



PLANNING SERVICES

FIVE YEAR LAND SUPPLY STATEMENT

2021

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Five Year Housing Land Supply Statement: 2021

1. Background

- 1.1 The National Planning Policy Framework (NPPF) requires all local authorities as part of their strategic planning function to identify a continuous five-year supply of housing land. Being able to demonstrate a five year supply or not is an important material consideration when determining planning applications for new housing. It does not in itself, however, provide justification for approval or refusal of a planning application.
- 1.2 This statement supersedes the 2020, five year Housing Land Supply Statement which stated the authority had 5.53 years worth of supply as of 1st April 2020.

National Policy and Guidance

- 1.3 Paragraph 74 of the National Planning Policy Framework (NPPF) requires Local Planning Authorities to annually identify and update a supply of specific deliverable sites sufficient to provide five years' worth of housing against their housing requirement set out in adopted strategic policies, or against their local housing need (LHN) where the strategic policies are more than five years old.
- 1.4 To be considered 'deliverable', sites should be available now, offer a suitable location for development now, and be achievable with a realistic prospect that housing will be delivered on the site within five years. Sites that are not major development and have planning permission and all sites with detailed planning permission should be considered deliverable unless there is clear evidence that homes will not be delivered within five years. Where a site has outline planning permission, they should only be classed as deliverable where there is clear evidence that housing completions will begin within five years. As detailed further in section 6, sites visited through annual monitoring visits, have been subject to this criteria.
- 1.5 To ensure choice and competition in the market for land, the NPPF requires local planning authorities to add an additional 5% buffer to their housing requirements over the next five years. For local authorities where there has been a record of persistent under-delivery, this buffer is to be increased to 20% and if a Council produces an annual position statement which has been considered and agreed with the Secretary of State, then a 10% buffer can be applied. Further details regarding the buffer are set out under section 4 of this report.

2.0 Housing Need

- 2.1 As stated within paragraph 74, the NPPF states that the five year supply should be set out against the strategic requirement in adopted strategic policies or against their LHN where the policies are more than 5 years old. The existing strategic policies for the City are set out within the Core Spatial Strategy which was adopted in October 2009, and is therefore over 5 years old, and has not been reviewed. With this in mind, the five year supply is to be considered against the Council's LHN figure.
- 2.2 The standard method within the NPPG was revised in December 2020. Notably, it now includes a 35% uplift for those urban local authorities in the top 20 cities and urban centres list (this includes Stoke-on-Trent). It should be noted that this list can change.
- 2.3 The methodology to calculate the LHN figure applies an average annual household growth figure from the 2014 based Household Growth Projections for the next 10 years. The base date of the housing land supply assessment is April 2021. Therefore, the calculation of the of the LHN figure is applied from 2021 to 2031. The National Planning Practice Guidance states that although more recent projections are available, the 2014 projections are used to provide stability. This is then tested against a measure of affordability to identify the extent of any uplift to the housing need figure to enable local house prices to become more aligned to average workplace earnings. It should be noted that the Local Housing Need calculation is re-run routinely as new affordability information is released and timeframes are amended.

Table 1 – Stoke-on Trent Local Housing Need figure

Housing Need	April 2021
Average annual change	491.3
Affordability ratio	4.37
Annual Local Housing Need Figure	679

3.0 Past delivery against the latest assessment of housing need

- 3.1 As set out in paragraph 2.3, to ensure choice and competition in the market for land, the NPPF requires local planning authorities to add an additional 5% buffer to their housing requirements over the next five years. For local authorities where there has been under-delivery in the last 3 years, this buffer is to be increased to 20%.

3.2 The NPPF states in paragraph 74c, footnote 41, that under delivery will be measured against the Housing Delivery Test, which is annual measurement of housing delivery in an authority area. The latest published Housing Delivery Test is the 2021 version, which shows Stoke-on-Trent City Council as performing at 188%. Therefore it is **appropriate to apply a 5% buffer for the 2021 housing land supply calculation.**

4.0 Windfall Allowance

- 4.1 Paragraph 71 of the NPPF states that local planning authorities can make an allowance for windfall development in their five year supply if there is compelling evidence that such sites have consistently become available in the area and will continue to provide a reliable source of supply. Windfall sites are defined as those which have not specifically been identified as available in the Local Plan process. A windfall allowance should be realistic and have regard to the Strategic Housing Land Availability Assessment (SHLAA), historic windfall delivery rates and expected future trends.
- 4.2 Table 3 below shows the past trends in windfall site completions since 2006, where data is available. These comprise of changes of use and conversions and smaller sites not already identified in the published SHLAA.

Table 2: Calculation of the windfall allowance

Year	Conversions and change of use	Units delivered on sites under 0.25 hectares	City Total
2006/7	-	108	108
2007/8	-	97	97
2008/9	88	228	316
2009/10	46	101	147
2010/11	57	160	217
2011/12	109	127	236
2012/13	47	92	139
2013/14	54	110	164
2014/15	129	209	338
2015/16	149	280	429
2016/17	117	28	145
2017/18	86	61	147
2018/19	119	143	262
2019/20	64	104	169
2020/21	37	95	132
Average Per Year Over Plan Period	85	130	Windfall allowance - 203

- 4.3 The table shows that windfall development makes a large contribution to the amount of completions each year. This therefore provides reliable evidence to justify the inclusion of a windfall allowance within the supply. Whilst the NPPF does allow for the inclusion within the 5 year period, it is not considered appropriate to apply this to each year owing to the high proportion of windfall developments that complete within 2 years of gaining planning permission. To avoid double counting therefore a windfall allowance has been excluded from

the first 2 years of the supply. **The windfall allowance therefore feeding into the 2021 housing land supply is 609 (based on three years x 203 units per annum).**

5.0 Current Five Year Housing Land Supply

- 5.1 Appendix 1 to this statement lists sites included in the five year housing land supply as at 1st April 2021 (the base date), that are considered deliverable and have been assessed through annual site monitoring. This includes sites with planning permission that have dwellings remaining to complete, these sites may be under construction or not started.
- 5.2 It is recognised that there is a much larger supply of sites with planning permission that have not been included within the supply. This includes sites which have gained formal planning permission as of the 1st April 2021, outline permissions which do not have the clear evidence of their delivery as yet and additional deliverable sites in the Strategic Housing Land Availability Assessment. However for the purposes of this five year housing land supply statement they have been excluded. It is assumed that there are further sites that will be delivered within the next 5 years, but due to the rigorous checks in accordance with the NPPF, they have not been included for robustness.
- 5.3 In addition to the rigorous checks as outlined above, to ensure choice and competition in the market for land, an additional buffer is applied to the requirement. Whilst it could be argued that there is some double counting in applying two buffers, it is noted through monitoring that there is a historical rate of planning permissions (total dwellings) lapsing within the City. Over the past 3 years this has accounted for 14% of units approved. The Council therefore considers that in applying an additional buffer (lapsed rate) and only including sites as deliverable where clear evidence exists, ensures that the five year supply calculation is robust. For clarity, the 14% lapse rate has only been applied to the sites with planning permission that are not actively under construction. Based on the 2021 analysis, sites with planning permission that have either not started or actively under construction account for 2818 dwellings therefore after applying the lapse rate, **395 dwellings are taken off the deliverable supply**. The table below clearly sets out the components of the total deliverable 2021 housing land supply.

Table 3: Housing site supply 2021-2026

Source of Supply:	Number
Total remaining capacity of sites with planning approval at 1 st April 2021 (without the lapse rate applied)	4022
Construction	(Total Supply from sites actively under construction) 1204 Sites not commenced (Lapse Rate applied 14%) ¹ 2423
Windfall Allowance	609
Total Deliverable Supply	4236

6.0 Housing Land Supply Calculation

- 6.1 The previous sections of this statement explain all of the different considerations that need to be factored in to calculating the supply of housing land. This section brings together all of these factors to determine how the capacity of land for housing development compares with the area's recommended housing need figure for the next five years.
- 6.2 The basic calculation to determine this is for the amount of housing land available (the deliverable supply) to be divided by the annual requirement (the demand). This is set out in Table 4 below.

Table 4: Calculation of the housing land supply

Housing Land Supply	Local Housing Need (1st April 2021 - 679)
Housing requirement 2021-2026 (including 5% buffer)	3565
Annual Requirement (including 5% buffer)	713
Total Deliverable Supply Capacity	4236
Number of years' worth of housing land supply against the requirement:	5.94

¹ The calculation takes the total number of units that have not started on site (2818) and then applies a 14% lapse rate (2818- 14% = 2423)

7.0 Conclusion

In conclusion Stoke-on Trent City Council has five years worth of housing land supply, set against the most up to date Local Housing Need figure (in line with paragraph 74 of the NPPF).