

Report of the Chief Executive

HOUSING DELIVERY UPDATE

1. Purpose of report

The purpose of the report is to provide the Committee with an update of new homes being delivered within the Borough. The report will provide details of the targets for new homes, the Borough's performance against the targets, the implications for poor delivery, actions being taken by the Council to speed up housing delivery, a large sites update and key issues that could prevent new homes being delivered in the future.

2. Background

Please see full report in appendix.

3. Financial implications

None.

Recommendation

The Committee is asked to NOTE the report.

Background papers

Nil

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2. Detail**New Homes Target**Greater Nottingham Aligned Core Strategy

The Greater Nottingham Aligned Core Strategy was adopted on 17th September 2014, Policy 2 in this document set a housing requirement of 6,150 new homes to be delivered within the Borough between 2011 and 2028. In order to meet the requirement of 6,150 new homes over a 17-year period (2011-2028) the Council needs to deliver an average of 362 new homes a year throughout the Borough. However, the lack of available housing sites in the early part of the Plan period meant that lower delivery was expected at the beginning, and that the allocation of new housing sites (through the Part 2 Local Plan) would increase delivery to be higher than the average later in the Plan period (i.e. the Plan built in a staggered housing target).

Standard Methodology

The Aligned Core Strategy is now over 5 years old and so in accordance with the NPPF (paragraph 73) from 9 September 2019 the local housing need should be calculated using the government's Standard Methodology. The latest (December 2020) Standard Method housing figures sets a target for Broxtowe of 368 new homes a year. Based on the current figures (which are reviewed annually) from 2019 to 2028 this increases the target for the Borough by 54 new homes overall, this is not considered to be significant and can be accommodated in the existing projected supply of new homes.

Changes to the Standard Methodology

Last year the government consulted on changes to the standard methodology that would have had a significant upwards impact on the housing target for the Borough. In December 2020 the government announced that it would not be proceeding with the proposed changes to the standard methodology but has included Nottingham as one of the '20 biggest' cities that need to take a 35% uplift to the housing need. The government has announced that the increase in

the number of homes to be delivered is expected to be met by the cities and urban centres themselves, rather than the surrounding areas.

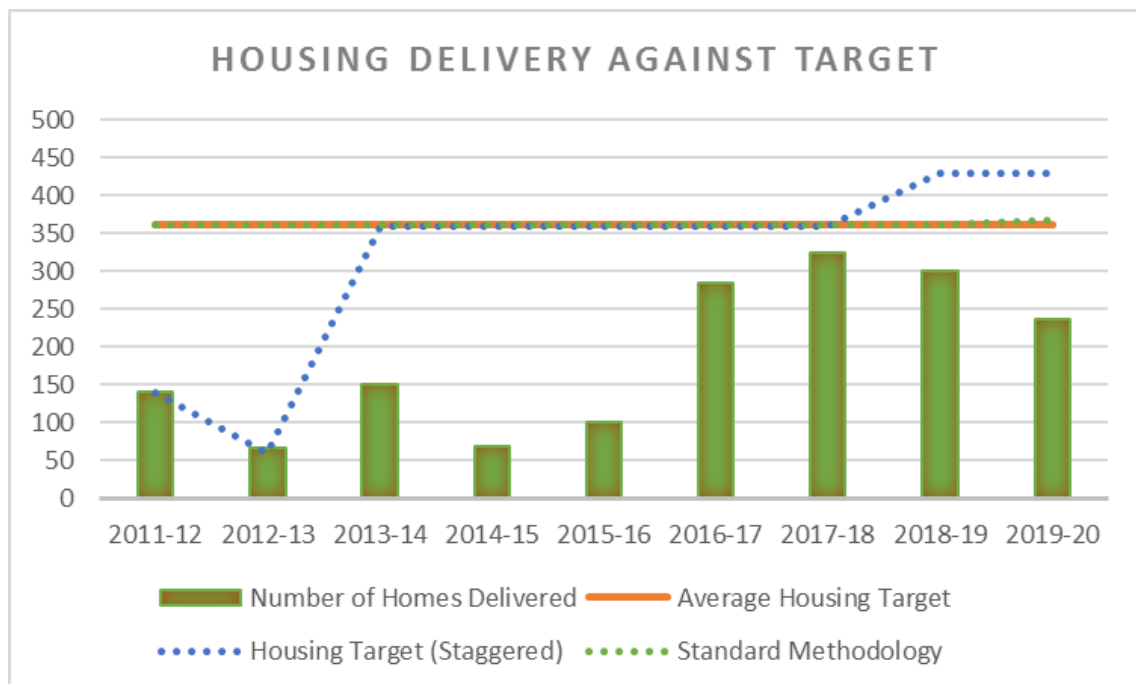
Greater Nottingham Strategic Plan

The Council is currently working with partner authorities in Greater Nottingham to review the Aligned Core Strategy (Part 1 of the Local Plan) and extend the timeframe for the plan until 2038. The Plan currently being prepared has been re-named to the Greater Nottingham Strategic Plan (GNSP), the starting point for determining the housing need in the GNSP will be to roll forward the new homes target based on the Standard Methodology. At the current time this will increase the existing target (to take into account the additional 10 years) by 3,680 new homes.

New Homes Delivery

Delivery of new homes in the Borough since 2011 has been below all of the above targets (shown in Chart 1).

Chart 1: Delivery of new homes in Broxtowe shown against the Aligned Core Strategy staggered target, the average target and the target as set in the government’s Standard Methodology



Housing Delivery Test

In 2018 the government introduced a standard test (The Housing Delivery Test) to measure whether Councils were achieving their housing targets (or, in some cases, local housing need) over the last 3 years. On the 19th January 2021 the Government released the most recent figures (shown in table 1).

Table 1: Broxtowe Housing Delivery Test Results 2019 - 20

Year	Number of Homes Required**	Number of Homes Delivered
2017 - 18	321	314
2018 - 19	361	302
2019 - 20	342	232
Total	1024	848

**Note the number of homes required differs from our 362 average because of rounding. An allowance has also been factored in by the government to take into account the impact of Covid.

The outcome of these results dictates the sanctions imposed on Councils when calculating their 5-year land supply position. As the Council has fallen below 85% of its new homes delivery target (delivering only 83%) we have to include the highest possible buffer of 20% onto our housing target in our 5-year land supply calculations. The buffer to the housing target is intended to improve the prospect of achieving the planned supply (over the Local Plan timescale). Broxtowe also has to publish a Housing Delivery Action Plan setting out how it intends to address the issue of under-delivery.

Housing Delivery Test result position of other Greater Nottingham councils:

- Broxtowe = 83%
- Erewash = 69%
- Gedling = 68%
- Nottingham City = 156%
- Rushcliffe = 113%

Erewash and Gedling Councils (similarly to Broxtowe) both have to apply the 20% buffer on to their 5-year land supply calculations and have to publish a Housing Delivery Action Plan. However, as an additional sanction they also have to apply the 'presumption in favour of sustainable development' (detailed further below) when determining planning applications.

Nottingham City and Rushcliffe Borough Council have both exceeded their new homes delivery target and have no further action required as a result of the Housing Delivery Test results. Whilst no detailed analysis has been undertaken, in the case of Rushcliffe this could be attributed to the strong housing market where demand for new homes and average house prices are high making the area attractive to developers as profits are higher and the risk is lower. Nottingham City has benefitted from government changes to the Permitted Development Rights meaning that much of their delivery has come from sources such as Office to Residential conversions which are relatively abundant in the City Centre, they have also had a high proportion of purpose-built student dwellings which count towards new home delivery figures.

Presumption in favour of sustainable development

The Council should always take a positive approach to granting planning applications quickly where development proposals accord with national and local policies.

However, when the Council is;

- Unable to demonstrate a 5-year housing land supply; or
- the Housing Delivery Test results show that the housing delivery was less than 75% of the housing target (over the previous 3 years)

when determine a planning application for new homes the policies which are most important should be considered 'out-of-date' and planning permission should be granted unless their adverse impacts "significantly and demonstrably" outweigh their benefits.

This tilts the balance of judgement in favour of granting the application and means that the onus is on the Council to demonstrate that, where an application has been refused, there are serious/significant implications for not doing so. This could mean that the Council may not be able to direct development to areas that are appropriate and planning applications that would otherwise be refused have to be approved. This could also mean that the Council could have more appeals against planning application refusals (and be less likely to win) and costs being awarded against them.

5 Year Land Supply

All Councils are required to publish an annual 5-year land supply position; the 5-year land supply calculates the difference between the requirement and the supply over a 5-year period. Councils need to be able to demonstrate a 5-year housing land to ensure that housing targets are met and that policies within the Local Plan (Core Strategy and Part 2 Local Plan) are given full weight through the planning process including when appeals are lodged.

As a result of the Aligned Core Strategy being more than 5 years old the requirement for the 5-year land supply (2020-2025) is measured against the area's local housing need calculated using the standard method. The standard method factors in past under-delivery as part of the affordability ratio, so there is no requirement to specifically address under-delivery separately when establishing the minimum annual local housing need figure.

This is significant for Broxtowe because:

- If the baseline ACS requirement was being applied (because of the staggered trajectory) it would have been high for those years; and
- There would have also been a significant shortfall to add to the requirement as a result of historic under-delivery (increasing the target further).

Table 2: Difference between the two requirement calculations (2020 – 2025)

	Base Requirement	Shortfall	Buffer	Overall Requirement
ACS Requirement*	2090	1189	20%	3935
Standard Method	1840	-	20%	2208

*Assuming the plan wasn't over 5 years' old

The supply for the corresponding years is not yet known, however the change to the way that the 5-year land supply is calculated as a result of the Strategic Plan being more than 5 years old resulting in a reduction in the requirement should mean that demonstrating a 5-year housing land supply is easier, at least in the short-term.

Boosting delivery

The Council Published a Housing Delivery Test Action Plan in December 2020 to outline the key actions already taken to ensure housing delivery throughout the Borough is maintained, these are bulleted below:

- Adopting the Part 2 Local Plan (P2LP), which includes allocations for housing development sites needed to meet the requirement set out in the Aligned Core Strategy. The P2LP contains enough allocations to provide an uplift of 22% of new homes on the Core Strategy housing requirement figure (from 6,150 new homes to 7,512 between 2011 and 2028). This uplift also provides a buffer for the Council's overall housing supply to ensure that even if some sites are slower than expected to deliver new housing the requirement will still be met overall.

The P2LP was adopted in October 2019, this was towards the very end of the years used to calculate the Housing Delivery Test results and so it is expected that this action alone will have significant implications to boost the future delivery of new homes in the Borough. Planning applications and pre-application submissions have already been received for some of the key allocated sites (detailed in table 3 below).

Table 3: Update on large sites allocated for housing delivery

Site	Number of houses to be delivered by 2028	Projected Delivery Timescales	Update
Main Built up Area			
Boots	400	2021 - 2026	Outline planning application (14/00515/OUT) currently awaiting a decision for 675 new dwellings (split between Broxtowe and Nottingham City). On-going discussions with landowners and Nottingham City. Enabling infrastructure work complete. Delivery likely to be later than projected.
Field Farm (ACS allocation)	450	2018 - 2027	Extant Outline planning application with Reserved Matters and an additional hybrid application all approved. Currently under construction.
Chetwynd Barracks	500	2023 – 2028	On-going discussions with landowners, pre-application submission received.
Toton Strategic Location for growth	500 - 800	2019 - 2028	Outline planning permission granted for 500 new homes. Master-planning work on-going. Delivery likely to be later than projected.
Bramcote (East of Coventry Lane)	500	2020 - 2025	No planning application submitted. Delivery likely to be later than projected.
Stapleford (west of Coventry Lane)	240	2020 - 2023	Outline planning application (20/00352/OUT) currently awaiting a decision. Delivery likely to be later than projected.
The Square Beeston	132	2021 - 2023	Planning permission granted for 132 new homes (19/00816/REM).
Severn Trent (Lilac Grove)	100	2026 - 2028	No planning application submitted.
Beeston Maltings	56	2023 - 2025	Full application (19/00668/FUL) currently awaiting a decision for 74 new homes.
Beeston Cement	40	2023 - 2024	Pre-application submission received.

Site	Number of houses to be delivered by 2028	Projected Delivery Timescales	Update
Depot			
Wollaton Road Beeston	12	2023 - 2024	No planning application submitted.
Awsworth			
Land west of Awsworth (inside the bypass)	250	2020 - 2023	Outline planning application (20/00056/OUT) currently awaiting a decision for 250 new homes. Delivery likely to be later than projected.
Brinsley			
East of Church Lane	110	2020 - 2023	Planning application (20/00641/FUL) currently awaiting a decision for 115 new homes. Delivery likely to be later than projected.
Eastwood			
Walker Street	200	2020 - 2023	Outline planning application (20/00844/OUT) currently awaiting a decision for 110 dwellings at the southern part of the site and a further one for 60 assisted living apartments (20/00845/OUT) at the north of the site. Delivery likely to be later than projected.
Kimberley			
Land South of Kimberley (including the Depot)	118	2024 - 2027	No planning application submitted.
Land South of Eastwood Road	26	2021 - 2022	No planning application submitted. Delivery likely to be later than projected.

Table 4: Other Large Sites (50+ homes)

Site	Number of houses to be delivered by 2028	Projected Delivery Timescales	Update
Main Built up Area			
Beeston Business Park	310	2020-2027	Currently under construction.
Bramcote Hills Golf Course	100	2021 - 23	Outline planning permission granted at appeal, Reserved Matters application refused. Delivery likely to be later than projected.
Hempshill Hall Low wood road Nuthall	116	2021 - 24	Outline planning permission granted at appeal. Delivery likely to be later than projected.
Bartons Bus Depot	250	2020 - 26	Extant hybrid planning permission (16/00859/FUL) with full permission for 29 dwellings and outline permission with some matters reserved for up to 221 additional dwellings. Delivery likely to be later than projected. Currently under construction.
Central College Nottingham	65 (162 bedroom student accommodation)	2024 - 25	Planning application currently awaiting a decision (20/00891/FUL). Delivery likely to be sooner than projected.
Eastwood			
Raleigh	125	2022 - 25	The site has extant outline planning application (19/00142/OUT) for the construction of 125 dwellings.
Beamlight	150	2020 - 24	Currently under construction.
Land off Acorn Avenue	67	2020 - 24	Currently under construction. Delivery likely to be sooner than projected.
Kimberley			
Kimberley Brewery	139	2017 - 21	Currently under construction. Delivery likely to be later than projected.
Other Rural			

Site	Number of houses to be delivered by 2028	Projected Delivery Timescales	Update
Former Dry Ski Slope Cossall	64	2021 - 22	Outline planning application (19/00524/OUT) currently awaiting a decision. Delivery likely to be later than projected.

- A Toton Masterplan is being produced with stakeholders including the County Council and Neighbourhood Forum to provide additional certainty to developers and secure early delivery of housing on the allocation.
- In December 2020, owners of a number of sites deemed suitable for housing were contacted and offered support to bring sites to the market and deliver new homes.
- Granting planning permission for suitable new homes continues (detailed in Table 5) with 99% of planning applications determined within the government set timescale targets. Where the statutory deadlines cannot be met (particularly with larger more complex schemes) the Council takes a proactive approach and agrees extending the time limit for determining the application with the landowner/developer (rather than issuing a refusal).

Table 5: The number of new homes granted planning permission in each calendar year and the total number of homes with planning permission waiting to be completed during the Housing Delivery Test years:

Year	Number of new homes granted planning permission this year	Total number of new homes with planning permission (waiting to be completed)
2017/18	1080	2668
2018/19	506*	2772*
2019/20	854*	2605*

* Figure is shown as net (i.e. expected losses are included) communal bedspaces are also included (rounded to the nearest whole figure) where the divider of 2.5 has been used (i.e. every 2.5 communal bedspaces = 1 dwelling).

- House builders and developers are provided with a pre-application service to resolve issues prior to the planning application stage and ensure that the application process runs smoothly.
- Council owned landholdings have been reviewed and consolidated. In 2020/21 the Council's housebuilding programme;
 - has delivered new dementia friendly bungalows in Beeston (20/00282/REG3);
 - will shortly be beginning the construction of new apartments in Stapleford (20/00257/REG3); and
 - has applied for planning to develop new houses and flats in Bramcote (21/00038/REG3).
- A Custom and Self-Build Register is being monitored and maintained of those who have expressed an interest in undertaking a custom/self-build home development.
- A review of the Strategic Housing Land Availability Assessment (SHLAA) process across the Greater Nottingham Area has been undertaken (by Arup) and a joint methodology for future SHLAAs has been agreed to ensure consistency with future land supply assumptions (i.e. which sites are suitable

for housing development and when delivery can be expected) across the Housing Market Area.

- A new 'Contributions Officer' position has been created to negotiate S106 contributions with developers, gather market data and analyse viability issues and work with stakeholders to overcome these, speeding up the S106 process thus allowing for earlier delivery of new homes particularly on larger sites.
- 9 Neighbourhood Plans currently being supported through preparation and production, these have the potential to contribute towards future housing supply and can add more certainty for developers.
- The Greater Nottingham Strategic Plan is currently being prepared. This will update the Aligned Core Strategy (adopted in 2014) and will extend the scope for the delivery of new homes to 2038 including an updated housing requirement and sites which can accommodate those new homes. Consultations on the plan are on-going with the ambition that the final version of the Plan will be adopted by the end of next year.
- In excess of £4.4m of government funding was bid on from the Future High Street Fund and the Small Site Development Fund (in combination) which in addition to other development/infrastructure would have secured 159 new homes. The bids did not receive support.

Future Delivery Uncertainties

There are a number of key issues which could have an impact on housing delivery in the Borough in the future;

- Uncertainty regarding the delivery of the HS2 hub station at Toton which is required to unlock housing and economic ambitions of the area.
- Uncertainty regarding the slowdown of the housing market and the impact of Covid 19 on future house sales and buyer ability to access funding.
- House prices in Broxtowe (particularly in the north of the Borough) are below the East Midlands average (which themselves are below the national average) and house prices nationally have 'flattened out' over recent years which affects viability of sites and their attractiveness to house builders. Where viability is challenged (via viability assessments) this leads to delays in applications being submitted and applications being determined (because they have to be independently reviewed and go to committee for decision).
- Lack of government funding/support to deliver infrastructure and unlock difficult brownfield development.
- Access to materials (particularly bricks) and labour is causing delays to construction, this may be a particular problem for small/medium builders who don't have the buying power of some of the volume house-builders. This is a particular issue for Broxtowe as volume house-builders are hard to attract to the area.
- Delivery on many of the larger allocation sites is slower than expected and so the trend of under-delivery is likely to continue in the short term.

- There remains a mismatch between the number of planning permissions granted for new homes and those being delivered which suggests that speculative applications and/or land-banking by landowners/developers remains an issue.
- Access to materials (particularly bricks) and labour is causing delays to construction, this may be a particular problem for small/medium builders who don't have the buying power of some of the volume house-builders. This is a particular issue for Broxtowe as volume house-builders are hard to attract to the area.

Conclusion

Sufficient housing sites have been made available through the Local Plan process to meet the new homes target (up until 2028) and many of those are now engaged with either pre-application discussions, are awaiting a decision on a planning application or have planning permission granted on them. Annual delivery of new homes is however, consistently falling short of the housing target which could mean that further sanctions are placed on the Council in the future, this can be contributed to by many factors that are outside the control of the Council. However, the Council still needs to ensure that planning permission is granted promptly for new homes (particularly on large sites that make a big contribution to the land supply position), ensure that sites with planning permission for new homes do not lapse and continue to assist in any way that it can with the delivery of new homes.