

## **Councils' Response to the Review of the Greater Nottingham SHLAAs (November 2020)**

This document has been prepared following detailed discussion between the participating councils of each of the 30 recommendations of the Review of Greater Nottingham SHLAAs Final Report which was published by Ove Arup & Partners in July 2019. The report was commissioned by Broxtowe Borough Council, Erewash Borough Council, Gedling Borough Council, Nottingham City Council and Rushcliffe Borough Council.

One of the key purposes of the report was to review the different methodologies taken to Strategic Housing Land Availability Assessments (SHLAAs) by each of the five Councils, to ensure robustness and consistency, as far as this is appropriate. The report makes a number of recommendations on how this can be achieved. Some of the recommendations were general and apply to all councils, whilst others concern specific approaches taken by individual Councils.

There is agreement by each Council that a consistent methodology will help improve the robustness of the approaches taken through the examination of each new Local Plan but it is recognised that there may be circumstances in which it is appropriate for one Council to take a different approach.

For ease of reference, the table in this report sets out each of the recommendations of the Review of Greater Nottingham SHLAAs in the first column and provides the Councils' response in the second column. Many of the recommendations are interlinked and this is reflected in the Councils' response.

It is intended that this document provides an important link between the Review of Greater Nottingham SHLAAs and the shared joint SHLAA methodology report that will be used by each of the participating councils to inform future SHLAA preparation.

A glossary of acronyms used throughout this document is listed on page 12.

Recommendation	Councils response
<b>General Approach</b>	
<p><b>1. Erewash, Gedling and Nottingham:</b> 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.</p>	<p>The five Councils, including Broxtowe Borough Council and Rushcliffe Borough Council, have agreed to publish a joint SHLAA methodology report setting out how the Councils intend to prepare their SHLAA. The joint SHLAA methodology report will:-</p> <ul style="list-style-type: none"> <li>• Provide a shared standard of criteria which will be used to assess the availability, suitability and achievability of each SHLAA site;</li> <li>• Provide a shared standard of SHLAA conclusion categories to determine the outcome of the assessment for each SHLAA site;</li> <li>• Indicate where a common approach will be taken or where an individual authority is taking a different approach (and including justification for this);</li> <li>• Provide a list of ‘core’ information that each Council will use as part of their site-specific assessment for each SHLAA site; and</li> <li>• Be supported by Council-specific appendices to justify the approach taken.</li> </ul> <p>The joint SHLAA methodology report will be prepared and used by the individual Councils to inform their SHLAA preparation.</p>
<p><b>2. All authorities:</b> 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</p>	<p>The Councils have agreed to prepare a joint SHLAA methodology report. The Councils’ SHLAA site-specific assessments will include case-by-case officer judgements in certain specified circumstances. Specific comments related to the need for transparency as to how officer judgement has been applied are covered in the Councils’ response to recommendations addressed below.</p>

Recommendation	Councils response
<p>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.</p>	
<p><b>3. All authorities:</b> The PPG refers to the undertaking of housing and employment land availability assessments (HELAAAs), 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.</p>	<p>It is a matter for each Council to consider whether their SHLAA will incorporate the employment land supply (and becomes SHELAA). The reasoning behind each Council's approach may be included in their next SHLAA/SHELAA update.</p>
<p><b>Availability</b></p>	
<p><b>4. Gedling:</b> 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.</p>	<p>Gedling Borough Council agree that achievability should be clearly and explicitly considered and this is addressed below (see response to recommendation 5). The joint SHLAA methodology report will provide a shared standard of criteria which will be used to assess the availability of each SHLAA site.</p>
<p><b>5. All authorities:</b> 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.</p>	<p>The Councils have agreed on a shared standard of criteria to determine whether a site is 'available now', 'available' or 'not available'. The joint SHLAA methodology report will provide a shared standard of availability criteria.</p>
<p><b>6. All authorities:</b> 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.</p>	<p>The Councils have agreed that location within an area proposed for regeneration means that a site is likely to be suitable and therefore it is not needed as a separate category.</p>
<p><b>7. All authorities:</b> 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</p>	<p>The Councils have agreed on a shared standard of criteria to determine whether a site is 'suitable', 'could be suitable' or 'not suitable'. The joint SHLAA methodology report will provide a shared standard of suitability criteria.</p>

Recommendation	Councils response
<p>establish a shared standard set of suitability criteria to follow in site assessments, with their own additional local criteria if required.</p> <p>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.</p>	<p>The Councils have agreed to use the same Geographic Information System (GIS) datasets and sources when assessing the SHLAA sites and to explicitly identify these for ease of reference, which will be provided in an appendix to the joint SHLAA methodology report.</p>
<p><b>8. All authorities:</b> 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’).</p>	<p>The Councils have agreed to conclude that a site ‘could be suitable’ where the only matter preventing it from being found suitable is a policy constraint. The Councils have agreed on a shared standard of suitability criteria (see the Councils’ response to recommendation 7 above). The Councils have also agreed SHLAA conclusion categories, to include ‘could be suitable’ (see the Councils’ response to recommendation 2 above).</p>
Achievability	
<p><b>9. Erewash and Gedling:</b> 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.</p>	<p>Erewash Borough Council and Gedling Borough Council agree that achievability should be clearly and explicitly considered and this is covered by the Councils’ response to recommendation 10 below.</p>
<p><b>10. All authorities:</b> 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.</p>	<p>The Councils have agreed on a shared standard of criteria to determine whether a site is ‘achievable now’, ‘achievable’ or ‘not achievable’. The joint SHLAA methodology report will provide a shared standard of achievability criteria.</p>

Recommendation	Councils response
<b>Overcoming constraints</b>	
<p><b>11. Gedling and Rushcliffe:</b> 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.</p>	<p>The five Councils, including Broxtowe Borough Council, Erewash Borough Council and Nottingham City Council, have agreed to take a similar approach to the presentation of each site assessment. The site-specific assessment for each site will include core information, informed by the same data sources, and will identify constraints and explain how they could be overcome.</p>
<b>Density</b>	
<p><b>12. All authorities:</b> 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.</p> <p>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.</p>	<p>The Councils have agreed that there is a need for an evidenced approach to density assumptions.</p> <p>Work will be undertaken by Broxtowe, Erewash, Gedling and Rushcliffe Borough Councils to calculate average densities for new build dwelling schemes (only) granted in different parts of each Council's area. The evidence for each Council's approach to density will be provided in the relevant appendix. A consistent approach will be taken to the calculation of average densities. This is considered to be a more robust approach than the use of development typologies.</p> <p>Nottingham City Council is taking a different approach to establishing an appropriate density to estimate the capacity of each site which will be set out in the relevant appendix.</p>

Recommendation			Councils response
<b>Typology</b>	<b>Development Characteristics</b>	<b>Density starting point</b>	
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	
<b>Developable Area</b>			
<p><b>13. Erewash, Gedling and Nottingham:</b> 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).</p>			<p>The five Councils, including Broxtowe Borough Council and Rushcliffe Borough Council, have agreed that, given the response to recommendation 12 above to take account of gross developable area, there is no need to adopt a separate approach to manage down the developable area. On certain sites, there may be instances where areas of the site are discounted from any dwelling capacity. Examples of where this may be the case include where there is a known need for specific on-site infrastructure (such as schools, community facilities and public open space) or known site constraints (such as a Local Wildlife Site or area at risk of flooding) which will restrict the developable area.</p>
<p><b>14. All authorities:</b> 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</p>			<p>The Councils have agreed that there is no need to manage down the developable area. This is covered by the Councils' response to recommendation 13 above.</p>

Recommendation	Councils response
<p>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.</p>	
<p><b>Responding to constraints</b></p>	
<p>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.</p>	<p>These comments are noted and the Councils will ensure it is explicit within the joint SHLAA methodology report that this is the approach taken.</p>
<p><b>Lead-in times</b></p>	
<p><b>15. Broxtowe and Rushcliffe:</b> 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.</p>	<p>The five Councils, including Erewash Borough Council, Gedling Borough Council and Nottingham City Council, have agreed that there is a need for evidenced approach to establish the lead-in time assumptions.</p> <p>Work will be undertaken by each of the five Councils to calculate lead-in time assumptions i.e. the number of financial years between the grant of planning permission and the commencement of the first plot on sites and assumptions will be set for each individual Council where appropriate. The evidence for each Council's lead-in times will be provided in the relevant appendix.</p>

Recommendation	Councils response
<p><b>16. Gedling:</b> 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.</p>	<p>This is covered by the Councils' response to recommendation 15 above.</p>
Build-out rates	
<p><b>17. All authorities:</b> 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.</p>	<p>The Councils have agreed that there is a need for an evidenced approach to establish the build-out rates which will also incorporate the number of developers on site.</p> <p>Work will be undertaken by each of the five Councils to calculate the average number of dwellings built per year . A separate calculation will be undertaken by Nottingham City Council in relation to high density apartment schemes. Assumptions will be set for each individual Council where appropriate. The evidence for each Council's build-out rates will be provided in the relevant appendix.</p>
<p><b>18. All authorities:</b> 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.</p>	<p>This is covered by the Councils' response to recommendation 17 above. It is not considered that separate analysis on the number of developers is needed.</p>
Windfall allowance	
<p><b>19. All authorities:</b> 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</p>	<p>The Councils have agreed that there is a need for a consistent approach to calculating a windfall allowance.</p>

Recommendation	Councils response
<p>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 basis<sup>21</sup>. 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.</p>	<p>Work will be undertaken by each of the five Councils to establish a windfall allowance figure for each Council which is based on the average number of dwellings that have been built on non-allocated sites (of any size) in the last (rolling) 10 year period. Dwellings on residential garden land will be included in accordance with the National Planning Policy Framework. The evidence for each Council's windfall allowance will be provided in the relevant appendix.</p> <p>The Councils have agreed that there is no need to undertake an assessment of historic levels of residential windfall from non-residential use classes such as office use because the approach taken is based on historic delivery.</p>
<p><b>20. Gedling:</b> 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 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.</p>	<p>Gedling Borough Council has agreed that the calculation of windfall allowance should include sites both below and above 10 dwellings. This is covered by the Councils' response to recommendation 19 above.</p>
<p><b>21. All authorities:</b> 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.</p>	<p>The Councils have agreed that, given the thresholds used by each Council for housing allocations and that small sites are already included in each Council's housing supply (but not necessarily as housing allocations), there will be no double counting of housing allocations and windfall sites.</p>

<sup>21</sup> 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>

Recommendation	Councils response
<p><b>22. All authorities:</b> 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.</p>	<p>The Councils have agreed that residential garden land should be incorporated into windfall assessments in accordance with the NPPF. This is covered by the Councils' response to recommendation 19 above.</p>
<p><b>23. Nottingham:</b> 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.</p>	<p>To be consistent with the other Councils, Nottingham City Council have decided not to have an uplift over time but rather to use the average number of dwellings that have been built on non-allocated sites (of any size) in the last (rolling) 10 year period. See the Councils' response to recommendation 24 below.</p>
<p><b>24. Broxtowe, Erewash, Gedling and Rushcliffe:</b> For the reasons above, we recommend that consideration is given to whether evidence exists to justify increasing the windfall allowance over time.</p>	<p>Broxtowe, Erewash, Gedling and Rushcliffe Borough Councils have agreed that by updating the windfall figure annually, this would reflect changes in circumstances and would take on board both changes in the definition of windfall (i.e. reference to windfall allowance excluding residential gardens has now been removed in the National Planning Policy Framework (2019)) and increases/decreases in supply as demonstrated through past windfall completions. As such, the Councils have agreed that there is no need to apply a separate uplift figure in the windfall allowance.</p>
<p><b>25. Nottingham:</b> 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.</p>	<p>Nottingham City Council has agreed to present windfall figures as 'net' to aid consistency.</p>

Recommendation	Councils response
<p><b>26. Broxtowe and Erewash:</b> 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.</p>	<p>The five Councils, including Gedling Borough Council, Nottingham City Council and Rushcliffe Borough Council, have agreed that there is a need for a consistent approach to the timing of windfall completions. It was agreed that the windfall should contribute to the housing supply from Year 4, recognising that sites with planning permission have a period of three years to commence.</p>
<p><b>27. Gedling:</b> 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.</p>	<p>This is covered by the Councils’ response to recommendation 26 above.</p>
Non-implementation rates	
<p><b>28. Broxtowe:</b> 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.</p>	<p>This is covered by the Councils’ response to recommendation 30 below.</p>
<p><b>29. Rushcliffe:</b> 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.</p>	<p>This is covered by the Councils’ response to recommendation 30 below.</p>

Recommendation	Councils response
<p><b>30. Erewash, Gedling and Nottingham:</b> 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.</p>	<p>The five Councils, including Broxtowe Borough Council and Rushcliffe Borough Council, have agreed that there is a need for evidenced approach to establish a non-implementation rate.</p> <p>Work will be undertaken by each of the Councils to establish a non-implementation rate for each Council, based on the proportion of dwellings with planning permission which have not yet been implemented on sites over a recent period to compensate for potential non-implementation. The evidence for each Council's non-implementation rates will be provided in the relevant appendix.</p>

### Glossary of acronyms used throughout this document

dph	Dwelling per hectare
HELAA	Housing and Employment Land Availability Assessment
MBUA	Main built up area
NPPF	National Planning Policy Framework
PPG	Planning Practice Guidance
SHLAA	Strategic Housing Land Availability Assessment
SHELAA	Strategic Housing and Employment Land Availability Assessment