

**Nuneaton and Bedworth Borough
Council
Borough Plan Review (2021 - 2039)**



**NBBC's MIQ responses to Block 3
Matter 3**

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Matter 3 – Housing

Issue 2: The five year supply and overall housing supply position

Q39.

A) Will there be a five year supply of specific, deliverable sites from the intended date of adoption of the Local Plan?

B) Is the five year supply requirement as set out in the Updated Housing Land Supply Background Paper (UHLSBP) (CD31) calculated correctly and are the buffer, allowances and oversupply factors justified and accurate? Should it be calculated from 1 April 2024 or 1 April 2025?

C) Are all the sites which comprise the suggested five year supply in the UHLSBP (CD31) deliverable in accordance with Annex 2 of the National Planning Policy Framework?

D) Having regard to the UHLSBP (CD31) and other evidence, does the plan make provision for a supply of specific, developable or broad locations for growth for the subsequent years 6-10 and where possible years 11-15 of the remaining plan period?

Answer

39.1 Core Documents [CD1] and [CD31], as well as Evidence Base Document [EB9] are applicable to this response.

Part A

39.2 Yes, from the intended date of adoption of the Borough Plan Review, which is based on the amended Local Development Scheme which is due to go to Cabinet for approval on Wednesday 11 September 2025, there will be an 8.20

year supply. For completeness, if the Borough Plan Review was to be adopted based on monitoring data at 1st April 2024, there will be a 7.68 year supply of specific deliverable sites (as shown in the table below). The Council have only included sites in the first five years (i.e. years 1 – 5 of the housing trajectory) where there is evidence that they are deliverable in accordance with the definition set out in the NPPF. Further information on the deliverability and developability of the sites in the trajectory and five-year housing land supply is provided in response to Part C of this Question. The five year housing land supply figures noted (below) are based on a “flat” or “average” housing requirement of 545 dwellings per annum. In Part D, the Council propose the use of a stepped trajectory which, if deemed acceptable, would require modifications to the plan (five year housing land supply and housing trajectory).

Step	Description	Number	Notes
A	5 x annual housing requirement (545dpa)	2725	
B	Adjustment for over-supply since the plan's base date: (-1,126 dwellings, spread over the remaining 15 years of the plan period (April 2024 to March 2035). The required over-supply adjustment is therefore -1,126 / 15 = 80 fewer dpa in each year of the remaining plan period	-80	21/22 = 796, 22/23 = 956, 23/24 = 1009 dwellings. Total 2,761 against a requirement of 1,635 (3 x 545dpa) = 1,126 dwelling over-supply
C	Over-supply adjustment within the 5YHLS period: 5x -80	-400	
D	2,725 (result of step A) - 400 (result of steps B-C) = 2,180 dwellings. This is the plan requirement for the 5YHLS period, including the over-supply adjustment.	2325	
E	Required buffer of 5% (D x 0.05)	116.25	
F	Total 5YHLS requirement (D + E)	2441.25	
G	Annual 5YHLS requirement (F / 5)	488.25	
H	Deliverable supply over next 5 years at 1/4/2024	3750	
I	Total years supply over next 5 years at 1/4/2024 (H / G)	7.68	
J	Surplus (H - F)	1309	

39.3 The forecast delivery of ‘developable’ sites from year 6 or year 7 of the trajectory onwards is dependent on the site-specific information provided by

developers and having reviewed the conclusions of the recent appeal decisions received (Appeal Reference: APP/W3701/W/23/3330615 – Weddington Road, APP/W3710/W/23/3329913 – Watling Street]) which considered the Council's supply position. The calculation of 8.20 years supply provided in UHLSBP [CD31] is calculated at proposed plan adoption, i.e. a base date of 1st April 2025, this covers year 2 to year 6 in the housing trajectory (which has a base date of 1st April 2024). Further details on the proposed base date of the five-year housing land supply calculation is provided in Part B below.

- 39.4 Notably, the Council acknowledge that the proposed five year supply figure is significantly higher than those figures derived by the Inspectors in the appeal decisions cited above. This is due to a number of factors, most notably, the fact that the housing supply was calculated against an adopted housing requirement of 812 dwellings per annum (this has since reverted the standard method figure of 421 dwellings per annum on 11th June 2024 once the Borough Plan had reached five years from adoption). Further, a number of sites have progressed through the planning process i.e. pre-application discussions, outline or reserved matters applications submitted, Section 106 agreements signed since the five year supply round table sessions for the appeals took place and the Council have created pro-formas and collected many of these, to support the assumptions in the trajectory.

Part B

- 39.5 Yes, Figure 1 of CD31, as shown below, sets out how the five year supply requirement has been calculated, using the Liverpool method, a 5% buffer and a 10% non-delivery allowance from small sites. The Council can demonstrate a supply of 8.20 years which has been calculated correctly in accordance with national policy and relevant PPG. This is based on the most up-to-date monitoring data at 1st April 2024, however as shown in the table below, calculates the five-year housing land supply at plan adoption (1st April 2025). Part A includes a comparison five-year housing land supply calculation using a 1st April 2024 base date.

Step	Description	Number	Notes
A	5 x annual housing requirement (545dpa)	2725	
B	Adjustment for over-supply since the plan's base date: (-1,525 dwellings, spread over the remaining 14 years of the plan period (April 2022 to March 2035). The required over-supply adjustment is therefore $-1,525 / 14 = 109$ fewer dpa in each year of the remaining plan period	-109 dpa	21/22 = 796, 22/23 = 956, 23/24 = 1009, 24/25 = projected 944 dwellings. Total 3,705 against a requirement of 2,180 = 1,525 dwelling over-supply
C	Over-supply adjustment within the 5YHLS period: 5×-109	-545	
D	$2,725$ (result of step A) - 545 (result of steps B-C) = $2,180$ dwellings. This is the plan requirement for the 5YHLS period, including the over-supply adjustment.	2180	
E	Required buffer of 5% ($D \times 0.05$)	109	
F	Total 5YHLS requirement ($D + E$)	2289	
G	Annual 5YHLS requirement ($F / 5$)	457.8 dpa	
H	Deliverable supply over next 5 years at 1/4/2025	3756	
I	Total years supply over next 5 years at 1/4/2025 (H / G)	8.20	
J	Surplus ($H - F$)	1467	

39.6 The Council consider the proposed buffer, allowances and oversupply factors are justified and accurate. In accordance with Paragraph 74 of the NPPF, the Council should include a buffer of 5% to ensure choice and competition for market and land. As shown in the table above, Step E provides the addition of the 5% buffer.

39.7 In relation to small sites and windfall allowances, as discussed in paragraph 2.9 of the UHLSBP [EB9], the Council acknowledges not all of the small site permissions will be implemented before permission expires and therefore a non-delivery lapse rate has been applied for the first 3 years as the non-delivery rates to known permissions at 1st April 2024. A 10% deduction on small sites is deemed appropriate and equates to a rounded 6 dwellings per annum on the basis of 162 dwellings from small sites anticipated over the first three years. The supply calculation includes a windfall allowance from year 4 onwards. This figure of 42 dwellings per annum is from the Small Sites and

Windfall Study [EB9] which examines historic completions and trends of small windfall sites and provides a conservative estimate of 42 dwellings per year.

- 39.8 The Council proposes to utilise a ‘reverse Liverpool method’ to account for oversupply. The reasoning behind this is set out in paragraphs 3.2 to 3.7 of the UHLSBP [EB9]. This is considered to be a sound and logical approach to dealing with oversupply.
- 39.9 The Council have calculated the five year supply position at 1st April 2025 (i.e. years 2-6 of the 2024 base date trajectory), this is to align with the proposed date of adoption which is likely to be post 1st April 2025. The Council consider this is appropriate, albeit if the Borough Plan Review is adopted prior to 1st April 2025 and a 1st April 2024 base date is used for the five-year housing land supply calculation, the Council can demonstrate a 7.68 year supply.
- 39.10 Therefore, notwithstanding whether the date of the five-year housing land supply calculation is at 1st April 2024 or 1st April 2025, the Council can demonstrate a robust supply, well in excess of five years.
- 39.11 The Council consider the approach taken is robust and the position as at 1st April 2025 is appropriate given the anticipated timescales for adoption of the Borough Plan Review. As part of the Authority Monitoring Report (AMR) process, the Council would update the housing supply position with the new monitoring data as at 1st April 2025, which would enable a more accurate calculation of the five year supply data for year 2 to year 6 of the 2024 base date trajectory. It is anticipated this data will be available summer 2025.
- 39.12 We are aware of another similar concurrent local plan examination in West Suffolk where a plan has been submitted under the September 2023 NPPF but the Inspectors are taking into account the December 2023 NPPF as a “material consideration” which specifies at paragraph 69a that “planning policies should identify a supply of specific, deliverable sites for five years following the intended date of adoption (with an appropriate buffer)”. Since the West Suffolk Preliminary Questions were published on 25 July 2024 the Ministry for Housing, Communities and Local Government has subsequently consulted (30 July 2024) on a revised NPPF which proposes to retain the

December 2023 paragraph 69a requirement (in the proposed renumbered paragraph 70a).

39.13 In the West Suffolk Preliminary Questions¹ the submitted five-year housing land supply is based on monitoring data at 1st April 2023. In the explanatory information, before Preliminary Question 27, the Inspectors state “Assuming that the Plan is adopted after 1 April 2025, it therefore seems to us that for the purposes of considering five year supply in the context of NPPF published in December 2023, “year 1” following adoption would start on 1 April 2026”. Given the amended LDS plan adoption date and the approach suggested by the West Suffolk Inspectors, it is considered appropriate for the Nuneaton and Bedworth Borough Plan Review five-year housing land supply to be based on a 1st April 2025 base date.

Part C

39.14 Yes, in accordance with Annex 2 of the NPPF, for a site to be considered deliverable and thus included within the five year supply it should meet the following definition:

“To be considered deliverable, sites for housing should be available now, offer a suitable location for development now, and be achievable with a realistic prospect that housing will be delivered on the site within five years. In particular:

a) sites which do not involve major development and have planning permission, and all sites with detailed planning permission, should be considered deliverable until permission expires, unless there is clear evidence that homes will not be delivered within five years (for example because they are no longer viable, there is no longer a demand for the type of units or sites have long term phasing plans).

b) where a site has outline planning permission for major development, has been allocated in a development plan, has a grant of permission in

¹ Planning Inspectorate, Examination of West Suffolk Plan, IN2: Inspectors' Preliminary Questions to the Council, 25 July 2024. Available at: <https://westsuffolk.inconsult.uk/gf2.ti/-/1596610/216161413.1/PDF/-/IN2%20WSP%20PQ%20July%202024%20final.pdf>

principle, or is identified on a brownfield register, it should only be considered deliverable where there is clear evidence that housing completions will begin on site within five years”.

39.15 The Council seeks to use a consistent and realistic approach to determine the deliverability of sites within the housing trajectory based on the latest information available at the time. Following the three recent public inquiries (Appeal Reference: APP/W3701/W/23/3330615 – Weddington Road, APP/W3710/W/23/3329913 – Watling Street and APP/W3710/W/23/3327049 – The Long Shoot), during which the Council’s land supply was in dispute, the Council produced a pro-forma and contacted the relevant landowners / developers to ensure all the relevant information and evidence to support a sites inclusion in the supply was captured within the pro-forma. A copy of each pro-forma is provided at Appendix D of the UHLSBP. The Council then sensor checked this information, taking a precautionary approach and made any further adjustments or asked for additional information where necessary. The Council consider there is a realistic prospect that housing will be delivered on all the sites included within the supply position within five years.

39.16 Notably, whilst discussing the Council’s approach to demonstrating deliverability, paragraph 40 of Inspector Robins report for Watling Street (APP/W3710/W/23/3329913) states:

“40. From my perspective there is always an element of judgement in considering deliverability and there will always be uncertainties ranging from resourcing pressures within a Council to variations in market conditions or the timing of necessary infrastructure delivery. Nonetheless, this judgement needs to be supported by clear evidence to show a realistic prospect of housing completions, such evidence must be specific and not just reflect ambition or assertion. It should always be based on the latest available evidence and is not tied to the base date. However, while the simplistic use of proformas was discussed⁹, I consider that a Council can legitimately be expected to rely on statements made by developers as a reflection of their actual intentions”.

- 39.17 As explained under Parts A and B above, the housing trajectory has a base date of 1st April 2024. Only sites that meet the NPPF definition of 'deliverable' are included in the first five years of the trajectory (2024/25 to 2028/29).
- 39.18 Plan adoption is estimated one year into the trajectory at 1st April 2025. At plan adoption one years' worth of sites that are currently 'developable' (as per the NPPF Annex 2 definition) at 1st April 2024 are included in the five-year housing land supply calculation (2025/26 to 2029/30). By the time that 1st April 2025 comes around, it is anticipated that the sites predicted to deliver in 2029/30 will meet the NPPF definition of 'deliverable', and where this is not the case delivery has been projected to be from 2030/31 onwards so they would not form part of the five-year housing land supply at plan adoption.
- 39.19 The trajectory for 'developable' sites from 2029/30 onwards has been estimated based on the most up-to-date evidence and developer engagement as the 'deliverable' sites. Even if these 'developable' sites in 2029/30 were pushed back beyond the five-year housing land supply to 2030/31 (or later) there would still be a healthy five-year housing land supply at plan adoption as the surplus shown in [CD31] is 1,467 dwellings with an 8.20 year supply.
- 39.20 In summary, the Council consider all the sites included within the five year supply position have a realistic prospect of coming forward, as forecast, based on clear evidence.

Part D

- 39.21 The plan is submitted with a 'flat' or 'average' housing requirement of 545 dwellings per annum. The housing trajectory in [CD31] Appendix A shows that the supply meets or exceeds the annual requirement in the years 1-11 of the plan (2021/22 to 2031/32), including a period of seven years post adoption (2025/26 to 2031/32). Delivery is forecast to be below the annual requirement of 545 dwellings from 2032/33 onwards.
- 39.22 Plan adoption is set for 2025. Over the period 6-10 years post adoption (2030/31 to 2034/35) the requirement is for 2,725 dwellings to be delivered. The housing trajectory forecasts 2,453 dwellings to be delivered over this

timeframe, which is a shortfall of 272 dwellings, however this is more than offset by an oversupply of 2,562 dwellings prior to this point (a supply of 7,467 against a requirement of 4,905 between 2021/22 and 2029/30 results in a 2,562 oversupply).

39.23 Over the period 11-15 years of the remaining plan period (3035/36 onwards) the annual requirement of 545 dwellings per annum is not met. It is noted that the NPPF states that a supply of specific, developable sites or broad locations for growth should be identified for years 11-15 of the remaining plan period “where possible”.

39.24 Despite a projected annual shortfall from 2032/33 onwards (years 8-14 post adoption) the housing requirement is met in full within the plan period with the forecast delivery of 10,963 dwellings against a requirement of 9,810. The housing trajectory, as submitted, includes within it an overallocation buffer or “headroom” of 2,761 dwellings or 11.75% of additional supply in order to ensure the housing requirement is met over the plan period. The proposed use of the ‘reverse Liverpool method’ will account for previous over delivery offsetting the projected annual shortfalls in future years (years 9-15 post adoption).

39.25 Should the Inspectors be so minded, and in addition to the ‘reverse Liverpool method’, in order to ensure the housing requirement is met in years 6-10 and 11-15, it is possible for the average housing requirement to be amended to a ‘stepped requirement’. The PPG² states the following regarding stepped requirements:

“A stepped housing requirement may be appropriate where there is to be a significant change in the level of housing requirement between emerging and previous policies and / or where strategic sites will have a phased delivery or are likely to be delivered later in the plan period. Strategic policy-makers will need to identify the stepped requirement in strategic housing policy, and to set out evidence to support this approach, and not seek to unnecessarily delay meeting identified

² PPG ID: 68-021-20190722

development needs. Stepped requirements will need to ensure that planned housing requirements are met fully within the plan period. In reviewing and revising policies, strategic policy-makers should ensure there is not continued delay in meeting identified development needs.”

39.26 This excerpt from the PPG on stepped housing requirements could be read in a way that assumes the step is an upwards one (i.e. making provision for a significant increase in housebuilding). However in Nuneaton and Bedworth the situation is different whereby a significant increase in housebuilding has already been planned (in the adopted Local Plan (2011-2031)). With “significant change in the level of housing” in delivery taking place in the first 10 years of the plan period. It is clear that the Council is not “seeking to unnecessarily delay meeting identified development needs” and will “ensure that planned housing requirements are met fully within the plan period”. There are examples of other local plans with downward stepped housing requirements, and it is noted that the PINS Inspector Training Manual covers such scenarios in Annex 3 Scenario 6³: “stepped requirement and oversupply since start of plan period; over-supply to be offset against the plan requirement of the remaining plan period”.

39.27 Should the Inspectors decide that it is necessary to amend the housing requirement to a stepped housing requirement in order to ensure the requirement is met in years 6-10 and 11-15 post adoption, then a housing requirement of 700 dwellings per annum over the period 2021/22 to 2030/31 and 352 dwellings per annum over the period 2031/32 to 2038/39 could be suitable. This would set a total housing requirement of 9,816 dwellings over the plan period, a minor increase of 6 dwellings compared to the plan as submitted (9,810 dwellings). A stepped housing requirement of 700 dwellings per annum would translate into a five-year housing land supply figure of 5.63 years at plan adoption.

39.28 Further, the Council have also proposed a review mechanism in response to Question 176, which could address additional housing later in the plan period. This suggested modification sets out circumstances in which the Council will

³ Version 13 (Planning Inspectorate, 26 January 2024)

commence an early review, which includes significant changes to national policy, changes in housing need based on updated evidence published by the Council, or if the Plan does adequately respond to the scale of unmet need in the Coventry and Warwickshire sub-region, once the scale of unmet need is known and a strategy has been formulated to apportion the unmet need.