

Braintree District Monitoring Report 2018
Addendum to the Monitoring Report:

Subject:

Five Year Housing Supply 2018-2023



Revised 6 August 2019

1 The target

- 1.1 Braintree District Council now normally reviews housing land supply on an annual basis, in accordance with Government Practice Guidance.
- 1.2 However, the Government has made changes to the assessment of housing land supply, and this has led to the need to review the 5 year supply position. The review continues to examine forecast supply for the 5 year period 2018-2023.
- 1.3 In July 2018 the Government published the Revised National Planning Policy Framework (2018) which introduced the approach of the Standard Methodology for calculating the 5 year supply target for decision making in districts where there was no up to date Local Plan. This was the position for Braintree District, because the adopted Review Local Plan (2005) was more than 5 years old and the emerging new Local Plan is not yet adopted.
- 1.4 The NPPF was supported by revised Practice Guidance, published in September 2018.
- 1.5 According to the Standard Methodology (2018) the target was calculated using data from the latest household projections, and applying a ratio from the latest local housing affordability ratio published by the Office for National Statistics. A buffer should then be applied to the target. Whether the buffer should be the standard 5% buffer or increased to 20% was to be defined by the results of the Housing Delivery Test taking into account housing delivery over the past three years. The Housing Delivery Test was due to be published in November 2018, as stated by the Government in the NPPF, and this buffer requirement definition took effect from when the HDT results were published.
- 1.6 In September 2018 the Office for National Statistics (ONS) published 2016 based household projections. These then formed the basis of the calculation of the housing target for the 5 year supply for Braintree District.
- 1.7 The Government then published a consultation which proposed to change the Standard Methodology to revert, as a temporary measure, to using the (generally higher) 2014 based household projections.

- 1.8 The Government published a revised version of the NPPF in February 2019, together with revised Practice Guidance, and the results of the Housing Delivery Test 2018 (delayed from November). The use of the 2014 household projections produced a higher requirement for Braintree District in Step 1 of the calculation (632, being the annual average projected increase 2018-2028 in the 2014 based household projections). This is an increase compared to the Step 1 target from the 2016 based projections, which was 507.
- 1.9 On March 28 2019 the Office for National Statistics published the latest (2018) local housing affordability ratios. The local housing affordability ratio for Braintree District has increased from 9.5 in 2017 to 10.17. This results in a local affordability multiplier of 1.385625 for Step 2 of the calculation of the target (increased from 1.34375 in the 2017 results published by ONS in April 2018). When this ratio is applied the annual average target increases to **876**.
- 1.10 The local housing affordability data compares the median average house price of properties sold in the District over the year ending at September to the median average income of people working in the District according to earnings sample survey data. House prices in the District have risen, but in addition the data showed a reduction in the median average earnings of people who work in the District. A high proportion of the District commutes to work outside the District where average earnings are higher, and new housing developments in the District are generally marketed as attractive locations for commuters. Average earnings nationally have increased and the earnings of residents, including commuters, is likely to have increased (interim, quarterly, data indicated a rise above the national average). The results for the average earnings of people working in the District may to some extent reflect the employment structure, and may reflect the volatility of sample survey data at low geographic levels such as districts.
- 1.11 Step 3 of the calculation caps the level of any increase over the household projections to 40%. As the Braintree District increase in Step 2 was less than 40%, this is not currently relevant to Braintree District.

1.12 Step 4 applies the buffer (as defined in the Housing Delivery Test Results 2018) to the target. When the Housing Delivery Test Results were published in February this confirmed the buffer for Braintree District at 5%. When applied to the target, this increases the annual average target to 920 and the 5 year supply target to **4,598**.

1.13 These calculations are summarised in Table 1:

Table 1: Calculation of the target for 2018-2023	
Stage 1: Setting the baseline: the ONS 2014 based household projections	
Average annual increase in households 2018-2028 Braintree District	632
Stage 2: Adjustment to take account of ONS 2017 local housing affordability data	
Braintree District affordability ratio 2018	10.17
Adjustment factor: (Local ratio minus 4) divided by 4, and then multiplied by 0.25	0.385625
= local affordability ratio to apply:	1.385625
Five years' worth of target before buffer applied, based on 2014 household projections, 2017 affordability ratio published April 2018	4,379
= Baseline annual target after application of local affordability factor and before buffer applied	876
Stage 3: Capping the increase	
The effect of the local affordability ratio is capped at a maximum of 1.4. As Braintree is currently under 1.4, this makes no change	
Stage 4: Application of the buffer The 2018 Housing Delivery Test results (published February 2019) have confirmed the buffer is currently 5%	
Annual target (876 + 5%)	920
5 year supply target (4,379 + 5%)	4,598

2 The supply

- 2.1 The revisions to the NPPF Practice Guidance also changed the approach to the assessment of deliverable supply, and the Council has reviewed the evidence of deliverability on the sites identified by the Council in the 5 year supply assessment 2018-2023.
- 2.2 Sites with detailed permission and small sites with outline permission (i.e. less than 10 dwellings) can be taken as deliverable unless there is evidence to the contrary – and if there are formal phasing restrictions these should be taken into account (this does not apply to any of the sites in the Braintree District 5 year supply).
- 2.3 For larger sites with outline permission, or allocated in adopted plans, information and clear evidence is needed that delivery of completions will start within the 5 year period. Such evidence can include current planning status, timescales and progress towards detailed permission. Information from developers about their sites is important in assessing deliverability.
- 2.4 Table 2 summarises the deliverable supply in Braintree District by planning status.

As shown in 2018 Monitoring Report, February 2019:	
Sites under construction	1,360
Sites with full permission, development not yet started	629
Small sites with outline permission	66
Windfall allowance	225
Lapse/expiry allowance	-75
Other sites identified as at 1 April 2018: As reviewed against supporting evidence April 2019	
Large sites with outline permission as at 1 April 2018	2,042
Sites with Resolution to Grant as at 1 April 2018	231
Adopted Allocation, North West Braintree	200
Total projected supply, excluding communal accommodation	4,679

- 2.5 For sites with full permission and small sites with outline permission the supply is as detailed in the site trajectory in the 2018 Monitoring Report published in February 2019. Sites

developed via Prior Approval process (e.g. conversion of offices or farm buildings via Prior Approval) are included within this category.

- 2.6 For larger sites without detailed permission - including sites with outline permission; sites with a Resolution to Grant subject to the signing of a Section 106 Agreement as at 1 April 2018; and the adopted Growth Location allocation at North West Braintree which is the subject of a current hybrid planning application – were reviewed against information and evidence of deliverability. This included contacting site developers and agents responsible for the sites; reviewing progress including progress towards the submission of planning applications, and a sense check of reviewing the forecast delivery against recent progress on sites.
- 2.7 Appendix 1 to this addendum summarises information on the sites reviewed (large outline permissions; sites with a Resolution to Grant permission; and the adopted allocation at North West Braintree). Appendix 2 provides more detailed supporting information and evidence on these sites.
- 2.8 The results of the review demonstrated that such sites are coming forward. Although the total expected supply from large outline sites appears substantial at 2,042, the reasonableness of the forecast delivery is confirmed by the evidence that the sites are coming forward, as is illustrated by the updated status in the current position shown in Table 3:

Table 3:	
Deliverable supply 2018-2023 from large sites with outline permission as at 1 April 2018 (2,042 total): Updated status	
Now under construction	1,084
With detailed permission, not yet started	74
Detailed planning application submitted and pending consideration	654
Full or Reserved Matters application in preparation	230
Deliverable supply 2018-2023 from large sites with Resolution to Grant as at 1 April 2018 and subsequently granted permission (231 total): Updated status	
Outline permission granted and detailed application submitted, pending consideration	165
Outline permission granted and pre application discussions on proposed detailed application	46
Outline permission granted, no further progress as yet	66

- 2.9 These were sites identified as at 1 April 2018 as expected to produce completions in the 5 year supply period 2018-2023:

although additional sites have been identified through the development management process since 1 April 2018 and these sites are expected to add to supply before 2023, the Council will take such sites into account in the roll forward of the supply review to the period 2019-2024. The additional sites reflect the action the Council continues to take to increase supply.

- 2.10 The supply assessment includes an allowance for windfall sites, at 75 dwellings per year from Year 3 of the 5 year supply period; and an allowance for expiry of permissions at 15 dwellings per year over Years 1-5. The evidence supporting these allowances is detailed in the Monitoring Report.
- 2.11 As part of the review of evidence, the Council carried out an analysis of the lead time in recent developments on larger sites from the date of detailed permission to the timing of first delivery of completions. This analysis also examined delivery rates year by year from the date of detailed permission. This evidence is set out in Appendix 3 to this addendum.
- 2.12 The evidence demonstrates that lead times vary depending on the site. The longest lead time, at 24 months, was at Portway Place Halstead where existing old employment buildings on this brownfield site needed to be cleared before development could commence. It is more usual however for the lead time to be approximately 1 year, and there were several examples where construction commenced very soon after granting of detailed consent and completions started to be delivered well within the year, for example at the Lodge Farm site in Witham.
- 2.13 The review also demonstrated how on the larger sites such as Lodge Farm, more than one outlet can be operating at one time, and phases of development can come forward before earlier phases are completed. At Lodge Farm (Redrow Homes) and Forest Road (Bellway Homes), land with outline permission at 1 April 2018 was part of larger sites which were under construction, and these subsequent phases come forward without the lead time expectations that might be expected in the case of an outline permission site where development has not started.

3 Review of 2017 trajectory

- 3.1 Government guidance suggests that the Council should review the previous (2017) Monitoring Report trajectory to examine progress on sites. Appendix 4 compares the information in the 2017 trajectory for sites of 10 or more dwellings that would be in the 5 year supply with information on progress and a review of forecasts.
- 3.2 This demonstrates that whilst some sites have not come forward as quickly as forecast, others are coming forward more rapidly.

4 Communal accommodation

- 4.1 To this assessed supply should be added projected supply from communal accommodation, in accordance with Government Guidance. The publication of the Housing Delivery Test data now provides the ratio to be applied to this supply. The Council has included sites with detailed permission in this category.
- 4.2 For student accommodation a ratio of 2.5 is applied. For other communal accommodation a ratio of 1.8 is applied. There are no student communal accommodation developments identified in Braintree District. The total number of net additional rooms identified 2018-2023 is 105. After dividing by 58, this results in a net contribution to supply of 58. These permissions are listed in the schedule in Appendix 5.

5 Recent Secretary of State decisions

- 5.1 The Council has recently received decisions from the Secretary of State in relation to the Brook Green appeal and the 'Call In' applications in Hatfield Peverel (Land South of Stonepath Drive and Gleneagles Way) in which the Secretary of State found that the supply position was 4.15 years supply. Having considered the evidence, the Secretary of State excluded 10 sites from the deliverable 5 year supply believing there was not clear evidence of deliverability as required by PPG. No justification or reasoning was provided in the decisions, but in excluding just the 10 sites from

the supply, the Secretary of State has by default accepted the Council's evidence in respect all other sites.

- 5.2 The Council has reviewed the position in respect of the 10 sites which the Secretary of State did not include. The Secretary of State has not explained why these sites were considered to not meet the clear evidence test; the Council has requested the principles of this explanation, which is needed for interpreting evidence for current and future supply assessments of sites; but has been advised by the Case Work Unit that the information will not be provided. The Council has noted that 7 of these 10 sites have been considered deliverable in the view of the appellant's expert witness at a recent appeal. The Council has also noted that the deletion of these 10 sites (the only change to the supply assessment made in the Secretary of State's decisions) results in a supply position greater than 4.15, showing that a mathematical error was made in the calculation in these decisions.
- 5.3 Having reviewed the evidence, the Council has concluded that the 2018-2023 5 year supply position should be amended by the deletion of 3 sites (Land rear of Halstead Road, Earls Colne; Land south of Maltings Lane, Witham; and Former Bowls Club site at Ivy Chimneys, Hatfield Road, Witham). The Council considers that the remaining 7 sites (Sudbury Road, Halstead; Inworth Road, Feering; Panfield Lane, Braintree; Monks Road, Station Road, Kelvedon; Conrad Road, Witham; Ashen Road, Ridgewell; The Limes Gosfield), meet the clear evidence requirement and as such should be included within the supply. Consequently, it is considered that the revised 5 year supply position for Braintree District for the period 2018-2023 is 5.15 years supply.

6 The 5 year supply position: comparison of reviewed 2018-2023 target against reviewed 2018-2023 supply

- 6.1 Table 4 compares the reviewed target, as amended to reflect the 2018 local housing affordability ratio (published 28 March 2019) with the 2018-2023 projected deliverable supply, taking into account the reviewed evidence of deliverability (Table 2 and paragraph 3.2, above). This results in a **5.15 year supply**.

Table 4: Summary of the 5 year supply position for the 5 year supply period 2018-2023	
Annual average target	920
5 year supply target 2018-2023	4,598
Projected deliverable 5 year supply before communal accommodation taken into account	4,679
Projected contribution to deliverable 5 year supply from communal accommodation after application of ratio of 1.8 as per Housing Delivery Test specification	58
Total projected supply	4,737
Years supply	5.15
Projected surplus against target	138