



Report to Sunderland City Council

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an Inspector appointed by the Secretary of State

Date 12 October 2021

Report on the Council's 5-Year Housing Land Supply Annual Position Statement

The Annual Position Statement was submitted by the Council on 22 July 2021

RECOMMENDATION

1. Based on the Annual Position Statement (the APS) submitted by Sunderland City Council on 22 July 2021, it is confirmed that a 5 year supply of deliverable housing sites has been demonstrated. The Council is therefore now entitled to rely on the position shown in the APS for a period of one year, until 31 October 2022.

CONTEXT AND BACKGROUND

2. The National Planning Policy Framework (the NPPF), at paragraph 75, provides that a planning authority may establish the existence of a 5-year supply of housing land in their area through the preparation of an APS. The circumstances in which authorities can seek to confirm their land supply through an APS are either where they have a recently adopted Local Plan, or where they are able to renew a previously confirmed APS.
3. The process that authorities should follow if they wish to confirm their land supply in this way is set out in the Planning Practice Guidance (PPG) on Housing Supply and Delivery, as updated in July 2019¹. When assessing an APS, the PPG requires PINS to carry out a 2-stage assessment. The first stage will be to confirm whether the correct process has been followed, and secondly whether the evidence submitted is sufficient to demonstrate a 5-year supply. My report therefore follows this sequence.
4. As also required by the PPG, I have assessed the submitted APS on its own merits, based solely on the draft APS itself and the evidence contained within its accompanying Appendices.

STAGE 1 ASSESSMENT

Whether the draft APS meets the relevant requirements relating to the renewal of a previously confirmed APS

5. Sunderland City Council adopted its Core Strategy and Development Plan (the CSDP) in January 2020, and submitted its first APS to the Planning Inspectorate (PINS) in July 2020. That Statement had a base date of 1 April 2020, and sought to demonstrate a 5-year supply with reference to the period 1 April 2020 – 31 March 2021. The APS was confirmed by PINS in October 2020, and remains valid until 31 October 2021. The Council is therefore eligible to seek to demonstrate their land supply for a further year, through a renewed APS.
6. The present draft APS was submitted to PINS by the Council on 22 July 2021. This new draft APS has a base date of 1 April 2021, and seeks to demonstrate the continued existence of a 5-year supply with reference to the period 1 April 2021 – 31 March 2022. The draft APS therefore follows on from the previously confirmed APS.
7. In these respects the draft APS meets the relevant requirements for renewal.

¹ PPG paragraphs 68-004-20190722 to 68-18-20190722

Whether satisfactory stakeholder engagement has been carried out

8. The nature of the stakeholder engagement that a Council should undertake in connection with an APS is outlined in the PPG, at paragraphs 68-015 and 68-016. Authorities are advised to engage with developers, stakeholders and others who may have an impact on housing delivery. The stated aim is to provide robust challenge, before seeking agreement where possible, and reaching reasoned conclusions.
9. In Sunderland, the Council has carried out two formal stages of engagement. Stage 1, during April 2021, was based on a set of 'pro-forma' site profiles, setting out officers' assessments of each individual site, with a forecast of the trajectory for each. These were sent to relevant developers, landowners and agents with interests in these particular sites, with a request for comments in writing. The response rate appears to have been high, with a number of suggested minor adjustments being received. In most cases this process seems to have led fairly quickly to a revised trajectory being agreed between the Council and relevant parties. As far as I can tell, this exercise seems to have been carried out diligently and comprehensively, identifying potential problems and constraints and their likely effects on housing delivery.
10. In Stage 2, during May and June 2021, the Council invited comments on a draft version of the overall Schedule of sites and trajectories, and the resulting 5-year supply calculation. This stage involved a direct approach to the stakeholders identified previously, and also to a range of other relevant parties. One further minor adjustment was made to the APS in the light of the responses received. In addition, the Council had allowed for a third stage of engagement, in relation to any disputed sites, but in the event, this was found to be not needed.
11. The PPG makes clear the importance of the engagement process in ensuring that the resulting APS is shown to be robust. In the present case, the second stage of engagement was particularly important in this context, as it provided the only formal opportunity for challenge by other parties, such as those promoting other sites that are not currently included in the APS's 5-year supply. Whilst the Council's list of invitees did include 46 parties under the heading of 'developers', it is not made clear whether these extended beyond the promoters of the sites that were already included. Of the four responses received at Stage 2, only one was from the development industry. As a general observation, it is clearly desirable that the broadest range of participation in the APS process be encouraged and achieved, and it would therefore have been preferable for the APS to be fully transparent on this point.
12. But nevertheless, the draft APS and second-stage consultation were advertised on the Council's website, and other potential interested parties were therefore not excluded altogether. As far as I am aware, no objections or adverse comments were received regarding the engagement process as such. The PPG states that the decision as to which stakeholders to involve, is ultimately a matter for the authority. On balance I am satisfied that the engagement process carried out was adequate.

STAGE 2 ASSESSMENT

Whether a 5-year housing land supply has been demonstrated

The housing requirement

13. The housing requirement figure is derived from Policy SP8 of the CSDP, which sets a minimum target of 745 net additional dwellings per annum, over the period 2015-33. Over the five years of the APS period, 2021-26, this would amount to 3,725 units.
14. For the purposes of compiling an APS, NPPF paragraph 74 requires an additional minimum buffer of 10%, or 373 additional units. Given the City's positive score in the 2020 Housing Delivery Test, there is no need for this buffer to be increased further. The addition of the 10% buffer results in an overall 5-year requirement of 4,098 units.
15. From the evidence presented, it appears that housing completions over the period 2015-2021 have exceeded the minimum requirement for that period, so there is no shortfall to be carried forward. I note the suggestion by Northumberland County Council (NCC) that the surplus achieved in those years should be deducted from the future requirement. However, Policy SP8 makes it clear that the annual rate set out therein is intended to be a minimum, and indeed the policy itself expressly states that the Council will seek to exceed that target. Nothing in the NPPF or PPG requires a deduction as advocated by NCC. In the circumstances, I am satisfied that no adjustment is needed in this case in respect of the past surplus.
16. For the purposes of the present APS therefore, the overall 5-year housing requirement for the period 2021-26 amounts to a total of 4,098 dwellings.

The supply of sites

17. The Council's position as set out in the APS is that there is a supply of sites for 4,509 dwellings, equating to 5.5 years' worth against the above requirement. These are made up of two main groups of sites, identified as Category A and B sites, as defined in the Glossary at Annex 2 of the NPPF, plus an allowance for small sites and an adjustment for demolitions.
18. The Category A sites are said to amount to 3,571 units. However, from the details provided, it appears to me that three of these sites are awaiting the completion of Section 106 agreements, and thus should more properly fall into Category B. These sites are Site No 477 (North of Burdon Lane, 195 units within the relevant 5-year period), Site No 063 (Vaux Brewery, 132 units), and Site No 518 (The Buffs, 16 units). But nevertheless, I am satisfied that all of the remaining sites classified in the APS as Category A appear to be correctly included as such. The true number of forecast dwellings which can be attributed to Category A sites should therefore be 3,228 units. I also note that the great majority of these Category A sites, accounting for around 2,477 units, are already under construction. In accordance with NPPF Annex 2, all Category A sites are presumed to be deliverable unless there is clear evidence that the numbers of units forecast in the APS will not be delivered within the relevant period. In the present

case, none of the evidence before me casts any serious doubt on the deliverability of any of the Category A sites.

19. In Category B, the APS identifies five sites², plus parts of two others³, totalling 698 units. With the addition of the three sites identified above⁴, previously classified as Category A but more properly included in Category B, this brings the total for the Category B sites to 1,041 units. All of these sites either have outline planning permission, or are allocated in the development plan, or are included on the Brownfield Register, and are therefore eligible for inclusion in Category B. The NPPF makes it clear that such sites can only be considered deliverable where there is clear evidence that housing completions will begin within the relevant 5-year period. However, the Council has provided evidence regarding each of the Category B sites, in the site profiles contained in the APS Appendix 3. In most cases, these sites have developers in place⁵, and full planning or reserved matters applications in progress⁶. In a number of cases, the Council has already resolved to grant permission subject to completion of Section 106 agreements⁷. In some cases, infrastructure funding has been secured from the Housing Infrastructure Fund (the HIF) or the Growth and Infrastructure Fund (the GIF)⁸. In two cases, necessary demolition or other preparatory works have already been carried out⁹. None of the submissions received casts any significant doubt on this evidence. To my mind, the evidence produced by the Council regarding the deliverability of the Category B sites is clear and convincing. I am therefore satisfied that all of these sites have a realistic prospect of delivering housing completions within the relevant period.
20. The basis for the build rates and lead-in times underlying the delivery trajectories for both the Category A and B sites is set out in the APS in some detail. I note that the assumptions used have been evolved through regional and local working groups, including representation from the development industry as well as other stakeholders, and making use of the Council's own local monitoring system. Regard has evidently been paid to differences in site size, the number of developers or outlets on larger sites, and individual developers' own past performance. Developers' own forecasts have been taken into account, but reviewed and moderated by officers. The possible impacts of Covid-19 have been considered on a site-by-site basis. I note that in the submitted version of the APS, the forecast lead time for Site No 463a (Waterloo Road) has been amended in response to representations from Gladman Developments. In all other respects, the build rates and lead times have not been challenged. From the evidence available, the assumptions made seem to me realistic and achievable. On

² Sites Nos 194 (Lambton Lane, 105 units), 388 (Ennerdale Street, 40 units), 426a (South of Willow Farm, 185 units), 463a (West of Waterloo Road, 67 units), and 465 (adj Herrington Country Park, 166 units).

³ Sites Nos 62 (Ryhope & Cherry Knowle Hospital, 119 Category B units out of 260 on the site), and 107 (Chester Road, 16 Category B units out of 134 on the site).

⁴ Sites Nos 63, 477 and 518 (details set out at paragraph 18 above).

⁵ The Category B sites with developers in place are Nos 63, 107, 194, 388, 463a, 465, 477 and 518.

⁶ The Category B sites with current applications in progress are Nos 63, 194, 388, 426a, 465, 477 and 518.

⁷ The Category B sites with resolutions to grant are Nos 63, 477 and 518.

⁸ The Category B sites with HIF and/or GIF funding secured are Nos 62, 426a and 477.

⁹ The Category B sites with advance works already carried out are Nos 107 and 518.

this basis, I see no need for any further adjustments to the numbers of forecast completions on any of the Category A or B sites.

21. The small sites allowance is intended to cover all sites of 1 – 4 dwellings, including those with existing permissions, plus future windfalls of up to four units. Sites within that size range have not been identified individually in Categories A or B. I note that this accords with the approach adopted in the CSDP, and accepted by the Inspector in the examination of that plan. I see no reason to question this approach now. The figure proposed in the APS is 50 dwellings per annum, amounting to 250 units over the 5-year period. This is said to be based on the average of small site completions over the last 10 years. The Council acknowledges that in the two most recent years, the actual numbers have dropped below the average, but I agree that it is the rate achieved over the longer term that is likely to give the best indication of future performance. In the absence of any challenge or evidence to the contrary, I am satisfied that the Council has made a sufficiently compelling case to justify the small sites allowance of 250 units.
22. The proposed adjustment for demolitions is 10 units, which is said to be based on the number of such demolitions known to be required to achieve the delivery of the schemes in the APS Schedule. There is no evidence to support any larger deduction than this. To my mind the inclusion of the demolitions allowance, and its size, are acceptable.
23. On this basis, I find that the supply of sites identified for the period 2021-26 is comprised of 3,228 units on Category A sites, 1,041 on Category B sites, plus 250 units on unidentified small sites, and subject to a deduction of 10 units for demolitions. Although these sub-totals differ from those in the APS, due to my reclassification of some sites between Categories A and B, the overall total remains at 4,509 units.
24. Therefore, having regard to the requirement figure of 4,098 units, I agree with the Council that this represents a deliverable supply of 5.5 years.

Other representations

25. I note the submissions made at Stage 2 of the engagement process by Nexus, the passenger transport executive for the Tyne and Wear area. In the case of Sites Nos 194 (Lambton Lane), 463A (Waterloo Road), and 465 (adj. Herrington Country Park), it is suggested that new or upgraded public transport infrastructure may need to be provided. I agree that access to high quality public transport will be important to these and other developments. But there seems no reason to doubt that adequate provision can be made for these sites, including through site-specific planning agreements or undertakings if necessary. Sites Nos 081 (Chapelgarth, 344 units) and 330A (Philadelphia Complex 180 units) both already have planning permission, and indeed the first of these is now under construction. Based on the evidence before me, I see no clear reasons to anticipate that the issues raised by Nexus relating to public transport are likely to significantly affect the deliverability of any of these sites, or the timing of housing completions on them.
26. Stage 2 submissions were also made by Highways England (HE). I note HE's concern with regard to the Doxford Park junction on the A19, where it

is said that HE's current Road Investment Strategy (RIS) no longer provides for the mitigation that was previously intended to be completed by 2028. I appreciate the importance of ensuring that new developments are planned with a view to maximising highway capacity, in the interests of safety and efficiency. However, no specific sites have been identified where any changes to the RIS would be likely to have an effect on housing delivery within the relevant 5-year period up to 2026. From the site profiles provided, it appears that on those sites where new highway infrastructure is required, such as on Sites Nos 62 (Ryhope Hospital), 81 (Chapelgarth), 426a (Willow Farm) and 477 (Burdon Lane), funding is in place through the HIF or GIF. In any event, three of these sites already have planning permission, and two are now under construction. No evidence has been produced to suggest that achieving the required numbers of completions on these sites by 2026 would breach the terms of any relevant conditions or obligations. Based on the information before me, there is no evidence that housing delivery will be adversely affected by any issues relating to the capacity of the local highway infrastructure.

27. I have commented on the two other representations made, by Gladman Developments and NCC, elsewhere in this report.
28. None of the matters raised in any of these submissions causes me to depart from any of my earlier conclusions, as set out above.

Conclusion on housing requirement and supply

29. For the reasons explained above, I agree that for the purposes of the 5-year supply calculation, the relevant housing requirement figure for the period 2021-26 is 4,098 dwellings, and that the APS demonstrates a deliverable supply capable of yielding 4,509 dwellings in that period. This represents a supply of 5.5 years.

OVERALL CONCLUSION

30. I conclude that the Sunderland City Council APS dated July 2021 has succeeded in adequately demonstrating a 5-year housing land supply.

J Felgate

INSPECTOR