

**Five year housing land supply (2019 - 2024)  
Annual Position Statement at 1<sup>st</sup> April 2019**

**July 2019**

**1. Introduction**

- 1.1 This Statement sets out an assessment of the housing land supply position in Herefordshire taking into account the requirements of the National Planning Policy Framework (NPPF) at 1<sup>st</sup> April 2019.
- 1.2 With the government aim of achieving faster delivery of new homes, a reviewed approach to the five year supply has been set. The context to the updated Framework, as has been repeatedly cited by Government, is to address the severe issues of housing undersupply and affordability prevalent across the country. It is of no surprise therefore that the most substantial policy changes relate to the delivery of housing and the more effective use of land. It is about ensuring homes are actually built.
- 1.3 The approach to engagement on this supply paper is set explained at the relevant sections within this document.

**2.0 Planning Policy**

**National Planning Policy Framework**

- 2.1 The NPPF 2019 indicates that local planning authorities should identify and update annually a supply of specific deliverable sites sufficient to provide five years supply of housing against their housing requirements set out in adopted strategic policies or against the local housing need where the strategic policies are more than five years old (paragraph 73). The supply of specific deliverable sites should in addition include a buffer:
- 5% to ensure choice and competition in the market for land; or
  - 10% where the local planning authority wishes to demonstrate a five-year supply of deliverable sites through an annual position statement or recently adopted plan, to account for any fluctuations in the market during that year; or
  - 20% where there has been significant under delivery of housing over the previous three years, to improve the prospect of achieving the planned supply<sup>1</sup>.

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<sup>1</sup> (NPPF Footnote 39) From November 2018, this will be measured against the Housing Delivery Test, where this indicates that delivery was below 85% of the housing requirement.

- 2.2 Paragraph 75 sets out that to maintain the supply of housing, local planning authorities should monitor progress in building out sites which have permission. This will be assessed by the Secretary of State in the *Housing Delivery Test* which is explained later.
- 2.3 NPPF Paragraph 11 sets out the presumption in favour of sustainable development for both plan making and decision taking. Paragraph 11d states 'where there are no relevant development plan policies, or the policies which are most important for determining the application are out-of-date this means granting permission'.
- 2.4 Not meeting the five year supply continues to be associated with policies that are 'out of date'. This is clarified by Footnote 7 of the NPPF 'where the local planning authority cannot demonstrate a five year supply of deliverable housing sites (with the appropriate buffer, as set out in paragraph 73); or where the Housing Delivery Test indicates that the delivery of housing was substantially below (less than 75% of) the housing requirement over the previous three years' then granting permission is expected to be granted for sustainable development.
- 2.5 In emphasising the importance of the presumption in favour of sustainable development the NPPF is clear that the housing land supply position will need to be balanced against other factors in the development plan and/or NPPF which could result in the refusal of planning permission or restriction in development. Footnote 6 associated with paragraph 11 of the NPPF is helpful in stipulating those areas that the NPPF has in mind where development should be restricted. Such areas relevant to Herefordshire include:
- habitats sites (and those sites listed in paragraph 176<sup>2</sup>) and/or designated as Sites of Special Scientific Interest
  - irreplaceable habitats
  - land designated as Local Green Space
  - land designated as an Area of Outstanding Natural Beauty
  - land affected by designated heritage assets (and other heritage assets of archaeological interest referred to in footnote 6<sup>3</sup>)
  - land at risk of flooding
- 2.6 The NPPF has reviewed its definition of '**deliverable**<sup>4</sup>' sites. To be considered deliverable, sites for housing 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. In particular:
- a) sites which do not involve major development and have planning permission, and all sites with detailed planning permission, should be considered deliverable until

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<sup>2</sup> a) potential Special Protection Areas and possible Special Areas of Conservation;

b) listed or proposed Ramsar sites (see NPPF footnote 59); and

c) sites identified, or required, as compensatory measures for adverse effects on habitats sites, potential Special Protection Areas, possible Special Areas of Conservation, and listed or proposed Ramsar sites.

<sup>3</sup> Non-designated heritage assets of archaeological interest, which are demonstrably of equivalent significance to scheduled monuments, should be considered subject to the policies for designated heritage assets.

<sup>4</sup> NPPF pg.66.

permission expires, unless there is clear evidence that homes will not be delivered within five years (for example because they are no longer viable, there is no longer a demand for the type of units or sites have long term phasing plans).

b) where a site has outline planning permission for major development; has been allocated in a development plan; has a grant of permission in principle; or is identified on a brownfield register, it should only be considered deliverable where there is clear evidence that housing completions will begin on site within five years.

2.7 Once a 5 year housing land paper is drafted, it then needs to meet the requirements of paragraph 74 as this provides a new mechanism to allow a local planning authority to demonstrate a five year supply of housing sites. However it is worth noting this applies to more recently adopted plans as explained at paragraph 2.9 below.

2.8 'A five year supply of deliverable housing sites, with the appropriate buffer, can be demonstrated where it has been established in a recently adopted plan, or in a subsequent annual position statement which:

a) has been produced through engagement with developers and others with an impact on delivery;

b) considered by the Secretary of State; and

c) incorporates the recommendations of the Secretary of State where the position on specific sites cannot be agreed during the engagement process.

2.9 Footnote 38 of the NPPF states that '... a plan adopted between 1 May and 31 October will be considered 'recently adopted' until 31 October of the following year; and a plan adopted between 1 November and 30 April will be considered recently adopted until 31 October in the same year. Therefore only those Local Plans adopted in this timeframe will be considered acceptable for submission of their 'Five Year Housing Land Supply Annual Position Statement' to the Planning Inspectorate. Herefordshire Council's Local Plan Core Strategy was adopted in October 2015 under the 2012 NPPF Framework and is therefore not suitable for submission. However, this supply paper has been approached as closely as possible to reflect the guidance.

### **The Housing Delivery Test**

2.10 The NPPF states that "the Housing Delivery Test measures net additional dwellings provided in a local authority area against the homes required, using national statistics and local authority data. The Housing Delivery Test is carried out by Central Government and the Secretary of State will publish the test results for each local authority in England every November". The first results for 2018 were delayed and published in February 2019.

2.11 The 'presumption in favour of sustainable development' at paragraph 11 states that that the presumption will apply where housing delivery is below 75% of the requirement; in line with the Housing Delivery Test. There are transitional

arrangements in place until the 75% target is applied. Paragraph 215 of the NPPF sets out these requirements:

- a) November 2018 - If delivery falls below 25% of housing required over the previous three years;
- b) November 2019 - Indicate that delivery was below 45% of housing required over the previous three years;
- c) November 2020 and in subsequent years - Indicate that delivery was below 75% of housing required over the previous three years.

2.12 Regardless of passing the test, paragraph 75 of the NPPF states that where delivery falls below the above figures or if delivery falls below 95% over three years from 2020 then authorities are required to prepare an *action plan* to assess the causes of under-delivery and identify actions to increase delivery. In addition to maintaining a deliverable 5 year housing land supply, the Housing Delivery Test imposes a major incentive to process housing applications as swiftly as possible and work with developers to speed up implementation and delivery.

2.13 Whereas five-year supply tries to forecast what will be built in the future, the Housing Delivery Test looks at what has actually been delivered. Where targets have been missed over the last three-years, a variety of consequences will apply depending on the severity of the shortfall.

2.14 The Housing Delivery Test result for Herefordshire was 74%. Therefore as the result is less than 95% delivery rate, an action plan will be published in August 2019 to address under delivery.

### **Planning Practice Guidance (PPG)**

2.15 The PPG Guidance was updated **13 Sept 2018** and again **22 July 2019**. Local Planning Authorities are expected to be more transparent with regard to the information that is set out in the 5 year supply. Commentary on site progress including reasons for slow/fast rates of activity as well as build out rates are expected to be set out.

2.16 The following highlights the recent changes:

- Local Planning Authorities can have their Five Year Supply position confirmed by the Planning Inspectorate as long as they have a recently adopted Plan in line with Footnote 38 of the NPPF. Herefordshire Council does not have a recently adopted Plan in this case.
- The authority should engage with the typical stakeholders such as developers, landowners, land promoters and even utility providers.
- The authority needs to seek agreement on sites and the level of delivery.
- Authorities may wish to set up an assessment and delivery group which can assist authorities to not only identify any delivery issues but also help to find solutions to address them.

### **Site information required**

- 2.17 Assessments need to be realistic and made publicly available in an accessible format as soon as they have been completed. As set out in the recently updated PPG paragraph 14, assessments will be expected to include:
- for sites with detailed planning permission, details of numbers of homes under construction and completed each year; and where delivery has either exceeded or not progressed as expected, a commentary indicating the reasons for acceleration or delays to commencement on site or effects on build out rates;
  - for small sites, details of their current planning status and record of completions and homes under construction by site;
  - for sites with outline consent or allocated in adopted plans (or with permission in principle identified on Part 2 of brownfield land registers, and where included in the 5 year housing land supply), information and clear evidence that there will be housing completions on site within 5 years, including current planning status, timescales and progress towards detailed permission;
  - permissions granted for windfall development by year and how this compares with the windfall allowance;
  - details of demolitions and planned demolitions which will have an impact on net completions;
  - total net completions from the plan base date by year (broken down into types of development e.g. affordable housing); and
  - the 5 year housing land supply calculation clearly indicating buffers and shortfalls and the number of years of supply.
- 2.18 The majority of the above actions have been addressed in this Annual Position Statement. There was not adequate time to assess sites 'under construction' and 'completed' sites for their rate of delivery as this is a new requirement in the very recently published PPG.

### **Development Plan Position**

- 2.19 The Herefordshire Local Plan - Core Strategy was adopted by Herefordshire Council on 16 October 2015 following an Examination in Public. However a review of the Core Strategy is due to commence by the end of 2019; the scope of which will be agreed later this year.
- 2.20 As a result of the lack of a five year supply the council issued an ***Interim Statement*** in *September 2016* setting out its position as a result of not having a five year land supply. Going forward the Council will be producing a Housing Delivery Action Plan to address under delivery.
- 2.21 To date there has been good progress with the uptake of Neighbourhood Development Plans (NDPs) across the county. All Made Plans form part of the statutory development plan for the relevant parish area in conjunction with the Core Strategy. Further information on NDPs and their progress and contribution in the supply can be found at paragraph 4.39.
- 2.22 As the NPPF requires an annual update to the five year supply position of each local authority, this statement simply sets out the annual position at April 2019.

### **Neighbourhood planning and housing land supply**

- 2.23 Neighbourhood Plans should support the strategic policies contained within local plans and should not promote less development than set out in the strategic policies for the area.
- 2.24 Paragraph 14 of the revised NPPF (2019) refers to paragraph 11d whereby it states in situations where the presumption applies ...'where there are no relevant development plan policies, or the policies which are most important for determining the application are out of date', it is expected that permission is granted unless there are other material matters. Therefore the presumption applies to applications involving the provision of housing, the adverse impact of allowing development that conflicts with the neighborhood plan is likely to significantly and demonstrably outweigh the benefits, provided all of the following apply:
- a) The neighbourhood plan became part of the development plan two years or less before the date on which the decision is made;
  - b) The neighborhood plan contains policies and allocations to meet its identified housing requirement;
  - c) The local planning authority has at least a three year supply of deliverable housing sites (against its five year housing supply requirements, including the appropriate buffer as set out in paragraph 73); and
  - d) The local planning authority's housing delivery was at least 45% of that required over the previous three years.

### **3. Calculating the Housing Land position**

- 3.1 The NPPF states that strategic policies should be informed by a local housing needs assessment conducted using the standard method in national planning guidance (paragraph 60). As the Herefordshire Core Strategy was adopted nearly four years ago its housing targets are still considered to be up to date. The Core Strategy covers the period 2011-31 and provides for a minimum **16,500 homes** between 2011 and 2031.
- 3.2 This report therefore provides an assessment of the housing land supply against the Core Strategy targets. Policies SS2 and SS3 of the Core Strategy set out the Council's strategy to secure the delivery of a minimum of 16,500 homes in Herefordshire between 2011 and 2031. In respect of a housing target for Herefordshire the expectation is that the highest rate of housing completions will be towards the latter end of the plan period.
- 3.3 The Core Strategy indicative trajectory suggests that in the early years of the plan anticipated delivery rates will be lower but as the housing market improves and key infrastructure is provided, delivery rates will increase. The anticipated Core Strategy trajectory from 2011–2031 is set out in Figure 1. The stepped target is a basis for monitoring and assessing land supply (including the five year housing land supply) throughout the plan period and a detailed annualised trajectory is provided in Appendix 5).

**Figure 1. Overall Core Strategy housing trajectory**

	2011-16	2016-21	2021-26	2026-31	Average per annum
Core Strategy	600	850	900	950	825
<b>Totals</b>	<b>3000</b>	<b>4250</b>	<b>4500</b>	<b>4750</b>	<b>16500</b>

#### **4. Methodology**

4.1 In assessing the components of the 5-year housing supply position in Herefordshire the contents of the NPPF and NPPG have been considered.

In assessing the 5-year supply position the following elements have been considered:

1. Sites with planning permissions include sites with full planning permission, sites with outline permission and sites currently under construction as at 1 April 2019.
2. Sites which have received a resolution to grant planning permission between 31 March 2018 and 1 April 2019.
3. The contribution that Core Strategy strategic housing proposals can make to the five year supply.
4. A windfall site allowance. The Council has made no allowance for windfalls in the first three years in order to avoid double counting with existing commitments. As such there would be a windfall calculation for years 4 & 5.
5. An assessment of the realistic number of dwellings which are likely to be delivered through neighbourhood development plans over the five year period.

Other factors must be also considered against the calculation of five year supply and these relate to:

6. Past housing completions at the time of calculation (Officers on site surveying development progress between the period April– May 2019).
7. The shortfall against plan targets during the same period. Comparisons are made against the indicative trajectory.
8. It is acknowledged that Herefordshire should be considered as a 20% authority as there has been an under-provision in the previous three years which has been less than 85% delivery on completion rates as per NPPF Footnote 39.

4.2 The following section explains how each of these factors has been taken into account:

##### **Sites with planning permission**

4.3 Sites with full permission which are considered to be deliverable can contribute to housing supply. In the NPPF Glossary, a definition of *deliverable* is set out. It confirms that sites with detailed planning permission or sites which are not a major

housing development (less than 10 dwellings) should be considered deliverable until permission expires. If there is evidence to say they will not come forward in the next five years then that needs to be taken into account. In this instance sites have been assessed to determine which ones are experiencing delays. Where problems have been identified then discounts have been applied.

- 4.4 Sites with outline permission which are considered to be deliverable can still contribute to housing supply. However, the NPPF requires more evidence of the site coming forward if it is to be included in the supply. This is particularly the case on sites accommodating 10 or more dwellings. The standard lead in times allows an additional period for such sites to obtain full planning permission and discharge conditions as required. An assessment of all sites in this category has been carried out and discounting has been applied where inactivity exists. Communications with development management officers, agents, house builders and developers have been undertaken to establish a picture of the progress being made. Sites which are experiencing land sales, valid reserved matters applications, discharge/variation of conditions and housebuilder involvement are considered to be making progress through the system. Where sites are experiencing inactivity then a part or complete discount of the site is applied.
- 4.5 Sites that are under construction are considered to be deliverable and such sites continue to deliver completions. The very recently revised PPG expects more analysis on the build out rate of sites. As this requirement was issued late on 22<sup>nd</sup> July 2019, it was not possible to carry out such an analysis in time prior to publication of the document. However it is something which the council will be undertaking for the next supply paper.

Appendix 1 lists all commitment sites with planning permission at 1 April 2019.

**Figure 2a. Commitments (before discount)**

<b>Commitments</b>	<b>2018/19</b>
Not started	4612
Under construction	875
Total (Gross)	5487
Total (net)	<b>5370</b>

**Additional supply contributions**

- 4.6 Included in the commitments, is a certificate of lawfulness (CLEUD) decision P142613/U at Lea Villa, Lea. This was a historic permission dating back to 1969 for use of land for the siting of 52 caravans for residential purposes and occupied by persons of 50 years of age and over. The CLEUD is allowing the intensification of the site. The actual number of additional park homes is not set out in the application but after investigation, the plan is for an additional 18 more homes. 13 park homes have been sited and completed whilst another 5 have not yet started.
- 4.7 Similarly, a planning decision for a CLEUD (160813) on Yew Tree Residential Park, Peterstow allows for additional siting of mobile homes. The CLEUD is not specific about the number of mobile homes but it is estimated that the site has capacity for a



minimum of 10 homes. 2 of these homes have been completed in 2019 with 8 not started.

**Commitment sites discounts and considerations**

- 4.8 In line with the requirements of the NPPF and PPG a more detailed assessment of sites has taken place this year. Some of the larger sites may still have further to go before commencement on site can begin therefore their ability to contribute fully to the supply has been looked at and discounts and adjustments have been made where necessary. All outline permissions capable of accommodating 10 or more dwellings have been assessed to determine their deliverability. This has been a combination of contact with the Council’s Development Management team as well as agents, and housebuilders associated with the sites to determine how much they will contribute to the supply.
- 4.9 Where sites with full planning permission are known to have some delays these sites have also been assessed and discounted in part or full where necessary. Please see Appendix 2 for the discounted sites with both full and outline permission. Reasons for discounting and retention of sites as part of the supply are also set out in this table.

**Sites with a resolution to grant planning permission**

- 4.10 All sites which have been to committee between 31 March 2018 and 1 April 2019 that have achieved a resolution to grant permission can be considered as part of the supply. They have also been assessed and discounted where necessary. These sites are also set out in Appendix 2 above. Once sites have been discounted the following totals are the commitments.

**Figure 2b Commitment figures (post discounting)**

<b>Commitments (net)</b>	<b>2018/19</b>	<b>Sub Total</b>	<b>Discounted</b>
Total (net)	5370		
Total dwellings on Resolution to grant permission sites discounted	155	5525	
Discounted full permissions			226
Discounted outline permissions			407
Total dwellings on Resolution to grant permission sites discounted			51
Total discounted			<b>684</b>
All commitment sites after discounting		<b>4841</b>	

A total of **4841** is the final commitment figure that will contribute to the supply.

### **Strategic urban extensions**

- 4.11 The Core Strategy strategic housing proposals will plainly make a significant contribution to the overall housing land supply over the plan period. They were vigorously examined as part of the Core Strategy examination in public. Detailed discussions with developers, agents and landowners have been progressing on a regular and productive basis and as outlined in the following sections. It therefore remains necessary only to demonstrate the availability and achievability of each site to warrant its inclusion in the land supply.
- 4.12 Projected out-turns on these sites have been assumed at levels currently advised by the in house planning officers to establish lead in times for each decision milestone. Estimations on commencement and build out rates have been advised by the development industry during June/July 2019. Figure 4 sets out the projected annual build rate for each of the strategic sites. However, given the size of these sites and the potential for more than one house-builder to be active on site at any one time, there is potential for a significant increase in the levels of delivery should there be a further increase in market demand for housing in the area. The delivery of strategic site allocations will be a key focus as these will make a substantial contribution to housing delivery in the longer-term.
- 4.13 Two of the urban extension sites within the Core Strategy now have planning permission following two separate Planning Committee meetings. Holmer West (150478) in Hereford achieved a planning permission for 460 dwellings in August 2016 with a section 106 agreement signed 19 May 2017. Phase 1 for 88 dwellings is complete and the Phase 2 application (182712) for 221 dwellings is already underway. The site is making good progress and has been accounted for in the commitments at Appendix 1.
- 4.14 More recently in March 2018, land at Hildersley in Ross on Wye (150930) achieved outline planning permission for 212 dwellings and is currently for sale. Due to the land not having a reserved matters permission a cautious approach has been taken as to its potential delivery and this is accounted for in the discounted sites at Appendix 2.

### **Hereford western expansion, Three Elms**

- 4.15 Three Elms is principally in the ownership of the Church Commissioners who provide active support for the development proposed. An outline planning application (162920) was validated in September 2016. Smaller areas of land to the south of the expansion area are covered by options to Taylor Wimpey.
- 4.16 Development at Three Elms is subject to planning policy requirements for a range of social, transport and environmental infrastructure. The range and scale of matters to be addressed is generally typical for a scheme of this nature. They have been discussed with the developers as the scheme has developed in recent years. Flood risk considerations are addressed in the policy.
- 4.17 Policy HD5 as currently drafted requires the development to make contributions to Hereford transportation improvements (infrastructure and sustainable transport measures), and to deliver land and infrastructure to facilitate the construction of the

adjoining phase of the Hereford Bypass. The Three Elms expansion area overlaps with the Road corridor in the west (Core Strategy, figure 4.2). This will not preclude development commencing on eastern parts of the expansion area and which are outside the Road corridor. A Cabinet decision on the preferred red route was taken in July 2018 in preparation for consultation. On this basis, development at Three Elms may proceed in advance of such improvements being in place or the preferred route selection for the Bypass Road.

- 4.18 Further investigations regarding water supply have been carried out resulting in a decision on the planning application moving back within the timeframe to address objections to the application from neighbouring industries. This has led to a revised masterplan taking into account drainage and landscape and this is expected shortly which means a consultation on the masterplan will be necessary.
- 4.19 Taking this delay into account, commencement on the site is not expected until May 2022 with delivery of 20 dwellings in year 4 and 100 dwellings in year 5 giving a total of 120 dwellings in the five year period.

#### **Hereford southern expansion, Lower Bullingham**

- 4.20 Lower Bullingham is controlled by a single developer (Bloor Homes). Significant technical work undertaken by the developer has been discussed with the Council and other stakeholders. An outline application is expected late summer 2019 with a decision anticipated Autumn 2020. This will take the form of a Hybrid application which is an outline application in the whole but phase 1 of the development will be identified in the same level of detail as a full or reserved matters application. This will allow commencement on site with phase 1 whilst remaining phases are agreed. This is to expedite the process of delivery on such a large site. It will also allow the developers to respond to the market with regard to house types in later phases.
- 4.21 The developer anticipates a comprehensive scheme coming forward for planning approval for over 1,000 dwellings and other uses in line with the emerging Core Strategy policy HD6. The principal site access will be onto the B4399 (Rotherwas Access Road).
- 4.22 The development of Lower Bullingham is subject to planning policy requirements for social, transport and environmental infrastructure. The range and scale of matters to be addressed is generally typical for a scheme of this nature. Flood risk considerations are addressed in the policy.
- 4.23 Policy HD6 as currently drafted requires the development to make contributions to Hereford transportation improvements (infrastructure and sustainable transport measures). The site is expected to commence delivery of phase 1 in 2021/22, with 40 dwellings programmed to be completed in the initial year following site preparation and continuing with 50 dwellings per annum thereafter, yielding a total 140 dwellings in the five year period.

#### **Hereford, City Centre development**

- 4.24 The Local Plan identifies the city centre as providing 800 houses over the plan period. The large majority of those new houses will be delivered within the urban

village, a policy area; formed by a conglomeration of underutilised sites located to the north of the river bounded by the railway line to the north. The Hereford Area Plan will seek to define the actual boundary area for Local Plan Core Strategy Policy HD2 to apply.

4.25 The new Link Road traverses across Merton Meadow from Commercial Road to Edgar Street and opens up previously land locked sites for development. Other than the Link Road, which is complete, delivery of housing in the city centre is not dependent on the delivery of any other strategic infrastructure, and applications for housing schemes are regularly coming forward. Welsh Water are fully engaged in discussions on the improvements required to the water and sewerage infrastructure. Contributions towards additional educational needs would be expected to come forward as part of this development.

4.26 Early drafts of the defined city centre area combined with an analysis of completion rates show that 239 dwellings have been completed within this area<sup>5</sup> since 2011. This completion figure set against the target for delivery of 800 dwellings shows that approximately a further 550 dwellings should be delivered to meet the Core Strategy growth targets for this area. In addition, commitments within this area amount to 293 dwellings yet to come forward half of which are under construction and this is an increase on last year's position. Based on recent year's performance, a build out rate commencing with 70 dwellings per annum for years 4 and 5 is forecast to avoid double counting with current permissions. The council is working alongside its strategic partner, Keepmoat to deliver redevelopment of the land it owns in and around the city centre, particularly within the area close to the link road. Please see below for current rate of commitment and completions for this area. Please see Appendix 1 for a list of all the HD2 commitments and Appendix 4 for the completions in this area of Hereford.

**Figure 3. HD2 City Centre progress**

City Centre HD2	Completions (net)	Commitments (net)
2011-2018	202	293
2019	37	
Total to date	<b>239</b>	

**Bromyard, Hardwick Bank**

4.27 The Core Strategy strategic urban extension site in the town is in the controlling interest of Bovis Homes. A planning application (163932) was submitted in April 2017 for up to 500 homes which is 250 dwellings more than the urban extension identified in the Core Strategy. The site has already been considered as a pre application in 2016.

<sup>5</sup> The completion and commitment figure has already been incorporated into figures above to avoid double counting.

- 4.28 The location is not dependent on any strategic infrastructure for its delivery. Contributions towards additional educational needs, a new park, or any other identified infrastructure requirements will be provided for as part of any planning permission and associated s.106 agreement. Discussions with Welsh Water are ongoing to identify a suitable potable water source and additional infrastructure may be needed to deliver this. Active transport links and improvements to footways, cycleways, crossing facilities and bus stops will be provided as part of the Hardwick Bank development.
- 4.29 The site is currently being considered by the district valuer to determine any viability issues. Depending on the length of time this takes, a decision on the outline application is expected later in 2019 following on with a reserved matters application anticipated in Spring 2020. Following site preparation, the site is expected to commence delivery in 2021/22, with 15 dwellings programmed to be completed in year 3, rising to 30 dwellings in year 4 and 5, yielding a total of 75 dwellings in the five year period.

#### **Ledbury, Viaduct Site**

- 4.30 A planning application (171532) for up to 625 homes was submitted in April 2017 together with an Environmental Statement. The Transport Assessment has been approved by Highways and the site is due to be scheduled for a Committee decision in the next few months. Thereafter the Section 106 agreement on the site is expected to be completed by early 2020. A reserved matters decision on the site is expected mid 2020 with commencement on the site promptly after this.
- 4.31 An allowance for the canal forms part of the strategic site. The intention is for this land to be transferred to the Canal Trust as part of a future planning permission.
- 4.32 The site is expected to begin delivery in the second supply year with just 12 dwellings. Thereafter the level of delivery will increase to 50 dwellings per annum and continue at this build out rate. The site is expected to yield a total 162 dwellings in the five year period.

#### **Leominster Southern Expansion**

- 4.33 This area is principally in the ownership of Brasenose College, Oxford University and Land agents are handling the project for Brasenose College.
- 4.34 Policy LO2 sets out a number of planning policy requirements for a range of social, transport and environmental infrastructure. A critical element of this is the provision of a link road from east to west at the southern limit of the urban extension to serve the new development. The likeliest section of the site to provide for early release of land would be on the eastern side of the site on Hereford Road. The Council is currently looking at a timetable to bring the site and the road forward. However due to the site's progress to date it is not expected to deliver in the short term and is more likely to be in the medium term future.

**Figure 4. Strategic Urban Extension Sites build out rate at April 2019**

Strategic location	Estimated Core Strategy site capacity	2019/2020	2020/2021	2021/2022	2022/2023	2023/2024	Sub total
<b>Hereford</b>							
Hereford, Three Elms	1000				20	100	120
Hereford, Lower Bullingham	1000			40	50	50	140
Hereford, City Centre Urban Village	800 (-239)						
	Remainder to be delivered = 561				70	70	140
<b>Leominster</b>							
Leominster, Southern expansion	1500	0	0	0	0	0	0
<b>Bromyard</b>							
Bromyard, Hardwick Bank	250			15	30	30	75
<b>Ledbury</b>							
Ledbury, Viaduct	625		12	50	50	50	162
<b>Total</b>	<b>4973</b>		12	105	220	300	<b>637</b>

**Windfall assessment**

4.35 Windfall sites are those that have not been specifically identified as available in the Local Plan process. They normally comprise previously-developed sites that have unexpectedly become available. Herefordshire is a predominantly rural county and experiences a number of windfalls that also come forward on greenfield land. The Revised NPPF states at paragraph 70, 'Where an allowance is to be made for windfall sites as part of anticipated supply, there should be compelling evidence that they will provide a reliable source of supply. Any allowance should be realistic having regard to the strategic housing land availability assessment, historic windfall delivery rates and expected future trends'.

4.36 The SHLAA is an assessment of the likely total numbers of new houses that could be achieved on sites with potential to deliver 5 or more dwellings. Historically, larger windfall sites have not formed a major part of the housing supply. Therefore it was decided to continue to focus this assessment on the smaller windfall sites as they have a stronger pattern of occurrence. The historic performance of windfall sites accommodating four or less dwellings was assessed as these sites would not be identified through SHLAA. Historic windfall completions are detailed in the table below.

**Figure 5. Historic windfall completion rates**

<b>YEAR</b>	<b>Net Windfall Completions (all sites)</b>	<b>Net Windfall<sup>6</sup> (site capacity 4 or less)</b>
2004/05	454	297
2005/06	610	278
2006/07	552	243
2007/08	559	263
2008/09	449	191
2009/10	342	176
2010/11	267	158
2011/12	233	89
2012/13	137	57
2013/14	281	95
2014/15	647	303
2015/16	253	122
2016/17	347	128
2017/18	707	319
2018/19	583	238
<b>TOTAL</b>	<b>6421</b>	<b>2957</b>

- 4.37 Windfall sites accommodating four or less dwellings provide just under half of the total housing completions over the past ten years. The Council therefore considers it realistic and reasonable to expect 100 windfall units will be delivered per year over the next 5 years (in line with the windfall estimate set out in the Core Strategy). Based on past trends and the number of windfall sites that are currently either undetermined applications or at an advanced stage of preparation, this is considered to be a conservative estimate of what is likely to be delivered.
- 4.38 To avoid double counting, the Council has applied the windfall allowance within the housing trajectory from year 4 onwards only (2022/23 and 2023/24). This is because planning permissions lasts for 3 years and some of the existing housing commitments will already be windfall developments.

**Figure 6. Anticipated windfall**

Windfall allowance for yrs. 4 & 5 is 100 dwellings pa	100	
Account for yrs. 4 & 5 in five year supply		200

<sup>6</sup> These completions exclude residential garden land completions

### **Sites brought forward through Neighbourhood Development Plans**

- 4.39 The Council has been proactive in working with local communities on the preparation of Neighbourhood Development Plans. There are currently 111 Neighbourhood Development Plans (NDPs) being prepared which covers all the market towns except Bromyard and over 80% of those rural settlements highlighted for growth. It is expected that they will take between 12 and 18 months to reach adoption. Once adopted, these NDPs will add local detail to the policies set within the Core Strategy, as required by national planning policy set within the NPPF, as well as playing a major part in the delivery of the level of housing required in the plan period. Paragraph 40 of the NPPG is clear that Neighbourhood plans should deliver against the *up to date evidence of housing needs*.
- 4.40 Housing delivery in the rural areas has historically been strong and has provided approximately half of development in the County. Housing allocations within rural areas are contained within neighbourhood development plans. As at 22 July 2019 there are 61 adopted/made NDPs and 5 further plans awaiting referendum. A further 7 plans have reached examination stage and 6 plans have reached submission (regulation 16). In addition a further 10 plans have reached draft plan stage (regulation 14). Therefore a total of 89 NDPs have material weight in planning decisions. 44 of these plans contain site allocations.
- 4.41 As set out earlier the Council has taken a modest approach in its estimate of windfall delivery including only 1000 units of windfall development within the overall supply. The evidence in Figure 5 however indicates that on average 197 dwellings come forward per annum on sites with capacity for 4 or less dwellings. While the NPPF does not support the inclusion of garden land as windfall development, the Council believes there is clear evidence and policy support that supply from this source will continue and it is suggested there is additional flexibility for these sites to come forward. Of those plans without specific site allocations, 26 contain settlement boundaries and criteria based policies to allow for continuing growth within the settlement for these windfall developments.
- 4.42 This estimate takes account of the progress made to date. Those more advanced NDPs include proposals for approximately 1194 dwellings which equates to 544 dwellings excluding those identified sites with planning permission. This includes Plans that are at Regulation 14, Regulation 16 post examination, those with scheduled referendums and those that are due to be Made or have been Made. The following build out rate anticipated for NDPs is based on the yield of allocations set out in current NDPs that have reached referendum stage or are now adopted/made. This amounts to a 288 dwelling yield from all these allocations, see Appendix 3 for a list of these sites.
- 4.43 The parishes have provided confirmation of these sites coming forward through their knowledge of the sites and landowners. This figure is considered to be cautious as it only amounts to a fraction of the total allocations there are in the NDPs. Where NDPs have not identified allocations no estimation has been made on the potential yield but these areas still have potential to deliver housing under a criteria based policy. Where issues have been identified with sites, discounting has also been



carried out and this is reflective of the discounting carried out earlier with the commitment sites. Therefore an anticipated yield of 288 dwellings is set out for NDPs in the supply.

**Figure 7. Anticipated Neighbourhood Development Plan supply**

	Year 1	Year 2	Year 3	Year 4	Year 5	Total
NDP allowance for yr2 - yr5		70	70	73	75	
<b>Total</b>						<b>288</b>

The table below sets out all the aforementioned deliverable sites with a sum total of **5966** deliverable dwellings.

**Figure 8. Total deliverable sites**

<b>Deliverable (net)</b>	<b>Amount</b>	<b>Discount</b>	<b>Total</b>
Total	5370		
Total dwellings on Resolution to grant permission sites (net) discounted	155		
Total before discount	5525		
Commitments discount (full pp)		226	
Commitments discount (outline permission)		407	
Resolution to grant permission sites discounted		51	
Discount total		<b>684</b>	
Commitments plus resolution sites after discount	<b>4841</b>		4841
Strategic Urban Extensions			637
Neighbourhood Plans allocations. (without planning permission)	288		288
Windfall allowance for yrs. 4 & 5 in five year supply			200
<b>Total deliverable sites</b>			<b>5966</b>

### Additional calculation factors

#### Past housing completions

- 4.44 Completions are monitored annually and are deducted from the overall target to establish progress. See Appendix 4 for a list of completions.

**Figure 9. Completions compared with Core Strategy indicative trajectory**

Year	Core Strategy year	Net requirements with stepped trajectory	Net Completions	Shortfall Difference
1	2011/2012	600	341	-259
2	2012/2013	600	201	-399
3	2013/2014	600	331	-269
4	2014/2015	600	774	174
5	2015/2016	600	327	-273
6	2016/2017	850	405	-445
7	2017/2018	850	776	-74
8	2018/2019	850	666	-184
	<b>Total</b>	5550	3821	<b>-1729</b>

#### Shortfall of housing supply from previous years

- 4.45 The shortfall is calculated from the start of the Plan period to the time of calculation (2011- 2019). The shortfall itself comprises the difference between the number of homes that should have been built in trajectory terms and those that have actually been built over this period. The Council's shortfall is 1729 when assessed against the indicative Core Strategy target as set out earlier in Figure 1.

#### Buffers

- 4.46 As set out earlier at para 2.1 the NPPF states that supply should include a buffer. Due to not having a 5 year housing land supply for the past three years and to improve the prospect of achieving the planned supply the Council continues to apply the 20% buffer rather than the 5% or 10 % buffer to the housing requirement. The buffer is added after the shortfall in the calculation.
- 4.47 Taking into account all the variables set out above, Figure 10. provides a summary of how the five year supply is calculated. The table shows that with a stepped trajectory target and the shortfall being addressed over the forthcoming five years there is currently not a five year supply of housing land in the County.

**Figure 10. Assessment against Core Strategy stepped trajectory.**

	Source	Homes	Notes
<b>A</b>	Core Strategy	16500	
	2011 – 2031		
<b>B</b>	Core Strategy requirement	5550	Using Trajectories: 600 dpa 2011-2016 (5yrs.) 850 dpa 2016-2019 (3 yrs.)
	1/4/2011 – 1/4/2019		
<b>C</b>	Homes Completed (net)	3821	Net reduction includes demolitions and conversions
	1/4/2011 – 31/3/2019 (past eight years)		
<b>D</b>	Requirement for next five years	4400	Using Trajectories 19/20– 20/21 – 850 pa (2 yrs) 21/22 – 23/24 900 pa (3 yrs)
<b>E</b>	Plus Residual Shortfall	1729	(over next five years as per NPPG)
<b>F</b>	Plus 20% buffer	1229	As recommended by Core Strategy Inspector and NPPF 2018
<b>G</b>	<b>Total Requirement</b>	<b>7358</b>	
<b>H</b>	<i>Annualised requirement</i>	1472	
<b>I</b>	<b>Total Deliverable dwellings</b>	5966	
<b>J</b>	<b>Housing Supply</b>	<b>4.05yrs</b>	I / H

## 5. Housing land supply for Herefordshire

- 5.1 When assessed against the Core Strategy, the current supply is 4.05 years. Before any discounting of sites was carried out this year's permission was 125 dwellings less than 2018. Changes to the NPPF has meant there is a need to be more rigorous with sites in terms of what is considered to be deliverable. Sites with permissions and allocations have been discounted where there is inactivity or lack of information on them coming forward through the planning process or being developed. This has affected the five year supply figure quite significantly and hence the drop from 2018 where the supply was 4.55yrs to 4.05yrs in 2019. This year's

housing completions totals (666) are less than last year's total of 776. However the target has also increased by approximately 300 making it more difficult to achieve a supply at current development rates.

