

## Executive

### Local Development Framework Annual Monitoring Report

6 December 2011

### Report of Head of Strategic Planning and the Economy

#### PURPOSE OF REPORT

To seek approval of the Local Development Framework's Annual Monitoring Report (AMR) for submission to the Secretary of State for Communities and Local Government, and to present the district's current housing land supply position.

This report is public

#### Recommendations

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The Executive is recommended to:

- (1) Approve the Annual Monitoring Report for submission to the Secretary of State and authorise the Head of Strategic Planning and the Economy, in consultation with the Lead Member for Planning, to make any necessary minor amendments prior to submission.
- (2) Note the district's housing delivery position.
- (3) Authorise the preparation of a more detailed land supply update for approval by the Executive in February 2012.

#### Executive Summary

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##### Introduction

- 1.1 An Annual Monitoring Report (AMR) has been prepared for the period 01 April 2010 to 31 March 2011. It presents information on development that took place or was permitted over that period and provides a comprehensive review of housing land supply. The AMR also reports on progress in preparing the Local Development Framework.
- 1.2 A full paper copy of the AMR has not been attached to this report but is available electronically on the Council's website. A copy has also been placed in the Members' Room.
- 1.3 The Planning and Compulsory Purchase Act 2004 and the Town and

Country Planning (Local Development) (England) Regulations 2004 (as amended) require the Council to produce an AMR. Upon approval by the Executive, it will form part of the Local Development Framework (LDF).

- 1.4 The information contained in the AMR will be used to inform policy making for the LDF and in consultations on planning applications. The Council is required to submit the AMR to the Secretary of State by 31 December 2011. It will be made publicly available but is not subject to consultation.

#### *Housing Supply*

- 1.5 The monitoring of housing supply is a key part of the AMR. Planning Policy Statement 3 (PPS3) requires Local Planning Authorities (LPAs) to maintain a five year rolling supply of deliverable sites and states (paragraph 71) that where this cannot be demonstrated they should consider planning applications favourably having regard to other policies and considerations in the PPS. The draft National Planning Policy Framework proposes a continuation of the requirement to maintain a five-year land supply and suggests that the supply "...should include an additional allowance of at least 20 per cent to ensure choice and competition in the market for land".
- 1.6 Maintaining such a housing supply is very difficult to achieve in the current market as it requires sufficient numbers of houses to be built within each five year period. This has become problematic for many LPAs as the policy was devised at a time of housing 'boom' rather than for the current economic situation.
- 1.7 When the 2009 AMR was presented to Members on 2 November 2009, it was reported that for first time the district did not have a 5 year land supply. Following that report a number of housing developments were permitted and several other deliverable sites came forward. These fed into a comprehensive review of housing delivery and, on 01 November 2010, the district reported a return to a 5 year housing land supply position. However, over the last year the district's housing land supply position has continued to be very challenging.
- 1.8 On 28 June 2011, two appeal decisions were received which supported the Council's view at that time that the district had a five-year land supply. However, in August 2011, following a local inquiry, an appeal decision for 140 homes on land south of Talisman Road, Bicester (09/01592/OUT) determined that Cherwell as a whole, and that part of the district lying within the South East Plan's Central Oxfordshire sub-region, did not have a five-year supply. The Inspector's conclusion was that "...the supply of deliverable housing sites is likely to be well below the 5.2 years advanced by the Council although probably not quite so low as the 3.9 years proffered by the Appellant."
- 1.9 A comprehensive review of housing land supply for the AMR updates this position, taking account of observations made by the Inspector, the up-to-date position on all anticipated housing sites and current market conditions, which shape the ability of housebuilders to manage supply. The conclusion is that despite the attempts of the Council to increase and maintain delivery, there is presently a significant shortage of deliverable housing sites. This is largely a result of the effect of national economic conditions on housebuilding and lowered expectations for the delivery of major sites at Bankside (Banbury); Former RAF Upper Heyford, Gavray Drive (Bicester); and

Kingsmere (South West Bicester).

- 1.10 It is the view of officers that the district now has a supply of 2.8 years for the period 2011-2016 and 2.9 years for the period 2012-2017 (see table at Appendix 1) and a shortfall in each five-year period of just under 1600 homes. Consequently, paragraph 71 of PPS3, requiring applications to be considered favourably, should be taken into account in development management decisions. This position will now be reported to the Planning Committee as any further relevant planning applications for housing are considered.
- 1.11 It should be noted that the district's housing land supply calculations are based on a working figure of 13,400 (2006-2026), the requirement of the South East Plan. The South East Plan continues to form part of the Development Plan, although the Government has now enacted powers for the Secretary of State for Communities and Local Government to revoke the Regional Spatial Strategy, subject to procedural requirements and a current period of consultation. Revocation is expected at some point in 2012.
- 1.12 This figure will be reviewed as preparation of the LDF's Core Strategy continues, having regard to emerging national policy and statutory requirements. It is considered that at the present time, continuing to use the 13,400 figure in housing land supply calculations is the most defensible position.
- 1.13 *Managing the Housing Land Supply Position*
- 1.14 Without careful management, the current housing land supply position leaves the district vulnerable to unplanned and speculative applications. It is recommended that a detailed land supply update with policy advice be prepared to provide additional information for consideration in development management decisions. Similar approaches have been taken forward in other authorities recently and have been successful in providing greater certainty for development management decisions.
- 1.15 The land supply update will consider the whole district and will provide a more detailed framework and policy steer to inform any preferred distribution of residential development across the district. This will consider distribution to Banbury, Bicester and the Rural Areas, reflecting the work undertaken previously for the Core Strategy to assess the sustainability of villages, and maintain the stated Council position of Banbury and Bicester as the preferred locations of growth. The Cherwell rural areas integrated transport and land use study (CRAITLUS, 2009) assessed the villages to determine the most suitable locations for new housing.
- 1.16 It is likely that the land supply update will also consider other factors, including those relevant to site release, whether additional sites may be needed, an understanding of constraints on sites, deliverability, consideration of previously unidentified sites (including windfalls), and consideration of relevant planning appeal decisions.
- 1.17 The land supply update will also assist in providing a policy framework for the time up to the adoption of the Core Strategy. The planning reforms will not change the requirement that decisions on planning applications must be made in accordance with the development plan, unless material considerations indicate otherwise. It is proposed that the Core Strategy be

prepared for Submission in July 2012, with public consultation on the Core Strategy taking place during April and May 2012. This timetable will provide certainty for communities and developers as to the preferred locations of growth.

- 1.18 *Local Development Scheme / Local Development Framework*
- 1.19 Progress on the Core Strategy has been delayed over the past year due to the ongoing national review of planning policy and statutory requirements now resolved in the Localism (2011) Act. Separate public consultation was undertaken on Planning Guidance on the Residential Amenity Impacts of Wind Turbine Development.
- 1.20 Continued work on the evidence base for the LDF included further work on a Strategic Flood Risk Assessment; a Landscape Sensitivity and Capacity Assessment; a Strategic Housing Land Availability Assessment, a Habitat Regulations Assessment (Appropriate Assessment), a review of the 2006 PPS6 (Retail) Assessment, and a review of the 2006 Employment Land Review.
- 1.21 Further progress on the Core Strategy has been held up by the Government's intention to revoke the Regional Spatial Strategy and the need for the Council to review aspects of policy formerly included in the South East Plan as well as parts of its LDF evidence base, particularly those relating to determining appropriate levels of housing growth for the plan period. Changes to the plan making process and to national planning policy are also expected and the Local Development Scheme (programme) will be revised once the full implications of these changes are clear.
- 1.22 All these matters will inform the completion of the Core Strategy ready for public consultation, following consideration by the Executive in April 2012.

### **Proposals**

- 1.23 It is proposed that the Annual Monitoring Report be approved, subject to any necessary minor amendments; that the change in the district's housing land supply position be noted; and, that the preparation of a more detailed land supply update be undertaken for approval by the Executive in February 2012

### **Conclusion**

- 1.24 The Annual Monitoring Report provides important information to assist policy making and development control decision making and is a statutory mechanism for monitoring housing delivery. Its most significant conclusion is that the district cannot report a 5 year housing land supply position. Changes to the plan making process and to national planning policy are also expected and the Local Development Scheme (programme) will be revised once the full implications of these changes are clear.

## Background Information

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### 2.1 The AMR's key findings include the following:

#### *Business Development and Town Centres*

- 22,756m<sup>2</sup> (gross) of business development (offices, industry, or storage and distribution) was completed in Cherwell during 2010-11
- 2.66ha of employment land has been lost to other uses
- 460m<sup>2</sup> (gross) of 'town centre uses' (shops, financial and professional services, offices and leisure) was completed in Banbury, Bicester and Kidlington centres, with 98,698m<sup>2</sup> (gross) completed across the district

#### *Housing*

- The district presently has a 2.8 year housing land supply for the period 2011-2016 and a 2.9 year supply for the period 2012-2017
- Housing completions (net) in 10/11 were 370 compared to the South East Plan requirement of 670 per annum
- Total completions from 2006-2011 have been 2542 (an average of 508 per annum) compared to a 5 year requirement of 3350,
- 53% of housing completions (net) in 10/11 were on previously developed land
- First completions are now being recorded at the Kingsmere (South West Bicester) urban extension but overall housing completions in 11/12 are expected to be low with a projection of 222 excluding unidentified windfalls
- Net affordable housing completions in 10/11 were 96 (126 including acquisitions)

#### *Other Areas*

- There have been no planning applications granted contrary to Environment Agency advice on flooding grounds
- There has been a net loss of the area of Local Wildlife Site (formerly called County Wildlife Sites) in the district due to some areas being deselected.
- There has been a decrease in the 'priority species' present within Cherwell although no change in the 'priority habitat' area. Priority species and habitats are derived from the UK Biodiversity Action Plan and are a priority for biodiversity and conservation action
- 18 renewable energy schemes have been permitted in 2010-11, an increase from 5 schemes in 2009-10
- Most of the applicable non residential schemes recorded as complete during 2010-11 provided car parking equal to or below the maximum car parking standards

## **Key Issues for Consideration/Reasons for Decision and Options**

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- 3.1 The key issues for consideration are the need to approve the Annual Monitoring Report to meet statutory requirements, to note the change in the district's housing land supply position and the recommendation to prepare a land supply update.

The following options have been identified. The approach in the recommendations is believed to be the best way forward

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|---------------------|---|
| <b>Option One</b>   | To accept the 2011 AMR, noting the district's housing land supply position and agree that it should be submitted to the Secretary of State.                 |
| <b>Option Two</b>   | To seek amendment of the 2011 AMR in consultation with the Lead Member for Planning before submission to the Secretary of State.                            |
| <b>Option Three</b> | To take any actions required by the Executive having considered the AMR, in addition to its submission to the Secretary of State with or without amendment. |

## **Consultations**

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<b>Lead Member for Planning (Cllr Michael Gibbard)</b>	Informal Briefing Noted
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## **Implications**

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**Financial:** No significant direct financial implications arising from this report. The work on collecting data and preparing the AMR is met within existing budgets. There are risks of costs associated with unsuccessfully defending refusals of planning permission upon appeal particularly if the decisions made as a result of this report are not considered to be well founded.

Comments checked by Karen Muir, Corporate Systems Accountant, 01295 221559

**Legal:** The Council is required by regulations to submit an Annual Monitoring Report by 31st December each year. The district's housing land supply position and the requirements of Planning Policy Statement 3: Housing (PPS3) will often be material considerations in determining planning applications for residential development. The reasons for the refusal of planning permission need to be reasonable and capable of being substantiated upon challenge.

Comments checked by Nigel Bell, Team Leader – Planning and Litigation, 01295 221687

**Risk Management:** The AMR provides information that could be material in refusal of planning permission for planning applications, particularly for residential developments that are contrary to policy. The AMR must be robust to reduce the risk of the Council being unsuccessful in defending planning appeals and the associated risk of costs being awarded against the Council.

Comments checked by Claire Taylor, Corporate Performance Manager, 0300 0030113

**Equalities** There are no equality issues arising from this report.

**Wards Affected**

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All

**Corporate Plan Strategic Priorities**

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A District of Opportunity

**Executive Lead Member**

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**Councillor Michael Gibbard**  
**Lead Member for Planning**

**Document Information**

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Appendix No	Title
Appendix 1	Cherwell District Council Housing Land Supply Position (October 2011)
<b>Background Papers</b>	
Annual Monitoring Report 2011 (draft)	
<b>Report Author</b>	Adrian Colwell, Head of Spatial Planning
<b>Contact Information</b>	AMR – Amy Brent, Planning Officer, 01295 221850 <a href="mailto:Amy.Brent@cherwell-dc.gov.uk">Amy.Brent@cherwell-dc.gov.uk</a>  Housing Land Supply – David Peckford, Senior Planning Officer, 01295 221841 <a href="mailto:David.Peckford@cherwell-dc.gov.uk">David.Peckford@cherwell-dc.gov.uk</a>

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CHERWELL DISTRICT COUNCIL HOUSING LAND SUPPLY POSITION (OCTOBER 2011)

South East Plan Requirement
13,400

	COMPLETIONS										PROJECTIONS									
	2006/07	2007/8	2008/9	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
A) South East Plan requirement annualised over 20 years	670	670	670	670	670	670	670	670	670	670	670	670	670	670	670	670	670	670	670	670
B) Net additional dwellings completed in previous years	853	455	426	438	370															
C) Cumulative net additional dwellings completed	853	1308	1734	2172	2542															
D) Net projected completions for deliverable (available, suitable and achievable) sites						222	360	473	500	468	438	470	470	470	444	345	273	45	45	45
E) Supply over the next 5 year years from deliverable sites (5 year rolling supply going forward e.g. 11/12 to 16/17)						2023	2239	2349	2346	2316	2292	2199	2002	1577	1152	753	408	135	90	45
F) Net projected completions for other specific, deliverable sites (excluding other housing potential)						0	0	70	183	227	209	210	100	0	0	0	0	0	0	0
G) Total projections for net additional dwellings in future years (projected completions for all deliverable and developable sites) (D+F)						222	360	543	683	695	647	680	570	470	444	345	273	45	45	45
H) Cumulative projections for net additional dwellings in future years (projected completions for all deliverable and developable sites)						222	582	1125	1808	2503	3150	3830	4400	4870	5314	5659	5932	5977	6022	6067
I) Cumulative shortfall or surplus in meeting South East Plan housing requirement	183	-32	-276	-508	-808	-1256	-1566	-1693	-1680	-1655	-1678	-1668	-1768	-1968	-2194	-2519	-2916	-3541	-4166	-4791
J) Working annual requirement taking account of past completions (C) and projected completions for deliverable and developable sites (H)	670	660	672	686	702	724	760	790	811	823	836	856	879	923	998	1109	1300	1642	2441	4836
K) Current and future calculation of 5 year rolling supply of deliverable (available, suitable and achievable) sites (E) having regard to past completions (C) and (for future calculations) projected completions for deliverable and developable sites (H)						2.8	2.9	3.0	2.9	2.8	2.7	2.6	2.3	1.7	1.2	0.7	0.3	0.1	0.0	0.0



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