

TOWN AND COUNTRY PLANNING ACT 1990

Planning Inspectorate ref: APP/J4423/W/21/3267168

Sheffield City Council ref: 17/04673/OUT

Appeal by

Hallam Land Limited

Against

The refusal of outline planning permission for up to 85 residential dwellings including open space

Site at

Land at Junction with Carr Road and Hollin Busk Lane, Sheffield

SHEFFIELD CITY COUNCIL

PROOF OF EVIDENCE OF LAURA STEPHENS

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LIST OF APPENDICES REFERRED TO

- APPENDIX 1** Sheffield and Rotherham Strategic Housing Market Assessment 2018 (2019)
- APPENDIX 2** 5 Year Housing Land Supply Monitoring Report (2020) and associated appendixes 2A, 3A
- APPENDIX 3** Housing and Economic Land Availability Assessment and Site Schedule (2020)

Introduction

- 1.1 This proof of evidence is prepared in respect of the appeal by Hallam Land Limited against the decision of Sheffield City Council to refuse outline planning permission for land at the junction with Carr Road and Hollin Busk Lane, for up to 85 residential dwellings including open space. It addresses the issue of housing need and housing land supply.
- 1.2 My name is Laura Stephens. I am a Planning Officer at Sheffield City Council; a position I have held for 16 years.
- 1.3 I have an MA in Town and Regional Planning from the University of Sheffield (2004).
- 1.4 I confirm that the evidence I give which I have prepared and provided in relation to housing need and housing land supply are my true and professional opinions.
- 1.5 This proof sets out that in my professional opinion the Council can demonstrate a deliverable five year supply of housing land. This supply is demonstrated in respect of the requirement as calculated according to paragraph 73 of the NPPF. The position I set out relates to the evidence available at the current time (published December 2020). Using the base date 1. April 2020, the Council can demonstrate a 5.4 year deliverable supply of housing land.
- 1.6 In section 4 I set out the need for affordable housing in Sheffield, and how it is relevant in the context of this site.

2. Planning Policy Context

2.1 The following section sets out the key policies that are relevant to this appeal in relation to housing land supply.

National Planning Policy Framework (NPPF)

2.2 The current version of the NPPF was published in February 2019. In relation to housing land supply, the following sections are most relevant:

2.3 Paragraph 73 of the NPPF requires Local Planning Authorities to identify and update annually a supply of specific deliverable sites sufficient to provide a minimum of five years' worth of housing against their local housing need where strategic policies are more than five years old.

2.4 Paragraph 70 addresses the approach to inclusion of windfall sites within housing land supply, and Annex 2 defines 'deliverable' which in essence sets out the scope of sites that can be included within the assessment of the 5 year deliverable housing land supply and the evidence required to support inclusion.

2.5 Finally, paragraph 11 outlines the presumption in favour of sustainable development, and what that means for decision taking. *'For decision-taking this means (c) approving development proposals that accord with an up-to-date development plan without delay; or (d) where there are no relevant development plan policies, or the policies which are most important for determining the application are out of date ⁷, granting permission unless: i. the application of policies in this Framework that protect areas or assets of particular importance provides a clear reason for refusing the development proposed ⁶, or ii. Any adverse impacts of doing so would significantly and demonstrably outweigh the benefits, when assessed against the policies in this Framework taken as a whole.*

2.6 Footnote 7 confirms that out of date would include for applications involving provision of housing, situations where the local planning authority cannot demonstrate a five year supply of deliverable housing sites or where the

Housing Delivery Test indicates that delivery of housing was substantially below the housing requirement over the previous three years. Neither of these situations are currently applicable in Sheffield.

Planning Practice Guidance – Housing supply and delivery

- 2.7 Planning Practice Guidance: Housing supply and delivery (published 22 July 2019) contains further guidance on how a 5 year housing land supply should be calculated and how it can be demonstrated with respect to the definition of deliverable contained in the NPPF.
- 2.8 The PPG sets out in paragraph 007 that for small sites with planning permission, and large sites with full planning permission, the presumption is that those sites will be included within the 5 year supply, unless there is evidence for the contrary. For sites within category B, with outline planning permission for major development, that have been allocated in the development plan, have permission in principle, or are on the brownfield register, the burden of proof is different, and the onus is on local planning authorities to demonstrate that there is clear, specific evidence that housing completions will begin on site within five years.

Planning Practice Guidance – Housing and economic needs assessment

- 2.9 The PPG was recently updated on 16 December 2020. It contains the standard method for assessing local housing needs, setting out the formula used to identify a minimum annual housing need figure.
- 2.10 Paragraph 004 provides the steps used to calculate the local housing need figure as well as the specific data inputs to be used in terms of demographic baseline and adjustment for affordability. The most recent publication now includes an additional step 4 – the ‘cities and urban centres uplift’. This requires a 35% uplift to be applied to the local housing need figure for the 20 largest cities and urban centres, including Sheffield. Paragraph 037 makes it clear that there is a transition period for decision making in authorities where the uplift applies. This means that ‘*the local housing need calculation,*

excluding the cities and urban centres uplift, can be used, for example when determining the housing requirement for the 5 year housing land supply, until this date [16. June 2021]. After this date, the new standard method (i.e. with cities and urban centres uplift) will apply for relevant decision-making purposes.'

Other documents referred to

- 2.11 The Council's most recent position with respect to 5 year housing land supply, as at 1. April 2020 is set out in the 5 Year Housing Land Supply Monitoring Report, December 2020 (CD3.7a). This is attached with its associated appendixes as Appendix 2 of this proof.

- 2.12 The Housing and Employment Land Availability Assessment (HELAA) (Appendix 3 and CD3.13/CD3.14) was published in September 2020. It does not include an assessment of the 5 year Housing Land Supply. The HELAA Site Schedule includes all the sites that have been assessed for inclusion within the supply, which have been drawn from its associated database. The HELAA also sets out the methodology for assessing windfall capacity and determining build rates where appropriate.

- 2.13 The Sheffield and Rotherham Strategic Housing Market Assessment 2018 (SHMA) (published July 2019) (Appendix 1 and CD 3.12) sets out the overall level of affordable housing need in Sheffield, and also provides a breakdown of the types and sizes of homes that households need. The SHMA provides an insight into how delivery of new homes can contribute towards meeting needs in the context of the existing housing stock in the city. It will also help inform the Local Plan.

3. Housing Land Supply

- 3.1 The Council's approach is to publish a 5-year Housing Land Supply Monitoring Report (the 'Monitoring Report') to set out the assessment of the deliverable supply of land for housing in Sheffield. This meets the requirements of paragraph 73 of the Framework to identify a supply of specific and deliverable sites sufficient to provide a minimum of five years' worth of housing against the housing requirement. The Monitoring Report is prepared in accordance with the Framework; specifically in relation to paragraph 73 which determines how the need should be quantified, and Annex 2 which defines 'deliverable'.
- 3.2 My role in the preparation of the Monitoring Report is to determine which sites should be considered for inclusion in the deliverable supply and collate the different sources of evidence which are used to assess deliverability of the sites included within it. The document has been prepared in accordance with the Framework and guidance contained in the PPG. In particular, there has been liaison with the development community in relation to the deliverability of individual sites.

Requirement

- 3.3 NPPF paragraph 73 specifies that, where strategic policies are more than five years old, local housing need should be used to inform the housing requirement. This does not include strategic policies that have been reviewed and found not to require updating (footnote 37). That is not the position in Sheffield, and therefore the local housing need figure, calculated using the standard method set out in national planning practice guidance, is used to determine the 5 year housing land requirement.
- 3.4 The Monitoring Report sets out the calculation that is used to determine the local housing need figure following the Government's standard methodology in Planning Practice Guidance. The figure for 2020, which is the baseline year, is 2,131 net additional homes per year. This figure uses the 2014-based household projections as the demographic baseline, taking the annual average rate of household growth over the 10 year period 2020 to 2030. It is

then adjusted taking account of the affordability ratio for median house prices in relation to median earnings, as provided by the Office for National Statistics in March 2020. It is appropriate currently to continue to use the 2020 base for calculating the requirement, as it relates to a 2020 based supply.

- 3.5 The recent revision to Planning Practice Guidance (December 2020) introduces a fourth step to calculation of the Local Housing Need figure. A 35% uplift is applied for the 20 largest urban centres, including Sheffield. The effect of that uplift is to increase Sheffield's LHN figure for 2021 to 2,923 new homes per annum.
- 3.6 The relevant (2019) Housing Delivery Test results were published in February 2020; these showed Sheffield's delivery was 112%. This provides evidence that there is no significant under delivery in Sheffield and therefore the 5% buffer to ensure choice and competition applies as required by part (a) of NPPF paragraph 73. The most recent (2020) Housing Delivery Test results confirm the continuation of this position, demonstrating that Sheffield's delivery was 123%.
- 3.7 Sheffield's net housing requirement for the 5-year period 2020/21 to 2024/25 is therefore:

Current local housing need figure	2,131
5-year requirement (2020/21 to 2024/25): 5 years @ 2,131 per year	10,655
Plus 5% buffer to ensure competition and choice	533
Total net 5-year requirement	11,188

Supply position as at 1. April 2020

- 3.8 The Council's position at 1 April 2020 is that it can demonstrate a 5.4 year deliverable housing land supply, based on the following key information:
- A base date of 1. April 2020, and a 5 year period 1. April 2020 to 31. March 2025 inclusive

- A total 5 year requirement of 11,188 homes, comprising 2,131 net additional homes per year plus a 5% buffer to ensure competition and choice (533 homes)
- A net deliverable supply of 12,131 dwellings

3.9 The 5 year deliverable supply is broken down as follows:

Category¹		5-year supply	
A	Large sites with full planning permission		9,489
	Under construction	4,864	
	Not started	4,168	
	Construction suspended	457	
	Small sites with planning permission		1,000
B	Large sites with outline planning permission		366
	Development plan allocations		0
	Sites with permission in principle		0
	Sites identified on the brownfield register		1,526
Gross Supply		12,381	
Minus estimated losses		250	
Net Supply		12,131	
Net Requirement		11,188	
5-year deliverable supply		5.4 years	

Sources of supply

3.10 Schedules listing the sites that comprise the categories referred to in the supply table above are included in the 5 Year Housing Land Supply Monitoring Report that is appended to this proof of evidence (Appendix 2 and CD3.7a).

¹ As noted below these categories reflect those used in the NPPF's definition of deliverable in Annex 2.

- 3.11 The supply is broken down into two categories that reflect the definition of deliverable as set out in Annex 2 of the Framework. Category A includes those sites that should be considered deliverable unless there is clear evidence that homes will not be delivered within five years. Category B includes sites that should only be considered deliverable where there is clear evidence that housing completions will begin on site within five years.
- 3.12 The Monitoring Report sets out the assumptions that have been used for estimating build rates for developing large sites where the developers own estimates are not available, with reference to the HELAA (5 Year Housing Land Supply Monitoring Report, table 3). Where available we have taken account of the developer's estimates but considered those estimates in the context of the methodology. This may mean that in some cases our estimates are lower than that provided by the developer.

Category A

- 3.13 The largest element of the 5 year supply is large sites with full planning permission, representing around three quarters of the gross supply. Over half of these are on sites that are already under construction.
- 3.14 The 5 year housing land supply includes a figure of 1,000 homes, or 200 homes per year, on small sites. The Monitoring Report (paragraphs 3.14 to 3.19) includes a more detailed discussion of the evidence that underpins this figure, with reference to paragraph 70 of the Framework, and provides the necessary compelling evidence that they will be a reliable source of supply.
- 3.15 All evidence regarding deliverability was relevant at the base date of 1. April 2020. Where circumstances have changed since the base date that would impact deliverability, this has not been taken into account. Likewise, new sites have not been added to the supply that were not deliverable at 1. April 2020.
- 3.16 Category A includes a number of schemes which will be delivered as student accommodation. Planning Practice Guidance: Housing Supply and Delivery

(68-034-20190722) states clearly that student accommodation can and should be included within the housing supply because it releases accommodation into the wider housing market. Sheffield has a large student population and newly built accommodation allows some students to be housed who would otherwise require general market housing; thus enabling that stock to remain in circulation for other households. I am therefore content to include student accommodation with full planning permission within the 5 year supply where it is deliverable.

- 3.17 The Statement of Common Ground (Housing) sets out sites within category A where the appellant disagrees with their inclusion in the 5 year supply. Within that document table 3 identifies sites where the appellant argues that there are alternative proposals; table 4 lists sites the appellant argues are without extant permission; and table 5 includes sites where the appellant argues there is clear evidence they will not be delivered. It is important to note that evidence for inclusion of sites in the supply is taken from the base date of 1. April 2020, and that evidence indicating a change of circumstance post-base date, or which could not reasonably have been obtained at the base date, should not be taken into account in assessing sites for inclusion at this stage. Tables 10 and 11 in the Statement of Common Ground provide more detail, in the form of commentary from both the Council and appellant, in response to evidence provided by the appellant to support their case that sites should not be included within the 5 year supply, and the relevance of that information at the base date. I confirm that, in my professional opinion, based on the available evidence at the base date, the sites met the criteria for inclusion in the 5 year housing land supply.

Category B

- 3.18 The approach to sites in category B meets the test of deliverability in respect of the definition provided in Annex 2 of the Framework. For each site included, I am satisfied that there is site specific, clear evidence that housing completions will begin on site within 5 years, and that the evidence was up to date at the base date of 1. April 2020.

- 3.19 Two sites with outline planning permission are included within the 5 year supply. Evidence of deliverability has been provided for both sites in the form of signed pro forma.
- 3.20 No housing site allocations in Sheffield's Unitary Development Plan are included within the supply. Only a small number of allocations remain, none of which met the definition of 'deliverable' as at 1. April 2020.
- 3.21 The largest element of supply within category B is sites identified on the brownfield register. This category comprises 17 sites that either form part of the business plan for the Sheffield Housing Company or are within the Council's Stock Increase Programme. Further detail is provided in the Monitoring Report relating to the operation of these two schemes and the evidence is provided that enables these sites to be included within the deliverable 5 year supply. For each site I am satisfied that there is clear evidence of deliverability, with a signed pro forma provided for each.
- 3.22 The Council's Stock Increase Programme is an important source of affordable housing delivery for the city; it is made possible by the removal by Government of the borrowing cap on the Housing Revenue Account. Additional prudential borrowing enables the Council to increase affordable housing stock on the basis that the homes built will provide enough revenue to be self financed over a 30 year period. This type of borrowing ensures deliverability of the sites within the programme.
- 3.23 Table 6 in the Housing Statement of Common Ground sets out sites on the Brownfield Register where the appellant disagrees with the Council regarding their inclusion in the 5 year housing land supply. The appellant argues that for each there is not clear evidence of deliverability. As with the sites in category A, there is further commentary in table 12 which restates both the Council and appellants positions regarding deliverability and the availability of evidence at the base date. I would confirm my position that, based on the evidence available at 1. April 2020 the sites met the criteria for inclusion in the 5 year housing land supply.

- 3.24 The impact of Covid 19 has been considered, taking account of the views of the development industry, both through the HELAA working group that convened in autumn 2020 and through direct correspondence with developers with active sites in the 5 year supply. Paragraphs 3.8 and 3.9 in the Monitoring Report identify the key issues and implications raised through dialogue with the development industry.
- 3.25 In conclusion, I am satisfied that sites included within the 5 year housing land supply, and set out in the Monitoring Report, meet the definition of deliverable in Annex 2 of the Framework. The position as at 1st April 2020 is that Sheffield City Council can demonstrate a 5.4 year supply of deliverable housing land, with reference to the housing requirement.

Changes to the housing requirement

- 3.26 The current position, as applicable to this appeal, is that Sheffield can demonstrate a 5.4 year supply of deliverable housing land and therefore paragraph 11 (d) does not apply in respect of the five year housing land supply. Paragraph 73 of the Framework requires local planning authorities to identify and update annually the five year housing land supply. The next annual update with a base date of 1. April 2021 in respect of both the requirement and supply period, will be produced by the end of July 2021. That update will take account of completions during 2020/21, new permissions, lapsed permissions, and any relevant sites to be considered within category B.
- 3.27 Planning Practice Guidance – Housing and economic needs assessment was updated in December 2020 and now applies a 35% uplift to the local housing needs figure for the 20 largest cities and urban centres, compared to the basic calculation. This includes Sheffield. The revised requirement will therefore be incorporated into the 2021-based 5 Year Housing Land Supply Monitoring Report.

- 3.28 We recognise that the uplift, following the transition period, will have an impact on Sheffield's future deliverable housing land supply. It will form the basis for the next revision of the 5 Year Housing Land Supply Monitoring Report, which will also highlight steps being taken by the Council to boost supply. A significant factor will be adoption of the Sheffield Plan, which is timetabled for the end of 2023. As part of the development of the Sheffield Plan, the Issues and Options consultation in Autumn 2020 considered a number of options for delivering new homes across the city, including increasing the capacity of the Central Area and releasing some land from the Green Belt as urban extensions. This work will be developed further during 2021 to shape the Publication Draft Plan.
- 3.29 As noted in paragraph 3.5 above, the forthcoming housing requirement, taking account of the 35% uplift is calculated as 2,923 homes per annum (at 1. April 2021). However, we consider that it is important to consider the increase in the requirement against an equivalent robust, updated supply figure. At this time, we are not yet in a position to have fully prepared a revised suite of deliverability evidence with a 1. April 2021 base date. In order to prepare the revised supply, we must not only determine the number of completions for 2020/21, but also consider deliverability evidence for new sites that have gained planning permission and assess any additional sites that may now be eligible for inclusion under Category B. This work takes around 4 months to complete.
- 3.30 The Housing Statement of Common Ground includes a list of new large sites granted planning permission between 1. April 2020 and 31. March 2021 (table 2). This is for information only and does not represent part of a comprehensive reassessment of supply until such a time that the deliverability of those sites has been assessed, alongside other updates to the supply.

4. Affordable housing need

- 4.1 The 2018 Sheffield and Rotherham Strategic Housing Market Assessment (CD3.12) clearly sets out the scale of affordable housing need in Sheffield. Table 6.1 indicates that the need for affordable housing is 902 homes per year. This figure takes account of dealing with the existing backlog of affordable housing need over a 5 year period. It also takes into account other changes in the affordable stock such as losses through Right to Buy.

- 4.2 Housing Market Area Profiles provide a greater level of detail in relation to the specific types of affordable housing that are needed in different parts of the city. The Stocksbridge and Deepcar HMA Profile (CD3.15) indicates that 54 new affordable homes are needed each year, with a mix of sizes and types being required to meet the overall shortfall within this relatively self contained housing market area.

- 4.3 Whilst it is not contested that the need for affordable housing in Sheffield is significant; delivery of a policy compliant 10% affordable homes on the appeal site will not make a sufficiently substantial contribution to meeting the overall shortfall such that it overrides other planning considerations.

5. Conclusion

- 5.1 In conclusion, I am satisfied that sites included within the 5 year housing land supply, and set out in the Monitoring Report, meet the definition of deliverable in Annex 2 of the Framework. The position as at 1. April 2020 is that Sheffield City Council can demonstrate a 5.4 year supply of deliverable housing land, with reference to the housing requirement.