

Five year land supply – an explanation of the stepped approach

NPPF

The NPPF requires local planning authorities to

“identify and update annually a supply of specific deliverable¹ sites sufficient to provide five years worth of housing against their housing requirements with an additional buffer of 5% (moved forward from later in the plan period) to ensure choice and competition in the market for land. Where there has been a record of persistent under delivery of housing, local planning authorities should increase the buffer to 20% (moved forward from later in the plan period) to provide a realistic prospect of achieving the planned supply and to ensure choice and competition in the market for land”

When considering Local Plans at examination, Planning Inspectors will consider a five year land supply (5YLS) as a vital requirement of Local Plans. If plans are unable to demonstrate a five year land supply this is evidence of an unbalanced strategy that does not seek to deal with the issues facing the authority in a timely manner. Furthermore, if at the point of adoption, a plan cannot identify a 5YLS then paragraph 49 of the NPPF will come into play and relevant policies for the supply of housing would not be considered up-to-date. To have recently adopted plan which already had policies that were out of date would undermine the plan and undermine public confidence in the planning system. An inspector would not allow the authority to adopt such a Local Plan.

Proposed Local Plan

The proposed regulation 19 Local Plan, with some additional sites from the regulation 18 Local Plan, has a 5YLS of 5.1 years. This is calculated using the Liverpool methodology (i.e. spreading any backlog out over the whole plan period) and a 5% buffer.

The justification for using the Liverpool methodology, is that the development strategy and sequence mean that to deliver sustainable development in Uttlesford, there is a significant element of delivery that is focussed in the new Garden Communities. These have a longer lead-in time that means that they do not deliver early in the plan-period but once they start delivering, they will provide significant levels of housing throughout the rest of the plan period, and beyond. Allocations for new homes in the towns and villages provide some flexibility and early delivery. However, the use of the Sedgefield method (spreading any backlog out over the first five years of the plan period) would require additional development beyond the housing requirements in less sustainable locations.

There is evidence from recent examinations into other Local Plans that this line of argument is capable of success. For example, the Inspectors for South Cambridgeshire, this year published

¹ 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 and in particular that development of the site is viable. Sites with planning permission should be considered deliverable until permission expires, unless there is clear evidence that schemes will not be implemented within five years, for example they will not be viable, there is no longer a demand for the type of units or sites have long term phasing plans.

modifications likely to be required to make the plan sound, this includes reference to the 5YLS being calculated by the Liverpool method.

The justification for a 5% buffer, is that over the last ten years, when considering delivery against the housing target at that time, the Council has met its target in five years out of ten. Furthermore, when considering the cumulative delivery over this time-period against the cumulative targets, there is only an under delivery of 67 units. See table 1.

			Delivery against Targets	
Year	Target	Delivery		
2007/2008	430	543	113	Y
2008/2009	430	441	11	Y
2009/2010	430	523	93	Y
2010/2011	430	302	-128	N
2011/2012	523	521	-2	N
2012/2013	523	540	17	Y
2013/2014	523	390	-133	N
2014/2015	568	463	-105	N
2015/2016	568	554	-14	N
2016/2017	641	722	154	Y
Total	5066	4999	-67	98.68%

Potential for a stepped trajectory

The emerging Local Plan is capable of fixing the Liverpool methodology for calculating the 5YLS. However, whether it is appropriate to use a 5% buffer or a 20% buffer could change if housing delivery suffers. Using a 20% buffer, the 5YLS is 4.46 years. This is a considerable risk, and the advisory Planning Inspector who visited the Council on 26 April 2018, recommended considering mitigating this risk through the use of a stepped trajectory.

A stepped housing trajectory uses different housing requirements for different years in the plan, 'stepping up' the housing requirement as the plan progresses. The visiting Inspector suggested any trajectory 'step up' twice, and that it should not fully eliminate the existing shortfall. He also advised looking at the approach taken in Poole and West Oxfordshire².

Officers have considered a number of options for stepping the trajectory, which provides a 5YLS when calculated using a 20% buffer.

² See appendix 1 for justification of stepped trajectories for these authorities

Having looked at a number of options³, the preferred method of stepping the trajectory is set out below:

For the years 2011/12 to 2021/22 an annual housing requirement of 568 per year is set. 568 reflects SHMA 2015 requirement for Uttlesford (12,500 for the plan period), it is also above the average number of homes delivered between 2011 and 2017 (532 dpa), and therefore does not eliminate the shortfall. The housing requirement then steps up to 713/714 dpa from 2022/21 to 2032/33. This uplift in required delivery matches the year when completions are expected on two of the three Garden Communities, reflecting the step-change in delivery that will result from the Garden Communities.

This stepped trajectory only steps up once, compared to the two times the visiting inspector recommended, however a reasonable trajectory stepped up twice and allowed Uttlesford to achieve a 5YLS with a 20% buffer has not been identified.

This stepped requirement results in a 5YLS of 5.98 years when calculated at 5% and using the Liverpool method, and 5.23 years when calculated at 20% and using the Liverpool method.

Housing Delivery Test

The draft NPPF retains the five year land supply requirement but adds in a Housing Delivery Test, this is still draft at the moment, but is worth considering in this paper. The draft NPPF states that the delivery test will apply from November 2018.

Applying the draft Housing Delivery Test to Uttlesford results in a figure of 102%. See Appendix 3 of this paper for the workings. In order to be considered a '20% authority' delivery has to be under 85%⁴.

³ See appendix 2 for all the options considered

⁴ See paragraph 74 of the [draft NPPF](#)

Appendix 1 - Justification of stepped trajectories for Poole and West Oxfordshire

Poole

Due to Poole’s physical and environmental constraints and time taken to recover from the recent recession this plan sets out a phased approach to housing delivery to ensure that required interventions to boost delivery rates are given time to work as well as the wider Poole market adapts to the demands of meeting the full OAHN. This approach will, however, take some time to realise in terms of the delivery of new homes.

Up until the Local Plan Review is adopted in 2018 the target therefore remains the Core Strategy target of 500 homes per year on the basis that in Poole only a Local Plan review can realistically release more land to meet needs. For the next five years of the plan period (2018 to 2023) the target is increased to 710 homes per annum in line with the SHMA during which time new allocations are expected to be brought forward to facilitate an immediate boost in supply. The 2018 to 2023 period also will provide time for the Council to work with its partners to achieve a long-term step change in the delivery of housing in Poole and crucially plan for and implement new strategic mitigation projects to ensure that the planned higher growth will not have a negative effect upon internationally protected wildlife. The Poole Plan will be reviewed by 2023 and will need to re-assess the strategy for 2023-2033 to ensure that higher growth can be mitigated and thereby facilitate a delivery rate of 815 homes per year for the remaining period 2023 to 2033.

The expected delivery rates, in accordance with this phasing, are expressed as a trajectory for the period 2013 to 2033 in Figure 20. The red line represents the minimum annual housing target. As shown in the trajectory current commitments (sites already with planning permission) play an important role in boosting supply initially until the strategic allocations come forward. To boost supply and meet the higher housing target, some delivery will be required from the urban extension sites within the first five years following adoption of the local plan and for the remainder of the plan period. Annual monitoring of this trajectory may trigger a review of the local plan or other interventions if housing delivery is not keeping pace with the minimum target.

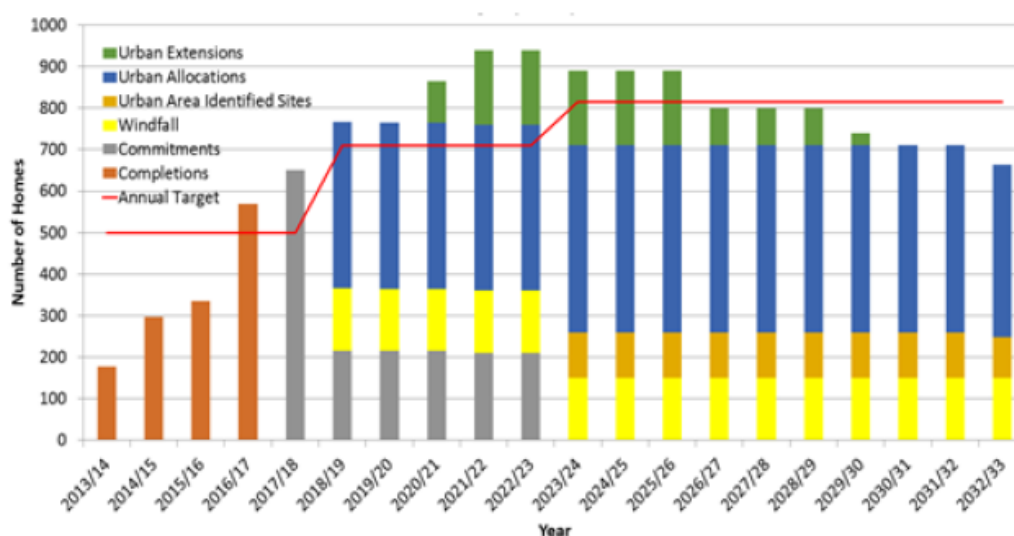


Figure 20: Poole housing trajectory (2013-2033)

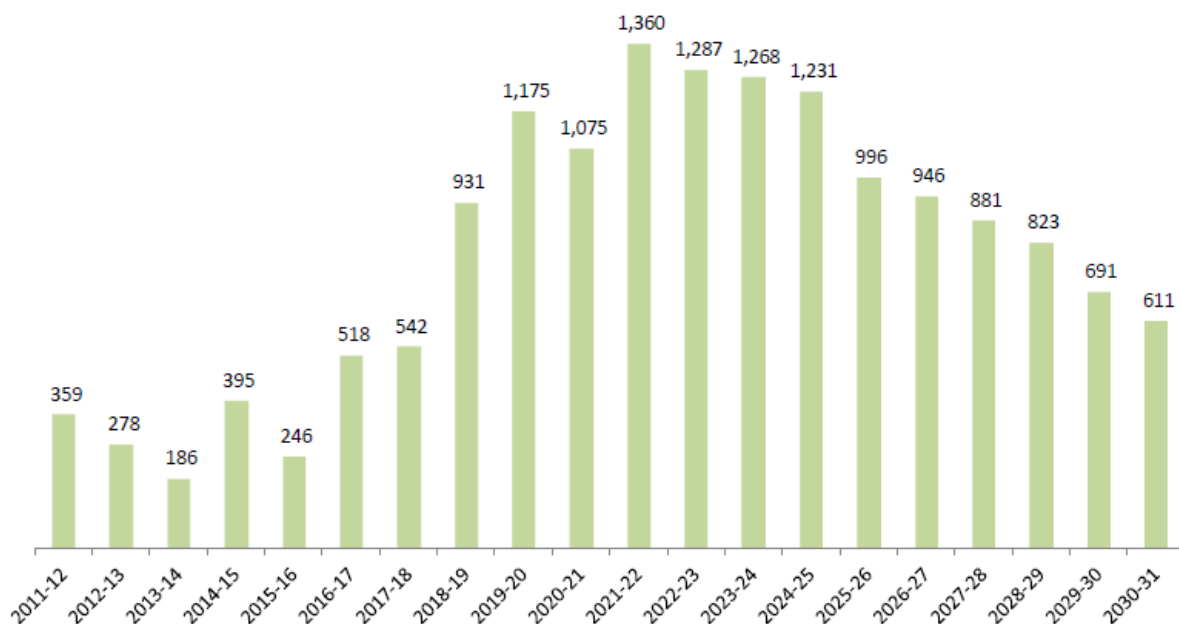
West Oxfordshire

The proposed housing requirement for West Oxfordshire in the period 2011 – 2031 is therefore 660 homes per year which equates to 13,200 homes in total. This will require a significant increase in the future rate of delivery of new housing in the District in comparison with historic long term delivery rates particularly when ‘under-supply’ since 2011 is factored in.

In addition to meeting West Oxfordshire’s identified housing needs we are committed to assisting our neighbours Oxford City. Evidence demonstrates that Oxford City cannot meet their housing need in full within their own administrative boundary. A working assumption of 15,000 homes has been agreed by the Oxfordshire authorities as representing the quantum of Oxford’s ‘unmet’ housing need which must be accommodated elsewhere within the Oxfordshire Housing Market Area (HMA).

Joint working has been taking place between the Oxfordshire local authorities and co-ordinated via the Oxfordshire Growth Board (OGB). As part of this process it has been agreed that West Oxfordshire will accommodate 2,750 homes in the period between 2021 and 2031 to assist Oxford City with its unmet housing need. In order to meet this apportionment, and deliver the District’s own housing needs, 935 dwellings per year will need to be delivered between 2021 and 2031 (excluding past backlog). This rate of delivery is nearly double the historic long term housing delivery rate in the District and will be extremely challenging for the house building industry to deliver.

The total level of housing provision in West Oxfordshire in the period up to 2031 will therefore be at least 15,950 homes. This comprises 13,200 homes in the period 2011 – 2031 to meet West Oxfordshire’s own identified housing needs and a further 2,750 homes in the period 2021 – 2031 to assist with the unmet housing needs of Oxford City.



Appendix 2 – Alternative stepped trajectories

Anticipated Supply

	11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33		No. of steps	Shortfall	5YLS 20% Liv	5YLS 5% Liv
0	521	540	390	463	554	722	589	706	777	826	755	593	493	475	620	660	680	780	880	888	860	940	14712	0	-656	4.46	5.10

Requirements considered

	11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33		No. of steps	Shortfall	5YLS 20% Liv	5YLS 5% Liv
0	641	641	641	641	641	641	641	641	641	641	641	641	641	641	641	641	641	641	641	641	641	641	14102	0	-656	4.46	5.10
1	568	568	568	568	568	568	641	641	641	641	641	641	641	641	695	695	695	695	696	696	696	696	14100	2	-218	4.65	5.31
2	568	568	568	568	568	568	568	568	641	641	641	641	699	699	699	699	699	699	699	699	700	700	14100	2	-218	4.86	5.56
3	568	568	568	568	568	568	568	568	568	568	568	713	713	714	714	714	714	714	714	714	714	714	14100	1	-218	5.23	5.98
4	568	568	568	568	568	568	568	568	568	568	701	701	701	701	702	702	702	702	702	702	702	702	14100	1	-218	5.01	5.72
5	550	550	550	550	550	550	641	641	641	641	641	641	641	641	718	718	719	719	719	719	719	719	14100	2	-110	4.70	5.37
6	550	550	550	550	550	550	550	550	641	641	641	641	641	721	721	721	722	722	722	722	722	722	14100	2	-110	4.98	5.69
7	550	550	550	550	550	550	550	550	550	550	716	716	716	716	717	717	717	717	717	717	717	717	14100	1	-110	5.16	5.90
8	525	525	525	525	525	525	641	641	641	641	641	641	641	718	718	718	718	718	718	718	719	719	14100	2	+40	4.77	5.45
9	580	580	580	580	580	580	580	580	580	580	691	691	691	691	692	692	692	692	692	692	692	692	14100	1	-290	4.91	5.61
10	580	580	580	580	580	580	580	580	580	580	701	701	702	702	702	702	702	702	702	702	702	702	14100	1	-290	5.09	5.81
11	600	600	600	600	600	600	641	641	641	641	641	641	641	641	641	641	681	681	682	682	682	682	14100	2	-410	4.57	5.22
12	600	600	600	600	600	600	600	600	600	641	641	641	641	641	641	641	702	702	702	702	702	703	14100	2	-410	4.74	5.42
13	600	600	600	600	600	600	600	600	600	600	600	600	600	700	700	700	700	700	700	700	700	700	14100	2	-410	4.87	5.56
14	430	430	430	430	430	430	641	641	641	641	641	641	641	641	641	641	851	851	852	852	852	852	14100	2	+610	5.05	5.77
15	430	430	430	430	430	430	430	430	430	430	430	851	851	852	852	852	852	852	852	852	852	852	14100	1	+610	7.77	8.88
16	430	430	430	430	430	430	430	430	641	641	641	641	641	641	851	851	852	852	852	852	852	852	14100	2	+610	5.87	6.71

5YLS calculation in full (5% Liverpool)

Target – years 2017/18-2021/22 = (568 x 5 =) 2,840

Shortfall – years 2011/12-2016/17 = ((568 x 6) – (521+540+390+463+554+722) =) 218

The shortfall that is carried forward into the first five years, under the Liverpool methodology = 218 x (5/16) = 68

Target plus shortfall = (2,840 + 68 =) 2,908

Adding in a 5% buffer to ensure choice and competition in the market for land [Final Target] = (2,908 x 1.05 =) 3,054

Supply in years 2017/18-2021/22 = (589 + 706 + 777 + 826 + 755 =) 3,653

% of target available of deliverable sites = (100 x (3,653 / 3,054) =) 120%

Supply in years = (5 x 100 x (3,653 / 3,054) =) 5.98

5YLS calculation in full (20% Liverpool)

Target – years 2017/18-2021/22 = (568 x 5 =) 2,840

Shortfall – years 2011/12-2016/17 = ((568 x 6) – (521+540+390+463+554+722) =) 218

The shortfall that is carried forward into the first five years, under the Liverpool methodology = 218 x (5/16) = 68

Target plus shortfall = (2,840 + 68 =) 2,908

Adding in a 20% buffer to provide a realistic prospect of achieving the planned supply and to ensure choice and competition in the market for land [Final Target] = (2,908 x 1.2 =) 3,490

Supply in years 2017/18-2021/22 = (589 + 706 + 777 + 826 + 755 =) 3,653

% of target available of deliverable sites = (100 x (3,653 / 3,490) =) 105%

Supply in years = (5 x 100 x (3,653 / 3,490) =) 5.23

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Appendix 3 – Applying the draft Housing Delivery Test to Uttlesford

The draft methodology for the Housing Delivery Test (HDT) is set out as follows:

The HDT is the percentage measurement of the number of net homes delivered against the number of homes required in a plan-making authority area.

Housing Delivery Test (%) = Total net homes delivered over three year period / Total number of homes required over three year period

Table 1. Net homes delivered over a rolling three year period is the total of:	
Net additional dwellings	National Statistic for annual net additional dwellings in England ²
Student communal accommodation	Apply a nationally set ratio based on average number of students in a student household from England Census data against the number of bedrooms provided in student communal accommodation.
Other communal accommodation	Apply a nationally set ratio of the average number of adults in a household from England Census data against the number of bedrooms provided in communal accommodation.

The total net homes required over a three year period looking backwards over the years 2014/15 to 2016/17 is (568 x 3 =) 1,704.

The total net number of homes delivered over that same period was (463 + 554 + 722 =) 1,739⁵

This results in a Housing Delivery Test figure of (1,739 / 1,704 =) 102%

⁵ N.b. there was no communal student accommodation or other communal accommodation delivered in Uttlesford 2014/15-2016/17, see table 124 of the government's housing statistics: <https://www.gov.uk/government/statistical-data-sets/live-tables-on-net-supply-of-housing>