

North Somerset Council

Housing Delivery Test Action Plan

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Background

The National Planning Policy Framework (NPPF) introduced the concept of the Housing Delivery Test in 2018. Paragraph 75 of the NPPF states;

‘To maintain the supply of housing, local planning authorities should monitor progress in building out sites which have permission. Where the Housing Delivery Test indicates that delivery has fallen below 95% of the local planning authority’s housing requirement over the previous three years, the authority should prepare an action plan in line with national planning guidance, to assess the causes of under-delivery and identify actions to increase delivery in future years.’

The National Planning Practice Guidance (NPPG) provides further detail. Whilst the new NPPF allows for transitional arrangements in the short term, if the delivery of housing within an authority’s area falls below the housing requirement then the following consequences will apply;

- The publication of an action plan if housing delivery falls below 95%;
- A 20% buffer on a local planning authority’s 5-year land supply if housing delivery falls below 85%; and
- The application of the NPPF Paragraph 11(d) presumption in favour of sustainable development if housing delivery falls below 75%, once transitional arrangements have ended.

The consequences will continue to apply until the subsequent Housing Delivery Test results are published, or a new housing requirement is adopted.

Housing Delivery Test results

The third annual Housing Delivery Test (HDT) results were published by the Ministry of Housing, Communities and Local Government on 19 January 2021. For the 2020 measurement, there is a reduction in the period for measuring total homes required to account for disruption to housing delivery and monitoring caused by the Covid pandemic and associated restrictions – an 11-month period was used for the 2019/20 monitoring year for all local authority areas.

For North Somerset, the results show that 81% of the housing required within the previous 3 years was delivered.

North Somerset results

	2017/18	2018/19	2019/20	Total
Number of homes required	1,049	1,049	960	3,058
Number of homes delivered	863	729	868	2,460
Housing delivery test result				81%

The consequences of the 81% result are that the authority must publish an action plan, and that a 20% buffer must be applied to the land supply requirement. It should be noted that North Somerset has already been applying a 20% buffer to the land supply, on the basis of past under delivery.

Whilst further improvement is still needed, the 81% result is an improvement on past performance, which saw recorded results of 78% last year and 73% the year before. The table below shows how, whilst delivery remains below our requirement, progress has steadily been made year on year. The housing delivery test has only been an official measure for the past three years; however, we have replicated the results for previous years to show the progress that is being made over time.

Three-year period	2010/11-2012/13	2011/12-2013/14	2012/13-2014/15	2013/14-2015/16	2014/15-2016/17	2015/16-2017/18	2016/17-2018/19	2017/18-2019/20
Delivery over the three-year period	1,679	1,802	1,961	2,003	2,095	2,284	2,444	2,460
Requirement for the three-year period	3,147	3,147	3,147	3,147	3,147	3,147	3,147	3,058
% result	53%	57%	62%	64%	67%	73%	78%	81%

What is a Housing Delivery Test action plan?

The National Planning Practice Guidance sets out what an action plan is and what it should include. Its primary purposes are to identify reasons why housing targets have not been achieved, explore ways to reduce the risk of further under-delivery and set out measures that can be taken to improve delivery in future years.

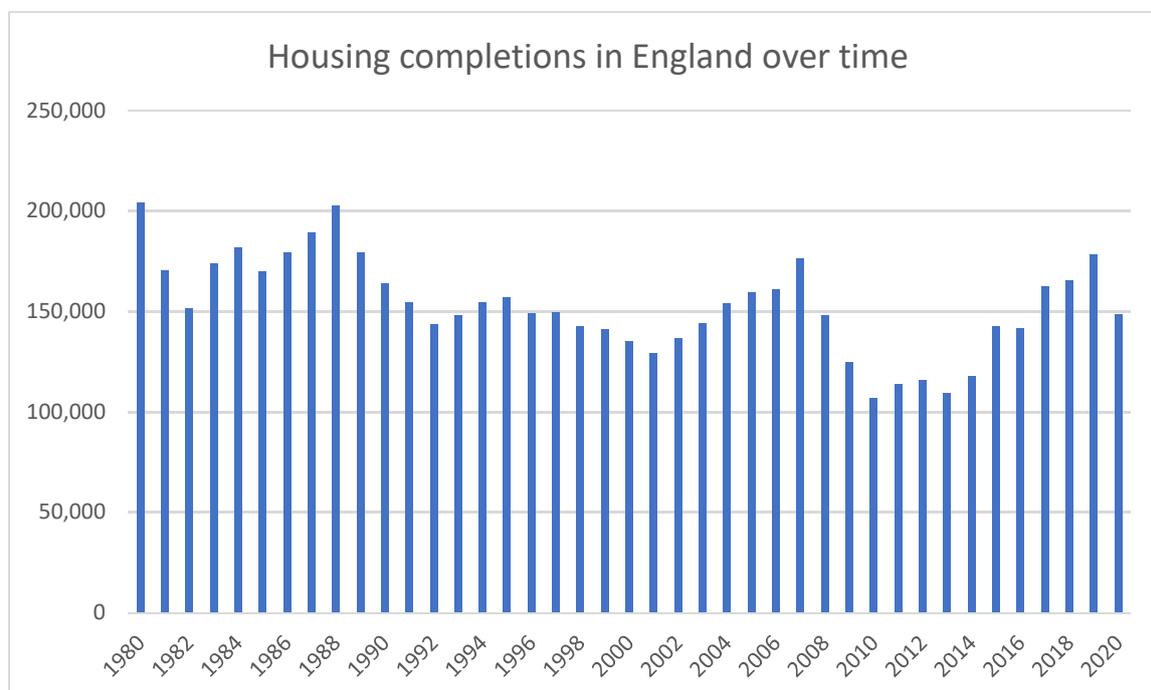
This report is intended to be a practical document which identifies known issues that have contributed to past under delivery of housing in relation to targets and sets out actions that are needed to try and address the issues.

The aim of this document is to set out clear workstreams and actions that could help improve housing delivery within North Somerset and ensure that we deliver the right homes in the right places in step with the right infrastructure. We have focussed our proposed actions on those areas that can make the most difference to housing delivery.

Housing delivery

Nationally

Housing delivery shortfall is not an issue that is unique to North Somerset, the housing challenge is a national problem, recognised by the Government.



Of the 328 areas subject to the Housing Delivery Test (predominantly individual local authorities, although in some cases development corporation areas or joint local plan areas covering more than one council), 107 have recorded performance of delivering less than 95% of their housing requirement over the past 3 years and must produce an action plan.

Locally

North Somerset Council's current adopted housing requirement is 20,985 dwellings for the plan period 2006-2026 as set out in the North Somerset Core Strategy.

Against this requirement housing completions to date are set out below, up to 2020, the most recent measure for the Housing Delivery Test.

	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Target	1049	1049	1049	1049	1049	1049	1049	1049	1049	1049	1049	1049	1049	1049
Completions	1132	1474	935	772	637	515	527	760	674	569	852	863	729	868
Performance	83	425	-114	-277	-412	-534	-522	-289	-375	-480	-197	-186	-320	-181

Understanding the issues

Many factors have led to the under delivery of housing in North Somerset in recent years.

Increase in housing requirement and delays within plan making process

Production of the now adopted development plan documents within North Somerset was a protracted and complicated process. The Core Strategy was originally adopted in April 2012 containing a housing requirement of 14,000 dwellings for the plan period. Work then commenced on a Sites and Policies Plan to identify sufficient sites to achieve, and exceed, this target. The Core Strategy was adopted but the housing requirement was then subject to a legal challenge, the outcome of which was the Inspector was found to have failed to give adequate and intelligible reasons to support his decision. A number of the policies, including the scale of new housing, were remitted back to the Planning Inspectorate to be reconsidered.

The Council undertook further work to review the level of housing that was needed. Following examination hearings, the Inspector concluded that a housing requirement of 20,985 dwellings was appropriate, and the Secretary of State directed adoption of this figure in 2015.

Whilst debate had been taking place on the amount of housing required, plan-making had had to pause in respect of identifying the required sites. Work did, however, proceed on up to date detailed development management policies, and the Sites and Policies Plan Part 1 was adopted in 2016.

In 2017 the other remitted policies of the Core Strategy were re-adopted, re-confirming the spatial strategy and the settlement hierarchy. The focus could then move to identifying specific deliverable site allocations to deliver the housing requirement. In 2018 the Council adopted the Sites and Policies Plan Part 2, which identified sufficient capacity to achieve 22,285 dwellings over the plan period and specifically included additional deliverable sites required by the Inspector to ensure that the five-year supply would be addressed.

To summarise, following a long period of uncertainty, the detailed local plan setting out the housing allocations was only adopted three years ago in April 2018. Progressing allocated sites through the development management process to eventually seeing completions on sites takes time – many of our strategic sites have taken at least 2-3 years post planning consent to fully mobilise and become operational on site.

Coronavirus

The ongoing pandemic and initial lockdown led to a wholesale shift to working from home for council staff and many other organisations and forced the housebuilding industry to down tools in March 2020. Whilst the housing delivery test measurement has sought to take account of this initial period of inactivity through a deduction of 1/12 of the housing requirement, our local experience is that large sites were inactive for at least 2-3 months during the initial lockdown, and after that saw a maximum of 80% of productivity due to the requirements of social distancing. Market intelligence

suggests that the knock-on effects are likely to continue to be felt for some time to come due to economic uncertainty.

Lack of resources and pressures within the development management process

An ongoing problem shared by many Local Planning Authorities is pressure on resources. The pressure on resources is exacerbated by speculative planning applications and appeals. Coronavirus restrictions have also impacted on efficiency with staff having to work remotely from home for over 18 months which has caused inevitable further delays. The Council has engaged with the Planning Advisory Service through a peer review of its planning services to identify areas where improvements to delivery could be made.

Complex sites

A key ambition both locally and nationally is to deliver sustainable development and a part of that within North Somerset includes a desire to see the redevelopment of previously developed (and currently under-utilised) sites. Regeneration schemes, particularly within our town centres, have proven to be both costly and complicated to deliver, with multiple ownerships often a problem, and government and private investment in such sites has recently remained elusive. Nonetheless, the Council remains committed to achieving good quality urban schemes in accordance with the development plan principles, acknowledging that they take time to deliver.

Strategic sites

Over 30% of the overall Core Strategy housing requirement is being delivered at the strategic development area of Weston Villages. A supplementary planning document containing a masterplan was produced to guide the development. The first completions within this area were recorded in 2011 and since then, whilst delivery is taking place, it is not yet at the rate originally envisaged and delivery has seen peaks and troughs.

Developers responsibilities

The Council can only do so much to directly deliver housing. Once sites are allocated, permissions granted and conditions discharged, the responsibility for actually delivering the housing sits with the landowners and developers. Whilst the Council are committed to assisting with housing delivery as far as they can, ultimately this cannot be achieved on the Council's efforts alone.

What progress has been made?

This year's housing delivery test result of 81% is an increase on last year's 78% result and our first result two years ago, which stood at 73%.

Last year we proposed six actions. The table below shows the progress that has been made to date.

Action	Progress
Delivery of council owned sites	<p>The Council formally adopted a Development Strategy in February 2021, setting out its commitment to delivery of high-quality housing and employment on its own landholdings.</p> <p>Progress on specific sites over the past year is as follows:</p> <ul style="list-style-type: none">• Land at Parklands Village: this site has Outline Planning consent for 700 homes. In November 2020, Keepmoat Homes were awarded the contract for delivery of a first phase of 425 homes, with a start on site required by 1st September 2021. The homes will be developed using Modern Methods of Construction (MMC) and will be low carbon, including 15% net zero carbon homes. A Reserved Matters application is currently under consideration. The first homes are expected to be occupied in Summer 2022, with a build rate of 86 homes per year. Access and utilities for the site have recently been completed as part of a multi-million pound infrastructure scheme supported by Homes England and the West of England Local Enterprise Partnership (LEP).• Land to the South of The Uplands, Nailsea: this site secured Full Planning approval for 52 homes in February 2021, for a scheme designed by the Stirling Prize award winning architects, Mikhail Riches. All homes will be Passivhaus certified and supplied with Electrical Vehicle charging, setting a new high standard for sustainability in the area. A report recommending the commencement of a process to procure a development partner will be considered at a Full Council meeting on 19th July 2021. The site has secured £480k Land Release Fund to assist with the costs of enabling infrastructure. A start on site is expected in Spring 2021 with an anticipated 18 month build-out period.

	<ul style="list-style-type: none"> • Walliscote Place, Weston-super-Mare: this brownfield town centre site has a high-profile location and is a political priority. A bid has been submitted to the Brownfield Land Release Fund for just over £1m to fund remediation and groundworks to assist with viability issues and help attract a developer. • In January 2021 the Council confirmed a back-to-back purchase of land at Millcross, Clevedon, acquiring the land from NHS England and immediately transferring it to Alliance for affordable housing. In addition, the council in late 2020 sold a parcel of land at Selworthy Road in Weston to Alliance. The sites will together deliver approximately 100 low cost and affordable homes. • Small sites: the council has reviewed its landholdings of less than 0.5ha and has identified a number of sites that may be suitable for Community-Led Housing (CLH) in the four towns across the area. A programme of engagement and capacity building has commenced with the relevant Town Councils and local communities to explore this option further, supported by specialist CLH enablers. • A further council-owned asset, Clarence Lodge, has been converted by the YMCA into supported housing for up to three individuals moving on from rough sleeping into more sustainable accommodation. <p>A consultation on the development programme for future sites will be held during the summer and autumn of 2021.</p>
Continued partnership working arrangements	<p>The Council have continued to work closely with partner organisations such as Alliance Homes and Homes England to strengthen relationships and collectively work towards boosting supply and delivery.</p> <p>In December 2020, the Council and Alliance Homes launched a joint Affordable Housing Delivery Partnership Agreement, committing the parties to the provision and improvement of affordable housing in North Somerset. Two specific projects are detailed above, Millcross Clevedon and Selworthy Road Weston.</p> <p>Work on the council's sites has been strongly supported by Homes England, which has provided</p>

	<p>Local Authority Accelerated Construction Funding and capacity funding for both the Parklands and Uplands sites.</p> <p>The council, with West of England partners, is part of the One Public Estate programme. This enabled the advance purchase of the Millcross site in Clevedon as well as successful applications for Land Release Funding to support delivery at two of the council's sites.</p>
<p>Ongoing engagement with Weston Villages developers</p>	<p>Whilst Coronavirus restrictions have restricted physical meetings and site visits in recent months we continue to work collaboratively towards accelerating delivery.</p> <p>Multiple phases are now under construction by different developers, with major infrastructure projects such as new roads and schools being delivered in tandem with new housing.</p> <p>This year has seen the completion of the southern access route at Parklands, as well as a primary school at that site. Work on a new health centre is due to start imminently, and HIF funding has been secured for the required secondary school. We have a series of review meetings arranged with Homes England and St Modwen to review progress and aid increased output at Parklands Village.</p>
<p>Progressing with a new Local Plan</p>	<p>Two early rounds of consultation and engagement were held last year on the challenges that North Somerset is faced with and the choices for how we deliver growth in a sustainable way.</p> <p>Following consideration of the feedback received a spatial strategy was drafted, and the Council's Executive Committee endorsed this at the meeting on 28 April 2021.</p> <p>The agreed spatial strategy is as follows:</p> <p><i>Priority will be given to locating new residential and mixed-use development in or close to urban areas where there is an existing or proposed wide range of facilities, services and jobs, and there are opportunities to encourage active travel, particularly at locations which are currently, or have the potential to be, well served by public transport. Employment opportunities will be encouraged at accessible locations well-related to the urban areas and where</i></p>

	<p><i>sustainable transport opportunities can be maximised. Residential development in areas at risk of flooding will be minimised outside the towns. The amount of development at villages and in the countryside will relate to local community needs.</i></p> <p>Work is now ongoing to identify specific sites and draft detailed policies, to produce a Consultation Draft Plan by the end of 2021.</p>
Additional monitoring	<p>Last year we committed to undertaking additional reviews of large sites to ensure that any delays to delivery were known as early as possible, to allow us to intervene and support if necessary.</p> <p>Additional monitoring of the major developments has taken place over the year, and no issues have been found. It is intended to continue to visit the largest sites on a more frequent basis.</p>
Further analysis of lead in times and build out rates	<p>We held an initial session with a number of local development agents to explore the issues affecting delivery in North Somerset. Further sessions are proposed as part of the ongoing Local Plan engagement.</p>

Actions proposed this year

The following actions are proposed this year in order to continue to support delivery and boost supply.

Progressing the new Local Plan

The first stages of consultation on the new Local Plan 2038: Challenges for the Future and Choices for the Future took place last year. A call for sites exercise was also undertaken, with an update to the council's Strategic Housing Land Availability Assessment underway, including the publication of an interim report in April 2021. Ensuring that the next round of sustainable locations for housing are identified as soon as is practicable will enable us to maintain a steady supply of readily available deliverable sites.

Production of a new Local Plan is also an opportunity to revisit the settlement hierarchy and reconsider any policies which may have impacted on housing delivery in the past.

The council will also continue to support neighbourhood planning across the district.

Additional monitoring

The ongoing Covid-19 pandemic and the long-term effects of Brexit will inevitably have consequences on the housing market nationally, although to what extent is not yet fully known. Although our stock of units that are under construction has dramatically increased over the past two years in order to ensure we keep a handle on activity we will continue to make regular visits to the larger sites across the district, to ensure activity is as expected. This will allow early engagement with developers if there are any signs of delay or activity below the levels expected.

Delivery on council owned land

Significant progress has been made on a number of sites over the past year and we will continue to work towards achieving completions across all of our sites, by delivering the actions in our adopted development strategy.

A consultation on potential future sites is scheduled to take place over the summer.

Engagement with developers

As part of the Local Plan process, we intend to hold further structured workshop sessions and ongoing engagement with local developers and housebuilders to continue to ensure barriers to delivery are overcome and to ultimately boost supply, including on large, strategic sites where a coordinated approach to timely delivery can be achieved.

We will also continue to undertake our regular annual engagement with the parties acting for each site in the district with planning consent or allocation status. This takes the form of a questionnaire and helps us to identify any issues with anticipated

commencements and build rates, and the information is fed into our annual trajectory.

Our recently agreed spatial strategy envisages further growth largely taking place on strategic sites. Early work on these broad locations will involve detailed discussions with the promoters.

At the Weston Villages, regular director-level meetings have been scheduled to take place with Homes England and other landowners/developers of the sites. These will oversee progress and identify any issues requiring resolution. A forthcoming review of the collective masterplan for the Parklands sites will consider whether there are any further opportunities for additional or accelerated housing and employment delivery.

Review of resources

The Council have recently commenced a restructure of the Place directorate and as part of this the planning functions will be reviewed. This allows the opportunity to ensure that resources are focussed on outcomes and delivery.

We have also been involved with a PAS gateway review of the local plan process and are working to implement the actions recommended.

Continuing to bid for funding opportunities

In recent years the council has focussed efforts on securing grants and funding to assist with the delivery of major projects, including the successful Housing Infrastructure Fund (HIF) award, which assists with delivery of the Banwell bypass infrastructure scheme, a new secondary school and enabling the development of 3,000 homes. We are committed to continuing to pursue any available opportunities that can support or accelerate housing delivery.

Monitoring and review

The council will continue to review and refine actions to support and boost housing delivery within the district. Any updates will be published in the Authorities Monitoring Report which will be prepared in the autumn for publication on or before 31 December 2021.