

The Five-year Housing Land Supply

Decision-making Principles

Background

Successive Governments have recognised that there is a shortage of housing in England and have looked to take various actions to try to address this shortage. One of the key routes to delivering more housing is the planning system both through planning decisions on proposals for housing developments and through sites identified by local authorities in their local plans. Governments have set targets for the delivery of new homes against which local authorities will be measured.

What is the Five-year Housing Land Supply?

The Five-year Housing Land Supply (5YHLS) is one of the tools the government uses to ensure local authorities are contributing to the objective of boosting the supply of housing.

To maintain the supply of new homes, national policy requires local authorities to have a supply of deliverable housing sites. Local authorities should identify and update annually a supply of deliverable sites sufficient to provide a minimum of five years' worth of housing against their housing requirement, in other words, a five-year housing land supply.

How are decisions made when there are sufficient housing sites in the supply?

When there is a good supply of housing sites measured against the area's housing targets, decisions are made in accordance with the adopted local plan for the area unless there are good reasons not to do so. This is sometimes referred to as the planning balance.

For development proposals that include the provision of new housing, there are policies in the adopted local plans that direct new homes to certain locations. When the supply of new homes is sufficient to meet the five-year supply requirement, these policies can be given full weight when 'balancing' the harm against the benefits of development.

What happens when we don't have a five-year housing land supply?

When an authority cannot demonstrate a five-year supply of housing land, its policies for delivering housing are considered 'out of date' and less weight can be given to them in planning decisions. National policy states that planning applications should instead be based on the presumption in favour of sustainable development. This is sometimes referred to as the tilted balance.

However, national policy also provides strong reasons for refusing development in some locations and this will be considered on a case-by-case basis reflecting the areas of particular importance referenced in national policy. If there are no strong reasons for refusal, the council will need to consider whether the impacts of the development would significantly and demonstrably outweigh the benefit of delivering new homes.

When engaged, the tilted balance changes the 'balancing exercise' of making a planning decision to give less weight to the policies that restrict housing. Proposals for new housing should be approved unless the impacts 'significantly and demonstrably' outweigh the benefits of granting permission so the tilted balance 'tilts' the balancing exercise in favour of approving an application. Areas where the impacts would 'significantly and demonstrably' outweigh the benefits would include protected habitats sites or areas at risk of flooding.

What is the current position in Dorset?

Dorset needs to have a supply of 3,246 new homes a year as set by Government. A recent assessment of the supply of deliverable housing sites has been undertaken against this housing target. The five-year supply requirement is equal to 17,042 new homes. The supply that is considered deliverable against this requirement is 8,639 which is equivalent to just 2.53 years. This means that the tilted balance applies across Dorset.

Does the 'tilted balance' apply everywhere?

National policy requires development to be focused on areas that are or can be made sustainable by reducing the distance people need to travel to meet their everyday needs. It also seeks to encourage walking, cycling and public transport use above the use of cars to help reduce congestion and improve air quality.

In Dorset, some areas do not fit with this national policy objective and therefore should not be the focus for growth. The tilted balance gives more weight to development in sustainable locations, which in Dorset are considered the towns and larger villages that have some everyday facilities such as schools and shops. Smaller villages and rural areas are not considered appropriate for new homes.

What about Neighbourhood Plans?

Neighbourhood Plans are community led plans typically produced by parish and town councils. When agreed by a local referendum they form part of the development plan and, along with the local plan, are used in planning decisions in the

area in which they apply. When the 'tilted balance' applies, national policy provides additional weight to the policies in a neighbourhood plan as long as:

1. The neighbourhood plan is less than five years old when the planning application is being decided.
2. The neighbourhood plan includes development sites to meet its housing requirement.

Where these two conditions are met, conflicts with the policies in the neighbourhood plan are likely to 'significantly and demonstrably' outweigh the benefits meaning that the planning decision is more likely to follow that in the Neighbourhood Plan.

What can be done to change the situation?

In the longer term, the new Dorset Council Local Plan will put in place an approach to increase the supply of housing sites to help meet the target. However, the Local Plan needs to be prepared following a process that is set out in law which will take time to complete. It is hoped that the Local Plan will be in place in late 2027.

Over the coming years, the supply of housing sites will need to be increased. This can only be achieved by granting planning consents for housing at larger villages and at towns. We will need a good range of sites including small ones and larger ones as well as sites on brownfield and greenfield. We need to engage with developers that are proposing developments so that we can secure improvements to local infrastructure such as cycle paths and play spaces, as part of the development.