

Borough Council of
**King's Lynn &
West Norfolk**



**Borough Council of King's Lynn and West
Norfolk 2015/16 Housing Trajectory
Commentary**

July 2016

1. The 2015/16 Housing Trajectory Schedule

- 1.1 The 2015/16 trajectory is provided to show progress against the Core Strategy housing target.
- 1.2 The trajectory graph plots the Borough-wide housing trajectory for the Core Strategy period 2001 to 2026. This is based on the annual completions to date (green) and, for the remainder of the plan period, identified developments and remaining allocated developments (blue). In this graph, the Annualised Residual Requirement (yellow line) shows the annual average completion rate which must be sustained to the end of the plan period to meet the strategic requirement of 16,500 dwellings by 2026.
- 1.3 It can be seen that to date this has remained very close to the original annual target, falling below it in the mid-2000s, when delivery exceeded that planned, and rising above it in the last couple of years reflecting reduced delivery following the 2008 economic crash. It also shows that it is expected to fall rapidly in the near future, anticipating the impact of the adoption of the emerging 'Site Allocations and Development Management Policies Plan', and a recovering economic situation, reaching a residual target of zero by 2021/22 when the whole of the Core Strategy target is expected to have been achieved.
- 1.4 The trajectory assumes that the majority of existing outstanding permissions will be developed in the next five years. It anticipates that completions will increase to once again exceed target levels in 2017/18, as a result of further recovery of the economy and availability of substantial new allocations upon adoption of the emerging 'Site Allocations and Development Management Policies Plan'. A number of residential housing allocations have already been granted planning permission, and indeed some have contributed towards completion figures already.
- 1.5 Overall the Trajectory shows that there is sufficient capacity to meet the Core Strategy housing requirement within the plan period, and that this should be achieved by 2021/22.

2. What has been done differently in this Trajectory

2.1 The 2015/16 Housing Trajectory has been prepared in line with the NPPF (National Planning Policy Framework) and the PPG (Planning Practice Guidance). Of particular relevance is footnote 11 of the NPPF: '11 To be considered deliverable, sites 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. 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.'

- The site owner, developer, or agent for all of the sites listed within the Trajectory considered to be capable, based upon their planning permission or allocation, of delivering 5 or more units, have been contacted to ascertain the deliverability i.e. is it available now, what are the ownership arrangements, does the owner intend to sell the site or develop it themselves, when is it planned to be developed, what is the likely delivery rate, and are there any constraints or impediments to planning/delivery. This detailed information has been used to predict the delivery of sites over a 15 year period, importantly discounting sites from the first 5 year period and providing a robust, up-to-date and evidenced approach.
- A model has also been developed and utilised, this is based upon the Council's monitoring since 2008. This provides the average start time of development from the grant of permission; the start to completion time and overall grant to completion time. This is based upon the type of permission and size in terms of number of dwellings. This provides an average typology model that has been used to predict the delivery rate of a similar development.
- The modelled approach and primary information from developers/agents/landowners enables a judgement to be made as to whether the site is achievable for development as this will inform whether there is a reasonable prospect that the development will be developed on the site at a particular point in time. It is essentially a judgement about

the economic viability of the site and the capacity of the developer to complete or sell the development over a certain period.

- This trajectory does not include lapsed permissions.
- It is based upon the type/size of developments that are actually coming forward on the SADMP Allocations. Here we are seeing an increased number of dwellings.
- It also takes into account information from pre-applications.
- Planning permissions that have been granted subject to a S.106 resolution are now included.

3. Five Year Housing Land Supply Position

- 3.1 The Borough Council can demonstrate through the 2015/16 Housing Trajectory that it now has in excess of a five year supply of deliverable housing sites.
- 3.2 The Full Objectively Assessed Need (FOAN) for the Borough and related variables such as the Un-attributable Population Change (UPC) are dealt with in a report that sets out the FOAN entitled 'Assessing King's Lynn and West Norfolk's Housing Requirement', link below:

<http://www.west-norfolk.gov.uk/pdf/HRD02use2.pdf>

This was recommended to be endorsed by the Council's Cabinet on 1 March 2016 and this was confirmed by Full Council on 24 March 2016.

- 3.3 The Borough's FOAN was assessed as being either 680 or 710 homes a year depending upon whether an adjustment for UPC is included in the FOAN. This position has since be updated by the consultant to take account of ONS's 2014 Mid-Year Population estimates, the latest estimates for net international migration to the UK and combining this with allowances for the past growth rate for second homes in the Borough and the empty home rate in the post-1990 stock produces a revised estimate for the FOAN of 700 - 710 homes a year between 2013 and 2028, which is broadly in-line with the earlier assessment.
- 3.4 In the Council's view, this figure for FOAN is supported by the latest and best evidence and is robust. However, it is not equivalent to the housing requirement figure for the Borough, since any such figure can only be adopted once it has been examined and the level of FOAN has been adjusted to take into account other planning considerations, including the environmental constraints of the Borough.
- 3.5 The Sedgefield method has been used to address the historic backlog when calculating the five year supply. This requires the making up of the backlog between the Core Strategy target and actual completions since the 2001 plan base date in the 5-year period. This backlog is 974 dwellings for the Core Strategy target of 660 dwellings p.a. It also requires the making up of backlog

between the FOAN and the actual completions since the base date of the FOAN ONS figures used from 2012 measured against actual completions in the 5-year period. This backlog is 825 dwellings for the FOAN figure of 710 dwellings p.a.

3.6 The NPPF requires an additional buffer of 5% to ensure choice and competition in the market. Where there has been a record of persistent under delivery, the buffer should be increased to 20% to provide a realistic prospect of achieving the planned supply and to ensure choice and competition in the market.

3.7 In relation to whether a 5% or 20% buffer should be applied the table below illustrates the long term trend shown by the cumulative total has only shown a shortfall since 2012/13.

Financial Year	Completions	CS Target	Deficit	Excess	Backlog or Excess (-)	Cumulative Completions	Cumulative Target	Cumulative Backlog or Excess (-)
01/02	532	660	-128		128	532	660	128
02/03	642	660	-18		18	1174	1320	146
03/04	815	660		155	-155	1989	1980	-9
04/05	820	660		160	-160	2809	2640	-169
05/06	683	660		23	-23	3492	3300	-192
06/07	637	660	-23		23	4129	3960	-169
07/08	1097	660		437	-437	5226	4620	-606
08/09	575	660	-85		85	5801	5280	-521
09/10	314	660	-346		346	6115	5940	-175
10/11	560	660	-100		100	6675	6600	-75
11/12	624	660	-36		36	7299	7260	-39
12/13	322	660	-338		338	7621	7920	299
13/14	472	660	-188		188	8093	8580	487
14/15	313	660	-347		347	8406	9240	834
15/16	520	660	-140		140	8926	9900	974
Total	8926	9900	-1749	775	974	8926	9900	974

16/17	901	660		242		9198	10560	
Total	9827	10560	-1749	1017	732	9198	10560	732

- 3.8 Within the Trajectory, allowances are made for windfall from large (10+ dwellings) and small sites. This is based on evidence that such sites have consistently become available and will continue to provide a reliable source of supply. The allowances are realistic, taking account of historic windfall delivery rates and avoiding the inclusion of residential gardens. To avoid double-counting of windfalls the Council suggests that it would be reasonable for the windfall allowance only to be applied from year 4 onwards. This means that in the 5 year period, the windfall allowance is not considered within years 1, 2 or 3, but is for years 4 and 5.
- 3.9 Whilst within the trajectory there are no lapsed planning permissions in the 5 year supply, it may be reasonable to include a lapse rate for permissions. Looking at the Council's modelling work, based upon monitoring data since 2008; a lapse rate can be calculated, as shown in the table below. In the light of this local evidence a lapse rate of 6.74% could justifiably be applied to our supply figures.

	Permissions No.	Dwellings No.
Permissions granted that have not lapsed	1,396	6,452
Permissions granted that have lapsed (and to date have not come back)	128	435
Percentage		6.74 %

- 3.10 Below is a schedule of the housing supply sources taken from the 2015/16 trajectory, with this lapse rate factored in:

Housing Supply Source	
1998 Local Plan allocated sites, extant consents	316
1998 Local Plan extant consents on joint allocated/unallocated sites	92
Extant consents on unallocated sites (10+)	628
Extant unallocated sites (5-9) units	199
Extant consents for small sites (1-4 units)	642
2015 SADMP emerging allocations	3,427
Permissions granted subject to S106	627
Windfall - large sites 10+ (139 p.a. years 4 & 5 only)	278
Windfall - small sites (99 p.a. years 4 and 5 only)	198
Sub Total	6,407
6.74% Lapse Rate	
Total Identified Supply	5,975

3.11 Five year housing land supply calculations:

Core Strategy Annual Target of 660 dwellings per year and a 5% buffer:

CS AT x 5 (Years)	3300
CS AT x 5 (Years) + Backlog	4274
CS AT x 5 (Years) + Backlog + 5% (NPPF Buffer)	4488
Identified Supply / CS AT x 5 + Backlog + 5%	1.33
Above x 5 (Years)	6.66

Core Strategy (CS) Annual Target (AT) of 660 dwellings per year and a 20% buffer:

CS AT x 5 (Years)	3300
CS AT x 5 (Years) + Backlog	4274
CS AT x 5 (Years) + Backlog + 20% (NPPF Buffer)	5129
Identified Supply / CS AT x 5 + Backlog + 20%	1.17
Above x 5 (Years)	5.83

FOAN Annual Target of 710 dwellings per year and a 5% buffer:

FOAN x 5 (Years)	3550
FOAN x 5 (Years) + Backlog	4375
FOAN x 5 (Years) + Backlog + 5% (NPPF Buffer)	4594
Identified Supply / FOAN x 5 + Backlog + 5%	1.30
Above x 5 (Years)	6.50

FOAN Annual Target of 710 dwellings per year and a 20% buffer:

FOAN x 5 (Years)	3550
FOAN x 5 (Years) + Backlog	4375
FOAN x 5 (Years) + Backlog + 20% (NPPF Buffer)	5250
Identified Supply / FOAN x 5 + Backlog + 20%	1.14
Above x 5 (Years)	5.69

4. Taking Account of the Inspector's 'Heacham' Appeal Decision

- 4.1 There was a Public Inquiry relating to a site in Heacham, at which the Council's above view that it has a 5 year supply was thoroughly tested.
- 4.2 The Planning Inspector's Appeal Decision, 14 July 2016, dismissed the appeal. The decision states that the Borough Council can demonstrate a 5 year supply of deliverable housing land and that relevant policies for the supply of housing are considered up to date. In addition as the Borough Council's policy framework is securing a deliverable supply against a slightly higher full objectively assessed need, that policies are fully consistent with the NPPF's objectives to widen housing choice and boost supply significantly. Therefore full weight is attached to development plan policies.

The Planning Inspector's Appeal Decision can be viewed via a link on the following website:

<http://www.west-norfolk.gov.uk/default.aspx?page=27889>

- 4.3 The Inspector reached the conclusion that the Borough Council is able to demonstrate a 5 year housing land supply of 5.81 years. This was calculated using the FOAN figure of 710 p.a., applying a buffer of 20% for persistent under delivery, and a lapse rate of 10% to identified housing supply sources, except for the '2015 SADMP emerging allocations' where no lapse rate was applied. Below is an appreciation of the Inspector's approach:

FOAN x 5 (Years)	3550
FOAN x 5 (Years) + Backlog	4375
FOAN x 5 (Years) + Backlog + 20% (NPPF Buffer)	5250
Identified Supply (6,109) / FOAN x 5 + Backlog + 20%	1.163
Above x 5 (Years)	5.81