

PLANNING AND HIGHWAYS REGULATORY COMMITTEE

Receipt of Strategic Housing Land Availability Assessment (SHLAA) Report from External Consultants 11 May 2009

Report of Head of Planning Services

PURPOSE OF REPORT

To advise the Cabinet Member for Community Safety, Emergency Planning, Strategic Planning and Cycling of the receipt of the Strategic Housing Land Availability Assessment (SHLAA) Report from external consultants.

RECOMMENDATIONS

- (1) **That the Cabinet Member for Community Safety, Emergency Planning, Strategic Planning and Cycling acknowledges that:**
- **The report of the Strategic Housing Land Availability Assessment (SHLAA) has been received from external consultants, Atkins Limited,**
 - **Accompanying plans of the Outcome of the Site Assessment have been prepared and will be published on the City Council's Website, in the same format as the Preliminary Publication of Site Suggestions of November 2008, and,**
 - **The SHLAA will inform, as an evidence base document, both the preparation of future Development Plan Documents and the management of a five-year supply of housing land through the release of land for development via the granting of planning consent.**

1.0 Introduction

- 1.1 The Head of Planning Services reported progress on the preparation of the Strategic Housing Land Availability Assessment (SHLAA) to PPCLG on the 11 December 2008¹. Members may recall that the City Council was assisted in preparing a SHLAA by external consultants, Atkins Limited, supported by property expertise from Lambert Hampton Smith. In brief, the City Council's Planning officers assembled a list of potential housing sites from a number of sources, including a Call for Sites in summer 2008, then details were collated on a database passed to Atkins in November 2008 Having undertaken their independent professional planning assessment of the suitability and deliverability of the sites, Atkins have completed and submitted their report.

¹ The Head of Planning Services had previously reported the commencement of the SHLAA and Partial Employment Land Review to the PPCLG on 22 July 2008.

- 1.2 Members have previously been circulated with PDF copies of the Consultants Report and Appendices. All the documentation is available to view at www.lancaster.gov.uk/shlaa. The Planning Service has also prepared and published an A3 booklet of plans which illustrate the outcome of the assessment for each site; it is anticipated at the time of writing that this will also be available on the City Council's website shortly after the date of this PPCLG meeting. The A3 Booklet of the Outcome of the Assessment provides an introduction to the SHLAA process and contains a list of Frequently Asked Questions.

2.0 Proposal Details

Purpose of preparing a SHLAA

- 2.1 Members will recall from previous SHLAA progress reports that Planning Policy Statement 3 "Housing"(PPS3) advises local planning authorities to prepare SHLAAs to inform the preparation of Local Development Documents and assist in the determination of planning applications. The objectives for preparing a SHLAA are to;
- i) Assess the likely level of housing that could be provided if unimplemented planning permissions were brought into development.
 - ii) Assess land availability by identifying buildings or areas of land (including previously developed land [PDL] and Greenfield land) that have development potential, including within mixed-use developments.
 - iii) Assess the potential level of housing that can be provided on suggested sites.
 - iv) Where appropriate, evaluate past trends in windfall completions (unplanned sites) coming forward for development and estimate the likely future implementation rate.
 - v) Identify constraints that might make sites unavailable and/or unviable for development.
 - vi) Identify sustainability issues and physical constraints that might make a site unsuitable for development.
 - vii) Identify what action could be taken to overcome constraints on otherwise suitable sites.

Meeting Housing Needs: The SHLAA in Context

- 2.2 Members will recall that the adopted Core Strategy (July 2008) and the published Regional Spatial Strategy RSS (September 2008) cover the same time period; 2003/04 to 2020/21. The RSS requires the Council to plan for 7,200 new dwellings (net) over this period, equal to an annual mean requirement of 400 net dwelling completions. The RSS advises that for the purpose of producing Local Development Framework Documents, which in order to accord with guidance in PPS3 must plan for a 15-year housing land supply following the relevant DPD's adoption, local planning authorities should assume that the RSS average annual net dwelling requirement rate will continue for a limited period beyond 2021. Accordingly the Core Strategy and the SHLAA assume that in the three years beyond the RSS and Core Strategy period, that is in the three

years 2021/22, 2022/23 and 2023/24, the housing requirement will continue to equate to 400 dwellings per annum.

- 2.3 In due course the RSS will be replaced by a document that will establish a housing requirement for this later period, and may possibly revise the requirement in the period prior to 2021/23. Any revision to the Council's housing requirement may come through the currently proposed Single Regional Strategy (this is reported in a separate agenda item to this PPCLG).
- 2.4 The RSS also advises that the overall housing requirement figures for the period covered by this RSS (2003 to 2021) and the annual average figures are not absolute targets and may be exceeded where justified by evidence of need, demand, affordability and sustainability issues and fit with relevant local and sub-regional strategies.
- 2.5 In undertaking the site assessment work Atkins identified deliverable housing sites in the context of the Core Strategy's policies on urban concentration (90% of new dwellings within the Urban Area), key rural settlements and target on Previously Developed Land (70% of dwellings to be accommodated on PDL).

The SHLAA Report: Key Findings

- 2.6 Between December 2008 and March 2009 Atkins, working with Lambert Hampton and Smith, appraised the suitability, achievability and availability of the sites provided via the SHLAA Preliminary Publication of Site Suggestions. The Consultants' task was to identify the sites which could be relied upon to deliver dwelling completions in each of three five-year phases of a Housing Trajectory for the next fifteen years (2009/10 to 2023/24).

The Overall Level of Supply

Trajectory Period 1

- 2.7 The Atkins assessment determines that over the first Trajectory Period (2009/10 to 2013/14) deliverable housing sites (including a contribution from small sites) can provide 1,924 dwelling completions. This is just less than the 2,000 dwelling completions which would represent a full five-year complement of the RSS annual dwelling requirement. However, as the level of dwelling completions at the beginning of this Trajectory Period is in a significant deficit (see table 1 below) then the running level of undersupply will remain in deficit at the end of Trajectory Period 1. This deficit of housing completions occurred in the context of the effective implementation of SPG16 (the Policy of Constraint), the upward revision of the Housing Requirement via the replacement RSS, and latterly, the effects of the Credit Crunch.

Trajectory Period 2

- 2.8 The Atkins assessment determines that over the second Trajectory Period (2014/15 to 2018/19) deliverable housing sites (again including a contribution from small sites) can provide 3,695 dwelling completions. This is substantially more than the 2,000 dwelling completions which would represent a full five-year complement of the RSS annual dwelling requirement. Thus at the end of Trajectory Period 2 the deficit of net dwelling completions becomes a surplus of 1,119 dwellings. **The**

Consultants therefore conclude that no shortfall exists in the first 10 years of the Housing Trajectory.

Trajectory Period 3

- 2.9 The Atkins assessment determines that over the third Trajectory Period, from 2019/20 to 2023/24, known deliverable housing sites, not including dwelling completions from small sites, can provide only 102 dwellings. Even after making a reasonable allowance for completions on small sites and carrying forward the surplus of dwelling completions from the previous trajectory period, this would mean that the housing land supply will not be sufficient to address the RSS housing requirement. Accordingly, the Consultants suggest that the additional supply could come from Urban Extensions, these are described below and their locations shown in the attached plans.
- 2.10 Table 1 and Table 2 below are informed by the data in Table 5/2 (at page 39) of the Consultants' Report. The Tables include the Planning Services' current estimate that 250 net dwelling completions will be recorded in the financial year just concluded - 2008/09 (that is, in the current monitoring year).
- 2.11 **Table 1** below shows that the dwelling output from the urban concentration- compliant PDL and Greenfield sites considered deliverable by the consultants cannot meet the entire housing requirement in the 15-year Housing Trajectory Period. In the final 5 years of the housing trajectory there will be a shortfall of 639 net dwellings.

Table 1: Appraisal of SHLAA Outcomes without factoring in a contribution from the major Potential Urban Extension Sites

Trajectory Period	RSS Requirement	Net Completions	Contribution from Small Sites	Contribution from Potential Urban Extensions	Total Net Completions	Under or Over Supply	Running under or over supply
2003-2009	2,400	1,900 (includes estimate for 2008/09)	Included		1,900	-500	-500
Period 1 2009-2013	2,000	1,784	140	0	1,924	-76	-576
Period 2 2014-2018	2,000	3,555	140	0	3,695	1,695	1,119
Period 3 2019-2024	2,000 (includes assumption for years 2022/23 and 2023/24)	102	140	0	242	-1,758	-639
Total	8,400				7,761		

Conclusion: Additional supply is required to meet housing needs in the final part of the fifteen year trajectory

2.12 **Table 2** below illustrates how the addition of the suggested Urban Extension sites increases land supply to meet, and indeed exceed, the housing requirement in the fifteen-year housing trajectory period. This illustration shows a surplus of completions of 909 dwellings. Once commenced the three major Urban Extension sites would continue to contribute dwelling completions in the period beyond the current 15-year supply.

Table 2: Appraisal of SHLAA Outcomes with factoring in a contribution from the major Potential Urban Extension Sites							
Trajectory Period	RSS Requirement	Net Completions	Contribution from Small Sites	Contribution from Potential Urban Extensions	Total Net Completions	Under or Over Supply	Running under or over supply
2003-2009	2,400	1,900 (includes estimate for 2008/09)	Included		1,900	-500	-500
Period 1 2009-2013	2,000	1,784	140	0	1,924	-76	-576
Period 2 2014-2018	2,000	3,555	140	6	3,695	1,695	1,119
Period 3 2019-2024	2,000 (includes assumption for years 2022/23 and 2023/24)	102	140	1,548	1,790	-210	909
Total	8,400				9,309		
Conclusion: Illustrates how additional supply to meet housing needs in the final part of the fifteen-year trajectory can be provided by Urban Extension sites which then continue to deliver completions beyond the 15 year period.							

Outcome of Assessment of Large Sites

2.13 The Consultants individually assessed 238 of the suggested sites of 0.15ha or more in area. The Consultants concluded that 66 Brownfield sites and 35 Greenfield sites were deliverable over the 15-year period from 2009/10 to 2023/24. In the Consultants' view all of the Brownfield sites and 30 of the Greenfield sites are in accordance with the Core Strategy's policy of Urban Concentration. The remaining 5 identified Greenfield sites should be regarded as representing potential urban extensions.

- 2.14 The sites assessed as suitable by the Consultants could provide a combined total of approximately 6,995 dwellings over an area of approximately 348.43ha during the period 2009/10-2023/24. Of this total, around 4,458 dwellings could be provided on Brownfield sites whilst the suitable identified Greenfield sites could provide a total of around 2,537 dwellings.
- 2.15 A further 3,827 dwellings could also be provided with the residual capacity on 3 of the 5 identified Greenfield Urban Extensions sites, although these would not be developed until post 2024. The Consultants suggest that these 3 sites could commence development within the period 2019-2024 but would not be complete within that period due to their size.

Approach to Small Sites (also see paragraphs 4.10 to 4.12 on page 35 of the Consultant's Report)

- 2.16 Around 260 of the sites on the assembled list were less than 0.15ha (or had been the subject of a prior proposal for 4 dwellings or less); these small sites were not the subject of individual assessment. The approach taken to determining a contribution from these sites was to make an assumption that the proportion of the large sites that were assessed to be deliverable (42%) should also apply to the small sites. Combined with knowledge about historic dwellings completions on small sites this approach suggests that a five year Trajectory Period would provides 140 dwelling completions from small sites.

Contribution from Potential Urban Extension Sites

Table 3: The Five Urban Extension Sites							
Name	Ref No.	Site Area	Number of Dwellings Proposed	Summary of Consultants Consideration	Trajectory Period		
					1	2	3
Land at Bailrigg Lane, Lancaster	285	46.48	1,859	Could form a sustainable urban extension to the south of Lancaster. Power lines running across site are a constraint, not all of the land could be built on, a stand off would be required between extension and Bailrigg Village and the M6. Constraints of power lines could affect desirability in the open market however potential link to the University. Significant highway works are required for such a large development. Unlikely to come forward within the short to medium term.			Yes - Nominal 500
Land at Whinney Carr, Lancaster	286	54.65	2,186	Agricultural Land. The scheme could be phased over the next 15 years plus. Site needs to include adjacent land. Issues regarding delivery due to crossing railway line. Significant Greenfield site with access to the A6. May be issues with bridging the railway line which severs the majority of the sites access to the M6 although the size of the site would probably be able to cover this cost. Long term site for delivery. In terms of urban extension access for this site could be problematic due to the requirements of crossing the railway; however the size of the site suggests that it is viable providing a developer takes on a large enough proportion of the site.			Yes - Nominal 500
Land to the East of Bowerham Lane, Lancaster	309	1.57	6	Development would form a logical extension to the existing residential area. However, site lies adjacent to the M6, and part may be safeguarded for expansion, also significant noise and visual barriers would be required. Question over the attractiveness of the site... due to proximity to the M6. Likely to come forward over the medium term as there are other more attractive sites within the area and the costs of development may make viability marginal at present values.		Yes	
Land at Grab Lane, Lancaster	320	32.04	1,282	Could form sustainable urban extension. Residential development has already been permitted in this location; land to the east is undulating and could pose as a constraint. Noise attenuation would be required adjacent to M6; part of site may also be safeguarded for M6 expansion.			Yes - Nominal 500
Land off Wyresdale Road, Lancaster	1310	1.62	48	The site is available and could form part of the Grab Lane Urban Extension. Reasonable residential area. Access appears good.			Yes - Nominal 48
Total	-	136.36	5,381	<i>Residual Capacity following post 15 Year Trajectory Period if 1,550 dwellings are completed in Phase 3 = c. 3,800 dwellings</i>	0	6	1,548

Distribution of Sites

- 2.17 The distribution of sites assessed as deliverable by the Consultants reflects the Core Strategy's Urban Concentration principles; 57% of the capacity is in Lancaster, 24% in Morecambe and Heysham, 6 % in Carnforth, 11% in the eight key villages and the remaining 2% in the wider Countryside. Members will be aware that over recent years the majority of completions have been located in Morecambe and Heysham, reflecting the Council's regeneration priorities for this area. 66% of the 350 dwellings completed in financial year 2007-2008 were located in Morecambe and Heysham. This compares to just 16% in Lancaster. Similarly high levels of dwelling completions were located in Morecambe in financial year 2006/07 monitoring period; over this time 38% of completions were located in Morecambe and Heysham with just 19% of the 182 dwellings completed in Lancaster.

Emerging Planning Challenges

- 2.18 Members will be aware that identifying a 15-year supply of named sites will unavoidably lead to the identification of sites that will be locally controversial. Indeed the Consultant's conclusion that Urban Extension sites are required to meet the requirement in the last third of the 15-year trajectory is made in the context of an assumption that many other Greenfield and PDL Sites will already have been developed prior to that point. Some of the Greenfield Sites considered deliverable include; Coastal Road in Bolton-le-Sands, sites in Wray village, Ashley House Farm, Galgate, land at Caton Primary School and land in Heysham that is currently used as informal open space.
- 2.19 Whilst the SHLAA does not of itself make decisions the Cabinet Member is advised that the 100 large sites considered deliverable and suitable by the Consultants are only a proportion of the 236 large sites which they assessed. This list already excluded sites which were within the North Lancashire Greenbelt or within Flood Zone 3B (Functional Flood Plains). The original long list represented the most significant trawl of potential housing opportunities undertaken by the Council (from nine distinct sources). Accordingly if the Council does not accept the sites recommended by the Consultants, then, on the basis that it is unlikely that further currently unknown sites will emerge, potentially the Council will be exposed to the risk that proposals for alternative sites might be advanced on the basis that the Council may not be able to demonstrate a five-year supply of housing land.
- 2.20 Through the preparation of a Land Allocations Document the City Council will need to conclude how it intends to meet housing requirements during the final third phase of the Housing Trajectory. Urban Extensions offer a deliverable solution to addressing residual housing needs. Possible alternative approaches to Urban Extensions are briefly discussed at paragraph 4.4 of the Consultants Report. These might include; planning for a more intense Urban Concentration focus for example involving the development of public car parks (following a needs assessment), the development of further amenity open spaces, and/or a significant increase of residential densities. Unavoidably solutions to finding locations for 6,000 new dwellings will only emerge from a process of making decisions with significant environmental implications.

3.0 Details of Consultation

- 3.1 The consultant's SHLLA Report is a technical document; it does not of itself make decisions, instead it informs the City Council in making planning decisions through the forward planning and development control processes. The outcome of the SHLAA is not itself subject to consultation but the SHLAA process and documentation, including the "Preliminary Publication of Site Suggestions" have been published and the Planning Service has made preparation and publication of the report widely known via press releases and e-mails.
- 3.2 During the SHLAA process technical consultations have occurred with County Highways, Natural England, the Environment Agency, English Heritage and United Utilities.
- 3.3 Member may also recall that the SHLAA was prepared with the assistance of a Partnership Group of stakeholders. The Partnership; helped with the preparation of the methodology, provided a sounding board for the overall process, permitted people who have wider knowledge about housing needs to make their views known, helped spread knowledge about the process among their own contacts, and, helped to keep the processes working to a timetable. The Partnership members had no influence over either the list of individual sites included in the assessment or in the assessment of those sites. Partnership members included housing association representatives, council housing and housing policy officers, housing developers, development control officers, property and surveying specialists.
- 3.4 The Planning Service is also intending to hold an event for agents and developers to describe the content and implications of the report. The Atkins report has already been published on the City Council's website at www.lancaster.gov.uk/shlaa. The outcome of the SHLAA will also be reported to the City Council's Planning and Highways Regulatory Committee.
- 3.5 Housing Land completions and commitment levels are monitored annually with a base date of 1 April 2009. Inevitably the monitoring process, by taking account of actual dwelling completions, approvals and windfall completions, results in a need to re-appraise the expectation of dwelling completions from individual sites and the preparation of an annually-revised Housing Trajectory.

4.0 Conclusion

- 4.1 In completing the Lancaster District SHLAA the City Council has complied with advice in PPS3, Housing, and secured a useful information base to inform both the preparation of future DPDs, including a Land Allocations Document, and development control decisions. The outcome of the Consultants assessment indicates that the District currently benefits from a large stock of deliverable housing sites that can provide dwelling completions to adequately address housing needs for around the next 12 years. To ensure that the City Council permits the deliver of dwelling completions to meet the needs of existing and future residents decisions with significant environmental implications will need to be made via the preparation of a Land Allocations Document and at during the assessment of actual development proposals.

CONCLUSION OF IMPACT ASSESSMENT (including Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing)	
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FINANCIAL IMPLICATIONS	
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SECTION 151 OFFICER'S COMMENTS	
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LEGAL IMPLICATIONS	
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