

PLANNING AND COMPULSORY PURCHASE ACT
2004

The Town and Country Planning (Local
Development) (England) Regulations 2004

Submission Core Strategy
Development Plan Document

Topic Paper 3 of Stafford Borough Council
Housing Supply (TP003)

Date : 10/03/2006

Topic Paper 3 of Stafford Borough Council Housing Supply (TP003)

Contents

Section	Title	Page
1.0	Introduction	1
2.0	Housing Policy	2
	- National	2
	- Regional	2
	- Strategic	4
	- Local	4
3.0	Monitoring Housing Development	5
4.0	Meeting Structure Plan and RSS Housing Requirements	7
5.0	Future Housing Land Supply - post 2011	11
6.0	Conclusions	12

Topic Paper 3 of Stafford Borough Housing Supply (TP003)

1.0 Introduction

- 1.1 *The key objective for planning policies in the Core Strategy Development Plan Document is to deliver the strategic approach for spatial planning across the Borough Council area. The Core Strategy Development Plan Document will be the principal planning document in the Stafford Borough Local Development Framework and will form part of the new Development Plan for Stafford Borough alongside the Regional Spatial Strategy for the West Midlands (RSS). The Core Strategy will aim to cover the same time period as the Regional Spatial Strategy.¹*
- 1.2 *The purpose of this Topic Paper on Housing Supply is to prepare for the independent Examination into the Submission Core Strategy Development Plan Document in accordance with Section 20 of the Planning and Compulsory Purchase Act 2004 and requirements set out in the Town and Country Planning (Local Development) (England) Regulations 2004. This Topic Paper presents the Council's case regarding housing supply for the Submission Core Strategy Development Plan Document.*
- 1.3 *In particular, this Topic Paper sets out the background information and context regarding the amount of future housing provision as outlined in the Core Strategy Development Plan Document, the framework for how the housing figures have been derived (including reference to national and regional planning policies) and an explanation of the forecast housing requirements for Stafford Borough.*

¹ 2001 - 2021

2.1 **National**

- 2.1.1 In March 2000 the Government published Planning Policy Guidance Note 3: Housing (PPG3) which advises that Local Planning Authorities should adopt a “plan, monitor, manage” approach towards the provision of new housing development and that this must involve a regular review of housing requirements. In addition PPG3 advocates a sequential approach when selecting sites for new housing development where previously developed land (also known as Brownfield) should be chosen in preference to Greenfield land. (A review of Planning Policy Guidance Note 3 has been initiated by the consultation of draft Planning Policy Statement 3: Housing that was undertaken at the beginning of 2006).

2.2 **Regional**

- 2.2.1 In June 2004 Regional Planning Guidance for the West Midlands (RPG11) was adopted – this has now been revised to be the Regional Spatial Strategy (RSS), following commencement of Part 1 of the Planning and Compulsory Purchase Act 2004. The RSS has been prepared, based upon the principles of sustainable development, to address the decentralisation of population and investment from the Major Urban Areas and the need to create balanced and stable communities across the Region.
- 2.2.2 With regards to the level of housing provision in Staffordshire, excluding Stoke on Trent, the “Communities for the Future” chapter in the RSS sets out the requirements to 2021. The following table sets out the housing provision for Staffordshire as defined in Policy CF3 of the RSS:

Annual Average Rate of Housing Provision

<i>Planning Area</i>	<i>To 2007</i>	<i>2007 - 2011</i>	<i>2011 - 2021</i>
Staffordshire	2900	2500	1600

- 2.2.3 To assist District authorities in progressing their new Development Plans prior to the RSS partial review taking place, a Ministerial letter dated 15 June 2004 set out that Authorities should establish levels of provision based on their existing apportionment of Structure Plan figures. For Stafford Borough the levels of provision equate to the figures set out below:

Structure Plan

Staffordshire

Staffordshire Structure Plan 1996 - 2011 total requirement	51800
Of which Stoke on Trent (S-on-T) requirement was	8500
Staffordshire without S-on-T	43300

Stafford Borough

Stafford Borough total requirement 1996 - 2011	5600
Stafford Borough requirement 1996 - 2011 as a % of Staffordshire excluding S-on-T (43,300 divided by 5,600)	12.93%

Regional Spatial Strategy

Staffordshire

RSS annual rate for Staffordshire 1996 - 2007 (excluding S-on-T)	2900
RSS annual rate for Staffordshire 2007 - 2011 (excluding S-on-T)	2500
RSS annual rate for Staffordshire 2011 - 2021 (excluding S-on-T)	1600

Stafford Borough - estimated

Stafford Borough annual requirement to 2007*	375
Stafford Borough annual requirement 2007 - 2011*	323
Stafford Borough annual requirement 2011 - 2021*	206

*(applying the same % as in Structure Plan 1996 - 2011 -
calculated by dividing the figures listed above by 12.93%)

Notes

- 1 Stoke on Trent is regarded as an MUA and separated from Staffordshire in RPG calculations
- 2 Outside Major Urban Areas (MUAs) RSS housing numbers are expressed as maxima.

2.2.4 Therefore as a result of applying the guidance as set out in the Ministerial letter referred to above, the following "RSS rate" figures are derived:

Annual average rate of housing provision 2001 - 2007	375
Annual average rate of housing provision 2007 - 2011	323
Annual average rate of housing provision 2011 - 2021	206

[NB: The Regional Planning Body is now working on the partial review for the Regional Spatial Strategy.]

2.3 Strategic

- 2.3.1 The approved Staffordshire and Stoke-on-Trent Structure Plan provides for 5600 new dwellings in Stafford Borough between 1996 - 2011.

2.4 Local

- 2.4.1 The Submission Core Strategy Development Plan Document of the Stafford Borough Local Development Framework correspondingly makes provision for the annual average rate of housing provision to be in accordance with the figures derived from applying the apportionment method as set out above. Refer to Core Policy 10 & Table 2 of the Submission Core Strategy Development Plan Document.

3.0 *Monitoring Housing Development*

- 3.1 Each year Stafford Borough Council prepares a document (The Housing Monitor - “Land for New Homes”) which monitors housing land availability for the Borough by recording the number of completions, the number of windfalls (sites which are not allocated in the adopted Local Plan but gain planning permission for residential development), commitment sites (land with an existing permission for new housing) and Local Plan allocations gaining planning permission.
- 3.2 The following table sets out the number of completions that have been recorded during the Structure Plan period:

Table 1 - Annual rate of housing completions 1996 - 2005

Year	Number of Dwellings Completed
1996 - 1997	323
1997 - 1998	244
1998 - 1999	698
1999 - 2000	459
2000 - 2001	647
2001 - 2002	677
2002 - 2003	567
2003 - 2004	604
2004 - 2005	321
Total	4540
Average annual rate of housing completions 1996 - 2005	504

- 3.3 The latest Housing Monitor reveals that the following completion rates apply within the period covered by the RSS:

Table 2 - Annual rate of housing completions 2001 - 2005

Year	Number of Dwellings Completed
2001 - 2002	677
2002 - 2003	567
2003 - 2004	604
2004 - 2005	321
Total	2169
Average annual rate of housing completions 2001 - 2005	542

- 3.4 Housing commitments at the end of March 2005 (including sites subject to consent following the signing of Section 106 agreements but **excluding** residential allocations without planning permission) = **1998** dwellings.
- 3.5 The future status and use of the six Greenfield sites that are residential allocations in the adopted Stafford Borough Local Plan 2001 but which have yet to be released for such use (because of PPG3 based reasons concerning such Greenfield sites) will be considered and determined within the forthcoming Site-specific Allocations and Policies Development Plan Document; it is not expected that any of these Greenfield sites would gain consent in advance of the adoption of that Site-specific Allocations and Policies Development Plan Document.

4.0 Meeting Structure Plan and RSS Housing Requirements

- 4.1 The Development Plan for the period up to 2011 comprises the adopted Stafford Borough Local Plan, the Staffordshire and Stoke-on-Trent Structure Plan (both of which currently have the status of “saved” documents for a period of three years “post-commencement”) together with the RSS, and it is the Development Plan which sets out the context for housing land requirements in the Borough up to 2011. The “new” Development Plan will cover the period from 2001 – 2021 and will comprise the Local Development Framework together with the RSS.

The Staffordshire and Stoke-on-Trent Structure Plan

- 4.2 The Structure Plan covers the period 1996 - 2011 and sets out a figure of 5600 new dwelling units to be provided within Stafford Borough during this period, which equates to an annual average development rate throughout the duration of the Structure Plan period of 373 units.
- 4.3 The actual annual average development rate experienced from 1996 - 2005 has been 504 units per year (see Table 1), which is 131(504 - 373) units (or 35%) in excess per year over and above the average annual development rate “policy” figure as provided for by the approved Structure Plan. As a result, the high completion rates referred to would need to reduce significantly - for the remainder of the Structure Plan period - if the Structure Plan figure for this Borough is not to be exceeded; and, in order that the figure is not exceeded this would lead to a much reduced future annualised average requirement of 177 dwellings (the 5600 “target” minus completions of 4540 in the first nine years, giving a residual figure of 1060 dwellings to be provided over six years remaining between 2005 - 2011 which equates to 177 per year) for the remainder of the Structure Plan period to 2011.
- 4.4 How adequate then is the level of committed housing supply at March 2005 as against the requirements of the remaining six years Structure Plan?

Structure Plan Housing Figure for Stafford Borough 1996 – 2011	=	5600 units
Total No. Housing completions 1996 – 2005	=	4540 units
∴ Net “Residual” Requirement	=	1060 units (5600 - 4540)
Supply as at March 2005	=	1998 units
∴ Level of “over-provision”	=	938 units

Residual Average requirement
(2005 - 2011) = 177 units / year (1060 ÷ 6)

Supply as at March 2005 = 1998 units

∴ No of Years supply = 11.3 (1998 ÷ 177)

- 4.5 However, of more direct relevance to the plan period covered by the Stafford Borough Local Development Framework is the guidance provided by the RSS.

Regional Spatial Strategy for the West Midlands

2001 – 2007

RSS “Apportionment” figure
for Stafford Borough 2001 – 2007 = 2250 units (375 x 6)

Total No. Housing completions
2001 – 2005 = 2169 units

∴ “Net” Residual Requirement = 81 units (2250 – 2169)

- 4.6 Given that only 81 dwellings need be completed to meet the RSS target up to 2007, the high completion rates that have been experienced in the first four years of the RSS would (akin to the Structure Plan) need to reduce significantly for the remainder of the period up to 2021 if RSS targets are not to be exceeded.
- 4.7 To consider the adequacy of the committed residential supply (as at March 2005) against the **residual** requirements of the RSS, it is appropriate to consider both the period from 2001 - 2011 and also that from 2001 - 2021:

2001 - 2011

RSS “Apportionment” figure
for Stafford Borough 2001 - 2011 = 3542 units (6 x 375)+ (4 x 323)

Total No. Housing completions
2001 – 2005 = 2169 units

∴ Net “Residual” Requirement = 1373 units (3542 - 2169)

Supply as at March 2005 = 1998 units

∴ Level of “over-provision” = 625 units

Residual Annualised Average
Requirement (2005 - 2011) = 229 units / year (1373 ÷ 6)

Supply as at March 2005 = 1998 units

∴ No. of Years supply = 8.7 (1998 ÷ 229)

2001 - 2021

RSS "Apportionment" figure
for Stafford Borough 2001 - 2021 = 5602 units (6x375) + (4x323)
+ (10 x 206)

Total No. Housing completions
2001 – 2005 = 2169 units

∴ Net "Residual" Requirement = 3433 units (5602 - 2169)

Supply as at March 2005 = 1998 units

∴ Level of "under-provision" = 1435 units

Residual Annualised Average
Requirement (2005 - 2021) = 215 units / year (3433 ÷ 16)

Supply as at March 2005 = 1998 units

∴ No. of Years supply = 9.3 (1998 ÷ 215)

4.8 It is evident therefore that -

- in practice, both the Structure Plan and RSS targets are likely to be exceeded if the commitments as at March 2005 are fully implemented by 2011 - particularly in view of the fact that these commitments will be supplemented by further permissions granted between 2005 - 2011.
- when assessed against either the Structure Plan or the RSS requirements, the level of committed housing supply represents in excess of 5 years supply when divided by the residual annual average requirement
- the level of residential supply as at March 2005, which equates to in excess of five years, meets the advice contained in Draft PPS3 that Local Planning Authorities should be able to demonstrate that a five year supply of developable land is available

- 4.9 The calculations as outlined above – i.e. that reveal in excess of a 5 year supply of housing land which is therefore sufficient to cater for the period up to 2011 - do not make any allowance numerically for those planning permissions that have been, and will continue to be, granted post - April 2005.
- 4.10 Insofar as future permissions are concerned, it is clearly difficult to be able to predict with certainty what the level and nature of residential planning approvals will be granted in the longer term (for instance, throughout the duration of the remaining fifteen years covered by the RSS); however, examination of recent trends does potentially give an indication of the scale and nature of permissions which may reasonably be expected to be granted. In this regard, “Land for New Homes” sets out an assessment of the rate at which residential windfall planning permissions are being granted and this indicates that permission rates on such sites have remained at a consistently high level in recent years.
- 4.11 It is noteworthy that not all permissions that are granted will necessarily be implemented within the same “plan period” that they are granted - clearly those granted early being those most likely to be fully implemented within the same plan period. The consequence of this is the provision of a continuing stock of land with planning permission for residential development, which means that there will be an ensuing supply of un-implemented consents at the end of one plan period that will be “carried-forward” into the next - for instance, this situation will apply to the consideration of the adequacy of the residential supply within Stafford Borough for each of the three “policy periods” of the RSS (ie 2001 - 2007, 2007 – 2011 and 2011 - 2021).

5.0 *Future Housing Land Supply - Post 2011*

- 5.1 In numerical terms, currently the most up-to-date figure for housing requirements after 2011 is derived by applying the “apportionment” method which gives 2060 units in total for the whole of the period between 2011 (the end of the Structure Plan period) and 2021 (as the end of the period covered by the RSS) and it will be for the Sites and Allocations Development Plan Document to determine the extent and location of any allocations necessary to meet that figure.
- 5.2 Given the commencement of works on the partial review of the RSS, the potential impact of the latest figures on household formation rates, the finding of the Barker Report and content of Draft PPS3 it would be inappropriate at this time to speculate as to any changes to housing numbers following the partial review of the RSS.

6.0 Conclusions

- 6.1 The housing requirement for Stafford Borough from 2001 - 2021 has been established in the Ministerial letter of 15 June 2004 and Policy CF3 of the Regional Spatial Strategy. At present the actual annual average completion rates for housing provision are exceeding the RSS policy figure of 375 completions per year between 2001 - 2007.
- 6.2 The stock of residential permissions, combined with the likely rates of future residential permissions and completions, indicates that both Structure Plan and Regional Spatial Strategy housing figures are likely to be exceeded in both the short (1 - 5 years) and medium (5 - 7 years) terms.
- 6.3 The future use and status of un-implemented Greenfield allocations as contained in the adopted Stafford Borough Local Plan are to be determined within the Sites and Allocations Development Plan Document of the Local Development Framework.