

Addendum to the Annual Monitoring Report 2019 (November 2019)

Updated Housing Land Supply Position Statement

Paragraph 73 of the National Planning Policy Framework states:

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 old³⁷. The supply of specific deliverable sites should in addition include a buffer ...

³⁷ Unless these strategic policies have been reviewed and found not to require updating. Where local housing need is used as the basis for assessing whether a five year supply of specific deliverable sites exists, it should be calculated using the standard method set out in national planning guidance.

The West Lancashire Local Plan 2012-2027, adopted October 2013, is now more than five years old. A Review of the Adopted Local Plan (in accordance with NPPF paragraph 33 and the PAS Local Plan Toolkit) has now been conducted and it has found that several key areas of the Local Plan need to be updated, including the housing requirement (set out in policy SP1 of the adopted Local Plan). Consequently, NPPF paragraph 73 (and footnote 37) advises that the housing requirement for West Lancashire for the purposes of calculating housing land supply and the Housing Delivery Test be based on the local housing need figure calculated under the standard methodology until a new Local Plan has been adopted. West Lancashire's local housing need figure, and the 2019 housing land supply against this requirement, are set out below.

(A) Housing Requirement

The Housing Delivery Test Measurement Rule Book (July 2018) advises as follows:

Housing requirements more than five years old

14. Where the latest adopted housing requirement figure is over five years old, unless the strategic policies have been reviewed and found not to require updating, the figure used will be:

i. For areas with a **local plan** or a **joint local plan**: *the minimum annual local housing need figure. ...*

15. Where the minimum annual local housing need figure applies, this number should be calculated with a base date of 1st April each year. This calculation should use the affordability ratio for the previous calendar year. The affordability ratios are published by the Office for National Statistics. The resulting minimum annual local housing need figure will then be used for the Housing Delivery Test calculation.

Planning Practice Guidance (PPG) sets out the standard methodology for calculating the local housing need (LHN) figure. The two necessary components are household projections and the local affordability ratio. PPG provides a formula based on these two components.

The West Lancashire LHN for 2019 uses:

- The 2014-based Household Projections (average increase of 170.7 households in WL over 2019-2029); and
- The 2018 Affordability Ratio (6.54).

$$\begin{aligned}\text{Using the PPG formula, LHN} &= [1 + \frac{1}{4} (\frac{6.54 - 4}{4})] \times 170.7 \\ &= ((2.54 / 16) + 1) \times 170.7 \\ &= 1.15875 \times 170.7 \\ &= \mathbf{197.80 \text{ dwellings per year}}\end{aligned}$$

When applying this figure to the five-year housing land supply calculation, the buffer is set at 5% because West Lancashire passed its 2018 Housing Delivery Test (published February 2019).

West Lancashire's housing requirement for 2019 – 2024 is therefore:

$$(197.8 \times 5) \text{ plus } 5\% = 989 \times 1.05 = \mathbf{1,038 \text{ dwellings.}}$$

(B) Supply

As set out in Indicator HG.2 and Appendix A of the Annual Monitoring Report 2019, the anticipated deliverable housing land supply for 2019-2024 in West Lancashire is **2,242 dwellings**.

Therefore, against a LHN requirement of 1,038 dwellings, the number of years of deliverable housing land supply for West Lancashire Borough on 1 April 2019 was **10.79 years** (2,242 / 1,038 x 5 years).