

Date of Meeting Tuesday 3 September 2024

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A

Local Plan Housing requirement

Report summary:

The housing requirement was discussed at the SPC meeting in August, when it was resolved that the emerging Local Plan should include a requirement of at least 946 homes per year. This report sets out the housing requirement in more detail by identifying how many homes have already been built or have planning permission in the plan period. Windfall site expectations are then added to this figure to leave a remaining number of dwellings that should be allocated as sites or broad locations for growth in the emerging Local Plan. These calculations show that the current projected housing supply across the Local Plan period is sufficient to meet the requirement of 20,812 dwellings. However, the supply figure as things stand falls short of the Officer recommended 10% headroom by a total of 1,828 dwellings, with the supply headroom currently standing at 253 dwellings, or 1.2%. This figure needs to be kept under review as work progresses. In addition, this report recommends adding two years to the plan period, to meet the National Planning Policy Framework (NPPF) requirement that plans should look ahead over a minimum of 15 years from adoption.

Is the proposed decision in accordance with:

Budget Yes No

Policy Framework Yes No

Recommendation:

1. That Strategic Planning Committee agree to extend the end date of the new Local Plan period by two years, to the year 2042.
2. That Strategic Planning Committee agree the emerging Local Plan total housing requirement is 20,812 dwellings but is currently short of the Officer recommended figure for an additional 10% of supply headroom.
3. That Strategic Planning Committee note that the emerging Local Plan housing requirement can be met, subject to agreement on site allocations at this and future meetings of the Strategic Planning Committee.

Reason for recommendation:

The extension of the plan end date is required to be consistent with the National Planning Policy Framework. The longer plan period consequently increases the housing requirement. It is noted that future SPC meetings will discuss the site allocations that are required to meet the housing requirement.

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Portfolio(s) (check which apply):

Climate Action and Emergency Response

- Coast, Country and Environment
- Council and Corporate Co-ordination
- Communications and Democracy
- Economy
- Finance and Assets
- Strategic Planning
- Sustainable Homes and Communities
- Culture, Leisure, Sport and Tourism

Equalities impact Low Impact

Climate change Low Impact

Risk: High Risk; The NPPF requires strategic policies in a local plan to look ahead over a minimum 15-year period from adoption, so the plan is at high risk of being found unsound if the period is not extended to the year 2042. Similarly, the Local Plan should meet the housing requirement required by the NPPF or also be at high risk of being found unsound.

Links to background information [National Planning Policy Framework \(publishing.service.gov.uk\)](https://publishing.service.gov.uk)

Link to [Council Plan](#)

Priorities (check which apply)

- A supported and engaged community
- Carbon neutrality and ecological recovery
- Resilient economy that supports local business
- Financially secure and improving quality of services

Report in full

1. Introduction

- 1.1 The total housing requirement is a fundamental part of producing a Local Plan. The housing requirement was discussed at the last SPC meeting in August, when it was resolved that the emerging Local Plan should include a requirement of at least 946 homes per year. This is multiplied by the number of years in the plan period to give a total requirement figure (note the plan period is also discussed in this report).
- 1.2 This report sets out the housing requirement in more detail, by identifying how many homes have already been built and granted planning permission in East Devon so far in the plan period (since 2020). The number of homes expected to be delivered on windfall sites is then added. This leaves a residual figure that should be allocated as sites or broad locations for growth in the emerging Local Plan.

2. Local Plan period

- 2.1 As discussed at SPC on [13 February 2024](#), strategic policies in a local plan should look ahead over a minimum 15-year period from adoption (NPPF, paragraph 22). More recently, at SPC on [4 June 2024](#), it was highlighted that we may need to extend the plan end date beyond 2040.
- 2.2 The Regulation 18 Draft Local Plan, consulted on over winter 2022/23, covers the period from 2020 to 2040. The Local Development Scheme (December 2023) envisages adoption of the Local Plan in mid/late 2026. At least 15 years from adoption leads to mid/late 2041 but, as the housing monitoring runs from 1 April to 31 March on an annual basis, a plan end date of (March) 2042 is recommended.

2.3 Therefore, the new Local Plan period will cover the years 2020 to 2042. Extending the plan period obviously increases the total housing requirement, discussed further below.

3. Housing requirement

- 3.1 There are now two issues necessitating a change in the total Local Plan housing requirement. Firstly, as discussed above the additional two years of the proposed Local Plan period and secondly, following publication of the consultation draft revised NPPF (July 2024) revised annual dwelling provision targets now being imposed upon EDDC at national level.
- 3.2 Officers reported on the implications and recommendations regarding the content of the consultation draft NPPF (July 2024) to the August Strategic Planning Committee. It was recommended and agreed that to benefit from the Transitional Arrangements (Annex A) within the draft NPPF (July 2024) that the Local Plan would be progressed in accordance with the current timetable and published for Reg 19 consultation within one month of the revised NPPF being published. This would mean an annualised housing requirement of 946 dwellings.
- 3.3 The nature and significance of meeting this annualised housing target needs to be fully understood to ensure adequate importance is placed on meeting this absolute minimum figure. The revised housing requirement figure for East Devon being imposed through the NPPF consultation is 1146 dwellings per annum. However, transitional arrangements allow for adoption of the emerging Local Plan, subject to early review, if the housing supply is no more than 200 dwellings below the 1146 figure.
- 3.4 Transitional arrangements also vary as to how quickly a recently adopted plan (adopted under transitional arrangements) must be updated following adoption. If following examination the housing supply figure were to drop below 946 dwellings per annum there would be a requirement to immediately progress a review of the Local Plan within an 18 month timeframe.
- 3.5 Due to the critical nature of demonstrating the supply of 946 dwellings per annum across the plan period Officers recommend applying a 10% supply headroom. This is to give choice to the market and ensure that we have a robust supply position to help us to maintain a 5 year housing land supply position. There is no requirement within the NPPF to have such headroom. The buffers referred to in the current and draft NPPF relate to the supply position for decision making and do not relate to plan making. Application of 10% headroom would raise the annualised provision to 1,041 dwellings but would ensure supply flexibility and longevity post adoption of the emerging Local Plan. The 10% supply headroom would also allow for challenges to site deliverability and capacity to (hopefully) be accommodated without dropping the planned provision below the 946 dwelling annual requirement.
- 3.6 Table 1 below illustrates the housing requirement and supply situation taking into account completed dwellings, existing commitments, windfalls and officer recommendations regarding site allocations. Please note, that these are working draft figures and may be subject to change following conclusion of the 2023/24 monitoring and projection work.

Table 1 – Housing need and supply August 2024

Housing Requirement 2020 - 2042	Completions 2020 - 2024	Commitments	Allocations	Windfalls	Housing Supply 2020 - 2042
20,812 (+10% headroom = 22,893)	3,539	8,742	6,838	1,946	21,065

- 3.7 The table above shows that the current projected housing supply across the Local Plan period is sufficient to meet the requirement of 20,812 dwellings. This figure needs to be viewed with caution as some sites are still being reviewed in terms of their deliverability. As things stand the supply figure falls short of the 10% headroom by a total of 1,828 dwellings. Indeed, the supply currently provides a headroom of just 253 dwellings, or 1.2%.
- 3.8 With regards to the shortfall of site allocations to meet the housing requirement plus the 10% headroom, the NPPF (paragraph 69b) allows “broad locations for growth” to meet housing supply in later years of the plan period. Therefore, the recommended extension of the plan period by two years, to 2042, does not necessarily mean we have to allocate sites to meet the ‘extra’ requirement. It would however be desirable to do so to ensure that the plan is as sound as possible. Members are therefore encouraged to seek to maximise the sites for allocation through the plan when considering them and only rely on the option of identifying broad locations for growth as a fallback. Neither the NPPF nor accompanying planning practice guidance defines “broad locations for growth” and so this is open to interpretation and a risk if relied upon.
- 3.9 Draft Local Plan Strategic Policy 1 sets out a spatial strategy to focus new development on the western side of the district, deliver significant development at the Principal Centre (Exmouth) and the Main Centres, with Local Centres and Service Villages accommodating development to meet more local needs. Arguably this could be deemed ‘broad locations for growth’ but if we do need to fallback on this option then it would be good to be more precise than this if we can. We will need to keep this matter under review.

4. Further Local Plan evidence

- 4.1 The amount of development to be allocated on sites will be refined over the coming weeks and months as further Local Plan evidence is finalised. This evidence was discussed at SPC on [15 July 2024](#) and includes the Sustainability Appraisal, Habitats Regulations Assessment, Viability assessment, the Water Cycle Study, and other technical work to inform site assessment such as housing density.
- 4.2 Concerns about wastewater infrastructure are understood and are common to much of the district. Following the presentation of the initial findings of the Water Cycle Study to Members in July there has been a meeting with Southwest Water and a commitment from them to work with us to fully understand the position and to understand what actions need to be taken and how improvements are delivered in-step with developments coming forward in the area. In the meantime, these issues should not impact on where sites are to be allocated in the district. We have relatively few options in this regard and in any event planning does not have control over waste water infrastructure and can only phase the delivery of development in-line with the required enhancements being delivered by South West Water.
- 4.3 A key piece of evidence, given concerns from the public and Members, is the Infrastructure Delivery Plan (IDP). The IDP covers a wide range of infrastructure types, such as education, transport, healthcare, and wastewater. The IDP will consider whether the existing infrastructure capacity is sufficient to accommodate development proposed in the emerging Local Plan. Where infrastructure does not have capacity, the IDP will identify the improvements that are required that will be reflected as appropriate in the Local Plan. The existing IDP dates from 2017 and is being updated, in consultation with key stakeholders, and will inform the Publication Draft Local Plan.

5. Next steps

- 5.1 Officers will use the resolutions of this meeting to finalise drafting the Local Plan housing requirement in the regulation 19 Publication draft Local Plan. Site allocations to meet the housing requirement will come to this and future SPC meetings.

- 5.2 It should be noted that despite us stating that further site submissions were not sought through the further Regulation 18 consultation undertaken in Spring of this year a review of responses shows that some further sites have been submitted. We are reviewing these and will need to take a view on these and if they can be taken forward and if so how. Members will be updated on this in due course. Any further sites that can and should be considered by Members will need to come to them at the end of the site allocations process.
- 5.3 As previously discussed and agreed, the regulation 19 Publication Local Plan will come to this Committee in November 2024 with consultation scheduled to run from December 2024 to January 2025.
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Financial implications:

There are no specific financial implications within the report.

Legal implications:

The legal implications are set out within the report. (002533/September/DH)