

Contents

1 Introduction	3
2 Housing Numbers	4
3 Housing Land Availability	10
4 Sources of Information	12
Housing Mix	12
Viability Study	12
Affordable Housing	14
Strategic Housing Market Assessment	14
Housing Needs Assessment	14
Supplementary Planning Document Affordable Housing	16
Gypsies and Travellers and Travelling Showpeople	16
5 Appendix One	18

1 Introduction

- **1.1** Part of the essential evidence base for the Core strategy is that relating to land for housing. It is necessary to provide for the future requirements of the area having first determined what these are and then show that they can be met by the provision made in the Core Strategy.
- 1.2 Continuous monitoring of house building has been undertaken for over 30 years and there are records which show the number of house completions in the district over every year since it was established in 1974. More importantly the performance of the district under the out going Structure Plan and the then emerging RSS is regularly assessed. Although the future of the RSS is now that it will not be adopted, the evidence on which it depends remains and this provides a sound base for policy making. The "add on" policies in the draft RSS (those not presently found in national policy guidance) are likely to be replaced by more local ones in time, and there may be a change in the emphasis in terms of the spatial distribution of development albeit within the context of the national PPS guidance which at present remains. In the case of the Forest of Dean, the requirements for housing are based on the estimated needs of the area and are taken as a realistic way forward in the Core Strategy.
- 1.3 There is sufficient land available for the next five and ten years with a large proportion being held in the form of sites with planning permission. Any change in the level of provision of housing arising from a future re assessment at district level would need to be taken into account when the Core strategy is reviewed. This could then result in the identification of additional land or the decision to delete some allocations. Alternatively as the expectation is that the Core Strategy would also be rolled forward when reviewed (ie its end date would move from 2026 to, say, 2031), then there could be a decision to identify additional land or not for the roll forward. This is much the same situation as has occurred at the present time with the land originally being identified in the Local Plan for one period now considered appropriate for the needs of the Core Strategy for development over a longer time period.

2 Housing Numbers

- 2.1 The current requirements for a land supply are drawn from the figures contained in the proposed changes to the RSS. For reasons given above, the figures are still considered relevant to the needs of the Forest of Dean and are therefore used to support the Core Strategy. They represent an expression of the needs of the area as tested and endorsed by the Secretary of State, and in the case of the Forest of Dean do not include any addition or deletion to represent the RSS's spatial policies which will now be finalised and will not form part of any development plan.
- The RSS evidence contains forecasts for the provision of housing over the period 2006 -2026 on a district by district basis. Although intended for the RSS the forecasts are evidence based using (then) up to date population forecasts and estimates of household formation. The separate requirements of the larger towns and cities are also listed. These are more policy based and may be liable to change. In the Forest of Dean there is a 20 year provision for 6200 dwellings. This equates to 310 per year and this figure is used within the Core Strategy to derive five ten and fifteen year requirements of 1550, 3100 and 4650. A different forecast independent of the RSS material prepared by the County Council suggests that between 2008 and 2026 5900 new households will need to be provided for in the Forest of Dean⁽¹⁾. This (albeit comparing households and dwelling requirements) suggests that at least one alternative method of deriving forecasts supports the level of provision that is being used to guide the Core Strategy. The recent forecasts are summarised below. Following the joint exercise by the Gloucestershire Local Authorities, additional household forecasts were provided in May 2011, showing a growth in household numbers from 2006 to 2026 of 6330, or 316 per year. This is a trend based forecast and is very close to the others referred to in support of the Core Strategy.

	Ave annual req	Total no dwellings required
GCC First detailed proposals, 2006, for 2006-26	291	5828
Draft RSS 2006 for 2006-26	270	5400
S of S's proposed changes to RSS 2008, 2006-26	310	6200
GCC Local Household projection 2010, 2008-26	340	6106
GCC Housing trend analysis and population projections May 2011	316	6330

Housing Forecasts for the Forest of Dean District 2006-2011.

¹ Gloucestershire County Council 2008-2031 population and household forecasts, with household forecasts adjusted to take account of the approximate difference between households and dwellings.

- 2.3 The presently identified sites in the Forest of Dean, together with an assumed continued contribution from small sites of 5 or fewer dwellings are adequate to meet the entire requirement to 2026. Over the first three years from March 2006, when 930 dwellings would have been required, 920 were recorded as having been completed. In the fourth year to March 31, 2010, only 118 dwellings were completed, this being a direct consequence of the recession. During the following year, to March 31st 2011 a further 228 were completed. This is again a figure below the averaged 20 year requirement and leaves a balance of 4934 to find, taking account of the "shortfall" of 284 from the first five years.
- 2.4 The majority of this requirement can be met on sites that at present have planning permission or are allocated in the current Local plan. These two sources can provide for about 3617 dwellings on land agreed to be available under the SHLAA study. This leaves a balance of about 1317. The balance however does not need to be found on new identified sites, because the Core Strategy assumes that small unidentified sites will continue to come forward, (the SHLAA process having assessed them and agreed that they are potentially available). Sites of this type (under 5 dwellings have historically contributed 96 dwellings per year over the last 5 years. This equates to 1440 over the 15 years to the end of the plan period. Of the 4934 to be found therefore, if it is assumed that small sites will continue to come forward across the District at their present rate, then the total requirement will be met (4934-3617= 1317, likely available small non allocated sites = 1440).

year	number
2003/4	107
2004/5	114
2005/ 6	116
2006/7	114
2007/ 8	167
2008/ 9	114
2009/ 10	43
2010/ 11	43
Average per year	102

Small site past contributions (no of dwellings on schemes of 1-5 dwellings completed each year)

2.5 The Core Strategy however proposes to make provision for the modest allocation of land at villages and will as part of the AAP for Cinderford's Northern Quarter identify additional land for housing. This will add modestly to the presently available supply, and will therefore place less reliance on small unidentified sites. The Core Strategy proposes the following:

Settlement	Core Strategy proposed	Committed	Additional required	Annual implied average
Cinderford	1050	783	267	66
Lydney	1900	1711	189	119
Coleford	650	497	153	41
Newent	350	300	50	22
Tutshill/ Sedbury	111	18	93	7
Bream	100	41	59	6
Drybrook	100	19	81	6
Mitcheldean	101	60	41	6
Newnham	65	31	34	4
Yorkley Pillowell and Whitecroft	45	16	29	3
Lydbrook and Joys Green	82	63	19	5
Service Villages	284			18
Small villages	88			6
Outside Settlements	236			15
TOTAL	5162	3539	1015	323

Dwelling provision and current commitments, Core Strategy

Core Strategy proposed is proposed allocations for towns and named villages and assumed contributions from other settlements

Committed means allocated in Local Plan or sites with planning permission (agreed as available in SHLAA)

Additional required means numbers required over current committed

Annual implied rate spreads proposed Core Strategy provision over remaining 16 years 2010 to 2026. It compares with the rate over 20 years required to deliver 6200 dwellings of 310 per year

Cinderford includes Cinderford, Ruspidge, urban area.

Coleford includes Milkwall, Berry Hill, Coalway etc

- 2.6 Using the residual requirement of 4934 (6200-1266), the total required over the first five years is 1752 (310*5, the annualised figure over the twenty year period that the forecast was originally prepared for) plus the so called "shortfall" of 284). This and the next increment of five years are covered in the trajectory below. It is also illustrated in the Core strategy itself. The trajectory is the result of the individual assessment of all sites capable of yielding 6 or more dwellings that are either allocations in the present local plan or are sites which have planning permission or resolutions to grant, where Section 106 agreements are awaited. These sites have been assessed in the SHLAA process except where they have very recently received permission in which case they will be considered in the next assessment. The components of the housing trajectory are:
- 1) Sites first allocated in the Local Plan and which are considered appropriate to include in the Core Strategy.

This category comprises almost all of the unbuilt allocated sites, which have been re assessed for the Core Strategy. These may have permission, may be subject to resolutions to permit or may be allocations which have been agreed as available through the SHLAA process. Considerable numbers of dwellings are expected to be completed in the first five year period. A substantial contribution from this source is expected beyond the first five year period and a modest continued contribution beyond that. This is because it is expected that the largest of the allocated sites will take more than ten years to deliver. The long delivery period helps shape the trajectory to one that will maintain a continuity of supply. Contributions from this source are estimated as 1041,1094, and 500 dwellings from each five year period. The figures for the final five years reflect an adjustment made to account for the number of dwellings being completed on the allocated sites exceeding the number allocated by a considerable margin, due in one case to a varied permission on a mixed development and in others to increases in density between the original Local Plan allocation and the permissions which reflect current consents that are being implemented.

2) Other sites of over 5 dwellings which have planning permission or resolutions to permit pending Section 106 agreements but are not Plan allocations.

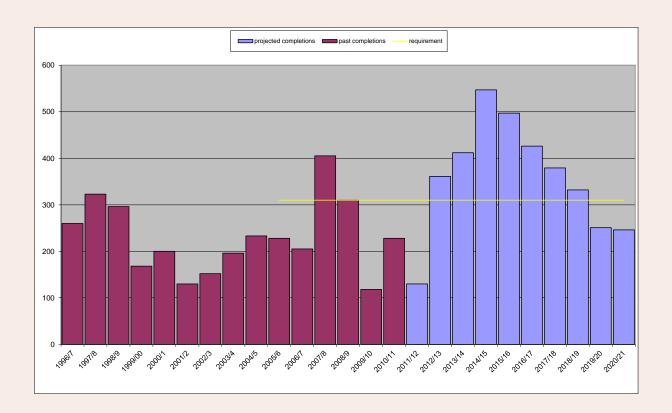
The bulk of these sites arise as windfalls and can therefore only be counted as contributing to supply once they have permission or resolutions to approve. Sites in these two categories are therefore only counted in the first ten years of the trajectory. (meaning that only sites identified at the start of the period are counted and that they are assumed to have been completed within ten years). In practice, this will be likely to underestimate the contribution because sites that are presently unidentified and have a capacity of over 5 dwellings will continue to come forward.

Housing Numbers

3) Sites of five dwellings or less: these are assumed to continue to deliver completions at an historic rate based on the average achieved over the past five years.

The case for an allowance for dwelling contributions from sites of this type is compelling though there are various options for the way in which they are estimated. Evidence from past years shows there to have been an average of 102 completions per year from these sites over 2003/4–2010/11. There is still an adequate supply of sites both under construction and yet to be started to support the continuation of completions at past rates. The inclusion of such an allowance was agreed by the panel in the SHLAA process. The "rolling average" of completions has fallen in the last two years in keeping with the general slowing of the housing market. Small sites tend to be developed for individuals or by small builders for specific customers and the flow of these is subject to economic factors such as the ease of obtaining mortgages.

The above categories of sites are the sole contributions to the first ten years of the trajectory, and 1) and 3) are also expected to contribute during the final five year period. In respect of land currently in category 2, there are other considerations. The Core Strategy shows how the expected new housing will be distributed throughout the district. This requires modest additional (available) land to be identified but in the form of sites which can be released under the proposed Core Strategy policies. These could come forward as unidentified sites and be counted when they have consent or they could be identified in advance in an allocations DPD. In practice a mixture of the two approaches is likely. Because the magnitude of any shortfall is small (see 2.3 above), new major allocations outside existing built up areas (settlement boundaries) are most unlikely.



3 Housing Land Availability

- **3.1** An assessment of availability using the identified supply of sites which have been verified through the SHLAA process demonstrates an adequacy of provision:
- 3.2 At 31st March 2011 there was sufficient land considered to be available within five years to provide for 2043 dwellings, this being the equivalent of 6.6 years supply (2043/310*5 = 6.59). If the shortfall of 284 is taken into account by adding it to the requirement then this supply reduces to 5.57 years. This shortfall is the difference between the expected rate of building, 310 per year and the actual which after five years was 253. It should be noted however that this figure is largely the result of the very slow rate of building recorded at the end of the recession (the last two years). Dwelling completions over the first three years from 2006 were almost exactly in line with the requirement (920 completed, and a requirement of 930). The situation over the next five years is that there is still is ample land which has been assessed as available to meet the needs of the Core Strategy.
- 3.3 The availability of a two major key sites has been further underlined with a recent approval for a development of 200 dwellings at Lydney, supported by finance from the HCA and the outline approval of the larger northern part of the same site (for 750 dwellings). In both cases the approvals are tied to agreed contributions from the developers. The latter site in particular is expected to be implemented over a relatively long period, contributing into the five to ten year period and beyond. The smaller site, which will accommodate 200 dwellings is now under way.
- 3.4 Beyond the ten year period as assessed in April 2011, it is estimated that there will be sufficient land available for a further 1500 dwellings. This is partly based on contributions from the large sites which are at present allocated, which are estimated to continue into this period, the continued contribution of small unidentified sites and an assumed addition of sites that are yet to be allocated. These could be drawn from existing sites identified in the SHLAA process including land within the existing built up areas but not at present allocated for or having consent for housing. While sites in the third category cannot be counted as making contributions in the first or second five year period, they will as and when they receive consent. They will almost certainly be capable of adding to the current supply and will provide completed dwellings within the five and ten year period.
- **3.5** A summary of the first two five year periods and expected sources of supply is contained in the table below:

Land requirements	Five year	Six to ten year
Residual requirement 2011/ 12 on	310*5+284 =1834	310*5= 1550
Identified supply from large sites (all committed and assessed as available in SHLAA)	1563	1406
Assumed small site contribution based on past completions (see above)	96*5=480	480

Land requirements	Five year	Six to ten year
Total available 5 years	1563+480 =2043	1886
Available within five year period expressed in terms of requirement	2043/1834*5= 5.57 yrs	1886/1550*5= 6.08 yrs

Land supply Forest of Dean

3.6 Beyond the ten years summarised above, there is expected to be undeveloped land within some of the larger sites, most notably the east of Lydney. Of the total 1660 dwellings, 500 are assumed yet to be completed at the expiry of the ten year period from March 31st 2011. The contribution from small sites will remain, and at the current (slightly lower) level would add a further 480. In addition to this the main element of supply will be from sites identified and allocated or with permission in 2021 but not identified in at the present time.

Sources of Information

4 Sources of Information

Housing Mix

Guidance about the mix of housing types that are required comes principally from the SHMA (Strategic Housing Market Assessment) and the HNS⁽²⁾. These are locally based documents looking across the Gloucestershire housing market area of which the Forest of Dean is part. The SHMA is a comprehensive review of the dynamics within the housing market and includes an assessment of the need for affordable housing and an assessment of the wider market. It looks at the need for particular types of accommodation on a district by district basis. The HNS (housing needs assessment) is a part of the SHMA, being a study of affordable housing need based on a survey. Both documents support the need for smaller family houses and given the existing stock mix address the need to "balance" the provision in the area by ensuring that over time any mismatch between stock and the overall requirements is addressed. Clearly with an existing stock of about 34000 and about 4934 new dwellings expected over the next 15 years, an addition of under 15%, there are limits as to how the overall supply can be balanced. There the various issues which can be addressed and it is desirable that new housing makes the overall balance more in tune with the requirements of the area. Any new provision should be made with this in mind but also the need to keep a degree of flexibility so that the new stock is not unnecessarily restricted in terms of potential occupants.

Viability Study

Viability

4.2 Early in 2008 a study of the viability of a sample of housing sites across the County was completed ⁽³⁾. This generally supported the various negotiated share contributions that were being and are being sought as part of housing developments. The study found that at that time the 40% starting point for negotiations sought in the Forest of Dean was a suitable one. This of course does not meant that it will be achieved on all sites and at all times in the economic cycle, as experience of site by site negotiations in recent years (2008 to 2010) reveals. Affordable housing contributions at or near 40% are being achieved on some sites and the starting point for negotiations is being supported by Planning Inspectors on appeal.

http://www.fdean.gov.uk/ngcontent.dfm?a id=6918&tt=graphic&externalurl=www.foddc.org.uk:81/mr020.asp?Refval=8209

4.3 A recent court of Appeal decision ⁽⁴⁾ supports the view that the Local Authority is able to set targets higher than the current (depressed)market can support, and this is the situation with the Forest of Dean. The viability study showed that a figure of 40% was the sensible upper limit when using certain assumptions on the likely tenure mix. This figure was verified

both produced by Fordham Research, and contained in the Evidence base, Gloucestershire SHMA, 2009, Fordham Research. Housing Needs Study, 2009, Fordham Research.

Fordham Research, 2008 County wide viability study and Forest of Dean study. Available in Evidence Base

⁴ Wakefield vs Barratt developments Royal Courts of Justice 10/12/2009 EWHC,

prior to the recent economic downturn and site by site negotiations that are being concluded do depart from this figure in a number of cases. It is however considered to be an appropriate starting point for negotiations being the level of provision that the viability study supported.

Current delivery

4.4 Variations in the mix of tenures and more significantly the degree of subsidy that is applied to sites has a major impact on the delivery. These are matters that will continue to be negotiated on a site by site basis though within the context of the Councils priorities and submissions to the Homes and Communities Agency (HCA). Major investment has been secured to provide affordable housing in the district on a number of sites and other priorities have been established.

Site/ Location	Approx no of dwellings	Time/ status
Newent- allocated land at Onslow Rd	141, 56 affordable HCA funded	Under construction 2010
Coleford- allocated land at Angel farm	100, 50 affordable subsidised by HCA (scheme approved)	Detailed permission, development commenced April 2011
Lydney - land within allocation for development East of Lydney	200, 120 to be affordable, approved subsidy from HCA for 80	Started early 2011
Huntley	30 total 13 affordable not HCA funded	Complete early 2011
Cinderford St White's Farm	Total 169 dwellings, 50 affordable (funding presently available for 26)	Under construction from mid 2010
Cinderford, Valley rd (Abattoir and adj land)	Total likely 100 with up to 60 affordable	Permission granted for relocation of factory

Affordable Housing investment including HCA supported schemes

Sources of Information

Affordable Housing

Strategic Housing Market Assessment

Housing Needs Assessment

Housing Needs Assessment

In December 2009, a revised Housing Needs Assessment was published covering the whole of Gloucestershire (the strategic housing market area). It identifies a net need for some 705 affordable dwellings per year within the Forest of Dean. This takes account of any backlog and also of the needs arising in future. The information is based on a survey conducted early in 2009. The central part of the district, which includes the three towns and 59% of the population, has 72% of the (gross) need, suggesting that it is appropriate to concentrate (but not exclusively direct) the supply of new affordable housing into this area.

The first component of need comprises about 1295 households in unsuitable accommodation and who could not afford to move, and this can be set against an availability of 668 units. There is therefore a net need for about 630 new units to accommodate the "backlog need", ie those in unsuitable housing at present who cannot afford to move. The second and largest component of need is from newly forming households who cannot afford market housing, and those likely to require social housing in the future, (ie falling into need from change of circumstances). These two categories are estimated to be 804 per year, against a supply of 225. there is therefore a need for an annual 579 units. This can be added to the present number in unsuitable accommodation, which it is assumed will be re housed over five years (630/5= 126). The total annual housing need is therefore 705 (126+579).

The needs assessment also looks at the types of dwellings that are required and at the tenure. The conclusion for the Forest of Dean where the average incomes are lower than the bulk of the county is that the predominant need for "non market" housing is for rented accommodation (89%) and that the highest need is for 2 bedroom houses in that sector.

In summary, the study suggests:

"To meet the demands of the projected population in 20 years time, about 14% of the stock in the Forest of Dean (excluding sheltered housing) should be affordable, which would require 38% of the construction over the next 20 years to be of this tenure, and the remaining 62% market housing.

In terms of market housing, the model would suggest building mostly three and two bedroom properties (85% in total), with relatively little requirement for one (6%) and four (10%) bedroom properties.

The requirement for affordable housing is for a wider range of property sizes; 41% two bedroom, but also 27.2% three bedroom, 19.5% four bedroom and 12.3% one bedroom.

The model suggests that about 17% of the housing provided should be sheltered or supported accommodation."

The CLG affordable housing need figure has been based on survey information about past household behaviour in terms of moves to different accommodation, and information from the Council on past and future affordable housing provision. Bringing the information together from both current and future need and supply, the model suggests an annual net need for approximately **705** units of affordable housing. ⁽⁵⁾

The Fordham study recommends in terms of PPS 3 (para 22 which is concerned with achieving a mix of housing), that the split between market and affordable housing should be 50:50 and that 6% of the total should be intermediate housing and 44% social rented. This may not be achievable in practice but does indicate that the ideal number of affordable houses required to do this is well above the numbers that are likely to be supported by the private sector providing on negotiated share sites (ie the up to 40% contributions). This is not an unusual situation throughout the country, and can be assisted by subsidies such as those from the HCA which increase the numbers of affordable houses being provided.

The general housing needs of the district described above are common across the country in that the provision of affordable housing required to meet identified needs within five years is not achievable. This is because the need far exceeds the overall housing requirement and also because there is no way of financially supporting the rate of development needed. The viability information particular to the district suggests that sites over a certain size can in relatively good economic times support a 40% affordable housing share (with a 70:30 rent to shared ownership mix). The overall rate of delivery of all new housing should be about 310 per year (the evidence based draft RSS as in Secretary of State's proposed changes 2008). If for example a 40% share was achieved on sites which contain 60% of all new dwellings then the maximum number of affordable dwellings deliverable in one year would be 74 ((310*0.6)*0.4)).

Future provision however can lean towards the right mix of house sizes and it must seek the best possible share of affordable housing. It can also ensure that new housing is provided in areas where there is greatest need and that any affordable housing is of an appropriate tenure. Because of the numbers required, it may in some circumstances be appropriate to seek a slightly larger share of intermediate housing than suggested by the 6% derived from the survey. This could deliver overall larger numbers of affordable housing but at the expense of providing the greatest possible number of rented homes. The balance struck by the Core Strategy is the 70:30 share mentioned above.

In addition to setting the percentage of all housing on "eligible" sites which should be affordable, the Core Strategy refers to the threshold of such sites. This is derived from national guidance which in PPS 3 suggests minimum site threshold of 15 dwellings. In common with many other local authorities, a lower threshold is sought in the Forest of Dean. This is because a large proportion of all housing sites coming forward (allocated and unallocated) are small often below the threshold and because of the need to ensure that affordable housing is available throughout the district in a range of locations. A two part threshold was used in the previous Local Plan partly to reflect the then guidance that in towns

Forest of Dean District Housing Needs Assessment 2009, Fordham Research Gp Ltd

Sources of Information

the threshold should be 15 units. Since that plan, experience and the 2006 version of PPS 3 suggest that there is wider discretion for authorities to set thresholds according to their individual circumstances.

One part of the threshold is the number of units, the other is the size of site. As the expectation of housing densities changes so should this figure, so it is reviewed in the Core Strategy. Experience under the Local Plan shows about 128 dwellings approved or completed on 10 sites of between 10 and 14 dwellings since its adoption in towns and in Tutshill/ Sedbury which is the only other settlement with a population over 3000. These did in fact include 47 on sites that were wholly affordable, but if that had not been the case up to 40% of the dwellings could have been affordable and this equates to 51 dwellings. Given the support for the 40% threshold and the likelihood that further sites in the 10- 15 dwelling range will come forward it is considered appropriate to bring the threshold for developments in the towns and Tutshill/ Sedbury to 10. The old 0.5 ha threshold is replaced by 0.3 ha to maintain the same stance regarding densities.

In villages, the old Local Plan used a threshold of 5 dwellings and 0.2 ha. Small sites below this threshold were not considered to be likely to be able to generate sufficient finance to provide affordable housing and in any event in smaller villages the need is often for housing which can be used for local persons, and would therefore be provided on an exceptions site. While it is considered for the meantime appropriate to maintain the threshold of 5 units, the size of the site is proposed to be decreased to 0.16 ha which equates with a density of 30 per ha.

The Core Strategy seeks affordable housing on sites of 5 or more dwellings in villages (or 0.16ha or more), and 10 or 0.3ha in towns and Tutshill/ Sedbury.

Supplementary Planning Document Affordable Housing

Supplementary planning Document Affordable Housing

4.5 The delivery of affordable housing is the subject of the Council's Supplementary Planning Document, Affordable Housing. It was adopted in April 2010. The document explains how the relevant Development Plan (DPD or until it is replaced Local Plan) policies are implemented to provide affordable housing. It will be updated as the LDF evolves.

Gypsies and Travellers and Travelling Showpeople

Gypsies and travellers and travelling showpeople

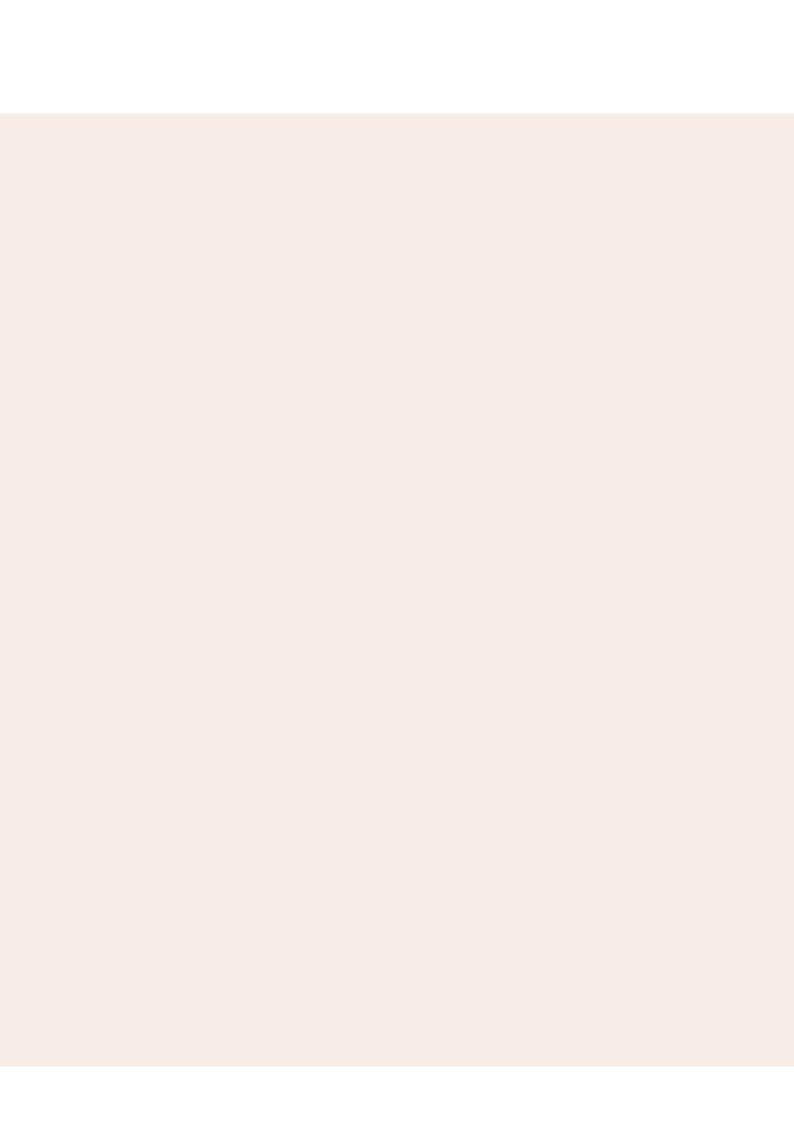
4.6 The latest indications of need for accommodation for these two groups comes from countywide area assessments, originally prepared to underpin the draft RSS. These Gypsy and Traveller area Assessments include assessments of the need for accommodation for gypsies and travellers on a district by district basis and for travelling showpeople by County. They record the nature of the requirement in terms of whether permanent or transit pitches are needed.

- **4.7** According to the survey, there was a need recorded for 30 permanent pitches in the district for gypsies and travellers and for 26 pitches for showpeople across the County. Since the date of the survey, planning permissions granted have taken the residual figure required for gypsies and travellers to about 26 pitches, though it should be noted that it is a snapshot and is an approximate guide based on the measured need at the time of the survey in 2006. The principle is that needs that are identified should be met and it is expected that the survey will be updated in the near future.
- **4.8** The Core Strategy contains a policy which sets the basic criteria for provision and the allocations DPD is expected to make any allocations that may be required.

Appendix One

5 Appendix One

5.1 Housing Trajectory tables and graph.



backCover