

## SCRUTINY MANAGEMENT BOARD – 24TH OCTOBER 2018

### SCRUTINY PANEL: Five Year Housing Supply

#### ITEM 7 FIVE YEAR HOUSING SUPPLY SCRUTINY PANEL REPORT

##### Purpose of the Report

To report the findings and consider the recommendations of the Five Year Housing Supply Scrutiny Panel.

##### Action Requested

That the Scrutiny Management Board considers the content and recommendations of the Five Year Housing Supply Scrutiny Panel report, attached as an Annex to this report, and if satisfied submit the recommendations to the appropriate decision making body or decision maker in accordance with the Council's Constitution.

##### Background

At its meeting held on 24th January 2018, the Scrutiny Management Board resolved to establish the Five Year Housing Supply Scrutiny Panel. The first meeting of the Panel took place on 20th March 2018. The Panel agreed its recommendations at its fifth and final meeting on 3rd October 2018.

##### Background Papers

As detailed at the end of the Panel's report, attached as an Annex.

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**REPORT OF THE SCRUTINY PANEL: To what extent can Charnwood Borough Council show a Five Year Housing Land supply?**

**Foreword by Councillor Seaton, Chair of the Scrutiny Panel**

The welfare of its residents is one of the key concerns for Charnwood Borough Council and the Councillors who preside over it. The lack of available housing in the Borough has become an increasing concern which is why this scrutiny panel was established, to investigate the problem and make recommendations going forward.

This Panel was tasked with scrutinising how effective the current method of calculating the five year housing land supply is and what the current situation is with local developers bringing sites to completion. The Panel has taken evidence from a number of witnesses who have differing views on the barriers to development but a consensus that everyone should be working together to move forward.

This report sets out the findings and recommendations of the Five Year Housing Supply Scrutiny Panel which sought to gain information into what the current position is with the land supply and what can be done to bring more development forward.

The Panel wishes to acknowledge and thank all those who acted as witnesses or provided written evidence to assist the Panel with its deliberations.

## 1. Background

At its meeting on 24th January 2018, the Scrutiny Management Board (SMB) resolved that a Scrutiny Panel be established to scrutinise and evaluate the Council's five year housing land. The Panel's first meeting took place on 20th March 2018. The Panel concluded its business at its final meeting on 3rd October 2018.

## 2. Panel Membership

Chair: Councillor Seaton

Councillors Gaskell, Hamilton, Hayes(part), Pacey and Snartt.

NOTE: Councillor Taylor was an original Panel member and appointed by SMB as the Chair but resigned following her appointment to Cabinet.

## 3. Terms of Reference and Reason for Scrutiny

The Panel's Terms of Reference, agreed by the SMB on 24th January 2018 were as follows:

"The Panel should consider the national context of housing supply and investigate the reasons why the Local Planning Authority is unable to demonstrate a five year housing land supply, in conjunction with other local authorities in Leicestershire, and identify what can realistically be achieved.

Following the fact finding stage, the Panel would then draw on good practices from elsewhere and consider if there are any areas for improvement or change, and whether they sit with other policies, including national policies, and practices within the Council."

The Scope Document for the scrutiny review undertaken by the Panel is attached at **Appendix 1**. This sets out the above Terms of Reference and Reason for Scrutiny. The document outlines the position at the conclusion of the Panel's work and, therefore, includes additional stakeholders and resources identified by the Panel as its work progressed, notes added to assist the Panel and a summary of the progress made by the Panel which was reported to meetings of the Policy Scrutiny Group.

The Panel were also aware of the sporadic nature of development throughout the Borough in their role as Ward Councillors and as members of the Plans Committee. A table is attached at **Appendix 2** detailing the total number of developments across the Borough to date, both large and small and does show the varying level of development that has taken place.

#### **4. Evidence, Stakeholders and Witnesses**

The Panel received information from the following stakeholders and witnesses:

- Local housing developers and the Commercial Estates Group (CEG) who provided their view and opinion of the current position regarding the Five Year housing supply.
- Councillor Terry Richardson, Leader of Blaby District Council who provided his viewpoint.
- Council's Planning Officers and the Lead Member for Planning who gave their viewpoint on the situation.

The Panel received information from Council officers as follows:

- Meeting 1 (20th March 2018) – Introduction from the Council's Planning team on the current situation regarding the Five year housing land supply, the history and the trajectory for the future.
- Meeting 5 (5th September 2018) – The Lead Member for Planning, the Group Leader for Plans, Policies and Place and the Principal Planning Officer attended the meeting to answer the Panel's questions and give their opinions.

The Panel considered a briefing note from Councillor Hamilton summarising the progress of other local authorities around the country in meeting the Five year housing supply.

The Panel also received a written response from Leicestershire Highways Authority in their role as a partner organisation.

There was also a written submission from Melton Borough Council detailing their situation regarding their Five Year housing supply and their attempts to improve it.

The Panel were given a copy of the revised National Planning Policy Framework (NPPF) to enable them to see the updates made since the last Framework was published.

Technical Support was provided to the Panel by:

Richard Bennett – Head of Planning and Regeneration  
David Pendle – Team Leader for Plans, Policies and Place  
Richard Brown – Principal Planning Officer

The Panel wishes to thank all stakeholders, witnesses and officers for the assistance provided with its work.

## **5. Summaries of Panel Meetings**

Full details of the information provided by witnesses and the issues considered by the Panel are detailed in the notes of the Panel's meetings listed in Background Papers section of this report, also attached at **Appendix 3**.

## **6. Equality Impact Assessment (EIA)**

The Improvement and Organisational Development Manager stated that the need for an Equality Impact Assessment would be considered following the final submission of the report.

## **7. Key Findings**

The Panel obtained evidence from a range of sources both internal and external as described in section 4 above.

The following key findings are set out in sections linked to the evidence the Panel received which led them to those findings.

### Key points from the local developers:

- (i) The working relationship between the local developers and the Council's Planning officers was described as challenging at times. It was felt that the use of agency workers recently had caused some continuity issues with a lack of suitable handover and lack of knowledge. Resolution of the staffing/ recruitment issue was considered important by all.
- (ii) Pre-start conditions were identified as a key delay in the development process. It was felt that some conditions could be dealt with later on in the process to allow development to commence on site. It was also felt that there was a large number of pre-start conditions requested which were not always necessary.
- (iii) Reserve matters were cited as another issue causing delays. There was a suggestion that the details could be discussed in a wider forum to allow for all interested parties to air their views and come to an agreement quicker. It would also allow for a more general discussion about what was expected so there could be a level of continuity throughout the design process for every site.
- (iv) A lack of labour force and materials were cited as an issue for local companies. It was part of the planning and development process to ensure materials were available for the sites and there were enough house builders to build in order to meet set deadlines. This was believed

to be a nationwide problem so the search for labour and materials was competitive.

- (v) Larger sites were identified as causing more problems due to their size and the surrounding problems such as infrastructure requirements. Larger developments could require schools, shops, open spaces and healthcare which were costly and could delay progress. Utility works such as gas and electricity were also needed as well as input from the Highways Authority. All of these factors added to the complexity of developing a larger site.
- (vi) Disagreement between the Council officers and local developers over the proposed housing mix was cited as causing a delay to the process. This was due to the Council wanting to meet the needs of the residents on the housing waiting list versus the most profitable house sizes for developers.
- (vii) A number of communication issues were raised between the developers and officers as well as with local partner organisations. The Panel suggested that they could act as intermediary to help combat some of the problems.

Key points from Councillor Richardson, Leader of Blaby District Council:

- (i) Blaby Council was taking a different approach to calculating their Five year housing supply and using the Liverpool model instead of the preferred Sedgfield model. The reason being that they could spread out the requirement over a period of time and plan developments in a timely manner. There was also a lot of training provided for officers and the Plans Committee to ensure an understanding of the model used and the process involved. This helped the committee to present robust decisions.
- (ii) There was a lot of time and effort put into the pre-application process to ensure that agreements were in place before the development began. The likelihood of a successful agreement was down to good communication on both sides and an agreement of the shared outcome.
- (iii) There was a national demand for Planning Officers which meant that the Council was experiencing difficulty in recruiting. They were combatting the problem by endeavoring to provide a variety of experience for officers as well as good terms and conditions to ensure retention. There was also more money from the planning fee income being spent on employing officers to track the Five year supply. The Economic Investment Manager at Blaby was tasked with managing the Five year supply and reporting on any changes.
- (iv) Community engagement was cited as a strong element in creating successful developments. The Council aimed to create a good community

feel to every development to ensure that the residents were engaged and took ownership of their area. This was proving to be successful.

- (v) Councillor Richardson reiterated the importance of good communication and engagement between partners, officers and developers to create successful developments. There were good examples of working together to create successful developments such as New Lubbesthorpe.

#### Key points raised by Charnwood Council officers

- (i) The Council was using the Sedgefield method for calculating the Five year housing supply in accordance with government guidance. The government preferred this method as it required any historic under supply in the delivery of homes to be added to the Five year housing requirement, rather than being spread out and moved towards the end of the plan period. Using the government's preferred approach meant that the Council could be confident that the housing supply calculations could withstand scrutiny at appeals.
- (ii) Although the Planning team was tracking the Five year housing supply and reporting it to the Local Development Framework Project Board and to members of Plans Committee, the figures were not being scrutinised by any Council committees. In time, the figures would be challenged through the appeals process or by public examination of the local plan which would scrutinise the figures and test the Council's defense. It would only be through one of these processes that the figures could be confirmed or rejected.

It was highlighted by the Panel at this point that a level of scrutiny was needed to ensure that the Five year housing supply figures were monitored and scrutinised as necessary.

- (iii) The biggest issue cited was getting the developers to start building. The planning permissions had been granted but work on the site was not commencing. This was causing frustration for the Council as it was causing delays and the Council was not meeting its housing requirements. Communication was highlighted as a problem by the developers and the officers acknowledged that there had been staffing and recruitment issues which had contributed to this although they were endeavouring to resolve this. There was a suggestion that the developers had their own business agenda which affected the timing and pace of progress on developments which was beyond the control of the Council and had the potential to add to the delays.

## **8. Linking Key Findings to Panel's Terms of Reference**

The Panel reviewed its key findings to determine whether the issues identified in its Terms of Reference and set out in section 3 above have been adequately considered.

The Panel used the evidence it received from the Planning Officers to clarify the stage of development for each of the major sites. It also confirmed this with the local developers and clarified any areas of slippage.

The Panel interviewed the Leader of Blaby District Council as well as receiving written responses from Melton Borough Council and Councillor Hamilton providing information on local authority approaches across the country, to allow the Panel to investigate the national situation regarding the five year housing supply as well as gather examples of good practice which could be applied to this Council.

Interviewing the local developers allowed the Panel to identify barriers to development and highlight areas for improvement. This was reiterated when they interviewed the Council Officers who provided their opinion on the situation.

The interviews provided a good basis to create recommendations for what could realistically be achieved by the Council. This was supported by the background information supplied and the responses gathered from Leicestershire Highways Authority and Melton Borough Council.

## **9. Recommendations and Panel Observations Not Requiring Further Action**

### **9(a) Panel Observations Not Requiring Further Action**

The Panel wishes to draw the Board's attention to the following observations which it considers do not require further action.

1. That the Panel believes a robust exit strategy should be in place to alleviate confusion and minimise delays when a member of staff leaves. This refers to project handover and IT tasks such as deleting email accounts and communicating any staff changes to Members as well as officers.
2. Due to the differing viewpoints between the Council officers and local developers it was felt that communication on both sides could be improved, mostly at the pre-application stage where the development could be talked through and agreed.



3. The Panel was reassured to hear that the Council was using the Government preferred model for calculating the five year housing supply.
4. The Panel welcomed the changes to the revised National Planning Policy Framework as it has improved the Council's position regarding its five year housing supply.

## **10. Recommendations Requiring Further Action**

The Panel wishes to make the following recommendations to the Board:

1. That the Five Year housing supply figure be added to the Council's Key Performance Indicator (KPI) list.
2. That a quarterly report is provided to the Performance Scrutiny Panel if the Five Year housing supply figure falls below 20% of the requirement and the Lead Member to attend the meeting to explain any changes.
3. That the Planning application deadline figures are added to the KPI's.
4. That the Chair of the Panel and the Lead Member for Planning to write a letter to Government reinforcing the need for enforcement sanctions for non-completion of developments.
5. To complete a best practise review of the Council's section 106 agreement processes to identify any areas of improvement.
6. That a possible review of the Core Strategy be completed.

### Reasons

1. To ensure the figures are reported and monitored on a regular basis.
2. To ensure that the figures are scrutinised by the Panel on a regular basis and any action can be taken if required.
3. To ensure that the figures are reported and monitored on a regular basis.
4. To reiterate the need for more powerful sanctions for non-completion and delayed developments.
5. To reassure Members that the Council is following best practise in relation to its processes.
6. To ensure that it remains the most relevant for the residents of Charnwood.

## 10. Background Papers

- Scope Document (Appendix 1)
- Development Completion List (Appendix 2)
- Agenda Papers and Notes of Panel meetings available on the Council's website at:  
[https://www.charnwood.gov.uk/committees/five\\_year\\_housing\\_supply\\_scrutiny\\_panel](https://www.charnwood.gov.uk/committees/five_year_housing_supply_scrutiny_panel)

Meeting 1 - 20th March 2018

Meeting 2 - 18th April 2018

Meeting 3 – 6th June 2018

Meeting 4 – 5th September 2018

Meeting 5 – 3rd October 2018

Notes of Panel meetings 1-4 also attached (Appendix 3)

- Information considered by the Panel as detailed in Paragraph 4 of this report and available on request.



<b>REVIEW TITLE: Five Year Housing Supply</b>
<b>SCOPE OF ITEM / TERMS OF REFERENCE</b>
<p>There is a need to explore upcoming developments in Charnwood, including sites at North East Leicester, West of Loughborough and North of Birstall to find out the stages of development and how soon they are to be built (and any slippage).</p> <p>The Panel should consider the national context of housing supply and investigate the reasons why the Local Planning Authority is unable to demonstrate a five year housing land supply, in conjunction with other local authorities in Leicestershire, and identify what can realistically be achieved.</p> <p>Following the fact finding stage, the Panel would then draw on good practices from elsewhere and consider if there are any areas for improvement or change, and whether they sit with other policies, including national policies, and practices within the Council.</p>
<b>REASONS FOR SCRUTINY</b>
<p>To clarify timescales and current position of the three strategic sites.</p> <p>To clarify and understand reasons for slippage.</p> <p>To understand obstacles that exist to obtaining a five year land supply.</p> <p>To look at measures needed to keep strategic balance in line with Core Strategy Policy SC1 and the Defined Settlement Hierarchy.</p> <p>To provide public reassurance that scrutiny is looking at the matter.</p> <p><i>Note: Background information to the request for this panel was submitted by Councillor Snartt and attached to the draft scope document considered by the Scrutiny Management Board at its meeting on 24th January 2018.</i></p>
<b>MEMBERSHIP OF THE GROUP</b>
Chair – Councillor Taylor. Other members TBC.
<b>WHAT WILL BE INCLUDED</b>
Position Statements from Local Planning Authority and Developers involved with Strategic Development Sites.

Gaps and obstacles in the planning process to maintain a five year supply.

Understand communication links and meeting outcomes between the Local Planning Authority and Developers.

Analysis of current position with Strategic Development Sites.

Recommendations to maintain the Local Planning Authority's five year supply.

#### **WHAT WILL BE EXCLUDED**

Planning processes that do not focus on maintaining a five year supply.

#### **KEY TASKS** \* \* including consideration of efficiency savings

Gathering views of Leicestershire councils.

Interviewing witnesses, including regarding national policy.

Interviewing Charnwood planning officers.

Meeting with the Growth Advisory Group

Compiling information around engagement processes with developers and other associated procedures and processes.

#### **STAKEHOLDERS, OUTSIDE AGENCIES, OTHER ORGANISATIONS \***

Strategic Director Charnwood Borough Council

Lead Member Planning Charnwood Borough Council

Head of Planning Charnwood Borough Council

Developers of strategic sites North East of Leicester, West of Loughborough and North of Birstall. (e.g. William Davies, Davidsons, David Wilson Homes, Persimmon Homes)

Leicestershire County Council Highways

#### **EQUALITY IMPLICATIONS**

**Is an impact needs assessment required? – to be considered at the Panel's penultimate meeting**

#### **LINKS/OVERLAPS TO OTHER REVIEWS**

None

#### **RESOURCE REQUIREMENTS**

Support from Democratic Services can be accommodated.

#### **REPORT REQUIREMENTS (Officer information)**

None (at this stage)

#### **REVIEW COMMENCEMENT DATE**

#### **COMPLETION DATE FOR DRAFT REPORT**

\* Key tasks and stakeholders may be subject to change as the review progresses.

## PROGRESS OF PANEL WORK

MEETING DATE	PROGRESS TO DATE

### REPORT SUBMITTED TO SCRUTINY MANAGEMENT BOARD

The Panel should aim to complete its work within 6 months and submit its report to the SMB meeting in Autumn 2018.

<b>TOTAL DEVELOPMENT COMPLETIONS 2011 – 2018 INCLUSIVE</b>	
<b>LARGE + SMALL</b>	<b>Parish</b>
280	Anstey
1	Barkby/Beeby
230	Barrow Upon Soar
614	Birstall
2	Burton on the Wolds
0	Cossington
0	Cotes
60	East Goscote
204	Hathern
2	Hoton
1392	Loughborough
111	Mountsorrel
4	Newtown Linford
0	Prestwold
167	Queniborough
237	Quorn
4	Ratcliffe on the Wreake
57	Rearsby
579	Rothley
9	Seagrave
227	Shepshed
443	Sileby
2	South Croxton
4	Swithland
401	Syston
1	Thrussington
6	Thurcaston & Cropston
312	Thurmaston
0	Ulverscroft
1	Walton on the Wolds
6	Wanlip
30	Woodhouse
20	Wymeswold
<b>Total: 5406</b>	

**FIVE YEAR HOUSING SUPPLY SCRUTINY PANEL - ACTION NOTES**

**MEETING 1:** 20th March 2018

**ATTENDED BY:** Councillors Hamilton, Hayes, Seaton, Snartt and Taylor (Chair).

Officers: R. Bennett, D. Pendle, K. Widdowson, N. Ansari

**APOLOGY:** Councillors Gaskell and Pacey

**MATTERS CONSIDERED AT THIS MEETING:**

**INFORMATION PROVIDED BY THE HEAD OF PLANNING AND REGENERATION**

In addition to the information contained within the report received by the Panel, the following additional information was stated:

- The monitoring of the 5 year housing supply is carried out by the planning team.
- The Council's core strategy is reviewed annually in relation to the expected delivery times of the projects. The 5 year supply plan is based on the outcome of the review.
- There is consideration given to sustainable development and creating a balance within the proposed schemes.
- The annual statement published shows the Council's current position regarding their own land supply to highlight current assets.
- In terms of what was included in the 5 year land supply it had to be developments that had a reasonable prospect of being built in the next 5 years. Any barriers to the building process need to be considered.

**ISSUES RAISED/DISCUSSED AT THIS MEETING:**

In addition to the discussions referred to above, Members expressed the following views:

- Clarity was given regarding the level of permissions given for planning applications versus the trajectory of development taking place. The Panel expressed their concerns that the developers were holding up progress.
- The Panel agreed to invite one of the investment companies CEG to one of the Panel meetings to talk about their involvement in the development process and the highlighted role of secure infrastructure.

## ACTIONS

*Members of the Panel were each given a task or research to complete to help gather information:*

- Councillor Seaton – contact an identified university researcher and the contact at CEG to ask about attending one of the Panel meetings.
- Councillor Snartt – contact local councils to ask about their experiences and attending one of the Panel meetings to present and answer questions.
- Councillor Taylor – contact local PHD students to attend one of the Panel meetings to talk about their research.
- Councillor Hamilton and Councillor Hayes – research best practise around the country for comparison.

*Action for the officers:*

- Provide the permission end dates for the 3 SUE sites.
- Provide the original submissions from the developers of the 3 sites.
- The Democratic Services (DS) Team advised they would ask if any other DS Teams were scrutinising the 5 year supply and could provide assistance.
- The DS Team to contact the local developers and invite them to one of the Panel meetings to present their view of the current situation.

Timetable for Review	It was agreed that information be considered at future meetings as follows:  Wednesday, 18th April 2018:  Wednesday 9th May 2018:  Wednesday 6th June 2018:  Wednesday 4th July 2018:
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## FIVE YEAR HOUSING SUPPLY SCRUTINY PANEL - ACTION NOTES

**MEETING 1:** 18th April 2018

**ATTENDED BY:** Councillors Gaskell, Hamilton, Hayes, Pacey, Seaton, Snartt and Taylor (Chair).

Officers: K. Widdowson, N. Ansari

**WITNESSES:** Developer 1 (D1)  
Developer 2 (D2)  
Developer 3 (D3)

**1. APOLOGIES:** Developer 4

**2. DECLARATIONS OF INTEREST:** Councillor Snartt declared that his grandson worked for David Wilson homes who were referred to at the meeting.

### MATTERS CONSIDERED AT THIS MEETING:

#### WITNESS INFORMATION PROVIDED BY LOCAL DEVELOPERS

**1) Would you outline the development site/sites within Charnwood Borough you are involved with and are there any other developers involved on these sites?**

D1 – Garendon Park SUE, Grange Park, Hathern site, Lodge end in Loughborough, Rothley. All developments were either near completion, under development or granted permission. Very active in the local area.

D2 - Currently working on the North East SUE as the promoter and master developer, working with the principal land owner. Also have 3 housebuilder partners involved on the site: Davidsons, David Wilson Homes and William Davis.

D3 - Actively involved in Charnwood with sites at Barrow Upon Soar, Shepshed and Anstey all under construction and current applications for further sites in the area such as Birstall and Rearsby.

**2) How does your experience of working in Charnwood compare to that elsewhere in the country? In terms of the Council and the Planning Team?**

D1 - Their experience of working with Charnwood was very comparable to the rest of their local authority contacts. There were some delays that were encountered but no more than elsewhere. Some of the delays were due to late comments from officers but other delays were due to stakeholders such as the

highways authority and the land drainage authority.

D2 – working with Charnwood was similar to some other local authorities with comparable geographical character and generally there was a constructive relationship with officers from application through to development stage. Recent experience with contract agency officers had been mixed and it was felt that they received more robust decisions from permanently employed officers as they knew the projects and politics better.

D3 - The working relationship was described as challenging and staff continuity was identified as an issue, although appreciated that it was a problem nationally. It had caused delays due to lack of contact from officers and delays in dealing with planning applications. Lack of continuity was mentioned as officers were replaced and the developers were not notified as well as difficulty in contacting officers which was sometimes due to the same issue. Resolution of the staffing issues was considered important to move forward with developments.

**3) In your view, how was the initial planning process carried out and are there any outstanding issues, especially pre-start conditions placed during the planning cycle?**

D1 - There were also some issues with pre-start conditions in terms of the way some conditions were phrased as pre-start and perhaps some conditions could be discussed at a later date to allow progress on site, for example sign off on lighting. It was also identified that developers often don't see conditions until the agenda for Plans Committee is published which meant there was a reluctance to discuss issues in a timely manner.

D2 - There were a limited number of pre-start conditions that had been attached to the site plan which was cause for ongoing discussion. Generally well placed to discharge pre-start conditions. The permission process allowed some conditions to be discharged before others and allowed progress on the site.

D3 - Conditions were seen as a big issue which needed to be addressed during the planning process. The need and reason for so many conditions and how they were controlled was identified as problematic, for example some conditions needed to be agreed before any progress could be made onsite. It was felt that some details could be requested and agreed at a later stage to allow progress to be made on the site.

**4) What are the obstacles, if any, stopping your company starting development on site?**

D1 - A particular example was given in relation to the Garendon East site. There had been a delay in getting the section 106 agreement signed due consent being given for the reserve matters and technical details such design and place making. It was felt that those details (reserve matters) could be discussed in a wider capacity to understand what the planning team wanted to see so that there was a level of continuity throughout the design process. This would

eliminate a perceived unnecessary layer of process.

Although there had been change of officers on sites there was no major concern as there had been a degree of overlap. The Panel was advised that the planning team wanted to arrange a community group going forward for community engagement purposes. This was welcomed but the group needed to be tightly managed as there was a need to focus on delivery instead of processes.

D2 – The ideal timeline was outlined for the development of the site (2019/20 for activity on the site) but the Panel was advised that the process needing speeding up as time had been lost due to delays on reserve matters. It was however pointed out that the site was in a stronger position now due to a stronger officer team and more commercially aware officers. It was felt that strong officers with knowledge of the area and the projects were particularly important on larger sites. Progress had also been made with the highways authority.

D3 - Dealing with the local planning authority was highlighted as an obstacle as well as technical details being approved by the County Council, the highways authority and Severn Trent. These were significant obstacles which were not always appreciated as such. Agencies needed to be working together to play their part, for example better working between officers and developers. Difficulty contacting officers by email, phone or trying to arrange a meeting was also cited as one obstacle to the process. The Panel advised that they as members could help with the communication issues and could be used to help air concerns as well as provide a response.

**5) Are there any other obstacles outside the planning process contributing to works starting, e.g. materials and labour shortages?**

D1 - Supply of materials was an ongoing concern as the developers could not guarantee the supply and there needed to be a constant management process to ensure that delivery dates were met. Agreeing material changes with planning officers could cause delays and sometimes it was down to officer discretion whether they were agreed although non-material amendments being agreed were not viewed as a concern. It was seen as more of an issue for smaller sites as larger sites could order sufficient quantities to meet demand.

D2 – dwelling sites have increased significantly and there is a need to prepare the site more before it is sold to the developers and created more work for the business. There was also a limit of local house builders which meant that choice was limited.

There had been a loss of time working on the site due to getting reserve matters signed off and a total of approximately 2 years had been lost due to various delays. Some of the delays such as the agreement of the section 106 and County wide issues had caused delays to the site which meant that the current deal was agreed on a conditional basis and the site was sold using an outline of a plan. It was noted that this was increasingly the case with sites nationally.

D3 - There was a labour and materials supply issue and changes needed to be made in order to meet the requirements of the site. It was felt that directly

employed labourers tended to show more loyalty and as a family run business there were no issues retaining staff. Officers had been understanding to issues so far although there was a lack of consistency. There were not however the difficulties that larger organisations faced with labour shortages and material supplies.

**6) In your view, are there any complex issues with these larger sites that are delaying construction e.g. infrastructure, highways?**

D1 - Larger sites were identified as being more complex as they require larger infrastructure investment and issues with power supply and capacity. The highways authority was identified as causing concern in terms of issuing constraints.

D2 - As sites got bigger they demanded more infrastructure and planning (e.g. highways, sewage and schools). There was some discrepancy between creating larger sites and developers wanting to be involved in smaller sites where they had more control. It was felt that more needed to be done to create a site which encouraged house builders which would help speed up development. The finances involved in developing a site were mentioned as larger sites did require more initial investment which was expensive to the developer. It was proposed that limiting early infrastructure would help as progress could be made whilst further details were agreed.

D3 - Infrastructure was identified as a problem on larger sites as well as viability issues when there were different opinions on the design of the site. Larger sites commanded larger infrastructure which created a higher burden in terms of supply but also cost and legal agreements. Smaller sites could be delivered quickly but there was less scope as the demand for larger sites seemed to grow. The benefits of creating smaller sites were pressed upon the Panel.

**7) Are there any other areas of concern that, in your view, are delaying construction we have not touched on?**

D1 - Discussions and disagreement over the proposed housing mix for sites can delay development. There was a suggestion that there should be round table discussions between the Council and the industry about housing mix preferences to agree what should be built which would be beneficial to all. The market demand for larger properties (4/5 bedrooms) was prevalent but was conflicted with what the Council required. An agreement through the round table discussions could assist the viability of the site. William Davis felt it was a burning issue.

D2 - It was felt that major progress had been made as the construction stage was nearing and it was hoped that there would be a smooth transition and delivery of the site. Long term development was already in mind to ensure sustained delivery. There were some outstanding issues which needed officer and Councillor support and the Panel were encouraged to speak to the City Council and arrange a discussion meeting.

D3 - A proactive development control service was considered the best way to ensure sites developed smoothly. The housing mix of sites was identified as a cause for concern where Councils were trying to influence the mix of dwellings proposed. It was felt there needed to be flexibility on agreeing the preference for house sizes which would satisfy both parties although the developers were more in tune with the market demand.

**ISSUES RAISED/DISCUSSED AT THIS MEETING:**

- Continuity with officers regarding queries and working on projects.
- Problems with the highways authority putting constraints onto developments
- Pre-start conditions slowing down progress on the site
- Supply of materials being a concern
- Infrastructure being an issue with larger sites
- Agreeing the housing mix for sites
- Members being used to help resolve problems

**ACTIONS**

*Democratic Services Team:*

- *Email the list of questions to Developer 4 and other local developers to get further responses.*
- *Invite the highways authority to the next meeting to answer questions from the Panel on the issues raised*
- *Circulate the action notes to the Panel to formulate the questions for the next meeting.*

<p>Timetable for Review</p>	<p>It was agreed that information be considered at future meetings as follows:</p> <p>Wednesday 9th May 2018:</p> <p>Wednesday 6th June 2018:</p> <p>Wednesday 4th July 2018:</p>
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## **FIVE YEAR HOUSING SUPPLY SCRUTINY PANEL - ACTION NOTES**

**MEETING 1:** 6th June 2018

**ATTENDED BY:** Councillors Gaskell (Chair), Hamilton, Pacey, Seaton, Snartt.

Officer: N. Ansari

**WITNESSES:** Councillor Terry Richardson – Blaby District Council

**1. APOLOGIES:** Councillor Hayes

**2. DECLARATIONS OF INTEREST:** None

### **MATTERS CONSIDERED AT THIS MEETING:**

#### **WITNESS INFORMATION PROVIDED**

Councillor Richardson explained the current situation at Blaby District Council regarding the 5 year housing supply and made the following points:

- Currently using the Liverpool model to calculate the housing supply. There was some pressure to use the Sedgefield but the Council had a robust policy in place to defend planning applications and put sufficient time and effort into ensuring that the lack of 5 year housing supply could not be used as a reason to refuse an application.
- A lot of time and effort was also spent on pre-applications and talking to developers to agree on how a development would progress. Communication was seen as important as it created understanding and ultimately success for all parties involved. It was good to engage the developers as they understood the look and feel of the developments and what would be attractive.
- Extensive training was provided for the Council's Planning Committee to ensure they were sufficiently informed to make decisions. As well as the standard training master classes were offered for members which were well received.
- An example of a development in New Lubbethorpe was given to explain how the development worked from start to completion. The infrastructure had been provided by the land owner who wanted to create a legacy for the area and which provided an advantage for developers who could start work quickly. There were dedicated officers at the Council working on the development as well as interacting with the highways authority and a community worker onsite who generated a community feeling which could be sold to potential owners. There was a cohesive approach to the development which helped towards the success.
- There was an issue nationally with losing Planning Officers to the private sector but the Council believed they offered good scope and experience for its employees to retain staff. When officers did leave the word of

mouth was positive for a Council that offered support and training so recruitment was not an issue.

- There was a good working relationship with the County Council which was in part due to understanding their limitations and to compromise to make things work. Talking to County was always seen as a challenge and more needed to be done to bring the District Councils and the County Council together.
- One of the initiatives set up was to create a trust for the residents on the development currently paying a service charge. The idea was to create a community feel to the development and was proving popular.
- The idea of community was thought to be particularly important for new developments. Councils should be creating a vision for their area that would be part of the Strategic Growth Plan. Councils also needed to be more commercial but still ensure that developments met the needs of the residents.
- Rural exception sites were used as a means of meeting the housing supply. Seed funding was provided by the Council to help establish one in the local area which could provide housing for local residents.
- There was an ongoing calculation of the housing supply to take into account the start and completion of developments and to ensure it was up to date. The calculations were also used for planning applications and appeals so it was necessary to have the figures available. The Council had employed an Economic Investment Manager to manage the developments and oversee the housing supply. The salary for the post was paid for out of the increased planning fee income which was re-invested into the department.
- The Lead Member for Planning was more involved in supporting the team rather than being actively involved in the development process. They also attended the Cabinet meetings every 6 weeks where they developed an understanding of each member portfolio and gave support to upcoming projects.
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Councillor Richardson's main point was the importance of communication with partner agencies and developers to ensure that developments are successful for the residents and create a community that will thrive.

## **ACTIONS**

- Democratic Services Officer to invite the Lead Member, Strategic Director of Housing, Planning, Regeneration and Regulatory Services and the Head of Planning to the next meeting.

Timetable for review – it was agreed that information be considered at future meetings as follows: Wednesday 4<sup>th</sup> July 2018.

## **FIVE YEAR HOUSING SUPPLY SCRUTINY PANEL - ACTION NOTES**

**MEETING 1:** 5th September 2018

**ATTENDED BY:** Councillors Seaton (Chair), Hamilton, Hayes, Snartt.

Officers: K. Widdowson and N. Ansari

**WITNESSES:** Councillor Eric Vardy – Lead Member for Planning, Inward Investment & Tourism Strategy

David Pendle – Group Leader for Plans, Policy and Place

Richard Brown – Principal Planning Officer

**1. APOLOGIES:** Councillors Gaskell and Pacey

**2. DECLARATIONS OF INTEREST:** None

### **MATTERS CONSIDERED AT THIS MEETING:**

#### **WITNESS INFORMATION PROVIDED**

Councillor Vardy gave an opening statement to the Panel about the current state of the five year land supply in the area and highlighted the following points:

- Local Planning Authorities are required to identify a supply of deliverable land to create a minimum of five year's land supply in line with the corporate plan.
- National guidance requires a buffer to be added to the five year housing supply figure based on past performance although the measuring system has changed. This has meant that the Council have changed from being an under developing Council and having to add 20% to the housing requirement to having a record of delivery and having to only add 5%.
- The Council has continued to work with developers to bring new homes into action but this has not been easy as the developers have not met the timetables specified. Progress on the three main urban expansions has been slow and stalled. Officers and the Lead Member have met with the representatives of the developers to try and fix delays but the delivery assurances provided were not met.
- Senior officers and members have also met with government ministers, MP's and Homes England to try and influence government policy.
- The pressure for growth remains ongoing and is a key component of the National Planning Policy Framework.

The Panel then asked the following questions with the following responses:

**1. What method do we use to calculate the five year housing land supply and why?**



The Council use two different methods to calculate the housing requirement. In accordance with National practise and the Council's adopted plan 820 homes were identified as the requirement. The rate of build was also checked to see what the undersupply was and whether the Council was under delivering or delivering at the rate expected.

In relation to the model it was noted that Blaby use the Liverpool model which spreads out the housing requirement whereas the Sedgefield model deals with the requirement at the beginning of the process. The Council use the Sedgefield model in line with government advice to significantly boost house building. This model directs the Council to deal with the issue of the housing supply now rather than spread out the problem over a period of time. For example Blaby use a version of the Liverpool model which means that for any appeals they do not count some building projects which they did not expect to have started yet. Charnwood Borough Council use a different approach where the under supply is addressed now and a plan put in place to achieve the five year supply required. This approach is used by the majority of Councils and is supported by the planning inspectorate.

**2. When and how often is the five year land supply scrutinised and by which committee?**

The five year land supply had been to one scrutiny panel at the time when the Core Strategy was being created but not to any scrutiny panels recently. It was explained that the figures were challenged through the planning appeals process and the results used to reinforce the figures and ensure the Five year supply position is robust.

There was a consensus that scrutinising the land supply would be beneficial and it was suggested that performance targets could be reviewed by the Performance Scrutiny Panel.

**3. Why do the Council only calculate the five year housing land supply annually when it seems that other Council's calculations are ongoing?**

It is common practise to produce an annual statement, in line with National guidance detailing the Council's land supply position. In the meantime the Planning officers track the position throughout the year and on a quarterly basis to review the situation and check the direction of travel which can help when making decisions. Getting accurate figures can be time consuming but it is important to show the trend over the year. The statistics are already published for the Plans Committee on a regular basis and given to partners but they could be produced on a quarterly basis for Member's benefit.

**4. Does the Lead Member have confidence that the Council can maintain a five year housing land supply?**

The biggest problem is getting the developers to build. There are a lot of planning permissions granted but work is not commencing onsite. The Council

Lead Member and officers are trying to get the government to introduce some enforcement powers for developers who do not meet their deadlines. Ideally legislation is needed and the Council have advised the local MP's who can add some weight to the proposition.

**Is the issue down to the developers?**

There have been issues over the lack of resources available, building site selection and quality of development and various issues with the developers which have halted production onsite and caused concerns.

A three stage process was outlined to the Panel of the Council releasing land through a local plan, the Plans Committee giving permissions to start building and the developers taking over the sites to start building, which is where the delays were occurring. The Council's role was to keep control of the sites by managing the release of sites and by having sufficient permissions to ensure the five year supply remains.

**5. Does the Lead Member have confidence that the current 5.9 land supply calculation will stand up to scrutiny if challenged?**

There was a rigorous defence in place but no one was sure until it was tested. The judgement would be based on their figures, the buffer in place and the development rates. There was also little room for manoeuvre on the deliverable sites as they had already been through enquiries and the public inspectorate. The appeals panel could not ignore new information and new government guidance regarding the build out rates but the local authority was still penalised over non-completion of sites.

**6. What is the current state of the three major sites and what are the current obstacles going forward?**

The three deliverable sites are based at Garendon Park in Loughborough, Thurmaston and Broadnook which was proving the most difficult to progress. The main obstacle with the Garendon Road site was the section 106 agreement which was signed in July and now going through the reserve matters process, agreeing the details of the planning application before the sign off. The Thurmaston site appears to be slightly behind with the planning process.

Broadnook has caused a lot of frustration due to concerns over the quality of plans received from the developer and the same concerns were true for the Garendon site as the progress has been very slow.

Action: the planning team to update the Panel on the progress of the three sites.

**7. There was a viewpoint from the developers that communication between the officers was poor. Do you have a reason as to why this might be?**

There were still monthly meetings with developers and handovers by the team leaders so the department was doing everything it could to keep progress going.

It was acknowledged that there have been issues with staffing and recruitment but the Planning department had been through a restructure which was hoped to address some of the problems.

It was suggested that the developers were addressing their own agenda and their responsibilities to their shareholders which did not necessarily match those of the Council officers.

**8. How has the relationship with local partners developed and what can be done to improve it?**

There were some delays caused due to the relationship with Leicestershire County Council and the Highways Authority being strained although it was understood that resources were stretched on both sides causing frustration.

The Development Team's approach was that more preparatory work was done in advance and the steering group were involved in an effort to solve strategic barriers. At working level the partnerships do exist and are good working relationships as everyone is working towards the same goal.

**9. The developers raised concerns over delays agreeing the section 106 agreements. What is your view on this?**

Section 106 agreements were by nature complicated agreements. Although some of the timescales were thought to be realistic there had been some delays, in one instance due to the landowner but also due to the development progress. The dates for development are agreed and some slippage time built in but there have still been delays.

**10. Are there any other obstacles outside the planning process that you feel contribute to delays moving forward?**

There were a number of obstacles involved which included the weather, industrial problems, lack of skilled labour force and materials, to name a few. There can also be delays at the start of the progress agreeing sale prices for the land and getting developers on board. Developers also have their own agenda and the situation can change over time in terms of good and bad investments.

Any public enquiries had an impact as they could change the process for development part way through. There could also be changes to agreements due to service requirements such as schools, utilities and highways. From inception to end build there were any number of problems that could arise.

**ACTIONS**

- Democratic Services Officer to draft the notes from the meeting and compile a draft report for the Panel.

Timetable for review – it was agreed that information be considered at future meetings as follows: Wednesday 3<sup>rd</sup> October 2018.