

Action 164: Update Trajectory and Note explaining how windfall and non-strategic sites less than 10 dwellings (including schemes in the CDA) have been accounted for in the trajectory, and in which year would windfall commence

164: Council to review how large sites with outline permission in EXAM 9 have been counted within the trajectory, and update where necessary

Revised Housing Trajectory

The trajectory has been updated as part of Action 166. This note responds to Action 164.

Due to national and global economic factors, there was a reduction in housing delivery for the year 2023/24 below the Local Plan requirement. This has impacted our housing trajectory such that our expected housing supply for the Plan period has decreased markedly in particular due to under-delivery in completions and reduced commitments in 2023/24, which has impacted the overall Plan supply.

Importantly a cautious approach has been taken in respect of the assumptions which have been made as to year-on-year delivery. The components of supply have been considered carefully in the light of the reduction in supply arising from the marked under-delivery in 2023/24.

The first point to note is that changes have been made to non-strategic housing allocations in line with the suggested modifications agreed with the Inspectors at the examination hearing on 15 October 2024 in relation to Matter 3. EXAM 9 has been updated with the latest commitments for 2023/24.

Furthermore, in respect of assessing the likely yield from strategic sites (excluding the CDA), a 30 dph density has been assumed which is noted to be inconsistent with Policy Ho05. To ensure consistency of approach this has been rectified this in the revised housing trajectory so that strategic sites now assume a capacity figure of 35 dph in line with Policy Ho05.

The commitments in Exam 9 including outline permissions have been updated and have been informed by the latest landowners engagement.

Importantly, fluctuations in delivery and commitments can be expected over time. The Council’s performance against the Housing Delivery Test confirms this and can be viewed in Table 1 below. As can be seen, when assessing the 3 year rolling HDT assessment, Leicester has previously delivered substantially more dwellings than its housing delivery test requirement, reaching a peak in 2019 when housing delivery was a third more than the requirement.

Table 1. Leicester City Council HDT Measurement Results, 2018-2022

Year	Total no. of homes required	Total no. of homes delivered	Housing Delivery Test: measurement (where housing	Housing Delivery Test: consequence
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			requirement is 100%)	
2022	4325	3340	77%	Buffer
2021	3908	3935	101%	None
2020	4034	4471	111%	None
2019	3714	4951	133%	None
2018	3588	4645	129%	None

The dip in supply and commitments over the last 12 months is considered to be aberrant arising from well documented external economic and political effects and it is anticipated that delivery will return to past trends in future years. It is anticipated that an uplift in commitments and delivery would revert back the original supply providing us a 5% buffer. Such fluctuations arise in any event over the life of a plan, and it is not considered that this warrants reverting to an earlier stage of plan making in order to identify additional components of supply or seeking to re-open negotiations on unmet need which would not only compromise this Local Plan timetable but also the emerging plans of partners councils in Leicestershire. To the contrary it is considered that if any discrepancy between housing supply and the requirement persists, then this is a matter which will be addressed as part of the immediate Plan Review. Indeed it is anticipated that there will be at least two further reviews of the plan before the end of the plan period.

It is important to note that the council is still able to demonstrate the five year housing land supply. With updated trajectory, the council is able to achieve a 6.4 years supply as shown below.

A	Leicester's Local Plan Housing Target (on adoption of the Local Plan)	20,730
B	Dwellings per annum	1,296
C	Dwellings per 5 years	6,480
D	Deliverable housing supply required per annum with additional 5% buffer to ensure choice and competition in the market for land (NPPF, para. 73a)	1,361
E	Total Deliverable housing supply required for 5 years, 2024-2029, with additional 5% buffer (D x 5)	6,804
F	Expected supply of deliverable housing (1 April 2024 - 31 March 2029) (see Housing Trajectory)	8748
G	Overprovision (F - E)	1,944
H	Number of years supply	6.428571

The Council is confident that it will meet the Plan's housing requirement based on the revised housing trajectory. That said, there is now no provision for a lapse in consents between now and the end of Plan period, this too will be addressed in the immediate review that will take place upon adoption of the Plan.

Windfall

The annualised windfall assumption of 214 dwellings per annum is robust as it is based on past trends which in the Council's opinion is a reasonable supply going forward.

This assumption has been staggered over the Plan period to avoid any double counting, and no assumption is made in respect of windfall delivery within the CDA for the next 4 years. Windfalls arising from the delivery of extant permissions at the base date of assessment are counted within the commitments component of supply. However, some delivery is to be expected from the delivery of windfalls arising from future permission outside of the CDA, which will increase over time (as commitments are delivered).

Accordingly, in 2024/25, a windfall figure of 10 dwellings is assumed based on small-scale changes of use outside the CDA and approvals after 01/04/2024. From 2025/26 to 2028/29, there is an assumption that 25% of windfall will be achieved outside the CDA. It is to be noted that these figures are a cautious assumption.

From 2029/30, the anticipated figure for windfall is assumed. This is calculated on the basis of historic windfall delivery, resulting in a figure of 214 dpa (within the whole City area). To avoid double counting any dwellings delivered on non-strategic sites with a capacity of fewer than 10 dwellings in any year, those dwellings have been subtracted from the 214 dpa figure in the relevant year.