

Charnwood Five Year Housing Land Supply – 1 April 2024 **(updated December 2024)**

This document provides the latest housing supply position for Charnwood Borough Council to reflect the National Planning Policy Framework 2024 published on 12 December 2024.

Paragraph 78 of the National Planning Policy Framework 2024 states that local planning authorities should identify and update annually a supply of specific deliverable sites sufficient to provide a minimum of five years' worth of housing against their housing requirement set out in adopted strategic policies, or against their local housing need where the strategic policies are more than five years old. The supply of specific deliverable sites should in addition include a buffer (moved forward from later in the plan period) of 5% to ensure choice and competition in the market for land.

As it is more than five years since the Charnwood Local Plan Core Strategy was adopted (November 2015), the Council is using the new standard method to calculate the Borough's housing requirement. Details of how this has been calculated are set out in **Appendix 1**.

	Housing supply position as at 1 April 2024	Total
a	Annual housing requirement.	978
b	Number of dwellings required for five years 1 April 2024 to 31 March 2029 (978 x five years).	4,890
c	Buffer to ensure choice and completion in the market for land (b x 5%) (rounded).	245
d	Total housing requirement (b + c).	5,135
e	Annual housing requirement (d divided by five years).	1,027
f	Estimated supply of deliverable sites for five years 1 April 2024 to 31 March 2029.	5,941
g	Surplus over requirement (f - d).	806
h	Number of years supply (f divided by e).	5.78 years

Appendix 2 (see separate document) provides a list of sites that are expected to deliver homes during the five year period. In order to provide evidence of deliverability, the Council undertook the following actions:-

The developers of all major development sites with planning permission (i.e. permission for 10 or more homes) were contacted and asked to provide information about lead in times and build out rates. This information was supplemented by similar information collected in relation to proposed housing allocations for the Charnwood Local Plan 2021-2037 examination.

For major development sites with detailed permission and where no information was provided by developers the delivery rates were identified using past delivery performance on that particular site where construction had begun. For those where construction work had not started, the general assumptions for lead in times and build out rates were applied for sites of that size.

Lead in times

(i.e. the period from when a site was granted permission to the start of construction of the first plot on site)

- One year on sites between 10 and 50 dwellings with detailed permission;
- Two years on sites of 50+ dwellings with detailed permission; and
- Three years on sites with outline permission.

Build out rates

- 25 homes per year on sites between 10 and 50 dwellings;
- 35 homes per year on sites between 51 and 200 homes; and
- 50 homes per year on sites of 201+ homes.

For major development sites with outline permission the same approach was used as for major development sites with detailed permission except that where no information was provided from developers the sites have not been considered to meet the definition of deliverable.

For sites with planning permission which do not involve major development (i.e. on sites less than 10 homes), the developers were not contacted and instead the general assumptions for lead in times and build out rates have been used which are three years from the decision date when a site was granted permission (two years for reserved matters) (this applied only for sites where construction work has not started) and five homes per year.

The Council has included accommodation for students and older people in the calculation of supply based on the approach outlined in the Housing Delivery Test Measurement Rule Book. The Housing Delivery Test Measurement Rule Book published in July 2018 explains how the net homes delivered calculated with adjustments for net student accommodation and net other adult communal accommodation (calculated by applying nationally set ratios to the bedroom data of 2.5 and 1.8 respectively) for the Housing Delivery Test results.

APPENDIX 1 – LOCAL HOUSING NEED FOR CHARNWOOD

The minimum annual local housing need figure for Charnwood is calculated using the standard method as published in December 2024.

The standard method to calculate a minimum annual local housing need figure is set out in the national planning practice guidance which can be found at the following web page <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments#housing-need>.

Step 1 – Setting the baseline – 0.8% of existing housing stock for the area

Set the baseline using the value of existing housing stock for the area of the local authority. The baseline is 0.8% of the existing housing stock for the area, and the most recent data published at the time should be used.

Latest dwelling stock from Table 125: dwelling stock estimates by local authority district 2001 to 2023 from the following web page <https://www.gov.uk/government/statistical-data-sets/live-tables-on-dwelling-stock-including-vacants>.

Dwelling stock estimates for 2023 = 78,276 (unrounded).
0.8% of dwelling stock = 626.208.

Step 2 – An adjustment to take account of affordability

The housing stock baseline figure (as calculated in step 1) is then adjusted based on the affordability of the area.

The affordability data used is the median workplace-based affordability ratios, published by the Office for National Statistics at a local authority level. The mean average affordability over the five most recent years for which data is available should be used.

No adjustment is applied where the ratio is 5 or below. For each 1% the ratio is above 5, the housing stock baseline should be increased by 0.95%. An authority with a ratio of 10 will have a 95% increase on its annual housing stock baseline.

Latest ratio of median house price to median workplace-based earnings from Table 5C of the house price to workplace-based earnings ratio dataset (released on 25 March 2024) from the following web page <https://www.ons.gov.uk/peoplepopulationandcommunity/housing/datasets/ratioofhousepricetoworkplacebasedearningslowerquartileandmedian>.

Ratio of median house price to median workplace-based earnings for each of the past five years:-

2019 = 7.7
2020 = 7.75
2021 = 8.41
2022 = 7.82

2023 = 8.1
Average = 7.956

Adjustment = $([7.956 - 5] \text{ divided by } 5) = 0.5912$
Multiply by 0.95 = 0.56164
Add 1 = 1.56164

Multiply 0.8% of dwelling stock (626.208) (from step 1) by adjustment factor (1.56164) (step 2) = 977.91146

The annual local housing need for Charnwood is 978.