Addendum to the South Worcestershire Councils' Five Year Housing Land Supply Report Monitoring Period 2022/23 4YHLS Period 2023/28







Published April 2024

Table of Contents

| 1. | Introduction1 |
|----------------------|---|
| 2. | Updated Housing Delivery Test1 |
| 3. | Removal of buffer1 |
| 4. | 4 year supply1 |
| 5. defin e | Housing Requirement and commitments for next 4 yearsError! Bookmark not ed. |
| 6. | Four Year Housing Land Supply Calculations2 |
| 7. | Conclusions4 |

1. Introduction

- 1.1 The most recent Five Year Housing Land Supply (5YHLS) calculation for the south Worcestershire Councils (SWCs; namely Malvern Hills District Council, Worcester City Council and Wychavon District Council) as required by the National Planning Policy Framework (NPPF) was published in December 2023. The NPPF was subsequently amended on 19 December 2023. Several changes have direct impacts on the SWCs' 5YHLS.
- 1.2 This addendum report will outline these changes in turn and provide an updated housing land supply figure.

2. Updated Housing Delivery Test

2.1 The SWCs are considered as a single entity in the calculation of the Housing Delivery Test, with a 2022 measurement of 145% published in December 2023. Read more about Housing Delivery Test: 2022 measurement on <u>https://www.gov.uk/government/publications/housing-delivery-test-2022-measurement</u>.

3. Removal of buffer

3.1 The revised NPPF only requires an additional buffer to be added to the housing requirement where the results of the Housing Delivery Test are less than 85%. In such cases a 20% buffer will be applied. Previously, it was the case that a 5% buffer was applied as a minimum.

4. 4 year supply

4.1 NPPF para 77 now says:

"local planning authorities should identify and update annually a supply of specific deliverable sites sufficient to provide either a minimum of 5 years' worth of housing, or a minimum of 4 years' worth of housing if the provisions in paragraph 226 apply."

4.2 Paragraph 226 explains that the 4 year supply:

"applies to those authorities which have an emerging local plan that has either been submitted for examination or has reached Regulation 18 or Regulation 19 (Town and Country Planning (Local Planning) (England) Regulations 2012) stage, including both a policies map and proposed allocations towards meeting housing need.

- 4.3 The SWDPR has been submitted for examination. Therefore, the SWCs are required to identify a supply of specific deliverable sites sufficient to provide a minimum of 4 years' worth of housing against local housing need.
- 4.4 On 5 February 2024 revised wording was issued for several sections of the PPG relating to housing need. This confirmed that "Both the 5 year housing land supply and the 4 year housing land supply that authorities should demonstrate for decision making should consist of deliverable housing sites demonstrated against the authority's five year housing land supply requirement, including the appropriate buffer."
- 4.5 The result of this is that the 4 year housing supply calculation is done in a similar way to the 5 year calculation. It still uses five years' worth of requirement against deliverable supply which is judged over a five year period. The main change is that an authority is considered to have a 4 year supply if these calculations are above 4.0 rather than 5.0.

5. Four Year Housing Land Supply Calculations

5.1 The 4YHLS has been calculated for 1 April 2023 – 31 March 2028. The information in tables 5 to 7 below have been taken from section 5 in this addendum and sections 2, 4, 6, 7 and 8 in the main report. Please note that due to rounding, the tables below do not always result in numbers matching up through the calculations.

| | | Dwellings | Average per annum |
|---|--|-----------|----------------------|
| Α | Malvern Hills District Requirement using Standard Method | | 386 |
| в | 4 year target using Standard Method (1 April 2023 to 31 March 2028) (A x 5) | 1,930 | |
| С | Dwellings with planning permissions without lapse rates | 867 | |
| D | Dwellings with planning permission which require lapse rate | 423 | |
| Е | Total deliverable sites including 5% lapse rate (D x 0.95) | 402 | |
| F | Windfalls (35 x 2 years) | 70 | |
| G | Total Supply (C + E + F) | 1339 | |
| Н | Total supply less 4 year requirement (G – B) | -591 | |
| I | Number of Years Supply (G / 386) | 3.47 | |

Table 5: Malvern Hills District 4YHLS

| | | Dwellings | Average per annum |
|---|--|-----------|----------------------|
| Α | Worcester City Requirement using Standard Method | | 343 |
| В | 4 year target using Standard Method (1 April 2023 to 31 March 2028) (A x 5) | 1,715 | |
| С | Dwellings with planning permissions without lapse rates | 1343 | |
| D | Dwellings with planning permission which require lapse rate | 254 | |
| Е | Total deliverable sites including 5% lapse rate (D x 0.95) | 241 | |
| F | Windfalls (63 x 2 years) | 126 | |
| G | Total Supply (C + E + F) | 1710 | |
| Н | Total supply less 4 year requirement (G – B) | -5 | |
| 1 | Number of Years Supply (G / 343) | 4.99 | |

Table 6: Worcester City 4YHLS

Table 7: Wychavon District 4YHLS

| | | Dwellings | Average per annum |
|---|--|-----------|----------------------|
| Α | Wychavon District Requirement using Standard Method | | 488 |
| В | 4 year target using Standard Method (1 April 2023 to 31 March 2028) (A x 5) | 2,440 | |
| С | Dwellings with planning permissions without lapse rates | 762 | |
| D | Dwellings with planning permission which require lapse rate | 452 | |
| Е | Total deliverable sites including 5% lapse rate (D x 0.95) | 429 | |
| F | Windfalls (82 x 2 years) | 164 | |
| G | Total Supply (C + E + F) | 1355 | |
| Н | Total supply less 4 year requirement (G – B) | -1,085 | |
| 1 | Number of Years Supply (G / 488) | 2.78 | |

6. Conclusions

- 6.1 Worcester City Council can currently demonstrate a 4YHLS, however neither MHDC or WDC can currently demonstrate a 4YHLS. As such, the presumption in favour of sustainable development, as set out in the NPPF paragraphs 11 to 14, should be applied in MHDC and WDC. The 4YHLS calculations at 1 April 2023 are 3.47 years for Malvern Hills, 4.99 years for Worcester City and 2.78 years for Wychavon against the standard method housing requirement.
- 6.2 The SWCs continue to approve planning permissions post 1 April 2023, many of which will be included in future 4YHLS calculations. Should an element of the discounted commitments from this year's calculation come forward sooner than anticipated, and there is a robust supply of new planning permissions which are considered deliverable within four years, then each of the SWCs may be able to maintain and achieve a 4YHLS in the coming years.
- 6.3 To ensure the SWCs attain a 4YHLS in the longer term, work is ongoing on the SWDP Review, to allocate new development sites and ensure that the SWCs achieve a joint 5YHLS upon adoption. The SWDP Review was submitted to the Secretary of State for public examination on 27th September 2023 and hearing sessions are planned for 2024.