

Executive

15 December

Report of the Corporate Director of Place
Portfolio of the Executive Member for Economy and Strategic Planning

City of York Planning Policy Housing Delivery Action Plan (HDAP) Update and Local Development Scheme (LDS) Update

Summary

Housing Delivery Action Plan

1. The Planning Policy 'Housing Delivery Action Plan' (HDAP) Update (Annex A) has been prepared in response to the Government's publication of the 2021 Housing Delivery Test (HDT) results (published 14th January 2022). The HDT is an annual measure of how many new homes have been delivered within the Local Planning Authority (LPA) area over the past three years against how many homes should have been delivered. The result is expressed as a percentage and the City of York has a score of 65% recorded for 2021.
2. As a consequence of not delivering 95% of the housing requirement, and in accordance with the NPPF, an action plan (the HDAP) must be prepared and published.
3. This HDAP updates the first version approved by Executive on 9th December 2021, which was developed in response to the 2020 HDT result (83.7%). The HDAP has been prepared with input from key stakeholders from across the council. It presents the context of York's housing market and recognises where the council is already successfully helping to improve housing delivery. The HDAP is embedded in the work of the council across all teams.
4. The HDAP articulates the work already underway in the council to support delivery of housing. The 'Action Plan' seeks to enhance those streams of work and to further embed them across all relevant

teams. It should be noted that the Action Plan is necessarily limited to the areas of work the council can influence.

5. The Council's proactive approach is in line with the Council Plan priority to create homes and world-class infrastructure. As part of this, the council's Housing Delivery Programme (HDP) is making a significant contribution to the city's housing stock as well as leading the way in terms of raising housing standards and developing local construction supply chains.

Local Development Scheme

6. The Council is required to prepare and regularly review a Local Development Scheme (LDS) under the Planning and Compulsory Purchase Act 2004 (as amended by the Localism Act 2011).
7. An LDS sets out a timetable for the production of new or revised Development Plan Documents (such as a Local Plan) by the local council. The LDS (Annex C) supersedes all previous versions and sets out a planning work programme for the Council from November 2022 until December 2024 with indicative timeframes beyond also shown.

Recommendations

8. Executive is asked to:
 - i) Approve the update to the Housing Delivery Action Plan (Annex A and B) and support the continued implementation of the Plan across corporate teams.

Reason: To ensure that the council complies with its duties as set out within the NPPF and PPG (setting out appropriate actions for the council to consider and explore in the short, medium and long term in an attempt to increase housing supply and delivery), and to fulfil the council's commitment to 'creating homes and world-class infrastructure' within the Council Plan (2019 – 2023).

- ii) Delegate authority to Corporate Director of Place to include within the Housing Delivery Action Plan the full council resolution (22 October 2022) calling on Executive to action work concerning "controlling the concentration of short term and holiday lets".

Reason: To acknowledge and reflect this stream of work in the Housing Delivery Action Plan.

- iii) Delegate authority to Corporate Director of Place for sign off of the publication version of the HDAP

Reason: To agree presentation of the publication version of the HDAP

- iv) Approve the Local Development Scheme Update (Annex C)

Reason: To ensure that the Council Complies with the Planning and Compulsory Purchase Act 2004 (as amended by the Localism Act 2011).

Background

Housing Delivery Action Plan

9. Housing delivery is of critical importance both nationally and locally. To help boost the supply of housing, changes to the NPPF were introduced in 2018 which included a standard methodology for calculating local housing need and increasing LPA accountability for its housing delivery performance through the use of the HDT.
10. The standard method changes the approach to calculating a local plan housing requirement set out in the 2012 NPPF. However, the emerging Local Plan is being examined under transitional arrangements which means its housing requirement of 822 dwellings per annum reflects the 2012 NPPF, not the standard methodology. As the Local Plan is not yet adopted, the HDT uses the standard methodology figure and this results in higher annual figures than the Local Plan proposes. Upon adoption of the Local Plan, the HDT measure will be set against the lower Local Plan annual requirement figure. For comparison, Table 1 includes both the standard method and local plan requirement.

Table 1. City of York Housing Delivery Test	2018/19	2019/20	2020/21	Total
No. of homes required (Standard Method)	1066	979 ¹	683 ²	2,728
No. of homes required (Local Plan annual requirement)	822	754 ¹	548 ²	2,124
No. of homes delivered ³	451	627	704	1,782

11. The result dictates the actions or measures the LPA is either required to undertake or the penalties it faces, as stated in the National Planning Policy Framework (NPPF) 2021. This is as follows:

- 95% = A pass
- Below 95% = An action plan needs to be prepared to assess why the council under delivered and identify actions to remedy it.
- Below 85% = a buffer of 20% more land to be included within five-year housing land supply calculations (in addition to developing an action plan).

Below 75% = the presumption in favour of sustainable development (NPPF paragraph 11) will apply in decision-taking.

12. National Guidance outlines that a HDAP should consider the root causes of under delivery and identify the actions that respective authorities will undertake to help increase housing delivery in future years. The scope and nature of an action plan is not fully prescribed

¹ Covid-19 adjustment applied to reflect the temporary disruption to house building caused by national lockdowns. The period for measuring the homes required in 2019/20 is reduced by 1 month.

² Covid-19 adjustment applied to reflect the temporary disruption to house building caused by national lockdowns. The period for measuring the homes required in 2020/21 is reduced by 4 months.

³ Includes adjustments for student and other communal accommodation as calculated by MHCLG using two nationally set ratios based on England Census data and informed by the Authority's Housing Flows Reconciliation (HFR) return.

by national policy or guidance, but the approach taken must relate to local circumstances and needs.

Local Development Scheme

13. The LDS must specify the documents which will comprise the development plan for the area. The LDS must be made available publicly and kept up to date to ensure that local communities and interested parties can keep track of progress. Planning Practice Guidance makes clear that Local planning authorities must also publish the LDS on their websites⁴. Up-to-date and accessible reporting on the LDS is an important way in which authorities can keep communities informed of plan making activity.
14. The LDS outlines the remaining stages of Local Plan examination and steps to adoption. It also presents the work programme to adopting the Community Infrastructure Levy Charging Schedule and two Supplementary Planning Documents (SPDs) relating to Climate Change and Affordable Housing. These two SPDs will form part of a suite of SPDs that will be brought forward to support the implementation of Local Plan policies.
15. The draft Local Plan identifies a host of SPDs covering a range of topics. These are currently being reviewed with the expectation that a consolidated list will be identified in the report presented to members to accompany the Local Plan main modifications approval.

Consultation

16. The HDAP was widely consulted on with colleagues across the council namely: Planning and Development Services, Transport, Highways and Environment, Housing, Economy and Regeneration, Asset Management, Housing Strategy and Policy, and Housing Standards and Adaptations. Colleagues have also been consulted on its update.
17. As documents in the LDS come forward and progress towards adoption, they will each be subject to separate consultation activities. These will be individually tailored and, where necessary,

⁴ Planning Practice Guidance <https://www.gov.uk/guidance/plan-making#evidence-base>

conform to statutory consultation requirements that must also be met.

Options

18. Option 1 - A do nothing approach to updating the HDAP and LDS.
19. Option 2 - The positive preparation and adoption of the HDAP and LDS.

Analysis

Housing Delivery Action Plan

20. Option 1 would result in the council not complying with the National Planning Policy Framework and PPG and the 'Council Plan 2019 to 2023', all of which take a positive approach to delivering housing in accordance with local need.
21. A do nothing approach also risks undermining the council's positive approach to housing and planning, both development management and planning policy.
22. Option 2 is an opportunity to ensure that the council complies with its duties under the NPPF and in line with Planning Practice Guidance (PPG), whilst also reasserting the council's positive stance to delivering housing according to local needs.
23. Further, option 2 builds on the housing monitoring work the council already undertakes annually and reflects this work in its identification of the challenges, opportunities, and actions for maximising housing delivery.
24. Maintaining and adopting an updated HDAP also has the advantage of further focusing discussion across the council to appropriately resource and coordinate with colleagues to realise the action plan

Local Development Scheme

25. Option 1 would result in the Council not meeting the provisions of the Planning and Compulsory Act 2004 as amended by the Localism Act 2011.
26. Option 2 ensures the Council complies with its legal obligations referred to above. It secures an up-to-date LDS, which is an essential tool for the Council to effectively manage document production and for monitoring to take place.

Council Plan

27. The HDAP directly supports the achievement of one of the Council Plan 2019-2023 outcome areas, Creating homes and world-class infrastructure. Both the HDAP and LDS indirectly supports the other seven outcome areas.

Implications

28. **Financial** – The Housing Delivery Action Plan as presented in this report can be delivered within currently approved budgets.
29. The LDS does not have direct financial implications. However, the documents identified in the LDS have their own financial implications, which will be separately reported as they are brought forward for Executive consideration.
30. **Human Resources (HR)** – There are no human resources (HR) implications. Both the HDAP and the LDS are produced using resource within existing Strategic Planning Policy Team.
31. **Equalities** – An equalities impact assessment (EIA) of the HDAP has been undertaken and is attached at Annex D. The EIA has identified that the Action Plan is likely to have a positive effect on social considerations through the continued positive support and provision of housing delivery.
32. Documents identified in the LDS will be subject to their own EIA, undertaken as part of their individual preparation.

33. **Legal** – The Government produced a Levelling Up and Regeneration Bill⁵ that was published on 11 May 2022 that is seeking to introduce new planning reforms in the longer-term. At this stage, it is not known whether the target of delivering 300,000 homes per year nationally will continue, but it is still expected that housing delivery will be a forefront of national planning policy moving forward.
34. The Government’s Housing White Paper, named ‘Fixing our Broken Housing Market’ was followed up by revisions to the National Planning Policy Framework (NPPF) in July 2018, February 2019 and lastly in July 2021. In addition, updates to National Planning Practice Guidance (PPG) were made. Both these documents have introduced a number of new measures and reforms to the planning system intended to deliver more housing, improve housing affordability and where possible, remove barriers to new housing development.
35. The HDT and Housing Action Plan was first introduced within the revised NPPF. The mechanisms for the HDT are outlined within the revised NPPF and in the Housing Delivery Test Measurement Rule Book⁶.
36. All LPAs (with the exception of National Parks) are subject to this annual test and the requirements/penalties then placed upon each authority are dictated by the results. The council could decide not to comply with the NPPF and PPG. However, this could make any challenges to the council not having a NPPF compliant five-year housing land supply more difficult to defend.
37. If the council does not provide a framework for greater delivery through the HDAP it could be a material factor in decision making if the ‘presumption in favour of sustainable development’ as set out in the NPPF is engaged. This could potentially lead to far more housing than is actually required and that development could be built in locations which are seen as less desirable than those identified within the emerging Local Plan, as either specific housing allocations or as indicated by a settlement’s development boundary for example.

⁵ <https://www.gov.uk/government/collections/levelling-up-and-regeneration-bill>

⁶ <https://www.gov.uk/government/publications/housing-delivery-test-measurement-rule-book>

38. The Council is required to prepare and regularly review its LDS under the provisions of the Planning and Compulsory Act 2004 as amended by the Localism Act 2011.
39. **Crime and Disorder** – There are no crime and disorder implications.
40. **Information Technology (IT)** – There are no IT implications.
41. **Property** – There are no property implications. Should property implications arise from work undertaken to implement the Planning Policy HDAP, these will be reported as appropriate.
42. **Other** – there are no other known implications.

Risk Management

43. There are no direct risks inherent in approving the HDAP update. The HDAP is designed to mitigate the risk against being in a position where the ‘presumption in favour of sustainable development’ is engaged and the housing supply policies in a council’s Local Plan carry less/limited weight, allowing development to take place in less desirable locations. However, in practice, the NPPF’s presumption in favour of sustainable development already applies to decisions on planning applications in York as the council has been without an adopted local plan and has not been able to demonstrate an NPPF compliant five-year housing land supply in recent years.
44. It should also be recognised that the HDAP is not the silver bullet to increasing house building in the city as many of the factors involved are outside the control of the council. This ranges from a site owner’s desire/priorities in building out, how much a landowner is financially asking for their site, right through to the wider political and financial climates of which the housing development industry operates.
45. The publishing and Member endorsement of the Action Plan update reduces risk against challenge to housing delivery and may be used as a material consideration in future decision-making. In advance of the adoption of York’s Local Plan (likely in 2023), lack of an up-to-date action plan presents an opportunity for continued challenge

against the council's approach, particularly in the short-term relating to the five year housing land supply.

46. The publishing and Member endorsement of the LDS update reduces the risk of legal challenge to the Council not having an up-to-date LDS.

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**Report
Approved**



Date 2/12/22

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Wards Affected:

All



For further information please contact the author of the report

Background Papers:

City of York Planning Policy Housing Delivery Action Plan, December 2021 (available at: <https://www.york.gov.uk/HousingDeliveryActionPlan#:~:text=to%20help%20support%20and%20create,housing%20to%20meet%20local%20needs.>)

City of York Local Development Scheme 2017 (available at: <https://www.york.gov.uk/downloads/download/833/local-development-scheme>)

National Planning Policy Framework (2021) (available at: <https://www.gov.uk/government/publications/national-planning-policy-framework--2>)

Planning Practice Guidance (available at: <https://www.gov.uk/government/collections/planning-practice-guidance>)

Housing Delivery Test Measurement Rule Book (2018) (available at: <https://www.gov.uk/government/publications/housing-delivery-test-measurement-rule-book>)

Housing Delivery Test: 2021 measurement (2022) (available at: <https://www.gov.uk/government/publications/housing-delivery-test-2021-measurement>)

Planning and Compulsory Purchase Act 2004 (as amended by the Localism Act 2011) (available at:

<https://www.legislation.gov.uk/ukpga/2004/5/contents>)

Town and Country Planning (Local Planning) (England) Regulations 2012 (as amended) (available at:

<https://www.legislation.gov.uk/uksi/2012/767/contents/made>)

Annexes

Annex A: City of York Planning Policy Housing Delivery Action Plan Update, November 2021

Annex B: HDAP Historic Housing Completions Data

Annex C: City of York Local Development Scheme 2022

Annex D: Equalities Impact Assessment

List of Abbreviations Used in this Report

HDAP - Housing Delivery Action Plan

HDP - Housing Delivery Programme

HDT - Housing Delivery Test

LDS – Local Development Scheme

LPA - Local Planning Authority

PPG – Planning Practice Guidance

NPPF - National Planning Policy Framework