

Cabinet

17 July 2019



Title	Housing Delivery Test Action Plan		
Purpose of the report	To make a decision		
Report Author	Esmé Spinks, Planning Development Manager		
Cabinet Member	Councillor Ian Harvey	Confidential	No
Corporate Priority	Housing		
Recommendations	List all the recommendations you want the Cabinet to consider. To approve the Housing Delivery Test Action Plan.		
Reason for Recommendation	To ensure that the Council delivers the number of housing units expected by central government.		

1. Key issues

- 1.1 The National Government is focused on increasing the supply of new homes across the country. In the 2017 Budget, the Government announced that it would enable the housing market to deliver 300,000 homes a year on average by the mid-2020s. This objective to increase the number of new homes, is reflected in the revised National Planning Policy Framework (NPPF), February 2019 and the introduction of the Housing Delivery Test (HDT).
- 1.2 The Housing Delivery Test Result for Spelthorne Borough Council was published by the Secretary of State on 19th February 2019. Spelthorne Borough Council scored 63%. As a result, the Council has produced a Housing Delivery Test Action Plan (HDTAP) to positively respond to the challenge of increasing its housing delivery. The Action Plan is attached as a background paper to this report. It analyses possible reasons for the under-delivery of new homes, assesses what action has already been taken to address this and sets out actions to improve housing delivery within the Borough.
- 1.3 The HDT calculation is given as:

$$\text{HDT} = \frac{\text{Total net homes delivered over a three year period}}{\text{Total number of homes required over three year period}}$$

In Spelthorne, the housing delivery figure of 63% is based on the following:

No of homes			Total Homes required	No. of homes delivered			Total Homes Delivered	HDT Test %	Consequence
2015-2016-	2016-2017	2017-2018		2015-2016	2016-2017	2017-2018			
483	487	424	1394	308	347	221	876	63%	Buffer

- 1.4 A total of 108 authorities across England are required to deliver a Housing Delivery Action Plan including seven within Surrey. These are: Elmbridge, Epsom and Ewell, Guildford, Mole Valley, Spelthorne, Tandridge and Waverley.
- 1.5 The HDT will be used to determine the buffer to apply in housing supply assessments and whether the presumption in favour of sustainable development should apply.
- 1.6 The HDT will be introduced in a phased approach over three years. Once fully implemented the HDT will have the following consequences:
- Where housing delivery over the previous three years has been less than 95% of the housing requirement, LPAs should prepare an action plan setting out the causes of under delivery and the intended actions to increase delivery;
 - Where delivery has been less than 85% of the housing requirement, a 20% buffer should be applied to the supply of deliverable sites for the purposes of housing delivery assessment;
 - Where delivery has been less than 75% of the housing requirement, the NPPFs presumption in favour of sustainable development will apply. A three year transitional period will operate from February 2019.
 - The presumption in favour of sustainable development will apply if the test result is less than:
 - 25% in November 2018
 - 45% in November 2019
 - 75% in November 2020.
- 1.7 An analysis of the 2018 results with the 2020 thresholds for Spelthorne demonstrates that the likely consequence will be a presumption in favour of development. When this occurs, the “tilted balance” applies. In such scenarios, the balance is skewed in favour of sustainable development and granting planning permission where there are no relevant planning policies or where they are out of date. This does not apply in areas of protection or assets of particular importance, including the Green Belt, areas at risk of flooding, Sites of Special Scientific Interest and listed buildings. In addition, the “tilted balance” does not apply where any adverse impacts of approving development would significantly and demonstrably outweigh the benefits when assessed

against the NPPF taken as a whole. It should be noted that the "tilted balance" applies where the local authority does not have a five year housing land supply, which is presently the case for Spelthorne. We now have to provide 724 dwellings per year. This includes a 20% buffer on top of the current 603 figure which we are required to add because there has been a significant under delivery of housing over the previous three years.

1.8 The HDTAP for Spelthorne considers the following:

Housing delivery analysis. This section looks at the causes of "under delivery" and identifies the local and national issues which influence housing delivery.

Actions taken. This section sets out the actions that the Council has already taken to increase housing delivery.

Actions required. The section considers future actions required to increase housing delivery within Spelthorne borough.

1.9 It is acknowledged that the delivery of new homes has a wider remit than just the Planning Development Management and Strategic Planning services. It requires actions to be undertaken by the Council's housing delivery programme via Knowle Green Estates Ltd and other Council services including Housing Options.

2. Options analysis and proposal

2.1 The MHCLG requires Spelthorne (as well as 107 other local authorities) to produce a HDTAP because our housing delivery over the previous three years has been less than 95% of the housing requirement. We will be required to produce a plan on an annual basis until our housing delivery meets or exceeds our housing requirement.

2.2 The Ministry of Housing, Communities and Local Government (MHCLG) requires the HDTAP to be submitted by 19 August 2019. This is a government requirement and there is no other option other than to produce an action plan. For this reason, no other alternatives have been provided for Cabinet.

3. Financial implications

3.1 There are resource implications associated with preparing the HDAP, which have been absorbed within the workload of the existing planning staff.

4. Other considerations

4.1 As part of the preparation of the HDTAP, the Planning Development Manager has liaised with Strategic Planning, the Housing Strategy Manager, Assets and Environmental Health.

5. Timetable for implementation

5.1 The HDTAP will be made publicly available. It is a working document and will be updated on an annual basis until our housing delivery meets or exceeds our housing requirement. The HDTAP is required to be submitted to the MHCLG by 19 August 2019.

Background papers:

Housing Delivery Test Action Test Plan and associated documents.