

**Strategic Planning,  
Sustainability and  
Transportation Committee**

**7 November 2017**

**Housing Delivery Test Update**

<b>Final Decision-Maker</b>	Strategic Planning, Sustainability and Transportation Committee
<b>Lead Head of Service/Lead Director</b>	Rob Jarman, Head of Planning and Development
<b>Lead Officer and Report Author</b>	Stuart Watson, Planning Officer (Strategic Planning)
<b>Classification</b>	Public
<b>Wards affected</b>	All

**Executive Summary**

This report provides Councillors with an update on the issues and implications of the proposed housing delivery test within the Housing White Paper February 2017.

**This report makes the following recommendations to this Committee:**

That the contents of the report be noted.

**Timetable**

<b>Meeting</b>	<b>Date</b>
Strategic Planning, Sustainability and Transportation Committee	7 November 2017

# Housing Delivery Test Update

## 1. INTRODUCTION AND BACKGROUND

- 1.1 The Government published its Housing White Paper (HWP) 'Fixing our Broken Housing Market' on 7<sup>th</sup> February 2017. The White Paper proposed a housing delivery test which would measure completions in the local authority area. The intention was to bring the housing delivery test into force in November 2017. However, this is no longer the case and the exact date for introduction is currently unclear.
- 1.2 The test proposes that if the Local Planning Authority (LPA) has an up to date Local Plan then completions over the previous three years will be measured against the annual requirement set out in the Local Plan.
- 1.3 Where a LPA does not have an adopted Local Plan, completions will be measured against the new proposed standardised housing need methodology.
- 1.4 The HWP (based on the original introduction date of November 2017) proposed that where under-delivery is identified, a tiered approach would be applied across the country from November 2017 to November 2020 (Figure 1).

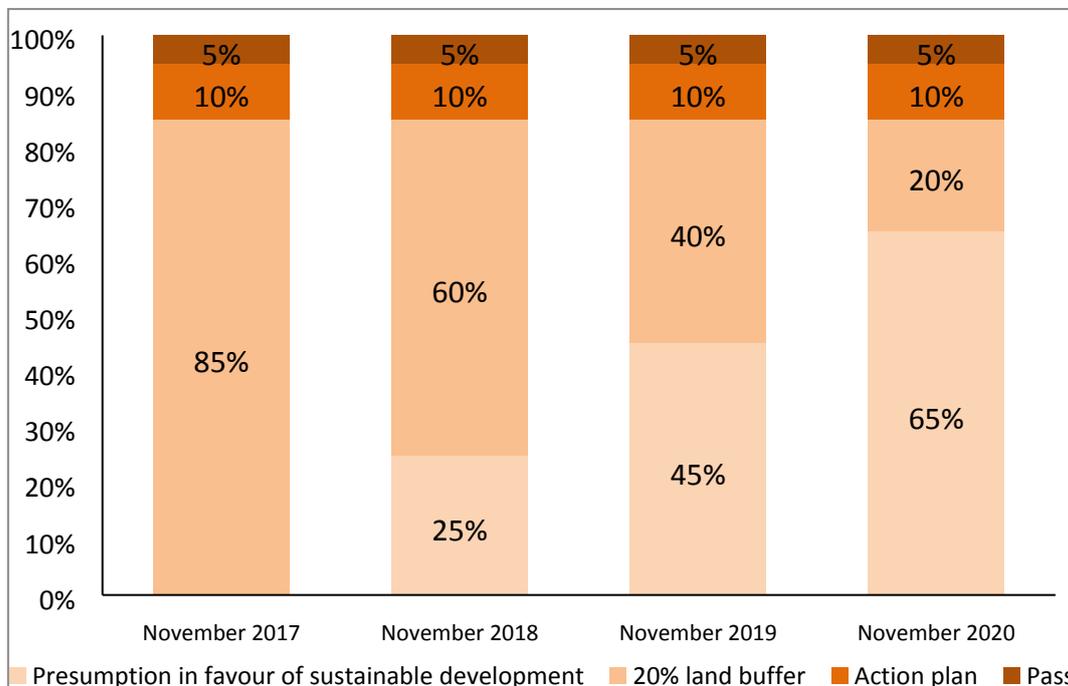


Figure 1. 3 years housing completions as a proportion of the housing delivery test target

- 1.5 From November 2017, if housing delivery fell below 95% of target, the Local Authority would be required to publish an action plan setting out the reasons for the situation and actions that it and other parties need to take. And if the delivery fell below 85% then authorities would in addition be expected to plan for a 20% land buffer on their 5 year supply.

- 1.6 From November 2018 if there was still no up-to-date plan in place then it proposed, subject to consultation, that delivery would be measured against the new proposed standardised housing need methodology. In addition, if housing delivery fell below 25% (November 2019 45%, November 2020 65%) then a presumption in favour of sustainable development would automatically be applied and relevant planning policies deemed out of date.

### **Potential implications for Maidstone**

- 1.7 A consultation on the HWP ran from the 7<sup>th</sup> February 2017 to 2<sup>nd</sup> May 2017. The Council, in its response to the consultation on the housing delivery test stated:

“There is some inevitable time lag before the housing site allocations in an up to date Local Plan generate an uplift in housing completions. It is unreasonable that an authority with a very up to date Local Plan could potentially be required to apply a 20% buffer (with a resulting risk to its 5 year land supply position) because the test relies on completion rates from earlier years. This could be particularly the case for authorities such as Maidstone where the Objectively Assessed Need for housing (OAN), which the Local Plan provides for in full, is substantially higher than the targets that previously applied.

This aspect of the delivery test could run counter to the Government’s clear intention that that the planning system is plan-led and that an up to date local plan is the key way by which authorities have full control over the scale, nature and location of development in their areas. This could be addressed with the introduction of a transition period of up to 3 years from a Plan’s adoption before the 20% buffer could be required.”

- 1.8 The 'Planning for the right homes in the right places' consultation states that the government now intends to publish the revised NPPF, including the introduction of the standardised methodology for calculating housing need, in the Spring 2018. It is possible that the housing delivery test will be introduced at the same time.
- 1.9 In the event that the test had been introduced this November, the Council would have been in a difficult position regarding delivery over the previous 3 years (Figure 2). A 20% buffer would have had to be applied to the future housing target. However, with a 5 year supply of 6.3 years, the Council would still have been able demonstrate 5.52 years regarding its 5 year housing supply, even with the 20% buffer applied.

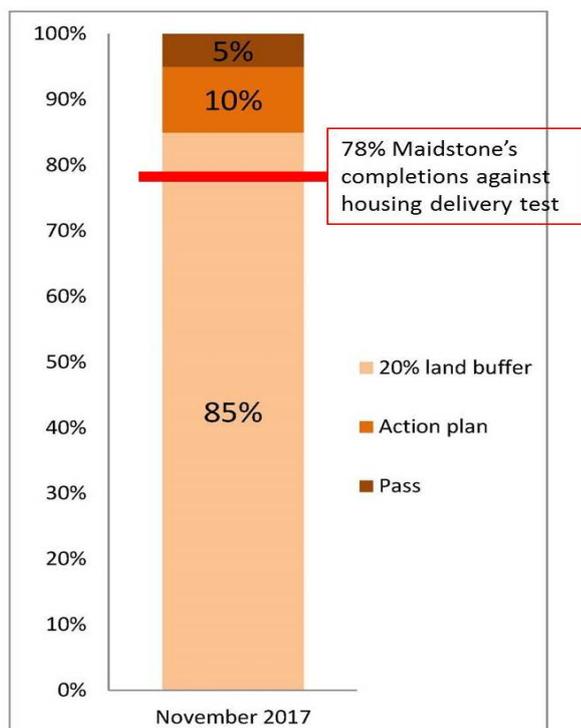


Figure 2. Maidstone's delivery rate measured against the housing delivery test

1.10 Furthermore, it is apparent from the housing land supply update 1 April 2017, matters improve in future years as the Council's delivery rates match the adopted Local Plan targets.

1.11 Rolling forward the housing delivery test introduction to April 2018, if the Council monitors in excess of 586 dwellings complete during the year 2017/18 then a 5% land buffer could be reapplied. Further, if the council monitors in excess of 851 dwellings then would be no requirement to produce an action plan (Figure 3).

	<b>Adopted Local Plan housing requirement</b>	<b>Completions, 5% buffer and action plan</b>	<b>Completions, 5% buffer</b>
2015/16	883	521	521
2016/17	883	1,145	1,145
2017/18	883	586(+)	851(+)
<b>Total</b>	<b>2,649</b>	<b>2,252</b>	<b>2,517</b>
<b>% achieved of test</b>		<b>85%</b>	<b>95%</b>

Figure 3. Completed dwellings required for a 5% buffer

1.12 The housing land supply survey April 2017 reported 1,458 dwellings monitored as under construction and this gives a good indication that completion rates during this monitoring year 2017/18 will be to a similar level of 2016/17 – a very good figure meaning that an action plan will unlikely be required.

1.13 A further indication of the Council's expected delivery rate for 2017/18 includes the monthly completion reports from Local Authority Building

Control (LABC), retrospective planning applications and lawful development certificates. From these sources there have already been 447 dwellings completed to 1 October 2017, accounting for 39% of the anticipated delivery of 1,147 dwellings for 2017/18 and 76% of the 586 dwellings required for a 5% buffer to be applied.

1.14 The housing land supply annually reviews anticipated future delivery rates, and a good indication can be attained that in future years the Council's completion rate should be in excess of 95% of the housing delivery test (Figure 4).

	<b>Requirement</b>	<b>Completions</b>	<b>Anticipated Completions</b>
2015/16	883	521	
2016/17	883	1,145	
2017/18	883		1,147
2018/19	883		1,253
2019/20	883		1,545

Figure 4. Anticipated completions measured against housing delivery test

1.15 In summary, if the housing delivery test does come into effect from April 2018 it is anticipated that completion rates will be of a high enough level that Maidstone will only be required to apply a 5% buffer.

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## 2. RISK

2.1 This report is presented for information only and has no risk management implications.

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## 3. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

3.1 If there are any significant amendments to the housing delivery test as a result of the Housing White Paper and 'Planning for the right homes in the right places' consultations then the implications will reviewed and, if appropriate, reported back to this committee.

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## 4. CROSS-CUTTING ISSUES AND IMPLICATIONS

<b>Issue</b>	<b>Implications</b>	<b>Sign-off</b>
<b>Impact on Corporate Priorities</b>	<ul style="list-style-type: none"> <li>No implications</li> </ul>	Rob Jarman, Planning Manager

<b>Risk Management</b>	<ul style="list-style-type: none"> <li>• No implications</li> </ul>	Rob Jarman, Planning Manager
<b>Financial</b>	<ul style="list-style-type: none"> <li>• No implications</li> </ul>	Section 151 Officer & Finance Team
<b>Staffing</b>	<ul style="list-style-type: none"> <li>• Production of the annual housing land supply can be accommodated within the existing staff structure</li> </ul>	Rob Jarman, Planning Manager
<b>Legal</b>	<ul style="list-style-type: none"> <li>• No implications</li> </ul>	Cheryl Parks, Mid Kent Legal Services (Planning Team)
<b>Privacy and Data Protection</b>	<ul style="list-style-type: none"> <li>• No implications</li> </ul>	Cheryl Parks, Mid Kent Legal Services (Planning Team)
<b>Equalities</b>	<ul style="list-style-type: none"> <li>• No implications</li> </ul>	Anna Collier Policy & Information Manager
<b>Crime and Disorder</b>	<ul style="list-style-type: none"> <li>• No implications</li> </ul>	Rob Jarman, Planning Manager
<b>Procurement</b>	<ul style="list-style-type: none"> <li>• No implications</li> </ul>	Rob Jarman, Planning Manager & Section 151 Officer