

DRAFT HOUSING DELIVERY ACTION PLAN 2019

Head of Service/Contact: Ruth Ormella, Head of Planning

Urgent Decision?(yes/no)

If yes, reason urgent decision required:

Annexes/Appendices (attached):

Other available papers (not attached):

Report summary

The Draft Housing Delivery Action Plan has been prepared to identify actions that could enable increased future housing delivery in the Borough. The Action Plan is required as the Borough Council has been unable to meet the necessary thresholds of the Housing Delivery Test (HDT) introduced by Central Government.

Recommendation (s)

The Committee is asked to:

- (1) Approve the Housing Delivery Action Plan**

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

- 1.1 The Council is required to prepare an Action Plan as a measure imposed by Central Government for failing the threshold requirement in the new Housing Delivery Test. The Borough failed to deliver 95% housing delivery for the previous three years against the housing requirement.
- 1.2 The Action Plan emphasis the need to deliver a new Local Plan as a priority. The Epsom & Ewell Borough Local Plan is critical to ensure sustainable growth is planned and is fundamental in ensuring corporate priorities are delivered.

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2 Background

- 2.1 The publication of the revised national policy and guidance (National Planning Policy Framework NPPF and Planning Practice Guidance PPG) in 2018 saw the introduction of various measures by central government to increase housing delivery in the country through the Planning system. This included the introduction of a new test known as the Housing Delivery Test (HDT). The HDT measures the previous three years housing delivery in an authority area against the authority's housing requirement. The failure to meet 95% of the requirement results in the need to prepare an Action Plan and failure to meet 85% of the requirement results in the addition of a 20% buffer to the housing requirement, where the Council is required to identify a five year supply of deliverable sites.
- 2.2 The results of HDT was published in 19 February 2019. It shows the Council as having delivered 57% of its requirements in the previous three years. As a result the Council is required to:
- prepare an Action Plan to identify the causes of under-delivery and to identify actions to increase it in the future;
 - identify a supply of deliverable sites with an addition of 20% buffer to the annual supply (moved forward from the later in the plan period)¹
- 2.3 The guidance advises that local authorities should prepare an Action Plan within six months of the publication of the HDT results.
- 2.4 The draft Housing Delivery Action Plan has been prepared to identify the causes of under-delivery and actions to increase it in the future.

3 Proposals

- 3.1 It is clear from the 'root cause' analyses, that there are a number of contributing factors for the lack of housing delivery. These include:
- the lack of resources, including land supply, construction material, manpower and skills.
 - site constraints which can slow down decision making and restrict the level of units that can be accommodated on the site.
 - the housing market and balancing supply and demand: slow market absorption rates results in slow housing delivery rates.

¹ The additional 20% buffer will be reflected in the Council's Five Year Housing Land Supply Statement contained in the Annual Monitoring Report

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- lengthy processes, from site identification, site assembly, planning application and decision making process, technical investigations and on the ground delivery.²
- 3.2 Many of these 'root causes' will not be unique to the Borough. It is through analysing the causes for under-delivery, that we are able to understand the difficulty and the magnitude of the task to increase housing delivery to the level required. Housebuilding, like many industries, is sensitive to global factors such as politics, the economy, the environment and lifestyle choices. These factors are often entwined and complex.
- 3.3 Aside from the root causes above, it is also acknowledges the challenge of higher requirements. Table 4 in the draft Housing Delivery Action Plan demonstrates this point clearly. To put the number into context, the Core Strategy annual housing requirement was 181 per annum; the Strategic Housing Market Assessment (SHMA) 2016³ meant an increase to 418 units per annum; and now the standard method sets a requirement of 579 per annum. The average delivery rate since 2006 has been 255 per annum.
- 3.4 Whilst the draft Action Plan acknowledges that there is a limit to what actions the Council can take to increase housing delivery rates, it identifies clear and most effective actions that can be taken by the Council to increase housing delivery.
- 3.5 These actions are set in section 3 of the document. There are 24 actions identified including measures to:
- clarify policy and processes by providing clear advice and guidance to avoid unnecessary delays. This includes the updating the Local Plan as a priority and in line with the clear timetable (agreed at the 13 June meeting of the Committee).
 - maximise opportunities to engage with key stakeholders to attract investment and promote good growth in the Borough
 - maximise opportunities to identify future development sites suitable of accommodating future growth.
 - Identify suitable development opportunities the Council can pursue itself from its own assets
- 3.6 It is proposed that officers in various departments meet every quarter to monitor and discuss the progress being made on the actions.

² The recent 'Start to Finish' study found that the average lead in time of 3.9 years from identification to the submission of the first planning permission and an average of 5 to 6.1 years for the planning approval period, and average build out rates of 161 per annum (NLP).

³ [SHMA](#) for Kingston upon Thames and North East Surrey Authorities

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- 3.7 In the context of the high housing requirement, it is likely that the Council will fail the Housing Delivery Test for a number of years to come which will result in an annual review of the Action Plan until such time that the Council can demonstrate that it has delivered at least 95% of the housing requirement in the previous three years and the inclusion of a 20% buffer to the annual supply (in its five year land supply).

4 Financial and Manpower Implications

- 4.1 The Housing Action Plan has been prepared by officers in the Planning Policy Team in partnership with other colleagues in the Council.
- 4.2 The progress being made on the actions will be monitored by an officers group that will meet on a quarterly basis. The resource implication has been absorbed by officers in conjunction with other work areas.
- 4.3 ***Chief Finance Officer's comments: None for the purposes of this report.***

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

- 5.1 Para 75 of the National Planning Framework requires the Council to prepare an Action Plan for failing the threshold requirement in the new Housing Delivery Test. The Borough failed to deliver 95% housing delivery for the previous three years against the housing requirement.
- 5.2 ***Monitoring Officer's comments: none arising from the contents of this report.***

6 Sustainability Policy and Community Safety Implications

- 6.1 None for the purpose of this report

7 Partnerships

- 7.1 None for the purpose of this report

8 Risk Assessment

- 8.1 The Council is required to prepare an Action Plan as a measure imposed by Central Government for failing the threshold requirement in the new Housing Delivery Test. The Borough failed to deliver 95% housing delivery for the previous three years against the housing requirement.
- 8.2 Guidance advises that local authorities prepare an Action Plan within six months of the publication of the HDT results (published in 19 February 2019). The Action Plan has been taken to the next available Licensing and Planning Policy Committee date that broadly meet this deadline.

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9 Conclusion and Recommendations

- 9.1 The Committee approves the Housing Delivery Action Plan. Once approved it will be published on the Council's website.

Ward(s) affected: (All Wards);