West Northamptonshire Joint Planning Unit
Strategic Housing Land Availability Assessment

Review of the Draft SHLAA

May 2011
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1 The commission

1.1 The West Northamptonshire Joint Planning Unit is engaged in the preparation of a joint core strategy for the area covered by Daventry District Council, Northampton Borough Council and South Northamptonshire District Council. The joint core strategy was published in February 2011 with a closing date of 31 March to allow interested parties to submit formal representations. It is anticipated that it will be submitted to the Secretary of State this autumn.

1.2 As part of the evidence base for the core strategy and subsequent DPDs, the JPU prepared a draft Strategic Housing Land Availability Assessment (SHLAA), which was published on December 2009. The base date for the data in the SHLAA is 2008/9. It is intended to update and roll forward the SHLAA to reflect current circumstances, and publish the finalised SHLAA as part of the evidence base for the submitted joint core strategy. As part of the updating of the SHLAA, the JPU has instructed Andrew Wright Planning to carry out a review of the draft SHLAA, to advise on its robustness and effectiveness as part of the joint core strategy evidence base.

1.3 Andrew Wright has specialist knowledge and expertise in relation to the SHLAA process. As an associate of POS Enterprises he led the team which developed the SHLAA practice guidance for the Department of Communities and Local Government. He subsequently presented and led workshops on SHLAA for the Planning Advisory Service, at a series of regional seminars with local authorities and partner organisations. He also developed an advice note on SHLAA and DPD preparation, and guidance on frequently-asked questions, both of which have been published by the PAS.

1.4 He was brought in at an earlier stage in the preparation of the West Northamptonshire SHLAA to advise on aspects of the methodology and practice. A note summarising the advice given at that time is attached as an Appendix to this report.

1.5 This review first considers some issues around the principles of the approach taken, then considers how well the practice complies with the SHLAA guidance, and goes on to advise upon the way forward.

2 Principles of approach

Engagement with development interests

2.1 The SHLAA guidance at paragraphs 11 to 13 advocates a partnership approach to the SHLAA, working with developer and other interests through (ideally) the Housing Market Partnership. Specifically Figure 2, the SHLAA process checklist, says that:

“The methods, assumptions, judgements and findings should be discussed and agreed upon throughout the process in an open and transparent way, and explained in the assessment report.”.

2.2 There is no housing market partnership for the West Northamptonshire area, so the JPU sought to involve house builders in a SHLAA Advisory Panel. The house builders indicated that they would prefer to be represented by planning consultants. The planning consultants for their part said that because of the sensitivity of commercial interests, they did not generally feel able to comment upon the assessment of individual sites. They therefore concentrated upon advising and commenting upon the methodology for the SHLAA. The approved methodology reflects their advice.
However, as part of the work with the Panel, they considered a selection of sites identified by the JPU and commented on their developability, and this informed subsequent work on the SHLAA by the JPU.

2.3 The method of working has not achieved the level of input from the development sector which the SHLAA guidance seeks, in that the SHLAA Advisory Panel has not advised or commented upon the assessments of all individual sites. However, it is accepted that the JPU has sought such involvement, and the sector has only felt able to go part way. The JPU intends to further consult the members of the Advisory Panel in the updating and roll forward of the SHLAA, and this is supported.

Unsuitable sites included in the SHLAA

2.4 A review of the sites in the SHLAA suggests that some are quite unsuitable for development, eg because they are detached from any settlement, or much larger than would be appropriate in a village. It is understood that such sites have been retained within the SHLAA on the advice of the SHLAA Advisory Panel, on the basis that the SHLAA guidance says at paragraph 21 that “the scope of the assessment should not be narrowed down by existing policies designed to constrain development”.

2.5 This is reflected by paragraph 7.7.4 of the draft SHLAA report, which says "As sites were not excluded on policy considerations, it should be noted that those sites deemed suitable at this stage, particularly those on the edge and outside of the settlements, may not be necessarily appropriate for development because of the application of policy considerations and the settlement hierarchy to be determined by the Joint Core Strategy.

2.6 However, such an approach misunderstands the purpose of paragraph 21, which is to avoid existing local policies such as development boundaries acting as a straitjacket on the consideration of the potential directions of growth for urban areas. It does not prevent the JPU and its partners from applying fundamental planning principles such as those set out in PPS1 and in paragraph 36 of PPS3, which says “..... the Government’s policy is to ensure that housing is developed in suitable locations which offer a range of community facilities and with good access to jobs, key services and infrastructure.” Nor does it mean that relevant policy in the East Midlands Regional Plan and the Milton Keynes and South Midlands Sub-Regional Strategy should be disregarded, including the expectation that most of the growth in West Northamptonshire will be accommodated in the Northampton Implementation Area. Indeed unless such matters are addressed, there can effectively be no consideration of suitability within a SHLAA.

2.7 What should not be done is to take account of the emerging core strategy in considering the suitability of sites. The intention is that the SHLAA should illustrate all the realistic possible sources of suitable housing land, for the core strategy to determine the most appropriate general locations. However, once the core strategy is adopted it will be right to remove sites which do not conform generally with the strategy set out in the core strategy. This can be done at the roll forward of the SHLAA which follows core strategy adoption.

2.8 Sites which are detached from any settlement or would involve a scale of development disproportionate to a village and its services are not sustainable locations for development. It is unimaginable that such sites would be seriously considered for development in a DPD. It follows that they should not be included in the SHLAA.

2.9 Moreover, the inclusion of such sites contributes to a significant over-statement of the potential supply of housing sites and the real strategic choices available to the planning authorities.
2.10 The Planning Advisory Service note Strategic housing land availability assessment FAQs deals with what it refers to as “non-runners”, and contains the following advice:

“There is nothing in the LDF system or the SHLAA guidance which obliges the authority to assess obvious non-runner sites in detail, whether for sustainability appraisal or in the SHLAA. The assessment partnership should sieve out sites which are patent non-runners, identify concisely the reasons, list them and record the fact that they have not been assessed further within the SHLAA report. They should then be taken no further in assessment, whether in the SHLAA, SA or consideration of alternatives. This applies whenever sites are advanced during the plan-making process. It will be helpful to set the criteria for sieving at an early stage ……….. and they should be made explicit in the report of the SHLAA study."

2.11 The same note also deals with the matter of whether all sites put forward in response to a call for sites should be assessed and included in the SHLAA. It says that sites should only be included if considered potentially suitable for development, and goes on to say:

"It should be kept in mind that inclusion of a site in the SHLAA indicates that it is considered suitable in principle for housing (because the assessment of deliverability/developability includes suitability). To include non-runners will therefore present a misleading signal and may prove an embarrassment if their inclusion is subsequently argued at appeal to demonstrate that they were considered suitable in principle for housing when the SHLAA study took place."

2.12 It is recommended that the suitability of all sites included within the SHLAA should be re-visited, and those which are judged to be unsuitable according to established planning principles and regional policy removed from the assessment process. As indicated in the PAS note, all that is needed is to include an Appendix listing sites put forward but not considered suitable for assessment. The removal of unsuitable sites will allow the authority and partners to concentrate on the assessment of genuine candidate sites, to inform decision making in both the core strategy and subsequent DPDs.

Treatment of constraints - “potential” sites

2.13 The draft SHLAA assigns sites to three categories, retained, potential and discarded. Retained sites are described at paragraph 8.2.1 as those which have been assessed as both suitable and achievable. Potential sites are described at paragraph 8.3.1 as sites which “may be suitable subject to resolving constraint issues, but are otherwise available and achievable”.

2.14 There is no encouragement for the use of a “potential” category of sites in the SHLAA guidance. The guidance is clear in requiring that judgement should be made as to whether sites are either developable/deliverable or not. Paragraph 35 makes the point that:

"In practice the considerations to be taken into account when deciding whether a site is developable or deliverable or not currently developable will be the same. It will be the degree of availability and achievability, and, in particular, when any known constraints can realistically be overcome."

2.15 What appears to have happened is that any site where a significant constraint is identified has been put into the “potential” category. There is no encouragement for such an approach in the SHLAA guidance. It creates serious uncertainty as to what the true potential supply might be, because classifying a site as potentially developable must carry the implication that it may not be developable. If there were only a few sites in the “potential” category this might be less of a concern, but in fact sites with a capacity of some 119,000 dwellings fall into the “potential” category compared to only
29,000 dwellings on sites categorised as “retained”. So as things stand, there is currently uncertainty over the great majority of the potential supply.

2.16 It is strongly advised that this situation must be rectified. Sites currently shown in the “potential” category should be re-considered, and a judgement made as to whether they are in fact developable or not. This is essentially a judgement of probability - given reasonable commitment on the part of a present or future owner, is it likely that the site could be brought into development?

2.17 The first judgement to be made will in fact be whether sites are suitable for housing in the first place, as advised in paragraph 2.10 above.

2.18 Then, those sites which are adjudged to be suitable for housing development should be reviewed to come to a judgement on whether the identified constraints are capable of being resolved. There are two possible outcomes:

- Where the conclusion is that the constraints on a particular site are capable of being resolved, and this is achievable within a timescale which will enable development to commence within 15 years of adoption of the core strategy, the site should be classified as developable.

- Where the conclusion is that the constraints are not likely to be capable of being resolved within the 15 year period, the site should be classified as “not currently developable” as advised by the SHLAA guidance. It goes without saying that such sites should not be included in the SHLAA supply.

2.19 Inspection of the spreadsheet headed “Copy of Final combined as published” indicates a range of types of constraints, but there are two on which it may be helpful to make some comment, namely availability and strategic highways issues.

2.20 The most numerous constraints are in relation to availability, and whether sites are being actively promoted for development. The SHLAA guidance says a site is available where “.... is controlled by a housing developer who has expressed an intention to develop, or the landowner has expressed an intention to sell.” This suggests that only sites put forward by landowners or prospective developers should be considered to be available for development. This would cover both sites advanced in response to the call for sites and through representations.

2.21 However, the Inspector who carried out the examination of the Tandridge core strategy took a rather different view. He commented:

“On the "reasonable prospect" point, I agree with the Council that whilst a site’s suitability and achievability can be ascertained from site surveys and other assessments, the reasonable prospect of its availability is much more difficult to assess where there is no hindrance to its developability (as here) other than the landowners’ intentions. This is because landowners’ intentions beyond the short-term (i.e. the first five years) are often unknown, even to themselves. In addition, the very identification of a site for development can trigger landowner or developer action, thus creating a ‘self-fulfilling prophecy’. Therefore, if a landowner has not said categorically that they have no intention of selling their site or that it should not be included for other reasons, then I believe it has a reasonable prospect of being available in the second or third of the five year PPS3 periods.”

2.22 The JPU could follow this principle, so that where the main issue in relation to a site is whether it is likely to be available, it could treat it as developable but assign it to the latter part of the SHLAA period. This would have an impact upon the potential supply in the earlier parts of the SHLAA period, because there are a lot of sites where it is
stated that availability may be a constraint, but nevertheless they have been shown as beginning to produce completed houses within the first five years.

2.23 It is understood that there are some areas, particularly adjoining Northampton, which have not been promoted by landowners, but have been included in the SHLAA by the JPU to ensure that developability information is available for them. This assists the JPU in assessing all the alternatives for the expansion of the town. There may be similar situations at the other main towns of Brackley, Daventry and Towcester. Since in these cases the inclusion of the sites is to assist strategic planning choices, it is proper that they should continue to be included.

2.24 Turning to strategic highway issues, it is understood that the Highways Agency has raised concerns about the impact of a number of substantial sites in the Northampton Implementation area because of the potential impact upon the strategic highway network. How these concerns are to be resolved is still to be established. It is not the function of this report to seek to offer a solution. However, if the West Northamptonshire area is to meet the needs the JPU has identified for housing, a pragmatic way forward has to be found. To simply rule out many of the potential locations for growth around Northampton is clearly untenable. It is therefore suggested that for the purposes of the SHLAA, the JPU should adopt a working proposition that one way or another, the highways constraints are capable of being overcome, albeit perhaps in the medium term. This would mean that most sites currently classified as "potential" in response to the Highways Agency’s concerns would be treated as developable.

2.25 However, where there are known to be particularly difficult highways issues in relation to a particular site, or other significant constraints exist, it may be appropriate to conclude that it should be categorised as not currently developable.

**Delivery timescales and build rates**

2.26 Much of the information from landowners and potential developers which fed into the SHLAA dates from before the recession. The timescales within which sites were suggested as being available for development, and the rates of building indicated, now look decidedly optimistic. THE JPU recognises that as part of the review and roll forward of the SHLAA it needs to reassess delivery timescales and rates to be realistic in current circumstances.

2.27 The JPU has just published a Housing Technical Paper, which sets out its up-to-date assessment of the amount of housing which should be planned for, and the rate at which it will come forward. It reflects national studies which indicate that house building rates will not recover quickly to pre-recession levels, but will take some years to return to close to such levels. It therefore indicates that the likely housing trajectory will show a year on year increase in housing delivery from 2010 to 2018, when it will plateau for two years before tailing off in the latter part of the core strategy plan period.

2.28 The SHLAA needs to similarly reflect the realities of housing delivery, and this will require a reassessment of the lead-in timescales for housing sites, and the building rates likely to be achieved.

2.29 Two related factors need to be considered. The first is the lead times before new housing sites will be capable of being brought into development. As a generality, the changed borrowing market since the recession means that lead times are likely to be longer. Moreover, where a site is considered to be developable but there is a significant constraint, it may be expected to take longer to put in place the solution than would have been the case prior to the recession.
2.30 The second factor is the likely build-out rates. An established rule of thumb is that a single volume house builder will be able to build and sell an average of 50 houses per year on a single site. This is supported by DCLG research which can be found at http://www.henley.reading.ac.uk/web/FILES/REP/Factors_Affecting_Housing_Build-out_Rates.pdf. Such rates are not generally being achieved currently, and it may be expected to be several years before the established norm is met again. This points to tapering the build out rates for the first few years of the SHLAA period.

2.31 The rule of thumb also says that where two or more developers are involved on a development site, each should be able to build and sell 50 houses. Some of the larger sites included in the SHLAA show delivery rates based on the expectation that up to six different house builders will be operating, each producing 50 completions per year. To enable several house builders to operate at the same time requires that the landowner or some other agency invests in advance in providing road access and service connections to each house builder’s area. Given the current difficulties associated with bank lending, it must be considered much less likely that private landowners or developers will be able to provide such a scale of pre-investment. It is considered much more likely that larger sites will be phased over a longer timescale than was anticipated pre-recession, and that it will be rare for more than two house builders to be able to operate at the same time, unless the configuration of the site relative to access roads and existing services creates more favourable conditions. The exception may be where English Partnerships is involved and can confirm that it will be able to provide the level of site preparation investment required to enable several house builders to operate.

2.32 The effect of longer lead in times before sites come into development, together with lower build-out rates (particularly on larger sites), will be to shift much of the potential supply back in time, and to substantially lower the potential annual housing delivery rate. It will therefore be necessary to enable a sizeable number of sites to be under development at a given time.

3 Compliance with the SHLAA guidance

3.1 Having addressed the matters of principle, this part of the report looks at the draft SHLAA in rather more detail. The draft SHLAA follows the stages in the standard methodology recommended in the SHLAA guidance, so the same structure will be used here.

Stage 1: Planning the assessment

3.2 Paragraphs 11 and 13 of the SHLAA guidance say that assessments should preferably be carried out at the sub-regional level, for separate housing market areas. West Northamptonshire is recognised as a distinct housing market area, so this expectation is met.

Stage 2: Determining which sources of sites will be included in the assessment

3.3 No comment is made in relation to this stage.

Stage 3: Desktop review of existing information

3.4 The SHLAA scoping report sets out the approach to desktop study. This is consistent with the SHLAA guidance.

Stage 4: Determining which sites and areas will be surveyed

3.5 The intention of this stage in the process, as described in the SHLAA guidance, is to decide upon the scope of the survey in the light of the scale of housing challenge, the
nature of the area, the nature of land supply, and the resources available. The expectation is that an authority will use the desktop review and the knowledge of its officers and the housing market partnership to come to a view on matters such as the likely order of yield from sites within existing built-up areas, and the consequent scale of greenfield land release that may be necessary. This can then enable decisions to be made on how detailed and extensive a survey should be carried out within built-up areas, and the general locations and scale of greenfield sites which should be considered.

3.6 The draft SHLAA does not set out explicitly such a thought process. However, it is apparent from the areas covered and the range of sites considered that the authority has undertaken the process with a realistic understanding of the proper scale of the study. This has included assessing sites adjoining main settlements not put forward by landowners or developers though representations or in response to the call for sites, so that all realistic strategic options are covered.

3.7 For the purposes of the study, a threshold of a minimum capacity of 10 dwellings has been applied to new sites so as to make the number of sites to be assessed manageable. Given the scale of the housing requirement this is considered reasonable. It should be recognised however in the SHLAA report that the consequence is that some potential supply from within urban areas will have consequently gone unidentified, and that rather more greenfield land will therefore need to be allocated than would otherwise have been the case.

3.8 The 10 dwellings cut-off has not just been applied to new sites, but to sites which already have planning permission. This has the effect of materially reducing the supply in the early part of the SHLAA period, and means that the 5-year housing supply is understated to that degree. It is suggested that a simple way is found to bring this source of supply into the SHLAA. One possibility would be to include an Appendix listing the small sites with permission, and to add a single line summarising the prospective yield from such sites into the main table setting out the potential supply.

Stage 5: Carrying out the survey

3.9 Each site included in the assessment process was visited, and information about its circumstances recorded on a site assessment form. This form contains a large number of fields, particularly in relation to factors which might affect the suitability of sites for housing. This makes it unwieldy to use and inconvenient for reference. The site assessment forms are not included on the JPU website, presumably for that reason. Instead a concise summary form is used. Consideration could be given to simplifying the site assessment form for future use so that it can be made sufficiently manageable to be published on the website.

Stage 6: Estimating the housing potential of each site

3.10 The draft SHLAA sets out the process used in assessing the potential supply from individual sites. Where the promoter has provided an estimate of yield, this has been used unless there is a significant divergence from the yield calculated by the JPU, in which case the latter is used. The JPU’s estimate applies density assumptions taken from work by English Partnerships to the site area, together with an adjustment from gross to developable area. This approach accords well with the SHLAA guidance.

3.11 It is understood that some sites were assessed on the basis that they would contain significant proportions of apartments. This market has substantially collapsed, as noted by members of the SHLAA Advisory Panel. It is advised that sites where apartments were envisaged are re-considered in the expectation that apartments will not now generally come forward, and should be replaced by other types of housing.
Stage 7: Assessing when and whether sites are likely to be developed

3.12 This is the heart of the methodology. The requirement in PPS3, addressed by the SHLAA guidance is that sites will be assessed to conclude whether they are deliverable or developable. Paragraph 33 of the SHLAA guidance summarises the definitions of “deliverable” and “developable”.

3.13 The draft SHLAA describes the way sites were assessed largely by quoting from the SHLAA guidance. However, it does not provide information on how the timescale for commencement of development of sites was assessed, nor the rate at which they would be developed. It is clear from inspection of the SHLAA data that broadly consistent practices were applied in deciding when sites would begin to yield completed houses, and similarly that broadly consistent build-out rates were applied, including assumptions as to the number of house builders which would be involved concurrently on larger sites. All that is needed is to concisely write up the process. This will of course need to reflect the revisions to these assumptions which will be necessary in reviewing delivery timescales and build-out rates.

3.14 The SHLAA looks beyond the core strategy period and includes some sites which are indicated as potentially developable after 2026. This is commended in principle, since it means that as the SHLAA is rolled forward there will be a reservoir of sites to maintain supply in the latter part of the period.

3.15 Section 2 of this report recommends that sites should be re-considered in terms of suitability, and that in particular isolated sites and sites which are excessively large relative to the settlement concerned should be removed from the SHLAA. Such sites should be removed from the assessment, including the summary table. They can be simply listed in an Appendix.

3.16 Section 2 also recommends that all sites currently classified as “potentially” developable should be re-considered and a decision made that they are either developable or not currently developable. As part of this process it is advised that the language of the SHLAA report is revised. The terms “retained” and “discarded” sites do not appear in the SHLAA guidance. It would be more appropriate to adopt the terminology of the SHLAA guidance, ie that sites assigned to the first five year period are deliverable, sites in the 6 to 15 year period are developable, and sites which are deemed not to be developable (or only beyond 15 years) are not currently developable.

3.17 The outputs from the study are a composite table of all the identified sites (referred to on the website as “Final combined as published”), and a set of maps on which they are clearly delineated. The table covers all the matters required by figure 1 of the SHLAA guidance. However, it includes sites which have been “discarded”, as not developable. It is advised that the combined table should be revised to include only those sites which are deemed deliverable or developable, and which contribute to the potential supply. If value is seen in including the sites which have been adjudged to be not currently developable, they could be included in a separate Appendix.

3.18 The information in the “Final combined as published” table explains where there are constraints, but does not say what would be needed to overcome them as required by the SHLAA guidance. Where, following the re-consideration of “potential” sites it is concluded that constraints are capable of being overcome, it is suggested that a brief addition is made to say what is needed to do so. This will provide helpful information for the planned site allocations DPD.
Stage 8: Review of the assessment

3.19 The draft SHLAA report contains extensive information about the number of sites identified and their capacities, both in the section on Stage 8 and a later section headed “Housing trajectory”. Clearly this information will need to be re-visited, both to revise paragraph 8.1.1 and Table 3 which deal with the amount of new housing required; and to reflect the recommendations here in relation to unsuitable sites, reconsideration of “potential” sites, and review of delivery timescales and build rates. At the same time the supply from small sites with planning permission should be added into the potential supply.

3.20 When this has been done, the JPU will be able to compare the potential supply identified with the amount of new housing required. There needs to be substantially more potential supply than is required to meet the target, so as to support genuine strategic choice in plan making. If the outcome is that insufficient supply has been identified, it is suggested that sites adjudged to be not currently developable should be re-visited, to consider whether the means can be identified to overcome constraints and bring them into the developable category. Should this be necessary, it will provide useful supporting evidence on delivery issues which may need to be addressed in plan making.

3.21 The draft SHLAA report contains an indicative housing trajectory as required by the SHLAA guidance. Once this has been revised, it can be compared with the planned supply trajectory contained in the Housing Technical paper. It is to be hoped that the SHLAA indicative trajectory will show more potential supply in the early periods than is required, which will give comfort that there should be no significant supply problems - the issues will then be about the programme for land release. However, the existing indicative trajectory shows a shortfall of potential supply at the start of the SHLAA period. This may be due to the fact that the supply from small sites with planning permission was omitted. But if the revised indicative trajectory shows a similar short-term shortfall, the JPU should consider with the three local planning authorities what action may be required to increase the short term supply of housing land.

3.22 The SHLAA guidance says that a risk assessment should be carried out, but there is no risk assessment in the draft SHLAA report. Given the scale and importance of constraints on development identified by the SHLAA process, it is considered important that this omission is remedied. The risk assessment should be a valuable aid to plan making.

Stage 9: Identifying and assessing the housing potential of broad locations (when necessary)

3.23 The JPU has not considered broad locations, but has instead brought a sizeable number of large sites into the SHLAA. This is a better approach, because the assessment of a specific site will generally be better able to identify and address any constraints. In the event that the review shows a shortfall of supply, the logical course will be to re-consider sites adjudged to be not currently developable rather than broaden what has already been an extensive site search process.

Stage 10: Determining the housing potential of windfalls(where justified)

3.24 The draft SHLAA makes no allowance for windfalls. Given the scale of housing requirement, and consequent decision to focus the SHLAA on the identification of sites of at least 10 units potential, this is supported.
4 The way forward

4.1 Section 2 of this report addresses important issues which it is advised should be addressed if the SHLAA is to be robust and effective as evidence:
- the removal of unsuitable sites from the assessment
- the re-consideration of remaining “potential” sites to categorise them as either developable or not currently developable
- the review of lead times and build rates to reflect current and anticipated conditions

4.2 Once those matters have been addressed, it will be a generally straightforward matter to resolve the remaining matters identified in Section 3.

4.3 Clearly the starting point should be to seek agreement with the SHLAA Advisory Panel on the action to be taken and how to go about it. Given that the Panel influenced key aspects of the approach which this report recommends should be changed, this may not be straightforward. However, the JPU will be able to refer to this report, and make the point that it needs to put a SHLAA in place which will be effective as evidence at examination and as a tool of plan making. Ultimately the responsibility for the SHLAA remains with the planning authority.

4.4 The opportunity should also be taken to try to get the Panel members to agree to review the revised information and comment upon it. Given in particular that this report recommends that lead times and build rates should be revised to reflect current and anticipated conditions, this should be in their interests.

4.5 The outcomes of these discussions and the actions recommended in paragraph 4.1 may be expected to lead to significant changes to the SHLAA data. These can be made at the same time as the updating and roll forward of the data to:
- remove sites where development has been completed;
- revise the remaining potential yield from sites under development;
- add new sites with planning permission; and
- update the status and yield information for sites already included in the SHLAA which now have planning permission

4.6 It is recommended that the roll forward should be to April 2011 so as to provide up-to-date information on potential supply for the examination, and for the purposes of calculating the 5-year supply of deliverable land.

4.7 The revised and rolled forward SHLAA will be produced after the pre-submission period and the opportunity to make representations, so the JPU is advised to give it thorough publicity (but not to actually consult upon it). This should avoid any issue at examination about the revised SHLAA constituting new evidence.

4.8 The report author would be pleased to assist further if that would be helpful.
APPENDIX

Meeting on Tuesday 28 October 2008 at the Cliftonville Offices, Northampton Borough Council

SHLAA methodology and practice - summary of advice given

1 The SHLAA process checklist and role of the Panel

1.1 The draft methodology quotes the core outputs at Figure 1 of the SHLAA guidance, but not the process checklist at Figure 2. There needs to be clarity that the work with the SHLAA Panel is crucial to the legitimacy and status of the final SHLAA. The objective should be, as the checklist indicates, that all the parameters of the study are agreed with the Panel, and that every assessment will be agreed with them. This may require some willingness to compromise on the part of both the JPU and the Panel members, including some horse trading. But be clear that if the JPU is able to say that it has agreed the SHLAA with the Panel, and better still obtained their sign off, that will give it very considerable weight at examination and appeal, and Inspectors will bring a strong presumption that it is robust to any attempt to argue against it.

1.2 However, it does appear that the Panel, perhaps through relative inexperience, is tending to lead the JPU into making the process more complex and resource-hungry than it needs to be. It is advised that the JPU should take a positive but firm line with the Panel with a view to getting early decisions on a number of matters, referring to this advice and the credentials of its author as justification and authority for doing so.

1.3 It is noted that volume builders are not strongly represented in the Panel, and this may be part of the problem. It is advised that further approaches are made to volume builders, especially those known to have options within the area, to encourage them to join the Panel. At the same time, it is recognised that because of the recession house builders have made staff redundant and discontinued use of consultants, so there may be difficulties in getting volunteers. If all else fails, consideration might be given to paying a former HBF regional officer to support the Panel - their assistance has been invaluable in other areas.

1.4 The remainder of this note refers to the stages set out in the SHLAA guidance. It is stressed that all decisions on matters covered by this advice should be made jointly with the SHLAA Panel.

2 Stage 2 - sources of sites

2.1 The SHLAA guidance provides for areas where housing is completely unacceptable to be excluded from the study with the agreement of the Panel, and the draft methodology carried this forward. It is understood that there were arguments from some Panel members against this, on the basis that harmful impacts may be capable of mitigation or compensation. It is suggested that exclusion of the actual international and national designations (but not local) is fully justified, but not adjoining land, where the adjacency of designated areas should be treated as a constraint. The same applies to Zone 3 flood risk (except perhaps in or close to town centres) - there are plenty of places to look for housing without contemplating areas at serious risk of flooding.

2.2 It is also recommended that isolated sites (ie unrelated to any settlement) and sites at small villages which cannot meet the definition of sustainable settlements should be excluded. Given that it is inconceivable that such sites will be allocated, or that planning permission would be granted, it would be pointless to include them in the SHLAA. There is advice on this matter in the PAS publication “SHLAA frequently
asked questions”, which also covers how sites excluded should be recorded within the SHLAA study.

2.3 There are some larger villages where some housing may be appropriate, but not at the scale of some sites put forward in response to the call for sites. In such cases it is suggested that the sites are subdivided, and the parts assessed separately.

2.4 It is noted with approval that it is now proposed to assess broad locations around the main settlements at the same time as peripheral sites. This is commended, and consistent with the advice in the PAS publication “SHLAA and DPD preparation" paragraphs 26 and 27.

3 Stage 3 - desktop review

3.1 For the avoidance of doubt, all sites with planning permission should be included in the SHLAA, including those below the minimum site for “new” sites in the draft methodology. Their inclusion is important in the 5-year supply and its roll forward each year. Similarly, at the annual update of the SHLAA, all new planning permissions should be added, just as all sites where permission has been taken up and built out should be removed.

4 Stage 4 - approach to survey

4.1 The intention behind this stage is that the planning authority and Panel should plan the survey so as to maximise the number of sites identified given the resources available. The starting point should be to plan to cover sufficient brownfield sites, greenfield sites and broad locations to identify considerably more potential housing yield than is needed to meet RSS targets. This is crucial, because a key part of the core strategy process must be the consideration of real and reasonable alternative locations for housing growth, and SHLAA information will be important in the evaluation of those alternatives.

4.2 Within existing urban areas, the aim should be to focus survey on those districts where sites are most likely to be found. This can be done by reviewing desktop information on where planning permissions for housing have been granted over the past few years. This will point to the areas of greatest opportunity, and also enable stable areas where no new sites have been coming forward to be excluded from detailed survey (though map and air photo information may point to some pieces of land which are worth a quick visit by car).

4.3 Sites with planning permission should all be visited so as to update the position, and in some cases (eg sites at smaller settlements) to ask whether they would be considered suitable for housing in terms of current planning principles eg in PPS1.

4.3 The greenfield sites to be assessed should be identified by the JPU and agreed with the Panel. In the context of West Northants, this should include sites all around the periphery of the main settlements. It is recognised that deciding what should constitute a “site” in this situation may be tricky, eg should it be one field depth or more? The approach needs to be pragmatic, with the objective of assessing more sites than may be needed rather than too few, and being willing to combine or sub-divide sites put forward where that would make them more suitable or deliverable.

5 Stage 5 - information to be recorded

5.1 The amount of information the JPU has been planning to collect looks daunting, both in terms of the time it will take to complete each information field on site, and the time it will then take to transcribe it into the database. There is a real risk of collecting an unmanageable amount of information which will make the task of assessment by the Panel needlessly complicated, and a probability that in the event much of it will never be used. Other authorities have managed the SHLAA with much simpler survey proformas and databases. This appears to be another area where discussion with the Panel has tended to complicate rather than simplify.
5.2 It is advised that much of the information identified can be removed from the survey form and database, and replaced by a small number of free fields to be completed by the surveyor. These might include matters such as adjoining uses, site features and constraints. An experienced planner will identify such things readily without having to use a complex survey form, perhaps backed up by a crib sheet which provides a reminder of the kinds of things to look for.

6 Stage 6 - estimating housing potential

6.1 The draft methodology proposed to use ranges of densities for different kinds of sites. It is understood that Panel members expressed some concern at this, and felt that it would be better to assess the potential yield from each site individually. It is advised that this is likely to be very resource-hungry, and should be resisted. Moreover, the use of density ranges is considered problematical, because a judgement will still have to be made for each site.

6.2 Common practice elsewhere is to use single figure density assumptions for different types of sites, and it is advised that this should be the foundation of the approach for West Northants. The purpose is not, after all, to try to second guess what will actually be approved and built on each site, because that will depend on the market at the time and how site specific circumstances affect layout and design. Over the scale of the SHLAA for West Northants, a reasonable average from the body of identified sites should be sufficient for both the core strategy and the site allocations DPD.

6.3 During the workshop, it was suggested that where a landowner or developer has put a site forward, their estimate of the likely yield should be used unless it appears unrealistic. It will always be available to the Panel to review the suggested yield anyway. Similarly, in assessing what will be the net developable area of sites, it is suggested that other than where the landowner/developer has offered a yield figure, the familiar multipliers set out in “Tapping the potential” are used. Whilst this publication was cancelled when the SHLAA guidance was issued, the advice on net developable areas is still reasonable.

6.4 One area for caution is in relation to apartments. Commonly house builders are withdrawing from this market sector and expecting to concentrate (once the recession eases) on family housing. There are some places where existing planning permissions are being revised to remove apartments, including sites under construction. The extent to which densities based upon apartment development should be applied should be a particular matter for discussion with the Panel.

6.4 Assumptions for build-out rates should also be agreed with the Panel. A reasonable starting point is the familiar rule of thumb that a single builder on a site will realise about 50 units per year, with some gearing up in the first year; whilst on a larger site where several builders are operating they will similarly achieve about 50 per year. Lower build-out rates should be used for smaller sites.

6.5 It may arise that the JPU needs to assess the likely yield from a broad location which has not been put forward by a landowner or developer. In such a case it is suggested that a sketch scheme is produced to provide a basis to take a view on how of the areas is likely to be housing. The Panel will no doubt have views to offer too.

7 Stage 7- site assessment

7.1 This is the stage when the Panel should come into its own, since it is when the specialist knowledge of its members will be applied to the deliverability or developability of sites. Given that there may be a large number of sites to assess, a suitable approach may be for the JPU to bring a selected sample of sites to the Panel to assess, and for the officers to use that as a learning process. They can then assess the remaining sites and bring the results back to the Panel to review on an exception
basis, ie the JPU assessment stands unless a Panel member asks that it be examined.

7.2 Some reservations are held about the use of information about accessibility to services. It must be unlikely that any site within a main built-up area which is otherwise suitable for housing would be ruled out on this basis, so perhaps it should only apply to peripheral sites. Even then, in the case of broad locations and larger sites it may be possible to provide services within the development and thereby overcome the deficiency. This suggests that access to services (or the lack of it) may be better treated as a constraint than a deciding factor.

7.3 The SHLAA guidance provides for the application of existing policy restrictions as part of the assessment of suitability, but at the same time refers the user to paragraph 21 which says that the scope of the assessment should not be narrowed down by existing policies. In the context of West Northamptonshire, the level of growth means that a fundamental review is needed of existing policy, so it is advised that policies of the existing local plans should not normally be used in deciding whether sites are suitable or not.

7.4 It should go without saying that the Panel should assess sites in the context of a “normal” healthy market, and effectively set aside the present realities of recession.

7.5 It is noted with approval that there is no intention to score or rank sites. This practice is strongly discouraged in the SHLAA FAQs note, because it involves importing plan-making judgements into the SHLAA.

7.6 It is advised that the yield from each site is assigned to year bands. This will considerably assist the preparation of a housing trajectory, and facilitate the annual roll-forward.

7.7 To assist communication and facilitate the use of the SHLAA findings, it is advised that a single spreadsheet or access database is developed to set out the summary conclusions for all sites assessed. This could include separate columns under which each site would be assessed in terms of reference, location, size, key site characteristics, constraints and the measures needed to overcome them, the potential yield, suitability, availability, achievability, conclusion on deliverability, and the prospective year by year supply.

8 Stage 8 - review

8.1 It is noted that the draft methodology provides for a risk assessment of whether sites are likely to come forward as anticipated. This is commended.

8.2 Provided that a sufficiently large range of sites and broad locations is considered, there should be no difficulty in showing significantly more potential supply than will be needed to meet the RSS target. This will support the authority in its consideration of strategic alternatives in the core strategy.

8.3 It is understood that the decision has been made not to contemplate seeking to make a case for a windfall allowance. This is commended, because it would be very difficult given the scale of growth planned for and the lack of high level constraints around Northampton.