

PROGRESS ON THE LOCAL PLAN

Head of Service/Contact:	Ruth Ormella, Head of Planning
Urgent Decision?(yes/no)	No
If yes, reason urgent decision required:	N/A
Annexes/Appendices (attached):	Epsom & Ewell Local Plan Annual Monitoring Report 2017/18 Annex 2: Results of Housing Delivery Test
Other available papers (not attached):	Epsom & Ewell Local Plan Programme July 2018

Report summary

Progress against the new Local Plan's project milestones continues to be maintained. Work on the supporting evidence base continues. Work on the Transformation Masterplan is also underway.

The Local Plan Annual Monitoring Report (AMR) assesses the performance of adopted planning policies and tracks the Council's progress against the Local Plan Programme.

The latest AMR covers the reporting period 2017 – 2018. The data covered by that period has been overtaken by subsequent changes in national planning policy and guidance. On that basis the AMR included in this report serves as bridge to the 2018-2019 AMR, which we anticipate publishing during July 2019.

The Housing Delivery Test is an annual assessment by the Government of the performance of local planning authorities in delivering their identified need over the previous three years. The results of the first Test were published on 19 February 2019.

Recommendations:

The Committee:

- (1) Notes the continued forward progress being made in preparing the new Local Plan;

- (2) Notes the contents of the Local Plan Annual Monitoring Report and approves it for publication on the Council’s website; and**
- (3) Notes the outputs from the government’s Housing Delivery Test and that as an implication of this process a draft Housing Delivery Action Plan will be prepared for consideration by the Committee.**

1 Implications for the Council’s Key Priorities, Service Plans and Sustainable Community Strategy

- 1.1 The delivery and implementation of the Epsom & Ewell Local Plan contributes towards all of the Council’s Key Priorities. The new Epsom & Ewell Local Plan is critical as it will set out how sustainable growth, particularly in relation to new housing, will be delivered during the plan period.

2 Progress on our Local Plan

- 2.1 At the November 2018 Licensing & Planning Policy Committee, Members agreed to receive a regular report that provides an update on the progress being made on the preparation of the new Local Plan against the milestones identified by the Local Plan Programme (July 2018). This is the third Local Plan Progress report to the Licensing & Planning Policy Committee.
- 2.2 The Borough Council continues to make progress against the timetable and milestones set out in the Local Plan Programme. The current focus is on preparing a robust evidence base to ensure the new Local Plan meets the tests of soundness by being “justified”¹. Work on the evidence base is already advanced. The latest addition to the evidence base was the Urban Housing Capacity Study which was approved by the Committee during January 2019.
- 2.3 The current focus is upon identifying appropriate and proportionate methodologies that will enable progress on the forthcoming Strategic (Development) Viability Assessment and revised Strategic Housing Market Assessment. These studies will be reported to the Committee during Summer 2019 and will help inform the preparation of the new Local Plan.

3 Annual Monitoring Report 2017/ 18

- 3.1 All local planning authorities are required to prepare and publish a local plan annual monitoring report. The expectation is that this done at least once during the calendar year. This Annual Monitoring Report (AMR) covers the period from 1 April 2017 to 31 March 2018. It is our thirteenth AMR.

¹ This is set out under NPPF Paragraph 35.

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- 3.2 For expediency, a decision has been taken to focus the 2017/18 AMR upon the statutory requirements for Local Plan monitoring; particularly in relation to the key datasets relating to housing growth and delivery. This decision was taken because we are in a period of extreme change in national and local planning policy, which has witnessed this AMR being over-taken by events. This is specifically in relation to new national policy and guidance relating to objectively assessed housing need, housing delivery and the housing land supply trajectories.
- 3.3 The principle outputs from the AMR are:
- There were 160 housing completions (net) during the reporting period;
 - Since 2015 there have been 667 housing completions- this equates to 53% of our Objectively Assessed Housing Need (OAHN) for those three years (based upon the OAHN of 418 new homes per annum identified in the SHMA 2016);
 - The housing completions during the reporting year have been built to a higher average density than previous years. This suggests a positive trend towards optimising housing delivery within the existing urban area;
 - The housing trajectory included with this AMR has been prepared against the two housing targets, firstly the 418 new homes per annum (2015-2018) and secondly the 579 new homes per annum (2018-2033). This equates to a requirement of 9939 new dwellings 2015- 2033. We have also calculated a 5% buffer (as stated in the NPPF) to ensure choice and competition in the market for land. This equates to a requirement of 10437 new dwellings 2015- 2033;
 - The housing trajectory (Appendix C) shows a deficit of 7238 units over the plan period (with the 5% buffer requirement added);
 - The Five Year Housing land Supply statement April 2018 – March 2023 demonstrates that there is only a 1.19 year housing supply (at the end of March 2018); and
 - During the period 2017-2018, 22 housing completions were classified as 'affordable housing'. This equates to 16% of the total completions for this year. Of these completions, 68% were social rented and 32% intermediate affordable housing (shared ownership). This is the lowest number of affordable completions in the last ten years. The possible reasons for this are set out under Annex 1 paragraphs 4.29-4.32.

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- 3.4 It is important to note that the OAHN against which key elements of the AMR 2017/ 18 is assessed is now historic. The next AMR for the 2018/ 19 reporting period will focus upon our performance against the OAHN calculated through the government's standard method. That data will be used to inform the preparation of our new Local Plan and the Housing Delivery Test. We anticipate that it will also help inform our Housing Delivery Test Action Plan.

4 Housing Delivery Test

- 4.1 The Housing Delivery Test is an annual assessment of the performance of local planning authorities in delivering their identified need over the previous three years. This is an annual Test that uses existing data, submitted as part of the Housing Delivery return. The Borough Council made its first return to this Test during the final quarter of 2018. The results of the Test were published on 19 February 2019. The results of the Housing Delivery Test have been published [on the Government's website](#).
- 4.2 The results of the Housing Delivery Test show that we are not delivering a sufficient quantum of new homes. This was anticipated. On the basis that our housing delivery is below 85% housing requirement; the Housing Delivery Test indicates that we are at 57%; we will now be required to prepare a Housing Delivery Action Plan (within the next six months) and have an additional 20% buffer applied to our OAHN. There is no mechanism to appeal or challenge the outcomes of this test.
- 4.3 The Housing Delivery Action Plan will set out how the Borough Council will respond to under delivery. It will identify the interventions, both through planning policy and the development management process that will be introduced to raise delivery. The overall objective will be to secure a five year housing land supply. Once that objective has been achieved the additional 20% buffer should fall away. The draft Housing Delivery Test will be the subject of a report to this Committee during the early Summer 2019.

5 Financial and Manpower Implications

- 5.1 The preparation, publication, examination, implementation and on-going monitoring of our new Local Plan is a high priority which is being resourced through the Planning Policy Team and separate commissions that are required relating to evidence base and technical reports.
- 5.2 The increasing level of complexity to the local plan process (introduced through the revised NPPF), particularly in relation to the housing delivery test, review of the CIL schedule and strategic viability mean that further resources may be required. Approval from the Strategy & Resources Committee will be sought identifying the estimated budget for the work that needs to be commissioned.

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- 5.3 **Chief Finance Officer's comments:** Wherever possible, works should be completed within the existing budget envelope. Should additional resources be required, approval should be sought from Strategy & Resources Committee in accordance with the Financial Regulations.

6 Legal Implications (including implications for matters relating to equality)

- 6.1 The Town and Country Planning (Local Planning) Regulations 2012, Regulation 34, require that all local planning authorities produce and publish an annual monitoring on an annual basis.
- 6.2 Section 113 of the Localism Act 2011 requires every authority to produce a series of reports containing information on the implementation of the Local Development Scheme and the extent to which the planning policies set out in the Local Plan are being achieved. This enables the effects of a policy to be monitored transparently to enable a plan to respond quickly to changing circumstances and to implement change where a policy may not be working as anticipated.
- 6.1 Provisions of the Town and Country Planning (Local Planning) (England) Regulations 2012, which came into effect on the 6th April 2012, require local planning authorities' monitoring reports to contain key information.
- 6.2 **Monitoring Officer's comments:** *there are no comments arising from the contents of this report.*

7 Sustainability Policy and Community Safety Implications

- 7.1 None for the purposes of this report.

8 Partnerships

- 8.1 None for the purposes of this report.

9 Risk Assessment

- 9.1 We are required by government to produce an annual monitoring report reporting on the performance and delivery of our Local Plan.
- 9.2 The implication of the absence of a five year housing land supply is significant when considering planning applications. It is therefore appropriate that the Licensing & Planning Policy Committee has already brought this matter to the attention of the Planning Committee in order that planning applications be determined in the knowledge that there is not a demonstrable five year housing land supply.

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10 Conclusion and Recommendations

- 10.1 It is recommended that the AMR be approved for publication on the Council's website.
- 10.2 The Committee notes the outputs from the government's Housing Delivery Test and that as an implication of this process a draft Housing Delivery Action Plan will be prepared for consideration by the Committee.

Ward(s) affected: (All Wards);