



## BIRMINGHAM DEVELOPMENT PLAN

5 Year Land Supply 2021-26

January 2022

# 5 Year Land Supply 2021-26

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## 1. Summary

- 1.1 The City has **3.15 years** supply. This is derived from a 5-Year requirement of **35,440** dwellings (including a 5% buffer) and a supply of **22,322** dwellings.

## 2. Introduction

- 2.1 Paragraph 73 of the revised National Planning Policy Framework (NPPF) states:

*“Local planning authorities should identify and update annually a supply of specific deliverable sites sufficient to provide a minimum of five years’ worth of housing against their housing requirement set out in adopted strategic policies, or against their local housing need where the strategic policies are more than five years old”.*

- 2.2 This paper sets out how the City’s 5 Year supply has been determined

## 3. Establishing the 5 Year Housing Requirement 2021-26

- 3.1 The NPPF states that the starting point for calculating the 5 year supply position should be the housing requirement figure set out in an adopted strategic plan or against the local housing need where the strategic policies are more than five years old.
- 3.2 The Birmingham Development Plan (BDP) was adopted on 10<sup>th</sup> January 2017 and will therefore be more than five years old after 10<sup>th</sup> January 2022. This means that the Local Housing Need (LHN) figure must be applied when calculating the five year housing land supply from January 2022.
- 3.3 In 2018 the Government adopted the Standard Local Housing Need Method (LHN) to calculate local housing need. This did not apply in Birmingham immediately because the BDP was less than five years’ old. In December 2020 the Government revised the Standard Method. The new method applies a 35% uplift to the 20 largest cities and urban areas, including Birmingham, reflecting the Government’s objectives to drive housing into existing urban areas and encourage brownfield development.

### **The 5 year Housing Requirement 2021-26**

- 3.4 The Standard Method gives Birmingham a local housing requirement of 6,750 dwellings per annum from January 2022 for the purposes of calculating the 5 year land supply.
- 3.5 Paragraph 73 of the revised NPPF states that an additional buffer of either 5%, 10% or 20% (moved forward from later in the plan period) should be added to the supply of specific deliverable sites as follows:

*a) 5% to ensure choice and competition in the market for land; or*

*b) 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*

*c) 20% where there has been significant under delivery of housing over the previous three years, to improve the prospect of achieving the planned supply.*

- 3.6 'Significant under delivery' is measured by the Housing Delivery Test. The Housing Delivery Test (HDT) was introduced in 2018 and assesses a local planning authority's performance of housing delivery against its housing requirement over the previous 3 years. 'Significant under delivery' is defined as being a HDT result that showed delivery below 85% of the housing requirement.
- 3.7 An average of 2,617 net dwellings have been completed each year since 2011 and the cumulative BDP requirement since 2011 has been exceeded. The Council has achieved a result of 152% against the 2020 HDT. In light of the local planning authority passing the HDT and exceeding delivery targets a 5% buffer is applicable.
- 3.8 Taking the above into account, **the 5 year requirement for 2021-26 is 35,440 dwellings** (Table 1) and the annual requirement for this period is 7,088 dwellings.

**Table 1: The 5 Year Requirement 2021/22-2025/26**

Year	5 Year Period 2019 -2024
2021/22	6,750
2022/23	6,750
2023/24	6,750
2024/25	6,750
2025/26	6,750
<b>Sub-total</b>	<b>33,750</b>
<b>Total Plus 5% buffer</b>	<b>35,440</b>

## 4. The 5 Year Housing Land Supply

- 4.1 The housing capacity on deliverable sites has previously been assessed through the annual SHLAA process, which identified sites which are suitable for housing development across the BDP plan period. The Council has commenced an update of the BDP, which will be called the 'Birmingham Plan'. To inform the plan review, and in the context of the Local Housing Need figure for Birmingham, a comprehensive urban capacity study is currently being undertaken. It is anticipated that the findings of the study will be published in 2022 alongside the Birmingham Plan Issues and Options consultation. For this reason, the 2021 5 Year supply follows a review of deliverable sites only.
- 4.2 A deliverable site is one which is available now, is in a suitable location for development and has a realistic prospect of being developed within five years. The review of sites is based on the Council's annual site monitoring and has a base date of 1<sup>st</sup> April 2021. The 2021 review of sites identified a 5 Year land supply of **22,322** dwellings of which **20,962** are on identified sites and a further **1,360** dwellings are on unidentified sites.

### 5 Year Supply on Identified Sites

- 4.3 Table 4 shows the source of identified sites in the 5-year supply and a list of the sites in the 5-Year supply is at Appendix 1. 36% of the capacity deliverable within 5 years on identified sites has detailed or outline planning permission, has Permission in Principle or is permitted development and 61% is under construction.

**Table 4: Source of 5 Year Supply on identified sites**

Status	Dwellings
Under Construction	12,864
Detailed Planning Permission	6,075
Outline Planning Permission	816
Permission in Principle	9
Permitted Development	678
Allocation in Adopted Plan	520
Other opportunity	0
<b>Total Identified Supply</b>	<b>20,962</b>

### 5 Year Supply on Unidentified Sites

- 4.4 The NPPF (paragraph 71) permits a windfall allowance as part of anticipated supply, where there is compelling evidence that they will provide a reliable source of supply. The City has a long track record of delivering windfall sites - and even with the best efforts of the SHLAA to identify sites, windfalls continue to come forward and be developed in large numbers, as is inevitable for such a large and extensively developed urban area. The windfall methodology was examined and accepted by the Inspector at the BDP hearings and was more recently tested at a called-in appeal (Former

North Worcestershire Golf Club - 2017/02724/PA), the decision letter for which states: “the Secretary of State sees no reason to adjust the (windfall) allowance”.

- 4.5 A windfall allowance of 1,360 dwellings has therefore been added to the 5 year supply, in accordance with the Council’s windfall methodology<sup>1</sup>.

**Table 5: Source of 5 Year Supply on unidentified sites**

Status	Dwellings
Windfalls	1,360
<b>Total Unidentified Supply</b>	<b>1,360</b>

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<sup>1</sup> The windfall methodology is included in all previously published SHLAA reports. The 2020 SHLAA report is available to view at [Birmingham Housing Studies](#)

## **Appendix 1**

### **Schedule of Sites**

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