SADMP policies but this could prove to be difficult, for one this was a key factor in the plan being found to be ‘sound’ therefore enabling the Borough Council to adopt the SADMP, it would be difficult to evidence the reasons as to why we want to do this and gain an inspector’s approval in the face of, no doubt, significant opposition from the site promoters.

8.2 The catch here is, is it better to have more dwellings coming forward on a site that is sustainable and acceptable to the Borough Council as it is part of the Plan or have a number of dwellings coming forward on sites that are not part of the plan and potentially not acceptable i.e. approved according to national policy if no five year housing land supply position is demonstrable. Alternatively providing a range or maximum would lead to the higher ends of the numbers coming forward and may not actually lead to the numbers required coming forward and therefore no flexibility.

Advantages	Disadvantages
<ul style="list-style-type: none"> Clearly provides flexibility Assists with 5 year housing land supply Consistent with the NPPF Would be a consistent approach Accepted approach: approved by a previous inspector 	<ul style="list-style-type: none"> Doesn’t provide communities with a certainty to number of dwellings Doesn’t give infrastructure providers certainty about the numbers they are planning for Difficult to remove or attempt to take a different route

9. **Site Density and Capacity Approach** - The approach to site capacity and density in terms of dwelling numbers in the preparation of the SADMP was to ensure that the site was of sufficient area to enable the site to come forward as envisaged, this included allowances for infrastructure, constraints and other policy requirements when the exact area required was uncertain, such as a new neighbourhood centre.

9.1 This approach in combination with the 'at least' main modification has enabled mainly the larger strategic sites the ability to provide numbers greater than that originally sought. We now use a modelled approach which was utilised successfully at the CIL (Community Infrastructure Levy) examination. This should lead to sites being attributed a far more accurate site area to the number of dwellings sought than the previous approach. This approach accords with both the NPPF and the PPG (Planning Practice Guidance) and will be employed as part of the initial site assessments through the HELAA (Housing and Economic Land Availability Assessment) process. The model for this is provided below:

Assumed net developable site area compared to site area:
<ul style="list-style-type: none">• Less than 0.4ha: 100%• 0.4ha to 2ha: 90%• Sites over 2ha: 75%
Density (dwellings per hectare) for settlements
<ul style="list-style-type: none">• Sub-regional Centre: 39dph• Main Towns: 36dph• Key Rural Service Centres and Rural Villages: 24dph

9.2 This allows us to be more accurate in terms of the numbers that can be allocated to a site, and that site's area. So if an allocation states a specific number even with the 'at least' text after it, the number dwellings that could come forward will be far more closely aligned to the number, than has been seen with the SADMP allocation policies.

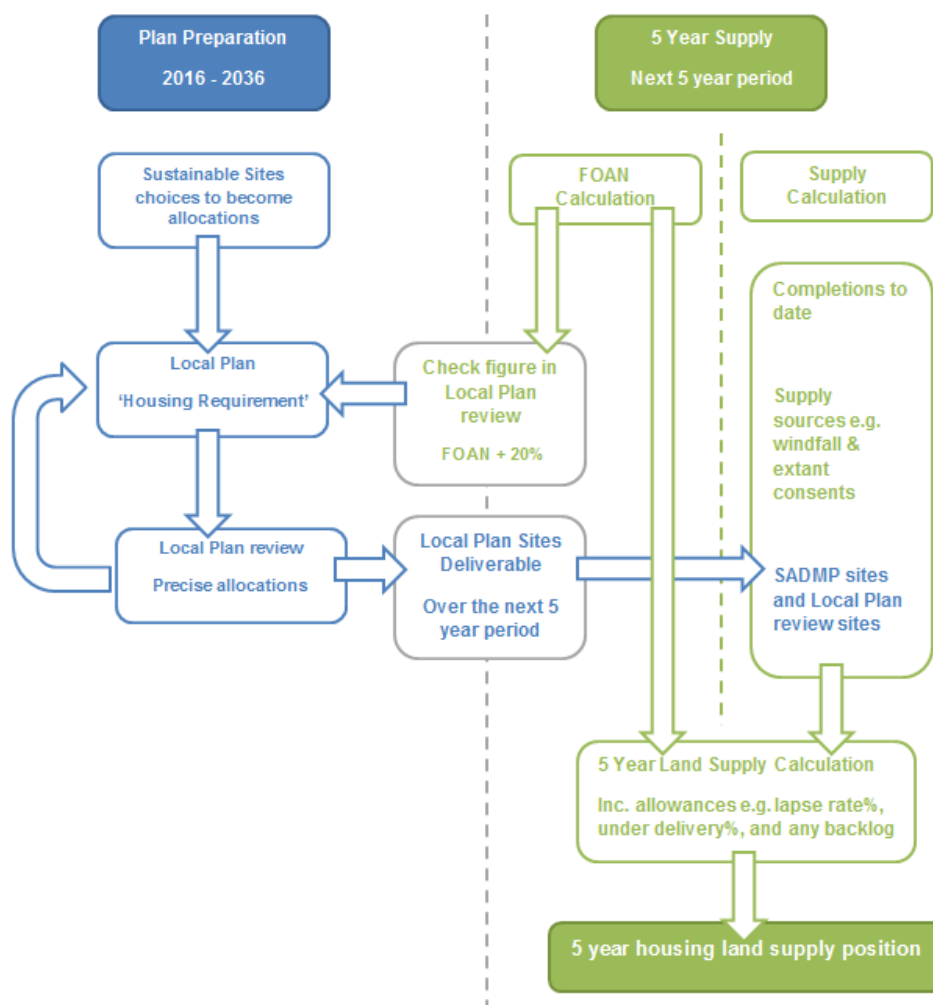
9.3 When a site is submitted for consideration we also have the ability to choose part of that site, we don't have to allocate the entire site as put forward. The guide number of dwellings will seek in each settlement is just that and the character and settlement pattern at each settlement and locality within each settlement will also need to be taken into consideration, as will local aspirations and opportunities for example Burnham Market received a higher allocation than the guide number as the site offered the advantage of a car parking facility to the settlement.

Advantages	Disadvantages
<ul style="list-style-type: none"> • Provides more certainty with regard to site area and dwelling numbers • Already supported at CIL examination • Already consulted on as part of the HELAA process • Consistent with the NPPF & PPG • Provides some flexibility 	<ul style="list-style-type: none"> • Unlikely to provide the same level of flexibility as the SADMP

10. **Five Year Housing Land Supply** – the effect of the allocated site areas being generous and the ‘at least’ modification has led to a potential increase of just over a year’s worth of supply coming forward (as of December 2016). The ‘Heacham’ five year housing land supply decision would have been different without these factors in place, as the inspector did not apply a 10% lapse rate to the SADMP allocations, as he did to other sources of housing supply. This was discussed in a previous paper presented to the Local Plan Task Group for discussion, link below:

<http://democracy.west-norfolk.gov.uk/documents/s12842/At%20least%20report.pdf>

- 10.1 Clearly there is a relationship between the allocations in a Local Plan and the ability to demonstrate a positive five year housing land supply, to illustrate this a diagram is provided below:



11. A Potential Approach - clearly the need for some form of flexibility in the Local Plan review is required. The consequences for the Borough Council are twofold. Firstly the Plan needs to be found 'Sound' by an independent inspector at examination therefore enabling adoption. Secondly the Borough Council wants to maintain the ability to demonstrate a positive five year housing supply position, ensuring the ability to use the Local Plan, and any Neighbourhood Plans that have been made, to direct housing growth to the most appropriate and sustainable settlements and locations.

11.1 All of the options considered in this paper are almost entirely interlinked and altering one element will impact upon another. All the options discussed have both advantages and disadvantages.

11.2 It is worth noting that any dwellings that have come forward, including those on allocated sites above the minimum stated, will be taken into account when finalising the numbers sought through the allocation process. This potentially means that fewer dwellings will be sought due to the 'at least' modification than if this did not form part of the adopted SADMP.

11.3 With all of this in mind the potential approach suggested is outlined below, it is considered that this would be consistent with national policy, our existing Local Plan, and assist in both the Local Plan being found 'Sound' and the ability to demonstrate a positive five year housing land supply:

- Seek to [allocate 10% above the FOAN](#). This would provide a relatively large degree of flexibility. It would also mean not being reliant on every site and every dwelling being delivered as envisaged at the point at which the Plan is examined / adopted.
- [Retain the 'at least' approach](#) for the SADMP sites which will continue into the Local Plan review.
- For consistency we also have the ['at least' approach applied to the new Local Plan review allocations](#). However by employing the [modelled approach](#) this will lead to a [more accurate site area allocated for the dwellings sought](#) and the supporting

infrastructure, mitigation etc. Whilst this may lead to a slightly higher number coming forward than the minimum number specified, this will not be significantly higher as has been the case with some of the SADMP allocations.

- [Reinstate Development Boundaries for Smaller Villages and Hamlets](#). This would provide a degree of consistency and certainty for the communities, developers and planners as to what is potentially acceptable and what is not. It would also ensure that growth takes place at the most sustainable settlements. This would be a consistent approach within the Local Plan review. It could also then accord with the Government's consultation proposals, although a response from the Government on these has not been published.
- [Contain a windfall allowance within the Local Plan review](#), based upon the same methodology used in the five year housing land supply calculation.
- We allow local communities through their [Neighbourhood Plans to make their own allocations and decisions on which sites should be allocated](#) for the growth needed in their area.