

Shropshire 5YLS

REF: P18-0589

DATE: August 2020

Housing Land Requirement

1. Paragraph 73 of the NPPF requires that the five-year land supply is assessed against the adopted housing requirement where this is less than five-years old. To ensure that the Council is able to demonstrate a five-year land supply at the point of adoption, it is therefore appropriate to assess the position against the housing requirement which will eventually be contained in the adopted Local Plan.
2. Policy SP2 proposes a housing requirement of around 30,800 homes over the period 2016-38, or 1,400 per annum. This has been informed by the current standard method.
3. However, the Government is currently consulting upon Changes to the Current Planning System and this identifies that emerging Local Plans that are not close to a Regulation 19 consultation at the point the new guidance is published will be subject to a revised standard method. It is envisaged that the new guidance will be published towards the end of 2020 or the beginning of 2021. Given the timescales of the emerging Local Plan, there is at least a good prospect that it will need to be prepared using the revised standard method.
4. The Government has published a revised standard method for consultation. Whilst this should be afforded limited weight at present as it remains subject to consultation it does provide a direction of travel. It identifies an annual housing need for 2,129 homes in Shropshire.
5. Accordingly, the five-year land supply position is considered in the context of the identified emerging housing requirement for 1,400 homes per annum from 2016-38 and against the Governments proposed revised standard method for 2,129 homes per annum from 2019 onwards.

Housing Land Supply

6. The five-year requirement will depend upon the housing requirement in the Local Plan. The Council identify a housing requirement for 1,400 homes per annum which would result in a five-year requirement for 7,350 homes, and the Government's **current proposal identifies a** minimum local housing need for Shropshire of 2,129 homes per annum which would result in a five-year requirement for 11,178 homes.
7. There is a good prospect that the Local Plan will be required to address the number of homes identified using a revised standard method¹ and accordingly, it is likely to be necessary to be able to demonstrate a five-year land supply against this figure.
8. Based on the deliverable supply identified the Council there would be a five-year land supply of 4.77 years. Based on the deliverable supply identified by Pegasus Group there would be a five-year land supply of 3.34 years.

¹ Depending upon the data of the publication of the revised guidance and the progress with the Local Plan.

9. Even if the Local Plan is able to be prepared using the current standard method, Pegasus Group has considered the supply position and has identified 5.08 year land supply which provides only marginal headroom.
10. The respective five-year land supply positions are calculated in the table below.

	Proposed housing requirement	Proposed revised standard method
Five-year requirement	7,350	11,178
Deliverable supply of the Council	10,666	10,666
Five-year land supply of the Council	7.26	4.77
Deliverable supply of Pegasus Group	7,474	7,474
Five-year supply of Pegasus Group	5.08	3.34