

Environment and Sustainability Committee



9 November 2021

Title	Housing Delivery Test Action Plan 2021
Purpose of the report	To make a decision
Report Author	Esmé Spinks, Planning Development Manager Hannah Bridges, Principal Planning Officer
Ward(s) Affected	All Wards
Exempt	No
Exemption Reason	No
Corporate Priority	Housing
Recommendations	Committee is asked to: 1. Agree the Housing Delivery Test Action Plan 2021 2. Publish the Housing Delivery Test Action Plan 2021 on the Council's website
Reason for Recommendation	The completion of the plan is a requirement because only 50% of the housing needs have been delivered over the last three years. The plan identifies actions to address under-delivery against the housing requirement in the area. The plan looks at the reasons for under delivery and the steps to be taken to drive up housing delivery in the area.

1. Key issues

- 1.1 The Housing Delivery Test (HDT) has been introduced by the Government as a monitoring tool to demonstrate whether local areas are building enough homes to meet their housing need. The HDT, which was published in February 2021 updates the previous results published in 2019 and 2020. The test compares the number of new homes delivered over the previous three years with the authority's housing requirement. In the case of Spelthorne, the housing requirement is the minimum annual local housing need figure (611 dwellings per annum as of February 2021).

The calculation for Spelthorne is given as:

$$785/1574 \times 100 = 50\%.$$

1.2 The HDT was 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. The three year transitional period has now ended therefore the HDT consequences will be standardized moving forward.

1.3 As a consequence of the HDT being 50%, the local authority falls into the category where the following apply:

- an action plan should be prepared,
- a 20% housing buffer figure is applied to the housing requirements, and
- a presumption in favour of development within the borough applies as the housing delivery over the last three years is less than 75%.

There are no known consequences if Spelthorne fails to produce an action plan when required to. However, the proposed action plan demonstrates that Spelthorne Council is taking positive steps and is serious about housing delivery.

1.4 The housing test results for the last three years are set out in the following table:

Measurement Year	Total Homes Required	Total Homes Delivered	HDT score (%)	Consequence
2021	1,574	785	50%	Presumption
2020	1,509	904	60%	Action Plan + 20% Buffer
2019	1,394	876	63%	Action Plan + 20% Buffer

In summary, the housing delivery test result for Spelthorne was 63% in 2019, 60% in 2020 and 50% in 2021. This demonstrates that the housing delivery compared with housing needs has declined over the last three years. An analysis of the 2021 position in all Surrey authorities is contained in Table 11 of the main report. Other local authorities with the same consequences are Elmbridge (58%), Epsom and Ewell (34%) and Tandridge (50%).

1.5 The HDT Action Plan is the Council's response to the challenge set out in the Government's National Planning Policy Framework to boost significantly the supply of homes and has five goals:

- To examine the possible causes of the 'under delivery' of new homes in the Borough.
- To explain what the Council has been doing so far to boost housing delivery.
- To gather evidence on sites with planning permission (and sites under construction for housing development) to understand what barriers are preventing homes being built on these sites.
- To build relationships with developers, landowners and agents responsible for building homes on sites that have planning permission, allowing the Council to adopt the role of an enabler of much needed residential development ensuring housing permissions are built out as quickly as possible.
- To set out what actions the Council can take to increase the rate and number of homes built in Spelthorne.

2 Options analysis and proposal

2.1 The first section of the report examines the action plan context. These include Spelthorne's corporate documents which play a role in housing delivery. It should be noted that this action plan does not play any role in deciding the future of the current Green Belt or proposed housing allocations. These will be dealt with completely separately as part of the preparation of the new local plan.

2.2 The next section is an assessment of the 'under delivery' of new homes in the Borough. This includes the local and national issues which influence housing delivery, i.e., affordability issues, proximity to London, Covid 19 impacts, difficulties once development has commenced). A range of data and sources have been used to inform this analysis. As part of this process, the Council has engaged with stakeholders to improve its understanding of the issues effecting housing delivery. The analysis of the issues has been used to inform what actions the Council need to take to improve its housing delivery.

2.3 Critically, the final section of the action plan includes a number of measures to improve decision making and also to support wider opportunities. These include, amongst many:

- working with site promoters and other stakeholders to deliver local plan allocations,
 - continuing to improve planning performance on speed and quality of decision making,
 - refining the Planning DM computer software and procedures to enhance agile / paperless working in DM and to
 - constantly reviewing the discharge of planning conditions (after planning permission has been granted) to speed up the process.
- 2.4 The Action Plan identifies future actions to boost housing delivery, including the need to maintain progress on the development of the emerging Local Plan and the need to ensure that the Moratorium on Council schemes in Staines-upon-Thames is lifted to ensure the pipeline of significant housing is unblocked. Knowle Green Estates plays a key role in the delivery of housing in Spelthorne, evidenced by its past housing developments. The Council's assets offer a positive opportunity to boost housing delivery further moving forward however barriers to development will need to be reduced.
- 2.5 Once adopted, the Local Plan will provide more certainty as to the Council's housing land supply and will help to deliver housing to meet the Borough's development needs.

3 Financial implications

- 3.1 Potentially negative financial implications could arise from the current Moratorium on Council schemes in Staines-upon-Thames. A block on development in this area for a prolonged period could reduce the Council's income and ability to finance its operations.

4 Other considerations

- 4.1 In January 2021, the Council made a decision to halt all Council developments in Staines-upon-Thames until a development sub committee was in place, the consultation exercise had been undertaken on the Objectives and Options consultation for the Staines Development Framework and a viability exercise had been undertaken for all those schemes. The first two have been completed and the third is underway. Until the Council is satisfied that all these conditions have been met then no Council schemes in Staines can proceed. This will impact significantly on the pipeline for housing, the number of units and therefore the percentage of housing under-delivery.

5 Equality and Diversity

- 5.1 This does not have any direct equality and diversity impacts

6 Sustainability/Climate Change Implications

- 6.1 There are no sustainability issues.

7 Timetable for implementation

- 7.1 The agreed plan should be made available to the public via the website as soon as possible.

Background papers: There are none.

Appendices:

Appendix A Housing Delivery Test Action Plan 2021

Appendix B Housing Delivery Test Action Plan Summary 2021