

Greater Nottingham Authorities

Broxtowe Borough Council

Erewash Borough Council

Gedling Borough Council

Nottingham City Council

Rushcliffe Borough Council

Review of Greater Nottingham SHLAAs

Final Report

Final | July 2019

This report takes into account the particular instructions and requirements of our client.

It is not intended for and should not be relied upon by any third party and no responsibility is undertaken to any third party.

Job number 268484-00

Ove Arup & Partners Ltd

1st Floor
City Gate West
Tollhouse Hill
Nottingham NG1 5AT
United Kingdom
www.arup.com

ARUP

Contents

	Page
1 Introduction	2
1.1 Overview	2
1.2 Purpose of this report	2
1.3 Review methodology	3
1.4 Report structure	4
2 SHLAA methodology best practice appraisal	5
2.1 National policy and guidance context	5
2.2 Differences in latest National Planning Policy Framework revision	7
2.3 Summary of national policy and guidance for each SHLAA component	7
3 SHLAA methodology consistency across Greater Nottingham	10
3.1 Why is consistency important?	10
3.2 Reflecting local circumstances	11
3.3 Current levels of consistency	11
3.4 Summary of consistency levels	16
4 Additional components of housing land supply	20
4.1 Rationale for additional components	20
4.2 Windfall allowance	20
4.3 Non-implementation rate	25
5 Methodology Recommendations	26
6 Updated urban capacity for Greater Nottingham	32
6.1 Introduction and approach	32
6.2 Current housing supply position	32
6.3 Updated urban capacity scenarios	34
6.4 Conclusion and next steps	37

1 Introduction

1.1 Overview

- 1.1.1 Paragraph 67 of the National Planning Policy Framework (NPPF) requires local planning authorities to *'have a clear understanding of the land available in their area through the preparation of a strategic housing land availability assessment'*.
- 1.1.2 The production of Strategic Housing Land Availability Assessments (SHLAAs) allows local authorities to identify and appraise land for development, and in turn identify a sufficient supply and mix of sites in Local Plans; having regard to issues around availability, suitability and achievability in the context of economic viability. SHLAAs should seek to identify a supply of specific deliverable sites within the first five years of a Local Plan's plan period, and a supply of developable sites and/or broad locations for growth in years 6-15.
- 1.1.3 The five local authorities comprising the Greater Nottingham Main Built-Up Area (MBUA) and wider Nottingham Core Housing Market Area have commissioned Ove Arup & Partners (Arup) to undertake a review of each authority's SHLAA documents and approach. The five Greater Nottingham authorities are:
- Broxtowe Borough Council
 - Erewash Borough Council
 - Gedling Borough Council
 - Nottingham City Council
 - Rushcliffe Borough Council
- 1.1.4 The Nottingham Core Housing Market Area Boundary Study 2018 (August 2018)¹ confirmed that these five authorities remain the most appropriate housing market area grouping. Hucknall, in Ashfield, adjoins Greater Nottingham authorities to the west (Broxtowe), south (Nottingham) and east (Gedling) and has clear housing market links with them. However, the administrative area of Ashfield District Council as a whole falls under a separate housing market area, and is therefore outside the scope of this review.
- 1.1.5 Whilst this review relates specifically to the MBUA and is tailored towards housing land supply within it, many of our recommendations will relate to each authority's wider approach and can therefore be applied across their whole areas.

1.2 Purpose of this report

- 1.2.6 Each of the five Greater Nottingham authorities has an existing Aligned Core Strategy (Part 1 Local Plan), setting out strategic policies for development in their areas. Whilst tailored to each authority, these follow a similar structure and those of Broxtowe, Gedling and Nottingham were jointly prepared and examined. The Part 1 Local Plans were variously adopted between March and December 2014.

¹ Available on request from Greater Nottingham Growth Point:
<https://www.nottinghamcity.gov.uk/gnpoint/joint-planning-advisory-board/>

- 1.2.7 Regulation 10A of the Town and Country Planning (Local Planning) (England) Regulations 2012 (as amended) requires local planning authorities to review their local plan every five years. As a result, the Greater Nottingham authorities have now begun work on reviewing the Aligned Core Strategies, to cover a plan period from 2018 to 2038.
- 1.2.8 This report will form part of the evidence base informing that review, eventually leading towards a Growth Options consultation. It has two main roles:
1. To review the different methodologies taken to SHLAAs by each of the five authorities, to ensure robustness and consistency (as far as this is appropriate). We will make a number of recommendations on how this can be achieved, using our best practice experience from similar SHLAA reviews undertaken elsewhere.
 2. Taking those recommendations on board, to work towards an updated housing capacity figure for the MBUA that will begin to inform future decisions on site allocations and, if necessary, the release of land from the Green Belt. Our conclusions on housing capacity should be treated as provisional, in advance of each authority considering the methodology recommendations and their implications.
- 1.2.9 Our approach to undertaking this review is as a critical friend to the five authorities – we understand that the approaches which each currently takes to its SHLAA are the product of individual circumstances and decisions made over time, all for good reason. Our findings should assist the authorities with their future SHLAA assessments, and help to demonstrate the robustness of the approaches taken through the examination of each new Local Plan. It should also help each authority to defend planning application appeals where housing land supply is an issue.

1.3 Review methodology

- 1.3.1 The starting point for our review has been the published SHLAA documents of each authority, and in some cases also their published housing land supply monitoring documents. The key documents considered for each authority are listed below – where other documents are relevant to individual points and recommendations, these are listed throughout the report.

Broxtowe Borough Council:

- SHLAA 2018²

Erewash Borough Council:

- SHLAA 2014³
- SHLAA 2018⁴
- Five Year Housing Land Supply Assessment 2014⁵

² <https://www.broxtowe.gov.uk/for-you/planning/planning-policy/strategic-housing-land-availability-assessment-shlaa/>

³ https://www.erewash.gov.uk/media/files/SHLAA_2014_ASSESSMENTS.pdf

⁴ Document not formally published, but provided to Arup for the purpose of appraisal

⁵ https://www.erewash.gov.uk/media/files/FINAL_VERSION_FIVE_YEAR_SUPPLY.pdf

Gedling Borough Council:

- SHLAA 2018⁶
- Five Year Housing Land Supply Assessment 2018⁷

Nottingham City Council:

- SHLAA 2018⁸
- Housing Land Availability Report 2018⁹

Rushcliffe Borough Council:

- SHLAA 2018¹⁰

1.3.2 A more detailed exploration of methodologies, including an understanding of approaches taken by authorities that are not codified in published documents, was carried out at a workshop session attended by representatives from each of the five authorities on 4 June 2019. We also used this workshop as an opportunity to explore the differences in approach taken by each of the five authorities, by undertaking an exercise whereby each authority applied its standard methodology to the same set of hypothetical development sites. This allowed a discussion between the authorities around matters such as density starting points and lead-in times – allowing each authority to consider other approaches, and helping us to frame our recommendations.

1.4 Report structure

1.4.1 This review is structured as follows:

- Chapter 2 sets out best practice from national planning policy and guidance on SHLAAs, and the implications of recent changes in national policy for the SHLAA process
- Chapter 3 sets out the approach taken to SHLAAs by each authority at the present time and identifies the areas of consistency and inconsistency between each, both within the MBUA and relative to national policy
- Chapter 4 looks at the approach each authority takes to additional allowances in their housing supply – windfall, small sites, and non-implementation – and how those approaches could be improved
- Chapter 5 provides a number of recommendations for each authority in undertaking SHLAAs in the future
- Chapter 6 sets out a provisional update to housing capacity across the MBUA over the new 2018 to 2038 plan period, as a result of our recommendations

⁶ <https://www.gedling.gov.uk/shlaa/>

⁷ <https://www.gedling.gov.uk/media/gedlingboroughcouncil/documents/planningpolicy/amrand5yhlsa/5YL2018.pdf>

⁸ <https://www.nottinghaminsight.org.uk/d/aKgG05f>

⁹ <https://www.nottinghaminsight.org.uk/d/aAXDTQS>

¹⁰ <https://www.rushcliffe.gov.uk/planningpolicy/localplan/supportingstudies/strategiclandavailabilityassessment>

2 SHLAA methodology best practice appraisal

2.1 National policy and guidance context

- 2.1.1 In order for the five authorities to demonstrate that they follow a robust and consistent process, it is important to consider the provisions of national planning policy and guidance with respect to housing land availability assessments.
- 2.1.2 The National Planning Policy Framework deals with the requirements for SHLAAs under its *Identifying land for homes* heading. It states, at paragraph 67, that local planning authorities:
- “Should have a clear understanding of the land available in their area through the preparation of a strategic housing land availability assessment. From this, planning policies should identify a sufficient supply and mix of sites, taking into account their availability, suitability and likely economic viability”.*
- 2.1.3 These assessments of availability, suitability and likely economic viability (i.e. achievability) are key dynamics of the methodology for housing and economic land availability, set out in national Planning Practice Guidance (PPG)¹¹. Altogether this forms a five-stage process, with the totality of the process and the flow of each stage into the next set out in Figure 1 on the following page.
- 2.1.4 **Stage 1** in the process in national guidance is largely administrative in nature, and outside the scope of this review.
- 2.1.5 **Stage 2** of the process concerns the assessment of sites, and reflects Chapters 2 and 3 of this review. The PPG includes five components (see stage 2 box within Figure 1), which we consider to form two distinct parts of the assessment of a site:
- 2.1.6 **Part 1 – Establishing whether a site can be added to the housing supply** – This encompasses the **suitability, availability** and **achievability** components, as part of a process to establish whether development can realistically come forward on a site. We suggest that the **overcoming constraints** component should also fall within Part 1, as part of a process to ensuring that a SHLAA is positively prepared and leaves no stone unturned in maximising housing supply (and in the context of this review, maximising urban capacity).
- 2.1.7 **Part 2 – Estimating the development potential** – Having established whether a site is deliverable or developable, its capacity and development timescales need to be established. This is less prescribed within the national guidance, but we identify five components to this process – **density, developable area, responding to constraints, lead-in times** and **build-out rates**.
- 2.1.8 **Stage 3** of the process as set out in the PPG is an assessment of windfall, and reflects Chapter 4 of this review.
- 2.1.9 **Stages 4 and 5** of the process in national guidance concern the outputs of SHLAA assessments – i.e. their translation into housing land supply calculations, and the preparation of development plan documents. These are outside the scope of this

¹¹ <https://www.gov.uk/guidance/housing-and-economic-land-availability-assessment>

review. However, it is important to highlight the feedback loop in Figure 1 from Stage 4 back to Stage 2 – if insufficient sites and windfall emerge from Stages 2 and 3, Stage 2 should be repeated (particularly overcoming constraints).

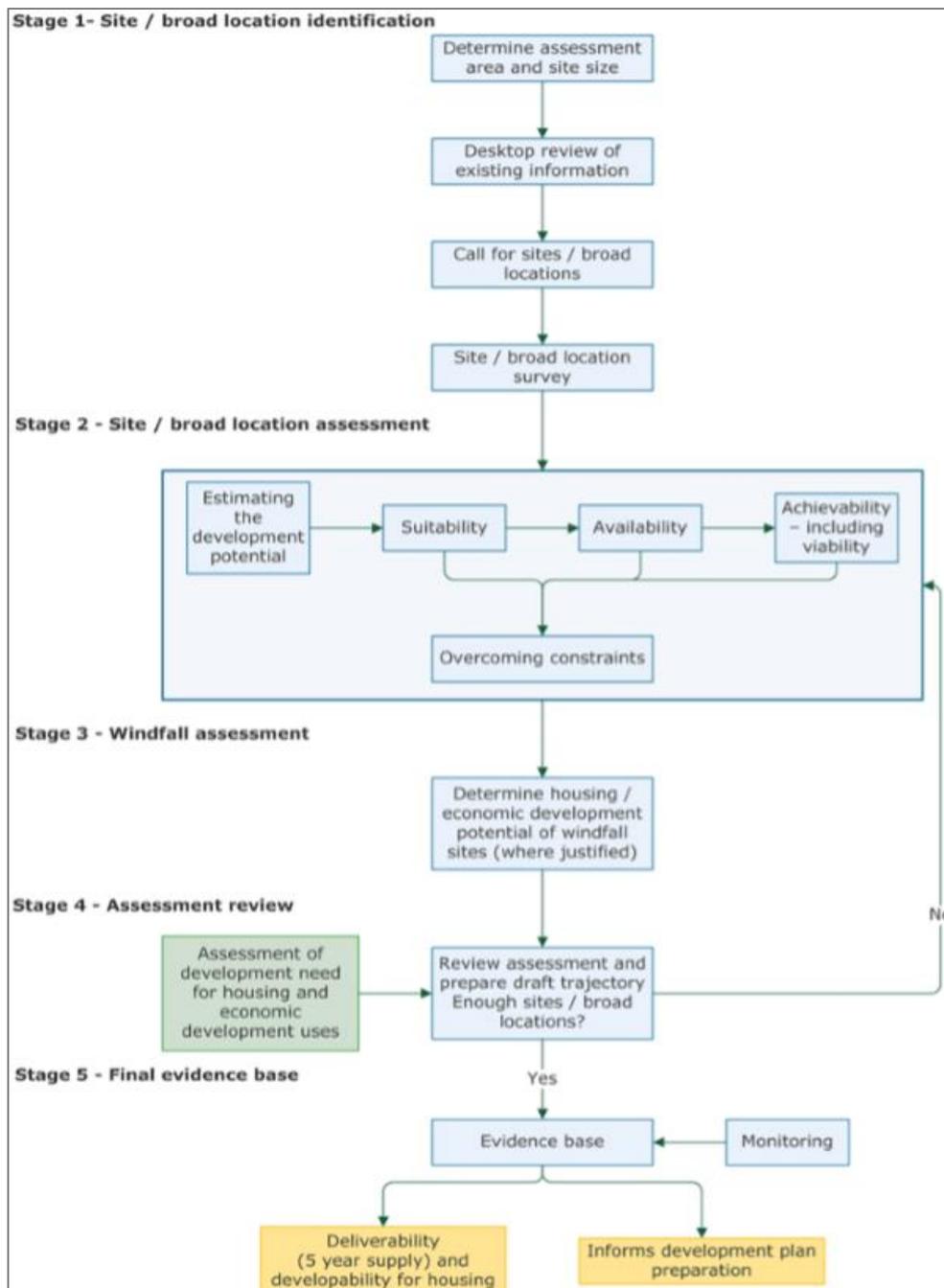


Figure 1 – SHLAA methodology flowchart from Planning Practice Guidance

2.1.10 By virtue of its status as guidance rather than policy, alternative methodological approaches can be taken. However, the Planning Practice Guidance is clear¹² that “where they depart from the guidance, plan makers will have to set out reasons for doing so”. We have been mindful of this advice in carrying out this review.

¹² PPG Housing and Economic Land Availability Assessment – Paragraph 005

2.2 Differences in latest National Planning Policy Framework revision

- 2.2.1 The existing approaches taken by each of the five authorities across Greater Nottingham generally reflect the original 2012 National Planning Policy Framework, and the Planning Practice Guidance that followed it. However, the new NPPF published in July 2018 and further updated in February 2019 has introduced a number of key changes which are pertinent to this review:
- 2.2.2 **Definition of deliverable** – The glossary (Appendix 2) of the revised NPPF includes a newly tightened threshold of evidence for which sites are able to be classed as deliverable by local authorities: *“To be considered deliverable, sites for housing should be available now, offer a suitable location for development now, and be achievable with a realistic prospect that housing will be delivered on the site within five years”*. This includes sites with full planning permission; but major development with only outline planning permission and sites allocated in development plans or included in brownfield land registers can only be treated as deliverable where there is *“clear evidence that housing completions will begin on site within five years”*. This evidence requirement logically falls to a SHLAA.
- 2.2.3 **Emphasis on small sites** – The revised NPPF pushes local authorities to provide at least 10% of their housing requirement on sites smaller than one hectare, unless there are strong reasons why this cannot be achieved (paragraph 68) – this reflects the faster build-out characteristics of such sites. It is therefore important for SHLAAs to allow a sufficient number smaller sites to be identified, whilst also considering the windfall potential of small sites.
- 2.2.4 **Making effective use of land** – The revised NPPF includes a new Section 11, concerning the effective use of land. It requires substantial weight to be given to the use of brownfield land and to the redevelopment of under-utilised land (paragraph 118), and expects local planning authorities to take a proactive role to identifying and bringing forward land to meet development needs (paragraph 119). It also requires local authorities to adopt minimum density standards, and to uplift density around town centres and accessible locations in cases where there is an anticipated shortage of land to meet housing needs (paragraph 123). These have clear implications for SHLAA processes, and their interaction with Brownfield Land Registers.
- 2.2.5 **Approach to garden land** – Formerly, the NPPF explicitly prohibited local authorities from making windfall allowances for the development of garden land, even where it had compelling evidence that such development routinely came forward. Paragraph 70 in the revised NPPF still indicates that plans should consider resisting the development of residential gardens where it would be inappropriate, but no longer prohibits its inclusion in windfall allowances.

2.3 Summary of national policy and guidance for each SHLAA component

- 2.3.1 Over the following pages, Table 1 considers the detailed provisions of national policy and planning practice guidance across each component of a SHLAA.

Table 1 – SHLAA best practice from national planning policy and guidance		
SHLAA component	National Planning Policy Framework	Planning Practice Guidance
Assessment Part 1 – Establishing whether a site can be added to the housing supply		
Availability	NPPF paragraph 67 outlines the requirement for specific, deliverable sites to be identified for years 1-5 of the plan period. These should include an appropriate buffer as set out. To be considered 'deliverable', sites should be available now. Specific development sites and/or broad locations for growth, for years 6-10 (and if possible 11-15) should also be identified.	The PPG (paragraph 020) states that sites should be considered available when (using the best information available) there is confidence that there are no legal or ownership problems, such as unresolved multiple ownerships, ransom strips, tenancies or operational requirements of landowners. This will often mean that the land is controlled by a developer or landowner who has expressed an intention to develop or sell. Consideration should also be given to the delivery record of those putting forward a site, and whether its planning background shows a history of unimplemented permissions.
Suitability	The NPPF's Glossary (Appendix 2) outlines that in terms of deliverability, a site should offer a suitable location for development now. For sites to be considered developable, sites should be in a suitable location for housing development with a reasonable prospect that they will be available and could be viably developed at the point envisaged.	<p>The PPG (paragraph 019) states that during a site survey, information regarding site size and boundaries, land use and character, physical constraints, potential environmental constraints, development progress and an initial assessment of whether the site is suitable for a particular use, will all provide information on the overall suitability of a site.</p> <p>It also states that plan makers should be guided by the development plan, emerging plan policy, national policy and market and industry requirements when assessing suitability. The following factors should be considered:</p> <ul style="list-style-type: none"> • Physical limitations such as access, infrastructure, ground conditions, flood risk, hazardous risks, pollution or contamination; • Potential impacts including the effect upon landscapes including landscape features, nature and heritage conservation; • Appropriateness and likely market attractiveness for the type of development proposed; • Contribution to regeneration priority areas; and • Environmental/amenity impacts experienced by would be occupiers and neighbouring areas.
Achievability	<p>The NPPF's Glossary outlines that, to be considered deliverable, sites should be available now, i.e. offer a suitable location for development now, and be achievable with a realistic prospect that housing will be delivered on the site within five years. This is likely to include all sites with full planning permission, but not unallocated sites or sites with outline permission unless there is clear evidence to demonstrate that each will come forward within a five-year period.</p> <p>For sites proposed for longer term development to be considered 'developable', they should be in a suitable location for development with a reasonable prospect that they will be available and can be viably developed at the point envisaged.</p>	The PPG (paragraph 021) states that a site is considered achievable for development where there is a reasonable prospect that the particular type of development will be developed on the site at a particular point in time. This is essentially a judgement about the economic viability of a site, and the capacity of the developer to complete and let or sell the development over a certain period.

Table 1 – SHLAA best practice from national planning policy and guidance		
SHLAA component	National Planning Policy Framework	Planning Practice Guidance
Overcoming constraints	Paragraph 35 of the NPPF outlines the tests of soundness for the examination of Local Plans, notably that they are ‘positively prepared’, seeking to meet the identified needs of an area in full. Overcoming constraints is a key part of demonstrating this positive approach.	The PPG (paragraph 022) states that plan makers should assess potential sites and broad locations via more detailed site surveys, to gain a more detailed understanding of deliverability, any barriers, and how they could be overcome. This could include investment in infrastructure, responding to land ownership issues, undertaking environmental enhancements, or reviewing development plan policy.
Assessment Part 2 – Estimating the development potential		
Density	Paragraphs 122 and 123 of the NPPF outline that planning policies should support development that makes efficient use of land. Where there is an anticipated shortage of land to meet housing needs, policies and decisions should avoid homes being built at low densities.	The PPG (paragraph 017) states that the estimated development potential of sites should be guided by the existing or emerging plan policy, including locally determined policy on density (where the policy is out of date, or does not provide a significant basis to make a judgement, then relevant existing development schemes can be used). Development potential is a significant factor for the economic viability of a site.
Developable area	No direct reference in NPPF.	No direct reference in PPG.
Responding to constraints	No direct reference in NPPF.	No direct reference in PPG.
Lead-in times	Paragraph 72(d) of the NPPF sets out the requirement for realistic assessment of delivery rates, given the lead-in times for large scale sites, and to identify opportunities for supporting rapid implementation. The NPPF’s definition of deliverable is tightly defined – sites with planning permission can be treated as deliverable (lead-in times less than five years) unless there is evidence to suggest they won’t be delivered in that time, but unallocated sites or sites with outline permission can only be treated as ‘developable’(i.e. delivery beyond the five year period) unless there is clear evidence to demonstrate that it could come forward that quickly.	The PPG (paragraph 023) states that local authorities should use the information on suitability, availability, achievability and constraints to assess the timescales within which each site is capable of development, which may include lead in times for the development of sites that are of different scales. Advice from developers and local agents will be important in assessing lead-in times. In addition, benchmarks and assumptions based on evidence of past trends for lead-in times can be developed.
Build-out rate	Paragraph 72(d) of the NPPF sets out the requirement for realistic assessment of delivery rates, given the lead-in times for large scale sites, and identify opportunities for supporting rapid implementation. Footnote 35 notes that development rates should be kept under review and may extend beyond an individual plan period.	The PPG (paragraph 023) states that local authorities should use the information on suitability, availability, achievability and constraints to assess the timescales within which each site is capable of development, which may include build out rates for the development of sites that are of different scales. Advice from developers and local agents will be important in assessing build out rates by year. In addition, benchmarks and assumptions based on evidence of past trends for build-out rates can be developed.

3 SHLAA methodology consistency across Greater Nottingham

3.1 Why is consistency important?

3.1.1 The Greater Nottingham Main Built-Up Area (MBUA) is significantly larger than the administrative area of the City of Nottingham, which only contains around half of the dwellings in the MBUA (see Table 7, page 33). Whilst Broxtowe, Erewash, Gedling and Rushcliffe all have substantial rural areas stretching out in their respective directions beyond the MBUA, the innermost parts of each (with substantial shares of their populations) form part of the MBUA.

3.1.2 Whilst the City of Nottingham does evidently cover the most central parts of the MBUA, it also cannot solely be treated as a ‘core’ with the other four authorities solely being the suburban outliers. The legacy of historic administrative boundaries means that areas within the City such as Bulwell to the north and Clifton to the south form the outer edges of the MBUA, but the northernmost parts of West Bridgford in Rushcliffe are less than 1km in a straight line from the southern edge of Nottingham City Centre. This is shown below in Figure 2.

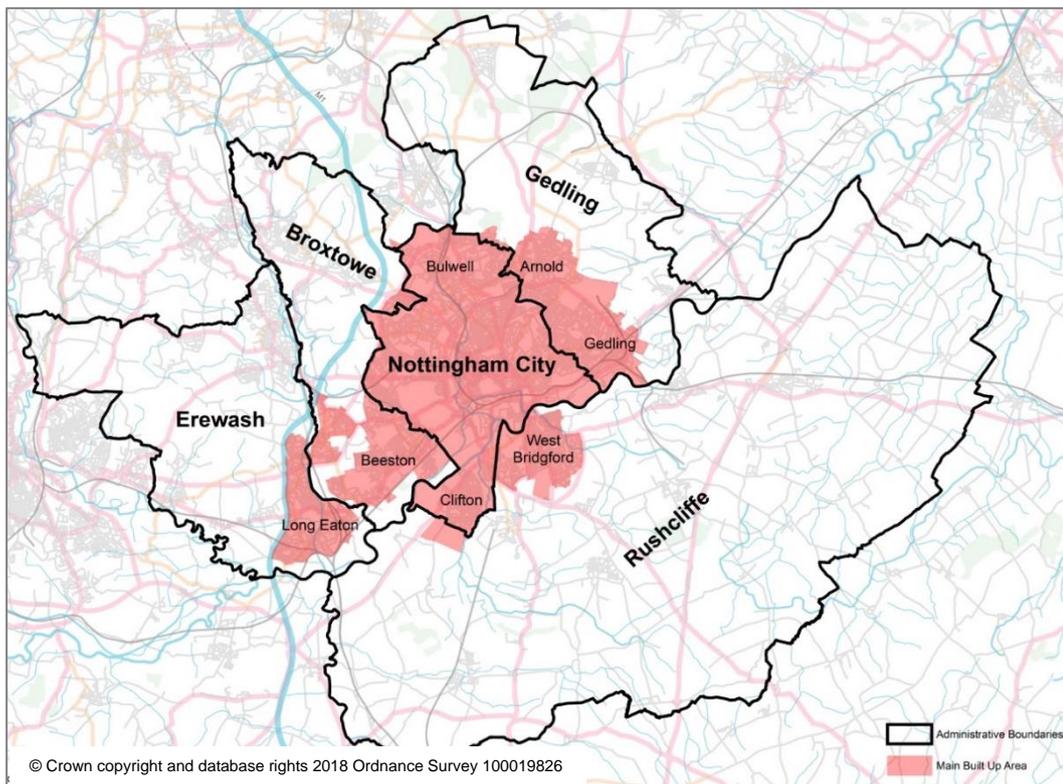


Figure 2 – Main Built-Up Area overlaid on administrative boundaries

3.1.3 The boundaries between the five authority areas are generally imperceptible and unsigned, and there are significant cross-boundary travel-to-work and housing market relationships between each. Whilst each authority has its own unique characteristics, the five authorities are more similar than they are different – and they clearly recognise the need to work across boundaries.

3.1.4 There is therefore significant benefit in ensuring that the SHLAAs produced across the housing market area are consistent – broad housing market conditions and place characteristics do not change at the moment a boundary is crossed. A shared approach between the five authorities is likely to be more robust, and easier to defend as part of the forthcoming reviews of local plans. Consistent methodologies will also avoid unexpected surprises and assist with the Duty to Cooperate. By bringing each authority closer to existing best practice within the MBUA on individual components of a SHLAA, it should ultimately help to ensure that housing capacity figures are made as robust as possible.

3.2 Reflecting local circumstances

3.2.1 Notwithstanding that consistency in SHLAA methodologies is generally something which the five authorities wish to work towards through this review, it is important that there remains sufficient scope for each authority to tailor its approach to reflect local circumstances. For example, development in Nottingham City Centre reaches densities which are not generally achieved in any other part of the MBUA, and it is important that Nottingham’s SHLAA is able to reflect that.

3.2.3 We also appreciate that views around the quantum of development which is suitable in a certain type of location might differ between each authority. Whilst striving for high-level consistency, our approach to the review is conscious of this.

3.3 Current levels of consistency

3.3.1 Each of the five local authorities across Greater Nottingham produces its SHLAA documents independently. Whilst a shared methodological approach was adopted by each authority in 2008¹³, the need to respond to changes in national policy and other changes in circumstances over that time mean that each authority now takes a more tailored approach to its SHLAA. The key details of each are set out in Table 2 below:

Local authority	Last published	Published Methodology?	Published Assessments?	Other sources of SHLAA assumptions/methodology
Broxtowe	2018 (Annual)	Yes	No	None
Erewash	2014	No	Yes	Five Year Housing Land Supply Assessment 2014
Gedling	2018 (Annual)	No	Yes	Five Year Housing Land Supply Assessment 2018 Part 2 Local Plan 2018, Policy LPD33 (Density)
Nottingham	2018 (Annual)	Partial	Yes	Housing Land Availability Report 2018
Rushcliffe	2018 (Annual)	Yes	Yes	None

Table 2 – Key details of SHLAAs and other assumptions by local authority

3.3.2 Table 3, over the following pages, sets out how each authority approaches the individual components of a SHLAA (in the same order as for the best practice appraisal in Chapter 3) in order to understand current levels of consistency.

¹³Nottingham Core Housing Market Area – Strategic Housing Land Availability Assessment: <https://www.broxtowe.gov.uk/media/2225/shlaa-methodolgy.pdf>

Table 3 – Comparison of approaches to SHLAA components by local authority					
SHLAA component	Broxtowe	Erewash	Gedling	Nottingham	Rushcliffe
Assessment Part 1 – Establishing whether a site can be added to the housing supply					
Availability	Sites are considered available where there is confidence of no legal or ownership problems such as ransom strips, multiple ownerships, tenancies or operational requirements of landowners.	Methodology for establishing availability not explicitly set out in SHLAA report, but planning history and ownership issues are considered in site assessments.	Methodology for establishing availability not explicitly set out in SHLAA report.	Approach considers whether there are any ownership or legal issues. Where sites have planning permission, are allocated for development or have been submitted for consideration in the SHLAA, there are assumed to be no legal obstacles to development unless available evidence indicates otherwise.	Methodology for establishing availability not explicitly set out in SHLAA report, but matters considered in site assessments include: <ul style="list-style-type: none"> • Ownership constraints • Operational or tenancy issues • Implementation progress of previous planning applications
Suitability	The following factors are considered: <ul style="list-style-type: none"> • Policy constraints; such as designations, protected areas and existing planning policy • Physical constraints and limitations; such as access, ground conditions and flood risk • Potential impacts on the natural and built environment • Environmental conditions which could impact prospective residents 	Methodology for establishing suitability not explicitly set out in SHLAA report, but matters considered in site assessments include: <ul style="list-style-type: none"> • Contamination • Bad neighbours • Access • Coal mining referral areas • Flood risk • Historic environment • Ecology • Air quality • Electricity pylons • Topography • Green belt • Competing uses 	Methodology for establishing suitability not explicitly set out in SHLAA report, but matters considered in site assessments include: <ul style="list-style-type: none"> • Green Belt • Flood risk • Historic environment • Archaeology • Natural environment • Agricultural land • Highways 	Approach considers whether the development of a site would contribute to the creation of sustainable communities. This includes the assessment of: <ul style="list-style-type: none"> • Site location • Existing planning policy • Physical constraints such as access and contamination • Environmental conditions which would impact prospective residents <p>Allocated sites and any site which has had permission (even if lapsed) is automatically considered to be suitable.</p>	Methodology for establishing suitability not explicitly set out in SHLAA report, but matters considered in site assessments include: <ul style="list-style-type: none"> • Landscape character • Topography • Infrastructure and utilities • Flood risk • Bad neighbours • Contamination • Natural environment • Historic environment • Proximity to public transport • Proximity to local facilities • Green infrastructure • Existing planning policy
Achievability	The following factors are considered: <ul style="list-style-type: none"> • Market factors; such as adjacent uses, economic 	Methodology for establishing achievability not explicitly set out in SHLAA report.	Methodology for establishing achievability not explicitly set out in SHLAA report.	Methodology for establishing achievability not explicitly set out in SHLAA report, but consideration is given to the	Methodology for establishing achievability not explicitly set out in SHLAA report, but housing market dynamics are

Table 3 – Comparison of approaches to SHLAA components by local authority					
SHLAA component	Broxtowe	Erewash	Gedling	Nottingham	Rushcliffe
	<p>viability and potential land use values, site attractiveness and likely market demand</p> <ul style="list-style-type: none"> • Cost factors; such as overcoming physical constraints or exceptional works and the likely availability of funds to assist with this, and the extent of likely planning obligations • Delivery factors; such as realistic build-out rates, numbers of developers and the size and capacity of those developers 			viability of development based upon a zonal system around the city.	considered in site assessments.
Overcoming constraints	The published methodology sets out that where constraints are identified, an analysis is carried out as to how and when these could reasonably be overcome. If a site is suitable but not available or achievable, the Council attempts to proactively address issues by facilitating discussions with stakeholders.	There is no explicit approach set out in the SHLAA to indicate what steps are taken to overcome constraints, but each individual site assessment includes a specific section which considers how any identified constraints could be overcome.	There is no explicit approach set out in the SHLAA to indicate what steps are taken to overcome constraints, but the conclusions in individual site assessments do provide evidence that consideration is given to how constraints might be overcome.	The published methodology sets out that specific efforts are taken to overcome any identified issues with availability, such as legal or ownership issues.	There is no explicit approach set out in the SHLAA to indicate what steps are taken to overcome constraints, but the reasoned judgements in individual site assessments do provide evidence that consideration is given to how constraints might be overcome.
Assessment Part 2 – Estimating the development potential					
Density	For all authorities, discussion at the local authority workshop confirmed that the approved site capacity is used on sites with planning permission. For other sites, any approximate intended quantum of dwellings provided by a developer is used as a starting point by all authorities to inform their assessments.				
	Starting point of 30dph , although the 2004 Broxtowe Local Plan seeks densities of up to 40dph where sites are	Starting point of 35dph , although densities are managed up or down as	Policy LPD33 in adopted Part 2 Local Plan requires minimum 30dph within the MBUA – higher density is	Advice from NCC Design & Conservation Team: • 50dph+ in city centre	Starting point of 25dph , although densities are managed up or down as

SHLAA component	Broxtowe	Erewash	Gedling	Nottingham	Rushcliffe
	<p>in close proximity (less than 400m) to public transport provision.</p> <p>The proposed policy text for in BBC’s submitted Part 2 Local Plan would also require a minimum 40dph in the urban extension site at Toton.</p>	necessary to reflect local character.	<p>supported where it reflects local character, but no explicit higher density figures are assumed by GBC.</p> <p>Where suggested capacities are provided by site promoters, those are utilised unless there is conflict with Policy LPD33.</p>	<ul style="list-style-type: none"> • 40-50dph in medium density areas • 30-35dph in suburban areas <p>Capacities adjusted to reflect officer expertise, and nearby precedents – mindful of drive for more family housing in submitted Part 2 Local Plan.</p>	<p>necessary to reflect local character.</p> <p>Reflecting the need to make an efficient use of land, existing strategic allocations in RBC’s Local Plan Part 1 are required to have net densities of at least 30dph.</p>
Developable area	<p>Area reduction (to which starting point densities are subsequently applied) based on the need to provide on-site infrastructure on larger sites:</p> <ul style="list-style-type: none"> • 60% of site area up to 500 dwellings • 40% of site area above 500 dwellings 	Officer judgement applied – no specific assumptions.	Officer judgement applied – no specific assumptions.	<p>Officer judgement applied – no specific assumptions.</p> <p>Noted in local authority workshop that reductions to developable area to provide on-site infrastructure are rarely necessary in city centre or inner-urban locations, given nature of apartment schemes and different expectations around green infrastructure, schools etc.</p>	<p>Overall density reduction based on the need to provide on-site infrastructure on larger sites:</p> <ul style="list-style-type: none"> • Starting point reduced to 23dph for sites between 1-3 hectares in size • Starting point reduced to 20dph for sites above 3 hectares in size
Responding to constraints	<p>For all authorities, site capacities are adjusted downwards in order to respond to constraints on or adjacent to sites (such as proximity to heritage assets, wildlife sites, flood risk etc). This is done on the basis of officer judgement, with no specific assumptions used by any authority.</p> <p>In adjusting capacities downwards, some authorities reduce developable areas (and subsequently apply their starting point densities to these), whereas others manage down their overall starting point densities.</p>				
Lead-in times	<p>Either determined from information provided by developers, or in the absence of any information officer judgement is applied (but there are no specific assumptions).</p>	<p>Sites with planning permission typically given a 3 year lead-in time. Sites without permission would typically be given a lead-in time of 6 years or more.</p>	<p>Determined from information provided by developers, otherwise varying scale based upon site size and housing market strength:</p> <ul style="list-style-type: none"> • Weak market area: 5-7 year lead-in time depending on site size 	<p>Typically assumed to be a 1-2 year lead-in time, unless a site is known to have complexities.</p>	<p>Variety of approaches depending on site circumstances and officer judgement, based upon evidence in SHLAA of past delivery.</p>

Table 3 – Comparison of approaches to SHLAA components by local authority					
SHLAA component	Broxtowe	Erewash	Gedling	Nottingham	Rushcliffe
			<ul style="list-style-type: none"> Moderate market area: 4-6 year lead-in time depending on site size Strong market area: 3-5 year lead-in time depending on site size 		
Build-out rate	<p>Discussions with developers have led to conclusions that 1 market dwelling per week can be supported, i.e. approximately 50 per annum.</p> <p>Assumed there will be two concurrent build outs by separate developers on sites with more than 150 dwellings in total, but market conditions are unlikely to support more than two concurrent build outs on any one site.</p>	<p>50 dwellings per annum.</p> <p>No specific approach to concurrent build outs on larger sites.</p>	<p>Determined from information provided by developers, otherwise varying scale based upon site size:</p> <ul style="list-style-type: none"> On sites up to 10 dwellings, 5 dwellings per annum On sites up to 250 dwellings, 20-40 dwellings per annum On sites up to 1,000 dwellings, 40-100 dwellings per annum 	<p>On greenfield sites, 70 dwellings per annum per developer – multiple developers and concurrent build-outs are anticipated on larger sites.</p> <p>Large amounts of development in the City is flats and apartments with different build-out characteristics – these often deliver their full yield in a single year. At the local authority workshop it was confirmed that officer judgements are applied in these circumstances, with no specific assumptions.</p>	<p>In the first year of build-out, 25 dwellings per annum for sites with total capacity under 200 and 50 dwellings per annum for all other sites.</p> <p>In subsequent years, 50 dwellings per annum per developer with numbers of developers on a site based on the following assumptions:</p> <ul style="list-style-type: none"> 1 developer on sites with total capacity under 200 (i.e. 50 dwellings per annum in total) 2 developers on sites with total capacity between 201-500 (i.e. 100 dwellings per annum in total) 3 developers on sites with total capacity between 501-2000 (i.e. 150 dwellings per annum in total) <p>On sites with total capacity above 2,001, 4 developers are assumed with build out rates up to 260 dwellings per annum in total</p>

3.4 Summary of consistency levels

- 3.4.1 Our review in Table 3 has demonstrated that all five authorities follow the same broad approach when producing a SHLAA. There are very few gaps in the table – and even in cases where authorities do not explicitly set out their assumptions in published documents, it is clear that assumptions do generally exist. Appropriate assumptions and discounts are generally made in order to arrive at site capacities and development timescales, which lead to approaches which are generally robust for their current purposes.
- 3.4.2 However, our review has also demonstrated that there is not always a high degree of consistency between the finer details and assumptions made in each authority. In some cases this will rightly reflect the need to account for local circumstances as highlighted in Section 3.2 – but in general, there would appear to be scope for change to bring the five authorities’ approaches closer together.
- 3.4.3 In drawing together our conclusions on consistency below, we have also had regard to consistency with the requirements of national policy and guidance set out in Chapter 2. In general we consider that each authority follows approaches that broadly align with these requirements, but identify a number of areas in which authorities need to be more explicit or proactive in demonstrating how their approaches are compliant.

Part 1 – Establishing whether a site can be added to the housing supply

- 3.4.4 **Availability** – In the majority of cases, SHLAAs consider issues around land ownership and legal constraints in reaching conclusions on availability – although the methodological approach to considering this is not always explicitly set out, and there are varying degrees of thoroughness. Currently, Gedling does not indicate how it has considered the availability of sites as part of the process of establishing whether sites can be added to their housing supply.

Consistency with national policy and guidance: With the exception of Gedling, where we have not been able to identify explicit consideration of availability, all authorities give some consideration to the type of availability considerations set out in the PPG. However, it may be necessary for clearer and/or more thorough approaches to be taken in some cases in order to demonstrate a robust approach.

- 3.4.5 **Suitability** – All five authorities consider suitability matters in detail in their SHLAAs. Whilst the actual matters considered in order to reach suitability conclusions vary slightly from authority to authority, all of them look at policy constraints as well as physical constraints.

Consistency with national policy and guidance: There is evident consideration of the types of suitability matters envisaged by the PPG across the SHLAAs of all five authorities. The only key matter referred to in the PPG which is not widely considered in SHLAA assessments is regeneration priority areas. Although the PPG refers to the consideration of the development plan when assessing suitability, it also refers to emerging plan policy and market requirements. In the context of each authority’s forthcoming plan review, it will therefore be necessary to consider degrees of weighting to existing adopted policy going forwards.

- 3.4.6 **Achievability** – Nottingham City, Rushcliffe and Broxtowe all actively consider housing market dynamics and viability in their SHLAA methodology and/or assessments in order to reach conclusions on the achievability of development on sites, although each considers different matters in reaching their conclusions and none are entirely comprehensive. Currently, Gedling and Erewash do not indicate how they have considered achievability at all as part of the process of establishing whether sites can be added to their housing supply.

Consistency with national policy and guidance: With the exception of Gedling and Erewash, where we have not been able to identify explicit consideration of achievability, all authorities give some consideration to the type of achievability considerations set out in the PPG. However, it may be necessary for clearer and/or more thorough approaches to be taken in some cases in order to demonstrate a robust approach. Where it exists, viability evidence should be used to inform SHLAAs.

- 3.4.7 **Overcoming constraints** – All five authorities give some consideration to how constraints can be overcome on sites in order to reach more positive conclusions about their deliverability or developability. Broxtowe is the only authority to explicitly set out a methodology for how it does this for availability, suitability and achievability – although Nottingham City indicates that it specifically works to overcome availability constraints, and Erewash includes a specific section in its site assessments considering how to overcome constraints. Future Housing Action Plans could also be a tool in helping to demonstrate how constraints are overcome.

Consistency with national policy and guidance: All five authorities take approaches which accord with the PPG, by giving consideration to how they might be able to overcome constraints. However, some are more explicitly proactive about the steps they take to do this.

Part 2 – Estimating the development potential

- 3.4.8 **Density** – There are significant variations in approach between each authority. For ‘typical’ suburban sites, density starting points vary between 25-35dph. Only two authorities – Nottingham and Broxtowe – have explicit uplifts for higher density development contexts

Consistency with national policy and guidance: In Gedling and Broxtowe, starting densities are directly informed by Local Plan policy in accordance with the PPG. Other authorities apply judgement based on local character and experience, an approach which similarly accords with the PPG. However, given the range of density starting points across the MBUA, it may be necessary to more clearly demonstrate alignment with the NPPF’s requirement for development to make an efficient use of land.

- 3.4.9 **Developable area** – All authorities manage down developable site area as site area increases, in order to factor-in the provision of infrastructure. However, only Rushcliffe and Broxtowe have a published numerical basis on which they do this – the other authorities apply officer judgement in the first instance. In adjusting capacities downwards, some authorities reduce developable areas (and

subsequently apply their starting point densities to these), whereas others manage down their overall starting point densities

Consistency with national policy and guidance: Whilst it is not explicitly referenced in national policy or guidance, we consider that consideration of the proportion of a site which is developable is an important component of undertaking a robust SHLAA.

- 3.4.10 **Responding to constraints** – For all authorities, site capacities are adjusted downwards in order to respond to constraints on or adjacent to sites. This is done on the basis of officer judgement, with no specific assumptions used by any authority. Again, in adjusting capacities downwards, some authorities reduce developable areas (and subsequently apply their starting point densities to these), whereas others manage down their overall starting point densities.

Consistency with national policy and guidance: Whilst it is not explicitly referenced in national policy or guidance, we consider that responding to constraints on a site in establishing its capacity is an important component of undertaking a robust SHLAA.

- 3.4.11 **Lead-in times** – There are significant variations in approach between each authority:

- Nottingham, Gedling and Erewash make standard assumptions about the number of years between the grant of planning permission and commencement of development – Rushcliffe and Broxtowe apply site-specific judgement (based on past experience) in the first instance.
- For Nottingham, Gedling and Erewash, the stated lead-in times vary from 1-2 years to up to 7 years
- Gedling varies its lead-in times based on site size and market conditions, and is the only authority of the five to take such an approach

Consistency with national policy and guidance: All authorities apply individual judgement or standard assumptions when considering lead-in times, which are based on past evidence and generally qualified by intelligence from landowners and developers. This accords with the NPPF and PPG. However, given the length of lead-in time assumptions in some cases (which prevents sites from being treated as deliverable), it may be necessary to consider whether enough is being done to meet the NPPF's requirement to identify opportunities to support the more rapid implementation of development.

- 3.4.12 **Build-out rates** – All authorities have standard approaches for the maximum numbers of dwellings that can be built-out by any one developer on a given site in each year. There are some minor variations in approach:

- For typical greenfield sites, all authorities anticipate build-outs of around 50 dwellings per annum per developer – except for Nottingham which anticipates up to 70 dwellings per annum
- For apartment schemes, Nottingham applies officer judgement in the first instance given their different build-out characteristics

- Gedling is the only authority with specific build out rates for smaller sites (i.e. 5 dwellings per annum for sites smaller than 10 dwellings)
- Rushcliffe typically anticipates lower levels of completions in the first year of build-out on a site, and is the only authority to do this
- Broxtowe considers it unlikely that more than two concurrent developer build outs on can be achieved on a single site, whereas Rushcliffe supports up to four concurrent build-outs

Consistency with national policy and guidance: All authorities generally apply standard assumptions when considering lead-in times, with the exception of Nottingham City which applies more bespoke judgements for high-density apartment schemes. These approaches are all based on past evidence, and generally qualified by intelligence from landowners and developers. This accords with the NPPF and PPG. Through annual monitoring and review, each authority also keeps its anticipated development rates under review in accordance with NPPF footnote 35.

4 Additional components of housing land supply

4.1 Rationale for additional components

- 4.1.1 We identify two additional components which may need be included as part of an overall land supply position, wherever justified by evidence. The first is a windfall allowance, which would form an addition to the overall land supply for an area. The second is a non-implementation rate, which would form a deduction.
- 4.1.2 SHLAAs allow local authorities to proactively identify sites which will be able to come forward for development and contribute to their housing land supply. However, no matter how thorough an approach is taken, it is inevitable that some circumstances will change following the production of a SHLAA – not all development can or will take place on sites which have actively been identified in advance. Equally, despite best intentions, not all sites which are anticipated to be developed will ever actually come forward and be built-out.
- 4.1.3 This chapter will consider each of the two additional components in turn.

4.2 Windfall allowance

- 4.2.1 Windfall sites can arise for a number of reasons:
- Landowners may not have been aware of the SHLAA process, or known that they could put forward their sites as part of it
 - Even if landowners are aware of the SHLAA, they may not have considered it necessary or worthwhile to engage with the process and put forward their site for inclusion, particularly where sites are small
 - Landowners may have concerns about having their site publicly identified and assessed for development at the point in time a SHLAA is undertaken, despite them knowing that they intend to put their site forward for development at some point in the future
 - Changes in circumstances and/or the passing of time after the publication of a SHLAA may mean that sites eventually come forward for development, despite there having been no intention of this at the time
- 4.2.2 Annex 2 in the NPPF defines windfall sites as *'Sites which have not been specifically identified as available in the Local Plan process. They normally comprise previously-developed sites that have unexpectedly become available.'* Whilst windfall often falls below the typical 5 or 10 dwelling site size thresholds by which they would be incorporated into SHLAAs, larger sites will also routinely emerge as windfall and there is no reason why these should not be included in any assessment. Indeed, given the NPPF's new focus on the contribution of smaller sites to housing supplies, and the number of smaller sites which are allocated in the Part 2 Local Plans progressing through examination across the MBUA, windfall will be more likely than ever to arise on larger sites.

- 4.2.3 The approach to determining a windfall allowance is set out in paragraph 70 of the NPPF. This states that:

“Where an allowance is made for windfall sites as part of anticipated [housing] supply, there should be compelling evidence that they will provide a reliable source of supply. Any allowance should be realistic having regard to the strategic housing land availability assessment, historic windfall delivery rates and expected future trends”.

- 4.2.4 Paragraph 70 goes on to state that *“Plans should consider the case for setting out policies to resist inappropriate development of residential gardens, for example where development would cause harm to the local area”*. This more permissive approach differs from previous versions of the NPPF, which specifically precluded historic development on garden land when authorities were establishing their future windfall allowances.
- 4.2.5 As noted in the previous chapter of this review, a windfall assessment forms Stage 3 of the five-stage process for housing and economic land availability assessments set out in national Planning Practice Guidance. However, the Planning Practice Guidance does not provide any further information or tests by which a windfall allowance should be arrived at beyond that set out in paragraph 70 of the NPPF. It is clear when establishing a windfall allowance that the emphasis is on an evidence-driven and justified approach, which responds to policy.
- 4.2.6 Each of the five authorities makes an allowance for windfall when establishing its overall housing land supply position. Based upon national policy and guidance, our best practice experience, and the current approaches taken to windfall by each of the five authorities, we identify five components that could form part of a conclusion on windfall. Each authority’s assumptions under each are set out in Table 4 on the following page, and explored further below.

Windfall component	Broxtowe	Erewash	Gedling	Nottingham	Rushcliffe
Is the windfall allowance informed by past evidence?	Yes	Yes	Yes	Yes	Yes
Does the windfall allowance account for likely future trends?	No	No	No	No	Yes
What is the baseline dwellings per annum in the allowance?	75 ¹⁴	47	40	120 ¹⁵	104
How does the baseline dwellings per annum change over time?	No change	No change ¹⁶	No change	Increase by 25 per year every year from year 5	Reduce by 25% beyond year 11
How many years until windfall contributes to the housing supply?	Year 1	Year 1	Year 6	Year 3 ¹⁷	Year 4

Table 4 – Windfall components and approaches by local authority

- 4.2.7 It is evident from this analysis that there are a variety of approaches being taken to establishing a windfall allowance across the five authorities.
- 4.2.8 Use of past evidence: Each authority uses historic evidence of windfall delivery as a basis for its future calculations. As a result of the requirement in the previous version of the NPPF, all five authorities also discount windfalls on garden land from their future calculations (see section 2.2). In some cases, the past evidence considered by local authorities also only deals with the delivery of windfall development on small sites.
- 4.2.9 Accounting for likely future trends: Whilst each authority evidently considers the reasonableness of its baseline windfall allowance going forward, Rushcliffe is the only authority with an explicit approach considering how the historic circumstances underpinning its baseline allowance might differ going forwards. It does this based on specific former land uses, to consider the likelihood of past trends existing in the future.
- 4.2.10 Baseline number of dwellings per annum: The baseline numbers of dwellings per annum from windfall evidently differ by authority, but to some degree this reflects

¹⁴ Following the recent examination hearings for Broxtowe's Part 2 Local Plan, the Inspector has advised that the 40 dwellings per annum previously assumed by Broxtowe is overly cautious, and 75 dwellings per annum should be used from year 1 onwards
Post Hearing Advice Note, March 2019, paragraph 7 –

<https://www.broxtowe.gov.uk/media/6281/broxtowe-post-hearing-advice-note.pdf>

¹⁵ Nottingham City Council has a baseline windfall allowance of 150 dwellings per annum, but also makes a separate demolition allowance of 30 dwellings per annum – 120 dwellings per annum is therefore the net figure.

¹⁶ In its most recent (2014) published 5-Year Housing Land Supply document, Erewash anticipated a reduction in windfall delivery to zero over time. However, this reflects a uncertainty at the time of its publication – at the local authority workshop, it was confirmed that Erewash would now expect to see a more consistent windfall rate.

¹⁷ Nottingham City Council makes a smaller windfall assumption of 30 dwellings per annum in Years 1 and 2, but this is cancelled out by the 30 dwellings per annum demolition assumption. The net windfall allowance therefore commences in Year 3.

the size of each authority area and the overall numbers of homes expected to come forward.

- 4.2.11 Changes to the baseline allowance over time: Broxtowe, Erewash and Gedling expect to see a consistent delivery of windfall across their plan periods. Nottingham City takes a different approach, and anticipates its delivery of windfall increasing over time, by 25 dwellings per year every year – from 150 gross (120 net) in year 4 to 300 gross (270 net) in year 10. By contrast, Rushcliffe reduces its windfall delivery by 25% from year 11 onwards, reflecting anticipated lower levels of windfall completions on large sites (10 or more dwellings) beyond that time.
- 4.2.12 Number of years until windfall contributes to housing supply: This component of the windfall allowance perhaps exhibits the widest variation across authorities. Only Broxtowe and Erewash follow the same approach, assuming that windfall should contribute to the housing supply immediately. Nottingham and Rushcliffe follow more moderate approaches, assuming that it will take until Years 3 and 4 respectively for windfalls to be built out, as a result of lead-in times – for sites to contribute to the housing supply immediately, they would need to be known about now, and therefore would not be windfalls.
- 4.2.13 Gedling places all of its windfall in Year 6 onwards. This reflects specific advice from the Inspector at its Local Plan Part 2 examination¹⁸, who was concerned that its inclusion any earlier in the plan period would result in double-counting. This is clearly somewhat at odds with the advice from Broxtowe’s Inspector (see footnote 14, previous page) that its windfall approach was overly pessimistic and that windfall should contribute to the housing supply immediately.
- 4.2.14 Table 5 on the following page sets out the overall windfall contribution for each authority, based upon current approaches. This is based on the remainder of the current plan period to 2028, taking 2018/19 as Year 1 for consistency with the most recent SHLAA and housing land supply positions at the time of writing.

¹⁸ Report on the Examination of the Gedling Borough Local Planning Document (Part 2 Local Plan), June 2018, paragraph 90 – <http://www.gedling.gov.uk/media/gedlingboroughcouncil/documents/planningpolicy/examinationlibrary/EX-171%20Gedling%20Local%20Plan%20Report.pdf>

Year		2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	Total	Windfall %
Broxtowe	Target	430	430	430	430	430	400	400	400	400	400	4,150	18.1%
	Windfall	75	75	75	75	75	75	75	75	75	75	750	
Erewash	Target	368	368	368	368	368	368	368	368	368	368	3,680	12.8%
	Windfall	47	47	47	47	47	47	47	47	47	47	470	
Gedling	Target	480	480	480	480	480	430	430	430	430	430	4,550	4.4%
	Windfall	-	-	-	-	-	40	40	40	40	40	200	
Nottingham	Target	1,190	1,190	1,190	1,190	1,190	1,170	1,170	1,170	1,170	1,170	11,800	12.6%
	Windfall	-	-	120	120	145	170	195	220	245	270	1,485	
Rushcliffe	Target	1,300	1,300	1,300	1,300	1,300	820	820	820	820	820	10,600	6.9%
	Windfall	-	-	-	104	104	104	104	104	104	104	728	
<i>All combined</i>	<i>Target</i>	<i>3,768</i>	<i>3,768</i>	<i>3,768</i>	<i>3,768</i>	<i>3,768</i>	<i>3,188</i>	<i>3,188</i>	<i>3,188</i>	<i>3,188</i>	<i>3,188</i>	<i>34,780</i>	<i>10.4%</i>
	<i>Windfall</i>	<i>122</i>	<i>122</i>	<i>242</i>	<i>346</i>	<i>371</i>	<i>436</i>	<i>461</i>	<i>486</i>	<i>511</i>	<i>536</i>	<i>3,633</i>	

Table 5 – Comparison of windfall allowances with current housing targets for each authority, 2018 to 2028

4.2.15 Perhaps unsurprisingly, the significant variety in approaches to establishing windfall allowances across the five authorities results in a wide variance in the proportions of housing targets which are comprised of windfall across the MBUA. Gedling and Rushcliffe sit some way below the 10.4% windfall proportion for the MBUA as a whole, whilst Broxtowe evidently sits some way above – although the extent of anticipated windfall there reflects specific instruction from the Inspector for Broxtowe’s Part 2 Local Plan. Nottingham and Erewash’s windfall proportions sit much closer to the MBUA-wide figure.

4.2.16 Given the recent direction of Broxtowe’s Part 2 Local Plan Inspector, it is the windfall proportions in Gedling and Rushcliffe that most obviously stand out as outliers.

4.3 Non-implementation rate

4.3.1 The previous section has explored the inherent reality of some sites arising unexpectedly as windfall, and set out the basis on which is reasonable to uplift the overall housing land supply position where justified by evidence. But there is a counterpoint to this – the equally inherent reality that, despite best efforts, some specific sites which are known to the local authority will never actually be built out. In taking a robust approach and following best practice, it is therefore important to consider the necessity of deductions from the housing supply to reflect non-implementation – also known as a ‘lapse rate’. However, it is important to note that there is no explicit requirement in the NPPF or Planning Practice Guidance to do this, and it would be appropriate for authorities to have a non-implementation rate of zero if justified by evidence – although non-implementation rates are referred to in the PPG as a potential component of housing land supply calculations.

4.3.2 Each authority’s current approach to non-implementation is as follows:

Broxtowe – Analysis carried out historically has indicated that between 8-9% of dwellings with planning permission are never actually built out. BBC therefore applies a 9% lapse rate to all unallocated SHLAA sites in its housing supply, and any with planning permission where that permission has not yet been implemented¹⁹.

Erewash – No specific lapse rate, but confirmed through local authority workshop that sites with planning permission are treated as undeliverable once they lapse.

Gedling – Consider a lapse rate unnecessary, as the SHLAA process monitors developer intentions on an ongoing basis and sites are treated as undeliverable in the absence of clear evidence to the contrary²⁰.

Nottingham City – No specific lapse rate, but confirmed through local authority workshop that sites with planning permission are treated as undeliverable once they lapse.

Rushcliffe – Confirmed through local authority workshop that a lapse rate is considered unnecessary, as unimplemented planning permissions have historically only averaged 1-2 lapsed dwellings per annum. This calculation does exclude a single large lapsed site from the late 2000s recession, which is treated as an anomaly. Any sites which do lapse are placed in an ‘unknown’ delivery category in the SHLAA.

4.3.3 It is evident that each authority currently takes a different approach to non-implementation, with Broxtowe the only authority that applies a numerical approach.

¹⁹ BBC SHLAA 2017-18, “Discount” paragraph (page 49)
https://www.broxtowe.gov.uk/media/4505/shlaa-2017_2018.pdf

²⁰ GBC Five Year Housing Land Supply Assessment 2018, Paragraph 30
<https://www.gedling.gov.uk/media/gedlingboroughcouncil/documents/planningpolicy/amrand5yhls/a/5YL2018.pdf>

5 Methodology Recommendations

Following our review of consistency in SHLAA methodologies across Greater Nottingham in Chapter 3 and our consideration of windfall and other components of housing supply in Chapter 4; all in the context of the review of national policy and guidance in Chapter 2, we are able to put forward a number of recommendations for how SHLAAs across the Greater Nottingham Main Built-Up Area could be improved. Some of these are general and apply to all authorities, whilst others concern specific approaches taken by individual authorities.

The majority of the 30 recommendations concern approaches to assessing sites which are actively identified by local authorities, or which emerge through call-for-sites processes. Sites in SHLAAs as a result of a grant of planning permission should be included on the basis of the details around site capacity and suitability which emerge from the planning application process.

General approach

1. **Erewash, Gedling and Nottingham:** In order to enable a clear understanding of the approach followed and assumptions made when preparing SHLAAs, we recommend that each authority publishes a detailed methodology alongside its individual site assessments.
2. **All authorities:** For matters where officer judgement is routinely applied in order to reach conclusions, we recommend that a standardised approach is devised and set out in published methodologies wherever possible. This will help to produce more consistent conclusions, less vulnerable to (for example) differences of opinion by individual officers. It will also assist in the understanding and defence of approaches at Examinations in Public. In recognising that case-by-case judgements will sometimes still be the only appropriate means to reach conclusions on certain matters, methodologies should set out in advance what those matters are anticipated to be in order to provide clear justification for any variation.
3. **All authorities:** The PPG refers to the undertaking of housing and employment land availability assessments (HELAAs), although the NPPF refers to SHLAAs only. We recommend that each authority considers whether it has a requirement (such as that arising from any updated understanding of need for employment land) to tailor its SHLAA process and methodology to establish employment land supply in addition to housing supply, although this would be an optional step.

Availability

4. **Gedling:** In order to ensure that robust conclusions are made, consistent with Planning Practice Guidance, we recommend that availability is more clearly and explicitly considered when making judgements about whether sites should be developed.
5. **All authorities:** Given that matters impacting on availability will generally be the same across the MBUA, we recommend that the five authorities establish a shared standard set of availability criteria to follow in site assessments.

Suitability

6. **All authorities:** The only suitability factor set out in Planning Practice Guidance which is not routinely considered in site assessments across the MBUA is regeneration priority areas. We recommend that assessments give consideration to regeneration priorities, particularly if these are shared across the MBUA.
7. **All authorities:** Matters impacting on suitability are likely to reflect local circumstances to a certain degree, although we would anticipate that there will still be a high degree of alignment across the MBUA. We recommend that the five authorities establish a shared standard set of suitability criteria to follow in site assessments, with their own additional local criteria if required. It would also be beneficial to develop a shared set of data standards, for example ensuring that all authorities utilise the same flood risk mapping.
8. **All authorities:** Given the timing of this review at the commencement of the wider Local Plan review being undertaken by each of the five local authorities, and the likelihood of change of some established policy designations, we recommend that all authorities take an open-minded approach to policy constraints in their SHLAAs – this will help to demonstrate that a positive approach is being taken to plan-preparation. Where the only matter preventing a site from being found suitable is a policy constraint, the assessment conclusions should be that the site is ‘suitable if policy changes’ (rather than ‘unsuitable’).

Achievability

9. **Erewash and Gedling:** In order to ensure that robust conclusions are made, consistent with Planning Practice Guidance, we recommend that achievability is more clearly and explicitly considered when making judgements about whether sites should be developed.
10. **All authorities:** Given that matters impacting on achievability will generally be the same across the MBUA, albeit that viability circumstances will vary to a degree, we recommend that the five authorities establish a shared standard set of achievability criteria to follow in site assessments.

Overcoming constraints

11. **Gedling and Rushcliffe:** In order to more clearly demonstrate a positive and proactive approach, we recommend that a clearer demonstration is made of efforts to overcome constraints. This could follow the methodological approach taken by Nottingham City and Broxtowe, or be explicitly incorporated into site assessments in the same way as Erewash. Both approaches may be desirable for all authorities.

Density

12. **All authorities:** Our review has demonstrated that there is an array of density starting points across the five authorities, despite the relative consistency of development typologies across the MBUA in reality. A more consistent approach would help to demonstrate robustness, and has the potential to identify additional housing capacity – looking at best practice nationally, we consider some of the

existing density starting points in use across the MBUA to be relatively low. We therefore recommend that all five authorities adopt a shared framework of density starting points based on development typologies. In recognising the nuances in political and policy approach across the MBUA, it would be for each authority to assign sites to a particular typology based on their own judgements about the characteristics of a site and its surroundings.

The following density typologies are initial suggestions based on existing approaches, but we recommend the need for additional work to verify the appropriateness of these density starting points based on local evidence. This work could also inform reviews of the density policies in each authority's Local Plan.

Typology	Development Characteristics	Density starting point
Nottingham City Centre	Apartments, likely to be 5+ storeys	100+dph
High density urban	Apartments, likely to be 3-5 storeys	70dph
Medium density urban	Likely to be a mix of townhouses and apartments	50dph
Suburban/urban extension	Likely to be primarily family houses at typical densities	35dph
Village/rural	Likely to be primarily family houses at lower densities	25dph

Table 6 – Potential density typologies to inform SHLAA assessments

Developable area

13. **Erewash, Gedling and Nottingham:** We recommend that all authorities adopt an approach to managing down the developable area of larger sites, to reflect the realities of on-site infrastructure provision (such as schools, community facilities and public open space).
14. **All authorities:** The approach taken by Rushcliffe to managing down densities with increasing site size is considered to be a robust approach, and we consider it to be suitable for all five authorities. Rushcliffe's discount from 25dph to 23dph for sites between 1-3 hectares equates to an 8% reduction, and its discount from 25dph to 20dph for sites over 3 hectares equates to a 20% reduction. For simplicity, we would recommend reductions of 10% and 20% are used. Given the need to provide much more significant onsite infrastructure such as schools on the largest development sites, we would recommend a further 'step-down' in developable area, with a reduction by 30% for sites larger than 6 hectares. These figures are suggested as guidelines, and should be evidenced and justified either by each authority or across the MBUA to demonstrate their robustness.

Responding to constraints

All five authorities currently apply judgements on a case-by-case basis about how the developable area and density of a site should be managed down further, to account for constraints on or adjacent to a site. We consider that this is best done with local officer expertise in response to the individual conditions on a site, and therefore have no recommendations to make for this component of the assessment.

Lead-in times

15. **Broxtowe and Rushcliffe:** In order to ensure that robust and consistent conclusions are made about lead-in times, we recommend that more standardised starting points are adopted in common with the other three authorities – although we also advise that there should be scope for flexibility where site-specific circumstances necessitate it. Given the local understanding of housing markets by each authority, we consider it reasonable for lead-in time assumptions to differ to an extent between authorities.
16. **Gedling:** The lead-in times currently utilised are evidently based upon careful efforts to reflect local housing market dynamics. However, we consider the lead-in times used (particularly for the largest sites and the weakest parts of the borough’s housing market) to be somewhat pessimistic, and prevent many sites from being classed as deliverable in accordance with the NPPF definition. In the context of the desire for rapid implementation of planning permissions in NPPF paragraph 72(d), we recommend that the potential to shorten these lead-in times is explored.

Build-out rates

17. **All authorities:** There is relatively close alignment between each authority’s assumptions on build-out rates. However, given that all five authorities share the same housing market area, we recommend that all five authorities aim to adopt a shared assumption (or set of assumptions) for build-out rates on medium and suburban density sites where no better information (i.e. directly from a developer) exists. Given their more unique characteristics, we recognise that high density apartment schemes will tend to exhibit more bespoke build-out rates.
18. **All authorities:** Broxtowe and Rushcliffe have standard assumptions about the number of developers that can be supported on a single site, although these differ. For the same reasons as above, we recommend that all five authorities aim to adopt a shared assumption (or set of assumptions) on this.

Windfall allowance

19. **All authorities:** Given their shared desire to maximise urban capacity across the MBUA, we recommend that the five authorities adopt a consistent approach to calculating a windfall allowance. Given the NPPF’s emphasis on both past evidence and future trends, and to allow more nuanced and robust allowances to be made, this could be carried out on a use-class basis²¹. In the case of offices, for example, such an assessment would consider historic levels of residential windfall from that use, and consider how that might change in the future in light of the permanent extension of office-to-residential permitted development rights.
20. **Gedling:** Whilst the SHLAA process allows the active identification of sites with a capacity of 10 or above, this does not mean that all windfall will emerge on sites with

²¹ An example of this approach in practice can be found in Welwyn Hatfield Borough Council’s 2016 Housing and Economic Land Availability Assessment: <https://www.welhat.gov.uk/article/6379/Housing-and-Employment-Land-Availability-Assessment-2016-HELAA>

a capacity below 10. We recommend that windfall allowances are made based on sites of any size, so long as there is compelling evidence of past delivery as required by the NPPF.

21. **All authorities:** Given the renewed emphasis on the contribution of small sites to housing supplies in the revised NPPF, and the allocation of a number of smaller sites in the Part 2 Local Plans progressing through examination across the MBUA, it is conceivable that windfall arising from small sites will be slightly lower in the future. We recommend that windfall allowances are re-assessed on this basis, to avoid double-counting.
22. **All authorities:** Given the robust evidence of windfall arising from former residential garden land across the MBUA, we recommend that this is incorporated into windfall assessments now that the NPPF permits it. As part of the consideration of likely future trends, resultant windfall allowances should respond to any policies in plans which continue to resist the redevelopment of garden land. This is particularly the case where these policies have recently been introduced in Part 2 Local Plans, and will result in different approaches to the determination of planning applications.
23. **Nottingham:** Because there can be less certainty about exactly which sites will be developed the further off one goes into the future, the approach taken to increasing windfall over time is considered to be reasonable. However, we recommend that a further evidence is set out to articulate the exact scale of uplift incorporated in Nottingham's windfall allowance.
24. **Broxtowe, Erewash, Gedling and Rushcliffe:** For the reasons above, we recommend that consideration is given to whether evidence exists to justify increasing the windfall allowance over time.
25. **Nottingham:** To aid consistency across the MBUA, we recommend that windfall figures are presented as 'net' in common with the other four authorities, and that demolitions are therefore not shown separately.
26. **Broxtowe and Erewash:** Our experience from undertaking SHLAAs and SHLAA reviews elsewhere is that windfall completions are relatively unlikely to occur in the first two years for which a housing trajectory is produced – sites completing in those years are very likely to already be known. However, we recognise the direction given by the Inspector for Broxtowe's Part 2 Local Plan that windfall should contribute to the borough's housing supply immediately (i.e. in Year 1). In order to demonstrate the future robustness of this immediate application of windfall, we recommend that evidence on whether it is justified is reviewed periodically.
27. **Gedling:** Whilst we note the view taken by Gedling's Part 2 Local Plan Inspector that there should be no windfall allowance until Year 6 of the housing trajectory; this is at odds with approaches elsewhere in the MBUA, our experience of best practice elsewhere nationally, and most notably the more recent view of Broxtowe's Part 2 Local Plan Inspector that its own approach to windfall was unduly pessimistic. We therefore recommend that Gedling reviews its evidence with a view to making a windfall allowance no later than Year 4.

Non-implementation rates

28. **Broxtowe:** The evidence informing the non-implementation rate includes years over the early-2010s recession, and results in a 9% deduction which is clearly at odds with approaches elsewhere in the MBUA. Going forward, we recommend that the non-implementation rate is reassessed based on a longer economic cycle.
29. **Rushcliffe:** The justification provided for not making a non-implementation deduction may be reasonable, but in order to be demonstratively robust we recommend that this is clearly justified in a written methodology.
30. **Erewash, Gedling and Nottingham:** Whilst the removal of sites from the housing supply in the absence of ongoing deliverability evidence once they lapse is an appropriate step, this does not address the inherent reality that some sites remaining in the supply will still lapse at an unknown point in the future. Given its reference in Planning Practice Guidance, we recommend that Erewash, Gedling and Nottingham consider their historic rates of non-implementation, and if evidence points to any need to make an allowance then these are deducted from permissions which have not yet been implemented in the same way as Broxtowe.

6 Updated urban capacity for Greater Nottingham

6.1 Introduction and approach

- 6.1.1 The final output of our review is to attempt to establish an updated urban capacity for the Greater Nottingham Main Built-Up Area, as a result of our recommendations. This will help to inform the wider reviews of Local Plans across the MBUA over the coming years.
- 6.1.2 Of our 30 conclusions in the previous chapter, around half are directly or indirectly relevant to housing capacity. We have factored the impacts of the following recommendations within our updated urban capacity figures:
- 12 – Density starting points
 - 13/14 – Managing down developable area
 - 19 – Greater windfall consistency
 - 22 – Inclusion of garden land into windfall allowances
 - 23/24 – Increasing windfall applies over time
 - 25/26 – Number of years until windfall allowance applies
 - 28/29/30 – Non-implementation rates
- 6.1.3 In all other areas, the figures presented in this chapter are based on existing approaches and methodologies.
- 6.1.4 Section 6.2 sets out the current baseline housing supply position across the MBUA, based on information provided to us by each local authority at the outset of this review. Section 6.3 builds upon this starting point to provide updated housing land supply positions based upon two scenarios, each of which builds further from the previous:
- Scenario 1 – Consistent windfall and non-implementation approaches
 - Scenario 2 – Application of density typologies to unallocated sites
- 6.1.5 The figures presented should be viewed as hypothetical and indicative, and be utilised for the purpose of this review only. They do not represent a definitive update of urban capacity for the MBUA as a whole, nor for each individual authority. We recommend that these figures are further iterated once the recommendations in this review have been considered, in order to produce more refined outputs.

6.2 Current housing supply position

- 6.2.1 Each of the five authorities has provided us with their current housing supply data – i.e. all sites which have been found to be available, suitable and achievable and which are therefore either deliverable within 5 years or developable within 6-15 years. The majority of this supply is over the earlier part of the plan period for the review of local plans across Greater Nottingham (2018 to 2038), as a result of the end of the current plan periods across the MBUA being 2028.

- 6.2.2 It is important to note that, given the point in time at which this review was undertaken, not all authorities have been able to reflect known permissions and completions data from the 2018/19 monitoring year. In order to be consistent relative to the new 2018 to 2038 plan period we have reported the 2018/19 monitoring year as a ‘future’ year, although for those authorities with up-to-date data the figures used reflect actual dwelling completions.
- 6.2.3 The figures presented are also based upon the provision of conventional dwellings (Use Class C3) on SHLAA sites and allocated sites. If the eventual development coming forward on those sites is student accommodation in Use Class C1, the resultant dwelling yields may differ slightly when following the approach at paragraph 042 of the Planning Practice Guidance – this indicates that student accommodation should be included in housing supplies based on the number of Class C3 dwellings released elsewhere in the housing market, and is established through a ratio approach derived from census data.
- 6.2.4 It can clearly be specified whether individual development sites are within or outside of the MBUA. However, windfall allowances are established across the entirety of each local authority area, and therefore need to be apportioned to the MBUA. Table 7 below sets out the basis on which we have done this, based on the numbers of dwellings in each authority area which are within the MBUA.

Authority	Total dwellings ²²	MBUA dwellings ²³	Dwellings % in MBUA	Windfall starting point	MBUA windfall
Broxtowe	48,666	32,077	66%	75	50
Erewash	50,530	21,261	42%	47	20
Gedling	50,864	39,869	79%	40	32
Nottingham	131,194	131,194	100%	120	120
Rushcliffe	47,349	17,461	37%	104	38

Table 7 – Attribution of windfall to MBUA based on existing numbers of dwellings

- 6.2.5 Table 8 below sets out the current baseline housing land supply position across the MBUA. These figures are based upon information that was provided to us by each of the five local authorities as we commenced our review, and the application of the MBUA apportionment for windfall set out in Table 7 above. This produces the following baseline housing land supply starting point for the MBUA:

2018-2038 Baseline Housing Land Supply Position						
Authority	Broxtowe	Erewash	Gedling	Nottingham	Rushcliffe	MBUA Total
Allocations	5,230 ²⁴	0	4,395	9,852	8,450	27,927
Unallocated	250	595	90	2,690	94	3,719
Permissions	978	119	503	3,411	464	5,475
Windfall	1,000	400	480	4,185	551	6,616
Non-Impl.	-67	0	0	0	0	-67
Total	7,391	1,114	5,468	20,138	9,559	43,670

Table 8 – Baseline Housing Land Supply Position for the MBUA

²² 2011 Census

²³ Approximation based upon electoral wards

²⁴ Includes continuing capacity on allocated sites which are subject to review

6.3 Updated urban capacity scenarios

Scenario 1 – Consistent windfall and non-implementation approaches

- 6.3.1 This scenario considers the potential impact on housing supply across the MBUA if each authority adopts a more consistent approach to establishing its windfall allowance. To construct it, we have made the following assumptions:
- 6.3.2 Greater windfall consistency – In Table 5, we established that Gedling and Rushcliffe currently make much smaller windfall allowances than other authorities – at 4.4% and 6.7% of total housing supply respectively. This compares to a 10.4% combined windfall provision for the MBUA as a whole, and is in stark contrast to the 18.1% level in Broxtowe which results from the recent advice of its Part 2 Local Plan Examination Inspector. Whilst it will be for each authority to re-establish its windfall allowance based on evidence, we have assumed that an uplift of 25% could be made to the windfall starting points of Gedling and Rushcliffe, in order to bring the five authorities closer together. This is considered to be relatively conservative given the current extent of difference.
- 6.3.3 Inclusion of garden land – Per recommendation 22, we consider that garden land should now be included in windfall allowances – subject to it being justifiable by evidence. Gedling and Rushcliffe already provide that evidence in their SHLAAs. Gedling’s 31 dwellings per annum arising from garden land would equate to a 78% uplift on its existing windfall baseline of 40 dwellings per annum, but is considered unlikely to continue at that rate in the future given the relatively restrictive provisions of Policy LDP34 in its newly adopted Part 2 Local Plan. Rushcliffe’s windfall would increase by 24 dwellings per annum above its existing windfall baseline of 104 dwellings per annum – equivalent to a much more modest 23% uplift. We have therefore applied this level of uplift to each authority’s windfall baselines, as a more conservative rounded 20%.
- 6.3.4 Increase in windfall over time – Per recommendations 23 and 24, we consider it reasonable for a windfall allowance to increase over time. Whilst noting that Nottingham City Council already has an approach of applying a fixed annual increase from year five in its housing trajectory (based on existing evidence), in applying an uplift to the other authorities we have taken a conservative approach and not increased windfall rates until the eleventh year of the trajectory. This is because 2028 forms the end of the current plan periods across the MBUA, and is the point from which there are substantially fewer identified sites. Furthermore, rather than applying the same fixed annual increase as used in Nottingham (and which is specific to local circumstances), for the other authorities we have assumed that a compound 10% increase in windfall provision each year might be possible, although it will be for each authority to establish a reasonable approach in practice. This means that the uplift is initially modest, but accelerates over time.
- 6.3.5 Number of years until windfall allowance applies – Based upon best practice experience elsewhere, we consider the third or fourth year of a housing trajectory to be the appropriate amount of time until a windfall allowance can begin (per recommendations 26 and 27). For this scenario, we have applied a conservative

approach and commenced the windfall allowance from the fourth year for all five authorities. We recognise that this differs from approaches which have been demonstrated to be robust for some individual authorities, but this reflects our desire to apply consistent and conservative approaches in these scenarios.

- 6.3.6 **Non-implementation rate:** Across recommendations 28-30, we have suggested that all five authorities re-appraise their approach to non-implementation. It may be that each authority has evidence to justify not making a deduction for non-implementation, but in continuation of our conservative approach we have assumed a standard non-implementation rate of 5%. This is based on Broxtowe's 9% rate being well about the zero non-implementation rates currently taken elsewhere across the MBUA, although this is suggested on a national basis and would need to be justified either jointly or by each authority in practice.
- 6.3.7 To apply this 5% rate, the data available to us is insufficiently granular to identify how many planning permissions across the MBUA are unimplemented. We have therefore applied an assumption that roughly half of planning permissions are unimplemented at any point in time, and that the non-implementation rate would therefore apply to half of the total dwellings with planning permission. The non-implementation rate applies to all unallocated SHLAA sites, as none of these have a planning permission in place that could have been implemented.

Scenario 1: Consistent windfall and non-implementation approaches						
Authority	Broxtowe	Erewash	Gedling	Nottingham	Rushcliffe	MBUA Total
Allocations	5,230	0	4,395	9,852	8,450	27,927
Unallocated	250	595	90	2,690	94	3,719
Permissions	978	119	503	3,411	464	5,475
Windfall	1,472	589	1,177	4,185 ²⁵	1,398	8,821
Non-Impl.	-37	-33	-18	-220	-17	-325
Total	7,893	1,270	6,147	19,918	10,389	45,617

Table 9 – Scenario 1, Consistent windfall and non-implementation approaches

- 6.3.8 Scenario 1 results in a total housing supply for the MBUA of **45,617**, an increase of **1,947** dwellings over the 43,670 dwelling baseline position.
- 6.3.9 As noted in Section 6.1, these numbers are based on a series of assumptions and are indicative of the type of increase in housing supply that might conceivably be expected if each authority follows the recommendations set out in Chapter 5. A process of reassessment by each authority will be necessary in order to establish on a robust basis exactly what the new housing capacity figures following this approach would be.
- 6.3.10 This scenario, and the expected uplift in windfall over time, is also predicated on the current situation where there are very few sites identified for the latter years of the new plan period across the MBUA. If more sites are identified through call for sites processes that would be built out in the latter part of the new plan period, a lower uplift in windfall might be necessary.

²⁵ Our assumptions would result in a lower windfall supply for Nottingham of 3,680. However, per page 34, in recognition that Nottingham's current windfall approach (increasing by 25 per annum from 2021 to 2028) has been scrutinised through the examination of its Part 2 Local Plan, we have retained the higher baseline windfall figure.

Scenario 2 – Application of density typologies to unallocated sites

- 6.3.11 This scenario considers the potential impact on housing supply across the MBUA if each authority followed the new density typology and developable area assumptions for their unallocated SHLAA sites. To construct it, we have made the following assumptions:
- 6.3.12 Sites with planning permission – For sites with permission, we have maintained the capacities based upon the information provided to us by each authority. This is consistent with the approach each authority currently takes in its SHLAA, and we are not recommending any different approaches through this review.
- 6.3.13 Sites allocated in Local Plans – We have also maintained the capacities for sites allocated in Local Plans based upon the information provided to us by each authority. This reflects the high bar of evidence around deliverability/developability and site capacity that will have been demonstrated for each, in order for them to become allocated in a development plan.
- 6.3.14 Unallocated SHLAA sites – This third category consists of all sites which do not have planning permission in place, but which are not allocated in Local Plans either. Our density typology and developable area recommendations could be applied to these relatively easily. For sites currently assessed in SHLAAs with capacities below 10 dwellings we have maintained the current capacities assigned by each local authority, as those capacities would not significantly change.
- 6.3.15 In terms of density starting points (recommendation 12), we have notionally assigned each site to one of the four MBUA categories (i.e. excluding village/rural sites) set out in the density typologies in Table 6. This has been done based on our own view on surrounding urban character, although clearly in practice these will be judgements for each authority to make and our conclusions should be qualified on this basis. For each site, we have then applied our developable area recommendations (13/14) to establish new notional capacities.
- 6.3.16 For the purposes of this report, in cases where our typology approach results in a higher site capacity, we have reflected these in the total figures below. However, in cases where our recommendations result in a lower capacity for a site we have maintained the original higher capacity – those will have been based upon responses to site-specific conditions, and we have no basis on which to begin constructing more arbitrary capacities for those sites. This is particularly prevalent in Nottingham City Centre, where our 100dph city centre density typology should be treated as an absolute minimum in view of the much higher densities which are routinely being achieved.

Scenario 2: Application of density typologies to unallocated sites						
Authority	Broxtowe	Erewash	Gedling	Nottingham	Rushcliffe	MBUA Total
Allocations	5,230	0	4,395	9,852	8,450	27,927
Unallocated	250	695	137	2,988	123	4,193
Permissions	978	119	503	3,411	464	5,475
Windfall	1,472	589	1,177	4,185	1,398	8,821
Non-Impl.	-37	-38	-20	-235	-18	-347
Total	7,893	1,365	6,192	20,201	10,417	46,068

Table 10 – Scenario 2, Application of density typologies to unallocated sites

- 6.3.17 Scenario 2 results in a total housing supply for the MBUA of **46,068**, an increase of **451** dwellings over the 45,617 dwellings in Scenario 1. This is a relatively modest increase, and reflects the small proportion of the MBUA's housing supply which is on unallocated sites. It also reflects what we consider to be relatively optimistic approaches to density already taken for sites in Nottingham City Centre, which have not generally been uplifted as a result of our approach. Nevertheless, it does demonstrate the potential capacity impacts of higher density starting points.
- 6.3.18 As noted in Section 6.1, these numbers are based on a series of assumptions and are indicative of the type of increase in housing supply that might conceivably be expected if each authority follows the recommendations set out in Chapter 5. A process of reassessment by each authority will be necessary in order to establish on a robust basis exactly what the new housing capacity figures following this approach would be.
- 6.3.19 In undertaking future SHLAA reviews, a judgement will also need to be made by officers as to whether the capacity of a site should be based upon a typology or on responses to site specific conditions in the first instance.

Further impacts on housing supply going forward

- 6.3.20 Although knowingly hypothetical, the two scenarios presented in this chapter have demonstrated the potential for modest uplifts in housing supply across the MBUA if our recommendations are carried out by each authority. However, in the context of the reviews of local plans which are now underway – in particular the imminent MBUA-wide Call for Strategic Sites – our recommendations will be most pertinent going forward as potential new development sites are assessed in SHLAAs by each authority, and density increases are able to provide a proportionate uplift in housing supply.
- 6.3.21 Our appraisal in Scenario 2 has indicated that our density typology and developable area recommendations could result in a potential 13% uplift in capacity on unallocated SHLAA sites, from 3,719 to 4,193. Put another way, this would translate to 13% less land to achieve the same number of dwellings. Whilst further assessment is required to follow-up the recommendations in this review and establish robust and evidence-led new approaches, this is indicative of the potential extent of impact on land requirements across the MBUA going forward.

6.4 Conclusion and next steps

- 6.4.1 This review of SHLAAs has considered that, in general terms, each of the five local planning authorities within Greater Nottingham already approach their SHLAAs in a robust manner.
- 6.4.2 However, there are a number of inconsistencies that can be addressed – both in terms of consistency with national policy and guidance, and consistency within Greater Nottingham. Given that the five authorities share a housing market area, and in our view are more similar than they are different, there will be significant benefits to achieving that consistency. That said, it will remain equally important

that the approaches taken by authorities can still suitably reflect local circumstances and priorities.

- 6.4.3 We have made 30 recommendations as a result of our review. Some of these concern approaches taken by individual authorities, whereas others apply across all five authorities. Some constitute relatively minor changes and simply concern the way in which assumptions and approaches taken by the five authorities are set out and codified in written methodologies; whereas others will require more detailed consideration, the reappraisal of evidence, and changes to approaches in future SHLAAs.
- 6.4.4 In addition to a current baseline housing land supply position for the MBUA, we have presented two hypothetical scenarios for the impacts of these on housing land supply across the MBUA. The hypothetical nature of these is key to emphasise, as the resultant figures in reality would very clearly depend on the extent to which the recommendations are followed and any reassessment and revised evidence that results from this. However, they do indicate the degree of uplift in housing capacity that might be expected if the recommendations are followed. From a starting point of 43,670 dwellings across the MBUA for the new 2018 to 2038 plan period, our scenarios produce a range from 45,617 dwellings to 46,068 dwellings. We would expect the recommendations to have even greater implications on housing land supply and urban capacity across the MBUA going forward, if they are implemented by authorities and applied to new housing sites put forward by landowners through the imminent MBUA-wide Call for Strategic Sites.
- 6.4.5 Subject to the establishment of appropriate evidence following on from our recommendations, we consider that there is potential for SHLAAs to justify a more efficient use of land in order to meet the MBUA's development needs. This will be of paramount importance in informing the two other forthcoming evidence base components as the five authorities progress towards consultation on new growth options for the Nottingham Core Housing Market Area – the review of the settlement hierarchy, and consideration of potential approaches to meeting future growth needs. It is also reflective of the new emphasis in Paragraph 123 of the revised NPPF on making the most effective use of land and on uplifting densities.
- 6.4.6 It will now be for the five authorities (jointly or individually, as appropriate) to choose how they respond to the recommendations in this review, and more conclusively establish the potential future housing supply position for the MBUA.
- 6.4.7 We recommend that a further review of SHLAA methodologies is carried out once the initial recommendations in this review have been implemented and the Call for Strategic Sites has been carried out, in order to verify their appropriateness and impacts on housing land supply. This would help to provide a robust backing for each SHLAA, in advance of the examination of each authority's new Local Plan. In parallel with the forthcoming settlement hierarchy and growth options assessments for the Greater Nottingham authorities, this review could also consider the broader application of SHLAA methodologies to sites outside the MBUA and help to inform conclusions around the desirability of urban extensions, distributed development or new standalone settlements.