



City of
Stoke-on-Trent

PLANNING SERVICES

FIVE YEAR HOUSING LAND SUPPLY STATEMENT 2023

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Five Year Housing Land Supply Statement 2023

1. Background

- 1.1 The National Planning Policy Framework (NPPF) was updated in December 2023 and sets out the amended requirements for Local Planning Authorities (LPAs) to identify a five year supply of housing.
- 1.2 Under the amended requirements, paragraph 76 of the NPPF states that LPAs are not required to identify and update an annual five year housing land supply where their adopted plan is less than five years old, and that adopted plan identifies a minimum of five years supply of specific, deliverable sites at the time that examination concluded.
- 1.3 In addition, paragraph 226 of the NPPF states LPAs with an emerging local plan which has been submitted for examination, or has reached Regulation 18 or Regulation 19 (Town and Country Planning (Local Planning) (England) Regulations 2012) stages, will only be required to identify a minimum of four years supply of sites, instead of a minimum of five years.
- 1.4 As the Council does not currently have an adopted local plan that is less than five years old, and the emerging local plan has not been submitted for examination, nor reached Regulation 18 or Regulation 19 stage, a minimum of five years supply of housing land must be identified, in line with paragraph 77 of the NPPF, as part of our strategic planning function.
- 1.5 Being able to demonstrate a five year supply is an important material consideration when determining planning applications for new housing. However, it does not in itself provide justification for approval or refusal of a planning application.
- 1.6 This statement supersedes the Five Year Housing Land Supply Statement 2022 which stated the authority had 5.65 years worth of supply as of 1st April 2022.

2. National Policy and Guidance

- 2.1 Paragraph 77 of the NPPF requires LPAs to annually identify and update a supply of specific deliverable sites, which will sufficiently provide five years worth of housing against their housing requirement as set out in adopted strategic policies, or against their local housing need (LHN) where the strategic policies are more than five years old.
- 2.2 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, or do not have planning permission but are identified on a brownfield register, 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 and sites identified within the Council's brownfield register, have been subject to this criteria.

- 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 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.
- 2.4 As stated in paragraph 1.1, the NPPF was recently updated in December 2023. National Planning Policy Guidance (NPPG) on housing supply and delivery was also recently updated in February 2023 to reflect the changes within the NPPF, which has been taken into account when preparing the five year housing land supply.

3. Housing Need

- 3.1 The existing strategic policies for the City are set out within the Core Spatial Strategy which was adopted in October 2009. Taking into consideration the provisions as set out within paragraph 77 of the NPPF, as the existing strategic policies are over five years old and have not been reviewed, the five year supply is to be considered against the Council's LHN figure.
- 3.2 The standard method for calculating LHN 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.
- 3.3 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 2023. Therefore, the calculation of the LHN figure is applied from 2023 to 2033. 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 LHN calculation is re-run routinely as new affordability information is released and timeframes are amended.

Table 1 – Stoke-on Trent Local Housing Need figure

	April 2023
Average annual change	504.2
Affordability ratio	4.58
Annual Local Housing Need Figure	705

4. Past delivery against the latest assessment of housing need

- 4.1 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%.
- 4.2 The NPPF states in paragraph 77, footnote 43, that under delivery will be measured against the Housing Delivery Test, which is the annual measurement of housing delivery in an authority area. The latest published Housing Delivery Test is the 2022 version, which shows Stoke-on-Trent City Council as performing at 144%. Therefore it is **appropriate to apply a 5% buffer for the 2023 housing land supply calculation.**

5. Windfall Allowance

- 5.1 Paragraph 72 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.
- 5.2 Table 2 below shows the past trends in windfall site completions since 2006, where data is available. These comprise of changes of use, dwelling conversions, and smaller sites not already identified in the published SHLAA.

Table 2: Calculation of the windfall allowance

	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	168
2020/21	37	95	132
2021/22	73	64	137
2022/23	63	45	108
Average Per Year Over Plan Period	73	121	Windfall allowance 194

5.3 Table 2 shows that windfall development makes a large contribution to the amount of completions each year. Therefore, this provides reliable evidence to justify the inclusion of a windfall allowance within the supply. Whilst the NPPF does allow for the inclusion within the five year period, it is not considered appropriate to apply this to each year owing to the high proportion of windfall developments that complete within two years of gaining planning permission. As such, in order to avoid double counting, a windfall allowance has been excluded from the first two years of the supply. **The windfall allowance therefore feeding into the 2023 housing land supply is 582 (based on three years x 194 units per annum).**

6. Current Five Year Housing Land Supply

- 6.1 Appendix 1 to this statement lists sites included in the five year housing land supply as at 1st April 2023 (the base date), that are considered deliverable. This includes sites with planning permission which have been assessed through annual site monitoring, and have dwellings remaining to complete; these sites may be under construction or have not started.
- 6.2 Additional sites have also been included within the five year housing land supply which do not currently have planning permission, but are identified on

the Council's brownfield register as at the base date, in line with paragraph 007 of the housing supply and delivery NPPG. These sites have been included where there is clear evidence through both developer engagement and funding opportunities (including Levelling Up and the Homes England partnership) that planning applications for residential development are intending to come forward and housing will be delivered on these sites within five years.

- 6.3 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 2023, outline permissions which do not have the clear evidence of their delivery as yet, and additional deliverable sites in the SHLAA. 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.
- 6.4 In addition to the 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 annual monitoring that there is a historical rate of planning permissions (total dwellings) lapsing within the City. Since 2009, this has accounted for 19% 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 19% lapse rate has only been applied to the sites with planning permission that are not actively under construction.
- 6.5 Based on the 2023 analysis, sites with planning permission that have either not started or actively under construction account for 2333 dwellings. Therefore, after applying the lapse rate, **444 dwellings are taken off the deliverable supply**. Table 3 clearly sets out the components of the total deliverable housing land supply for 2023-2028.

Table 3: Deliverable housing land supply 2023-2028

Source of Supply:	
Total remaining capacity of sites with planning approval at 1 st April 2023 (without the lapse rate applied)	4034
Total Supply from sites actively under construction	1701
Sites not commenced (Lapse Rate applied 19%) ¹	1889
Windfall Allowance	582
Total Deliverable Supply	4172

7. Housing Land Supply Calculations

- 7.1 The previous sections of this statement explain 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.
- 7.2 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.

Table 4: Calculation of the housing land supply

	Local Housing Need (1st April 2023)
Housing Requirement 2023-2028 (including 5% buffer)	3701
Annual Requirement (including 5% buffer)	740
Total Deliverable Supply Capacity	4172
Number of years' worth of housing land supply against the requirement	5.64

¹ The calculation takes the total number of units that have not started on site (2333) and then applies a 19% lapse rate (2333 - 19% = 1889)

8. 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 77 of the NPPF).**

Appendix 1: Sites included in the five year housing land supply