



**Tamworth Borough Council
Five year housing land supply
2018 to 2023**

Need for a five year housing land supply

The National Planning Policy Framework (NPPF) was adopted in 2012 and sets out the Government’s planning policies for England and how these are expected to be applied.

Paragraph 47 states that, in order to boost the supply of housing, local planning authorities should ‘*identify and update annually a supply of specific deliverable sites sufficient to provide five years worth of housing against their housing requirements*’ (the five year supply).

The importance of the five year supply is underlined by paragraph 49 of the NPPF which states ‘*Relevant policies for the supply of housing should not be considered up-to-date if the local planning authority cannot demonstrate a five-year supply of deliverable housing sites.*’

The five year supply calculation

| | | | | |
|--|-------------|--------|------------|--------------|
| Local Plan Requirement: | 177 | dpa is | 885 | over 5 years |
| Plan period deficit | 271 | | | |
| 20% buffer | 231 | | | |
| Total requirement | 1387 | or | 277 | dpa |
| Extant permitted units (commenced sites) | 1261 | | | |
| Extant permitted units (uncommenced sites) | 490 | | | |
| Historic lapse rate | 10% | | | |
| Projected Local Plan sites (not yet permitted) | 336 | | | |
| Windfall allowance (2 years) | 82 | | | |
| Total supply | 2120 | | | |
| Net supply (surplus or deficit) | 733 | | | |
| Number of years supply | 7.6 | | | |

Methodology

The following information sets out the methodology used to calculate the five year supply.

Note: For average read mean unless otherwise stated.

Housing requirement

The total housing requirement is calculated as the sum of the Local Plan requirement for the next five years and the deficit of delivery over the plan period to date (2006 – 2018) with an additional buffer applied to ensure choice and competition in the market for land.

The Local Plan identifies an Objectively Assessed Housing Need for Tamworth of 6,250 additional dwellings between 2006 and 2031. There is insufficient land within Tamworth to meet the whole of the need and so the Plan sets a minimum target of 4,425 additional dwellings to be delivered within the borough with the remaining 1,825 to be delivered in neighbouring authority areas.

Aiming to provide at least 4,425 dwellings over the Plan period leads to a minimum target of 177 dwellings per year to be provided within Tamworth. On this basis, by the end of 2017/18, at least 2,124 additional dwellings should have been provided within Tamworth. In that time only 1,853 additional dwellings have been provided leading to a delivery deficit of 271 dwellings. This figure has been added to the minimum requirement for the next five years (885) to give a basic requirement of 1,156 additional dwellings by the end of 2022/23.

Paragraph 47 of the NPPF states that an additional buffer of 5% should be added to the requirement, moved forward from later in the plan period, to ensure choice and competition in the market for land. The NPPF goes on to state that where there has been a record of persistent under delivery of housing, local planning authorities should increase the buffer to 20%.

Despite 2017/18 seeing the highest rate of completions for a number of years, it still represents an eighth consecutive year of under supply¹. It is therefore considered appropriate to apply a 20% buffer to both the housing land supply requirement and the plan period deficit.

The Council's housing trajectory anticipates that annual supply will exceed the Local Plan target from 2018/19 onwards, and that there will be a cumulative surplus of delivery by 2020/21, at which point it would be appropriate to revert to the 5% buffer.

2018 – 2023 total requirement

Adopted Local Plan annual requirement: 177

Five year Local Plan requirement: 885

¹ It should however be noted that there has been significant variation in the annual requirement over that period.

Plan period deficit of delivery since 2006 (using adopted Local Plan requirement):
271

Requirement: 1,156

Total requirement with 20% buffer applied: 1,387

Housing Supply

The housing supply is the total number of units anticipated to be built within the next five years. This includes extant permissions that have yet to commence, uncompleted units on sites currently under development and an allowance for windfall sites. A lapse rate is also applied to take account of extant permissions that may never be commenced.

Lapse rate

A lapse rate of 10% has been applied to extant permissions where the development has not yet commenced. This figure is based on the number of dwellings granted permission between 01 May 2006 and 31 March 2016 where the planning permission subsequently lapsed. The calculation does not take account of developments where permission was granted in the last two years as those permissions should still be within their three year commencement period.

Taking the total number of dwellings where permission has lapsed as a percentage of the total number of dwellings permitted during that period, the lapse rate would be approximately 6%. However, taking an average of the percentage lapse rate for each of the ten years gives a rate of approximately 11.1%. It was therefore considered that applying a 10% lapse rate would be appropriate to avoid underestimating the number.

Commenced developments

Where development has already been commenced and not yet completed, the remaining number of dwellings expected to be completed in the next five years have been included in the calculation. The lapse rate has not been applied to these dwellings as it was considered that, once the development has commenced, the chance of the permitted number of units not being completed is significantly reduced.

Local Plan sites

The Local Plan sites included in the calculation are those which do not currently have planning permission but where development is anticipated to commence within the five year period. This information is taken from the Local Plan housing trajectory.

The only exception to this is the golf course sustainable urban extension site which has outline consent for the entire site and approved reserved matters for two phases

of the development. It was not considered appropriate to include the remaining dwellings as an uncommenced extant permission, and therefore apply the 10% lapse rate, as this would significantly affect the supply figure when the probability of the development not being fully completed is currently considered to be low.

The two phases with approved reserved matters have commenced and so are included in the commenced sites part of the supply calculation. An allowance of 78 dwellings has been included for the remainder of the site based on the anticipated delivery over the next five years included within the housing trajectory minus the 472 dwellings forming the phases with reserved matters approval.

Windfall sites

The windfall rate has been calculated based on planning permissions granted between 01 May 2006 and 31 March 2018. The rate only takes into account small windfall sites (developments of fewer than 10 dwellings) as these are considered to come forward on a more consistent basis than larger windfall developments.

The average number of dwellings permitted on small windfall sites each year over the 12 year period was 45 dwellings. As this figure is based on dwellings permitted over the period, not completions, the same 10% lapse rate has been applied as for extant permissions. Applying the 10% lapse rate gives a windfall allowance figure of 41 dwellings per year.

As many of the extant permissions included in the calculation are also windfall sites, it would not be appropriate to include five years of windfall allowance as this could result in double counting of some developments. To ensure there is no double counting of extant permissions, the figure is only included for years four and five, when current extant permissions would have either commenced or lapsed.

2018 – 2023 total supply

Extant permitted units (commenced sites): 1,261
Extant permitted units (uncommenced sites): 490
Historic lapse rate: 10%
Projected Local Plan sites (not yet permitted): 336
Windfall allowance (2 years only): 82

Total supply: 2,120

Five year supply calculation

Taking into account the total requirement and total supply as identified above, the five year supply is expressed as a number of years calculated as follows:

Total supply / (total requirement/5)

This equates to the total anticipated supply of housing over the five year period, divided by the number of units required per year over the five year period.

2120 / 277 = 7.6 years supply