

**Strategic Housing Land Availability  
Assessment (SHLAA) Update  
January 2014**

**Volume 1 - Methodology**

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# 1. INTRODUCTION

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- 1.1 The Department for Communities and Local Government (DCLG) published guidance on how to carry out a Strategic Housing Land Availability Assessment (SHLAA) in July 2007. The guidance sets out the broad methodology and stages expected to be followed by Local Planning Authorities (LPA) in undertaking the SHLAA.
- 1.2 This report sets out the approach taken by Fareham Borough Council in undertaking the SHLAA, which accords with the baseline national guidance. This methodology seeks to illustrate the depth of research and site investigation involved in carrying out a comprehensive update of the SHLAA. This update follows the principles set out in paragraph 17 of the DCLG guidance, which requires the SHLAA to be regularly updated, taking special consideration of the following:
- Sites which were previously recorded as under construction have now been developed, or individual stages have been developed;
  - Sites with planning permission are now under construction and what progress has been made;
  - Planning applications have been submitted or approved on sites and broad locations identified by the Assessment;
  - Progress has been made in removing constraints on development and whether a site is now considered to be deliverable or developable;
  - Unforeseen constraints have emerged which now mean a site is longer deliverable or developable, and how these could be addressed; and
  - The windfall allowance (where justified) is coming forward as expected, or may need to be adjusted.

## 2. PLANNING POLICY CONTEXT

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- 2.1 The policy context for the SHLAA is provided principally by the National Planning Policy Framework (NPPF). Paragraph 159 states that “Local Planning Authorities should have a clear understanding of housing needs in their area. They should prepare a Strategic Housing Land Availability Assessment to establish realistic assumptions about the availability, suitability and the likely economic viability of land to meet the identified need for housing over the plan period.”
- 2.2 Chapter 6 of the NPPF is titled “delivering a wide choice of high quality homes”, and emphasises the Government’s commitment to delivering a supply of housing. It states that “local planning authorities should:
- Use their evidence base to ensure that their Local Plan meets the full, objectively assessed needs for market and affordable housing in the housing market area, as far as is consistent with the policies set out in this Framework, including identifying key sites which are critical to the delivery of the housing strategy over the plan period;
  - Identify and update annually a supply of specific deliverable sites sufficient to provide five years’ worth of housing against their housing requirements with an additional buffer of 5% (moved forward from later in the plan period) to ensure choice and competition in the market for land. Where there has been a record of persistent under delivery of housing, local planning authorities should increase the buffer to 20% (moved forward from later in the plan period) to provide a realistic prospect of achieving the planned supply and to ensure choice and competition in the market for land;
  - Identify a supply of specific, developable sites or broad locations for growth, for 6-10 years and, where possible, for 11-15 years.”
- 2.3 In terms of being deliverable, the NPPF states that “to be considered deliverable, sites should be available now, offer a suitable location for development now and be achievable with a realistic prospect that housing will be delivered on the site within five years and in particular that development of the site is viable. Sites with planning permission should be considered deliverable until permission expires, unless there is clear evidence that schemes will not be implemented within five years, for example they will not be viable, there is no longer for the type of units or sites have long term phasing plans.”
- 2.4 To be considered developable the NPPF states that “sites should be in a suitable location for housing development and there should be a reasonable prospect that the site is available and could be viably developed at the point envisaged”.

## 3. METHODOLOGY

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### Stage 1: Determining which sources of sites will be included in the Assessment

- 3.1 The sources of sites assessed within this SHLAA Update follows that specified within the DCLG practice guidance. The DCLG breaks the sourcing of sites into those in the planning process and those which are not. The following sources of sites have been considered in this SHLAA:

Sites within the planning process:

- Housing allocations and development briefs which remain undeveloped
- Employment allocations which are no longer required;
- Unimplemented or outstanding planning permissions for housing development;
- Planning permissions for housing that are under construction.

Sites not currently within the planning process:

- Vacant and derelict land and buildings;
- Surplus public sector land;
- Land in non-residential use which may be suitable for redevelopment for housing;
- Additional housing opportunities in established residential areas.

- 3.2 In addition to the sources listed above, Fareham Borough Council has ran a series of "call for sites" to provide local landowners, developers and planning agents with the opportunity to promote sites not included within any previous SHLAA. The first call for sites was undertaken August 2010 in response to the Council's decision to reduce the site capacity threshold in the SHLAA from ten dwellings to five dwellings.. This SHLAA also takes into account sites submitted to the Council throughout the various stages of consultation on the Local Plan, including the draft Development Sites & Policies Plan which was consulted on in October-November 2012.

- 3.3 The DCLG practical guidance outlines that particular types of land may be excluded from the assessment and that where this is the case, the reason for doing so will need justification. In this regard, the SHLAA does not consider any sites outside the defined urban settlement boundaries, including potential urban extension opportunities at this point in time. The Borough Council's approach towards sites outside the defined urban settlement boundary and justification for their omission is in Stage 3.

### Stage 2: Desktop review of existing information

- 3.4 This SHLAA Update represents the housing land availability position within Fareham across the financial year from 1<sup>st</sup> April to 31<sup>st</sup> March . The Technical Annex that accompanies this document sets out information regarding the review of existing site

information. Sites identified in previous SHLAA updates have been reviewed with regard to their planning status and, where relevant, dwellings completions at each site have been set out. Information is also provided on any new applications and/or pre-application enquiries.

3.5 Additional sources have been reviewed to identify additional sites not previously identified in earlier editions of the SHLAA. These include:

- Non consulted site submissions;
- Land identified as 'housing options' by the Site Allocations DPD Issues and Options Draft;
- National Land Use Database;
- Fareham Borough Employment Land Review;
- Valuation Office Database; and
- Ordnance survey maps.

### **Stage 3: Determining which sites and areas will be surveyed**

3.6 The SHLAA guidance states that particular types of land may be excluded from the assessment where justified. Previous SHLAA reports identified a deliverable housing land supply in excess of the housing targets for the Borough without including supplementary greenfield sites outside the defined urban settlement boundaries. This is still the position within Fareham and as a result, greenfield sites identified as being outside the defined urban settlement boundaries have been excluded from this assessment until such a time when it may be necessary to include them.

3.7 One of the “Core Planning Principles” in the NPPF is “planning should...encourage the effective use of land by reusing land that has been developed (brownfield land). This emphasis on PDL has also been established in the Council’s adopted Core Strategy (August 2011) which states in Policy CS6 (The Development Strategy) that “in identifying land for development, the priority will be for the reuse of previously developed land, within the defined urban settlement boundaries”. The SHLAA process, therefore, follows the Development Strategy of the Core Strategy and the emphasis of the NPPF, in considering PDL in the first instance.

3.8 To ensure Fareham Borough Council has a full understanding of the potential housing supply within the Borough, this SHLAA update looks at all sites which can yield more than five dwellings. This represents a change from previous SHLAA updates which set the threshold for inclusion at ten dwellings or more. This reduction ensures that a greater proportion of sites can be assessed, which in turn gives the SHLAA a more robust supply figure.

3.9 In view of this sites should only be surveyed providing they fulfil the following criteria:

- The site possesses the potential to deliver 5 or more dwellings; and
- The site is Previously Developed Land (PDL) within the defined urban settlement boundaries of the Borough.

#### **Stage 4: Carrying out the survey**

3.10 A site survey has been conducted on all new sites, and all sites identified in previous SHLAA editions that have been subject to changes. The following characteristics and site criteria have been recorded on a proforma, which has been prepared in accordance with the advice in paragraph 29 of the CLG guidance.

- Site size;
- Site boundary;
- Current use;
- Surrounding land uses;
- Character of surrounding area;
- Physical constraints;
- Development progress;

3.11 As part of Stage 6a, assessing suitability, all potential constraints on development have been assessed in full, with detail provided on how they would be overcome, where possible.

#### **Stage 5: Estimating the housing potential of each site**

3.12 Where possible, housing potential has been derived from planning applications, pre-application discussions and site submissions where the developer/land-owner has indicated a potential capacity. Where this information was not available or obtainable a design-led assessment has been carried out by the Principal Planner (Strategic Sites & Design).

3.13 For newly identified sites, the potential capacity has been ascertained by one of two methods. Where a site has been submitted by a land-owner/developer which includes an indicative capacity this has been accepted unless deemed unrealistic. Otherwise, each site has been considered on its own merits, looking specifically at site constraints, the density of surrounding development and the character of the area.

3.14 On larger sites, not all the area within the site boundary will be developed to take account of infrastructure, internal access roads, landscaping and open space needs. Therefore all medium to large sites, above 0.5ha, have been subjected to a size reduction to ascertain a more accurate estimation of the developable area. Smaller sites typically make use of existing infrastructure, thus potentially enabling up to 100%

of the site area to be developable for housing. The following reductions have been applied to ascertain the "net developable area" from the "gross site area", and have subsequently been used to develop capacity estimations. These standards are broadly based on "Tapping the Potential" (1999 Urbed).

<u>Gross Site Size</u>	<u>Gross to Net Ratio</u> <u>Reduction</u>
Up to 0.5 ha	0%
0.5 to 2 ha	20%
2 ha and above	40%

### Stage 6: Assessing when and whether sites are likely to be developed

- 3.15 A requirement of the NPPF is that LPAs should identify sufficient deliverable sites to deliver housing in the first five years, with further developable sites to deliver housing for the next 10 years. In doing so, LPAs are required to produce clear and robust evidence to demonstrate that the five year supply of deliverable sites are available now.
- 3.16 The definitions of deliverable and developable are as follows:
- **Deliverable** - sites should be available now, offer a suitable location for development now, and be achievable with a realistic prospect that housing will be delivered on the site within five years and in particular that development of the site is viable. Sites with planning permission should be considered deliverable until permission expires, unless there is clear evidence that schemes will not be implemented within five years, for example they will not be viable, there is no longer a demand for the type of units or sites have long term phasing plans.
  - **Developable** - sites should be in a suitable location for housing development and there should be a reasonable prospect that the site is available and could be viably developed at the point envisaged.
- 3.17 A deliverable site must therefore be suitable and available and should not be achievable (including viable) within five years. For a developable site, the site must be in a suitable location but does not have to be immediately available or achievable (including viable) providing constraints can be addressed within the timeframe envisaged for the site to be built-out. Where a site is unsuitable for development or there and/or there are constraints to the available / achievability of that cannot be addressed within the the timeframe envisaged for the site to be built-out. Not currently developable sites will not contribute to the figures in the SHLAA.

### Stage 6a: Assessing suitability for housing

- 3.18 To qualify as suitable, a site should offer a suitable location for development now and that development would contribute to the creation of sustainable, mixed communities.



The DCLG guidance states that allocated sites and sites with planning permission will generally be suitable, although it may be necessary to assess whether circumstances have changed which would alter their suitability.

3.19 In line with DCLG guidance, the following factors have been considered for all other sites to assess their suitability:

- Policy restrictions - such as designations, protection areas, existing planning policy and corporate, or community strategy policy;
- Physical problems or limitations - such as access, infrastructure, ground conditions, flood risk, hazardous risk, pollution and contamination;
- Potential impacts - including effects upon landscape features biodiversity and conservation; and
- The environmental conditions - which would be experienced by prospective residents.

### **Stage 6b: Assessing availability for housing**

3.20 To qualify as an available site the NPPF requires that the site be available now. The CLG guidance states that a site is considered available when "on the best information available, there is confidence that there are no insurmountable legal or ownership problems, such as multiple ownerships, ransom strips, tenancies or operational requirements of landowners". The guidance also states that the existence of planning permission does not necessarily mean the land is available, because planning applications can be made by persons who do not need to have an interest in the land. Where ownership or legal issues exist an assessment has been undertaken to ascertain if these issues can realistically be overcome in the plan period.

3.21 Where sites have been identified speculatively by developers without the consent of landowners, they have been included (where they meet the other assessment requirements) within the second or third five year period of the SHLAA, unless subsequent information from the landowner has indicated otherwise. In such instances efforts have been made to contact the landowner(s). Further, such sites cannot be considered as part of the deliverable supply until such time as the landowner has provided written notification indicating their development ambitions for the site. This decision has been made with reference to the examination of the Tandridge Core Strategy, where the Inspector concluded that: "*if a landowner has not categorically stated that they have no intentions of selling their site or that it should not be included for other reasons, then I believe it has a reasonable prospect of being available in the second or third of the five year PPS3 periods.*"

### **Stage 6c: Assessing achievability for housing**

- 3.22 For a site to qualify as achievable, the DCLG guidance states that site achievability will be effected by a wide range of factors including;
1. **Market factors**, such as adjacent uses, economic viability of existing, proposed and alternative uses, land values, market demand and projected rate of sales:
  2. **Cost factors**, such as site preparation costs and the availability and access to development finance/lending; and
  3. **Delivery factors**, such as the timescales required to gain the requisite approvals, phasing issues, site fragmentation, physical constraints and the size and capacity of the developer.
- 3.23 Achievability, therefore, must be judged against the economic viability of sites, and the capacity of the developer to complete and sell the housing over a certain period. This has been undertaken by one of two methods.
- 3.24 With regard to sites with planning consent, viability has generally been determined through consultation with landowners developers/planning agents for the sites to determine whether there are any impediments likely to impact upon viability and when sites are likely to be delivered. This data helps create a realistic perspective of the likely site delivery timescales in terms of land supply over the plan period.
- 3.25 Regarding sites without planning consent, the Council has sent sites that are considered to be suitable and available to be independently assessed to ascertain whether they are viable. The “Viability Assessment of Site Allocations” was undertaken by Knight Frank in August 2013 and takes the sites through a pre-determined appraisal model. This appraisal model was consulted on with the local agents and developers who form part of the Housing Market Partnership (see appendix A) and amended accordingly. Only sites that were shown to be viable through this report have been included in the Council’s housing supply.
- 3.26 The Council also continually works with the housing land supply monitoring team at Hampshire County Council to assess the phasing and delivery of large sites over the first five year period. This involvement forms an important basis for the development of the Borough's housing trajectory which is to be published in the Council’s Monitoring Report.

### **Stage 6d: Overcoming constraints**

- 3.27 Constraints to site availability, suitability and achievability have been identified within the SHLAA and highlighted within the SHLAA Site Assessment. The SHLAA is a dynamic process, which through monitoring will be updated as additional information becomes

available. It should be noted however, that it is not the purpose or the role of the SHLAA put into place mitigation measures for individual sites. The SHLAA is purely an evidence study in which the Borough's housing capacity can be assessed.

- 3.28 In the instance that constraints were identified through this process, the SHLAA has considered what action would be required to remedy them. Depending on the nature of the constraint, further discussions and advice might need to be sought from the relevant party at a relevant point in time.

### **Stage 7: Review of the Assessment**

- 3.29 The assessment of sites determines the housing potential within the Borough in accordance with the criteria established at stage 3. This data is summarised and translated into a housing trajectory incorporated within the AMR and Development Sites & Policies Plan. This helps to ensure that a rolling five year supply of housing can be identified.
- 3.30 This SHLAA update will be revisited and updated annually to incorporate baseline data for the next monitoring year. This continual review helps ensure that the SHLAA is accurate and that the data informing it is robust enabling it to continue to inform the Council's emerging Local Plan. Where possible the SHLAA update will be reported alongside the publication of the Council's Monitoring Report., or updated when required to feed into the ongoing development of Local Plan policies.

### **Stage 8: Identifying and assessing the housing potential of broad locations (where necessary)**

- 3.31 This is not appropriate for individual sites within the Borough as it has been possible to meet the Borough's housing target on identified sites. Whilst Fareham Borough Council is committed to delivering a new community to the north of Fareham known as Welborne; the area boundary and details will be allocated and discussed through the Welborne Plan (Local Plan Part 3).

### **Stage 9: Determining the housing potential of windfall (where justified)**

- 3.32 The NPPF states that "Local Planning authorities may make an allowance for windfall sites in the five-year supply if they have compelling evidence that such sites have consistently become available in the local area and will continue to provide a reliable source of supply. Any allowance should be realistic having regard to the SHLAA, historic windfall delivery rates and expected future trends and should not include residential gardens"
- 3.33 The Council has considered previous delivery rates since the start of the Plan period

(2006-2013) and have concluded that windfall has been a consistent source of housing supply. To that end the Council considers that it has evidence of previous delivery rates and therefore it is justified in including windfall as part of the housing supply for the first 5 year period of the Plan. Volume 2 of the SHLAA sets out how the windfall calculation has been determined.

# APPENDIX A

## Housing Market Partnership Members

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- BNP Paribas Real Estate
- Barratt Southampton
- Bovis Homes South East
- Brian Campbell Associates
- Bryan Jezeph Consultancy
- Burton Property
- Derek G Marlow Chartered Surveyor
- Fareham Borough Council (Councillors, Planning Policy, Strategic Housing)
- First Wessex Housing Group
- Goadsby
- Guinness Hermitage Housing
- Hampshire County Council (Estates)
- Hyde Martlett
- Ken Scadden Associates
- Lambert Smith Hampton
- Landspeed Affordable Homes
- Level Ltd
- Mapledean Development Ltd
- Neame Sutton
- Orchard Homes & Developments
- Southcott Homes
- Sovereign Housing Association
- Radian
- RB Tutton Planning Consultants
- Vail Williams
- White Young Green