Richmondshire Plan Area 5 Year Housing Land Supply Update









December 2019





Introduction

- 1.1 Paragraph 73 of the NPPF (2019) requires Local Planning Authorities to identify and update annually a supply of specific deliverable sites sufficient to provide a minimum of five years' worth of housing against their housing requirement set out in adopted strategic policies or against their local housing need where the strategic policies are more than five years old. As the Richmondshire Local Plan Core Strategy was adopted more than 5 years ago on the 9th December 2014 then the five year housing land supply should be demonstrated against the local housing need figure calculated through the standard method rather than the requirement set out in the adopted Local Plan Core Strategy.
- 1.2 This document will provide an update on the current 5 year housing land supply position for the Richmondshire Plan Area for the period 2019/20 to 2023/24.

Deliverable Sites (0-5 Year Housing Land Supply)

- 1.3 Annex 2: Glossary of the NPPF (2019), states that for sites to be considered deliverable, they should be:
 - Available now;
 - Offer a suitable location for development now;
 - 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 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.
- 1.4 In accordance with the NPPF, sites with detailed planning permission and minor sites with planning permission have been assumed to be deliverable unless there was clear evidence through the assessment that the scheme will not be started or implemented within five years. This evidence included:



- development is no longer viable;
- owner / developer no longer bringing forward for development;
- lack of demand; or;
- long term phasing plans
- 1.5 In addition to the guidance provided by NPPF on sites with outline planning permission, permission in principle, allocated in a development plan or identified on a brownfield register NPPG (68-007-20190722) seeks to clarify the clear evidence required to demonstrate that housing completions will begin on site within five years. This evidence may include:
 - current planning status for example, on larger scale sites with outline or hybrid permission how much progress has been made towards approving reserved matters, or whether these link to a planning performance agreement that sets out the timescale for approval of reserved matters applications and discharge of conditions;
 - firm progress being made towards the submission of an application

 for example, a written agreement between the local planning
 authority and the site developer(s) which confirms the developers'
 delivery intentions and anticipated start and build-out rates;
 - firm progress with site assessment work; or
 - clear relevant information about site viability, ownership constraints or infrastructure provision, such as successful participation in bids for large-scale infrastructure funding or other similar projects.
- On this basis, (using available evidence including that sought from site owners / developers) the major development sites with outline planning permission, sites with permission in principle, allocated in a development plan, identified on a brownfield register or without planning permission are all considered suitable, available and achievable for development. They are within the planning process where either a detailed planning application has been submitted and is under consideration or firm progress is being made on site assessment work and towards the submission of an application with preapplication discussions taking place with detailed planning applications expected within the next 6 months or sooner. Evidence has been obtained from owners/developers to confirm their availability and intentions for development.
- 1.7 In total 35 sites were identified as deliverable. A list of the identified deliverable sites is provided at Appendix 1 along with their development capacity; an explanation of their current status; and, a trajectory of when the



sites will deliver which, has been calculated on the basis of bespoke information obtained from developers/landowners for each site regarding lead-in timescales and build out rates.

Windfall Allowance

- 1.8 A windfall allowance is made within the deliverable five year housing land supply for development on sites of 3 homes and under which are below the SHLAA site size threshold. This excludes garden land.
- 1.9 In accordance with paragraph 70 of the NPPF (2019), this is based on compelling evidence and has been calculated on trends over the current plan period which indicate that on average since 2012/13 there have been 38 net completions per annum from sites of 3 units and under excluding those on garden land. The number of net completions on sites of 3 units and under and the number on garden land which, are excluded from the calculation of the windfall allowance, are illustrated further in the following table:

Average	44	6	38
Total	311	44	267
2018/19	40	9	31
2017/18	46	4	42
2016/17	44	7	37
2015/16	50	7	43
2014/15	48	7	41
2013/14	39	4	35
2012/13	44	6	38
	sites of 3 or less dwellings	less dwellings on garden land	dwellings excluding garden land
Year	Total net completions on	Net Completions on sites of 3 or	Net completions on sites of 3 or less

Table 1: Past Net Completions on windfall sites of 3 units and under

1.10 This evidence clearly demonstrates the important and consistent contribution sites of 3 dwellings or less not on garden land make to overall housing delivery in the Richmondshire Plan Area, reflecting its rural nature. It is considered that calculating the average over 7 years since 2012 enables the



- most comprehensive and robust evidence to be used to inform the identification of a windfall allowance taking account of development that has occurred over the current local plan period.
- 1.11 The windfall allowance will continue to be monitored and may need to be reviewed in future updates of the SHLAA. From the period post-recession and since the publication of the submission version of the Local Plan Core Strategy in 2012 net completions on windfall sites of 3 units and under excluding garden land has increased to an average of 38 units per annum.
- 1.12 This trend also demonstrates that there is no evidence to suggest that these smaller sites will not continue to provide a reliable source of supply in the future and that the policies within the adopted Local Plan Core Strategy continue to promote small scale development particularly in the primary, secondary and elsewhere settlements via Core Policy CP8. A point which was acknowledged by the planning inspector in his report on the examination of the Local Plan Core Strategy. It is also proposed that this approach will be continued in the new Local Plan which is currently being prepared.

Calculating 5 Year Land Supply Requirement

- 1.13 In order to determine, in accordance with paragraph 73 of NPPF (2019), whether the identified deliverable five year housing land supply is sufficient to provide five years' worth of housing it is necessary to calculate the five year housing requirement.
- 1.14 When calculating the overall five year housing land supply requirement there are a number of factors which must be taken in to account.
 - Housing Requirement Figures
- 1.15 Paragraph 73 of the NPPF (2019) and NPPG (68-003-20190722) states that the housing requirement figures in strategic policies should be used as the starting point for calculating the 5 year land supply figure for the first 5 years of the plan. Where strategic policies are more than 5 years old, or have been reviewed and found in need of updating, local housing need calculated using the standard method should be used in place of the housing requirement.
- 1.16 The Councils current Local Plan Core Strategy was adopted on the 9th
 December 2014. It is now therefore more than five years since the adoption of
 the Local Plan Core Strategy and as the review of this and production of a
 revised Local Plan remains in its early stages the local housing need
 calculated using the standard method should be used for calculating the five
 year housing requirement.



- 1.17 There are three steps to calculating the local housing need requirement using the standard method:
 - Step 1: Setting the baseline
- 1.18 Planning Practice Guidance (2a-004-20190220) states that 'a baseline should be set using national household projections for the local authority area'. The most recent projections need to be used to calculate the average annual household growth over a 10-year consecutive period. Latest Government advice recommends the use of 2014-based rather than the recently released 2016-based household projections in calculating future housing need.
- 1.19 For Richmondshire District, over the period 2019-2029, the total number of households under the 2014-based household projections is set to increase from 21,453 to 21,549, a total change of 96 households or 10 each year.
 - Step 2: An adjustment to take account of affordability
- 1.20 Planning Practice Guidance (2a-004-20190220) recommends a further market signals adjustment based on the affordability of the area. PPG states 'then adjust the average annual projected household growth figure (generated in step 1) based on the affordability of the area. The most recent median workplace-based affordability ratios published by the ONS at a local authority level should be used'.
- 1.21 The adjustment is based on an affordability ratio using median house prices to median earnings, with data published annually by the Office for National Statistics. An adjustment factor is applied to the underlying household change data to establish what the level of uplift is to respond to market signals. The adjustment factor is calculated using the following calculation:

Adjustment factor = (Local Affordability Ratio - 4)/4) *0.25 +1

- 1.22 The latest affordability ratio (2018) for Richmondshire is 7.61 which results in an affordability adjustment factor of 1.2256. When this is applied to the baseline demographic need under the 2014 based household projections this results in a total local housing need figure of 12 per annum.
 - Step 3: Capping the level of any increase
- 1.23 PPG (2a-007-20190220) states that 'the standard methodology may identify a minimum local housing need figure that is significantly higher than the number of homes currently being planned for. The cap is applied to help ensure that the minimum local housing need figure calculated using the standard methodology is as deliverable as possible'. The PPG continues 'the cap reduces the minimum number generated by the standard method but does not reduce housing need itself. Therefore, strategic policies adopted with a cap



- applied may require an early review and updating to ensure that any housing need about the capped level is planned for as soon as is reasonably possible'.
- 1.24 As the local housing need figure calculated for Richmondshire is significantly below the housing requirement of 180 homes per annum set out in the current adopted Local Plan Core Strategy there in requirement to impose a cap on the Richmondshire figure.
 - Alternative Local Housing Need Figure
- 1.25 One of the particular challenges when assessing future housing need in Richmondshire is the impact of population movement associated with military households based at Catterick Garrison. The SHMA (2016) recognised that '2014-based projections take account of 2014-based population estimates that have been significantly affected by population change associated with the Army at Catterick Garrison'. Research carried out by Edge Analytics in the SHMA Demographics Paper (2016) which informed the SHMA noted that 'the recent decline in Richmondshire's population estimate is linked with the movement of personnel and units from the army at Catterick Garrison'. This specifically related to a significant out-migration in 2013/14 of 1,224. This has been subsequently replaced with a significant in-migration of 1,030 in 2015/16 when a replacement unit moved back in. This subsequent in-migration has not been factored in to the 2014-based population and household projections because it is beyond their base date.
- 1.26 The importance of these population movements has to be recognised when considering the overall housing need in Richmondshire due to their influence on household projections. In light of this an alternative 2014-based household projection was produced in the SHMA Demographics paper (2016) named the PG-Short Term X where the 2013/14 MYE has been ignored in the calibration of future *internal* migration assumptions, due to its association with the reduction in personnel and dependants at the Catterick Garrison which we know from evidence from the MOD has been reversed in 2015/16.
- 1.27 In acknowledgement of the significant issues identified above with the ONS 2014 household projections required to be used by government the Council considers it necessary to depart from this requirement and use the PG-Short Term X scenario to set and establish an appropriate and accurate demographic baseline (step 1) to include in calculating the local housing need figure to use in calculating the 5 year housing land supply requirement.
- 1.28 The annual average figure from the PG-Short Term X scenario for the period 2019 to 2029 is 94 dwellings. When the affordability adjustment factor (step 2) of 1.2256 is applied this results in a total local housing need figure of 115 per year. As this remains below the housing requirement figure of 180 homes per year in the adopted Local Plan Core Strategy no cap (Stage 3) is required.
- 1.29 The Local Housing need requirement established through the standard method that will be used to calculate the 5 year housing land supply requirement will be 115 dwellings per year.



Backlog in current plan period

- 1.30 Planning Practice Guidance states that "where the standard method for assessing local housing need is used as the starting point in forming the planned requirement for housing, Step 2 of the standard method factors in past under-delivery as part of the affordability ratio, so there is no requirement to specifically address under-delivery separately when establishing the minimum annual local housing need figure".
- 1.31 This means that when using the standard methodology for calculating the housing requirement no under supply or previous under delivery is taken into account. Therefore, no 'backlog' of unmet need should be taken into account when calculating the Council's housing land supply position. This approach is consistent with a number of recent appeal decisions including Woolpit (APP/W3520/W/18/3194926) and Woburn Sands (APP/Y0435/W/17/3169314).

Buffer

- 1.32 Paragraph 73 of the NPPF(2019) requires Local Planning Authorities when calculating their five year housing land supply requirement to provide an additional buffer of at least 5% (moved forward from later in the plan period) to ensure choice and competition in the market for land. Where the Local Planning Authority wishes to demonstrate a five year supply of deliverable sites through an annual position statement or recently adopted plan there is a requirement to include a buffer of 10% to account for any fluctuations in the market during that year.
 - Where there has been a record of significant under delivery of housing over the previous three years the NPPF also requires local planning authorities to increase the buffer to 20% (moved forward from later in the plan period) to improve the prospect of achieving the planned supply.
- 1.33 Paragraph 73 of the NPPF (2019) also states in footnote 39 that from November 2018 significant under delivery will be measured against the housing delivery test where this indicates that delivery was below 85% of the housing requirement.
- 1.34 At this time the Council will not be seeking to confirm its 5 year housing land supply position through an annual position statement. Net housing completions over the previous 3 years (2016/17 252, 2017/18 284 and 2018/19 201) have totalled 737 which is 197 homes above the requirement for this period. The latest published housing delivery test in 2018 illustrates 410% delivery and no action required. Therefore, there has not been



significant under delivery in Richmondshire and the buffer to be applied is 5% to ensure choice and competition in the market for land.

When should the buffer be applied in the calculation?

1.35 The 5% buffer has been applied to the housing requirement when calculating the five year housing land supply requirement.

Deliverable 5 Year Housing Land Supply Requirement

1.36 The following table summarises the calculation of the five year housing land supply requirement.

Deliverable 5 Year Housing Land Supply Requirement	Dwellings (Net)
Local Housing Need Requirement @ 115 homes per annum	575
5 Year Supply Target from local housing need requirement (115 x 5)	575
5 Year Supply Target plus 5% buffer (575 + 5%)	604
5 Year Supply Requirement (1/4/19 – 31/03/24)	604

Table 2: Deliverable 5 Year Housing Land Supply Requirement

Deliverable 5 Year Housing Land Supply Position

1.37 When the 'deliverable' 5 year housing site supply is compared against the calculated 'deliverable' 5 year housing land supply requirement it is clear that a deliverable 5 year land supply of 8.83 years can be demonstrated. This is summarised in the following table:

Deliverable 5 Year Housing Land Supply	Dwellings (Net)
Deliverable Housing Sites (0-5 Years)	1068
Deliverable 5 Year Housing Land Supply Requirement	604
Deliverable 5 Year Housing Land Supply Position	8.83

Table 3: Overall Deliverable 5 Year Housing Land Supply Position



Appendix 1: 5 Year Land Supply Sites List December 2019

SITE L	OCATION						PLANNING STA	TUS		YIELD)		SITE		FINA	NCIAL	. YEAR	- APRI	L-
ID	Site Name		Site Area (ha)	Site Location	SP 1	SP2	Application Status	Application Ref	Details	Total Yield	Yield within 5YLS	Completions	Yr 1 (2019/20)	Yr 2 (2020/21)	Yr 3 (2021/22)	Yr 4(2022/23)	Yr 5 (2023/24)	0-5 Yr Supply	Surplus to 5YLS
107	Land adj Harthorn Court	0-5Yr	0.25	Aldbrough St John	NR	Secondary Service Village	ON SITE	16/00564/FUL L	Full Permission granted & development underway	4	2	2	2	0	0	0	0	2	0
153	Old Haulage Depot	0-5Yr	0.15	Barton	NR	Primary Service Village	APPLICATION GRANTED	14/00917/FUL L	Permission granted with start on site expected in near future	6	6		0	0	0	6	0	6	0
409	Land adj Fern Cottage	0-5Yr	0.13	Bellerby	LW	Elsewhere	APPLICATION SUBMITTED	19/00170/FUL L	Full planning application submitted and under consideration	4	4		0	0	4	0	0	4	0
157	Former Colburn Pipeworks site (Phase 2)	0-5Yr	5.70	Catterick Garrison	CR	Principal Town	ON SITE	18/00202/AO RM	Reserved matters granted and developer on site	201	201		0	50	50	50	51	201	0
401	Colburndale 3	0-5Yr	0.43	Catterick Garrison	CR	Principal Town	APPLICATION SUBMITTED	19/00536/FUL L	Full planning application submitted and under consideration .Development to commence early 2020 subject to obtaining permission. (Outline permission previously	24	24		0	24	0	0	0	24	0



									granted 12/00669/OU T)										
26	Land E of Cookson Way	0-5Yr	4.29	Catterick Garrison	CR	Principal Town	APPLICATION GRANTED	17/00628/OU T 19/00757/AO RM	Outline application granted with reserved matters application submitted by developer under consideration	107	107		0	17	30	30	30	107	0
12	Hipswell Croft	0-5Yr	3.00	Catterick Garrison	CR	Principal Town	APPLICATION GRANTED (Subject to S106a)	18/00710/FUL L	Full planning application submitted by developer and granted at planning committee subject to \$106a	65	65		0	5	30	30	0	65	0
120	Somerset Close	0-5Yr	1.15	Catterick Garrison	CR	Principal Town	APPLICATION GRANTED (Subject to S106a)	18/00827/FUL L	Full planning application submitted by developer and granted at planning committee subject to \$106a	40	40		0	15	25	0	0	40	0
121	Gough Rd	0-5Yr	1.33	Catterick Garrison	CR	Principal Town	APPLICATION SUBMITTED	18/00826/FUL L	Full planning application submitted by developer and under consideration	29	29		0	0	29	0	0	29	0
21	Land between Pallet Hill Farm & Bishops Way	0-5Yr	0.68	Catterick Village	CR	Primary Service Village	ON SITE	16/00655/AO RM	Development in progress with completions 18/19	22	11	11	11	0	0	0	0	11	0



7	Land at Low Green	0-5Yr	0.54	Catterick Village	CR	Primary Service Village	APPLICATION GRANTED	16/00315/OU T 19/00357/FUL L	Outline Permission granted and site in ownership of developer with full application submitted and under consideration	9	9		0	0	0	9	0	9	0
344	Land at High Green	0-5Yr	0.23	Catterick Village	CR	Primary Service Village	APPLICATION GRANTED	16/00671/FUL L	Full permission granted and site being marketed for sale	5	5		0	0	5	0	0	5	0
306	Former Farm Buildings, Beck Hill Farm	0-5Yr	0.09	Forest	CR	Elsewhere	ON SITE	17/00604/FUL L	Development underway	7	5	2	5	0	0	0	0	5	0
307	Adelphi House	0-5Yr	0.64	Hunton	LW	Secondary Service Village	APPLICATION GRANTED	17/00098/FUL L	Full planning permission granted and site in ownership of developer. Application to vary permission under consideration (19/00028/VA R)	14	14		0	0	7	7	0	14	0
65	Hill Top Farm	0-5Yr	8.25	Leyburn	LW	Local Service Centre	APPLICATION SUBMITTED		Full planning application submitted by developer and under consideration	127	127		0	15	30	30	30	105	22
91 & 92	Land E Medical Centre	0-5Yr	1.15	Leyburn	LW	Local Service Centre	ON SITE	15/00844/FUL L	Developer on site and first completions 2018/19	41	7	34	7	0	0	0	0	7	0



347	Washfold Farm	0-5Yr	0.16	Leyburn	LW	Local Service Centre	ON SITE	17/00202/FUL L	Development underway and discharge of condition application (18/00009/DIS)) granted. Completions 2019/20	8	8		8	0	0	0	0	8	0
318	Nixons Garage	0-5Yr	0.10	Melsonby	NR	Primary Service Village	APPLICATION GRANTED	16/00255/FUL L	Application granted	4	4		0	0	4	0	0	4	0
240	Land to the West of Moor Road	0-5Yr	2.19	Melsonby	NR	Primary Service Village	APPLICATION SUBMITTED	15/00721/FUL L	Application from developer under consideration with revisions expected Dec 2019/Jan 2020 for further consideration	45	45		0	0	0	20	25	45	0
209	Land E Sharp Hill Farm	0-5Yr	0.40	Middleham	LW	Primary Service Village	ON SITE	16/00921/FUL L	Full Application granted and developer on site	7	7		7	0	0	0	0	7	0
225	Land to West of Kneeton Lane	0-5Yr	3.87	Middleton Tyas	NR	Primary Service Village	APPLICATION GRANTED	18/00177/AO RM	Reserved matters granted to developer. Discharge of conditions underway and start on site imminent.	35	35		0	0	10	15	10	35	0
501	West Hall, Middleton Tyas	0-5Yr	0.38	Middleton Tyas	NR	Primary Service Village	APPLICATION GRANTED	18/00513/FUL L	Full Permission Granted and site to be	4	4		0	0	0	4	0	4	0



									marketed for sale										
413	Plum Tree House	0-5Yr	0.37	Moulton	NR	Elsewhere	APPLICATION GRANTED SUBJECT TO S106A	18/00410/FUL L	Application submitted and granted at planning committee subject to S106a	7	7		0	0	7	0	0	7	0
148(a)	Land at Moor Lane	0-5Yr	0.29	Newsham	NR	Secondary Service Village	APPLICATION GRANTED	16/00489/OU T 18/00898/AO RM	Outline permission granted with reserved matters submitted and under consideration	4	4		0	0	0	4	0	4	0
148(b)	Land N of Hill Top House	0-5Yr	0.12	Newsham	NR	Secondary Service Village	APPLICATION SUBMITTED	19/00438/FUL L	Previous permission expired and new application under consideration	4	4		0	0	0	4	0	4	0
229	Land at the Wheatsheaf	0-5Yr	0.23	Newton-le- Willows	LW	Elsewhere	ON SITE	09/00985/AO RM	09/00985/AO RM Permission Implemented	10	10		0	0	0	5	5	10	0
320	Akebar Farm	0-5Yr	1.73	Patrick Brompton	LW	Elsewhere	APPLICATION SUBMITTED	16/00447/FUL L	Application currently under consideration	5	5		0	0	2	3	0	5	0
312	Forge Farm	0- 5YR	0.41	Ravenswor th	NR	Secondary Service Village	APPLICATION GRANTED	16/00427/FUL L	Application granted and site being marketed to developers	5	5		0	0	5	0	0	5	0



290	Swale House	0-5Yr	0.07	Richmond	CR	Principal Town	ON SITE	15/00971/FUL L	Under construction with 4 completions to end of 2017/18	9	5	4	5	0	0	0	0	5	0
224	Richmond House	0-5Yr	0.58	Richmond	CR	Principal Town	ON SITE	14/00208/FUL L	Under Construction with completions expected 18/19	20	14	6	14	0	0	0	0	14	0
112	Land at Whitefields Farm	0-5Yr	1.30	Richmond	CR	Principal Town	ON SITE	16/00227/AO RM	Under construction with completions 2018/19	9	2	7	2	0	0	0	0	2	0
500	47 Darlington Road	0-5Yr	1.00	Richmond	CR	Principal Town	APPLICATION GRANTED	19/00002/FUL L 18/00897/OU T	Full and Outline Permissions granted with site currently being marketed for sale	6	6		0	0	3	3	0	6	0
237	Land off Stags Way	0-5Yr	0.70	Scorton	CR	Primary Service Village	ON SITE	16/00052/FUL L	Application granted and development underway with completions 2018/19	12	8	4	8	0	0	0	0	8	0
317	Land to rear of the Lodge	0-5Yr	0.61	Scorton	CR	Primary Service Village	APPLICATION GRANTED	16/00060/FUL L 17/00449/FUL L	Full permissions granted and site being marketed for sale	8	8		0	0	0	8	0	8	0
272	Land W of Westfields	0-5Yr	4.92	Scorton	CR	PSV	APPLICATION GRANTED	17/00710/OU T	Outline application granted. Site in the process of being marketed for sale with application expected	58	58		0	0	28	30	0	58	0



									spring/summ er 2020.										
241	Land adj Richmond Rd	0-5Yr	0.64	Skeeby	NR	Elsewhere	APPLICATION GRANTED	18/00275/FUL L 15/00777/FUL L	Full permission granted and site being marketed for sale	4	4		0	0	2	2	0	4	0
	Windfall Allowance Sites 3 & Under									195	195		38	38	38	38	38	190	0
35	No. Site		47.7 0	Hectares						116 0	109 0	70	10 7	16 4	30 9	29 8	18 9	106 8	22