

<b>Title of meeting:</b>	<b>Planning Policy and City Development Portfolio Decision Meeting</b>
<b>Date of meeting:</b>	26 July 2022
<b>Subject:</b>	Housing Delivery Test Action Plan
<b>Report by:</b>	Ian Maguire, Assistant Director of Planning and Economic Growth
<b>Wards affected:</b>	All
<b>Key decision:</b>	No
<b>Full Council decision:</b>	No

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## **1. Purpose of report**

1.1. To seek approval for the publication and implementation of the Housing Delivery Test Action Plan 2022. The report also includes an update on the Council's Housing Delivery Test Action Plan 2021.

## **2. Recommendations**

2.1 That the Housing Delivery Test Action Plan 2022, attached as Appendix 1, be approved for publication and implementation.

## **3. Background**

### Introduction

- 3.1 The Housing Delivery Test (HDT) was introduced by the Department for Levelling Up, Housing & Communities (DfLUHC) in 2018 to ensure that local authorities are held accountable for their role in ensuring new homes are delivered.
- 3.2 The HDT assesses the number of homes built in each local authority area over the previous three years and compares these against local housing requirements. Local Planning Authorities that fail to meet delivery targets are required to take appropriate action to address under delivery.
- 3.3 Portsmouth City Council, in the decision to approve the Portsmouth draft Local Plan consultation document on 27th July 2021 has rejected the Government's target of more than 17,000 homes and believes that decisions on housing need should be made by local people in Portsmouth. Notwithstanding this the City Council recognises that the requirements under the Housing Delivery Test are binding upon it and irrespective of the targets set by Government remains committed to working to deliver the housing that the people of Portsmouth need.

- 3.4 The 2021 HDT results were published in January 2022 and identified that Portsmouth had achieved 54% of the housing required in the City over the three years from 2018 to 2021, below the 95% requirement; the Council are therefore required to produce an Action Plan to address housing delivery. In addition, as the figure is below 75% presumption in favour of sustainable development is in effect as well as a buffer of 20% will also be applied to the City's 5-year housing land supply calculation, until the Council can demonstrate an HDT result over 75%.
- 3.5 This means that planning permission should be granted unless the site is protected under the NPPF, or the adverse impacts of the proposal demonstrably outweigh the benefits.

#### Purpose

- 3.6 National Planning Practice Guidance (NPPG) sets out the requirements for the action plan: "It will identify the reasons for under-delivery, explore ways to reduce the risk of further under-delivery and set out measures the authority intends to take to improve levels of delivery." An Action Plan should be produced within six months of the HDT results publication.
- 3.7 The Housing Delivery Test Action Plan 2022 has been prepared in line with the NPPG. The plan recognises that delivering growth within the City is a complex issue and sets out how the Council has been working continuously to find solutions to address these issues.
- 3.8 The Action Plan provides an analysis of potential causes of lower housing delivery for the past three years of delivery (2018-21), the on-going delivery challenges faced by the City and how these could be addressed.

#### Findings

- 3.9 The evidence set out in the Housing Delivery Action Plan, on performance of the development management service and delivery on strategic housing sites supports the conclusion that the main constraints to delivery in the city are not due to the how the Council's Planning Service performs but rather by inherent structural issues facing the city caused by its unique geography, market position and the Government's frequent changing of housing targets and position on the nitrate pollution issue in the Solent; This has contributed the constraints to housing delivery set out below:
- Land Availability - ongoing limited land availability restricting choice of sites, and notably a land supply which largely consists of challenging brownfield development sites
  - Need for nitrate mitigation under the Habitat Regulations: The moratorium on granting planning permissions for new homes in Portsmouth between April and November 2019 (the 2019/2020 period of the Housing Delivery Test) while a strategic solution was developed and the uncertainty this caused in the development industry in the region.

- Viability challenges due to site specific constraints, high cost of brownfield land development and the low value of development land in the city

3.10 The Council has already begun to remedy many of these factors using the tools available to it including building dwellings itself, reviewing the current Local Plan to identify more development opportunities, adopting an interim Nitrate Neutrality Strategy and working with developers to ensure developments are viable within the city.

3.11 The Action Plan in Appendix 1 of the report sets out work that the Council will undertake and what is already being done to address to constraints set out above, these include:

- Prepare the revised Local Plan and identify new housing allocations.
- Continue work on studies including Strategic Housing and Economic Land Availability Assessment and evidence on market demand.
- Regular Brownfield Register updates.
- Continue to support Portsmouth City Council Housing department and Council owned Ravelin Housing company by providing advice in delivering affordable housing across the city.
- Work with the PfSH Authorities on future SDOA identification work
- Updated South Hampshire Spatial Position Statement to be undertaken and agreed by PfSH and Local Authorities.
- Continue to update unilateral Statement of Common Ground /documents with Neighbouring Authorities
- Whole Plan Viability Assessment
- Housing and Economic Land Availability Assessment including call for sites
- Updated Interim Nutrient Neutral Mitigation Strategy with co-operation on any appropriate longer term strategic solutions with PfSH or other partners

3.12 The majority of these actions will be undertaken by the Planning Service working with partners external and internal.

#### **4. Reasons for recommendations**

4.1 It is recommended that Portfolio Holder approves the Housing Delivery Test Action Plan 2022 for publication and implementation.

4.2 The Action Plan highlights the work the Council has undertaken to date as well as outlining the actions the Council will implement in order to tackle the difficulties the City faces in meeting the housing need for the community.

#### **5. Integrated impact assessment**

5.1 The recommendations of this report have no impact on the protected equalities groups.

**6. Legal implications**

- 6.1 Section 38(6) of the Planning and Compulsory Purchase Act 2004 and section 70(2) of the Town and Country Planning Act 1990 require that planning applications must be determined in accordance with the development plan, unless material considerations indicate otherwise.
- 6.2. The preparation of an action plan where housing delivery has fallen below 95% over the previous three years is a requirement of the NPPF (paragraph 76). The NPPF is a material consideration in planning decisions and must also be taken into account in the preparation of Local Plans. The Housing Delivery Action Plan would similarly form a material consideration in decision making.

**7. Director of Finance's comments**

- 7.1 There are no direct financial implications as a result of approving the recommendations within this report.
- 7.2 The costs associated with the implementing the action plan will be met from existing cash limited budgets.

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Signed by: Assistant Director of Regeneration

**Appendices:**

Appendix 1: Portsmouth Housing Delivery Action Plan 2022 - 2023 - July 2022

**Background list of documents: Section 100D of the Local Government Act 1972**

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

<b>Title of document</b>	<b>Location</b>
National Planning Policy Framework (2021)	<a href="http://www.gov.uk">National Planning Policy Framework - GOV.UK (www.gov.uk)</a>
National Planning Policy Guidance: Housing supply and delivery	<a href="http://www.gov.uk">Housing supply and delivery - GOV.UK (www.gov.uk)</a>

The recommendation(s) set out above were approved/ approved as amended/ deferred/ rejected by ..... on .....

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Signed by: