



**REPORT of
DIRECTOR OF STRATEGY, PERFORMANCE AND GOVERNANCE**

**to
ANNUAL COUNCIL
18 MAY 2023**

FIVE-YEAR HOUSING LAND SUPPLY

1. PURPOSE OF THE REPORT

- 1.1 The purpose of this report is to set out for publication the Council's Five-Year Housing Land Supply (5YHLS) position.

2. RECOMMENDATIONS

- (i) That the briefing paper appended to this report at **APPENDIX A** and its accompanying spreadsheets provides evidence that the Council can demonstrate a supply of specific deliverable sites sufficient to provide for 6.35 years' worth of housing against the Council's identified housing requirements.
- (ii) That the Five-Year Housing Land Supply position be approved and published on the Council's website.

3. SUMMARY OF KEY ISSUES

- 3.1 On 25 August 2022, Council agreed Terms of Reference for a Working Group to examine the Council's 5YHLS methodology. These were as follows.
- (i) Considering the methodology that is used by MDC to determine the 5YHLS, including any criteria for when approved housing units can be included, or excluded.
 - (ii) Comparing any alternative 5YHLS methodologies that can be evidenced as having been used successfully in other English local planning authorities;
 - (iii) The Working Group may seek independent professional external advice; and,
 - (iii) Recommending to the Council the methodology that should be used in the future to continue to monitor and report the Maldon District 5YHLS.
- 3.2 The Working Group met four times, on 26 October 2022, 28 November 2022, 2 February 2023 and 26 April 2023.
- 3.3 At the meeting on 28 November 2022, the Working Group was presented with a number of other Local Authorities' 5YHLS methodologies and it was found that different councils had differing methodologies and that there was not a uniform approach which the Council could draw on and use.

- 3.4 On 22 February 2023 the Working Group met and determined a set of questions, which had been discussed and raised during the previous two meetings to be put to a suitably qualified legal Counsel on the 5YHLS methodology.
- 3.5 On 26 April 2023, the Working Group met Dr Ashley Bowes, of Cornerstone Barristers, London. The advice given is covered by legal privilege so is not published here in full in this report but in summary the advice given to the Council is that the methodology for the 5YHLS calculations itself was robust and would be likely to avoid criticism at appeal in itself. Though any judgement within that methodology could be scrutinised and criticised therefore, it is important that decisions around what goes into the supply is soundly backed by evidence.
- 3.6 As set out in the attached paper at **APPENDIX A**, the Council has been advised that it should now be using the National Standard Methodology (NSM) for the assessment of the Council's housing need figure because the Local Development Plan (LDP) became five years old on 17 July 2022. This is a matter which officers had already noted and amended for the publication of this 5YHLS calculation. By using the Standard Method, any undersupply of housing is automatically taken out of the supply calculations as it is factored into the Method already.
- 3.7 The Council should consider the buffer it is putting on its housing requirement and set out the rationale for that. The Council is already a 5% buffer authority and given the high delivery of housing completions against the National Housing Delivery Test, this 5% buffer is considered to be acceptable as an ongoing factor within the methodology.
- 3.8 Finally, the Council should only count "major development" as deliverable if either:
(a) it has a detailed grant of planning permission or
(b) there is "clear evidence" housing completions will begin on site within five years. This is a matter which the Council was already considering in its methodology.
- 3.9 With regard to using a slippage rate, the Council has been advised that it was not a requirement of national policy but that it was for the Council to determine whether one should be added onto the 5YHLS. The slippage rate for the District is very low, 2.77%, given that there is a 5% buffer already added onto the 5YHLS figure and the slippage rate is below that, it has been determined to remove the slippage rate for this financial year. This will, however, be reviewed yearly and if it rises above 5% then consideration will be given to adding it back into the 5YHLS calculation.
- 3.10 The Council has been advised that given the robust development management policies against windfall development, the fact that two thirds of applications for windfall are being refused and the modest amount of net-new dwellings provided by this route, it is likely that any Inspector would strip out reliance on windfall from the supply. Though it is for the decision-maker to determine this factor the supply and national guidance does allow it, it has to be clearly evidenced and Inspectors are more likely to be risk averse if the evidence is not present to support factors in the methodology. This has therefore not been included in the 5YHLS methodology.
- 3.11 The 5YHLS has increased substantially since 2021/22. There are reasons for this as set out below.
- One of the main reasons is the Council now has to use the NSM for calculating its housing need because the LDP became five years old on 17 July 2022 and the overall five year need figure has therefore fallen from 1550 to 1395.

- Using the Standard Method for calculating housing need means that the undersupply has been removed from the calculation of the 5YHLS.
- A number of major housing sites have moved rapidly into delivery phase with reserved matters applications being granted and starts on site. This is significant progress on starts and permissions coming forward, particularly Burnham Waters Retirement site, Burnham-on-Crouch, Bridgemans Green, Latchingdon, and site 2d North Heybridge Garden Suburb which is now split between three developers with the advantage in terms of delivery of one of them bringing forward the whole site infrastructure.

4. CONCLUSION

- 4.1 The present methodology of the 5YHLS is robust and remains unchanged with the following exceptions:-
- (i) The Council will use the National Standard Methodology for calculating the housing need of the District until such time as a review of the Local Plan is submitted to the Planning Inspectorate.
 - (ii) The undersupply has been removed from the calculations of the 5YHLS in line with using the Standard Method for calculating housing need.
 - (iii) The slippage rate has been removed from the 5YHLS calculations but will remain under review year on year.

5. IMPACT ON STRATEGIC THEMES

- 5.1 The Place Strategy with associated Corporate Outcomes supports 'promoting civic pride and maintains the district's environmental quality' 'reducing the impact of waste disposal and pollution on the environment' and 'delivering the housing the district needs', 'working with partners to maintain and improve the district's resilience to the effects of climate change' and 'deliver sustainable growth and new infrastructure through development'.
- 5.2 The Prosperity Strategy with associated Corporate Outcomes supports 'enabling future economic / inward investment and new jobs', 'supporting existing local businesses' and 'enhancing and promoting the district's visitor economy'.
- 5.3 The Community Strategy with associated Corporate Outcomes supports 'working with our communities and partners to improve physical health and wellbeing of our residents', 'working with our communities and partners to improve the mental health and wellbeing of our residents' and 'working with our communities, schools and partners to improve our children and young people's health and wellbeing, giving them the best start in life'.

6. IMPLICATIONS

- (i) **Impact on Customers** – Having a clear methodology for the 5YHLS helps the public understand the Council's rationale for decision making in the planning process.
- (ii) **Impact on Equalities** – None.

- (iii) **Impact on Risk** – The risk of challenge against the 5YHLS has been reduced through the work of the 5YHLS Working Group and the legal advice it obtained. This should assist the Council in the determination of planning applications going forward.
- (iv) **Impact on Resources (financial)** – As above with regard to risk. This should assist the Council in the determination of planning applications going forward and could reduce the risk of costs against the Council for refusals of planning applications in terms of housing.
- (v) **Impact on Resources (human)** – None.
- (vi) **Impact on the Environment** – None.
- (vii) **Impact on Strengthening Communities** – None.

Background Papers:

Appendices B and C to **APPENDIX A** are available from the [Mod.Gov Library](#).

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