

DERBY CITY COUNCIL 2025 FIVE YEAR HOUSING SUPPLY POSITION (April 2025) (Published July 25)

The National Planning Policy Framework requires that 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 figure if strategic policies are more than 5 years old.

The Derby City Local Plan Part 1 sets out the strategic policies for housing requirements and was adopted in January 2017. However, in December 2021, the Council reviewed the policies of the local plan and determined that the housing requirement set in the Plan was out of date. This was due to the fact that the Government had changed the standard method housing calculation in December 2020, requiring the top 20 largest urban areas in the country to add an extra 35% uplift on to their housing needs, meaning that Derby's housing need had increased considerably such that the requirement set out in the local plan was no longer sufficient to meet the city's housing needs.

In December 2024, the Government changed the Standard Method again, removing the 35% urban area uplift and basing the housing need calculation on baseline stock and affordability. A new Standard Method was published in the Planning Practice Guidance on 12 December 2024.

The Government's guidance on the standard method calculation can be found via the web link below :

<https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>

The result of the new calculation for Derby City is an annual need of 917 dwellings. This remains significantly higher than the 647 dwellings a year in the Adopted Local Plan. This means that in calculating the Council's supply of deliverable housing sites, the supply will be measured against the new local housing need (standard method) of 917 dwellings a year.

The NPPF requires a buffer of either 5% or 20% to be applied to the 5 year supply. Paragraph 78 of the Framework requires a buffer of 5% to allow for choice and competition in the market or 20% where there has been significant under delivery of housing over the previous three years, to improve the prospect of achieving the planned supply. To determine if significant under delivery has occurred footnote 40 explains that this will be the case if the latest Housing Delivery Test result is below 85% of the housing requirement.

The latest Housing Delivery Test measurement results were published in December 2024. The result for Derby City was 83% and so Derby City should apply a 20% buffer to the 5 year supply calculation.

The sites counted in the supply include those which meet the definition of 'deliverable' in the glossary of the NPPF. The specific major sites which contribute to the supply of deliverable sites are identified in the housing trajectory and an appendix to this document identifies them and the number of dwellings we consider will be delivered on them each year for 5 year supply purposes.

Deliverable dwellings on small sites with planning permission (1-9 dwellings) are included as part of the 5 year supply. These are sites that have either full or outline planning permission. The number of deliverable dwellings on small sites at 1 April 2025 was 420.

The Calculation of the Council's Five Year Housing Supply (April 2025) is as follows :

SUPPLY (OVER 5 YEARS) AT 1 April 2025

Deliverable Major Site Planning Permissions	2,549
Deliverable Major Brownfield Sites without PP	0
Deliverable Major Greenfield Sites without PP	0
Deliverable Small Site Permissions	420
TOTAL	2,969

REQUIREMENT

Annual Requirement (Standard Method)	917
Five Year Requirement (917x5)	4,585
Buffer (20% of 4,585)	917
Total Requirement (5 year + Buffer)	5,502
Annual Requirement for 5 year supply	1,100
FIVE YEAR SUPPLY (2,969/1,100)	2.70

The Council therefore demonstrates a **2.70** year supply of deliverable housing sites at 1 April 2025.