

Strategic Land Availability Assessment 2024

Appendix 10 – Five Year Housing Land Supply 2024 - 2029



February 2025

Surrey Heath Borough Council Knoll Road, Camberley GU15 3HD planning.consultation@surreyheath.gov.uk



Our aim is to publish documents that are as accessible as possible. However, if you use assistive technology (such as a screen reader) and need a version of this document in a more accessible or alternative format, please email <u>planning.consultation@surreyheath.gov.uk</u>, or call our Contact Centre on 01276 707100.

Please tell us what format you need. It will help us if you say what assistive technology you use.

Contents

3
3
3
5
5
6
7
•

Page 2 of 10

I. Executive Summary

- 1.1. This paper sets out an assessment of the Five-Year Housing Land Supply ('5YHLS') position for Surrey Heath Borough Council, for the five year period from 2024 2029, as it relates to the SLAA 2024. The SLAA 2024 and Five-Year Housing Land Supply has been prepared as evidence to support the Surrey Heath Local Plan, submitted to the Planning Inspectorate in December 2024. In line with transitional arrangements in the NPPF 2024, the Local Plan will be examined in accordance with the National Planning Policy Framework ('NPPF') 2023. Therefore, SLAA 2024 update has been prepared in accordance with the NPPF 2023. SLAA 2024 Appendix 9 sets out the initial implications of the NPPF 2024 for future SLAA assessments, including the implications of the NPPF 2024 for the Five-Year Housing Land Supply ('5YHLS') position for Surrey Heath Borough Council.
- 1.2. The base-date of the 5YHLS assessment is 1st April 2024. This means that site information in relation to planning permission status is presented as it was on 1st April 2024. However, evidence of site-delivery timescales, alongside the *availability*, *suitability*, or *achievability* of sites, has been taken into account up to and including January 2025. This is to ensure that the accuracy of the assessment is as robust as possible.
- 1.3. The Local Housing Need ('LHN') figure for Surrey Heath Borough is 321 dwellings per annum. The LHN has been calculated using the government's Standard Method for calculating housing need, see <u>SLAA 2024 Appendix 8 – Local Housing Need Calculation</u>.
- 1.4. However, the adopted 'Hart Local Plan (Strategy and Sites) 2032' includes provision for the delivery of unmet need in Surrey Heath at the annualised rate of 41 dwellings per annum up to 2032.
- 1.5. Therefore, Surrey Heath's Local Housing Need figure is adjusted in this assessment by 41 dwellings per annum, in order to reflect the commitment to delivering this need in Hart. This means that for the purposes of the 5YHLS assessment, Surrey Heath's Housing Requirement figure is 280 dwellings per annum (321 41 = 280) up to 2032.
- 1.6. The 5YHLS assessment sets out that Surrey Heath Borough Council can demonstrate a 6.65 year housing land supply at the base date April 1st 2024, against the identified housing requirement figure. Table 1 (below) sets out the calculation. Based on the future supply set out in the SLAA 2024 update, Surrey Heath would be able to demonstrate a 7.36 year supply position at the 1st April 2025 and a 7.57 year position at the 1st April 2026 against the Local Plan requirement.
- 1.7. It is important to note that, if judged against the housing requirement in the NPPF 2024, the Council would only be able to demonstrate a 2.9 year housing land supply until the Local Plan is adopted. Further details are set out in <u>SLAA 2024 Appendix 9</u>.

Page 3 of 10

Stage	Calculation	Category	Figure
А		Local Plan Housing Need (2019 - 2038)	6,111
В	A / 19	Local Plan Annual Local Housing Need	321
С	B * 5	Local Plan Housing Need Requirement (1 April 2024 - 31 March 2029)	I,605
D	C - 205	Adjustment for Hart District Contribution to Unmet Need	I,400
E	D X 1.05	Application of 5% buffer	I,470
F		Housing supply (1 April 2024 - 31 March 2029)	1,956
G	(F / E)*5	Five-year housing land supply	6.65

Table 1: Five-Year Housing Land Supply Calculation

2. Introduction

Purpose of this document

2.1. This paper sets out an assessment of Surrey Heath Borough Council's current five-year housing land supply (5YHLS) position over the 2024 – 2029 period.

Policy Context

- 2.2. The National Planning Policy Framework 2023 (NPPF)¹ states that plan-making authorities should identify and update annually a supply of specific, deliverable sites sufficient to provide a minimum of five years' worth of housing against the local housing requirement.
- 2.3. The NPPF elaborates, in Appendix 2: Glossary, that:

¹ NPPF Paragraph 77. Available online at: <u>https://www.gov.uk/government/publications/national-planning-policy-framework--2</u>

Page 4 of 10

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. Sites that are not major development, and 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 (e.g. they are no longer viable, there is no longer a demand for the type of units or sites have long term phasing plans). Sites with outline planning permission, permission in principle, allocated in the development plan or identified on a brownfield register should only be considered deliverable where there is clear evidence that housing completions will begin on site within five years².

2.4. Further guidance is provided in national Planning Practice Guidance to help establish whether a site should be considered '*deliverable*'. Importantly, examples are provided of the types of evidence that could be used to determine that a site is '*deliverable*' within the next five years³. The Secretary of State has confirmed, in a Consent Order relating to East Northamptonshire Council and S of S MHCLG (CO/917/2020), that the definition in the NPPF does not represent a 'closed list', which means that:

"any site which can be shown to 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' will meet the definition".

- 2.5. The NPPF published in December 2023 removed the requirement for a 5% buffer to ensure choice and competition in the market for land. The NPPF December 2023 does maintain the requirement for a 20% buffer in cases where there has been significant under delivery of housing over the previous three years (Paragraph 77), measured against the Housing Delivery Test.
- 2.6. The NPPF also states that, where a plan-making authority cannot demonstrate a sufficient five-year supply (including any relevant buffer), the presumption in favour of sustainable development will apply, as set out in paragraph 11d and corresponding footnote 8.
- 2.7. National planning practice guidance ('PPG') sets out that for the purposes of calculating the five-year housing land supply, housing completions should include all new build dwellings, conversions, changes of use, and redevelopments, which should be presented as a net figure to offset any demolitions⁴.

² NPPF Appendix 2: Glossary. Available online at: <u>https://www.gov.uk/government/publications/national-planning-policy-framework--2</u>

³ Paragraph: 007 Reference ID: 68-007-20190722.

⁴ Paragraph 029: Reference ID: 68-029-20190722.

Page 5 of 10

- 2.8. This Five-Year Housing Land Supply Statement presents an overview of the five-year housing land supply position of Surrey Heath borough in accordance with the requirements of the NPPF and the guidance set out in national planning practice guidance.
- 2.9. The five-year housing land supply position is assessed using planning status information that is base-dated at 1st April 2024. This means that site information in relation to planning permission status is considered as it was on 1st April 2024.
- 2.10. However, evidence of site-delivery timescales, alongside the availability, suitability, or achievability of sites has been taken into account up to and including January 2025. This is to ensure that the accuracy of the assessment is as robust as possible.
- 2.11. Evidence of the deliverability of sites included within this assessment, including the assessments of the availability, suitability, and achievability of sites included within the five-year housing land supply position, is set out in the <u>Council's Strategic Land Availability</u> <u>Assessment (2024)</u>.

3. Calculating the Five-Year Requirement

Housing Requirement

- 3.1. As set out previously, paragraph 77 of the NPPF clarifies that where an authority does not have an up-to-date plan-based housing requirement (i.e. adopted in the last 5 years), the 5YHLS assessment should be set out against the local housing need figure, as derived using the government's standard methodology.
- 3.2. Surrey Heath's adopted Local Plan was adopted more than 5 years prior to the base-date of this assessment. Therefore, the 5YHLS assessment is made using the derived local housing need figure as the base-line requirement. Surrey Heath's local housing need figure is 321 dwellings per annum (dpa), as set out in 'Appendix 8: Local Housing Need Calculation' of the Strategic Land Availability Assessment (2023).
- 3.3. However, the adopted '<u>Hart Local Plan (Strategy and Sites) 2032</u>' includes provision for the delivery of unmet need in Surrey Heath at the annualised rate of 41 dwellings per annum up to 2032. In accordance with the <u>Housing Delivery Test 2022 Measurement</u> <u>Technical Note</u>, Surrey Heath's local housing need calculation should be adjusted to account for the commitment to deliver unmet need in Hart District.
- 3.4. Accordingly, the 5YHLS calculation reduces the borough's Local Housing Need figure by 41 dwellings per annum in order to reflect the delivery of this need in Hart and avoid double-counting these dwellings in both local authorities' Housing Requirements. Therefore, for the purposes of the 5YHLS assessment, Surrey Heath's Housing Requirement figure is 280 dwellings per annum (321 41 = 280) up to 2032.

Page 6 of 10

3.5. Consequently, the Housing Requirement figure for the five-year period of 2024 - 2029 becomes 1,400, as set out in Table 2 (below).

Buffer

- 3.6. As previously set out, the NPPF December 2023 includes the requirement for a 20% buffer in cases where there has been significant under delivery of housing over the previous three years (Paragraph 77), measured against the Housing Delivery Test. However, the Housing Deliver Test results published in December 2023 confirmed that the Surrey Heath measurement is 129%. Therefore, a 20% buffer does not apply to Surrey Heath. Consequently, the 20% buffer for significant previous under-delivery is not applicable and no buffer is applied.
- 3.7. It is noted that the NPPF 2024 has reintroduced the requirement for a 5% buffer with immediate effect. Therefore, it is considered prudent at this stage to include a 5% buffer to provide flexibility in the calculation of the 5YHLS statement. Further details are set out in <u>SLAA 2024 Appendix 9</u>.

Page 7 of 10

4. Five-Year Housing Land Supply

- 4.1. Section 4 of the Surrey Heath Strategic Land Availability Assessment (2024) Report sets out the components of housing supply that are anticipated to be delivered within the first five-year period (namely, sites assessed as being 'deliverable'⁵). This comprises a mixture of sites, including:
 - I. sites that currently benefit from planning permission,
 - 2. sites that have commenced the build-out of a planning permission,
 - **3.** sites identified in the SLAA as realistic candidates for development that are considered 'deliverable', and
 - 4. an allowance for 'windfall' development.
- 4.2. <u>The Strategic Land Availability Assessment (2024) Appendix 6: Site Delivery</u> contains further information on the phasing assumptions that have been used to inform the Council's Housing Trajectory, and consequently the assessment of five-year housing land supply. It also includes further information on the site-specific anticipated delivery trajectories and an overview of the evidence used to support the assessment of all sites considered to be 'deliverable' within the identified five year housing supply that do not have planning permission.
- 4.3. Further information on the sites and other components of supply that contribute to the five-year housing land supply can be found in the appendices to the Strategic Land Availability Assessment. Specifically:
 - I. Appendix I Methodology
 - 2. Appendix 2 Realistic Candidates for Development
 - 3. Appendix 4 Sites with Planning Permission
 - 4. Appendix 7 Housing Trajectory
- 4.4. Further information on the windfall allowance is available in the Strategic Land Availability Assessment (2024) Appendix 1: Methodology.

⁵ As defined in the NPPF Annex 2: Glossary and Planning Practice Guidance.

Page 8 of 10

4.5. Table 2 (below) provides a breakdown of how the five-year housing requirement and supply position has been calculated:

Stage	Calculation	Category	Figure
А		Local Housing Need (2019 - 2038)	6,111
В	A / 19	Annual Local Housing Need	321
С	B * 5	Housing Need Requirement (1 April 2024 - 31 March 2029)	I,605
D	C - 205	Adjustment for Hart District Commitment to Unmet Need	I,400
E	D x 1.05	Application of 5% buffer	I,470
F		Housing supply (1 April 2024 - 31 March 2029)	1,956
G	(F / E)*5	Five-year housing land supply	6.65

Table 2: Five-year housing land supply position – 1 April 2024 – 31 March 2029

- 4.6. The Council's Housing Trajectory and accompanying graph are provided in Appendix 7 of the SLAA 2024 update. Based on the future supply set out in the SLAA 2024 update, Surrey Heath would be able to demonstrate a 7.36 year supply position at the Ist April 2025 and a 7.57 year position at the Ist April 2026 against the Local Plan requirement.
- 4.7. If judged against the housing requirement in the NPPF 2024, the Council would only be able to demonstrate a 2.9 year housing land supply. Further details are set out in <u>SLAA</u> 2024 Appendix 9.