**DERBY CITY COUNCIL 2023 FIVE YEAR HOUSING SUPPLY POSITION (JANUARY 2024)**

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housing requirement set out in adopted strategic policies or against their Local Housing Need figure if their plan is out of date.

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the Council reviewed the policies of the local plan and determined that the housing requirement set in the Plan was out of date.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.

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 change to the standard method calculation and the inclusion of a 35% uplift originally resulted in the housing needs for Derby City being set at 1,189 dwellings a year. However, in early 2023 the ONS updated the affordability ratios which are a component part of the standard method calculation. Therefore, in January 2024, Derby's housing requirement as calculated using the standard method is 1,263 dwellings a year.

This means that in calculating the Council's supply of deliverable housing sites, the supply will be measured against the standard method requirement of 1,263 dwellings a year.

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 2023 was 516.

The National Planning Policy Framework sets out at paragraph 79(b) that where the local authority’s Housing Delivery Test for the previous 3 years falls below 85% of the requirement, a buffer of 20% should be applied to the 5 year supply.

The latest HDT Measurement document published by Government in December 2023, saw a measurement of 131% for Derby City. Therefore, the Council should not apply a buffer to the 5 year supply.

The Calculation of the Council’s Five Year Housing Supply (January 2024\*) is as follows :

**SUPPLY (5 YEARS) AT 1 April 2023**

|  |  |
| --- | --- |
| **Deliverable Major Site Planning Permissions** | **4.001** |
| **Deliverable Major Brownfield Sites without PP** | **390** |
| **Deliverable Major Greenfield Sites without PP** | **0** |
| **Deliverable Small Site Permissions** | **516** |
| **TOTAL** | **4,907** |

**REQUIREMENT**

|  |  |
| --- | --- |
| **Annual Requirement (Standard Method)** | **1,263** |
| **Five Year Requirement (1,263x5)** | **6,315** |
| **FIVE YEAR SUPPLY (4,907/1,263)** | **3.88** |

The Council therefore demonstrates a **3.88** year supply of deliverable housing sites at 1 April 2023.

\* Note that although the requirement has changed due to changes in the NPPF (December 2023) and the Standard Method, the supply of deliverable sites remains static from the last annual surveys based at 1 April 2023.