

London Borough of Sutton

**Five-Year Housing Land Supply
Assessment**

1 April 2016 to 31 March 2021

Economic Development, Planning and Sustainability

Environment and Neighbourhoods

April 2016

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Executive Summary

- The London Borough of Sutton has identified sufficient housing sites to demonstrate that it can meet its minimum 5 year housing target for the five-year period from 1 April 2016 to 31 March 2021, and the 5% buffer required by the National Planning Policy Framework
- The assessment identifies a total of 2,445 units, comprising:
 - 573 units under construction;
 - 954 units on sites with planning permission;
 - 119 units on large sites allocated for housing;
 - 57 units on significant unallocated brownfield sites; and
 - 742 units on sites with 'Prior Approval'.
- Since the council adopted the Core Planning Strategy DPD (2009) the council has delivered 2,091 net additional dwellings against a cumulative target of 1,530 units. Therefore the council delivered 561 net dwellings above its minimum target.

Background to the Assessment

National Policy Context

- 1.1 In 2012 the Government published the 'National Planning Policy Framework' (NPPF), replacing all previous Planning Policy Statements. According to the NPPF, councils should identify and update annually a supply of specific deliverable sites sufficient to provide five year's worth of housing against their housing requirements.
- 1.2 The NPPF includes an additional 'buffer' requirement of 5% or 20% of the five year housing requirement, depending on past performance. The NPPF states that local planning authorities should *"identify and update annually a supply of specific deliverable sites sufficient to provide five year's worth of housing against their housing requirements with an additional buffer of 5% to ensure choice and competition in the market for land. Where there has been a record of persistent under delivery of housing, local planning authorities should increase the buffer to 20% to provide a realistic prospect of achieving the planned supply and to ensure choice and competition in the market for land"*.
- 1.3 In the absence of further guidance on what is defined as a "record of persistent under delivery", Sutton has assessed the previous five years of housing delivery against the relevant housing targets. Over the last five years the 'Five-Year Housing Land Supply Assessments', published by the Council, have all been able to demonstrate that Sutton has sufficient land to meet its minimum housing targets, as set by the Mayor of London. Furthermore, the total of actual net housing completions in Sutton since the adoption of the Core Strategy (2009) has exceeded the total net requirement by 561 net dwellings, indicating that there is no record of persistent under delivery in Sutton that would require the application of a 20% buffer. Therefore a 5% buffer has been applied in accordance with the NPPF.
- 1.4 The NPPF states (Para 49) relevant policies for the supply of housing should not be considered up-to-date if the local planning authority cannot demonstrate a five-year supply of deliverable housing sites. This is particularly important given that the NPPF states that where relevant policies are out-of-date, permission should be granted unless any adverse consequences of doing so would significantly outweigh the benefits, or other policies in the NPPF indicate otherwise.

Purpose of this Document

- 1.5 The purpose of this document is twofold: (1) to analyse whether housing can be delivered in accordance with the London Plan (March 2015) including the NPPF required additional 5% buffer; and (2) to show that there is sufficient housing for the Planning Committee and officers to be able to determine residential applications with regard to local plans and policies and material considerations.

The Five-Year Housing Land Supply Time Period

- 1.6 This Five-Year Housing Land Supply Assessment runs from 1 April 2016 to 31 March 2021.

The Five-Year Housing Land Supply Requirement

- 1.7** The London Plan 2015 sets out housing targets for each London borough for the period 2011-12 to 2021-22. In Sutton, the target is to deliver 363 net additional dwellings per annum. Therefore, this assessment has been made against the target of 363 net dwellings per annum, giving an accumulative total of **1,815** net additional dwellings for the period 1st April 2016 to 31st March 2021.
- 1.8** Since the adoption of the Core Planning Strategy (2009) 2,091 net additional dwellings have been delivered in Sutton, against a minimum accumulative target of 1,530. As such the 5% NPPF buffer has been used in this assessment, equating to an extra **91 units** over the five-year period.
- 1.9** Therefore, the Council needs to demonstrate that it can make provision over the five years from April 2016 to March 2021 for an additional **1,906 units**

Five-Year Housing Requirement	1,906
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Identification of sites

- 1.10** The sites that have the potential to deliver housing during the following five years come from the following sources:
- Sites that were under construction as of 1 April 2015.
 - Sites that had planning permission (outline or full) as of 1 April 2015.
 - Large sites that are allocated for housing in the 'Site Development Policies DPD' (adopted 5 March 2012).
 - Specific unallocated brownfield sites that have the potential to make a significant contribution to housing delivery during the five-year period.
 - Sites that have come forward as a result of the temporary permitted development right, introduced in May 2013, that allow offices to be converted to residential dwellings, subject to prior approval.

Deliverability

- 1.11** All sites within a Five-Year Housing Land Supply Assessment have to be "deliverable". The NPPF states that "to be considered deliverable, sites should:
- Be available – the site is available now.
 - Be suitable – the site offers a suitable location for development now and would contribute to the creation of sustainable, mixed communities
 - Be achievable – there is a reasonable prospect that housing will be delivered within the first five years" (para 54).
- 1.12** For the purposes of the Sutton Five-Year Housing Land Supply Assessment, the following rationale has been adopted with regard to deliverability.

Source of site	Assessing Deliverability
Sites under construction	<p>All sites under construction are considered deliverable. However, if it is known that a site has been completed or will be completed before 1 April 2016, it has been excluded from the assessment. Similarly, the small sites under construction unit total has been reduced to reflect the proportion of small sites likely to be completed before 1 April 2016. The figure was derived from the predicted proportion of the large site completions before 1 April 2016.</p>
Sites with Planning Permission	<p>These sites are considered suitable since they have been granted planning permission. However, there may be issues regarding availability (due to subsequent sales of land etc) and achievability (strength of the market).</p> <p>Consequently, the owners (or agents) with sites potentially yielding 10 or more units were contacted, where possible, to ascertain whether the development was likely to proceed within the next five years. Those sites which were unlikely to be delivered have been omitted.</p> <p>Owners of sites yielding below 10 units were not contacted as it would have been unfeasible. From historic trends, it has been calculated that 87% of units on small site permissions are constructed. This percentage was applied to the current small site planning permission unit total and the resulting figure included in the assessment.</p>
Large Allocated Sites	<p>The Site Development Policies DPD, adopted on 5th March 2012, allocates a number of sites for residential development. The details of these sites appear in the next section. Any allocation that had planning permission on 1st April 2015 is included in the above section 'Sites with Planning Permission'.</p>
Significant unallocated brownfield sites	<p>These sites have been included only when the Council is aware that a site is available (without ownership problems), it is suitable (has been or is very likely to be granted permission) and achievable (the owners intend to develop, at least part of the site, within the period 1 April 2016 - 31 March 2021).</p>
Prior Approval Sites	<p>In May 2013, the Government introduced a new permitted development right that allows the conversion of offices to residential dwellings without planning permission subject to 'Prior Approval'. (Please note – An Article 4 direction for Sutton town centre came into force in January 2015 which removes these permitted development rights).</p>

Five-Year Housing Land Supply Assessment Analysis

Source	Yield
Sites under Construction as of 1 April 2015	573
<u>Large Sites</u>	<u>411</u>
Former Gas Works, High Street Sutton	186
17 Sutton Court Road, Sutton	82
Durand Close, The Wrythe	50
Former Burger King Site, High Street Sutton	40
Windsor House, Lodge Place	27
27-29 Cavendish Road, Sutton	14
Suffolk House, Park Road, Hackbridge	12
Development Site of Former Franklin House, Shaw Way, Wallington <i>40 units completed before 1st April 2016</i>	0
Elizabeth House, Park Lane, Cheam <i>12 remaining units complete before 1st April 2016</i>	0
<u>Sites with fewer than 10 units, uncompleted before 1 April 2016</u>	<u>162</u>
62 small sites yielding 182 net units under construction. 89% of units on large sites are estimated to be uncompleted by 1 April 2016. Applying this percentage to the small sites total gives a likely uncompleted/under construction total of 162.	
Sites with Planning Permission as of 1 April 2015	954
<u>Large Sites</u>	<u>739</u>
South Point, Sutton Court Road, Sutton (Site Allocation STCS3) <i>Planning permission for 332 units was granted in July 2013. The scheme started on site in Summer 2015. Therefore all units are deliverable within the period.</i>	332
Felnex Trading Estate, London Road Hackbridge <i>Outline planning permission for up to 725 new homes was granted in March 2012. Reserve Matters was granted for Phase 1 in July 2014 for 158. Site clearance is nearly completed and Phase 1 is expected to complete within the period.</i>	158
Wandle Valley Trading Estate, Mill Green Rd, Hackbridge (Site BW21) <i>The site was granted planning permission in September 2014 for 124 dwellings. The latest owners of the site are preparing to submit an application to amend the design of the dwellings. Construction is scheduled to begin in Autumn 2016, subject to planning permission, and all units are expected to be delivered within the period.</i>	124
Victoria House, London Road, Cheam (Site Allocation BW20) <i>Planning permission was granted in July 2013. It's The latest owners have recent submitted a new planning applications for a revised scheme. The scheme is expected to be completed within the period.</i>	75

Source	Yield
Grace Court, 138 Brighton Road Sutton <i>Permission granted in July 2015 for redevelopment of the site for an additional 22 sheltered housing units. Site has been cleared and is expected to complete in 2017/18.</i>	22
77 Woodcote Road, Wallington <i>Planning permission was granted in February 2015. The developers have submitted subsequent applications for revised schemes but it is expected to be delivered within the period.</i>	15
57 Montagu Gardens, Wallington <i>Planning permission was granted for conversion of the property in December 2014. The scheme is expected to complete within the period.</i>	13
Wallington Square, off Woodcote Rd, Wallington (Site Allocation BW15) <i>Planning permission granted in July 2013 for 30 units. Delivery is currently uncertain.</i>	0
Wallington Court, Stanley Park Road <i>Replacement planning permission was granted in March 2012 for 12 units, delivery has been delayed due to the costs of adding additional floors to an existing building. Delivery uncertain.</i>	0
127-129 Malden Road, North Cheam <i>Planning permission was granted for 11 units. However an alternative scheme for 2 semi-detached houses has been implemented</i>	0
<u>Sites with fewer than 10 units, discounted for non-implementation of permissions</u> The current pipeline includes 247 units on small sites with planning permission that were 'not started' on 1 st April 2015 (excluding Prior Approvals, please see below). From historic trends (last 10 years), it has been calculated that 87% of units on small site permissions are constructed. Applying this percentage to the current small site planning permission unit total gives a figure of 215 units.	<u>215</u>
Large Allocated Sites	119
24 - 34 Sutton Court Road Sutton (Part of Site Allocation STCS2) <i>Permission was granted in October 2015 for 119 dwellings. The scheme is expected to complete in 2017.</i>	119
107 Westmead Road (Site Allocation BW26) <i>Planning permission granted in December 2012 for 30 units, subject to a s106 agreement being signed, which is still outstanding. Delivery uncertain.</i>	0
Significant Unallocated Brownfield Sites	57
Part of Carshalton College Site fronting Denmark Road, Carshalton <i>Permission granted in April 2015 for 57 dwellings for older persons (self</i>	57

Source	Yield
<i>contained flats). Site is under construction and is expected to complete in 2016/17.</i>	
Prior Approval Sites	742
<u>Large Sites</u>	<u>668</u>
Sutherland House, 29 Brighton Road, Sutton <i>Prior Approval was granted in December 2013 for conversion of the offices to 128 units. The owners implemented the scheme in 2015 and is expected to complete in late 2016</i>	128
Sutton Park House, 15 Carshalton Road, Sutton <i>Prior Approval was granted in December 2014 for conversion of the offices to 94 units and is expected to complete within the period.</i>	94
Waddon House, 283 Stafford Road, Wallington <i>Prior Approval was granted in April 2015 for conversion of the offices to 87 units. The conversion is under construction and is expected to complete in 2016/17</i>	87
Unicol House, 819 London Road, North Cheam <i>Prior Approval was granted in September 2014 for conversion of the offices to 79 units. The site is currently being converted and is expected to completed in 2016/17.</i>	79
9 Sutton Court Road, Sutton <i>Prior Approval was granted in December 2015 for conversion of the offices to 44 units.</i>	73
Mill Green Business Park, Mill Green Lane, Hackbridge <i>Prior Approval was granted in November 2013 for conversion of the offices to 48 units. Planning permission has been submitted for changes to the external appearance of the building.</i>	48
McMillan House, Cheam Common Road, North cheam <i>Prior Approval was granted in June 2014 for conversion of the offices to 46 units. Current occupants have now vacated the building and the scheme is under construction. Expected to complete in 2016/17.</i>	46
Helena House, 348-352 High Street, Sutton <i>Prior Approval was granted in January 2015 for conversion of the offices to 39 units.</i>	39
Old Inn House, 2 Carshalton Road, Sutton <i>Prior Approval was granted in August 2014 for conversion of the offices to 28 units. The agents for the land owners have indicated that this site will be brought forward with completion by the end of 2015-16.</i>	28
Marshall Court, Marshalls Road, Sutton <i>Prior Approval was granted in June 2014 for conversion of the offices to 21</i>	21

Source	Yield
<i>units. Implementation of this scheme began in January 2015.</i>	
North House, 31 North Street, Carshalton <i>Prior Approval was granted in November 2014 for conversion of the offices to 12 units. The flats are being marketed for sale off plan and are expected to complete in 2016.</i>	13
232-234 High Street, Sutton <i>Prior Approval was granted in September 2014 for conversion of the offices to 10 units.</i>	12
Allen House, 1 Westmead Road, Sutton <i>Prior Approval was granted in December 2013 for conversion of the offices to 10 units. The scheme has not been implemented and delivery is uncertain</i>	0
Haredon House, 810 London Road, Cheam <i>Prior Approval was granted in March 2014 for the conversion of the offices to 43 units and is expected to complete prior to 1st April 2016.</i>	0
Century House, Station Approach, Cheam <i>Prior Approval was granted in October 2013 for conversion of the offices to 27 units. The site is expected to complete prior to 1st April 2016.</i>	0
Cantium House, Railway Approach, Wallington <i>Prior Approval was granted in October 2013 for conversion of the offices to 40 units. The council has acquired the leasehold of the site and intends to maintain its current office use.</i>	0
Vulcan House, Restmor Way, Hackbridge <i>Prior Approval was granted in December 2013 for conversion of the offices to 12 units. No Further activity has taken place. Delivery uncertain.</i>	0
<u>Prior Approvals with fewer than 10 units.</u> The current pipeline includes 85 units on small sites with prior approvals. Unlike small sites with planning permission we cannot make assumptions about past implementation rates due to the recent nature of the permitted development rights. As such we have used the 'small sites' with planning permission' rate (87%).	<u>74</u>
TOTAL	<u>2,445</u>
5-YEAR SUPPLY TARGET	1,815
5-YEAR SUPPLY TARGET WITH 5% BUFFER	1,906

Assessment Commentary

Delivery over the Five Years

- 2.1 The schedule in the previous section indicates that the London Borough of Sutton can demonstrate sufficient future housing land supply to meet its London Plan target for the period 1 April 2016 to 31 March 2021 and the additional 5% buffer required by the NPPF.
- 2.2 The council has identified:
- 573 units on sites which are classified as under construction
 - 954 deliverable housing units with planning permission;
 - 119 deliverable units on allocated sites;
 - 57 deliverable sites on significant unallocated brownfield sites.
 - 742 deliverable on sites with 'Prior Approval'
- 2.3 From these sources, there are 2,445 housing units, an average of 489 net dwellings per annum, equating to 6.7 years of supply.

Risks to Deliverability

- 2.4 The Council is confident that the larger sites in this document will be developed; the risk arises as to when they will be delivered. In discussions with landowners and developers, the council has noted that some developers have only been able to give vague timescales of development and completion dates, however, they have stated their intention to develop within the five year period.
- 2.5 With regard to the smaller sites, planning permissions have been discounted to reflect the historic permission-to-completion rate of 87%. The smaller sites have been more difficult to assess because of the different schemes that constitute small sites (e.g. sub-division or complete redevelopment) and because of the different types of developers who undertake small schemes (e.g. small businesses or householders). Therefore, the application of the historic discounting rate was considered appropriate. Whilst small sites are only included in this assessment that already benefit from planning permission historically small sites have contributed around 35% of the annual completions on, average.

Historic Delivery Patterns

- 2.6 The below sets out Sutton performance against the London Plan targets over the last 6 years. Completions over this period constitute a delivery of 2,091 units and this exceeds the cumulative London Plan target by 879 units.

Year	London Plan Target	Cumulative London Plan Target	Net Additional Dwellings Completed	Cumulative Total	+/- against Cumulative London Plan Target
2009-10	345	345	327	327	+300
2010-11	345	690	178	505	+133
2011-12	210	900	580	1,085	+503
2012-13	210	1,110	227	1,312	+520
2013-14	210	1,320	340	1,652	+650
2014-15	210	1,530	439	2,091	+879
Total	1,530	1,530	2,091	2,091	+879