



Housing Delivery Test Action Plan 2025

Published
XX 2025

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1. Introduction

- 1.1. In 2018, the Government introduced the 'Housing Delivery Test' (HDT) as a mechanism to measure delivery against a local planning authorities (LPAs) housing requirement. The HDT, published annually, provides a measure based on the preceding three financial years.
- 1.2. During December 2024, a number of changes were made to the planning system which had implications for Cheltenham Borough Council's ("the Council") housing land supply. This included the following.
 - publication of the new [National Planning Policy Framework \(NPPF\)](#);
 - the introduction of the new published standard method for calculating housing numbers; and
 - the publication of the latest HDT results
- 1.3. The production of this Housing Delivery Test Action Plan (HDTAP) is a direct result of the HDT result that was published on 12 December 2024. In addition, the changes above meant that the Council's 5-year housing land supply position reduced from 4.58 years' worth of housing to 2.52 years. The five-year housing land supply position will be updated in 2025.
- 1.4. The scope of this HDTAP will include a detailed summary of the latest HDT result and its implications; an analysis of the main issues relating to the delivery of new homes in the borough; a breakdown of the actions the Council intend to consider improving the delivery of housing, and future monitoring and review of the HDTAP where necessary.
- 1.5. This HDTAP has been prepared taking into account the national Planning Practice Guidance (PPG) and will focus on the intervention options open to The Council. Whilst it is noted that a number of the actions identified in the HDTAP are principally within the remit of the Council to undertake, it recognises that support and co-operation are needed from those involved in delivering new homes.

This Housing Delivery Test Action Plan is **not** planning policy. Instead, it acknowledges the current housing land supply shortfall and is a statement setting out the actions the Council will take to support housing delivery and restore a five-year housing land supply. This includes:

1. Outlining the issues relating to the delivery of new homes within Cheltenham borough; and
2. Describing the actions and key responses undertaken across the Development Management and Planning Policy teams

2. The Housing Delivery Test (HDT)

2.1. The results of the HDT have implications for LPAs. Paragraph 79 of the National Planning Policy Framework (December 2024) states where the HDT measurement indicates... *“that delivery has fallen below the local planning authority’s housing requirement over the previous three years, the following policy consequences should apply:*

a) where delivery falls below 95% of the requirement over the previous three years, the authority should prepare an action plan to assess the causes of under-delivery and identify actions to increase delivery in future years;

b) where delivery falls below 85% of the requirement over the previous three years, the authority should include a buffer of 20% to their identified supply of specific deliverable sites as set out in paragraph 78 of this framework, in addition to the requirement for an action plan;

c) where delivery falls below 75% of the requirement over the previous three years, the presumption in favour of sustainable development applies, as set out in footnote 8 of this Framework, in addition to the requirements for an action plan and 20% buffer.”

2.2. The results of the latest HDT measurement for the Council were published by the government on 12 December 2024. Table 1 below shows that Cheltenham’s delivery of housing over the three-year period 1st April 2020 to 31st March 2023 was at **65%** below its housing requirement.

Table 1: Housing Delivery Test results 2024

Number of homes required			Total number of homes required	Number of homes delivered			Total number of homes delivered	Housing Delivery Test: 2023 measurement	Housing Delivery Test: 2023 consequence
2020-21	2021-22	2022-23		2020-21	2021-22	2022-23			
267	412	496	1174*	372	114	273	759	65%	Presumption

*Figure is the Government published result, and the assumption is that the difference in the total is due to rounding.

2.3. The consequence of the latest HDT result is paragraph 79c of the NPPF is now triggered. As a result, there is a requirement to prepare a housing action plan and to include a 20% buffer to the Council’s annual housing requirement in its five-year housing land supply. The presumption in favour of sustainable development had already applied before the latest HDT results on the basis that the Council could not demonstrate a 5-year year supply of housing as of 31 March 2024.

2.4. Following the publication of the new NPPF (December 2024), along with the related changes to ‘Standard Method’ calculation in the Planning Practice Guidance (PPG), as well as the latest HDT results, Cheltenham Borough’s five-year housing land supply figure is now **2.52 years**. There are clear reasons for the current five-year housing land supply position, these are

summarised in section 3 below.

- 2.5. The consequence of this all is set out in paragraph 11 of the NPPF. This states that for decision-taking, the presumption in favour of sustainable development will apply “*where there are no relevant development plan policies, or the policies which are most important for determining the application are out of date, granting permission unless:*
- i. The application of policies in the Framework that protect areas or assets of particular importance provides a strong reason for refusing the development proposed; or*
 - ii. Any adverse impact of doing so would significantly and demonstrably outweigh the benefits, when assessed against the policies in this Framework taken as a whole, having particular regard to key policies for directing development to sustainable locations, making effective use of land, securing well-designed places and providing affordable homes, individually or in combination”.*
- 2.6. This does not alter the fact that planning law requires that applications for planning permission must be determined in accordance with the development plan unless material considerations indicate otherwise¹. In this context, the Development Plan for Cheltenham Borough comprises the Gloucester, Cheltenham and Tewkesbury Joint Core Strategy 2011 – 2031 (the JCS, adopted December 2017)², the Cheltenham Plan (adopted July 2020)³ and remaining, yet to be replaced ‘saved’ retail policies of the Cheltenham Plan Local Plan Second Review (adopted June 2006)⁴.
- 2.7. Accordingly, in applying the paragraph 11d of the NPPF (the so-called tilted balance) to proposals that conflict with the Development Plan as a whole, relevant local planning policies will be used together with the NPPF as the basis to judge the degree to which any adverse impacts resulting from the development would outweigh the benefits.
- 2.8. Although the production of this HDTAP is a consequence of the latest HDT results, the Council nevertheless recognise the pressing need to re-establish a satisfactory housing supply position. This action plan will identify the reasons for under-delivery, explore measures the Council will undertake to reduce the risk of further under-delivery and how it intends to improve levels of delivery.

¹ [Section 38\(6\) of the Planning and Compulsory Purchase Act 2004 \(as amended\)](#)

² [Joint Core Strategy 2011-2031](#)

³ [Cheltenham Plan 2020](#)

⁴ Including saved policy GE1 Public Green Space

3. Issues Relating to Housing Delivery

Local Plan Status and Housing Requirements

- 3.1. The three authorities of Cheltenham Borough, Gloucester City and Tewkesbury Borough jointly prepared the Joint Core Strategy (JCS) as part of the development plan for the area. The JCS was adopted in December 2017. The JCS is the strategic-level plan and sets out, amongst other aspects, the identified need for housing and economic growth as well as the spatial strategy it seeks to deliver.
- 3.2. The JCS became 5 years old on 11 December 2022. Paragraph 78 of the NPPF sets out that where the strategic policies are more than five years old (unless these strategic policies have been reviewed and found not to require updating), local planning authorities should calculate their supply of deliverable sites against their local housing need as calculated using the standard method.
- 3.3. Cheltenham, Gloucester and Tewkesbury continue to work together and will be replacing the housing policy of the JCS through the preparation of the Cheltenham, Gloucester and Tewkesbury Strategic and Local Plan (SLP). The timetable and key milestones for the preparation of the SLP are set out in the approved [Local Development Scheme](#). Further detail on this is set out in Section 4 of this report.

Planning Designations – Green Belt

- 3.4. The Gloucester and Cheltenham Green Belt was designated in 1968 and extended in 1981. The extent of this Green Belt designation covers much of the Borough to its northern boundary, in order to protect the gap between Cheltenham and Bishops Cleeve, and to its western and southern boundary to prevent Cheltenham and Gloucester from merging. Following the adoption of the JCS in 2017, the Green Belt boundary was altered to accommodate the strategic allocations A4 (North-West Cheltenham) and A7 (West Cheltenham), which have yet to receive an approved outline permission.
- 3.5. As set out in paragraph 145 of the NPPF, *“Green belt boundaries should only be altered where exceptional circumstances are fully evidenced and justified through the preparation or updating of plans”*. The NPPF clearly states at paragraph 148 that where it is necessary to release Green Belt land then priority should be given first to previously developed land, then to consider grey land which is not previously developed, then other locations within the Green Belt designation.

Planning Designations – National Landscape

- 3.6. The Cotswold National Landscape was designated as an Area of Outstanding Natural Beauty in 1966. It extends to the east of Cheltenham’s urban area. Similar to the Green Belt designation, the National Landscape acts as a barrier to significant levels of housing development.
- 3.7. Paragraph 190 of the NPPF states that applications for development within a National Landscape should be refused for major development, other than in exceptional circumstances and where it can be demonstrated that the development is in the public interest. It is clear that the NPPF places great weight to conserving and enhancing landscape and scenic beauty to a National Landscape, where the scale and extent of the development should be limited.

Delivery of Site Allocations

- 3.8. North-West Cheltenham (Policy A4) and West Cheltenham (JCS Policy A7) have been allocated in the adopted JCS for housing development, schemes are being progressed to decision making over 2025 as summarised in the table below.

Table 2: Strategic Allocations Details

<u>Application No.</u>	<u>Proposal</u>	<u>Timeline to Planning Committee</u>
<u>North West Cheltenham</u>		
16/02000/OUT	Bloor & Persimmon Homes - Outline for up to 4115 new homes and up to 200 elderly persons accommodation. 24 ha of employment generating uses including 10 ha B1 business park (40,000sqm), hotel (up to 200 rooms) and mixed centres providing retail uses (up to 6,150 sqm) and community uses (up to 3,000 sqm). Transport hub, public transport interchange, primary and secondary school education, green infrastructure, play sports hub, woodland planting, allotments and habitat creation. New means of access on Tewkesbury Road and manor Road, footways, cycle ways and energy and drainage infrastructure.	Planning Committee 29 th May 2025. Decision – permit subject to S106
23/00354/OUT	Metacre Ltd (development arm of Northern Trust) – Outline for up to 165 new homes, including provision of vehicular access, green infrastructure and associated works. Appearance, landscaping, layout and scale are matters reserved.	TBC
<u>West Cheltenham</u>		
23/01875/OUT	HBD – Outline planning permission (with all matters reserved except for access) 576 new homes and up to 125,698 sqm of employment floorspace (southern parcel)	<u>Planning Committee 4th July 2025</u>
23/01874/OUT	HBD - Outline planning permission (with all matters reserved except for access) for 491 homes and up to 500sqm of flexible non-	<u>TBC</u>

	residential uses (northern parcel)	
22/01817/OUT	St Modwens - Outline planning application for 1100 residential development comprising a mixture of market and affordable housing	<u>TBC</u>
24/01268/OUT	Nema Golden Valley Ltd – Outline planning permission (with all matters reserved) for 365 homes and commercial uses, healthcare centre, community uses.	<u>TBC</u>

- 3.9. The Cheltenham Plan was adopted in 2020 and allocated sites for housing in accordance with the spatial strategy set out in the JCS. Policy H1 allocated land for housing development. There are nine allocated housing sites as set out within policies HD1-HD9. Policy H2 allocated land for mixed-use development. Three of these (MD1, MD3 and MD4) have elements of residential. Four sites allocated under policy H1 and one site allocated under policy H2 have been granted planning permission since the adoption of the Cheltenham Plan. Only 102, out of a planned 923 dwellings, have been built since permission was given. However, several of these sites have begun commencement and they feature within the Council's latest 5-year housing land supply position statement.

Delivery of Large Sites

- 3.10. As set out in the [Council's five year housing land supply position statement](#), research from Lichfield's⁵ shows that larger sites take longer to get planning permission and also from the time of gaining planning permission to the completion of the first dwelling. Larger sites are often built out more slowly than anticipated. This is partly due to the amount of infrastructure that is required to support such development. It is recognised that providing infrastructure up front does de-risk sites and speed up delivery, but it is not commonplace because of the upfront cost of doing so. The Council has been proactive and in active engagement across all the strategic allocations, however the strategic allocations which make up xx% of Cheltenham's housing land supply have not delivered against the housing supply trajectory as envisaged by the JCS.

Impacts on Existing Infrastructure and Services

- 3.11. Major development can have an impact on existing infrastructure and public services, which can slow delivery and negatively impact on local service capacity where challenges exist to increase capacity.

⁵ [Lichfield's: Start to Finish, Third Edition \(March 2024\)](#)

4. Key Actions and Responses

- 4.1. The Council has outlined a number of possible key actions to proactively encourage and boost the delivery of new homes across the Borough. The HDTAP highlights the importance of understanding the barriers to the delivery of homes and consideration of what measures can be put in place to address the issue.

Preparing a new Development Plan

- 4.2. The Council are currently preparing and committed to the Cheltenham, Gloucester and Tewkesbury Strategic and Local Plan (SLP). It will contain both strategic and non-strategic policies and replace the JCS in its entirety and all district local plans that the three councils have adopted.
- 4.3. The Local Development Scheme (LDS) was adopted by all three councils in February 2025 and confirms the intention of the three authorities to submit draft plan to the Secretary of State (Regulation 22) by December 2026⁶.
- 4.4. The Council, together with Gloucester City Council and Tewkesbury Borough Council, have reiterated their committed to the benefits of continued joint working and to progress the SLP as a priority and as quickly as possible. The SLP will set the new housing requirement and allocate sites to seek to ensure that the three LPAs can deliver against the housing requirement and the HDT in the future.

Self-Build and Custom Housebuilding Register

- 4.5. Under the Self-Build and Custom Housebuilding Act 2015 (as amended), the Council are required to keep, and have regard to, a register of people who have expressed an interest in self-build/custom build projects. The Council has established a self-build and custom housebuilding register to help support both affordable and market housing, and to record the interest of those looking to build their own home in the Borough. This process is ongoing, and the Council have recently amended their Local Connection Test to further strengthen the commitment to self-build/custom built housing.
- 4.6. The Act, based on evidence of demand from the register, also require the Council to put in place policies to support the delivery of planning permissions to meet the demand of self-build and custom build plots. In preparation of the SLP, the Council will consider whether to seek a percentage of self-build and custom-house built plots on major application schemes.

Housing and Economic Land Availability Assessment

- 4.7. The purpose of the Housing and Economic Land Availability Assessment (HELAA) is to assist in identifying suitable land which available for housing and economic development to meet an identified need; to consider the development potential and when development is likely to occur.

⁶ [Cheltenham Borough Local Development Scheme 2025-2028](#)

- 4.8. The SLP authorities undertook a 'Call for Sites' through the Regulation 18 'Issues and Options' consultation, which ran for eight weeks from 16 January until 13 March 2024. The Council continues to accept new HELAA sites for assessment as part of the preparation for the SLP.
- 4.9. The process will allow the Council to attain the latest evidence from landowners/developers on existing sites and provides an opportunity for new sites to come forward. This approach should help to ensure that the Council has the widest choice of housing sites to choose from, which will pass through the site assessment process to fit with the emerging strategy for the SLP. The Council is currently in the process of preparing the next iteration of the HELAA together with an updated methodology for assessing sites.

Urban Capacity Study

- 4.10. An Urban Capacity Study (UCS) is currently being prepared by the Council, in conjunction with the other SLP councils, to help assess realistic and potential urban housing capacity in the Borough. Its intention is to consider urban opportunities that contribute towards the development needs and growth over the SLP period.
- 4.11. The NPPF places great emphasis on the efficient use of urban land. It is a key component of sustainable development and an important priority for local people when faced with the potential loss of greenfield land. The purpose of the UCS is to provide evidence to help reduce the need for development on land beyond built up areas as far as is feasible / available.
- 4.12. For the Council, the aim of the UCS is that it will provide the data to evidence that all urban development potential within the Borough, in its many forms, has been considered and realistic and potential capacity highlighted.

Optimising Site Densities

- 4.13. The draft HELAA methodology, consulted on as part of the Regulation 18 consultation, currently applies 40 dwellings per hectare (dph) for sites within the main built-up area and 30 dph for areas outside of this when assessing potential site allocations. It is acknowledged how these density assumptions are lower than most other authorities and significantly lower than the suggested density types for different areas in the [National Model Design Code](#) (2021).
- 4.14. To meet the Council's housing targets and improve the level of delivery it is crucial to ensure that land is used efficiently, and the number of homes delivered on site allocations are maximised. Therefore, the three SLP authorities are currently gathering data to review the current assumptions used within the HELAA in order to support optimising the site densities within the area to align with the National Model Design Code.

Engaging with Agents/Developers

- 4.15. The Council will maintain ongoing dialogue with site promoters, developers and landowners of major sites with planning permission and the two strategic site allocations to understand what progress is being made. This information will help provide a forecasted trajectory of housing delivery for each year.

- 4.16. The Council will continue to hold a working group between the Head of Planning and planning agents, in order to support the effective determination of planning applications. The continued dialogue will provide updates on the Councils officer resource and allow agents to raise questions regarding ongoing issues.

Pre-application advice

- 4.17. In October 2022, the Council updated their pre-application process acknowledging that early engagement has significant potential to improve the efficiency and improve outcomes of the planning applications. The Council offer a range of [pre-application services](#), providing advice and information on new residential development. The pre-application service offers guidance on minor and major housing schemes, with applicants given the opportunity to seek a written response following a meeting or site visit (if applicable).
- 4.18. Agents will be provided with feedback from Officers on the development proposal including, where relevant, thoughts from specialist disciplines; advice on any improvements to the scheme; commentary on relevant policies, and further guidance in relation to necessary documentation.
- 4.19. The aim of positive pre-application advice is that it can often result in the quicker determination of a formal planning application, as well as increasing the likelihood of the application being approved. The Council will continue to proactively encourage land promoters, developers and planning agents to seek pre-application advice.

Planning Performance Agreements

- 4.20. In instances where development is particularly complex, the Council offers [planning performance agreements \(PPAs\)](#), the aim of which is to improve the quality of planning applications and the decision-making process. The use of PPAs will give developers and applicants a clear understanding of the resource the Council will invest and agree key milestones and timelines that all parties will work within. PPAs can offer a greater level of clarity, certainty and confidence.
- 4.21. The Council has experience of undertaking development proposals by early engagement through PPAs. Whilst these agreements are not a mandatory feature, the Council encourages early conversation with the Development Management Team and will continue to advocate for the use of PPAs with developers and applicants on major development or complex proposals.
- 4.22. Unilateral Undertaking & Section 106
- 4.23. New housing development in the Cheltenham borough has the potential to affect the protected Cotswold Beechwoods Special Area of Conservation (SAC), an area designated for its important biodiversity. The Council has a legal duty to assess the impact of planning applications on the SAC and mitigate recreational pressure as more houses are built.
- 4.24. In order to offset the environmental impact of new housing development, a financial contribution will be required to help pay for mitigation measures for the SAC. The Council has prepared [Unilateral Undertaking Section 106 forms available on the website](#) for applicants and developers to submit through the course of their application. This is the simplest way to make a

financial contribution and avoids the submission of 'shadow' Habitats Regulations Assessment of the impact on the SAC which may cause timely delay. The Council will continue to monitor the effectiveness of this process and update where necessary to avoid delays in the determination of application for new housing.

Local Validation List

- 4.25. The Council has recently adopted and published a new local validation list in February 2025⁷. The previous local validation list was for the most part historic and considered not legally binding on an applicant. It is considered that a local validation list is an important tool to ensure that the Council has all the key documents and supporting information required upfront by an applicant before a planning application is made valid. The updated local validation list will likely significantly reduce delays to the determination of a planning applications and reduce the delays to the implementation of a development post approval.
- 4.26. Paragraph 45 of the NPPF highlights that the requirements set out in a local validation list "should be reviewed at least every 2 years" from the date of publication. A consequence of a local validation list exceeding two years since publication is that it ceases to have a legal effect. This is a highly undesirable way forward which will ultimately compromise the Council's decision-taking ability as well as its timeliness. The Council will therefore seek to review the local validation list no later than 1 January 2027.

Staff Resourcing

- 4.27. The Council recognises the importance of its planning service in enabling and supporting timely decision-making. It is committed to ensuring the delivery of an efficient and effective service. This was recognised in the 2025/26 budget with additional funding targeted at the resourcing the planning team. In the last year the Council has successfully recruited additional Officer resource in both the Planning Policy and Development Management teams to help plan making and decision taking within the authority.
- 4.28. To continue the ongoing improvement to the planning process, the Council has recently recruited an Infrastructure Manager and at the time of writing are recruiting for a Principal Planning Officer to help deliver strategic sites and address any issues or barriers raised by developers, landowners and residents. This will be especially needed once the SLP is adopted as new sites for housing will be identified.
- 4.29. Additionally, the Council are growing the planning team through the recruitment of a principal urban designer, monitoring and validation officers and enforcement and compliance officer. These roles will help play a role in the integrity and efficiency of the Councils development management process and support wider planning outcomes across housing, sustainability and community growth.

Commencement Condition

- 4.30. Under [section 91 of the Town and Country Planning Act 1990 \(as amended\)](#), planning permission granted by an LPA must be subject to a condition that sets the time limit within which the

⁷ [Local Validation List](#)

development must begin. [Planning practice guidance \(PPG\) on the Use of planning conditions](#) states that the “the relevant time limit for beginning the development is not later than the expiration of:

- 3 years beginning with the date on which permission is granted, or:
- Such other period (whether longer or shorter) as the local planning authority may impose.”⁸

- 4.31. Paragraph 81 of the NPPF sets out that applications for housing development, LPAs should consider imposing a planning condition in which development must begin within a timescale shorter than the relevant default 3-year period. This is to ensure that these developments are implemented in a timely manner.
- 4.32. To maximise the likelihood of delivery of housing in the short term, the Council will explore whether it will be appropriate to impose a condition on any application for new housing to commence within 2 years from the date of planning permission granted. Where outline permission is granted, the Council will also explore a similar approach to ensure that timescales for commencing development are reduced.
- 4.33. The decision whether to impose a shorter commencement condition will involve discussions between both the Planning Policy and Development Management teams within The Council. Ultimately, any decision on its appropriateness will rest with the Head of Development Management and whether any decision will necessitate consultation with key stakeholders before determination, including members of the planning committee.
- 4.34. Lapsed Permissions
- 4.35. It is inevitable that every year there will be unimplemented planning permissions that lapse. Circumstances that result in a lapse of permissions may relate to site issues and / or financial issues maybe prevalent for which there is little the Council can do to reduce this.
- 4.36. The Council will monitor lapse rates, numbers of dwellings permitted, and the time taken for sites to progress from approval to completion. These are considered key indicators to monitor performance and delivery. Additional action to address notifying applicants whose planning permissions are due to expire will be explored once the Council are successful in the appointment of a monitoring officer.

⁸(Paragraph: 027 Reference ID: 21a-027-20140306)

5. Monitoring and Future Review

- 5.1. The Council will continue to monitor the number of new planning permissions permitted and the completions of new dwellings to feed into its annual housing land supply position. This will also include contacting the development industry requesting updated forecasted delivery for the larger housing sites in the borough.
- 5.2. This Housing Delivery Test Action Plan will be reviewed on an annual basis where The Council does fall short of 95% of its HDT measurement during the reported year. The Council are required to return to the Government the number of dwellings completed within each financial year, which then feeds into the HDT results expected in winter 2025. Any such review will establish any updated issues for the shortfall of housing and assess the overall effectiveness of the Housing Delivery Test Action Plan.