

Strategic Housing & Economic Land Availability Assessment (SHELAA)

Methodology

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1 Introduction

- 1.1 The Government, through the National Planning Policy Framework (NPPF) requires all strategic policy-making authorities to have a clear understanding of the land available in their area through the preparation of a Strategic Housing Land Availability Assessment¹ (SHLAA). The NPPF identifies the advantages of carrying out land assessments for housing and economic development as part of the same exercise in order that sites may be allocated for the use which is most appropriate.
- 1.2 The local planning authorities within the Derby Housing Market Area (HMA or Derby HMA), (Amber Valley Borough Council, Derby City Council and South Derbyshire District Council) have for several years worked in partnership with each other. The previous SHLAA and methodology was undertaken jointly as the three authorities began their Local Plan formulation at a similar time.
- 1.3 In moving forward in the local plan process, the Derby HMA authorities have agreed that the most appropriate option for each authority would be the preparation of a new Local Plan for their respective area. However, the authorities acknowledge the benefits of continued joint working, and have collaborated² to produce a joint overarching approach to the preparation of Strategic Housing and Economic Land Availability Assessments (SHELAA) which is consistent with the National Planning Policy Guidance (NPPG).
- 1.4 Whilst the overall approach to the SHELAA methodology has been agreed by the three HMA authorities, the more detailed aspects of each assessment will be specific to each authority in preparing a SHELAA for its area. The SHELAA's will, once completed, update the respective HMA authorities' previous SHLAA's.

What are Strategic Housing and Economic Land Availability Assessments?

- 1.5 SHELAA's are technical assessments which consider the availability, suitability and achievability of land within the strategic policy-making authorities' area for future housing and economic development uses.
- 1.6 The NPPG³ states that an assessment should:
 - Identify sites and broad locations with potential for development;
 - Assess their development potential; and
 - Assess their suitability for development and the likelihood of development coming forward (the availability and achievability).

¹ NPPF Para 67 - <https://www.gov.uk/government/publications/national-planning-policy-framework--2>

² NPPG Para 007 - Who can plan makers work with? <https://www.gov.uk/guidance/housing-and-economic-land-availability-assessment>

³ NPPG Para 001 - What is the purpose of the assessment of land availability

How will they inform future plans?

- 1.7 As per the NPPF⁴ planning policies should identify a sufficient supply and mix of sites for housing development and more specifically, should also identify a supply of:
- Specific, deliverable sites for years 1-5 of the plan period; and
 - Specific, developable sites or broad locations for growth, for years 6-10 and, where possible, for years 11-15 of the plan period.
- 1.8 The SHELAA, will be an important source of evidence to inform plan-making and the process of identifying sites for housing and economic land over the plan period. However, it is important to emphasise that the SHELAA will not: -
- Represent planning policy;
 - Imply that planning permission will be granted; or
 - Determine whether a site should be allocated for development.
- 1.9 The Local Plan process will determine which of the potential sites included in the SHELAA are the most suitable to meet identified needs⁵.
- 1.10 The SHELAA is also not intended to replace any monitoring data (such as the Authority Monitoring Report (AMR)).

2. Methodology

- 2.1 Amber Valley Borough Council will follow the standard methodology for assessing housing and economic land availability as set out in the NPPG and shown on the flowchart in Appendix 1 of this report.
- 2.2 There are a number of stages to the methodology, these are as follows:
1. Identification of sites and broad locations
 2. Sites/broad location assessment
 3. Windfall assessment (where justified)
 4. Assessment review
 5. Final evidence base

⁴ NPPF Para 67

⁵ NPPG Para 001 - What is the purpose of the assessment of land availability

3 Stage 1 – Identification of sites and broad locations

Determine Assessment Area and Site Size

- 3.1 The area selected for the assessment should be the plan-making area⁶. In the case of the Derby HMA, each authority will prepare a SHELAA for its area.
- 3.2 The assessments will include a range of sites of different sizes, from small-scale sites to opportunities for large-scale developments such as extensions to urban areas and/or villages and new settlements where appropriate.
- 3.3 The NPPG⁷ states that it may be appropriate to consider all sites and broad locations capable of delivering 5 or more dwellings or economic development on sites of 0.25 hectares (or 500 square meters of floor space) and above, but plan-makers may wish to consider alternative site size thresholds.
- 3.4 The Borough Council has previously applied a site size threshold of 10 or more dwellings and currently makes provision for a windfall allowance (sites that come forward unexpectedly and have not been identified for housing through the plan preparation process) for housing development on previously developed (brownfield) land under 10 dwellings.
- 3.5 The Borough Council will assess whether to retain this threshold, or to amend the windfall allowance to apply only to sites of less than 5 dwellings, once it has established the extent to which potential sites of 5 or more dwellings can be readily identified through the SHELAA process.

⁶ NPPG Para 006 -What geographical area should the assessment cover?

⁷ NPPG Para 009 – What size of sites or broad locations can be considered for assessment

Desktop Review of Existing Information

- 3.6 The Borough Council will be proactive in identifying as wide a range of potential sites and broad locations for development as possible. This will include a review of the information in respect of those sites previously included within the SHLAA.
- 3.7 In line with the NPPG⁸, sites which have particular policy constraints (such as Green Belt) will be included in the desktop review, although these constraints will be clearly set out, stating where they would severely restrict development.
- 3.8 The information provided in the NPPG on the 'Types of sites and data sources' (see Appendix 2 of this report) will be used to ensure that the Borough Council considers all available types of sites and sources of data that may be relevant in the assessment process.

Call for Sites/Broad Locations

- 3.9 For the process of identifying land to be transparent, the Borough Council will, in line with the NPPG⁹, issue a formal 'Call for Sites'. This will be aimed at as wide an audience as possible, including Parish and Town Councils and neighbourhood forums (if applicable) as well as landowners, developers, businesses and relevant interest groups, including those who are registered on the Borough Council's Local Plan database. The sites submitted through this process will feed into the SHELAA.
- 3.10 Although the SHELAA is primarily focused on sites put forward for housing and economic development (B1, B2 & B8 uses), the 'Call for Sites' will also provide an opportunity to identify potential, sites for other uses, including: -
- Gypsy and Traveller Accommodation;
 - Retail development;
 - Community Facilities;
 - Sports/Leisure development.
- 3.11 The Borough Council will not assume that the information relating to sites which were put forward for consideration as part of the previous SHLAA remains up to date and such sites will therefore not automatically be considered as part of the SHELAA. Site promoters will however be contacted and encouraged to re-submit sites if they wish them to be considered for assessment through the SHELAA.

⁸ NPPG Para 010 – How can sites/broad locations be identified?

⁹ NPPG Para 012 – Can plan makers issue a call for sites and broad locations for development?

Site/Broad Location Survey

- 3.12 Potential sites and broad locations will be assessed through detailed surveys. The detailed survey will seek to rectify any inconsistent information gathered through the Call For Sites and desk-based review processes to establish an up to date position on development progress (where sites have planning permission) and to gain a better understanding of what type and scale of development may be appropriate as well as any barriers to deliverability and how they could be overcome.
- 3.13 The surveys will include both a desk-based and a site-based assessment. The desk-based assessment will use information submitted as part of the Call For Sites and GIS mapping information and records held by the Borough Council. Together with the site assessment, each survey will record the following information:
- Site size, boundaries and location;
Current land use and character;
 - Land uses and character of surrounding area (i.e. bad neighbour impacts);
 - Physical constraints (e.g. access, contamination, steep slopes, flooding, natural features of significance, location of infrastructure/utilities, pipelines, coal subsidence areas) and whether these can be overcome;
 - Potential environmental constraints;
 - Where relevant, previous planning history or development progress (e.g. ground works completed, number of units started/completed);
 - Initial assessment of whether the site is suitable for a particular type of use or as part of a mixed-use development;
 - Access/highways;
 - Access to local services;
 - Planning policy constraints (e.g. Green Belt, Mineral Safeguarding Area, Heritage, Landscape etc); and
 - Proximity to settlement.
- 3.14 The identification of policy or highways constraints will not result in any sites being excluded from assessment.
- 3.15 The NPPG¹⁰ states that only sites which have a reasonable prospect of development should be included in the site survey.
- 3.16 This point has been considered at length by the Derby HMA authorities-and whilst acknowledging that national policy and designations will have a large impact on whether a site could be deemed suitable, available and achievable, it was agreed that all sites should be carried through to the next stage of the assessment process.
- 3.17 The SHELAA will therefore take a 'policy-off' approach, for example, where a site lies within the Green Belt, national and local planning policy provide a presumption against development. However, where such a constraint applies, this will not mean that a site is removed from the assessment, rather, the constraints are recorded, and it be noted that existing policies would need to change through the plan-making process for such constraints to be overcome.

¹⁰ NPPG Para 014 – How detailed does the initial survey need to be?

4 Stage 2 – Site/Broad Location Assessment

Estimating the Development Potential

- 4.1 The NPPG¹¹ states that an estimate of the development potential of each identified site should be guided by existing or emerging plan policies including any locally determined policies on density.
- 4.2 The NPPF¹² sets out the need to optimise density and along with the guidance ‘Effective use of land’¹³ which was published on 22 July 2019, this directs the requirement for higher density development on those sites that are well served by public transport (i.e. city and town centres and other locations) in order to optimise the use of land and meet as much of the identified need for housing as possible.
- 4.3 The Borough Council will seek to assess appropriate densities for potential housing sites, either by setting average densities for specific locations, or on a site by site basis.
- 4.4 Development potential is a significant factor affecting the economic viability of a site/broad location and its suitability for a particular use. Assessing achievability (including viability) and suitability can therefore usefully be carried out in parallel with estimating the development potential¹⁴.
- 4.5 Development potential is also affected by gross to net development ratio, whereby the net site area is determined as a percentage of the gross site area. The gross to net ratio is likely to decrease with larger sites, as more space is reserved for other uses such as roads, open space, schools, local centres and landscaping.

Net Developable Area Definition	
Includes	Local access roads, parking area, footpaths and local open spaces such as children’s play areas and amenity space.
Excludes	Main roads, significant landscape buffer strips, open spaces serving a wider area, shops and other public facilities.

- 4.6 It is important to recognise that yields can also be affected by issues that may not be evident at the initial assessment stage.
- 4.7 The proportion of deliverable net developable area in respect of potential sites for economic development, is likely to greatly vary on a site by site basis, depending upon specific site characteristics. For example, depending on the size and setting of the site and its proposed use, it may or may not need landscaping, access roads and parking, a Sustainable Urban Drainage Scheme (SuDs) or ecological mitigation.
- 4.8 The gross site area to floorspace ratio, will also vary depending on both the use class and the site location; for example, a town centre office development would generate a large amount of floorspace compared to a distribution yard which may not include any floorspace.
- 4.9 For these reasons, the Borough Council considers that establishing a general gross to net developable area for economic development sites would not be helpful or realistic and therefore proposed sites will be assessed on a site by site basis.

¹¹ NPPG Para 016 – How can development potential be calculated?

¹² NPPF Para 123

¹³ NPPG – Effective Use of Land <https://www.gov.uk/guidance/effective-use-of-land>

¹⁴ NPPG Para 16 – How can development potential be calculated?

- 4.10 The Call for Sites form will allow for submissions to include as much detail as possible (including floorspace); and wherever possible the information from the site promoter in relation to the proposed use will be taken into account.

Build Rates

- 4.11 Build rates will be affected by the individual characteristics of each site and any potential constraints. Larger sites may be built out more quickly if more than one developer is involved.
- 4.12 The NPPG recommends that the advice received from developers and local agents will be important in assessing lead-in times and build out rates per year. The Call For Sites submission form will therefore ask questions to try and gain as much information as possible from the site owners/promoters.

Assessing Whether and When Sites are Likely to be Developed

- 4.13 The Borough Council will assess the suitability, availability and achievability of each potential site taking each of the factors above into account. This will help to establish whether a site can be considered deliverable within the first 5 years of the plan period (or developable at a particular point in time).

Suitability

- 4.14 The NPPG¹⁵ states that a site or broad location can be suitable for development when considered against relevant constraints and their potential to be mitigated.
- 4.15 Relevant constraints may include:
- National policy;
 - Appropriateness and likely market attractiveness for the type of development proposal;
 - Contribution to regeneration areas;
 - Potential environmental impacts (including landscape and nature and heritage conservation).
- 4.16 As well as these factors it may also be appropriate to assess sites against the adopted Development Plan (in the case of Amber Valley, the Adopted Local Plan 2006 and Neighbourhood Plans for those parts of the Borough where these have been 'made'). Whilst the suitability of sites can be guided by the Development Plan, it is self-evident that emerging allocations will not necessarily be in compliance with the current Development Plan.
- 4.17 As well as the potential constraints listed above, the Borough Council will assess broad locations and sites in terms of the following:
- Physical limitations or problems such as access, infrastructure, ground conditions, flood risk, hazardous risks, pollution or contamination;

¹⁵ NPPG Para 018 - What factors can be considered when assessing the suitability of sites/broad locations for development?

- Environmental/amenity impacts that could be experienced by would-be occupiers and neighbouring areas.
- Whether or not it is in a sustainable location.

- 4.18 Other physical constraints will be identified on a site by site basis and recorded within the site assessment. This could include landform features that may have implications for capacity or suitability. If this is the case it may be necessary to request more detailed information or for specialist surveys to be carried out.
- 4.19 An assessment of the suitability of a site should also consider potential impacts of development on the surrounding area, for example if a site is adjacent to a protected ecological site or a heritage asset. If this were the case it may trigger the need for mitigation, which in turn could have an impact on capacity (yield).
- 4.20 Sites allocated in existing Development Plans or with planning permission can generally be considered suitable. Such sites will be included within the SHELAA to assess whether circumstances have changed which would alter their suitability in line with the NPPG¹⁶.

Availability

- 4.21 A site is considered available for development, when, on the best information available, there is confidence that there are no legal or ownership constraints (such as unresolved multiple ownerships, ransom strips, tenancies or operational requirements of landowners). The existence of a planning permission does not necessarily mean that the site is available. An available site will often be controlled by a developer or landowner who has expressed an intention to develop or sell. Previous planning history may also be taken into account, for example if a site has a history of unimplemented permissions.
- 4.22 The assessment of availability will assist in determining whether a suitable and achievable site can come forward within the first five years.

Achievability

- 4.23 Achievability is a judgement about economic viability of a site and the capacity of the developer to complete and let or sell the development over a certain period. Factors affecting achievability include costs relating to any physical constraints or potential planning obligations or the need to phase delivery.
- 4.24 A site will be considered achievable for development where there is a reasonable prospect that the particular type of development will be developed on the site at a particular point in time¹⁷

¹⁶ NPPG Para 018 - What factors can be considered when assessing the suitability of sites/broad locations for development?

¹⁷ NPPG Para 020 – What factors should be considered when assessing achievability including whether the development of the site is viable?

Overcoming constraints and timescales

- 4.25 Where constraints to development have been identified the Borough Council will make it clear whether mitigation measures are required. It is acknowledged that such measures are likely to impact on the deliverability timescale.
- 4.26 The Borough Council will use the information on suitability, availability and achievability to assess the timescale within which each site is capable of development, including input from site promoters/developers.

5 Stage 3 – Windfall Assessment

- 5.1 The NPPF¹⁸ sets out that the inclusion of a windfall allowance as part of the anticipated supply of housing land may be justified if a local planning authority has compelling evidence that this will provide a reliable source of supply. Previously the Borough Council has based the windfall allowance on annual past completions and this approach has generally been considered robust at plan examinations and in planning application appeals. However, the precise basis for any windfall allowance will be revisited once the Borough Council has been able to establish the extent to which smaller sites (less than 10 dwellings) can be readily identified and whether there is a realistic prospect that such sites can come forward.

6 Stage 4 – Assessment Review

- 6.1 Following completion, the Borough Council will review the assessment. It is important to note that the outcome of the SHELAA will show the level of deliverable and developable land but that given the 'policy-off' approach of the assessment; this will not automatically suggest that any site will be allocated or receive planning permission.
- 6.2 The NPPG states that an overall risk assessment should be made as to whether sites will come forward as anticipated.

¹⁸ NPPF Para 70,

What happens if the trajectory indicates there are insufficient sites to meet need?

- 6.3 It may be concluded that insufficient sites have been identified against objectively assessed needs. Should this be the case, the Borough Council will, in line with the NPPG, revisit the assessments and consider whether it can amend any of the assumptions on development potential.

Is it essential to identify specific developable sites for housing growth for years 11 – 15?

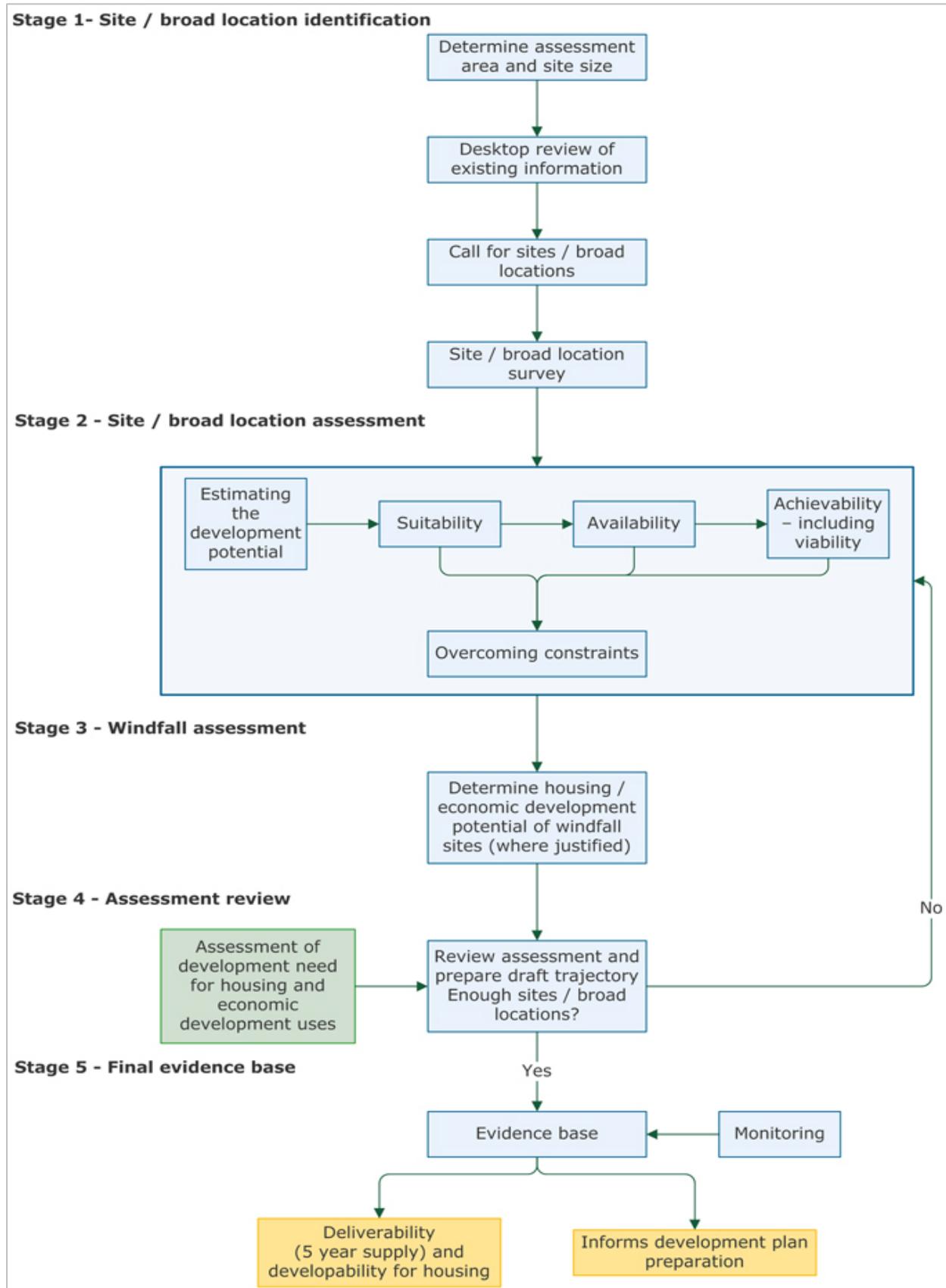
- 6.4 The NPPG suggests that in line with the NPPF, local planning authorities should identify a supply of specific, developable sites or broad locations for growth, where possible, for years 11-15.

7 Stage 5 – Final evidence base

- 7.1 A set of standard outputs¹⁹ for each site or broad location will be produced following the assessment, these will include:
- A list of all sites or broad locations considered, cross-referenced to their locations on maps;
 - An assessment of each site or broad location, including:
 - Where these have been discounted, evidence justifying reasons given;
 - Where these are considered suitable, available and achievable, the potential type and quantity of development, including a reasonable estimate of build out rates, setting out how any barriers to delivery could be overcome and when;
 - An indicative trajectory of anticipated development based on the evidence available.
- 7.2 Upon completion the Borough Council will publish its SHELAA. It will be updated periodically using the most up to date information available.
- 7.3 The SHELAA will not replace existing monitoring documents such as the Authority Monitoring Report.

¹⁹ NPPG Para 026 - Following the assessment, what are the outputs? <https://www.gov.uk/guidance/housing-and-economic-land-availability-assessment>

Appendix 1 – Method – Flowchart²⁰



²⁰ NPPG Para 005 – Method-flowchart

Appendix 2 – Type of site and potential data source²¹

Type of site	Potential data source
Existing housing and economic development allocations and site development briefs not yet with planning permission	Local and neighbourhood plans Planning applications records Development Briefs
Planning Permissions for housing and economic development that are unimplemented or under construction	Planning application records Development starts and completions records
Planning applications that been refused or withdrawn	Planning application records
Land in the local authority's ownership	Local authority records
Surplus and likely to become surplus public sector land	National register of public sector land Engagement with strategic plans of other public sector bodies such as county councils, central government, National Health Service, police, fire service, utilities services, statutory undertakers
Sites with permission in principle, and identification of brownfield land	Brownfield land registers (parts 1 and 3) National Land Use Database Valuation Office database Active engagement with sector
Vacant or derelict land and buildings (including empty homes, redundant and disused agricultural buildings, potential permitted development changes, eg offices to residential)	Local authority empty property register English Housing Survey National Land Use Database Commercial property databases (eg estate agents and property agents) Valuation Office database Active engagement with sector Brownfield land registers
Additional opportunities for un-established uses (eg making productive use of under-utilised facilities such as garage blocks)	Ordnance Survey maps Aerial photography Planning applications Site surveys
Business requirements and aspirations	Enquiries received by local planning authority Active engagement with sector
Sites in rural locations	Local and neighbourhood plans
Large scale redevelopment and redesign of existing residential or economic areas	Planning applications Ordnance Survey maps
Sites in adjoining villages and rural exceptions sites	Aerial photography
Potential urban extensions and new free-standing settlements	Site surveys

²¹ NPPG Para 011 – What types of sites and sources of data should be used?