

Five Year Housing Land Supply (2022 - 2027)

Annual Position Statement at 1 April 2022

August 2022

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Erratum of July 2022 publication

Location of error	Action
Report P.22	Paragraph 5.30 first sentence, '482' replaced with '552'.
Report P.22	Paragraph 5.30 second sentence, '318' replaced with '248'.
Report P.22	Figure 3. 2021/2022 '53' replaced with '123'. Total to date, '482' replaced with '552'
Report P.27	Figure in paragraph 5.46 amended from "973" to "1014".
Report P.29	Figure amended in table (Fig 9) row "B" for completions over last 11 years from 6340 to 6382.
Appendices P.24	183841 added to table under "Student Accommodation" with total units 70
Appendices P.24	190568 added to table under nursing home with total units 8.
Appendices P.29	171532 under the heading '5YHLS contribution' '140' has been replaced with '625' 212243 under the heading '5YHLS contribution' '625' has been replaced with '140'
Appendices P.54	Error –190568, columns – 'Comp 2021-2022' and 'Net comp 2021/2022' "36" replaced with "8".
Appendices P.60	Error – 183841, columns – 'Comp 2021-2022' and 'Net comp 2021/2022' "1" replaced with "70".
Appendices P.60	Insert missing record 183841, Land at Station Approach, completion of 70 units.
Appendices P.74	Column 2021/2022 Completions '973' replaced with '1014'.

1.0 Introduction

- 1.1 This Statement sets out an assessment of the housing land supply position in Herefordshire taking into account the requirements of the National Planning Policy Framework (NPPF) (recently amended 20 July 2021) at 1 April 2022.
- 1.2 With the government's aim of achieving faster delivery of new homes, a revised approach to the method of calculating five year supply was set out in national planning policy and guidance in the 2019 publication, and this continues to be the case. The context to the updated national framework, as has been repeatedly cited by Government, is to address the severe issues of housing undersupply and affordability prevalent across the country.
- 1.3 The approach to engagement on this supply paper is explained in the relevant sections within this document.

2.0 Planning Policy

National Planning Policy Framework (NPPF)

- 2.1 The NPPF was updated in July 2021. It indicates that local planning authorities should identify and update annually a supply of specific deliverable sites, sufficient to provide five years supply of housing against their housing requirements set out in adopted strategic policies, or against the local housing need where the strategic policies are more than five years old (paragraph 74). The supply of specific deliverable sites should in addition include a buffer:
 - 5% to ensure choice and competition in the market for land; or
 - 10% where the local planning authority wishes to demonstrate a five-year supply of deliverable sites through an annual position statement or recently adopted plan, to account for any fluctuations in the market during that year; or
 - 20% where there has been significant under delivery of housing over the previous three years, to improve the prospect of achieving the planned supply¹.
- 2.2 Paragraph 76 sets out that to maintain the supply of housing, local planning authorities should monitor progress in building out sites which have permission. This will be assessed by the Secretary of State in the *Housing Delivery Test*, which is explained later.
- 2.3 NPPF Paragraph 11 sets out the presumption in favour of sustainable development for both plan making and decision taking. Paragraph 11d states 'where there are no relevant development plan policies, or the policies which are most important for determining the application are out-of-date this means granting permission'.

¹ (NPPF Footnote 39) This is measured against the Housing Delivery Test, where this indicates that delivery was below 85% of the housing requirement.

- 2.4 Not being able to demonstrate a five year supply of housing land continues to be associated with policies that are 'out of date'. This is clarified by Footnote 8 of the NPPF: 'where the local planning authority cannot demonstrate a five year supply of deliverable housing sites (with the appropriate buffer, as set out in paragraph 74); ...or 'where the Housing Delivery Test indicates that the delivery of housing was substantially below (less than 75% of) the housing requirement over the previous three years', then granting permission is expected to be granted for sustainable development.
- 2.5 In emphasising the importance of the presumption in favour of sustainable development the NPPF is clear that the housing land supply position will need to be balanced against other factors in the development plan and/or NPPF which could result in the refusal of planning permission or restriction in development. Footnote 7 associated with paragraph 11 of the NPPF is helpful in stipulating those areas that the NPPF has in mind where development should be restricted. Such areas relevant to Herefordshire include:
- habitats sites (and those sites listed in paragraph 180 and 181²) and/or designated as Sites of Special Scientific Interest
 - irreplaceable habitats
 - land designated as Local Green Space
 - land designated as an Area of Outstanding Natural Beauty
 - land affected by designated heritage assets (and other heritage assets of archaeological interest referred to in footnote 68³)
 - land at risk of flooding
- 2.6 The NPPF contains a definition of '**deliverable**⁴' sites. 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).

² a) potential Special Protection Areas and possible Special Areas of Conservation;

b) listed or proposed Ramsar sites (see NPPF footnote 64); and

c) sites identified, or required, as compensatory measures for adverse effects on habitats sites, potential Special Protection Areas, possible Special Areas of Conservation, and listed or proposed Ramsar sites.

³ Non-designated heritage assets of archaeological interest, which are demonstrably of equivalent significance to scheduled monuments, should be considered subject to the policies for designated heritage assets.

⁴ NPPF pg.67.

- b) where a site has outline planning permission for major development⁵); has been allocated in a development plan; has a grant of permission in 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.

2.7 The case of *East Northamptonshire Council v Secretary of State for Housing, Communities and Local Government*⁶ set about establishing more precisely, what should be considered a deliverable site. This was the result of an appeal decision by a planning inspector, whereby the council's 5 year housing land supply was lowered from 6.03 years to just 4.28 years. The case put forward by the council sought to emphasise that the correct test is whether there is a realistic prospect of housing being delivered on a site within five years. It was argued that the inspector should have gone on to consider whether sites which did not fall within one of the specific listed categories were "deliverable anyway".

2.8 The Secretary of State conceded that "the proper interpretation of the definition is that any site which can be shown to 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 will meet the definition"...". The examples given (in the NPPF glossary) are not exhaustive of all the categories of sites which are capable of meeting that definition. Whether a site does or does not meet the definition is a matter of planning judgement on the evidence available." This approach will be applied in the supply set out in this paper.

2.9 Once a 5 year housing land paper is drafted, it then needs to meet the requirements of paragraph 75 as this provides a mechanism to allow a local planning authority to demonstrate a five year supply of housing sites. However it is worth noting this applies to more recently adopted plans as explained at paragraph 2.10 below.

2.10 'A five year supply of deliverable housing sites, with the appropriate buffer, can be demonstrated where it has been established in a recently adopted plan, or in a subsequent annual position statement which:

- a) has been produced through engagement with developers and others with an impact on delivery;
- b) considered by the Secretary of State; and
- c) incorporates the recommendations of the Secretary of State where the position on specific sites cannot be agreed during the engagement process.

⁵ NPPF definition: - **Major development:** For housing, development where 10 or more homes will be provided, or the site has an area of 0.5 hectares or more. For non-residential development it means additional floorspace of 1,000m² or more, or a site of 1 hectare or more, or as otherwise provided in the Town and Country Planning (Development Management Procedure) (England) Order 2015.

⁶ [Case of East Northamptonshire Council v Secretary of State for Housing, Communities and Local Government. Case No. CO/917/2020](#)

- 2.11 Footnote 40 of the NPPF states that ‘... a plan adopted between 1 May and 31 October will be considered ‘recently adopted’ until 31 October of the following year; and a plan adopted between 1 November and 30 April will be considered recently adopted until 31 October in the same year. Therefore only those Local Plans adopted in this timeframe will be considered acceptable for submission of their ‘Five Year Housing Land Supply Annual Position Statement’ to the Planning Inspectorate. Herefordshire Council’s Local Plan Core Strategy was adopted in October 2015 under the 2012 NPPF Framework, and is therefore not suitable for submission. This supply paper has been approached as closely as possible to reflect the guidance. However, the Council has commenced work on a new Local Plan and will therefore be identifying the appropriate time for the submission of the 5 Year Housing Land Supply to support that Plan.

The Housing Delivery Test

- 2.12 The NPPF states that “the Housing Delivery Test measures net homes delivered in a local authority area against the homes required, using national statistics and local authority data. The Housing Delivery Test is carried out by Central Government, and the Secretary of State will publish the test results for each local authority in England annually”. The results for 2021 were published in January 2022.
- 2.13 The ‘presumption in favour of sustainable development’ at paragraph 11 states that that the presumption will apply where housing delivery is below 75% of the requirement; in line with the Housing Delivery Test.
- 2.14 Regardless of passing the test, paragraph 76 of the NPPF states that where delivery falls below the above figures or if delivery falls below 95% over three years from 2018/19, then authorities are required to prepare an *action plan* to assess the causes of under-delivery, and identify actions to increase delivery. In addition to maintaining a deliverable 5 year housing land supply, the Housing Delivery Test imposes a major incentive to process housing applications as swiftly as possible, and work with developers to speed up implementation and delivery.
- 2.15 Whereas five-year supply tries to forecast what will be built in the future, the Housing Delivery Test looks at what has actually been delivered. Where targets have been missed over the last three-years, a variety of consequences will apply depending on the severity of the shortfall.
- 2.16 The Housing Delivery Test result for Herefordshire was 103% for 2021⁷. Therefore as the result is more than 95% delivery rate, there is no requirement to undertake a Housing Delivery Test action plan for 2022. There is only a requirement to add an additional 5% on to the 5 Year Supply requirement.

⁷ The result for 2020 was 106%. The result for 2019 was 80%.

Planning Practice Guidance (PPG)

2.17 The PPG Guidance indicates that Local Planning Authorities are expected to be transparent with regard to the information that is set out in the 5 year supply. Commentary on site progress, including reasons for slow/fast rates of activity as well as build out rates, are expected to be set out.

2.18 The following highlights the recent changes:

- Local Planning Authorities can have their Five Year Supply position confirmed by the Planning Inspectorate as long as they have a recently adopted Plan in line with Footnote 40 of the NPPF. Herefordshire Council does not currently have a recently adopted Plan in this case, though an updated Local Plan is being developed.
- The authority should engage with the typical stakeholders such as developers, landowners, land promoters and even utility providers.
- The authority needs to seek agreement on sites and the level of delivery.
- Authorities may wish to set up an assessment and delivery group which can assist authorities to not only identify any delivery issues but also help to find solutions to address them.

Site information required

2.19 Assessments need to be realistic and made publicly available in an accessible format as soon as they have been completed. As set out in the updated PPG paragraph 14, assessments will be expected to include:

- for sites with detailed planning permission, details of numbers of homes under construction and completed each year; and where delivery has either exceeded or not progressed as expected, a commentary indicating the reasons for acceleration, or delays to commencement on site or effects on build out rates;
- for small sites, details of their current planning status and record of completions and homes under construction by site;
- for sites with outline consent or allocated in adopted plans (or with permission in principle identified on Part 2 of brownfield land registers, and where included in the 5 year housing land supply), information and clear evidence that there will be housing completions on site within 5 years, including current planning status, timescales and progress towards detailed permission;
- permissions granted for windfall development by year and how this compares with the windfall allowance;
- details of demolitions and planned demolitions which will have an impact on net completions;
- total net completions from the plan base date by year (broken down into types of development e.g. affordable housing); and
- the 5 year housing land supply calculation clearly indicating buffers and shortfalls and the number of years of supply.

- 2.20 The majority of the above actions have been addressed in this Annual Position Statement. Any remaining information such as affordable housing completions will be set out in the Council's most up to date Authority Monitoring Report (AMR).

Development Plan Position

- 2.21 The Herefordshire Local Plan - Core Strategy was adopted by Herefordshire Council on 16 October 2015. However the Council has now begun to update the Core Strategy and will be working to produce a new Local Plan with a new plan period from 2021- 2041. It is anticipated that this should be adopted some time in 2024.
- 2.22 Going forward, the Council will be monitoring its Housing Delivery Action Plan to address and maintain delivery.
- 2.23 There has been good progress with the uptake of Neighbourhood Development Plans (NDPs) across the county. All "made" NDPs form part of the statutory development plan for the relevant parish area, in conjunction with the Core Strategy. A number of the "older" made NDPs are in a position to be reviewed, in line with the Local Plan. Further information on NDPs, their progress, and contribution in the supply can be found at paragraph 5.45.
- 2.24 As the NPPF requires an annual update to the five year supply position of each local authority, this statement sets out the annual position at April 2022.

Neighbourhood planning and housing land supply policy guidance

- 2.25 Neighbourhood Plans support the strategic policies contained within local plans. The policies and allocations within Neighbourhood Plans provide an important source of housing supply.
- 2.26 Paragraph 14 of the NPPF (2021) refers to paragraph 11d whereby it states in situations where the presumption applies ...'where there are no relevant development plan policies, or the policies which are most important for determining the application are out of date', it is expected that permission is granted unless there are other material matters. Therefore the presumption applies to applications involving the provision of housing, the adverse impact of allowing development that conflicts with the neighbourhood plan is likely to significantly and demonstrably outweigh the benefits, provided all of the following apply:
- a) The neighbourhood plan became part of the development plan two years or less before the date on which the decision is made;
 - b) The neighborhood plan contains policies and allocations to meet its identified housing requirement;
 - c) The local planning authority has at least a three year supply of deliverable housing sites (against its five year housing supply requirements, including the appropriate buffer as set out in paragraph 74); and
 - d) The local planning authority's housing delivery was at least 45% of that required over the previous three years.

3.0 Additional housing land supply matters

Impact of raised levels of phosphate within the River Lugg catchment upon residential developments

- 3.1 In Herefordshire, the River Wye and its tributaries are recognised as being of international importance for their unique character and wildlife, requiring the highest level of protection, management, enhancement and, where appropriate, restoration. The River Lugg is part of this catchment. Herefordshire Council as the 'competent authority' under the Habitats Regulations, (The Conservation of Habitats and Species Regulations 2017) is legally required to assess the potential impacts of projects and plans, on internationally important sites which include the River Wye Special Area of Conservation (SAC).
- 3.2 The River Lugg is a tributary of the River Wye and forms part of the designated site, covering predominantly the north of the Herefordshire administrative area⁸. A list of parishes within the River Lugg hydrological catchment can be found at Appendix 6. The River Lugg is currently failing its conservation targets of phosphate levels as a result of water pollution from both 'point' source; in particular sewage outlets and 'diffuse' sources; from agricultural run-off. In light of the Dutch Case⁹ developments which cannot demonstrate within a Habitat Regulation Assessment that they will not affect the integrity of the River Wye or have a likely significant effect' are unlikely to be acceptable. Additionally, a small area in the north west of the county is within the River Clun catchment, which is similarly affected by failing conservation targets.
- 3.3 The elevated levels of phosphates within the SAC have been preventing the approval of developments which could release any additional phosphates into the River Lugg. Only where development proposals were able to meet a number of criteria which provide certainty that the development will not increase the level of phosphate within the River could such developments be permitted at this time. This has resulted in a significant number of planning applications being undetermined, and others where conditions applied to planning permissions that are not able to be discharged until the issue is resolved.
- 3.4 To address the issue, the River Wye Nutrient Management Plan¹⁰ (NMP) was reviewed, with a series of actions to address the phosphate issue. The NMP is a partnership project developed to reduce phosphate levels in the Wye catchment, including the River Lugg, to below the target level by 2027 in line with the Water Framework Directive. The NMP is managed by the Nutrient Management Board (NMB), which includes amongst its members Herefordshire Council, Powys Council, Natural England, Natural Resources Wales, the Environment Agency, Dwr Cymru

⁸ [Map of Herefordshire associated River catchments affected](#)

⁹ Dutch Case Cooperatie Mobilisation handed down in November 2018 by the Court of Justice of the European Union (Joined Cases C-293/17 and C-294/17) (known as the Dutch Case)

[Dutch Case link](#)

¹⁰ [River Wye SAC Nutrient Management Plan 2014](#)

Welsh Water, the Wye and Usk Foundation, National Farmers' Union and the County Land and Business Association.

- 3.5 It is intended that the range of new actions being advanced through the NMP will look to provide sufficient certainty to demonstrate that new residential development will be nutrient neutral or will provide betterment. The revised set of actions being developed by the NMB can be viewed below¹¹.
- 3.6 As part of this work, the council are developing solutions, with plans for the creation of a series of integrated wetlands in the Lugg catchment area. The council has commissioned an 'Interim Phosphate Plan' (IPP) which will demonstrate how it will proceed with the design, planning applications, land acquisition and development of Integrated wetlands to ensure new development can be demonstrated to be phosphate neutral or provide betterment, therefore allowing development to come forward.
- 3.7 **Stage 1** and **2** of the Interim Plan have been completed. Stage 1 sets out a standardised methodology for the calculation of the phosphate load of individual projects or plans within the Lugg catchment for the lifetime of each development. This includes the phosphate calculator to be used by developers and officers for proposed sites situated in the catchment. Stage 2 provides a review of the potential mitigation solutions that could be used to remove phosphate from the environment in the River Wye SAC catchment. The outcome of the review includes a set of recommendations for options that are likely to provide robust solutions for phosphate mitigation to achieve nutrient neutral residential development.

Stage 3 is about establishing an additional means of offsetting the identified phosphate load through developer payments via section 106/CIL contributions. The distribution of these contributions will be co-ordinated by the council, allocated to fund projects to reduce phosphate levels within the River Lugg. Stage 3 of the report will therefore seek to produce a means of costing the phosphate load of a project or plan previously identified using Stage 1 of the report.

- The methodology for calculating developer contributions will include both the value of offsetting the phosphate plus an administration fee.
- The methodology proposed will take account of best practice examples nationally as well as local factors.

The solutions for the phosphate pollution abatement include waste water treatment, planting, revegetation and wetland creation. When schemes are proposed, developers will be able to purchase credits, which will mean there will be no additional phosphorus pollution as a result of the new development.

- 3.8 These wetlands will effectively absorb the phosphates produced from new housing developments by natural processes thereby eliminating additional phosphate

¹¹ [NMP Board July 2020 Additional Actions Added](#)

pollutants into the river. The installation of the wetlands is expected to provide betterment for all sites in the Lugg catchment rather than being specific to individual sites. The Council has resolved to provide funding for new integrated wetlands¹². This decision sets out a clear and comprehensive framework for their provision by addressing funding, legal, land acquisition and operational aspects. The report indicates that scientific certainty does not necessarily require any wetlands to be operational, but rather to be sufficiently advanced to demonstrate that the impact will provide certainty in respect of the reduction in the quantity of phosphate

- 3.9 The council has committed some £2 million in funding from the New Homes Bonus for the project. In addition a bid for £1 million funding from the Local Economic Partnership has been made, although this has yet to be confirmed. In addition the Council understands that there are private sector proposals for the development of integrated wetlands which are also being developed to enable the release of housing development.
- 3.10 It is anticipated that these actions will provide sufficient certainty to allow new housing developments in the Lugg catchment to be permitted. However, in recognition of the complexity of this issue and potential difficulties in demonstrating the level of certainty required, previous five year supply calculations in assumed a one year delay should be applied to impacted developments. In this year's paper, we can have a greater degree of certainty, as the first of the wetlands are being carried forward at the time of writing. Schemes that have been held up by this issue, either pending a Section 106 agreement or the discharge of conditions relating to drainage, are now being offered the opportunity to progress through the purchase of phosphate credits. A list of priority sites to be offered this on a first come, first served basis has been published and can be found in [Nutrient management - guidance for developers – Herefordshire Council](#). Therefore, this positive step forward has been reflected in this year's discounting of sites. This is addressed further on in the section on discounting in Section 5 of this report.

Approach to site survey work

- 3.11 This is the third 5 Year Supply Paper drafted since the Covid-19 Pandemic. The previous 2020 & 2021 study had to be subjected to a revised, desk-based approach in order to comply with legal restrictions on movement. This approach was found to be successful, and has been retained for the 2021 and 2022 studies. Information on development progress is collected through alternative means than site visits, such as:
- Assessing building control records (commencements & completion records) to determine what stage a development had reached
 - In house council mapping of new dwellings on sites with permission
 - Satellite imagery mapping such as Google Maps and Bing
 - Local estate agent/surveyors websites for information on sites
 - Local knowledge of areas and sites

¹² [Integrated Wetlands key decision on 10th August 2020 to fund wetlands](#)

- Contacting agents and house builders for latest information
- Search of applications for discharge of conditions depending on the type of condition could help to show stage of progress
- Checking with Development Management colleagues to determine local and working knowledge of sites
- There was little on site surveying of sites, except for as a last resort if the information could not be obtained any other way- Therefore, some developments such as conversions, subdivisions or change of use will have been more difficult to identify due to the limitations of online information, and there may be sites that have commenced but have not been picked up through this year's survey work

4.0 Calculating the Housing Land position

Housing target – Standard Method

- 4.1 The NPPF states that strategic policies should be informed by a local housing needs assessment conducted using the standard method in national planning guidance (paragraph 61). As the Herefordshire Core Strategy was adopted over five years ago (October 2015), its housing targets are considered to be out of date. The emerging Local Plan has not yet been subject to examination and is in the early stages of development. The standard method should therefore be used to calculate the housing requirement.
- 4.2 The Planning Practice Guidance sets out how the standard method is used to calculate an annual local housing need Figure1. Step 1 indicates that the baseline should be set using the 2014-based household projections to calculate the projected average annual household growth over a 10-year period. The method provides an annual number which can be applied to the whole plan period. The methodology also confirms that the current year should be used as the starting point to calculate growth over that period. The baseline is then adjusted to take account of the local housing affordability data which compares the median average of house price of properties sold in the county over the year to the median average income of people working in the county.
- 4.3 As set out in the PPG, the Core Strategy can no longer be used to determine targets for the 5 Year Land Supply, the **Standard Method** will be the target it is compared against. Work has already commenced on the new Local Plan that will replace the Core Strategy. The new Local Plan will have a 20 year time frame between 2021-2041. The [Herefordshire Housing Market Needs Assessment \(HMANA\) July 2021](#) has set out the need at **846 dwellings per annum**. This has been updated for the purposes of the 5 Year Housing Land Supply. The annual housing need figure is based on the latest available data on the affordability ratios from the Office for National Statistics (ONS) See Figure 1 for further detail.

Figure 1. Minimum annual housing need 2022

Minimum annual housing need figure for Herefordshire	
Step 1: Setting the baseline	
Average household growth in Herefordshire 2022-2032 ¹³ 92,226 households in 2032 <u>86,173 households in 2022</u> 6053 household growth 2022 – 2032 / 10 year period = 605.3	605.3
Step 2: An Adjustment to account for affordability	
2021 median workplace-based affordability ratio for Herefordshire ¹⁴	10.27
$\text{Adjustment factor} = \left(\frac{\text{Local affordability ratio} - 4}{4} \right) \times 0.25 + 1$ Adjustment factor = $\left(\frac{10.27 - 4}{4} \right) \times 0.25 + 1$ 10.27 (local affordability ratio) – 4 = 6.27 6.27 / 4 = 1.5675 1.5675 x 0.25 = 0.391875 0.391875 + 1 = 1.391875	1.39
The minimum annual local housing need figure for Herefordshire (adjustment factor) x projected household growth 1.391875 x 605.3 = 842.5019375 The resulting figure is 843 (rounded).	843
Step 3 Capping the level of any increase	
The Local Plan (Core Strategy) was adopted in October 2015 and was therefore adopted more than 5 years ago. A cap may therefore be applied whichever is the higher of: <ul style="list-style-type: none"> • 605.3 based on average annual household growth 2022-2032 (as per step 1) • 825 dwellings per annum set out by Policy SS2 of the Core Strategy The cap is set at 40% above the higher of the most recent average annual housing requirement figure or average household growth (Step 1). Cap = 605.3 + (40% x 605.3) = 847.42 or 605.3 + 242.12 (40%) = 847.42 or 848 (rounded). The minimum annual local housing need figure (843) is no greater than the capped figure (848). Therefore, no cap is applicable in this assessment.	
Step 4 Cities and urban centres uplift¹⁵	
Herefordshire is not one of the urban local authorities in the top 20 cities and urban centres list, and therefore no 35% uplift is applicable. The annual housing need figure for Herefordshire is therefore 846 dwellings per annum.	

¹³ Table 406 2014 Household projections [Live tables on household projections - GOV.UK \(www.gov.uk\)](http://www.gov.uk)

¹⁴ Table 5c [House price to workplace-based earnings ratio - Office for National Statistics \(ons.gov.uk\)](http://ons.gov.uk)

¹⁵ [Step 4 of PPG Housing and economic needs assessment](#)

- 4.4 This equates to $843 \times 20 = 16,860$ which is rounded off at **17,000 dwellings** over a 20 year plan period. The figures are updated annually and can be applied for a two year period. The need figure will be revised in 2023, after the Government has published the data required.

Definition of a dwelling

- 4.5 For the purposes of this exercise it is necessary to define what a dwelling is for it to be included in the supply count. [The Town and Country Planning \(Fees for Applications, Deemed Applications, Requests and Site Visits\) \(England\) Regulations 2012](#) defines it as follows - "*a building which is used as a single private dwelling house and for no other purpose*" where 'building' is interpreted as per the [Town and Country Planning Act 1990](#). The Planning Portal's definition is helpful in setting it out: A dwelling is a self-contained building or part of a building used as residential accommodation, and usually housing a single household.

- 4.6 For the purposes of this position statement a dwelling is a:

- house
- bungalow
- flat/apartment
- maisonette
- converted farm building
- replacement dwelling
- permanent house situated in the open countryside with an agricultural tie by means of a planning condition or obligation.
- separate annex/granny annex which can be clearly used as a separate unit (own main door, no shared facilities, no restrictive planning conditions)
- house in multiple occupation for up to 6 persons (one dwelling)
- park home as part of a site of similar homes, or individual residential caravans for permanent use all year round by residents

- 4.7 It does not include:

- dwellings with conditional restrictions on occupancy during the year or in connection with temporary employment
- temporary static caravans/mobile homes annexes with access via the main house or shared facilities.
- holiday homes

Methodology and components of the supply

- 5.1 In assessing the components of the 5-year housing supply position in Herefordshire the contents of the NPPF and NPPG have been considered:

1. Sites with planning permissions include sites with full planning permission, sites with outline permission, hybrid¹⁶ applications and sites currently under construction as at 1 April 2022.
2. Sites which have received a resolution to grant planning permission between 31 March 2021 and 1 April 2022. There are also some sites awaiting completion of Section 106 agreements from previous years, which have been included in the assessment
3. Sites with prior approval for permitted development rights, which would create a dwelling, Certificate of Lawful Existing Use or Development (CLEUD) since the start of the plan period and sites with permission in principle.
4. Inclusion of student and communal establishment accommodation with a ratio applied as per the guidance¹⁷. Student housing ratios stand at 2:5. The ratio applied to other communal accommodation will be based on the national average number of adults in all households, with a ratio of 1.8. This ratio has been applied within the data.
5. The contribution that Core Strategy strategic housing proposals can make to the five year supply.
6. A windfall site allowance. The Council has made no allowance for windfalls in the first three years in order to avoid double counting with existing commitments. As such there would be a windfall calculation for years 4 & 5.
7. An assessment of the realistic number of dwellings which are likely to be delivered through neighbourhood development plans over the five year period.

Other factors are also considered against the calculation of five year supply and these relate to:

8. It is acknowledged through the publication of the 5YHLS Addendum¹⁸ that Herefordshire should be considered as a 5% authority as the Housing Delivery Test result for 2021 was 103%.

The section below explains how each of these factors has been taken into account.

Sites with planning permission

- 5.2 Sites with full or reserved matters permission which are considered to be deliverable can contribute to housing supply. The NPPF includes a definition of *deliverable*. It confirms that sites with detailed planning permission or sites which are not a major housing development (less than 10 dwellings) should be included unless there is clear evidence to indicate they will not be developed. In this report sites have been assessed to determine if any are experiencing delays. Where problems have been identified, discounts have been applied.

¹⁶ seeks outline planning permission for one part and full planning permission for another part of the same site

¹⁷ [Housing Delivery Test \(publishing.service.gov.uk\)](https://publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/671111/Housing-Delivery-Test-2018-Measurement-Rule-Book.pdf) Measurement Rule Book 2018

¹⁸ [2020 5 Year Housing Land Supply Addendum, January 2021](https://www.herefordshire.gov.uk/media/10000/2020-5-Year-Housing-Land-Supply-Addendum-January-2021.pdf)

- 5.3 Sites with outline permission which are considered to be deliverable can still contribute to housing supply. However, the NPPF requires more evidence to demonstrate that the site is expected to be delivered in order to be included in the supply. This is particularly the case on sites accommodating 10 or more dwellings. The standard lead in times allows an additional period for such sites to obtain full planning permission and discharge conditions as required. An assessment of all sites in this category has been carried out and discounting has been applied where inactivity exists. Communications with development management officers, agents, house builders and developers have been undertaken to establish a picture of the progress being made. Sites which have been shown to be progressing through activities such as: land sales; reserved matters applications; discharge/variation of conditions; and housebuilder involvement are considered to be making progress through the system. Where there has been inactivity, or site progress has not been made, then a partial or complete discount of the site has been applied.
- 5.4 Sites that are under construction are considered to be deliverable and such sites continue to deliver completions. Such sites are making steady progress and evidence suggests that they will continue to do so.

Additional supply contributions from other types of permissions

- 5.5 Included in the commitments, is a certificate of lawfulness (CLEUD) decision (160813) on Yew Tree Residential Park, Peterstow, which allows for additional siting of mobile homes. The CLEUD is not specific about the number of mobile homes but it is estimated that the site has capacity for a minimum of 10 homes. 6 of these homes have not started.
- 5.6 Permission in Principle (PIP) is an alternative way of obtaining planning consent for housing led development. It separates the consideration of the principle of planning permission from the technical detail of the permission, and so is split into two stages. These sites will be included in commitments when they arise.
- 5.7 Certain types of development are granted planning permission by national legislation without the need to submit a planning application. This is known as 'Permitted Development'. In order to be eligible for these permitted development rights, each 'Class' specified in the legislation has associated limitations and conditions that proposals must comply with.
- 5.8 One such condition on certain classes of permitted development is the need to submit an application to the Local Planning Authority to determine if its 'Prior Approval' will be required. This allows the Local Planning Authority to consider the proposals, their likely impacts in regard to certain factors (e.g. transport and highways) and how these may be mitigated. Generally in this county they tend to be Class Q type developments which is the conversion of an agricultural building to a dwelling house. There are a small number of these permission types within the commitment list for example P192257/PA4. Notably, under Class Q (a) & Class Q (b) if any, must be completed within a period of 3 years starting with the date of the permission. Appendix 1 lists all commitment sites with planning permission at 1 April 2022.

- 5.9 As the housing target of the Core Strategy is no longer in use for the purposes of the supply, the new standard method calculation will instead be the recognised target. Planning Practice Guidance for specialist housing for older people was updated in 2019 and indicates that plan-making authorities may count provision for older people in Class C2 against their housing requirement. There is therefore a need to establish the amount of accommodation released in the housing market and its equivalent in dwelling numbers.
- 5.10 The adjustments for student and other communal accommodation have been calculated using the MHCLG's Housing Delivery Test Measurement Rule book¹⁹. Adjustments are applied using two nationally set ratios, based on England Census data. The national average number of **students** in student only households is **2.5**. This has been calculated by dividing the total number of students living in student only households by the total number of student only households in England.
- 5.11 The ratio applied to other communal accommodation such as **nursing homes** will be based on the national average number of adults in all households, with a ratio of **1:8**. This has been calculated by dividing the total number of adults living in all households by the total number of households in England. Source data is from the Census 2011.
- 5.12 The above ratios have been applied to the number of student bedrooms and nursing home bed spaces coming forward. They have been set out towards the end of Appendix 1.

Figure 2a. Commitments (before discount)

Commitments	2021/22
Not started	4457
Under construction	995
Total (Gross)	5452
Total (net)	5310

Commitment sites discounts and considerations

- 5.13 In line with the requirements of the NPPF and PPG a more detailed assessment of sites has taken place. Some of the larger sites may still have further applications, land assembly and purchases to complete before commencement on site can begin therefore their ability to contribute fully to the supply has been considered and discounts and adjustments have been applied where necessary. All outline permissions capable of accommodating 10 or more dwellings have been assessed to determine their deliverability.

¹⁹ [Housing Delivery Test \(publishing.service.gov.uk\)](https://publishing.service.gov.uk)

- 5.14 A combination of intelligence gathered by the Council's Development Management team as well direct contact with agents, and the house builders associated with the sites has been used to determine how much these sites will contribute to the supply. In many cases agents have confirmed that sites are still progressing. In some cases there has been no response from applicants, and agents, therefore the Council has looked at progress on the planning process, site size, date of expiry, other issues causing delays and made a judgment as to whether the site should form part of the supply.
- 5.15 The **phosphates** issue in the catchment of the River Lugg is summarised above in this report, and is acknowledged to have implications for a number of impacted sites. All sites with permission in the Lugg catchment²⁰ have been assessed to consider whether they should be included as part of the five year supply. The following is based on the latest information that we have from the project team responsible for creating Integrated Wetlands to achieve phosphate reduction and ultimately resolve the issue. Though the offering of phosphate credits to release a number of held up developments on a first come, first served basis is a significant positive forward step, it is far from certain that the sites on hold owing to this will be able to come forward, or be completed within the first year of the 5 year period. It is, however, reasonably expected that they will have been able to by the end of the 5 year period.
- For planning permissions that have been unable to commence and may lapse before phosphate credits are made available to them, positive steps are being taken to work with developers to implement a "technical" start to the development, thereby keeping the planning permission extant until such time that credits become available to them.
 - Developers with extant outline permissions that are held are also being encouraged to submit reserved matters applications in order to be able to join the "queue" to purchase phosphate credits.
- 5.16 Where sites with full planning permission are known to have some other factors causing delays to delivery they have also been discounted in part or full where necessary. Full details of the discounted sites can be seen in Appendix 2 including the reasons for discounting and retention of sites as part of the supply are also set out. Discounting has been considered and applied to certain sites with:
- full planning permission
 - full planning permission on sites situated in the Lugg catchment with Phosphate issues
 - outline planning permission and
 - sites with a resolution to grant planning permission, see para 5.19 below.

Sites with a resolution to grant planning permission

- 5.17 All sites which have been to planning committee and have achieved a resolution to grant permission between 31 March 2021 and 1 April 2022 have been considered as

²⁰ [Map of River \(Special Area of Conservation\) Lugg catchment](#)

part of the supply. There are also sites from previous years which are still awaiting a Section 106 sign off, which are also assessed for their potential to contribute to the five year supply. They too have been assessed and discounted where necessary. As these sites currently have no expiry date but due to their location in the Lugg catchment, the sign off of the Section 106 legal agreement is preventing further progress. However, they still have potential to come forward beyond the one year expected timeframe subject to a solution to the phosphate issue being achieved. All of these sites are also set out in Appendix 2.

Figure 2b indicates the commitments once all of the above discounts have been applied.

Figure 2b Commitment figures (post discounting)

A total of **4898** is the final commitment figure that will contribute to the supply.

Commitments (net)	2021/22	Discounted	Sub Total
Total commitments (net)	5310		
Dwellings on Resolution to grant permission sites	114		
Commitments and resolution to grant permission sites	5424		5424
Discounted full permissions		280	
Discounted full permissions (sites with capacity <10 units) Lugg catchment		9	
Discounted outline permissions		187	
Discounted resolution to grant permission sites		50	
Total discounted		526	526
All commitment sites after discounting			4898

Strategic urban extensions

- 5.18 The Core Strategy strategic housing proposals have the potential to make a significant contribution to the overall housing land supply over the plan period. They were vigorously examined as part of the Core Strategy examination in public. Detailed discussions with developers, agents and landowners have been progressing on a regular and productive basis and as outlined in the following sections.
- 5.19 Projected out-turns on these sites have been assumed at levels currently advised by the in house planning officers to establish lead in times for each decision milestone. This has also been balanced against the views of the relevant applicants or agents associated with each site. Estimations on commencement and build out rates have been advised by the development industry during March-June 2022. Figure 4 sets

out the projected annual build rate for each of the strategic sites. However, given the size of these sites and the potential for more than one house-builder to be active on site at any one time, there is potential for a significant increase in the levels of delivery should there be a further increase in market demand for housing in the area. The delivery of strategic site allocations will be a key focus as these will make a substantial contribution to housing delivery in the longer-term.

- 5.20 Three of the urban extension sites within the Core Strategy now have planning permission following two separate Planning Committee meetings. Holmer West (150478) in Hereford achieved a planning permission for 460 dwellings in August 2016. Phase 1 for 88 dwellings and Phase 2 application (182712) for 221 dwellings are complete. The specialist housing scheme (201183) for 80 dwellings and the permission (201445) for 77 dwellings has yet to commence. The site is making good progress and has been accounted for in the commitments at Appendix 1.
- 5.21 In March 2018, land at Hildersley in Ross on Wye (150930) achieved outline planning permission for 212 dwellings. Barratt & David Wilson Homes achieved planning permission for a Reserved Matters application (210374) for 210 dwellings in March 2022 and site clearance has commenced. The site is accounted for in Appendix 2.
- 5.22 In March 2021, Land North of the Viaduct (171532) in Ledbury was granted permission on appeal by the Secretary of State for 625 dwellings. The landscaping reserved matters application from Bloor Homes is awaiting a decision and the housing reserved matters is anticipated during Summer 2022. Bloor Homes anticipate commencing on site within a couple of months thereafter

Hereford western urban expansion, Three Elms

- 5.23 Three Elms is principally in the ownership of the Church Commissioners who provide active support for the development proposed. An outline planning application (162920) was validated in September 2016. Smaller areas of land to the south of the expansion area are covered by options to Taylor Wimpey. Development at Three Elms is subject to planning policy requirements for a range of social, transport and environmental infrastructure. The range and scale of matters to be addressed is generally typical for a scheme of this nature. Flood risk considerations are addressed in the policy.
- 5.24 Policy HD5 requires the development to make contributions to Hereford transportation improvements (infrastructure and sustainable transport measures), and to deliver land and infrastructure to facilitate the construction of the adjoining phase of the Hereford Bypass. The Council took a decision²¹ to stop progress on both the South Wye Transport Package and the Hereford Transport Package (HTP), which includes the bypass. As a result, all work and studies on the new road infrastructure has stopped. As a consequence of this, the access strategy for the site will need to be reset, and to this end discussions are ongoing with the applicant. Therefore, the applicant of any proposal for the Western Urban Expansion (Three

²¹ [Extraordinary meeting of Council 2 Feb 2021](#)

Elms) will need to demonstrate that their development would not cause unacceptable impacts upon the existing road network. Assessments are underway to investigate network capabilities with the additional housing. Work to establish the Council's transport strategy to guide development is also being developed.

- 5.25 As a result of these additional investigations, no date can currently be set for commencement or any projections for build-out rates over the next 5 years, meaning it cannot contribute to the supply at this time.

Hereford southern expansion, Lower Bullingham

- 5.26 Lower Bullingham is controlled by a single developer (Bloor Homes). Significant technical work undertaken by the developer has been discussed with the Council and other stakeholders. A hybrid application (194402) for 1,300 was submitted in December 2019.

- 5.27 However, as set out above regarding the strategic site at Three Elms, the stop decision regarding the bypass and Southern Relief Road affects this site in a similar way and the developer will be expected to demonstrate that the site can come forward without compromising the road network. However, as this site already has a house builder on board, it is expected to have less delay in delivering the site once a decision has been made. The site is expected to commence delivery of phase 1 in 2025/26, with 10 dwellings programmed to be completed in the initial year following site preparation and continuing with 50 dwellings per annum thereafter, yielding a total 60 dwellings in the five year period.

Hereford, City Centre development

- 5.28 The Core Strategy identifies the city centre as providing 800 houses over the plan period. This area is not an SUE as such but more of a strategic policy priority to be delivered as part of a co-ordinated redevelopment with the majority of those new houses to be delivered within the urban village, a policy area; formed by a conglomeration of underutilised sites located to the north of the river bounded by the railway line to the north. The remainder is comprised of individual planning permissions across the policy area. The policy area of HD2 is situated in the centre of Hereford, see Appendix 7 for map of the area covered by HD2.
- 5.29 The new Link Road traverses across Merton Meadow from Commercial Road to Edgar Street and opens up previously land locked sites for development. Other than the Link Road, which is complete, delivery of housing in the city centre is not dependent on the delivery of any other strategic infrastructure, and applications for housing schemes are regularly coming forward. Welsh Water are fully engaged in discussions on the improvements required to the water and sewerage infrastructure. Contributions towards additional educational needs would be expected to come forward as part of this development.

- 5.30 The completion rate to date in this area is 552 dwellings²² since 2011. This completion figure set against the target for delivery of 800 dwellings shows that approximately, a further 248 dwellings should be delivered to meet the Core Strategy growth targets for this area. In addition, outstanding commitments within this area amount to 20 dwellings. Based on recent year's performance, the build out has been revised down, as it is more reflective of delivery rates in the area over the past nine years. Therefore a rate 40 dwellings per annum for years 4 and 5 is forecast to avoid double counting with current permissions. This is also the anticipated rate without any duplication with the windfall allowance.
- 5.31 The council is working alongside its strategic partners, to deliver redevelopment of the land it owns in and around the city centre, particularly within the area close to the link road known as Station Approach. Flood mitigation work is required to release this land. Homes England will be supporting the council and its partners with increased financial help to include grants and this will include the Registered Providers. There will be joint development agreements on strategic land purchases as well as capacity support for the council. Figure 3 below outlines the current rate of commitment and completions for this area. Appendix 1 contains a list of all the HD2 commitments and Appendix 4 for the completions in this area of Hereford.

Figure 3. HD2 City Centre progress

City Centre HD2	Completions (net)	Commitments (net) at April 2022
2011-2021	429	20
2021/2022	123	
Total to date	552	

Bromyard, Hardwick Bank

- 5.32 The Core Strategy strategic urban extension site in the town is in the controlling interest of Bovis Homes. A planning application (163932) was submitted in April 2017 for up to 500 homes, which is 250 dwellings more than the urban extension identified in the Core Strategy.
- 5.33 Contributions towards additional educational needs, a new park, or any other identified infrastructure requirements will be provided for as part of any planning permission and associated s.106 agreement. Discussions with Welsh Water are ongoing to identify a suitable potable water source and additional infrastructure may be needed to deliver this. These discussions are at an early stage in identifying deliverable solutions. Active transport links and improvements to footways, cycleways, crossing facilities and bus stops will be provided as part of the Hardwick Bank development.

²² The completion and commitment figure has already been incorporated into figures above to avoid double counting.

5.34 The site is currently being considered by the District Valuer to determine any viability issues. The site is also affected by the phosphates issue as it is located in the River Lugg hydrological catchment, and this will cause a delay to bringing the site forward. Although the phosphate issue prevents the site coming forward in the short term, the matters relating to water supply and waste water pose potential longer delays as there is a need for infrastructure according to Welsh Water and this issue has yet to be addressed. Therefore in this year's supply contribution from Hardwick Bank is 0 due to lack of evidence.

Leominster Southern Expansion

5.35 Policy LO2 sets out a number of planning policy requirements for a range of social, transport and environmental infrastructure. A critical element of this is the provision of a link road from east to west at the southern limit of the urban extension to serve the new development. The likeliest section of the site to provide for early release of land would be on the eastern side of the site on Hereford Road. The Council is currently looking at a timetable to bring the site and the road forward. However due to the site's progress to date it is not expected to deliver in the short term and is more likely to be in the medium term future.

Figure 4. Strategic Urban Extension Sites build out rate at April 2022

Strategic location 2021	Estimated Core Strategy site capacity	2022/2023	2023/2024	2024/2025	2025/2026	2026/2027	Sub total
Hereford							
Hereford, Three Elms	1000	0	0	0	0	0	0
Hereford, Lower Bullingham	1000	0	0	0	10	50	60
Hereford, City Centre Urban Village	800 (- 482)	0	0	0	40	40	80
	Remainder to be delivered = 318						
Leominster							
Leominster, Southern expansion	1500	0	0	0	0	0	0
Bromyard							
Bromyard, Hardwick Bank	250	0	0	0	0	0	0
Total	4746	0	0	0	50	90	140

Windfall assessment

- 5.36 Windfall sites are those that have not been specifically identified as available in the Local Plan process. They normally comprise previously-developed sites that have unexpectedly become available. Herefordshire is a predominantly rural county and experiences a number of windfalls that also come forward on greenfield land. The Revised NPPF states at paragraph 71, 'Where an allowance is to be made for windfall sites as part of anticipated supply, there should be compelling evidence that they will provide a reliable source of supply. Any allowance should be realistic having regard to the strategic housing land availability assessment, historic windfall delivery rates and expected future trends'. In her report regarding the soundness of the Core Strategy the Inspector indicated in paragraph 50 that the Core Strategy's windfall allowance *"is justified by figures from past monitoring reports showing a consistent level of windfalls throughout the county over many years."*
- 5.37 The SHLAA/HELAA is an assessment of the likely total numbers of new houses that could be achieved on sites with potential to deliver 5 or more dwellings. Historically, larger windfall sites have not formed a major part of the housing supply. Therefore it was decided to continue to focus this assessment on the smaller windfall sites as they have a stronger pattern of occurrence. The historic performance of windfall sites accommodating four or less dwellings was assessed as these sites would not be identified through SHLAA/HELAA. Historic windfall completions are detailed in the table below.
- 5.38 The evidence in Figure 5 however indicates that on average, 209 dwellings came forward per annum on sites with capacity for 4 or less dwellings over past 10 years. While the NPPF does not support the inclusion of garden land as windfall development, the Council believes there is clear evidence and policy support that supply from this source will continue and it is suggested there is additional flexibility for these sites to come forward. In Neighbourhood Development plans without specific site allocations, there are 28 which contain settlement boundaries and criteria based policies to allow for continuing growth within the settlement for these windfall developments.

Figure 5. Historic windfall completion rates

YEAR	Net Windfall Completions (all sites)	Net Windfall ²³ (site capacity 4 or less)
2004/05	454	297
2005/06	610	278
2006/07	552	243

²³ These completions exclude residential garden land completions

2007/08	559	263
2008/09	449	191
2009/10	342	176
2010/11	267	158
2011/12	233	89
2012/13	137	57
2013/14	281	95
2014/15	647	303
2015/16	253	122
2016/17	347	128
2017/18	707	319
2018/19	583	238
2019/20	641	188
2020/2021	609	321
2021/2022	685	314
TOTAL	8456	3780

5.39 Windfall sites accommodating four or less dwellings provide about 38% of the total housing completions over the past ten years. The Council therefore considers it realistic and reasonable to expect 100 windfall units will be delivered per year over the next 5 years (in line with the windfall estimate set out in the Core Strategy). Based on past trends and the number of windfall sites that are currently either undetermined applications or at an advanced stage of preparation, this is considered to be a conservative estimate of what is likely to be delivered.

5.40 To avoid double counting, the Council has applied the windfall allowance within the housing trajectory from year 4 onwards only (2025/26 & 2026/27) to recognise the contribution small sites make to the housing land supply. This is because planning permission lasts for 3 years and some of the existing housing commitments will already be windfall developments. As past windfall rates have been steady and more than reflect the current allowance there may be a potential review of the windfall rate next year.

Figure 6. Anticipated windfall

Windfall allowance for yrs. 4 & 5 is 100 dwellings pa	100	
Account for yrs. 4 & 5 in five year supply		200

Sites brought forward through Neighbourhood Development Plans

- 5.41 The Council has been proactive in working with local communities on the preparation of Neighbourhood Development Plans. There are currently 113 Neighbourhood Development Plans (NDPs) being prepared which covers all the market towns except Bromyard and over 87% of those rural settlements highlighted for growth. It is expected that they will take between 12 and 18 months to reach adoption. Once adopted, these NDPs will add local detail to the policies set within the Core Strategy, as required by national planning policy set within the NPPF, as well as playing a major part in the delivery of the level of housing required in the plan period. Paragraph 40 of the NPPG is clear that Neighbourhood plans should deliver against the *up to date evidence of housing needs*.
- 5.42 Housing delivery in the rural areas has historically been strong and has provided approximately half of development in the County. Housing allocations within rural areas are contained within neighbourhood development plans. As at 9 June 2022, there are 84 adopted/made NDPs and 3 awaiting adoption, 2 plans are at examination and 2 post Regulation 16 consultation. In addition a further 6 plans have reached draft plan stage (regulation 14). 8 Made NDPs have or are in the process of a review. Therefore, 97 NDPs have material weight in planning decisions; 52 of these plans contain site allocations.
- 5.43 This estimate takes account of the progress made to date. Those more advanced NDPs include proposals for approximately 1600 dwellings which equates to 900 dwellings excluding those identified sites with planning permission. This includes Plans that are at Regulation 14, Regulation 16 post examination, those with scheduled referendums and those that are due to be Made or have been Made. The following build out rate anticipated for NDPs is based on the yield of allocations set out in current NDPs that have been adopted/made. This amounts to a 240 dwelling yield from all these allocations, see Appendix 3 for a list of these sites.
- 5.44 An analysis of planning interest on certain sites has also been included in the estimate. Due the early stages these sites are at in the planning process, they are not expected to come forward before one year and this is considered a reasonable approach with the phosphate issue. The estimate below is considered to be cautious as it only amounts to a fraction of the total allocations there are in the NDPs. Where issues have been identified with sites, discounting has also been carried out and this is reflective of the discounting carried out earlier with the commitment sites.

Figure 7. Anticipated Neighbourhood Development Plan supply 2022

	Year 1	Year 2	Year 3	Year 4	Year 5	Total
NDP allowance for yr3 - yr5			80	80	80	
Total						240

- 5.45 The Figure below sets out all the aforementioned deliverable sites with a sum total of **6131** deliverable dwellings.

Figure 8. Total deliverable sites

Deliverable (net) 2022	Amount	Discount	Total
Total	5310		
Total dwellings on Resolution to grant permission sites (net) discounted	114		
Total before discount	5424		
Commitments discount (full pp) large sites		280	
Commitments discount due to phosphates		9	
Commitments discount (outline permission)		187	
Resolution to grant permission sites discount		50	
Discount total		526	
Commitments post discount	4898		4898
Strategic Urban Extensions	140		140
Neighbourhood Plans allocations (without planning permission)	240		240
Windfall allowance for yrs. 4 & 5 in five year supply	200		200
Total deliverable sites			5478

Additional calculation factors

Housing completions

- 5.46 Completions are monitored annually. The completion rate for 2022 is 1014 net completions. See Appendix 4 for a list of completions.

Shortfall of housing supply from previous years

- 5.47 Previous years have included an assessment of housing delivery against the Herefordshire Core Strategy housing target and demonstrated a housing shortfall. As set out in paragraph 031 of the PPG and similar to last year, there is no requirement to include a shortfall this year as the Council is using the Standard Method housing need figure to establish the 2022 supply, as the standard method factors in past under-delivery as part of the affordability ratio, so there is no requirement to specifically address under-delivery separately when establishing the minimum annual local housing need figure.

Buffers

- 5.48 As set out earlier at para 2.1 the NPPF states that supply should include a buffer. The HDT operates alongside existing 'five-year housing land supply' requirements

set out in the National Planning Policy Framework and Planning Practice Guidance. As stated in the PPG²⁴, 'To ensure that there is a realistic prospect of achieving the planned level of housing supply, the local planning authority should always add an appropriate buffer'.

5.49 As set out earlier at para 2.16, the Council has over achieved on the Housing Delivery Test for 2021. The appropriate buffer to be applied is the **5% buffer** as 85% of the requirement has been surpassed. The latest HDT result means the council does not need to apply the 20% buffer as it has consistently done in the past. The buffer will be reviewed again when the 2022 HDT results are published.

5.50 Taking into account all the variables set out above, Figure 10 provides a summary of how the five year supply is calculated. The table shows that with a stepped trajectory target and the shortfall being addressed over the forthcoming five years there is currently more than a five year supply of housing land in the County.

²⁴ [Planning Practice Guidance, Housing supply and delivery Guidance](#)

2022 Five year supply result

Figure 9. Assessment against Standard Method Housing Need

2022	Source	Homes	Notes
A	Requirement for next five years	4215	Using Trajectories - Standard method
			22/23 –26/27 843 pa (5 yrs)
B	Homes Completed (net) 1/4/2011 – 31/3/2022 (past eleven years)	6382	Net reduction includes demolitions and conversions
C	Plus Residual Shortfall	0	Not required as per 'standard method'
D	Plus 5% buffer	211	As per latest HDT result for 2021. (4215*5%)
E	Total Requirement	4426	A+D
F	<i>Annualised requirement</i>	885	
G	Total Deliverable dwellings	5478	
H	Housing Supply	6.19	G/F

6.0 2022 Housing land supply for Herefordshire

- 6.1 When assessed against the recommended Standard Method, the current supply is **6.19 years**. This is a slight decrease on the previous year.
- 6.2 The Council will continue to monitor its *Housing Delivery Action Plan* to ensure delivery stays on track. Work is progressing on addressing the phosphate issue with the phosphate credit system which has prevented sites with permission coming forward. There are applications being held up and awaiting decisions due to this issue, and once the phosphate issue is addressed, such applications will be able to progress. The strategic site at Bromyard has also been impacted by the issue delaying meaningful progress.