



# **Update on South Cambridgeshire's Five Year Housing Land Supply**

21 May 2018



## **Update to Five Year Housing Land Supply**

1. This update has been prepared to provide the latest position on Five Year Housing Land Supply in South Cambridgeshire. On the basis of this update South Cambridgeshire District Council can demonstrate a five year housing land supply of 5.0 years for the period 2018-2023. This update sets out how this can be demonstrated. Therefore, from the date of this update, 21 May 2018, for the purposes of making decisions on planning applications the Council's position is that it can demonstrate a five year housing land supply, based on the Sedgefield methodology of calculation and applying a 20% buffer that the Council accepts should be used at the present time.

### **Introduction**

2. The government through the National Planning Policy Framework (NPPF) requires that all local planning authorities identify sufficient specific deliverable sites to deliver five years worth of housing against the requirement set out in their development plan. The NPPF also sets out a requirement to provide an additional buffer of either 5% or, where there has been a record of persistent under delivery of housing, a buffer of 20% to provide a realistic prospect of achieving the planned supply and to ensure choice and competition in the market for land.
3. There are two methodologies generally recognised for calculating five year housing land supply. These relate to the way in which any shortfall in housing delivery against the annualised requirement since the beginning of the Local Plan period will be made up. The Liverpool methodology assumes that any shortfall will be made up during the remaining years of the plan period. The Sedgefield methodology requires the whole of any shortfall to be made up within the five year period.
4. The Council has accepted from June 2014 until 21 May 2018 that for the purposes of making decisions on planning applications it has not been able to demonstrate a five year housing land supply. In June 2014, a planning inspector considering two planning appeals in Waterbeach concluded that the Council could not demonstrate a five year supply of land. He considered that when calculating the Council's five year housing land supply a 20% buffer should be applied and the Sedgefield methodology of calculation should be used.
5. The Council reviews and updates its housing trajectory and re-calculates its five year housing land supply as required each year as part of preparing its Annual Monitoring Report.

### **Five Year Housing Land Supply (as published in the Annual Monitoring Report)**

6. The latest Annual Monitoring Report 2016-2017 (published in December 2017) includes the Council's housing trajectory and associated five year supply calculations. It reports that the Council could demonstrate a 4.5 year housing land supply for 2017-2022, and predicted a 4.8 year housing land supply for 2018-2023, based on the Sedgefield methodology of calculation and applying a 20% buffer.

7. From 1 April 2018, the Council has stated for the purposes of making decisions on planning applications that its five year housing land supply is 4.8 years for the period 2018-2023. Comparing the anticipated delivery for this period with the number of homes necessary to achieve a five year supply, there is a shortfall of 288 dwellings. This means that if the Council could identify delivery of an additional 288 dwellings in the period 2018-2023 in addition to that anticipated in the housing trajectory in the Annual Monitoring Report 2016-2017, it would be able to demonstrate a five year housing land supply.

### **Emerging South Cambridgeshire Local Plan and Five Year Housing Land Supply**

8. The emerging South Cambridgeshire Local Plan was submitted for examination on 28 March 2014. The examination hearings concluded in July 2017.
9. The Council, together with Cambridge City Council, proposed Modifications to their Local Plans in 2015 that would consider their housing trajectories jointly for the purposes of five year supply and carried out public consultation on those modifications. These were submitted to the examinations in March 2016 and will be considered by the Inspectors in their final reports into the two Local Plans.
10. Public consultation on the Main Modifications that the Inspectors considered may be necessary in order for the Local Plan to be found 'sound' was carried out in January and February 2018. This consultation included modifications to the Local Plan, specifically requested by the Inspectors, to include within the plan the methodology for calculating five year housing land supply using the Liverpool methodology of calculation and applying a 20% buffer.
11. Pending the conclusion of the Local Plan examination process, the Annual Monitoring Report 2016-2017 includes an assessment of five year housing land supply using all methods of calculation: with a 5% buffer or a 20% buffer; using the Liverpool method or the Sedgefield method; and for South Cambridgeshire alone, Cambridge alone or jointly with Cambridge. Using the 20% buffer and Liverpool methodology included by the Inspectors in the Main Modifications consultation, South Cambridgeshire would have a 6.0 year supply alone for 2018-2023 and a 5.8 year supply jointly with Cambridge<sup>1</sup>.
12. The Council is awaiting the Inspectors' Report for the Local Plan. Until that is received with the Inspectors' final conclusions on whether some or all of the Main Modifications are necessary in order for the Local Plan to be found 'sound', the Council is not relying on the use of the Liverpool methodology for calculating its five year supply as set out in the Main Modification.

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<sup>1</sup> The effect of this update on the five year supply based on the methodology included in the Main Modifications consultation of applying a 20% buffer and using the Liverpool methodology is set out in footnote 2 at paragraph 35.

## **Additional Housing Supply since the Annual Monitoring Report**

13. Officers have been monitoring on a monthly basis any additional housing supply not taken into account in the latest published housing trajectory. This comprises of any additional 'five year supply' sites (as at 10 May 2018) to those already accounted for in the housing trajectory that have:
  - been approved by planning committee;
  - been granted under delegated powers;
  - been allowed on appeal; or
  - a resolution to grant planning permission by planning committee or by officers under delegated powers, subject to the completion of a section 106 agreement.
14. This monitoring shows that an additional 434 dwellings have been permitted or have a resolution to grant planning permission on sites of 10 dwellings or more as at 10 May 2018 (see Appendix A) on 'five year supply' sites not accounted for in the housing trajectory. This monitoring shows that a further 78 dwellings have been permitted or have a resolution to grant planning permission on sites of 9 dwellings or less (see Appendix A) on 'five year supply' sites not accounted for in the housing trajectory. This figure is reduced by 10% to 71 dwellings, to allow for an element of non-delivery consistent with the approach taken in the Annual Monitoring Report.
15. It is anticipated that all 505 dwellings will be delivered within the 2018-2023 five year period. This additional supply can therefore be included in the updated five year supply calculation. Officers have not prepared an updated housing trajectory as an assessment of each site in terms of annual completions has not been undertaken for the purposes of this update.

### **'Health Check' of the Housing Trajectory**

16. As well as considering additional sites or dwellings (to those already accounted for in the housing trajectory), officers have also considered whether there are any known changes that should be made to predicted completions on sites included in the housing trajectory within the Annual Monitoring Report 2016-2017 that would reduce the forecast dwellings to be provided in the five year period, and that should be reflected in the five year supply calculations.

### Actual Completions vs Predicted Completions for 2017-2018

17. The housing trajectory anticipates that 659 dwellings would be completed in 2017-2018. Officers will not know the total actual housing completions for 2017-2018 until summer 2018, once the results of a comprehensive survey of all extant planning permissions being undertaken in April / May 2018 is published by the Cambridgeshire County Council (Business Intelligence: Research Team) that undertakes housing monitoring on behalf of the Council.
18. However, a comparison of predicted and actual completions over the last nine years for the 'first' year of the housing trajectory shows that predicted completions are a

robust assessment of actual completions, as for the last five years actual completions have been more than predicted completions (see Appendix A).

19. Whilst the comprehensive completions information will not be available until the summer, officers have carried out a health check of all the sites of 10 or more dwellings anticipated to deliver housing completions in 2017-2018 (as shown in Tables SC2 to SC6 of the published housing trajectory included in the Annual Monitoring Report 2016-2017). This 'health check' confirms actual completions on those sites following site visits and shows that although there is some variation between predicted and actual completions for individual sites, collectively these sites have delivered 53 dwellings more than predicted (see Appendix A). This suggests that the predicted completions for 2017-2018 of 659 dwellings is likely to be a robust assessment of actual completions.

#### Predicted Completions 2018 onwards

20. Officers will review and update the housing trajectory in summer / autumn 2018 as part of the preparation of the Annual Monitoring Report 2017-2018 (anticipated to be published in December 2018). This comprehensive review will be undertaken following the same process as carried out in previous years, and as described in paragraphs 4.8 to 4.10 of the Annual Monitoring Report 2016-2017 (published in December 2017). Ahead of this, officers have used their knowledge to consider whether there are likely to be any changes to predicted completions for the sites included in the housing trajectory.

#### *(a) Implications of the 'health check' of actual completions vs predicted completions for 2017-2018 on future completions*

21. The 'health check' of predicted and actual completions for 2017-2018 has shown some variation in actual completions compared to predicted completions for individual sites, however, other than for Northstowe, this variation is unlikely to have any potential impact on the five year supply. This is because all these sites (excluding Northstowe) are anticipated to be wholly completed by the end of the five year period (31 March 2023).
22. For Northstowe, as the development will not be wholly completed by the end of the five year period (31 March 2023), a slight increase in actual completions compared to predicted completions for 2017-2018 could suggest that a small number of additional dwellings will be completed in 2018-2023 (brought forward from later years). Officers recorded 156 dwellings under construction on 5 April 2018 and provided that construction continues on all of these dwellings, this would be a significant contribution towards the 186 dwellings predicted to be completed at Northstowe in 2018-2019.
23. For the purposes of this update and continuing the Council's cautious approach to predicted completions on its strategic sites, officers have not amended the number of housing completions at Northstowe by 2023. A detailed review of predicted completions at Northstowe will be undertaken as part of the comprehensive update of the housing trajectory when it is undertaken in summer / autumn 2018.

*(b) Dales Manor Business Park, Sawston*

24. The landowners / developers of part of the proposed housing allocation at Dales Manor Business Park, Sawston (Policy H/1a) are implementing an extant non-residential planning permission on their part of the site and work has now started on site.
25. An assessment will need to be made as to whether the remainder of the proposed allocation could still be developed for housing, and if so the timing of delivery. This will be undertaken as part of the comprehensive review of the housing trajectory in summer / autumn 2018.
26. The latest housing trajectory (published in the Annual Monitoring Report 2016-2017, December 2017) anticipated that 150 dwellings would be delivered on the proposed allocation in the 2018-2023 five year period, with a further 50 dwellings in 2023-2024. For the purposes of this update and taking a cautious approach to predicted completions, officers have assumed that no dwellings will be completed on this site within the five year period (2018-2023).

*(c) Outstanding section 106 agreements*

27. The assessment of five year housing land supply includes predicted completions from unallocated sites of 10 or more dwellings with a resolution to grant planning permission by planning committee or by officers under delegated powers, where a section 106 agreement needs to be completed before the formal decision notice for planning permission can be issued. Of the 9 sites included in the housing trajectory (published in the Annual Monitoring Report 2016-2017) that fall into this category, completion of the section 106 agreement is still outstanding on three of these sites:
  - Lion Works, Station Road West, Whittlesford Bridge [60 dwellings];
  - south of 279 St Neots Road, Hardwick [153 dwellings]; and
  - land at Meldreth Road, Shepreth [25 dwellings].The latest housing trajectory anticipates that these three sites will deliver 238 dwellings in the 2018-2023 five year period.
28. Completion of a section 106 agreement is also still outstanding on one of the additional 'five year supply' sites of 10 or more dwellings where a resolution to grant planning permission by planning committee has been made since the publication of the housing trajectory in the Annual Monitoring Report 2016-2017:
  - rear of 46-56 The Moor, Melbourn [23 dwellings];It is anticipated that this site will deliver 23 dwellings in the 2018-2023 five year period.
29. Completion of a section 106 agreement is also still outstanding on two additional smaller 'five year supply' sites of 9 dwellings or less where a resolution to grant planning permission has been made since the publication of the housing trajectory in the Annual Monitoring Report 2016-2017:
  - land west of Casa De Foseta, St Neots Road, Hardwick [6 dwellings]; and
  - Firs Farm, St Peters Street, Caxton [8 dwellings].

The first of these was a resolution to grant planning permission by planning committee and the second by officers under delegated powers. It is anticipated that these sites would deliver 13 dwellings in the 2018-2023 five year period, taking account of a 10% reduction to allow for non-delivery.

30. Progress is being made towards agreeing each of these outstanding section 106 agreements, and officers are of the view that these sites will be able to deliver their predicted completions within the five year period.

### **Conclusion: Implications on South Cambridgeshire District Council's Five Year Housing Land Supply**

31. The latest housing trajectory and associated five year supply calculations (published in the Annual Monitoring Report 2016-2017, December 2017) demonstrate that the Council's five year housing land supply is 4.8 years for the period 2018-2023 based on a 20% buffer and the Sedgfield methodology. Comparing the anticipated delivery for this period with the number of homes necessary to achieve a five year supply, there is a shortfall of 288 dwellings.
32. Officers have been monitoring whether any additional 'five year supply' sites (to those already accounted for in the housing trajectory) have been permitted either by the Council or allowed on appeal, or have a resolution to grant planning permission by planning committee or by officers under delegated powers. This monitoring records that an additional 505 dwellings are anticipated to be delivered within the five year period (2018-2023).
33. Alongside this, the landowners / developers of part of the proposed housing allocation at Dales Manor Business Park, Sawston (Policy H/1a) are implementing an extant non-residential planning permission on their part of the site and work has now started on site. For the purposes of this update, officers have assumed that none of the 150 dwellings anticipated to be completed on this site within the five year period (2018-2023) will be delivered.
34. Having considered these updates together, which identify net additional supply of 355 dwellings, alongside a 'health check' of the published housing trajectory, the five year supply calculation has been updated. As a result the Council is able to demonstrate a housing land supply of 5.0 years for 2018-2023 (see Appendix A). This represents a surplus of 67 dwellings.
35. Therefore, from 21 May 2018, for the purposes of making decisions on planning applications, the Council's position is that it can demonstrate a five year housing land supply, based on the Sedgfield methodology of calculation and applying a 20% buffer<sup>2</sup>.

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<sup>2</sup> Whilst not relied on pending the receipt of the emerging Local Plan Inspectors' report, the effect of this update on five year supply based on the methodology included in the Main Modifications consultation of applying a 20% buffer and using the Liverpool methodology would be to increase the five year supply to 6.2 years for South Cambridgeshire alone and 6.0 years jointly with Cambridge.



## Appendix A: Detailed Tables

### Additional Housing Supply since the Annual Monitoring Report

A1.1. Additional 'five year supply' sites permitted either by the Council or allowed on appeal, or with a resolution to grant planning permission by planning committee or by officers under delegated powers, not accounted for in the housing trajectory included in the Annual Monitoring Report 2016-2017:

'Type' of Site	Site	Dwellings	Planning Permission(s)	Comments
Unallocated Sites with Planning Permission: 'Five Year Supply' (10 dwellings or more)	Land south of Fen Drayton Road, Swavesey	99	S/1027/16/OL	Appeal allowed 21 December 2017
	Land off Grafton Drive, Caldecote	58	S/2764/16/OL	Appeal allowed 20 December 2017
	Sheen Farm, Royston Road, Litlington	19	S/2927/17/FL	The proposed development is for 22 dwellings following demolition of the existing farm house (a net of 21 dwellings). However, the village framework boundary crosses the site, and any dwellings that fall within the village framework would already be accounted for in the housing trajectory as part of the windfall allowance. For this development, the proposed site plan shows that 3 new dwellings and the demolition of the existing dwelling fall within the village framework (a net of 2 dwellings) and therefore these dwellings have been excluded from this additional supply. Delegated powers to approve by planning committee in February 2018, decision notice issued 18 April 2018.
	Land north of Linton Road, Great Abington	13	S/3564/17/OL	Approved by planning committee in March 2018, decision notice issued 26 April 2018.
	Land off Fen End, Over	16	S/2577/17/FL	The proposed development is for 20 dwellings. However, the village framework boundary crosses the site, and any dwellings that fall within the village framework would already be accounted for in the housing trajectory as part of the windfall allowance. For this development, the proposed site plan shows that 4 dwellings fall

'Type' of Site	Site	Dwellings	Planning Permission(s)	Comments
				within the village framework and therefore these dwellings have been excluded from this additional supply. Granted, decision notice issued 1 March 2018.
	Land between 66-68 Common Lane, Sawston	10	S/2286/16/OL	Granted, decision notice issued 16 March 2018.
	Land off Horseheath Road, Linton	42	S/2553/16/OL	Appeal allowed 14 March 2018
	Land north east of Rampton Road, Cottenham	154	S/2876/16/OL	Appeal allowed 10 May 2018
Unallocated Sites with Resolution to grant Planning Permission: 'Five Year Supply' (10 dwellings or more)	Rear of 46-56 The Moor, Melbourn	23	S/1032/17/FL	Officers given delegated powers to approve by planning committee in January 2018 subject to completion of section 106 agreement.
<b>SUB TOTAL (10 dwellings or more)</b>		<b>434</b>		
Unallocated Sites with Planning Permission: 'Five Year Supply' (9 dwellings or less)		58	various	Between 1 November 2017 and 10 May 2018, 64 dwellings were granted planning permission on small 'five year supply' sites that did not have planning permission at 31 October 2017. A 10% allowance for non-delivery has been applied, and therefore on this basis 58 dwellings are anticipated to be completed within the 2018-2023 five year period.
Unallocated Sites with Resolution to Grant Planning Permission: 'Five Year Supply' (9 dwellings or less) <sup>3</sup>		13	various	At 10 May 2018, 14 dwellings had a resolution to grant planning permission by planning committee or by officers under delegated powers. A 10% allowance for non-delivery has

<sup>3</sup> The published housing trajectories have not included any sites of 9 dwellings or less with a resolution to grant permission for practical monitoring reasons. Small sites with a resolution to grant planning permission have now been identified and are included in this update.

'Type' of Site	Site	Dwellings	Planning Permission(s)	Comments
				been applied, and therefore on this basis 13 dwellings are anticipated to be completed within the 2018-2023 five year period.
<b>SUB TOTAL (9 dwellings or less)</b>		<b>71</b>		
<b>TOTAL</b>		<b>505</b>		

- A1.2. Using information provided by the applicants, the case officers' assessment of delivery, and/or typical assumptions for delivery of sites as set out in paragraph 4.10 of the Annual Monitoring Report 2016-2017 (published in December 2017), it is anticipated that all 505 dwellings will be delivered within the 2018-2023 five year period.
- A1.3. These 'five year supply' sites provide additional housing supply to that accounted for in the housing trajectory, as these 'types' of site were not included in the evidence informing the windfall allowance of up to 200 dwellings per year included in the housing trajectory.
- A1.4. As outlined in the Annual Monitoring Report 2016-2017 (published in December 2017, paragraphs A.247 to A.255), an allowance may be made in the housing trajectory for windfall sites if local planning authorities have compelling evidence that such sites have consistently become available in the local area and will continue to provide a reliable source of housing supply. In South Cambridgeshire, historic analysis of housing completions shows that an average of 200 dwellings per year have been completed on windfall sites, which covered the period 2006 to 2014, before the first five year supply sites were granted on appeal. Of these, approximately 50 dwellings per year are on rural exception sites for affordable housing.
- A1.5. Given the circumstances in which the 'five year supply' sites have been permitted (due to the Council being unable to demonstrate a five year supply), the predicted completions from these sites are counted in addition to the windfall allowance. In the last few years, larger 'five year supply' sites have been coming forward in the rural area, rather than smaller 'traditional' rural exception sites for affordable housing. This has been taken into account in the housing trajectory through an adjustment to the windfall allowance within the first five years (2017-2022) of a total of up to 150, rather than up to 200 dwellings.
- A1.6. For the final year of the 2018-2023 five year period, it was anticipated that by that time the Council would be able to demonstrate a five year housing land supply, and therefore, smaller 'traditional' rural exception sites for affordable housing would again be brought forward. The windfall allowance therefore reverts to up to 200 dwellings, to include an allowance for rural exception sites for affordable housing.
- A1.7. The housing trajectory includes two types of windfall sites: (i) identified; and (ii) unidentified. Identified windfall sites are developments with planning permission or a

resolution to grant planning permission and include five year supply sites. Unidentified windfall sites are developments that are not yet known about that will come forward in future on land not allocated.

- A1.8. Where identified windfall sites (excluding ‘five year supply’ sites) are predicted to deliver more than the windfall allowance for that year (of up to 150 dwellings or up to 200 dwellings), no unidentified windfall allowance was included in that year. For the years where identified windfall sites (excluding ‘five year supply’ sites) are predicted to deliver less than the windfall allowance for that year (of up to 150 dwellings or up to 200 dwellings), a windfall allowance (rounded to the nearest 50 dwellings) is included that together with the predicted completions on identified windfall sites does not exceed either 150 dwellings or 200 dwellings.

### **‘Health Check’ of the Housing Trajectory**

#### Actual Completions vs Predicted Completions

- A1.9. A comparison of predicted and actual completions over the last nine years for the ‘first’ year of the housing trajectory shows:

<b>Year</b>	<b>Predicted Completions</b>	<b>Actual Completions</b>	<b>Difference</b>
2008-2009	625 dwellings	602 dwellings	-23
2009-2010	631 dwellings	595 dwellings	-36
2010-2011	759 dwellings	655 dwellings	-104 <sup>4</sup>
2011-2012	692 dwellings	694 dwellings	+2
2012-2013	539 dwellings	556 dwellings	+17
2013-2014	565 dwellings	631 dwellings	+66
2014-2015	704 dwellings	867 dwellings	+163
2015-2016	585 dwellings	679 dwellings	+94
2016-2017	481 dwellings	543 dwellings	+62
2017-2018	659 dwellings	(not yet known)	

<sup>4</sup> Primarily due to slower delivery than anticipated on 5 specific sites.

A1.10. Officers have carried out a health check of the sites of 10 dwellings or more anticipated to deliver housing completions in 2017-2018 by undertaking site visits to identify actual completions. Predicted and actual completions are as follows:

Site	Predicted Completions	Actual Completions	Difference
Trumpington Meadows	123	123	0
Northstowe	117	140	+23
Cambourne – additional 950 dwellings	68	81	+13
Bayer CropScience Site, Hauxton	50	35	-15
Land west of New Road, Melbourn	24	7	-17
Land at junction of High Street & Pampisford Road, Great Abington	4	19	+15
Land at Former EDF Energy Depot & Training Centre, Milton	1	0	-1
North of Bannold Road, Waterbeach	28	59	+31
Land rear of Cygnus Business Park, Swavesey	2	2	0
Bannold Road & Bannold Drove, Waterbeach	50	49	-1
Railway Tavern, Great Shelford	12	12	0
Former Aspinalls Builders Yard, Willingham	12	12	0
Gills Hill Farm, Bourn	13	13	0
8 Greenacres, Duxford	2	7	+5
Adjacent to 12 Back Lane, Cambourne	27	27	0
Robinson Court, Grays Road, Gamlingay	-22 <sup>5</sup>	-22	0
W2 Building, Cambourne	18	18	0
<b>TOTAL</b>	<b>529</b>	<b>582</b>	<b>+53</b>

<sup>5</sup> Demolition of the 22 existing dwellings ahead of redevelopment of the site for 14 dwellings. The new dwellings are under construction.

## Implications on South Cambridgeshire District Council's Five Year Housing Land Supply

A1.11. Calculation of the five year housing land supply for South Cambridgeshire for 2018-2023, as published in the Annual Monitoring Report 2016-2017 (December 2017), and as at 21 May 2018 taking account of the changes set out in this update:

'Sedgefield' Methodology	Annual Monitoring Report (December 2017)	Update (21 May 2018)
(a) Housing requirement in the Local Plan 2011 - 2031	19,500	19,500
(b) Requirement up to 31 March 2018 (based on annualised average requirement)	6,825	6,825
(c) Dwellings completed up to 31 March 2018 <sup>6</sup>	4,629	4,629
(d) Shortfall against annualised average requirement	2,196	2,196
(e) Five year supply requirement	7,071	7,071
(f) Five Year Supply Requirement with 20% buffer	8,485	8,485
(g) Number of dwellings predicted to be completed in the five year period	8,197	8,552 <sup>7</sup>
Five year supply (with 20%) (= g÷f x 5)	4.8	5.0
Shortfall / Surplus against demonstrating 5.0 years	-288	+67

<sup>6</sup> Includes predicted completions for 2017-2018 for which a 'health check' has been undertaken as part of this update.

<sup>7</sup> Based on 8,197 dwellings as predicted in the Annual Monitoring Report 2016-2017, plus 505 dwellings on additional sites, and minus 150 dwellings on the proposed housing allocation at Dales Manor Business Park, Sawston.