

Appendix 3: Assumptions used in Projecting Future Completions on Sites with Planning Permission

All the assumptions 1-11 below apply, except where they have been superseded by the assumptions agreed by the SHLAA Steering Group in November 2013, which were:

- Single dwellings – assume complete within 4 years of start date or date permission granted
- 2-4 dwellings - assume complete within 5 years of start date or date permission granted.
- 5 dwellings - assume complete within 5-6 years of start date or date permission granted.
- If no start date and planning permission has been in place for 3 years and not extended, assume it will not come forward.
- Assume 30 dwellings per annum from small windfalls.
- Past under-recording of completions (where the LPA has had no sight of a completion certificate but has other evidence that dwellings are complete) will be rectified in the year 2013/14. Future monitoring may include completions based on visual or developer feedback, as well as completion certificates.

No	Assumption	Reason/Comments
1.	All sites where there is no registered start or evidence of a start for the development and planning permission expires before 1st October 2013 are not likely to come forward or deliver any new dwellings, unless the site is in the open countryside or a village.	The housing market is not expected to recover significantly in the coming year. Those where there is not already evidence of activity are unlikely to enter the market at this time. Analysis of previous trajectories indicate that sites in villages and the countryside are an exception to this.
2.	Where planning permissions are valid beyond 31st September 2013 and there has not been a registered start or evidence of a start, then completions will not be forecast on these sites until 2014/15.	This allows for the development time between starts and completions, and for delays that may arise from continuing poor housing market conditions.
3.	Sites with more than one developer will be assumed to build out at twice the rate forecast for other sites. All sites of 250 dwellings or more will be assumed to have more than one developer active, unless there is information to the contrary (excl. RSLs)	The first part of this assumption was provided by the HBF in a letter to the North East local planning authorities, dated 7th April 2008. The second part will apply to all sites, except for phases underway/in the pipeline where there is up to date information to the contrary.
4.	Where only starts information is provided by a housebuilder or developer, 50% of completions will be forecast as occurring in the year of any projected start, and 50% in the following year, unless the site is for six dwellings or less, in which case all completions will be assumed for second year.	In the absence of any other information, to reflect a phased and balanced programme of development. For small sites, this assumption reflects analysis of recent activity on such sites in the Borough.
5.	Maximum completions forecast for any site in any year will be as follows, unless contrary information provided by the housebuilder: 2013/14: 25 units 2014/15: 32 units 2015/16: 32 units 2016/17: 32 units 2017/18: 40 units 2018/19: 45 units 2019-2026: 50 units	Originally based on the assumptions provided by the HBF to the North East local planning authorities in its letter dated 7th April 2008. Updated in November 2013 to reflect views of SHLAA Steering Group and forward forecast build out rates as indicated in housebuilder survey responses from Summer 2013.
6.	Sites which have technically commenced will be completed, unless that technical commencement (registered start) was before 1st April 2011. If the latter applies, a judgement will have to be taken as to when or whether the site is likely to come forward at all.	If nothing significant has happened on site for 18 months since technical commencement and the technical commencement appears to be on a 'do minimum' basis, this is taken as being a tactical start, rather than indicative of any imminent development intentions. Construction and/or sales on site would be evidence of activity, as would substantial development that has not found its way through the system as a BC completion.
7.	Planning permissions for apartment schemes of 10 dwellings or more are not likely to come forward in the short term and will not deliver the	To reflect the collapse and ongoing lack of market demand for apartment schemes in general. Would allow completion of one-off small schemes that may

No	Assumption	Reason/Comments
	number of dwellings permitted.	meet niche local needs, or involve conversion of an existing building, or are part of schemes dominated by other forms of development.
8.	Sites that have not formally commenced or where there is no evidence of on-site housebuilding activity within 2 years of the grant of planning permission, will be assumed not to come forward at all under the current permission.	To take account of planning applications submitted and granted that may only be a valuation exercise by the landowner.
9.	Where the owner/builder is known to be in administration or receivership, it will be assumed that implementation will be delayed 2 years if it is an outline planning permission and will not come forward at all as proposed if it is a full planning permission or has reached reserved matters stage. The assumptions about build out rates set out in No.5 above will be applied if this is a site which is in principle still acceptable, according to the most up to date development plan policies.	It is assumed that anyone taking over a site in these circumstances would want to develop the site with their own products. An outline planning permission allows the flexibility to do this; other types of planning permission do not. General assumptions will be applied until more information becomes available.
10.	An additional 10 dwellings/year will be applied to sites where affordable housing of at least that number is required. Completions will be assigned to the earliest completion years of each phase.	To reflect that affordable housing completions are often in addition to main developer activity, and the recent trend towards providing these early in a development.
11.	Housing market recovery, for the purposes of determining when existing small scale planning permissions, where a start has been registered, will be completed, is estimated to be 2016/17.	Several small site respondents indicated that they would not recommence on site until the housing market recovers.

Once the trajectory has been prepared using these assumptions, it is proposed that further 'write downs' be applied, to reflect the responses made to questionnaire circulated earlier this year and evidence from preparing recent iterations of the trajectory for the SHLAA and preparation of the Core Strategy. These will be as follows:

- Single dwellings sites: there is a high rate of abandonment on single dwelling schemes. Therefore propose to write down contribution from these by 50%, where no questionnaire response was received.