

## Sunderland City Council Response to Matters, Issues & Questions

### Matter 4 – Housing Land Supply

#### 1. Components of Housing Supply

##### ***1.1 Will the up to date housing supply position be clearly shown in the Plan (base date of 31 March 2019)?***

The Council has updated its housing land supply position with a base date of 31 March 2019. This has been submitted alongside the Council's response to the MIQs.

##### ***1.2 Will the components of the housing supply that will meet the housing requirement be clearly shown in the Plan (Table 22 of the Compliance Statement refers)?***

Table 22 of the City Council's Compliance Statement (SD.66; para. 8.44; pg. 245) breaks down the housing supply into completions, units under construction, outline and full planning permission, small sites, demolitions, strategic sites, other SHLAA sites and HGA's. This table has been updated in conjunction with the updated housing supply position, which provides more clarity with regards allocations within the Local Plan and allocations to be made within the Allocations & Designations Plan. This has been proposed as a modification to the Plan in the updated Schedule of Main Modifications (MM19).

##### ***1.3 Is the small sites allowance of 50 dpa justified by compelling evidence?***

The Council consider the small sites allowance of 50 dpa to be robust as set out within the Compliance Statement (SD.66, para. 8.39; pg. 243). Planning records indicate that over the past five years an average of 47 dwellings per annum (net) have been delivered through sites of four or less units, which includes new build, change of use and conversions. It is anticipated that this will continue over the Plan period, but it will be subject to monitoring through the AMR.

Year	Total Gains	Total Losses	Net
2013/14	35	1	34
2014/15	57	3	54
2015/16	44	4	40
2016/17	48	0	48
2017/18	63	5	58
<b>2013/14-2017/18</b>	<b>247</b>	<b>13</b>	<b>234</b>
<b>Average annual dwellings from small sites</b>			<b>47</b>

**1.4 Is the flexibility factor of 8.5% sufficient to ensure that the housing requirement will be met over the Plan period?**

The Council consider that the flexibility factor applied is sufficient to ensure that the housing requirement will be met over the Plan period. Based on the 2019 SHLAA update, the total amount of housing supply (14,589 units) identified over and above the housing requirement (13,410) is 1,179 dwellings which equates to an overall flexibility factor of 8.8%<sup>1</sup>.

The Council has assessed the lapse rate which demonstrates that the lapse rate has been below the flexibility factor applied. Analysis of previous applications over the past ten years reveals a lapse rate of around 7.8%. On this basis, the Council are satisfied that the 8.8% flexibility factor will ensure that the housing requirement is met over the Plan period.

**1.5 Is the allowance for demolitions of 20 units per year justified?**

It is considered that an allowance of 20 units per year for demolitions is justified. As set out in the Compliance Statement (SD.66, paras. 8.41-8.42, pg. 244), proposed demolitions over the next five years are known, and as such these have been accounted for within the housing supply. However, it is considered appropriate to account for a nominal loss for demolitions (from year six) which may unexpectedly come forward over the remainder of the Plan period.

To determine this nominal loss of 20 demolitions per year it was considered reasonable to discount the large-scale demolitions undertaken by Gentoo (the city's largest registered provider) as they undertook a significant stock clearance and renewal programme from 2004 through to 2015. As such, the average loss (past 10 years), through demolitions without Gentoo, is an average of 22 units, therefore 20 demolitions per year have been account for within the supply.

**2. The Housing Trajectory and HIS**

**2.1 Is the data that supports the Housing Trajectory (Figure 34) based on Realistic assumptions?**

As set out in the Compliance Statement (SD.66; paras. 8.45-8.46; pg. 246) and the SHLAA (SD.22; paras. 4.54-4.62; pgs. 23-24) the data that supports the housing trajectory is based on realistic assumptions that have taken on board the following:-

- Lead in times for gaining further planning consents if a site only has outline permission;
- Allocated housing site/developable sites with planning applications pending/ developable sites on which an application is anticipated within 12 months – completions expected from year 4 (only where discussions have

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<sup>1</sup> See Revised SHLAA May 2019 - Housing Supply Update, Table 1. Please note that this flexibility factor is higher than the 8.5% factor set out in the Council's response to the Preliminary Questions, as a result of the 2019 SHLAA update.

been undertaken and robust evidence has been submitted to indicate that any outstanding issues can be resolved within the anticipated timescales or have been resolved at pre-application stage);

- Average build out rates within the city (30 dpa) or a site's past delivery;
- Detailed discussions with developers/landowners on SHLAA sites around likely timetables for construction start up, site preparation, expected start dates, anticipated delivery rates and site constraints through SHLAA panel meetings;
- Increased annual build out rates, generally on larger sites where expected to have more than one developer on site or site developed by Registered Providers;
- Site constraints which may need to be overcome before development can start;
- Infrastructure requirements which need to be in place before development can commence;
- Market information;
- Funding timelines;
- Viability.

The sites within the SHLAA are based upon the best available evidence and information at a point in time and discussions with the SHLAA panel which includes representatives from the development industry.

With regards small sites and demolitions, the assumptions, which are considered realistic, are set out within the response to questions 1.3 and 1.5 above.

### ***2.1 Will the HIS (when available) demonstrate that a five-year supply can be maintained through the Plan period?***

As demonstrated through the SHLAA trajectory (SD.66; pg. 245) together with the measures that are set out in the Plan at paragraph 6.9 (SD.1; pg. 58) and the actions and triggers as set out in the Monitoring Framework (SD.13; Section 6) which will be expanded upon through the HIS, a five-year supply can be maintained through the Plan period. The updated housing land supply position demonstrates that this will continue to be the case.

## **3. Five Year Housing Land Supply**

### ***3.1 Is the use of a 5% buffer to calculate the housing land supply position appropriate?***

The Council have chosen to apply a 5% buffer as this reflects the above-target record of delivery of housing over recent years and ensures choice and competition in the market for land. As set out in the Compliance Statement (SD.66; Figure 32; pg. 245). More recently, the Council's performance against the Housing Delivery Test (186% in 2018<sup>2</sup>) justifies the buffer used.

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<sup>2</sup> <https://www.gov.uk/government/publications/housing-delivery-test-2018-measurement>

### ***3.2 Is the inclusion of 250 units from small sites justified taking into account the need to avoid double counting?***

As set out in the Compliance Statement (SD.66; para. 8.39; pg. 243) small sites (4 units or less) have been excluded from the SHLAA, however they do contribute to the housing supply. Planning records indicate that over the past five years an average of 47 dwellings per annum (net) have been delivered through sites providing four or less units, which includes new build, change of use and residential splits. This is set out within the SHLAA (SD.22; para. 4.68; pg. 25).

Double counting is avoided as the Figures in Table 18 of the Compliance Statement (SD.66; pg. 242) in relation to units under construction, units with consent and units pending approval/strong developer interest only include those sites of 5 units or more.

### ***3.3 Generally, are the assumptions about the delivery from commitments and allocations realistic taking into account past completions?***

The Council considers the assumptions to be realistic, as set out in the SHLAA (SD.22; section 6; pg. 34 and Appendix G) and the Compliance Statement (SD.66; paras. 8.30-8.35; pgs. 241-242). The sites within the SHLAA, which incorporates the five-year land supply are all subject to the methodology as set out in the SHLAA (SD.22; section 4; pgs.10-28), which was endorsed by the SHLAA partnership in 2016. Sites are subject to annual updates and then discussed with the SHLAA panel and suggested changes incorporated where necessary.

Each individual site within the five-year land supply has been thoroughly assessed and discussed with the necessary developers/landowners where possible to gain an indication of how deliverable each site is. All sites are programmed in line with the SHLAA delivery and build out rates as set out in Table 5 of the SHLAA (SD.22; paras. 4.61-4.62; pgs. 23-24) and set out in the housing trajectory, as included in Compliance Statement (SD.66; Figure 32; pg. 245). It is acknowledged that the trajectory is undertaken at a point in time and sites may come forward earlier or later than anticipated.

### ***3.4 Are lead in times and build out rates realistic?***

As set out in the SHLAA (SD.22; paras. 4.55-4.63; pgs. 22-24) the lead in times and build rates for all types of sites that make up the five-year land supply are considered to be reasonable and deliverable and have been endorsed by the SHLAA panel (February 2018). As much information as possible is gained from developers/landowners and through SHLAA panel meetings to ensure the lead in times and delivery rates are as realistic as possible.

### ***3.5 Will there be a five year supply of deliverable housing sites on adoption of the LP?***

As detailed in the updated housing trajectory, the position as of 1 April 2019 demonstrates a five-year land supply of 6.1 years, with enough units in pipeline to ensure a rolling supply. The Housing trajectory indicates the increase in units which

are expected to be delivered between 2019/20 and 2023/24 and these are considered realistic and deliverable. It should also be noted that none of the Housing Growth Areas have been included within the five-year supply. Upon adoption of the Plan, it is anticipated that some of these sites may come forward towards the back of the five-year period.

#### **4. The Wording of the Policy SP8**

##### ***4.1 Will Policy SP8 as worded be effective in ensuring the delivery of at least 745 dpa?***

It is considered that the wording of the policy is effective, as set out in the Compliance Statement (SD.66; paras. 8.27-8.46; pgs. 241-246) each element of the supply is considered reasonable, deliverable and evidence based. The policy states that the 745 dpa is a minimum target and would therefore not restrict housing growth above this should additional sustainable sites come forward during the Plan period. Paragraphs 8.56-8.57, of the Compliance Statement (SD.66; pg. 253) indicate that the policy will be delivered through planning applications, site allocations, masterplans and design guides which are all considered realistic and achievable.

##### ***4.2 Should the policy refer to measures that would be implemented in the event of under-delivery against the minimum target or does the Housing Delivery Test contained within the 2019 Framework provide sufficient safeguards in this respect?***

It is considered that the measures within the policy at para. 6.9 (SD.1; pg. 58) and the triggers and actions within the Monitoring Framework (SD.13; Section 6) provide sufficient reference to measures that would be implemented in the event of under-delivery against the minimum target. In addition to this, the Council are in the process of preparing a Housing Implementation Strategy for the full range of housing, which will detail how delivery of a five-year supply of housing will be maintained to meet the housing target.