



**Tamworth Borough Council
Five-year housing land supply
2022 to 2027**

Need for a five-year housing land supply

The latest version of the National Planning Policy Framework (NPPF) was published in 2021 and sets out the Government’s planning policies for England and how these are expected to be applied.

Paragraph 74 states that 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 requirement set out in adopted strategic policies*’ (the five-year supply).

The five-year supply calculation

Local Plan Requirement:	141	dpa is	705	over 5 years
Plan period deficit	0			
5% buffer	35			
Total requirement	740	or	148	dpa
Extant permitted units (commenced sites)	1083			
Extant permitted units (uncommenced sites)	191			
Historic lapse rate	9%			
Projected Local Plan sites (not yet permitted)	154			
Windfall allowance (2 years)	74			
Total supply	1559			
Net supply (surplus or deficit)	819			
Number of years supply	10.5			

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 identified housing requirement for the next five years and the deficit of delivery over the plan period to

date (2006 – 2022) with an additional buffer applied to ensure choice and competition in the market for land.

As the adopted plan is now more than five years old, the housing requirement used for this calculation is the standard method set out in national planning guidance¹. Using the standard method leads to a housing requirement for the next five years of 705 or 141 per year.

When looking at past delivery to establish if there is a previous undersupply to account for, the housing requirement set out in the adopted local plan has been used.

The adopted local plan identified 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 set 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 led to a minimum target of 177 dwellings per year to be provided within Tamworth. On this basis, by the end of 2021/22, at least 2,832 additional dwellings should have been provided within Tamworth. In that time 3,683 additional dwellings have been provided leading to a delivery surplus of 851 dwellings; therefore, no past undersupply is included in the calculation.

Paragraph 74 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 significant under delivery of housing over the previous three years, the buffer should be set at 20% to achieve the prospect of achieving the planned supply.

As of November 2018, this under delivery is measured against the Housing Delivery Test and the 20% buffer is triggered when delivery falls below 85%. The 2021 Housing Delivery Test measurement (published by MHCLG²) puts Tamworth's delivery rate at 471% and so the 20% buffer requirement is not triggered. A 5% buffer has therefore been applied to the requirement as follows:

2022 – 2027 total requirement

Local Plan annual requirement: 141

Five-year Local Plan requirement: 705

Plan period deficit of delivery since 2006 (using adopted Local Plan requirement): 0

¹ <https://www.gov.uk/guidance/housing-supply-and-delivery>

² <https://www.gov.uk/government/collections/housing-delivery-test>

Requirement: 705

Total requirement with 5% buffer applied: 740

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 9% 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 April 2006 and 31 March 2019 where the planning permission subsequently lapsed. The calculation does not take account of developments where permission was granted after 31 March 2019 as the majority of 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 3%. However, taking an average of the percentage lapse rate for each of the 13 years gives a rate of approximately 9%. It was therefore considered that applying a 9% 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 comes from discussions with landowners and developers.

Windfall sites

The windfall rate has been calculated based on planning permissions granted between 01 May 2006 and 31 March 2022. 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 13-year period was 42 dwellings. As this figure is based on dwellings permitted over the period, not completions, the same 9% lapse rate has been applied as for extant permissions. Applying the 9% lapse rate gives a windfall allowance figure of 37 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.

2022 – 2027 total supply

Extant permitted units (commenced sites): 1083
Extant permitted units (uncommenced sites): 191
Historic lapse rate: 9%
Projected Local Plan sites (not yet permitted): 154
Windfall allowance (2 years only): 74

Total supply: 1,559

Five-year supply calculation

Considering 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.

1559/ 148 = 10.5 years supply