

**Planning policy**

# Housing Monitoring Update

Up to 31 March 2023



September 2023

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# 1 Introduction

- 1.1. This document provides the housing monitoring update for East Devon District Council (EDDC) to a base date of **31 March 2023**. It forms part of the district's Authority Monitoring Report for monitoring development and related key indicators in the adopted East Devon Local Plan 2013 to 2031. Section 113 of the Localism Act (2011) removed the requirement for councils to submit an Annual Monitoring Report (AMR) to the Secretary of State but allowed monitoring reports to be produced covering individual indicators which must be published at least once a year. This housing monitoring update complies with that requirement.
- 1.2. One key indicator in the adopted local plan is the number of new dwellings built annually within the District. This document reports on annual completions since 2013.
- 1.3. The adopted local plan also identifies non-delivery of the five year housing land supply as a trigger for policy review and action. In accordance with the National Planning Policy Framework (NPPF) and Planning Practice Guidance (PPG), this document also provides the evidence presenting the current five year housing land supply position for East Devon district as at 31 March 2023 for use in the operation of NPPF paragraph 74 for development management purposes. That housing supply position covers the five year period from 1 April 2023 to 31 March 2028. It applies from 1 April 2023.
- 1.4. The East Devon Local Plan 2013 to 2031 is not 'recently adopted' and the council does not have a previous Annual Position Statement. For these reasons, and for the avoidance of doubt, the council will not be submitting this Housing Monitoring Update 2023 as an Annual Position Statement to 'confirm' the 5 year housing land supply position for the purposes of NPPF Paragraph 75 (and PPG Housing supply and delivery paragraphs 12 to 18.,
- 1.5. The 2023 National Planning Policy Framework can be found on-line at:  
[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/1182995/NPPF\\_Sept\\_23.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1182995/NPPF_Sept_23.pdf)
- 1.6. This report considers the following:
  - Housing completions since 1 April 2013, and in particular the completions over the last 12 month period (1 April 2022 – 31 March 2023) including:
    - Total net completions district wide;
    - Gross completions districtwide (including by parish, settlement and Built-up Area Boundary);
    - Breakdown of completions on brownfield and greenfield sites, and
    - Affordable housing;

- Forecast future housing completions which provide the housing trajectory from 1 April 2023 to the end of the adopted Local Plan period;
- The East Devon five year housing land supply position as at 31 March 2023 (for the period 1 April 2023 to 31 March 2028) for NPPF paragraph 74 purposes;
- Comparison of past and future forecast housing delivery to the following:
  - The key monitoring indicator (17,100 dwellings in the plan period);
  - The residential development trajectory illustrating the expected rate of housing delivery over the plan period, and related Appendix 2 in the adopted East Devon Local Plan 2013 to 2031.

1.7. The document largely focuses on whether the Council can demonstrate a five year housing land supply for the purposes of NPPF paragraph 74. The latest National Planning Policy Framework, published July 2021, requires local planning authorities to identify 'deliverable' sites sufficient to demonstrate a five year supply of land for housing plus either a 5%, 10% or 20% buffer, moved forward from later in the plan period, which is added to the basic five year requirement. The buffer used depends on such factors as demonstrating supply through an annual position statement or a recently adopted plan, or past performance based on the Housing Delivery Test. Paragraph 74 of the NPPF states that:

*“Strategic policies should include a trajectory illustrating the expected rate of housing delivery over the plan period, and all plans should consider whether it is appropriate to set out the anticipated rate of development for specific sites. Local planning authorities should identify and update annually a supply of specific deliverable sites sufficient to provide a minimum of five years’ worth of housing against their housing requirement set out in adopted strategic policies<sup>38</sup>, or against their local housing need where the strategic policies are more than five years old<sup>39</sup>. The supply of specific deliverable sites should in addition include a buffer (moved forward from later in the plan period) of:*

- a) *5% to ensure choice and competition in the market for land; or*
- b) *10% where the local planning authority wishes to demonstrate a five year supply of deliverable sites through an annual position statement or recently adopted plan<sup>40</sup>, to account for any fluctuations in the market during that year; or*
- c) *20% where there has been significant under delivery of housing over the previous three years, to improve the prospect of achieving the planned supply<sup>41</sup>.”*

(NPPF footnotes omitted)

1.8. In addition to this, paragraph 11 of the revised NPPF states:

*“Plans and decisions should apply a presumption in favour of sustainable development.*

*For **plan-making** this means that:*

- a) *all plans should promote a sustainable pattern of development that seeks to: meet the development needs of their area; align growth and infrastructure; improve the environment; mitigate climate change (including by making effective use of land in urban areas) and adapt to its effects;*
- b) *strategic policies should, as a minimum, provide for objectively assessed needs for housing and other uses, as well as any needs that cannot be met within neighbouring areas<sup>6</sup>, unless:*
  - i. *the application of policies in this Framework that protect areas or assets of particular importance provides a strong reason for restricting the overall scale, type or distribution of development in the plan area<sup>7</sup>; or*
  - ii. *any adverse impacts of doing so would significantly and demonstrably outweigh the benefits, when assessed against the policies in this Framework taken as a whole.*

For **decision-taking** this means:

- c) *approving development proposals that accord with an up-to-date development plan without delay; or*
- d) *where there are no relevant development plan policies, or the policies which are most important for determining the application are out-of-date<sup>8</sup>, granting permission unless:*
  - i. *the application of policies in this Framework that protect areas or assets of particular importance provides a clear reason for refusing the development proposed<sup>7</sup>; or*
  - ii. *any adverse impacts of doing so would significantly and demonstrably outweigh the benefits, when assessed against the policies in this Framework taken as a whole.*

<sup>8</sup> *This includes, for applications involving the provision of housing, situations where the local planning authority cannot demonstrate a five year supply of deliverable housing sites (with the appropriate buffer); or where the Housing Delivery Test indicates that the delivery of housing was substantially below (less than 75% of) the housing requirement over the previous three years.*

(other NPPF footnotes omitted)

- 1.9. This report therefore considers the extent to which extant permissions (including sites currently under construction), future additional windfalls, and supply from allocations in adopted Development Plan Documents could contribute towards meeting the five year requirement (See Section 5 of this document).

## Housing Delivery Test

1.10. NPPF Paragraph 76 states that:

*“To maintain the supply of housing, local planning authorities should monitor progress in building out sites which have permission. Where the Housing Delivery Test indicates that delivery has fallen below 95% of the local planning authority’s housing requirement over the previous three years, the authority should prepare an action plan in line with national planning guidance, to assess the causes of underdelivery and identify actions to increase delivery in future years”.*

1.11. Since November 2018, councils have also had to apply the Housing Delivery Test (HDT). The Government introduced this annual test after the adoption of the East Devon Local Plan 2013 to 2031.

1.12. The Housing Delivery Test is one of a raft of mechanisms used to monitor and manage housing supply delivery. Rather than looking at what can be achieved over the following five years, the HDT checks what has been achieved over the previous three. The HDT assesses the number of homes built in the local authority area over the previous three years and compares these against local housing need. There are planning policy consequences if a local authority does not score 95% or more.

1.13. This Housing Monitoring Update report therefore provides information about the results of the Housing Delivery Test for East Devon.

1.14. The HDT compares the delivery of housing over the past three years against the required amount. Delivery of the full amount would result in a score of 100%. Government has determined the method for calculating the HDT measurement. This is set out in the Housing Delivery Test Rule Book. The method is summarised as follows:

$$\text{Housing Delivery Test (\%)} = \frac{\text{Total net homes delivered over three year period}}{\text{Total number of homes required over three year period}}$$

1.15. The number of net homes delivered is the national statistic for net additional dwellings over a rolling three year period, with adjustments for net student / other communal accommodation. The national statistic is published by DLUHC in the Housing Delivery Test measurement, using completions information supplied annually by the Council for national statistics purposes.

***Net homes delivered in a year***

*= Net Additional Dwellings National Statistic*

*PLUS*

*net increase in bedrooms in student communal accommodation in local authority*  
*average number of students in student only households in England*

*PLUS*

*net increase in bedrooms in other communal accommodation in local authority*  
*average number of adults in households in England*

- 1.16. Where the latest adopted housing requirement figure is less than five years old, or has been reviewed and does not need updating, the figure used will be the lower of either the latest adopted figure or the minimum annual local housing need figure.
- 1.17. Where the latest adopted housing requirement figure is over five years old, unless the strategic policies have been reviewed and found not to require updating, the figure used for areas with a Local Plan will be the minimum annual local housing need figure.
- 1.18. More information on the calculations and the HDT Measurement Rule Book can be found at:  
[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/728523/HDT\\_Measurement\\_Rule\\_Book.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/728523/HDT_Measurement_Rule_Book.pdf)
- 1.19. Previous Housing Delivery Test measurement results for East Devon were as follows:
- |                                 |      |
|---------------------------------|------|
| First HDT (2015/16 to 2017/18)  | 149% |
| Second HDT (2016/17 to 2018/19) | 121% |
| Third HDT (2017/18 to 2019/20)  | 122% |
| Fourth HDT (2018/19 to 2020/21) | 123% |
- 1.20. The fourth HDT measurement results were released online in January 2022.  
<https://www.gov.uk/government/publications/housing-delivery-test-2021-measurement>
- 1.21. The result of the fifth HDT (covering 2019/20 to 2021/22) were expected to be published around December 2022 / January 2023 but still are yet to be issued. Upon asking when might the Council expect these results, the following DLUHC (Department of Levelling-Up, Housing and Communities) response was received on June 15th 2023:



*In December 2022 the Government published for consultation 'Levelling-up and Regeneration Bill: reforms to national planning policy'. This contained proposed changes to the Housing Delivery Test and asked about the publication of the 2022 HDT measurement. The responses to the consultation are still being analysed, and this is why the 2022 measurement has not yet been published. However, it remains the Government's intention to publish the 2022 Housing Delivery Test results.*

*The Government will take a decision on the approach to the Housing Delivery Test and the implementation of any the proposed changes in due course, once consultation responses have been fully analysed.*

- 1.22. The consequences of the HDT for the council, depend on the HDT measurement result:
- a) if the HDT measurement is 95% or higher – then the only consequence is that a 5% buffer is used in the five year housing land supply calculation. No action is required.
  - b) There are three possible consequences if the HDT measurement is less than 95%:
    - i) If delivery has been less than 95%, the council should prepare an Action Plan to address the reason for the shortfall;
    - ii) If delivery has been less than 85%, the council should also include a 20% buffer in calculating its Five Year Land Supply (rather than 5% or 10%);
    - iii) If delivery has been less than 75%, the presumption in favour of sustainable development would then apply.
- 1.23. In the absence of the fifth HDT measurement being published by Government, the Council continues to use the previously published fourth Housing Delivery Test. This is consistent with NPPF paragraph 22 which states that “*Until new Housing Delivery Test results are published, the previously published result should be used.*”

### **East Devon Housing Delivering Test – Conclusion**

- 1.24. East Devon passed the fourth Housing Delivery Test with a score of 123%. This means that a 5% buffer is used in the five year housing land supply calculation for the 2023 Monitoring Point in this document (See TABLE 14 and TABLE 15, and no action by the Council is required in response to the this Housing Delivery Test result).

## 2 Completions delivered 2013 to 2023

- 2.1. The Council monitors housing completions to provide the data for assessing housing development progress. This is used for the key monitoring indicator data so the Council can assess progress against the Local Plan target of 17,100 dwellings in the plan period.
- 2.2. The completions data collected for 1 April 2022 to 31 March 2023 adds to the completions data gathered for 1 March 2013 to 31 March 2022 which has been reported for national statistics purposes. In turn this provides evidence used for the Housing Delivery Test. It can also provide evidence of delivery against an adopted plan's housing requirement figure used to calculate the five year land supply if the plan is less than five years old.

### **How do we know if a house has been completed?**

- 2.3. Housing completions are monitored throughout the year using the Council's Housing Monitoring database (using the Microsoft Access platform), which is linked to the main EDDC Uniform database. This includes new builds, change of uses and conversions.
- 2.4. When the Basic Land and Property Unit (BLPU) state of any given dwelling's Unique Property Reference Number (UPRN) changes (to BLPU State 2 – 'In Use' and a Primary Classification of 'Residential') within Uniform (i.e. a property is Council Tax banded), this will feed through to the appropriate planning record on the Housing Monitoring database. The completions are counted on the basis of the monitoring year, that is, where recorded as being completed between 1 April and 31 March (inclusive) by both data sources.

### **How is a "dwelling" defined?**

- 2.5. For the purposes of housing monitoring, generally, a dwelling is defined as being a separately Council Tax banded property. As an example, this would mean that if a house that had previously been a single Council Tax banded dwelling were to be split into four flats, each being separately Council Tax banded, then there would be an assumed three net new dwellings on the site upon completion.
- 2.6. On rare occasions, a newly CT Banded property does not have planning permission for a residential use (e.g. Use Class C3 dwelling, or prior approval mechanisms e.g. Use Class M, O or Q). To avoid double counting, a subsequent retrospective planning permission for these uses (including Certificate of Lawful Existing Use or Development (CLEUD) on the newly identified CT Banded property is not counted as an additional net dwelling.
- 2.7. Annexes are not counted as a dwelling for monitoring purposes unless they become separately Council Tax banded, have the appropriate planning permission (including CLEUD) and are not tied conditionally to only be used as ancillary to the main dwelling.

- 2.8. The Council reports gains and losses of mobile and temporary dwellings for national statistics through the annual Housing Flow Reconciliation Return. Non-permanent (or 'temporary' dwellings) are included if they are the resident's main residence and council tax is paid on them. Caravans that are recorded as new Council Tax banded properties in the monitoring year are counted for housing monitoring purposes, unless they have had planning approval which restricts their use to holiday accommodation. Again, any subsequent retrospective planning approval for residential use of the caravan would not be counted as an additional net dwelling gain for that property. Gypsy and Traveller pitches are in HFRR statistics, but outside the scope of this report.
- 2.9. A planning permission with a condition to restrict the use of a dwelling to holiday accommodation is not counted as residential for monitoring purposes. Under the planning legislation at this time, unless restricted by a condition, dwellings approved for residential use can be used for permanent, principal residence uses or for short term use (e.g. holiday lets) or for non-principal residence use (e.g. second homes). At this time, for housing monitoring purposes the Council does not monitor how dwellings approved for residential use are actually used or how this changes over time.

#### **Use Class C2 (Residential institutions)**

- 2.10. The Council monitors Use Class C2 (residential institutions) for housing monitoring purposes. In East Devon this category of housing development falls into two types<sup>1</sup>
1. Self-contained accommodation units – focused on independent living, albeit with varying levels of care support. These may be apartments or other units and may have access to on-site communal facilities. Each unit counts as a dwelling for housing monitoring purposes. Each unit is usually Council Tax Banded. They include:
    - a) "Retirement living"/sheltered housing units;
    - b) "Extra care" units.
  2. Communal accommodation - Bedrooms in care homes and extra care homes. These are not self-contained units, and have a high level of care/support with on-site communal facilities. A care home is Council Tax Banded (as a single property), but the individual bedrooms are not separately Council Tax Banded
- 2.11. The contribution of care home accommodation to housing supply has been counted for housing monitoring purposes for some years, using a conversion factor to convert bedrooms to dwelling equivalents. The 2014 Housing Monitoring Update reported that "The Housing and Economic Land Availability Assessment (HELAA) methodology for the

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<sup>1</sup> In East Devon, there is little or no development involving other types of communal housing that could reasonably be considered part of the dwelling stock (such as student accommodation, hostels, school boarding and barracks accommodation)

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Exeter Housing Market Area (HMA) April 2021 states that the additional bed spaces created by care and extra-care homes development should contribute towards dwelling numbers despite units not being separately Council Tax banded. The reasoning for this is that as elderly people move into care / extra-care homes they “free up” open market dwellings for others to move into.”

- 2.12. Conversion ratios used in East Devon have varied in the past. For example, in the October 2013 to March 2014 monitoring period monitoring assumed a ratio of 1.4:1 for the new care/nursing home bedrooms to dwellings assumed, whilst 1.67:1 was the assumed ratio from April 2014 to September 2014. The 2017 Exeter HELAA HMA methodology used a ratio of 2:1. The ratios were based on primary research conducted within the HMA whereby existing care homes were contacted to find out numbers of residents, the proportion that were permanent and the proportion that had previously lived alone. This research suggested that on average 50% of residents were permanent and had previously lived alone which suggests that when they permanently moved to the care home they were leaving an empty house.
- 2.13. The Council currently reports the number of completions of Use Class C2 bedrooms and the related Council Tax units in its East Devon Housing Flow Reconciliation Return to Government for national statistics purposes. This is in accordance with the HFRR guidance. Gains and losses in communal accommodation are now reported separately to the main figures on dwellings gains and losses in the HFRR, with an assessment made on the number of bedrooms in question. That information then feeds into the Government’s Housing Delivery Test measurement. The 2022 HDT measurement is still awaited which would confirm the latest conversion factor.
- 2.14. In the absence of a 2022 HDT measurement, the calculations of communal completions and losses in TABLE 1 rely on the revised 2021 HELAA methodology which assumes that 1.8 care home bedrooms created by development equates to one dwelling. The conversion ratio of 1.8 is based on the national average number of adults in all households, derived from the 2011 Census<sup>2</sup>.

### **Temporary use of permanent residential development**

- 2.15. Planning approval for a dwelling where there is a condition restricting it to temporary use over a specified period is counted as a gain, but to avoid double counting any subsequent replacement by approval of an unrestricted dwelling is counted as net nil.

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<sup>2</sup> HELAA Methodology Revised 2021 - paragraph 7.5  
[Microsoft Word - HELAA Methodology - latest - April 2017 \(eastdevon.gov.uk\)](#)

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## Gains and Losses

2.16. The adopted local plan housing requirement target of 17,100 dwellings is a net number. Therefore the Council monitors gains and losses. The latter include demolitions, as well as losses of dwellings through changes of use and conversions.

### Net total completions

2.17. A full schedule of completions and projections with planning permission by site from the start of the Local Plan period can be found in Appendix 2 to this report.

2.18. As shown in TABLE 1, net completions have fluctuated in the period 2013 to 2023. Of these, there have been four years, including the last two, delivering above the annualised 950 dwellings per year policy requirement in the adopted local plan.

2.19. TABLE 1 breaks down the district net completions figures into two sub areas: West End and the Rest of East Devon. These 2 sub areas are used for monitoring housing delivery. The forecast scale of growth in the West End of 10,563 dwellings is set out in Strategic Policy 2 of the adopted East Devon Local Plan 2013 to 2031. This is a supply-side policy (and does not include future windfalls), rather than being expressed as a minimum “requirement provision” under Strategic Policy H1.

**TABLE 1 Net Total Completions 2013 to 2023 – District and sub areas**

	Apr 13 to Mar 14	Apr 14 to Mar 15	Apr 15 to Mar 16	Apr 16 to Mar 17	Apr 17 to Mar 18	Apr 18 to Mar 19	Apr 19 to Mar 20	Apr 20 to Mar 21	Apr 21 to Mar 22	Apr 22 to Mar 23
West End	486	531	403	335	326	392	560	455	568	518
Rest of East Devon	344	498	624	389	540	537	505	417	479	443
<b>Annual TOTAL</b>	<b>830</b>	<b>1,029</b>	<b>1,027</b>	<b>724</b>	<b>866</b>	<b>929</b>	<b>1,065</b>	<b>872</b> Revised to <b>867</b> by the DLUHC after taking the net loss of 9 care home bed-rooms into account	<b>1,047</b> Expected to be revised to <b>1,039</b> by the DLUHC* after taking the net loss of 15 care home bedrooms into account*	<b>961</b> Expected to be revised to <b>998</b> by the DLUHC after taking the net gain of 67 care home bedrooms into account

Note \* The Housing Delivery Test measurement results published by Government is the source for confirming the revised figures, The 2021 HDT measurement was published in January 2022. However, the 2022 HDT measurement is still awaited at the time of preparing this document.

## KEY MONITORING INDICATOR RESULTS

1. Based on Table 1, there were **9,350** net total dwelling completions in East Devon (excluding dwelling equivalents from care home accommodation) 1 April 2013 to 31 March 2023. **961** of these were in the 2022/23 monitoring year.
  2. Based on Table 1, there were **9,374** net total dwelling completions in East (including dwelling equivalents from care home accommodation) 1 April 2013 to 31 March 2023. **998** of these were in the 2022/23 monitoring year. Since the start of the plan period the average annual completions (including care homes) is **937** dwellings/dwelling equivalents per year, which is below the adopted local plan housing requirement. The average annual level of completions (including care home dwelling equivalents) has improved over the last five years and is now **980** per year, which is above the adopted local plan housing requirement of 950 per year. The increased delivery rate in the last five years has not yet mitigated the slower delivery rate in the first five years. It has not been sufficient to result in a surplus (“oversupply”) at the 2023 Monitoring Point
- 2.20. Section 6 of this Housing Monitoring Update report provides further analysis comparing housing development (2013 to 2023) to the adopted Local Plan.

### Analysis of completions for the last monitoring year (2022/23)

- 2.21. The rest of Section 2 of this Housing Monitoring Update report focuses on the last year of completions (from 1 April 2022 to 31 March 2023) plus a more detailed analysis of a breakdown of the completions data looking at:
- Net dwelling completions in the district (excluding care home accommodation)
  - Gross completions of dwellings in district (excluding care home accommodation)
    - Gross Completions in sub areas
    - Gross Completions by civil parish
    - Gross Completions by settlement (adopted local plan settlement hierarchy)
    - Gross Completions by Built Up Area Boundary (latest adopted or made Development Plan Document as at 31 March 2023)
    - Gross Completions by Greenfield/Brownfield status
  - Completions of affordable housing
  - Net windfall completions
  - Net completions of communal accommodation (care home bedrooms)
- 2.22. **Net dwelling completions (excluding care homes)** - As shown in TABLE 1, over the 12 month period 1 April 2022 to 31 March 2023, a net total of **961 dwellings** have been completed in East Devon (excluding communal accommodation). This includes 518 at the district’s “West End” (largely land to the east/north east of Exeter including the new town of Cranbrook) and 443 in the Rest of East Devon; 846 of these were on major sites (of ten dwellings or more) and 115 on minor sites (of less than 10 dwellings).

- 2.23. Since the start of the plan period the average annual completions (excluding care homes) is 931 dwellings. The COVID-19 pandemic impacted on 2021/2022 delivery with only 872 dwelling completions, but had less impact in 2021/22 with **1,047** being the second highest number of net new completions in the period covering the current Local Plan so far. The rate was then lower in 2022/23, due to economic conditions. The average annual level of completions (excluding care homes) over the last five years is now **974** per year.
- 2.24. 54% of the dwellings built in 2022/23 were in the West End, compared with 46% in the Rest of East Devon (the same percentages as 2021/22); this is the fourth year in a row that the West End has outperformed the Rest of East Devon in dwelling completions. The rest of the district had outperformed the West End in 4 of the 6 years prior to 2019/2020.
- 2.25. There are no dwelling completions at the Cranbrook expansion areas (adopted Cranbrook Plan DPD allocations) at Bluehayes, Treasbeare, Cobdens and Grange. As these expansion areas see completions over the next few years, and take over from Cranbrook Phase 1, it is anticipated the share of completions from DPD allocations and commitments in the West End compared to the Rest of East Devon will be even greater.
- 2.26. The gross dwelling completions figure is 986. This excludes losses from demolition, conversion or change of use. It also excludes communal accommodation.

### Gross Completions by parish

TABLE 2 Gross dwelling completions by parish

Parish	Total	Parish	Total
All Saints	2	Lympstone	6
<b>Axminster</b>	<b>68</b>	Musbury	1
Beer	1	Newton Pop & H'ford	4
Bramford Speke	1	Offwell	1
Branscombe	1	Otterton	1
Broadclyst	288	<b>Ottery St Mary</b>	<b>15</b>
Broadhembury	3	Payhembury	1
<b>Budleigh Salterton</b>	<b>5</b>	Plymtree	1
Clyst Hydon	1	Rockbeare	3
Colaton Raleigh	2	Seaton	20
Colyton	1	Shute	1
<b>Cranbrook</b>	<b>232</b>	<b>Sidmouth</b>	<b>38</b>
Dunkeswell	1	Southleigh	1
Exmouth	148	Sowton	4
Farway	2	Talaton	2
Gittisham	40	Uplyme	3
Hawkchurch	1	West Hill	3
<b>Honiton</b>	<b>74</b>	Whimble	2
Kilminster	1	Woodbury	7

Parish	Total	Parish	Total
			<b>986</b>

2.27. The table above shows gross completions during the 2022/23 monitoring period by parish. Parishes where there were no 2022/23 completions are not listed. Town councils are highlighted in yellow.

### Gross completions by settlement

2.28. The table below shows gross completions during the 2022/23 monitoring period by settlement. Settlements where there were no 2022/23 completions are not listed.

**TABLE 3 Gross dwelling completions by settlement**

Settlement*	Total	Settlement*	Total
Axminster	68	North of Blackhorse	198
Beer	1	Offwell	1
Blackhorse	2	Otterton	1
Budleigh Salterton	5	Ottery St Mary	14
Clyst Honiton	5	rural areas	19
Clyst St Mary	4	Seaton	20
Colyton	1	Sidmouth	38
Cranbrook	232	Smallridge	2
East Budleigh	1	Southleigh	1
Exmouth	148	Talaton	1
Exton	2	Uplyme	2
Honiton	114	West Clyst (Pinhoe)	83
Jack In The Green	2	West Hill	3
Kerswell	1	Weston, Sidmouth	1
Lympstone	6	Whimple	1
Newton Poppleford	4	Woodbury	5
			<b>986</b>

\* Settlements as identified in the adopted East Devon local plan settlement hierarchy

### Gross completions by Built-up Area Boundary (BuAB)

2.29. Table 4 shows gross completions in the 2022/23 monitoring period by BuAB. The table is based on boundaries shown on the Policies Map from Development Plan Documents that were adopted or made as at 31 March 2023. Those BuABs where there were no 2022/23 completions are not listed.



**TABLE 4 Gross dwelling completions by BUAB**

<b>BuAB</b>	<b>Total</b>	<b>BuAB</b>	<b>Total</b>
Axminster	68	North of Blackhorse	198
Beer	1	<i>open countryside</i>	94
Budleigh Salterton	5	Ottery St Mary	14
Clyst St Mary	4	Seaton	20
Colyton	1	Sidmouth	38
Cranbrook	219	Uplyme	2
Exmouth	148	West Clyst (Pinhoe)	83
Honiton	74	West Hill	2
Lympstone	6	Whimble	1
Newton Poppleford	3	Woodbury	5
			<b>986</b>

**Gross completions by Greenfield / Brownfield split**

2.30. The table below shows the breakdown of gross completions between greenfield and brownfield sites during the 2022/23 monitoring period.

**TABLE 5 Gross dwelling completions by Greenfield/Brownfield**

		<b>Dwgs</b>	<b>%</b>
<b>Greenfield</b>	General	697	70.7%
	Agricultural / Forestry Building Conversion	12	1.2%
	Garden Sites	23	2.3%
	<b>TOTAL</b>	732	74.2%
<b>Brownfield</b>	Redevelopment	197	20.0%
	Conversions / COUs	55	5.6%
	Brownfield unclassified	2	0.2%
	<b>TOTAL</b>	254	25.8%
<b>GRAND TOTAL</b>		986	100%

2.31. Greenfield describes any site on land which has not previously been developed. Brownfield therefore describes sites of previously developed land, the definition of which

can be found within the glossary of the revised NPPF but is reproduced below for ease of reference:

**“Previously developed land:** Land which is or was occupied by a permanent structure, including the curtilage of the developed land (although it should not be assumed that the whole of the curtilage should be developed) and any associated fixed surface infrastructure. This excludes: land that is or was last occupied by agricultural or forestry buildings; land that has been developed for minerals extraction or waste disposal by landfill, where provision for restoration has been made through development management procedures; land in built-up areas such as residential gardens, parks, recreation grounds and allotments; and land that was previously developed but where the remains of the permanent structure or fixed surface structure have blended into the landscape.”

- 2.32. The table above shows that just under 75% of completions in the district during the 2022/23 monitoring period were on greenfield sites, which is 2% less than during the 2021/22 monitoring period.

### **Affordable completions**

- 2.33. The Housing Needs and Strategy team report a total of 114 affordable units having being delivered during 2022/23, including 27 for social rent, 57 for affordable rent and 30 shared ownership.

#### Key facts for the year

- EDDC acquired three properties from the open market this year using Right to Buy receipts to add to council stock;
- Eight affordable homes have completed at Cranbrook - Phase Four;
- Twenty-five market units were purchased and converted to affordable with Homes England funding.

### **Net windfall completions**

- 2.34. Windfalls refer to sites built-out which are the result of speculative planning applications. They have not been allocated in the Local Plan.
- 2.35. The table below shows that over the past 12 months 341 of the 961 net completions have been windfalls. This equates to 35.5% of net completions in the last year. However, of these 341 net windfall completions, only 49 were in the West End with the remaining 292 in the Rest of East Devon. This means that of the 443 net completions in the Rest of East Devon, 65.9% were windfalls.

**TABLE 6 Net windfall completions**

Gross site capacity	1-2 dwellings	3-5 dwellings	6-9 dwellings	10-20 dwellings	21+ dwellings	TOTAL
RoED	65	16	26	19	166	292
West End	0	0	0	13	36	49
<b>TOTAL</b>	65	16	26	32	202	341
<b>Percentage</b>	19.06%	4.69%	7.62%	9.38%	59.24%	100%

2.36. In addition to the headline totals, the above table shows how many windfalls have been delivered on sites of different sizes. The gross site capacity refers to the gross number of dwellings due to be delivered on a site as a whole. As an example, if two windfall dwellings were completed in the last 12 months on a site due to take a total of five gross new dwellings, they would be listed in the 3-5 dwellings column.

2.37. In terms of calculating five year land supply, paragraph 71 of the revised NPPF allows for future windfalls to be counted towards supply where there is compelling evidence that they will provide a reliable source of supply. However, the council is mindful that the windfall allowance should not prejudge policy in the emerging East Devon Local Plan, particularly in light of NPPF paragraph 71 which states:

*“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.”*

2.38. In the absence of evidence at this time to demonstrate that reliance on windfalls on garden land would not have an adverse impact on the character of built up areas, the council avoids this risk by not including past housing development on residential gardens in the windfall supply calculation.

2.39. This being the case, the assessment in the table below shows the number of net windfall completions in the last year on sites other than garden land. Further analysis of windfalls for the purposes of projections, and why the council considers that there is compelling evidence that they will provide a reliable source of supply, and why the allowance is realistic can be found in section 3.

**TABLE 7 Net windfall completions**

Gross site capacity	1-2 dwellings (excluding garden-greenfield sites)	3-5 dwellings (excluding garden-greenfield sites)	6-9 dwellings (excluding garden-greenfield sites)	10-20 dwellings (excluding garden-greenfield sites)	21+ dwellings (excluding garden-greenfield sites)	TOTAL
RoED	43	17	26	19	166	271

Gross site capacity	1-2 dwellings (excluding garden-greenfield sites)	3-5 dwellings (excluding garden-greenfield sites)	6-9 dwellings (excluding garden-greenfield sites)	10-20 dwellings (excluding garden-greenfield sites)	21+ dwellings (excluding garden-greenfield sites)	TOTAL
West End	0	0	0	13	36	49
<b>TOTAL</b>	<b>43</b>	<b>17</b>	<b>26</b>	<b>32</b>	<b>202</b>	<b>320</b>
<b>Percentage</b>	13.44%	5.31%	8.13%	10.00%	63.13%	100%

### Net communal accommodation completions

- 2.40. Gains and losses of Use Class C2 (Residential Institutions) are reported to the Department for Levelling Up, Housing & Communities' (DLUHC) through the annual Housing Flow Reconciliation Return. These figures are separate from the figures reported for gains and losses of dwellings. However, when converted to net dwelling equivalents, the change in communal accommodation is reported via the net supply figures used by Government to calculate housing supply delivery used for the Housing Delivery Test. They are reported in the Government's live tables on dwelling stock.
- 2.41. One new care home has been reported as newly opening in the 2022/23 monitoring year in East Devon district: Alexander House, Pinhoe (67 bedrooms). It is anticipated this will result in a net gain of the equivalent of 37 dwellings once confirmed by DLUHC. It is also a windfall development but is not included in the figures in TABLE 6 of this report.
- 2.42. No loss of care home accommodation occurred in the 2022/23 monitoring year. Therefore the gross and net completions are the same.

### 3 Forecast/Projected Completions 2023 to 2031

This section is an assessment of forecast and projected completions for the remainder of the plan period from 1 April 2023 to 31 March 2031. The forecasts and projections can be broken down into completions on:

- Sites with extant permissions at the 2023 Monitoring Point –
  - These are sites that already have planning permission (either detailed or outline, and including sites that are already under construction / sleeping) that are expected to be built-out;
- Windfalls –
  - These are the adjusted allowance for completions on windfall sites, with the projection based on historic windfall completions (to avoid double counting, the adjusted allowance discounts small windfall sites with extant planning permission at the 2023 Monitoring Point);
- Cranbrook expansion zones –
  - These are forecast completions on the four Cranbrook expansion areas – Treasbeare, Bluehayes, Cobdens and Grange (allocated in the Cranbrook Plan DPD adopted 19 October 2022, but without planning permission as at 31 March 2023). These include sites with recent Planning Committee resolutions to grant planning approval subject to completion of S106 agreements.

3.1. The planned housing development in the Axminster Masterplan area (including the adopted local plan allocation) is not forecast for delivery in the plan period of the adopted East Devon Local Plan 2013 to 2031. The Council considers that due to the issues of nutrient neutrality, and the lack of funding to deliver the relief road this land is currently not deliverable or developable within the plan period of the adopted Local Plan.

3.2. The National Planning Policy Framework defines a “deliverable” site as follows:

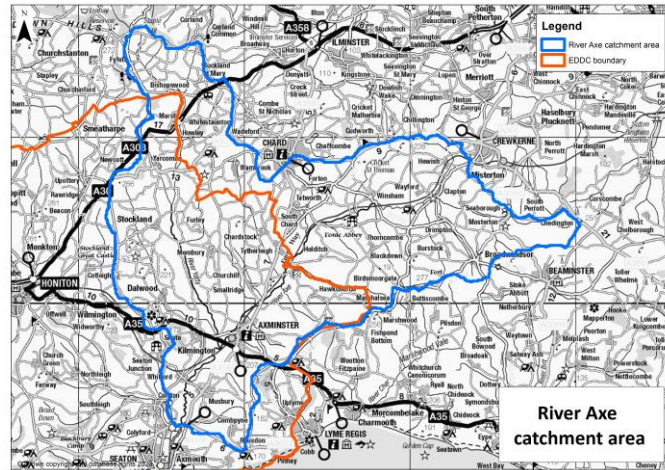
*To be considered deliverable, sites for housing should be available now, offer a suitable location for development now, and be achievable with a realistic prospect that housing will be delivered on the site within five years. In particular:*

*a) sites which do not involve major development and have planning permission, and all sites with detailed planning permission, should be considered deliverable until permission expires, unless there is clear evidence that homes will not be delivered within five years (for example because they are no longer viable, there is no longer a demand for the type of units or sites have long term phasing plans).*

*b) where a site has outline planning permission for major development, has been allocated in a development plan, has a grant of permission in principle, or is identified on a brownfield register, it should only be considered deliverable where there is clear evidence that housing completions will begin on site within five years.*

### Natural England – River Axe phosphate levels

- 3.3. Due to Natural England advising that we should no longer grant planning permission for development that would increase the discharge of phosphates into the River Axe, a number of sites with outline / reserved matters planning permissions have been excluded from the forecast deliverable supply calculations.
- 3.4. The River Axe catchment area is shown below:



- 3.5. Government has signalled the potential for changes to legislation regarding nutrient neutrality and development. The Council will continue to monitor any future changes to legislation, planning policy and guidance regarding this matter.

### Forecasting completions

- 3.6. The housing delivery forecasts (trajectories) used in TABLE 11, TABLE 12, and TABLE 13 are based on the status of sites and extant planning permissions at 01 April 2023. The forecasts cover the following types of sites:
  - Sites that are not major (ie 9 or less dwellings) that were under construction or with an extant permission at 01 April 2023, unless there is clear evidence that homes will not be delivered within 5 years. The forecasts are based on the HELAA methodology.
  - Major sites (10+ dwellings (gross)) that were under construction or with an extant permission at 01 April 2023. The council has forecast individual, site specific, housing delivery “lead-in” times and build-out rates for these sites.
  - Adopted DPD allocations. The council has forecast individual, site specific, housing delivery “lead-in” times and build-out rates for these sites.

- 3.7. Sites with dwellings forecast for completion in the five years 1 April 2023 to 31 March 2028 are those sites which the council considers are available now, offer a suitable location for development now, and are achievable with a realistic prospect that housing will be delivered on the site within five years. They are 'deliverable' and there is evidence of their deliverability. The council is mindful that NPPF does not require that there is certainty of or even a probability of delivery in the 5 years.
- 3.8. Whether sites are deliverable and can be included or not included in the 5 year housing land supply is a planning judgement. In making this judgement the council has applied the definition of 'deliverable' set out in NPPF plus the guidance in the PPG Housing Supply and Delivery on the type of information needed to identify deliverable sites. Based on this, the council has produced the forecasts of completions in order to demonstrate the 5 year housing land supply position.
- 3.9. As well as sites which are considered to be deliverable in principle, the council has made planning judgements about other sites in line with PPG, to determine which to include in the five year supply. This encompasses sites with outline planning permission. It also includes sites allocated in adopted Development Plan Documents, including Cranbrook where there are now sites with Planning Committee resolution to grant planning approval subject to completion of S106 Agreements.
- 3.10. The council has been mindful of appeal decisions regarding the question of 'clear evidence' when identifying specific deliverable sites on sites that do not have detailed planning approval.
- 3.11. The housing monitoring update 2023 benefits from extensive upgrades made by the council to its housing monitoring through data collection, analysis and reporting. This is reflected in the information and analysis in this document, and ensures that:
- The housing delivery forecasts produced by the council which are used in this document comply with the latest NPPF (September 2023) and the latest PPG Housing supply and delivery (22 July 2019);
  - The housing delivery trajectories for major sites and allocations (10 and more dwellings) are forecasts that are informed by information obtained via the council's engagement with developers/builders/landowners and are not simply projections of trends based on the HELAA methodology. The HELAA method for predicting delivery is only used for a large site's trajectory where no other information is available. Only a very few major sites' trajectories had to rely on the HELAA method this year;
  - The council has not used the developers/builders/landowners' information without question. The council has carefully considered the information supplied and made a planning judgment about lead in times and build rates on each site, individually and in combination; and



- There is a comprehensive audit trail of evidence and analysis to support and justify the council’s housing trajectory for each large site. Where the council’s trajectory departs from the developers/builders/landowners’ information the audit trail justifies the reasons for departure. The council intends to publish the audit trail document shortly after publishing the Housing Monitoring Update to 31 March 2023. This former explains the process of engaging with the developers/builders/landowners and provide the detailed results for each individual major site including the full justification of its housing trajectory. It will also justify the Council’s application of the guidance on deliverability in reaching the conclusion about how many completions are forecast to be deliverable on each site.
- The forecasts of completions on small (ie non-major) sites follows the approach set out in the HELAA methodology.

3.12. The HELAA Methodology 2021 was agreed between the 4 local authorities (East Devon District Council, Exeter City Council, Mid Devon District Council, and Teignbridge District Council) in 2022. It is reproduced as part of the East Devon Housing and Economic Land Availability Assessment 2022. (Appendix A is the HELAA Methodology 2021) This is available online at:

<https://eastdevon.gov.uk/media/3724867/appendix-a-helaa-methodology-may-2021.pdf>

**TABLE 8 HELAA method assumptions**

Size of site (no. of dwellings)	Commencement of sites			Build-out rate	
	Sites where dwellings are under construction	Sites where dwellings have planning permission	Suitable sites without planning permission	Years 1-5	Years 6+
<b>1-15 dwellings (assumes one developer)</b>	Commence in Year 1	Commence in Year 1	Commence in Year 3	1st year - 12 dwellings maximum 2nd year onward - 25 dwellings per year maximum	1st year - 25 dwellings maximum 2nd year onward - 50 dwellings per year maximum
<b>16-500 dwellings (assumes one developer)</b>	Commence in Year 1	Commence in Year 2	Commence in Year 3	1st year - 12 dwellings maximum 2nd year onward - 25 dwellings per year maximum	1st year - 25 dwellings maximum 2nd year onward - 50 dwellings per year maximum
<b>501-1,000 dwellings (assumes two developers)</b>	Commence in Year 1	Commence in Year 3	Commence in Year 4	1st year - 12 dwellings maximum 2nd year onward - 50 dwellings per year maximum	1st year - 25 dwellings maximum 2nd year onward - 100 dwellings per year maximum
<b>1001+ dwellings (assumes three developers)</b>	Commence in Year 1	Commence in Year 3	Commence in Year 4	1st year - 12 dwellings maximum 2nd year onward - 75 dwellings per year	1st year - 25 dwellings maximum 2nd year onward - 150 dwellings per year



3.13. The table above is an extract from the HELAA methodology, showing the assumptions about commencement and built rates for sites, by site size, number of outlets (developers) and the site’s planning status.

**Projecting completions on small sites with planning permission**

3.14. Projected build-out rates for small sites (1-9 dwellings in total) generally follow the approach advocated by the Exeter Housing Market Area (HMA) Housing and Economic Land Availability Assessment (HELAA) methodology market conditions model, unless we are aware of an alternative build-out rate. The council has used this method to forecast completions on non-major i.e. small sites as set out in row B of TABLE 10 and in Table 11 in this document.

**Windfall projections**

3.15. Paragraph 71 of the NPPF allows for future additional windfall completions to be taken into account in the housing supply provided that the Council has compelling evidence that they will be a reliable source of supply. The Council has robust evidence of historic windfall delivery is considered and with the implication that sites on gardens are not counted.

3.16. The Exeter HMA HELAA methodology sets out a clear process by which windfalls will be calculated assessing delivery of windfalls (excluding gardens and sites of more than 20 gross dwellings) over the last five full years. That being the case, the assessment below shows net windfall completions (excluding gardens) over the last five full years (1 April 2018 to 31 March 2023).

3.17. Net completed windfall dwellings are split into the gross capacity of the site on which they came forward in order to be able to analyse the types of windfalls that might come through in the future:

**TABLE 9 Windfall completion analysis 2018-2023**

Gross site capacity	Apr 2018 to Mar 2019	Apr 2019 to Mar 2020	Apr 2020 to Mar 2021	Apr 2021 to Mar 2022	Apr 2022 to Mar 2023	Average per year
1-2 dwgs	68	69	50	58	43	57.6
3-5 dwgs	45	29	30	19	17	28.0
6-9 dwgs	28	17	35	3	26	21.8
10-20 dwgs	34	18	22	47	32	30.6
<b>Totals</b>	<b>175</b>	<b>133</b>	<b>137</b>	<b>127</b>	<b>118</b>	<b>138</b>

3.18. TABLE 9 identifies a basic net average windfall projection of 138 dwellings. The methodology then requires this figure to be tempered by subtracting projected windfall completions on sites with planning permission or resolution to grant permission subject to

S106. TABLE 10 below shows how this figure is tempered accordingly to identify the adjusted windfall projection for each forecast year:

**TABLE 10 Adjusted windfall projections 2023-2023**

<b>Final projected windfall allowance</b>	<b>2023 to 2024</b>	<b>2024 to 2025</b>	<b>2025 to 2026</b>	<b>2026 to 2027</b>	<b>2027 to 2028</b>
Total windfalls with permission (A)	597	299	273	248	193
<i>Of which windfalls that are on sites of 20 or less dwellings and not on garden-greenfield land (B)</i>	280	90	19	6	1
Basic windfall projection (C)	138	138	138	138	138
<i>Total eligible net windfalls (D)</i>	138	90	19	6	1
<b>Adjusted windfall projection (E) (C-D)</b>	0	48	119	132	137

3.19. 396 dwellings with extant planning permission on sites of 20 or less dwellings and not on garden-greenfield land and that had not been completed as at 31 March 2023 are forecast for completion in the five year period 1 April 2023 to 31 March 2028. This is the sum of row B in TABLE 10. Based on the HELAA methodology, these 396 dwellings are projected to be completed in the years shown in row B in TABLE 10. Because there are more permissions (total eligible net windfalls) than the basic windfall projection (the 138 per year in row C in TABLE 10) in 2023/24, we cannot increase our predicted number of completions in that monitoring year. Therefore, the adjusted additional windfall in 2023/24 is nil. In the periods 2024/25 through to 2027/28, however, the basic windfall projection is more than the total number of permissions – so we can add the difference to these two sets of figures (the adjusted windfall projection in row E) to our predictions for these monitoring periods. This means that using the Exeter HMA HELAA methodology we can include **436** additional dwelling windfalls in the forecast of deliverable housing supply in the next five years.

3.20. Moving forward through the rest of the Local Plan period after 31 March 2028, there is the residue of 135 dwellings with extant planning permission on non-major sites that had not been completed as at 31 March 2023 (see TABLE 11). These are not counted as ‘deliverable’. This means they are not included in the five year supply (ie in years 1 to 5). However, the 135 dwellings are ‘developable’ and they are all forecast to be completed in monitoring year 2028/29 (i.e. year 6). In monitoring year 2028/29 the adjusted windfall figure is 11 (see TABLE 13), taking account of which of the 135 dwellings are on non-garden land. From 1 April 2029 onwards where there are monitoring years with zero eligible net windfalls, we can add the full 138 basic windfall projection to our prediction for the last 2 years of the plan period for the adopted Local Plan (see TABLE 13).

- 3.21. The adjusted windfall allowance is still a conservative estimate. In reality, larger windfall sites will on occasion come forward for development; as will small garden sites, but these have not been included in these adjusted windfall projections.

## 4 Plan period completions and trajectory

### Overall completion forecasts/projections and trajectory

- 4.1. Based on the various elements of future supply considered in Section 3 of this report, the tables below set out the annual forecasts of net housing completions for all housing supply for the remainder of the plan period from 1 April 2023 to 31 March 2031.
- 4.2. This is not intended to give a precise year-on-year prediction of how many new homes will be built each year, but it is the result of applying Planning Practice Guidance on identifying deliverable housing for major and non-major sites, and from applying the HELAA methodology for forecasting windfall development. This gives an overview of the potential future pattern of development.

**TABLE 11 Annual projected housing completions for 2023/24 to 2030/31**

Year	Extant permissions	Major / Large sites	Non-Major / Small sites	Cranbrook expansion zones projections	Exeter HMA HELAA calculated additional predicted windfalls	Total projections
2023/24	1,100	781	319	0	0	1,100
2024/25	774	671	103	0	48	822
2025/26	564	558	6	120	119	803
2026/27	337	332	5	230	132	699
2027/28	262	259	3	270	137	669
2028/29	432	298	134	397	11	840
2029/30	68	67	1	392	138	598
2030/31	27	27	0	392	138	557

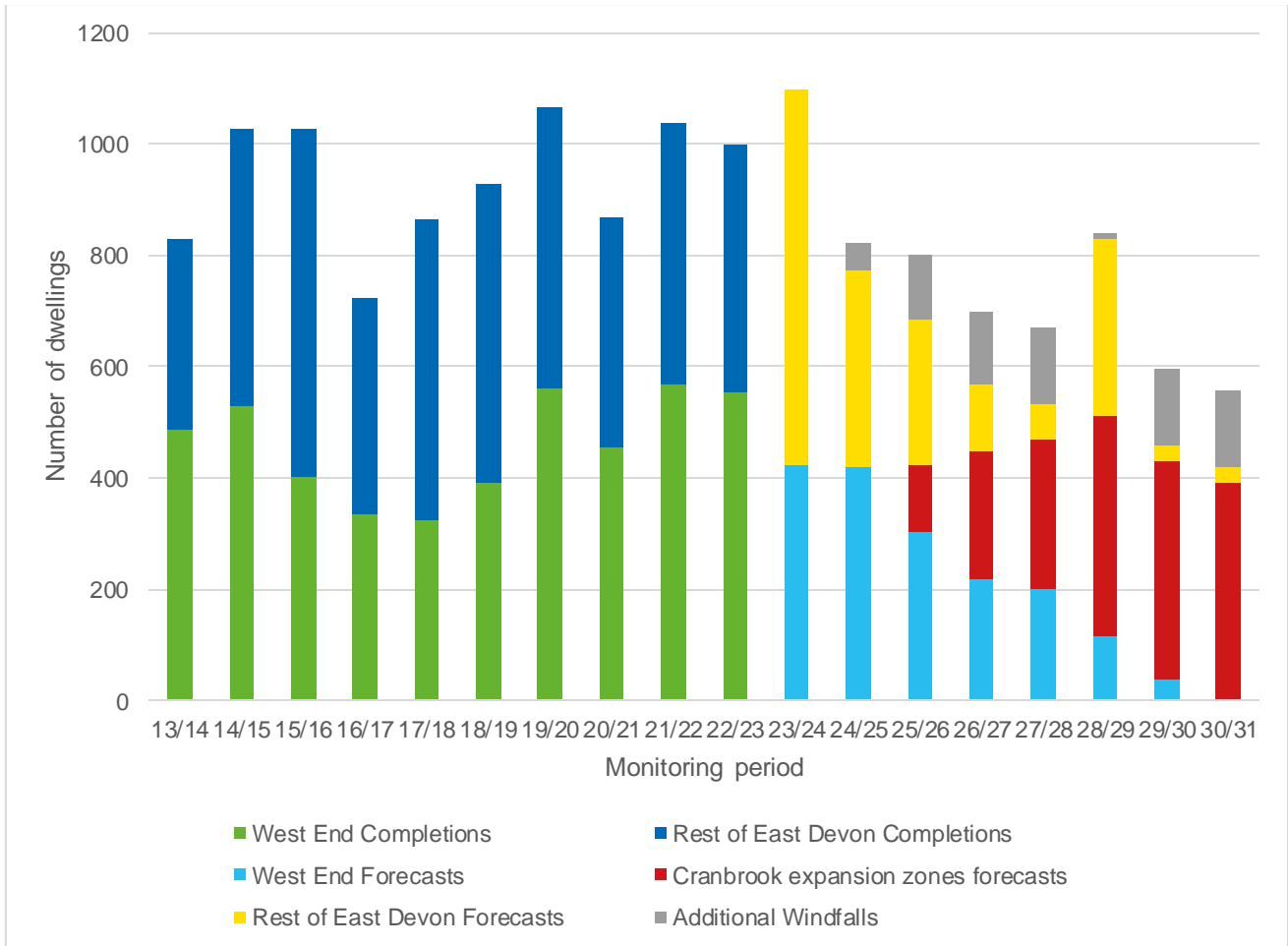
A previously published of this HMU included an error in the final column, which has now been corrected

**TABLE 12 Housing Supply - Five Year period and to March 2031**

Year	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31
Totals	1,100	822	803	699	669	840	598	557
	4,093 ←					Projected five year housing delivery for 2023/24 to 2027/28		

- 4.3. The net number of deliverable dwellings in the five years from 1 April 2023 to 31 March 2028 is 4,093 as shown in TABLE 12. This is the figure used to calculate the five year housing land supply position at the 2023 monitoring point (see Section 5 of this report)
- 4.4. The graph below shows the breakdown of different supply sources making up the housing trajectory for the period 2013 to 2031.

**GRAPH 1 – Forecast/Projected East Devon district housing trajectory to 2031**



- 4.5. The table on the following page shows the data used for the various components of supply, including completions to 2013 to 2023, site forecasts/projections and windfall projections in the graph above.

**TABLE 13 Data for the overall housing trajectory graph**

Period	West End Completions	Rest of East Devon Completions	West End Forecasts	Cranbrook expansion zones forecasts	Rest of East Devon Forecasts	Additional Windfalls	Total Comp/Pro
13/14	486	344					830
14/15	531	498					1,029
15/16	403	624					1,027
16/17	335	389					724
17/18	326	540					866
18/19	392	537					929
19/20	560	505					1,065
20/21	455	412					867
21/22	568	471					1,039*
22/23	555	443					<b>998*</b>
23/24			422	0	678	0	<b>1,100</b>
24/25			420	0	354	48	<b>822</b>
25/26			304	120	260	119	<b>803</b>
26/27			217	230	120	132	<b>699</b>
27/28			199	270	63	137	<b>669</b>
28/29			114	397	318	11	<b>840</b>
29/30			37	392	31	138	<b>598</b>
30/31			0	392	27	138	<b>557</b>

\*Assumes DLUHC adjustments for care home beds have been made

## 5 District Five Year Housing Land Supply Position

- 5.1. As set out in PPG Housing supply and delivery (paragraph 001), “*The five year housing land supply is a calculation of whether there is a deliverable supply of homes to meet the planned housing requirement (or, in some circumstances, local housing need over the next five years.*” The ‘five year land supply position’ is one of the Government’s planning policy tools to encourage local authorities to promote a sufficient supply of land for housing and support delivery.
- 5.2. The purpose of the five year housing land supply is to provide an indication of whether there are sufficient sites available to meet the housing requirement. In line with PPG Housing supply and delivery paragraph 3, we are using local housing need calculated using the standard method in place of the adopted Local Plan housing requirement because the East Devon Local Plan 2013 to 2031 is more than five years old and its strategic policies are in need of updating.
- 5.3. In accordance with PPG Housing Supply and Delivery paragraph 2, “*a five year land supply is a supply of specific deliverable sites sufficient to provide five years’ worth of housing (and appropriate buffer) against a housing requirement set out adopted strategic policies, or against a local housing need figure, using the standard method, as appropriate in accordance with paragraph 74\* of NPPF.*” (\* updated paragraph reference)
- 5.4. The purpose of this section of the report is to provide the evidence to show whether the Council can demonstrate a five year land supply in East Devon as at the 2023 Monitoring Point, for NPPF paragraph 74 purposes in accordance with the National Planning Policy Framework and Planning Practice Guidance. It covers the five year period from 1 April 2023 to 31 March 2028.
- 5.5. This section therefore sets out the steps in calculating the five year housing land supply position, focussed on:
- a) Establishing the basic five year requirement - based on Local Housing Need;
  - b) Identifying any previous shortfall or surplus, based on:
    - Local Housing Need,
    - Adopted Local Plan,
    - Planning judgement;
  - c) Adding a buffer;
  - d) Identifying the total five year requirement:
    - Annualising the total five year requirement;
  - e) Identifying the total five year supply forecast for specific deliverable sites;
  - f) Calculating the number of years of deliverable supply.

**a) Establishing the basic five year requirement**

- 5.6. NPPF paragraph 74 states that local planning authorities should identify and update annually a supply of specific deliverable sites sufficient to provide a minimum of five years' worth of housing against their housing requirement set out in adopted strategic policies, or against their local housing need where the strategic policies are more than five years old (unless these strategic policies have been reviewed and have not been found in need of updating). Footnote 37 of the NPPF expands upon this, stating that where local housing need is to be used as the basis for assessing the five year housing supply, it should be calculated using the Government's standard method set out in PPG.
- 5.7. The adopted Local Plan has a housing requirement of 17,100 new homes for the 2013-2031 plan period, equivalent to an average of 950 dwellings per annum. However, the East Devon Local Plan 2013 to 2031 was adopted on 28 January 2016 and is therefore more than five years old. The Council has commenced the preparation of a new East Devon Local Plan which will include a strategic policy housing requirement.
- 5.8. In accordance with NPPF and PPG Housing Supply and Delivery paragraph 3, in these circumstances the five year housing land supply assessment for NPPF paragraph 74 purposes compares five year housing supply against a requirement based on local housing need calculated using the standard method.

*East Devon Local Housing Need at the 2023 Monitoring Point*

- 5.9. The latest local housing need figure is the starting point for the East Devon five year housing land supply assessment. The calculation of the district's local housing need is set out in Appendix 1 of this report. Based on the standard method, East Devon's current annual local housing need figure is 910 per year. Multiplying this by five years generates a basic five year housing requirement of 4,550.

**b) Identifying any previous shortfall or surplus**

- 5.10. The next step is to consider whether there is any past supply shortfall or surplus to add to or deduct from the basic five year housing requirement.

*Is there a shortfall?*

- 5.11. For the purposes of calculating the five year housing requirement, the PPG Housing Supply and Delivery paragraph 31 considers how shortfalls can be addressed. It states that:

*“Where the standard method for assessing local housing need is used as the starting point in forming the planned requirement for housing, Step 2 of the standard method factors in past under-delivery as part of the affordability ratio, so there is no requirement to specifically address under-delivery separately when establishing the minimum annual local housing need figure”.*



5.12. Therefore, as East Devon's five year housing requirement is based on local housing need using the standard method, there is no requirement to specifically address any past under delivery of housing separately when establishing the minimum annual local housing need figure and the five year housing requirement for NPPF paragraph 74 purposes.

*Is there a surplus?*

5.13. Paragraph 32 of PPG Housing supply and delivery states that "Where areas deliver more completions than required, the additional supply can be used to offset any shortfalls against requirements from previous years."

5.14. However, the issue of over-supply (i.e. a surplus) is a somewhat 'grey area' in planning policy because NPPF is not clear how additional supply could be used to offset shortfalls against requirements from previous years. NPPF is silent, or alternatively, does not deal, with what account if any should be taken of oversupply achieved in earlier years when calculating the five year supply.

5.15. Recent case law<sup>3</sup> concludes that whilst the intention of NPPF is that planning authorities should meet the housing requirements set out in adopted strategic policies that does not necessarily mean that any oversupply in earlier years will automatically be counted within the five year supply calculation. That case law also concludes that guidance in PPG Housing supply and delivery paragraphs 31 and 32 is about addressing a particular circumstance, namely where there has been some shortfall as well as some oversupply in previous years. That is, that a shortfall against requirements from previous years would be necessary, in order to take account of any additional supply.

5.16. There has been no change to NPPF or to related PPG on this matter since the Gotherington High Court decision.

5.17. For the avoidance of doubt, the Council has considered whether there has been a housing supply surplus for the purposes of this five year housing supply assessment at the 2023 Monitoring Point, compare to 'requirement' as follows:

1. Requirement based on Local Housing Need

5.18. PPG Housing Supply and Delivery paragraph 31 is clear that where the five year land supply is based on Local Housing Need using the standard method then "Step 2 of the standard method factors in past under-delivery as part of the affordability ratio". The 2023 East Devon five year housing land supply assessment in TABLE 14 and TABLE 15 in this report uses the Local Housing Need (standard method) for the requirement figure in the calculation. So it includes the requirement uplift from applying the affordability ratio.

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<sup>3</sup> High Court decision EWHC 2782 (Admin) 18 October 2021 Land off Ashmead Drive, Gotherington

Mindful of PPG paragraph 31, this implies that there was past under-delivery in East Devon. It would not be logical to conclude that there was past over-delivery when PPG states that the standard method factors in past under-delivery. Therefore there is no oversupply for TABLE 14 to take into account.

- 5.19. Furthermore, neither NPPF nor PPG requires the annual local housing need figure calculated by the standard method to be applied retrospectively<sup>4</sup>. For the purposes of this five year housing land supply assessment, the Local Housing Need figure of 910 dwellings pa is not applied retrospectively to the period 2013 to 2023. Consequently, there are no grounds for asserting that there was an oversupply in East Devon in the 10 years preceding the 2023 Monitoring Point based on local housing need.

## 2. Requirement based on Local Plan requirement

- 5.20. Where a Local Plan requirement is used for calculating the five year housing land supply, it involves measuring delivery to date from the start of the Local Plan period. Comparing the 9,374 dwellings supply delivered 2013 to 2023 (see TABLE 13) to the adopted East Devon Local Plan 2013-2031 housing requirement of 9,500, there would be a delivery shortfall of 126 between 2013 and 2023. Therefore this means there would then be no over-delivery of supply compared to that requirement.
- 5.21. However, the 5 year housing land supply calculation in TABLE 14 and TABLE 15 is not based on the requirement from the adopted East Devon Local Plan 2013 to 2023.
- 5.22. Even if the 9,374 supply for the ten years 2013 to 2023 is compared to the 950 pa requirement for the ten years (ie 9,500), the evidence would demonstrate an undersupply (shortfall) since that Local Plan was adopted, not over-supply.
- 5.23. Furthermore, in light of the Gotherington High Court decision and in the context of NPPF paragraph 31, the Council is mindful that the Local Plan's housing requirement figure took account of previous shortfall (ie prior to 2013) and was agreed as part of the plan making process in adopting the East Devon Local Plan 2013 to 2031. Even if there had been an overall surplus since the start of the plan period of the adopted plan, then there would be no shortfall against requirement from previous years prior to 2013 which could be offset.

## 3. Planning judgment – on a case by case basis

- 5.24. Mindful of the Gotherington High Court decision, the local planning authority can make a planning judgment on a case by case basis as to whether or not previous over supply

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<sup>4</sup> The Council is mindful that paragraph 12 PPG Housing and Economic Needs Assessment about applying the standard method to the whole plan period is in the context of plan making.

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(surplus) should be taken into account, and if so, by how much, and how to respond to identified over supply against the adopted plan's requirement.

- 5.25. That planning judgement may be complex. For example the Council might consider the following when determining a planning application:
- The scale of oversupply and whether this is material
  - The contribution of oversupply in meeting the objective of meeting the strategic housing requirement across the plan period
  - The tilted balance introduced by the five year housing land supply to address circumstances where planning permissions are required to improve the prospects of meeting that requirement
  - The shape of the future supply trajectory, such as whether delivery trends continue, e.g. whether the future delivery rate is forecast to accelerate or decelerate over time
  - Related matters such as would the circumstances leading to over-supply in the past be repeated in the future; and was the Standard Method capped?
- 5.26. However, even if the evidence demonstrated over-supply, which it doesn't, the shape of the future housing delivery trajectory in TABLE 13 and Graph 1 shows that the amount of completions in the future is forecast to slow down over the five year period and the slow down continues after the five year period. The emerging new East Devon Local Plan is not at advanced stage, so the council is not able to include supply from potential future housing allocations into the district housing trajectory at this time, and certainly not into forecast deliverable supply. In these circumstances it would not be prudent to take account of any oversupply, if this existed.

*Supply Surplus - conclusion*

- 5.27. Based on the above analysis, no oversupply is taken into account in the five year housing land supply assessment in TABLE 14 and TABLE 15 in this report.
- 5.28. Consequently, no undersupply is added to the 4,550 Local Housing Need figure and no oversupply is deducted. The 'basic' requirement in TABLE 14 is 4,550 dwellings for the five year period.

**Adding a buffer**

- 5.29. To ensure that there is a realistic prospect of achieving the planned level of housing supply, PPG Housing Supply and Delivery Paragraph 22 advises that a local planning authority should always add an appropriate buffer to the housing requirement in the first five years, bringing forward additional sites from later in the plan period. This will result in a five year requirement over and above the level indicated by the local housing need figure.

5.30. The PPG states that one of the following buffers should be added, depending upon circumstances:

- 5% - the minimum buffer for all authorities, necessary to ensure choice and competition in the market, where they are not seeking to demonstrate a five year housing land supply
- 10% - the buffer for authorities seeking to 'confirm' five year housing land supply for a year, through a recently adopted plan or subsequent annual position statement (as set out in paragraph 74 of the National Planning Policy Framework), unless they have to apply a 20% buffer (as below); and
- 20% - the buffer for authorities where delivery of housing taken as a whole over the previous 3 years, has fallen below 85% of the requirement, as set out in the last published Housing Delivery Test results.

5.31. The adopted East Devon Local Plan 2013 to 2031 is not "recently adopted" and the adopted Cranbrook Plan DPD (2022) does not establish the 5 year housing land supply, so East Devon District Council is not seeking to 'confirm' its five year housing supply for a year as set out in NPPF Paragraph 74. Therefore a 10% buffer is not applicable.

5.32. East Devon does not have a pattern of persistently delivering below housing requirements when measured against Government Housing Delivery Test numbers (see paragraph 1.19 of this report). Based on NPPF and guidance in PPG Housing Supply and Delivery it is therefore appropriate to apply a 5% buffer to the 'basic' requirement figure.

#### **Total five year requirement target**

5.33. Applying the 5% buffer to the 4,550 basic requirement results in a five year requirement target of 4,778 dwellings. Dividing this by five years generates the annual target for the five year period of 956 dwellings per year (see TABLE 14).

#### **Total five year supply forecast**

5.34. The main components of the deliverable supply forecast for 1 April 2023 to 31 March 2028 are set out in TABLE 15. The net total five year supply forecast is 4,093 dwellings.

#### **Five year housing land supply calculations (2023 Monitoring Point)**

5.35. TABLE 14 and TABLE 15 summarise the East Devon five year housing land supply position calculations for NPPF paragraph 74 purposes.

**TABLE 14 Five year requirement plus buffer calculations**

<b>East Devon housing requirement and buffer for 01 April 2023-31 March 2028</b>			
	<b>Calculation</b>	<b>No. of dwellings</b>	<b>Item</b>
A		910	Basic annual requirement *
B	Ax5	4,550	Basic five year requirement (excluding buffer)
C		0	Past under or over supply
D	(B +C)x1.05	4,778	Total five year requirement target (including 5% buffer)
E	D/5	956	Annual target (assuming 5% buffer)

**TABLE 15 Five year supply calculations**

<b>Supply sources at 31 March 2023 with realistic prospects of delivering dwellings 01 April 2023-31 March 2028</b>			
	<b>Calculation</b>	<b>No. of dwellings</b>	<b>Supply sources</b>
F		3,037	Extant permissions
G		620	Cranbrook Plan DPD expansion zones (allocations) – unconsented **
H		436	Future additional windfalls
I	F+G+H	4,093	Total five years deliverable supply
<b>Five year housing land supply position at 2023 Monitoring Point</b>			
J	D-I	685 SHORTFALL	Five year Supply Surplus / Shortfall (assuming 5% buffer)
K	I/E	4.28	Years of land supply (assuming 5% buffer)

Notes:

\* Annual requirement based on Local Housing Need (standard method)

\*\* Planning applications on 3 of the 4 Cranbrook expansion areas received Planning Committee ‘Resolution to grant approval’ after the 2023 Monitoring Point

## **FIVE YEAR LAND SUPPLY POSITION - CONCLUSION**

- 5.36. At 31 March 2023, East Devon District Council can demonstrate a **4.28** year housing land supply position against the Local Housing Need of 910 dwellings plus 5% buffer (956 dwellings), with the total number of dwellings deemed deliverable in the 5-year period being 4,093 dwellings. Comparing the 4,093 forecast 5 year supply(including dwelling equivalents from care homes) to the 4,778 net dwellings 5 year requirement (including 5% buffer) indicates a district supply shortfall of **685** dwellings.
- 5.37. Where policies which are most important for determining an application are out-of-date because the council cannot demonstrate a five year supply of deliverable sites at 31 March 2023, the presumption in favour of sustainable development as set out in NPPF paragraph 11d applies for development management purposes.
- 5.38. The results and conclusions in this document supersede all previous East Devon Housing Monitoring Updates reports regarding the five year housing land supply position.
- 5.39. Finally, for the avoidance of doubt, the five year housing land supply assessment in TABLE 14 and TABLE 15 does not prejudge or predetermine the rolling five year housing land supply assessment to be made in the future relating to the emerging East Devon Local Plan, including the five year land supply position at the anticipated point of plan adoption. The rolling five year housing land supply assessment for the Local Plan will need to be consistent with NPPF and PPG specifically regarding plan-making.

## 6 Delivery compared to adopted plan trajectory

### Comparing the local plan and the 2023 housing trajectories

- 6.1. The adopted East Devon Local Plan 2013 to 2031 includes a housing trajectory for the plan period. This takes the form of a graph (the illustrative trajectory) and the related data which is provided in Appendix 2 of the plan. TABLE 16 compares the 2023 housing trajectory to the trajectory Appendix 2.

TABLE 16 Comparison of Local Plan and 2023 trajectories

Period	2023 MP actuals and trajectory Total Comp/Proj	Local Plan trajectory Total Comp/Proj	Over (+) / Under (-) delivery compared to local plan trajectory	Cumulative difference in trajectories
13/14	830	824	6	6
14/15	1,029	1,089	-60	-54
15/16	1,027	1,191	-164	-218
16/17	724	1,261	-537	-755
17/18	866	1,455	-589	-1,344
18/19	929	1,464	-535	-1,879
19/20	1,065	1,287	-222	-2,101
20/21	867	1,553	-686	-2,787
21/22	1,039*	1,295	-256	-3,043
22/23	998*	1,092	-94	-3,137
23/24	1,100	1,041	+59	-3,078
24/25	822	1,012	-190	-3,268
25/26	803	830	-27	-3,295
26/27	699	691	-8	-3,287
27/28	669	566	+103	-3,184
28/29	840	551	+289	-2,895
29/30	598	551	+47	-2,848
30/31	557	565	-8	-2,856
TOTAL	15,462	18,318		

- 6.2. TABLE 16 clearly shows that the delivery forecasts in the Local Plan trajectory are now not expected to be achieved. Those forecasts were ambitious. They also pre-date the latest Planning Practice Guidance on Housing supply and delivery. The consequence of PPG is that the new forecasts are more cautious. The Covid 19 pandemic impacted on delivery in 2020/21. Furthermore, delivery on strategic allocations has been delayed, notably due to:

- the lack of funding for the Axminster relief road and now the nutrients neutrality constraint has prevented the previously forecast early delivery of the strategic allocation at Axminster (in the Rest of East Devon) between 2017/18 and 2025/26;
- the timing of the Cranbrook Plan DPD inspector's report, and subsequent plan adoption, which has led to longer forecast lead in times for applications in the Expansion Areas.

6.3. In producing the trajectory for the 2023 Housing Monitoring Update, the council is aware that work is currently in progress in preparing the emerging new East Devon Local Plan 2020 to 2040. To avoid prejudging or predetermining the new plan, the council has to be mindful that NPPF and PPG 'rules' relating to 'deliverable' and 'developable' will apply to the housing trajectory for the emerging local plan. In particular NPPF requires the Council to demonstrate that the emerging plan has a five year supply at the point of plan adoption. At this time the council has therefore categorised some sites with planning permission at 2023 as developable, meaning that they are not forecast to deliver housing before April 2031, i.e. after the end of the plan period of the adopted Local Plan. It may be that some developable sites deliver before that time.

#### **Five year housing land supply by sub-area**

- 6.4. The adopted Local Plan identifies non delivery of the five year housing supply as a specific trigger for policy review and action. 2023 is the second consecutive year that the Council is not able to demonstrate a five year housing land supply. Action is already underway through the preparation of the emerging new East Devon Local Plan to address the issue. NPPF paragraph 11d is also engaged (unless paragraph 11c applies), with the application of the presumption in favour of sustainable development in the planning judgment when determining relevant planning applications.
- 6.5. A further local plan monitoring requirement is identified in the paragraph 20.4 in the adopted local plan regarding five year land supply.

*20.4 "In East Devon we will work to two sub-areas for five year land provision:*

*1. The West End - to include Cranbrook and other big strategic housing sites on the Western side of the District. On current assessment (under Devon Structure Plan housing 'requirements') we have less than five years' land supply in this area.*

*2. The Rest of East Devon - that is, everywhere else within our District. On current assessment (under Devon Structure Plan housing 'requirements') we have considerably more than five years' land supply."*

(Note - the Devon Structure Plan was revoked on 20 May 2013)

- 6.6. TABLE 17 and TABLE 18 below provide an overview of the 5-year housing land supply against the two sub-areas for monitoring identified in paragraph 20.4 of the adopted East Devon Local Plan 2013 to 2031. This position should **not** be used in the operation of paragraph 74 of the NPPF, but is provided for context against the provisions of the development plan.



**TABLE 17 Five year requirement plus buffer calculations**

<b>East Devon and sub-area housing requirement and buffer for 01 April 2023 - 31 March 2028</b>					
	<b>Calculation</b>	<b>Rest of East Devon</b>	<b>West End</b>	<b>District No. of dwellings</b>	<b>Item</b>
A		348	562	910	Basic annual requirement*
B	Ax5	1,740	2,810	4,550	Basic five year requirement (excluding buffer)
C		0	0	0	Past under or over supply
D	(B +C)x1.05	1,827	2,951	4,778	Total five year requirement target (including 5% buffer)
E	D/5	365	590	956	Annual target (assuming 5% buffer)

**TABLE 18 Five year supply**

<b>Supply sources at 31 March 2023 with realistic prospects of delivering dwellings 01 April 2023-31 March 2028</b>					
	<b>Calculation</b>	<b>Rest of East Devon</b>	<b>West End</b>	<b>District No. of dwellings</b>	<b>Supply sources</b>
F		1,475	1,562	3,037	Extant permissions
G		0	620	620	Cranbrook Plan DPD expansion zones (allocations) - unconsented**
H		414	22	436	Future windfalls
I	F+G+H	1,889	2,204	4,093	Total five years deliverable supply
J	D-I	-62 SURPLUS	747 SHORTFALL	685 SHORTFALL	Five year supply surplus / shortfall (assuming 5% buffer)
<b>Five year housing land supply position at 2023 monitoring point</b>					
K	I/E	5.17	3.73	4.28	Years of land supply (assuming 5% buffer)



## 7 APPENDIX 1 - Local housing need calculation

Government guidance on calculating local housing is set out in the Planning Practice Guide: Housing and economic needs assessment. Please see the guidance<sup>5</sup> for further explanation. The Council has applied this guidance to calculate the local housing need for East Devon for use in the five year housing land supply calculation as at the 2023 monitoring point. The calculations are as follows:

**TABLE 19 Average annual increase in households**

<b>ONS 2014-based household projections: East Devon District</b>		
A	Projected households 2023	66,244
B	Projected households 2033	72,813
C	Projected increase in households 2023-2033 (B – A)	6,569
D	Annual projected increase in households 2023-2033 (C/10)	657

**TABLE 20 2022 Affordability ratio**

<b>Affordability Ratio (ONS data published March 2023 - Table 5c)</b> Ratio of median house price to median gross annual (where available) workplace-based earnings by local authority district, England & Wales, 1997 to 2022		
E	Median house prices 2022	325,000
F	Median workplace earnings 2022	32,000
G	Affordability Ratio (E/F)	10.16

**TABLE 21 2023 Monitoring Point East Devon Local Housing Need**

H	Adjustment factor (PPG method)	1.385
I	Annual projected increase in households 2023-2033 (D)	657
J	<b>Local Housing Need (annual) as at 1 April 2023 (I * H)</b>	<b>910</b>

<sup>5</sup> [Housing and economic needs assessment - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/housing-and-economic-needs-assessment)

Calculation of Adjustment factor (based on PPG standard method)

Adjustment factor is calculated as follows = (((10.16 – 4) /4) \* 0.25) + 1)

i.e.

$$10.16 - 4 = 6.16$$

$$6.16/4 = 1.54$$

$$1.54 * 0.25 = 0.385$$

$$0.385 + 1 = 1.385$$

Calculation of Local Housing Need (based on PPG standard method)

Local Housing Need = Annual projected increase in households 2023-2033 \* Adjustment factor

i.e. 657 multiplied by 1.385 = 909.945

i.e. 910 dwellings per year (rounded)

The annualised housing requirement (950 pa) in the adopted East Devon Local Plan 2013-2031 is higher than the LHN. Therefore, under the standard method the 'capped figure' is 950 + 40% ie 1,330. The capped figure (1,330) is greater than the minimum annual local housing need figure (910) and therefore does not limit the increase to the local authority's minimum annual housing need figure. The minimum figure for this East Devon is therefore 910 dwellings pa.

