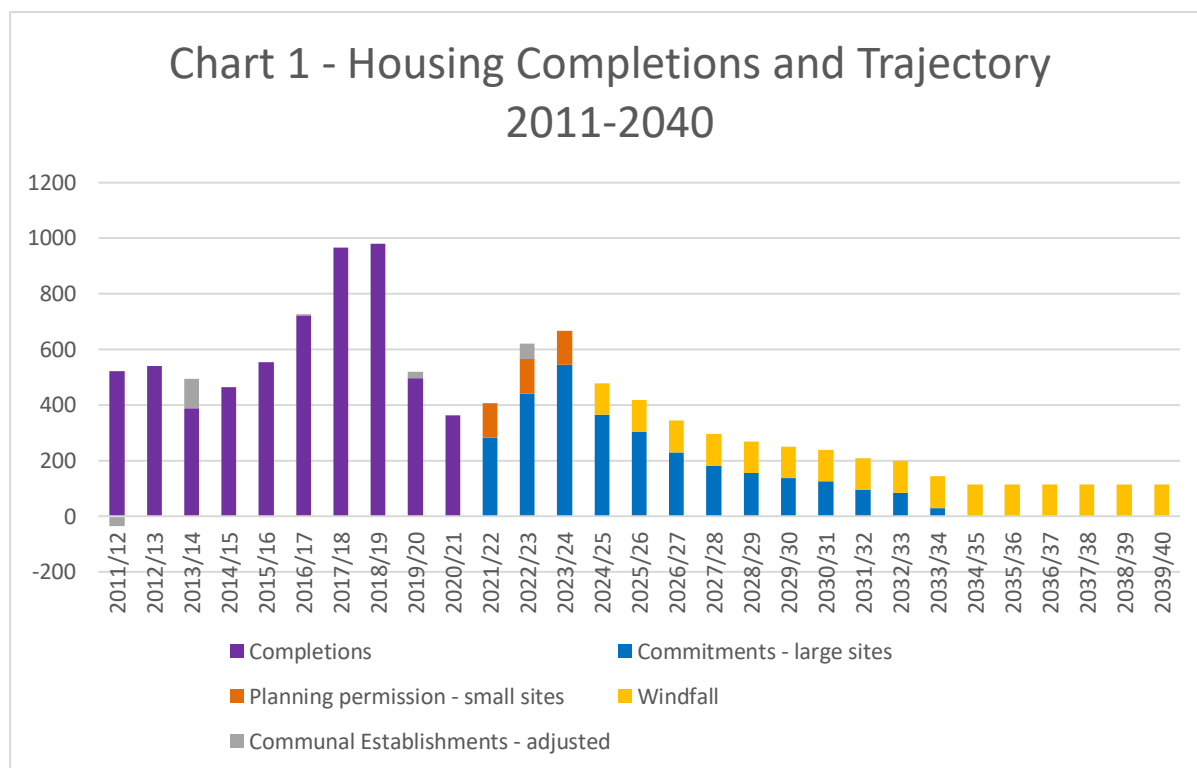


UTTLESFORD DISTRICT COUNCIL 5-YEAR LAND SUPPLY STATEMENT AND HOUSING TRAJECTORY STATUS AT 1 APRIL 2021



Introduction

1. The purpose of this Statement is to set out the Council's 5 year housing supply and an indicative trajectory of housing delivery during the plan period for the purposes of decision-making. The 5 year period covers the period 2021/22 to 2025/26
2. The 5-year land supply data uses a base date of 31 March 2021 and only uses known data i.e. actual completions.
3. Paragraph 68 of the National Planning Policy Framework 2021 (NPPF 2021) states:

Strategic policy-making authorities should have a clear understanding of the land available in their area through the preparation of a strategic housing land availability assessment. From this, planning policies should identify a sufficient supply and mix of sites, taking into account their availability, suitability and likely economic viability. Planning policies should identify a supply of:

 - a) specific, deliverable sites for years one to five of the plan period; and
 - b) specific, developable sites or broad locations for growth, for years 6-10 and, where possible, for years 11-15 of the plan.
4. Paragraph 74 of the NPPF 2021 requires demonstration of a trajectory illustrating the expected rate of housing delivery over the plan period, and an appropriate buffer, either through a recently adopted plan, or in a subsequent annual position statement.

Housing Need

5. The Council's adopted Local Plan 2005 pre-dates the NPPF 2021. The Regulation 19 Local Plan was withdrawn in April 2020. A new draft Local Plan is being prepared.
6. Paragraph 218 Annex 1: Implementation of the NPPF 2021 states that policies in this Framework are material considerations which should be taken into account in dealing with applications from the day of publication. This includes the use of the standard methodology for calculating housing supply as set out in Planning Practice Guidance on Housing and economic development needs assessments. The methodology is based on the government's official household formation projections, adjusted to reflect local housing affordability and then subject to a 40% cap on any increase above projected household growth or current local plan annual requirements. Appendix 1 to this report sets out the calculation of minimum annual local housing need for Uttlesford using the standard methodology.
7. The standard methodology identifies a housing requirement of 701 dwellings per annum (dpa) for Uttlesford.
8. NPPF 2021 Paragraph 74(a) states that an additional buffer of 5% is required to ensure choice and competition in the market for land and paragraph (c) states that a buffer of 20% is required where there has been significant under delivery of housing over the previous three years. Whether there has been significant under delivery is measured using the Housing Delivery Test (HDT). The latest [HDT](#) for Uttlesford, was measured in 2020, indicating that there has been 129% of the required delivery, in the last three years. The 2021 HDT results are yet to be published by the Government.
9. Completions data for the current monitoring year (2020/21) indicates substantially reduced numbers of completions, due to the coronavirus pandemic.

Housing Supply

10. The Uttlesford Housing Trajectory 2011 – 2040 (published separately) lists all the sites which are considered to provide housing during the period up to 2040. There are 9 categories of site and the Housing Trajectory lists the sites with planning permission.
11. It also includes an allowance for windfall sites of 114 dwellings per year based on historic rates of completions on windfall sites and the policy context in which they are likely to continue to be provided at this rate. The evidence for this allowance is set out in the Windfall Allowance for Uttlesford Paper (June 2021) paper available on the [website](#).
12. To avoid double counting, no allowance for windfall is made in the three years 2021/22-2023/24, and all deliverable sites are assumed to have planning permission. Small sites with planning permission have been included and are assumed to be completed in the next three years, this is in line with the evidence presented in the windfall allowance paper. This source of supply has been discounted to 63% to reflect the evidence around delivery of windfall sites, again this is in line with the evidence presented in the windfall allowance paper. There are 585 dwellings with planning permission on sites delivering 5 or less homes (net), discounting this source to 63% results in 368 homes assumed to be deliverable.

13. With regard to the status of specific sites and planning applications, the 9 categories are:
1. under construction
 2. with planning permission (full or reserved matters covering whole site)
 3. with outline permission with part(s) covered by reserved matters
 4. with outline only
 5. where full, outline or reserved matters at post committee resolution subject to S106 negotiations
 6. with application submitted
 7. with pre-application discussions occurring
 8. allocation only
 9. draft allocation – zero currently from this source

14. Tables 1 to 3 below sets out the actual and estimated completions for each year during the plan period.

Table 1: Actual completion rate since 2011											
Year	11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	Total
Completions	486	540	494	465	551	727	966	981	519	362	6,091

Table 2: Forecast completions for next 5-year period						
Year	21/22	22/23	23/24	24/25	25/26	Total
	Year 1	Year 2	Year 3	Year 4	Year 5	
estimated completions years 1-5	406	621	668	479	418	2592

Table 3: Forecast completions for years 6 to 15										
Year	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35	35/36
	6	7	8	9	10	11	12	13	14	15
Estimated completions (sites with planning permission + windfall allowance)	344	295	269	251	239	209	199	143	114	114

Calculation of 5 year housing land supply

15. Table 4 shows the calculation of the 5 year housing land supply. It is based on the target of 701 dwellings per annum calculated by the standard methodology as set out in Appendix 1. It applies a 5% buffer, as justified in paragraph 8 above, of 175 dwellings.

16. Note the below calculation does not include an element of 'shortfall'. The PPG states that:

The level of deficit or shortfall will need to be calculated from the base date of the adopted plan and should be added to the plan requirements for the next 5 year period (the Sedgfield approach). If a strategic policy-making authority wishes to deal with past under delivery over a longer period, then a case may be made as part of the plan-making and examination process rather than on a case by case basis on appeal.

17. The emerging Uttlesford Local Plan is at a very early stage and does not include any proposed housing allocations at this stage. Future stages will include draft housing allocations. The Uttlesford Local Plan 2005 is adopted, but the end date for this plan is 2011 and the target is no longer relevant.

18. The HDT allows for any under delivery in the last three years to feed into the 5YHLS calculation.

Table 4: Calculation of 5 year housing supply		Supply from sites with planning permission+ windfall allowance only
Annual Target		701
Target years 1 – 5	701×5	3,505
5% of target	$3,505 \times 0.05$	175.25
Overall target	$3,505 + 175.25$	3,680
Supply	$406 + 621 + 668 + 479 + 418$	2,592
% of target available on deliverable sites	$2,592 / 3,680 \times 100$	70.43%
Supply in years	$(2,592 / 3,680) \times 5$	3.52 years
Deficit/Surplus	$2,592 - 3,680$	-1,088

Please see the Uttlesford Housing Trajectory 2011 – 2040 as at 1 April 2021, published separately.

Appendix 1:

Calculation of minimum local housing need using the standard method.

The methodology is set in the Planning Practice Guidance on [Housing and economic development needs assessments](#).

Step 1 – Setting the baseline

Set the baseline using national [household growth projections](#) (2014-based household projections in England, table 406 unitary authorities and districts in England) for the area of the local authority. Using these projections, calculate the projected average annual household growth over a 10 year period (this should be 10 consecutive years, with the current year being used as the starting point from which to calculate growth over that period). Note that the figures displayed are rounded and individual cells need to be viewed in order to see the full number.

Number of households 2021	37,072
Number of households 2031	42,075
Household growth 2021 - 2031	5003
Average annual household growth	500.3 per year
Source: 2014-based Live Tables on household projections: Table 406: Household projections by District, England, 1991 - 2039	

Step 2 – An adjustment to take account of affordability

Then adjust the average annual projected household growth figure (as calculated in step 1) based on the affordability of the area.

The most recent [median workplace-based affordability ratios](#), published by the Office for National Statistics at a local authority level, should be used.

For each 1% increase in the ratio of house prices to earnings, where the ratio is above 4, the average household growth should be increased by a quarter of a percent. No adjustment is applied where the ratio is 4 or below. Where an adjustment is to be made, the precise formula is as follows:

$$\text{Adjustment factor} = \left(\frac{\text{Local affordability ratio} - 4}{4} \right) \times 0.25$$

Uttlesford's most recent median workplace based affordability ratio		12.60
Adjustment factor	$((12.60 - 4) / 4) \times 0.25 =$	0.5375
Minimum annual local housing need figure	$(1 + 0.5375) \times 500.3 =$	769.21125
Source: House price to workplace-based earnings ratio, England and Wales: 25 March 2021, Table 5c Ratio of median house price to median gross annual (where available) workplace-based earnings by local authority district, England and Wales, 1997 to 2020		

Step 3 – Capping the level of any increase

A cap is then applied which limits the increases an individual local authority can face. How this is calculated depends on the current status of relevant strategic policies for housing.

Where these policies were adopted within the last 5 years (at the point of making the calculation), the local housing need figure is capped at 40% above the average annual housing requirement figure set out in the existing policies.

This also applies where the relevant strategic policies have been reviewed by the authority within the 5 year period and found to not require updating.

For areas covered by spatial development strategies, the relevant strategic policies are those contained within the spatial development strategy. For example, where a requirement figure for an authority in a spatial development strategy differs from that in a local plan, the figure in the spatial development strategy should be used.

Where the relevant strategic policies for housing were adopted more than 5 years ago (at the point of making the calculation), the local housing need figure is capped at 40% above whichever is the higher of:

- a. the projected household growth for the area over the 10 year period identified in step 1; or
- b. the average annual housing requirement figure set out in the most recently adopted strategic policies (if a figure exists).

Average annual housing requirement in existing relevant policies		N/a
Average annual household growth over ten years	As per step 1	500.3
The minimum annual local housing need figure	As per step 2	769.21125
The cap is set at 40% above the projected household growth for the area over the 10 year period identified in step 1	$500.3 + (40\% \times 500.3) = 500.3 + 200.12$	700.42
Average annual household requirement		701