

DELEGATED

Strategic Housing Land Availability Assessment (SHLAA)

Report of Executive Director Economy and Skills

Portfolio Holder: Councillor Roberts, Cabinet Member for Co-operatives and Neighbourhoods

18th December 2019

Officer Contact: Lauren Hargreaves, Planning Officer, Ext.3843

Reason for Decision:

To seek approval for the publication of Oldham Council Strategic Housing Land Availability Assessment (SHLAA) as of 1st April 2019.

Executive Summary

This report briefly explains the process of preparing the SHLAA and provides a summary of the findings in relation to the overall housing land supply.

The SHLAA is a technical document identifying land that might have potential for housing at some stage in the future, as required by the National Planning Policy Framework (NPPF). NPPF states that a housing assessment should be used to establish realistic assumptions about the suitability, availability and the likely achievability (economic viability) of land to meet the identified housing need. This then determines whether a site could form part of the housing land supply and, if so, when it is expected to be developed.

As well as providing evidence for the housing land position, it will inform the review of the GMSF and Local Plan and provide data for the Brownfield Land Register. The base date of this SHLAA is the 1st April 2019. This SHLAA provides the annual update to the previously published SHLAA, published in December 2018.

It also sets out changes to Planning Practice Guidance (PPG) in relation to Housing Land Availability Assessments, updated in July 2019.



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Finally, the SHLAA discusses the latest housing requirements and whether we can demonstrate that there is enough land in the five-year deliverable housing land supply to meet these requirements.

Recommendation

It is recommended:

- To note the approach to determining sites to include in the housing land supply (as per the new PPG updated in 2019) and those which have been discounted;
- To note the current five-year deliverable housing land supply position;
- To approve the SHLAA for publication as soon as practicable;
- To use the SHLAA as the basis for an on-going Call for Sites process; and
- To delegate authority to make updates to the SHLAA throughout the year, if required, to the Deputy Chief Executive – People and Place.

Strategic Housing Land Availability Assessment

1 Background

- 1.1 The Strategic Housing Land Availability Assessment (SHLAA) is a technical document comprising a list of sites that make up the five-year housing land supply and identifies sites which might have potential for housing at some stage in the future. The requirement to undertake a SHLAA is set out in paragraph 67 of the National Planning Policy Framework (NPPF). NPPF states that a housing assessment should be used to help identify a sufficient supply and mix of sites, taking into account their availability, suitability and the likely achievability (economic viability) of land.
- 1.2 The SHLAA forms a key component of the evidence base which will underpin housing policies and land allocations in Greater Manchester's Plan for Homes, Jobs and the Environment (GMSF) and the Oldham Local Plan. NPPF makes reference to the need for local planning authorities to use evidence such as the SHLAA to ensure the Local Plan meets the area's housing needs and to ensure a continuous five years' supply of deliverable housing land. Additionally, this evidence will contribute to identifying specific sites or broad locations for growth for a further six to ten years and beyond, as well as providing evidence for any windfall site allowance.
- 1.3 Whilst the SHLAA is an important evidence source it does not determine whether a site should be allocated for development. Instead, the purpose of the assessment is to provide information on a range of options to allow an informed decision to be made on which sites are most suitable to meet needs. The council will then be able to plan proactively by choosing sites to go forward into relevant development plan documents.
- 1.4 As such, it is important to bear the following points in mind:
- *The SHLAA only identifies opportunities for future residential use and set's out the extent of land which could potentially be available; it does not allocate sites for development. Allocation will take place through the GMSF, Local Plan or any Neighbourhood Plan.*
 - *The identification of a site in the SHLAA does not imply that planning permission will be granted if an application were submitted. All planning proposals will continue to be assessed as part of the detailed planning application process and be considered against the appropriate policies in the adopted Local Plan and any other material considerations, including national planning guidance.*
 - *The identification of a site for housing in the SHLAA does not preclude them from being considered or granted permission for other uses. Equally, if a site is not included in the SHLAA, this does not mean it may not be considered suitable should it come forward for residential development.*

- *The identification of the time period when sites are likely to come forward for delivery is based on an assessment of the site at the time the SHLAA was undertaken. In practice, circumstances or assumptions may change which could mean that sites could come forward sooner or later than envisaged.*
 - *The commentary that accompanies the individual site appraisals is based on the information available at the time of the assessment. As such there may be additional constraints that were not identified as part of the initial assessment or it may emerge that some of the identified constraints no longer apply once a site is subject to more detailed assessment.*
- 1.5 The land included in the SHLAA forms the “baseline” potential housing land supply found within the existing urban area. It does not include those strategic allocations which are being considered as part of GMSF or any additional sites which would involve Green Belt release.

Strategic Environmental Assessment (SEA)

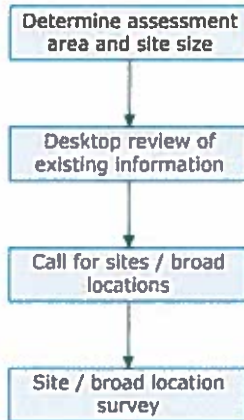
- 1.6 As the SHLAA does not allocate land or include policy on development, it will not directly create any potential environmental effects and would not be subject to SEA. Any sites considered for allocation as part of the Local Plan would be assessed as appropriate.

2 SHLAA Methodology

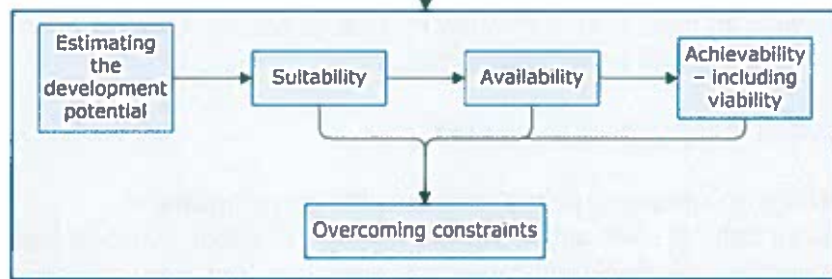
- 2.1 The SHLAA methodology has followed the stages set out in the Planning Practice Guidance (PPG) note on Land Availability Assessments updated in July 2019 by MCHLG, which sets out the core outputs and process requirements for the assessment. The process is shown in the flow diagram overleaf:

Figure 1: Stages in the SHLAA methodology, taken from PPG Housing and economic land availability assessment

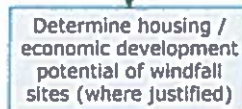
Stage 1 - Site / broad location identification



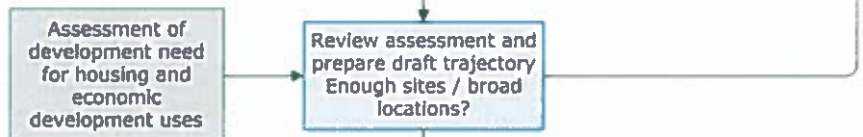
Stage 2 - Site / broad location assessment



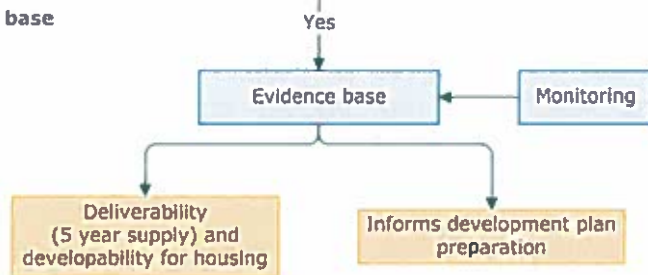
Stage 3 - Windfall assessment



Stage 4 - Assessment review



Stage 5 - Final evidence base



2.2 PPG recommends that a call for sites is undertaken as part of the SHLAA process and the GMSF consultation included a GM-wide call for sites where local residents, businesses, land owners and developers were invited to submit details of sites that they thought could be suitable for housing or economic

development. In addition, alongside the publication of the previous SHLAA (as at 1st April 2018) there was a Call for Sites online form set up for the public to submit sites for consideration. Alongside the sites identified through other sources, the results of this open Call for Sites process will contribute to the range of the sites and broad locations that are considered in the SHLAA.

2.3 The guidance recommends the use of a standard process in order to create a robust assessment of land availability, helping to ensure a consistent and thorough review is undertaken. It states that the assessment should:

- Identify sites and broad locations with potential for development; assess their development potential; and assess their suitability for development and the likelihood of development coming forward (the availability and achievability);
- Set out the potential type and quantity of development that could be delivered on each site/broad location, including a reasonable estimate of build out rates, setting out how any barriers to delivery could be overcome and when;
- Provide an indicative trajectory of anticipated development and consideration of associated risks.

2.4 The stages in the process included:

a) Identifying sites and broad locations for consideration

As well as call for sites submissions, a range of other sources were used, including planning application records, previous SHLAAs, mill survey and other employment land records, council asset data, vacant land registers and regeneration proposals/masterplans;

b) Site / broad location assessment

This assessed the suitability, availability and achievability of sites and looked at issues such as policy and physical constraints, potential ownership constraints and availability of land (e.g. whether the site was being marketed for sale) and viability issues.

2.5 Assessing the suitability, availability and achievability (including the economic viability of a site) provides the information as to whether a site can be considered deliverable or developable. NPPF defines these terms as follows:

- 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, does not involve major development if there is no planning application or clear evidence that homes will be delivered on this period. These are the sites that will form the five-year housing land supply;
- To be considered developable, sites should be in a suitable location for development and there should be a reasonable prospect that the site is available and could be viably developed at the point envisaged. These are the sites that may form part of the post-five-year housing land supply.

- 2.6 An important difference in these definitions from the previous version of the NPPF is that guidance on the sites to be included in the five-year supply has changed. Previously, there has been an assumption that all sites with an outline permission or which were allocated for housing in the Local Plan (specifically Phase 1 housing allocations) were deliverable in the first five years. The new NPPF now states that “Sites with outline planning permission, permission in principle, allocated in the development plan or identified on a brownfield register should only be considered deliverable where there is clear evidence that housing completions will begin on site within five years”. Therefore, some allocated sites and some with outline permission no longer form part of the five-year supply. Whilst this does not affect the overall supply, it means that the five-year supply is reduced further.

3 SHLAA Findings

- 3.1 The SHLAA assessment helped to determine whether a site should be included in the housing land supply and when it was likely that it would come forward for development. The outcome of the assessment is summarised in the table below which shows the overall housing land supply, including those within the five and post five-year periods:

Table 1: Summary of housing land supply identified in SHLAA

SHLAA category	Total Additions 2019-2024	Total Additions 2024-2029	Years 11+	Total Additions - all periods
Sites under construction	1,203	0	0	1,203
Sites with extant planning permission	745	461	200	1,406
Saved UDP Phase 1 housing allocations	0	374	0	374
Saved UDP Phase 2 housing allocations	63	351	22	436
Lapsed and Stalled	0	591	402	993
Potential	370	2,439	2,406	5,215
SUBTOTAL	2,381	4,216	3,030	9,627
Current draft small sites allowance minus any small sites already identified in supply	0	270	540	810
Current clearance allowance	-20	-20	-40	-80
TOTAL	2,361	4,466	3,530	10,357

- 3.2 The following provides a brief explanation of the different categories included in the overall land supply:

a) Sites under construction

Sites that have received planning permission and this permission has been implemented i.e. a material start has been made on the development of the site. The capacity figure quoted in this category is the remaining number of dwellings yet to be completed as at 31st March 2019.

b) Sites with an Extant Planning Permission

Sites that had an extant (current) full or outline planning permission for residential development (including mixed use sites), as at 31st March 2019.

c) Saved UDP Housing Allocations

Sites that have been specifically allocated for residential development within the adopted Oldham Local Plan and which have yet to be developed. These sites were saved allocations from the previously adopted Unitary Development Plan (UDP) and are split into Phase 1 and Phase 2. The phasing arrangements previously identified when the sites were considered deliverable, however due to the housing land supply position outlined in this report, the phasing arrangements no longer apply.

d) Lapsed and stalled sites

Sites that have previously had planning permission for housing but where this has expired before being implemented. It also includes “stalled” sites which are classed as those that have been granted permission and construction has begun (or a material start has been made) but where there has been no development activity for at least five years (i.e. before the previous NPPF).

e) Potential Sites

Sites that have been identified as being suitable for housing in the future but do not yet have residential planning history (i.e. have not previously received permission for housing or are not allocated for residential use).

Sites included in the potential category have been identified from the following sources:

- Sites submitted for consideration by residents, landowners and developers through the GMSF and local Call for Sites processes;
- Sites identified through masterplans, development briefs and renewal programmes where additional capacity or newly available land may emerge as part of wider redevelopment plans;
- Council’s asset register - sites which are being considered for disposal have been assessed for their development potential;
- Review of existing employment land, including mills – to identify any underused and/or poor quality, poorly performing employment sites which are either known to be relocating or where circumstances suggest that residential development is likely to be achievable in future e.g. where residential development has recently been approved or developed adjacent to the site or where the current use of the site is no longer appropriate within the wider area (such as large mills served by HGVs located in narrow residential streets);
- Sites identified for redevelopment by Regeneration section;
- Sites suggested by Officer and Member workshops;

- Site survey work undertaken by officers identifying potential urban infill and expansion.

f) Discounted sites

The SHLAA has attempted to identify as wide a range as possible of sites and broad locations for consideration. The “discounted” sites are currently constrained for housing, either because of physical or planning policy restrictions or are otherwise considered unsuitable, unavailable or unachievable. These sites have been sub-divided into several categories depending on the reasons for discounting, for example if they are in active employment use or are in the Green Belt. It should be noted that just because a site appears within the discounted site list this does not preclude it from coming forward in the future if it is considered suitable at that time. This has been reviewed and updated from last year, although for many of the sites they remain included on the discounted list. This is reviewed each year for any new evidence affecting a sites position.

4 Five-year housing land supply position

- 4.1 A great deal of emphasis is placed on the five-year deliverable housing land supply. The council is required to identify and update annually a supply of specific deliverable sites sufficient to provide a minimum of five years’ worth of housing against their housing requirement or local housing need. The local housing need will be calculated based on the methodology set out within paragraph 73 of the NPPF.
- 4.2 If a five-year supply cannot be demonstrated, or where the Housing Delivery Test¹ indicates delivery of housing has been substantially below the requirement, then it will become increasingly difficult to manage the location of development as the presumption in favour of sustainable development will apply to any planning application for housing.
- 4.3 Following consultation in 2018 on changes to the methodology, the Government has confirmed that the 2014-based household projections will provide the demographic baseline for assessment of local housing need, rather than the latest 2016-based household projections. This baseline is then adjusted for affordability. Adjusted affordability ratios were published in February 2019 which has changed Oldham’s local housing need to 692 new homes per year.
- 4.4 Based on the identified supply, set out above, it is not possible to identify a five-year supply of deliverable housing land against the current housing requirement, at this present time.

¹The Housing Delivery Test will measure each local authority’s performance in delivering new houses, expressed as a percentage of the total net homes delivered against the total number of homes required over the previous three years. If the Housing Delivery Test shows that there has been significant under delivery of housing over the previous three years (in this context meaning less than 85%), the local authority must include a 20% buffer in its supply of specific deliverable sites in order to achieve the required five years supply.

- 4.5 In addition to the local housing need of 692, projected clearance for the first five years (20 homes to be cleared over this period) means that the identified five-year supply contains 1,099 fewer dwellings than the level of housing required, which represents a 3.4-year supply of deliverable housing land or 68% of the housing required for this period.
- 4.6 Due to the lack of an identified five-year deliverable housing land supply it has not been possible to provide a buffer of the additional 20% housing requirement set out in the NPPF to account for under-delivery of housing. If a buffer were to be applied this would produce an annual housing requirement for Oldham of 830 new homes per year, which when compared to the annual completion average (over the last 5 years) of 404 dwellings, is considered unattainable at this present time.
- 4.7 Whilst this is not ideal, we will not be the only authority in Greater Manchester to be in this position. We must work co-operatively with other districts and be prepared in advance to deal with the possible consequences, including reviewing and actioning the measures within the Housing Delivery Action Plan, published in August 2019, to increase housing supply and delivery in the borough.

5 Next Steps

- 5.1 The updated SHLAA will continue the open Call for Sites process introduced in the previous SHLAA. We will invite members of the public, landowners, developers and other interested parties to submit sites for consideration as part of an on-going process. The SHLAA will then continue to be updated at least annually and any new site suggestions (and the existing baseline) will be assessed through these subsequent reviews.

6 Options/Alternatives

- 6.1 Option 1 – Publish the SHLAA in full to provide evidence for the housing land supply position, GMSF and Local Plan review.
- 6.2 Option 2 – Not publish a full SHLAA update for 2019.

7 Preferred Option

- 7.1 Option one is the Preferred Option. A fully assessed SHLAA provides the evidence base for identifying sites to be included in the housing land supply and for other requirements such as the Brownfield Land Register. It means the council has a full understanding of its currently available land supply which helps to inform decisions on allocating land in the future and can be used by the development industry to identify land with potential for housing development within the borough. Not publishing a full SHLAA leaves the council with an outdated published housing land supply position and does not effectively promote the potential supply of housing land within the borough to interested parties for development.

8 Consultation

- 8.1 The SHLAA is not a statutory process and as such there are no prescribed consultation requirements. The SHLAA will be published on the council's website. Suggestions for further sites will be invited through an on-going Call for Sites process and will form part of future SHLAA reviews.

9 Financial Implications

- 9.1 The SHLAA, along with accompanying maps, will be published on Oldham Council's website. It is not intended to provide hard copies of the assessment so there will be no printing costs. (Jamie Kelly)

10 Legal Services Comments

- 10.1 The Council is required to prepare a SHLAA in accordance with the provisions of the National Planning Policy Framework so that it has realistic assumptions about housing land supply which will help inform the preparation of housing site allocation policies. (A Evans)

11 Cooperative Agenda

- 11.1 The purpose of producing a SHLAA is to provide a publicly available, up to date position on potential housing land within the borough. This complements the council's priorities and objectives under the Cooperative Agenda. 12
Human Resources Comments

- 12.1 Not applicable

13 Risk Assessments

- 13.1 No risk comments provided.

14 IT Implications

- 14.1 The assessment and location maps will be published on the council's website. Sites within it will be available to view via the council's public mapping system as soon as practical after publication. This will need to be kept up to date as and when the SHLAA is reviewed.

15 Property Implications

- 15.1 At this stage of the Strategic Housing Land Availability Assessment (SHLAA), there are currently no direct property implications associated with its publication. (Peter Wood)

16 Procurement Implications

- 16.1 Not applicable

17 Environmental and Health & Safety Implications

17.1 The SHLAA provides information on potential housing land, in particular identifying previously developed land which could be developed for housing. The development of this type of land is a national and local planning policy priority in relation to sustainable development.

18 Equality, community cohesion and crime implications

18.1 The SHLAA forms part of the evidence base for the Local Plan, which will be the borough's planning and development document and reflects community cohesion issues.

19 Equality Impact Assessment Completed?

19.1 No, however the SHLAA forms part of the evidence base for the Local Plan, which will be the borough's planning and development document and reflects community cohesion issues.

20 Key Decision

20.1 Yes

21 Key Decision Reference

21.1 HSG-07-19

22 Background Papers

22.1

23 Appendices

Appendix 1a: SHLAA Report

Appendix 1b: SHLAA Schedule of Sites

Appendix 2: Borough Map

Appendix 3a: Potential Sites Ward Maps

Appendix 3b: Detailed Potential Site Assessment Tables

Appendix 4a: Discounted Sites table

Appendix 4b: Update on 2018 SHLAA sites

DELETE IF CABINET DECISION

Signed <u>Hannah Roberts</u> Cabinet Member [specify whom] HANNAH ROBERTS	Dated <u>18.12.19</u>
Signed <u>[Signature]</u> Executive Director	Dated <u>19.12.19</u>

