



Northumberland
County Council

**Northumberland
Five-Year Housing Land Supply
of Deliverable Sites
(2023-2028)**

October 2023

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Executive summary

Housing completions and commitments

Completions 2016-2023: 10,914 net additional dwellings (average 1,559 per annum)

Outstanding permissions: 11,249 net additional dwellings

Housing Delivery Test

HDT result 2020-2023: 271% (provisional)

HDT result 2019-2022: 280% (provisional)

HDT result 2018-2021: 280%

Local Housing Need (standard method)

LHN 2023-2033: 561 net additional dwellings per annum (minimum)

Five-year housing land supply ('deliverable' sites)

5-year supply requirement 2023-2028: 2,945 net additional dwellings
(LHN including 5% buffer)

5-year housing land supply identified: 7,295 net additional dwellings

5-year housing land supply 2023-2028: **12.4 years**

1. Introduction

- 1.1. This report provides an update of Northumberland's 5-year housing land supply of 'deliverable' sites for the period 2023-2028. It reflects the position as of 31 March 2023. In doing so, it serves as a further partial update of Council's latest full Strategic Housing Land Availability Assessment 2021-2036 report (SHLAA, April 2022).
- 1.2. Identifying a 5-year supply of 'deliverable' housing sites is a requirement of Government planning policy. This is set out in the [National Planning Policy Framework \(NPPF, September 2023\)](#). Supporting national [Planning Practice Guidance \(PPG\)](#) sets out the procedure for local authorities to follow when compiling it.

Purpose of the report

- 1.3. The purpose of this report is to identify a supply of specific 'deliverable' sites to meet housing requirements over the next five years (2023 to 2028).
- 1.4. The NPPF and PPG require local planning authorities to demonstrate a 5-year housing land supply (with an appropriate buffer allowance) to meet the identified needs in its area. If we cannot evidence this, then the '**presumption in favour of sustainable development**' will come into effect when determining planning applications for housing development.

Northumberland 5-year supply baseline and updates

- 1.5. This 5-year housing land supply report draws upon the previous SHLAA and 5-year housing land supply reports, and further updates the analysis to a **base date of 31 March 2023**. It supports the monitoring of the Northumberland Local Plan (adopted 31 March 2022).
- 1.6. In doing so, this report:
 - sets a base-date of 31 March 2023 for key statistical and quantitative information.
 - identifies the potential housing land supply over five-year period 2023-2028.
 - has been informed by consultation with developers, landowners, agents and applicants of permitted housing sites; and

- is in line with the agreed SHLAA methodology.

Study area

- 1.7. The Northumberland 5-year housing land supply is a comprehensive assessment of 'deliverable' sites within the administrative area of Northumberland County Council. It excludes the Northumberland National Park which is a separate local planning authority area.
- 1.8. **The 5-year housing land supply is only measured at the countywide local authority level.** This is in line with national guidance.
- 1.9. Only sites of five-or-more self-contained dwellings are subject to detailed assessment. Smaller sites are factored in through the use of an appropriate 'windfall' allowance.

Structure of the report

- 1.10. The housing land supply requirements to be assessed against are set out in Section 2 of this report.
- 1.11. The method used for the assessment of sites is set out in detail in the previous full SHLAA report (April 2022). Section 3 of this report summarises it in relation to the 5-year supply.
- 1.12. The results and findings of this updated work are set out in Section 4 of the report. Further information is set out in the supporting appendices. This includes information at a detailed site-specific level.

2. Housing land supply requirements

Local Housing Need

- 2.1. To help establish a more consistent approach to identifying local planning authority housing requirements across the country, the NPPF and supporting PPG set out a [standard methodology and formula for calculating Local Housing Need](#).
- 2.2. This calculation uses the Office for National Statistics (ONS) 2014-based sub-national household projections as the starting point. An uplift adjustment is applied to take account of market signals and housing demand, and to reflect any past under-delivery. The uplift is derived from the latest official ONS affordability ratio comparison of median house prices to median gross workplace-based earnings. The latest ONS affordability ratio data for 2022 was released on 22 March 2023.
- 2.3. The 2014-based household projections suggest that Northumberland would be likely to see a household growth of +5,074 households over the period 2023 to 2033. This equates to an average +507 households per annum. Meanwhile, the most recent affordability ratio for Northumberland is 5.689.
- 2.4. **The standard method calculation results in a minimum Local Housing Need for an average 561 net additional dwellings per annum in Northumberland over the next 10 years.** This equates to +5,610 net additional homes over the period 2023 to 2033.
- 2.5. This Local Housing Need figure applies to the whole of Northumberland county, including the Northumberland National Park, as household projections are not provided for the separate local planning authorities.

Northumberland Local Plan housing requirements

- 2.6. The Northumberland Local Plan seeks a greater level of housing than that required by the standard method. This is to help support local and regional economic growth. It sets out a corresponding **Objectively Assessed Need-based requirement for a minimum 17,700 net additional dwellings over the 20-year plan period 2016-2036. This equates to an annual average 885 dwellings per annum.** Importantly, this is not a requirement to deliver a minimum 885 net additional dwellings in each year. It is an average figure, so some years can be lower if other years are higher to balance out altogether.

- 2.7. As regards housing delivery, Northumberland County Council has recorded a total of 10,914 net additional dwellings completed in the first seven years of the Local Plan period 2016 to 2023. This equates to an average of 1,559 per annum. It leaves a **residual 6,789 net additional new dwellings required over the remaining 13 years of the 20-year plan period to meet the plan's minimum total 17,700 requirement. This means a residual pro rata annual average of 522 per annum.**
- 2.8. As the Plan-based residual annual average requirement of 522 per annum has already dropped to below the latest Local Housing Need figure of 561 per annum, Northumberland's 5-year supply is monitored against the latest Local Housing Need.

Housing Delivery Test

- 2.9. In establishing the 5-year housing land supply requirement, the NPPF and PPG set out that the level of buffer allowance for past under-delivery to be factored in is to be determined by the authority's Housing Delivery Test (HDT). Details of this are set out in the Government's [Housing Delivery Test measurement rule book](#).
- 2.10. The HDT is the Government's annual means of measuring the housing delivery performance of local authorities. It uses a percentage measurement of how the number of net additional homes delivered over the previous three years compares to the authority's minimum housing requirement for that period.
- 2.11. **The latest official HDT result for Northumberland was 280% for the 2018-21 period.** The Government has not yet published any HDT results since then. The county's provisional HDT calculation and result for the past 3-year period 2020 to 2023 is set out below.
- 2.12. Northumberland County Council recorded 4,461 net additional dwellings completed between 2020 and 2023 (at an annual average 1,487 per annum). There were 4 net additions recorded in the Northumberland National Park area over that same period, which also feed into Northumberland's countywide calculation for HDT purposes. There were no additions or losses of bedroom units in student communal accommodation in the county. But there were 88 new bedroom units completed in other communal accommodation facilities during this period (in 2020-2021), which when divided by the latest nationally set Census-based ratio of the average number of adults living in households (1.8 as at the Census 2011) gives a figure of 48.9

bedroom units to be factored in. This gives a total housing delivery figure of 4,513.9 for the period 2020-2023.

- 2.13. Because the Local Housing Need figure is lower than the Local Plan’s adopted housing requirement figure, the HDT methodology requires that the housing delivery over the past 3 years is compared against the minimum annual Local Housing Need figure.
- 2.14. The relevant 3-year Local Housing Need figures for Northumberland therefore equates to 1,663.2 additional dwellings between 2020-2023 (at an average +554.4 per annum). Government guidance sets out that the 2020-21 period was reduced by 4 months (122 days) to reflect the temporary disruption and impacts on housing delivery during the first Covid-19 coronavirus national lockdown and up to the end of July 2020.
- 2.15. This gives a **provisional Housing Delivery Test result of 271%** for Northumberland for the 3-year period 2020 to 2023. The HDT calculation is set out in Figure 1 below.

Figure 1: Northumberland Housing Delivery Test result calculation

Step 1: Calculating the relevant housing delivery

	Net additional dwelling completions in previous 3 years	Other communal accommodation - net additional bedroom units in previous 3 years	Total housing delivery 2020-2023
Housing Delivery	4,461 + 4 = 4,465	88 divided by 1.8 = 48.9	4,513.9

Step 2: Calculating the relevant housing need

	Housing need 2020-2023
2020-21 (8 months)	433.4
2021-22	614.2
2022-23	615.6
Total housing need	1,663.2

Step 3: Calculating the Housing Delivery Test result

- Total housing delivery 2020-2023 (A) = 4,513.9
- Housing need 2020-2023 (B) = 1,663.2
- **Housing Delivery Test** (A divided by (B) = **271%**

- 2.16. Recent housebuilding delivery has been much higher than the baseline housing need. Hence, there is no need to apply the higher 20% buffer for past under-delivery to the 5-year supply.
- 2.17. The Housing Delivery Test result means that **Northumberland only needs to allow for a 5% buffer to the 5-year housing land supply requirement** to ensure choice and competition in the market for land.

5-year housing land supply requirement

- 2.18. Figure 2 shows the minimum Local Housing Need, which sets the basis for calculating the 5-year housing land supply requirement. It also shows the 5-year ‘deliverable’ housing land supply requirement when factoring in a 5% buffer allowance.

Figure 2: Northumberland housing land supply requirements

	Annual average net additional dwellings per annum	5-year housing land supply requirement (2023-2028) with 5% buffer
Local Housing Need	561	2,945

- 2.19. Northumberland has a **5-year housing land supply requirement to identify enough ‘deliverable’ sites to provide for at least 2,945 net additional homes.**
- 2.20. As the household projections used in the calculation do not distinguish between the two local planning authority areas in Northumberland, the need figures set out above relate to the county of Northumberland as a whole. But given the National Park’s protected status, it is unlikely to see very much in the way of new housing development. The above requirements are thus considered to be an appropriate basis for calculating Northumberland County Council’s 5-year housing land supply.

3. Site assessment methodology

- 3.1. The method for analysing the 5-year housing land supply is detailed within the Council's [Strategic Housing Land Availability Assessment 2021-2036](#) report (SHLAA, April 2022 – see Section 4). The assessments are consistent with the broad approach identified in the PPG. Some key points in relation to the 5-year supply are set out below.

Deliverability and developability

- 3.2. Sites are assessed according to their suitability, availability and achievability (including economic viability), to determine whether they may be 'deliverable.' Only 'deliverable' sites can contribute to the 5-year housing land supply.
- 3.3. The NPPF defines '**deliverable**'. It states that, "*to be considered deliverable, sites for housing should be available now, offer a suitable location for development now, and be achievable with a realistic prospect that housing will be delivered on the site within five years. In particular:*
- a) sites which do not involve major development, and all sites with detailed planning permission, should be considered deliverable until permission expires, unless there is clear evidence that homes will not be delivered within five years (for example because they are no longer viable, there is no longer a demand for the type of units or sites have long term phasing plans).*
 - b) where a site has outline planning permission for major development, has been allocated in a development plan, has a grant of permission in principle, or is identified on a brownfield register, it should only be considered deliverable where there is clear evidence that housing completions will begin on site within five years."*
- 3.4. In essence, all sites with detailed planning permission, as well as non-'major' sites (of less than 10 dwellings) with outline permission but yet to gain reserved matters approval, should be treated as being '**deliverable in principle**'.
- 3.5. The NPPF also defines '**developable**'. It states that, "*to be considered developable, sites should be in a suitable location for housing development with a reasonable prospect that they will be available and could be viably developed at the point envisaged*".

- 3.6. Sites for which there is only a reasonable prospect of housing being developed in the medium to longer terms (6 to 15 years) are regarded as only being **‘developable’**, and thus do not count towards the 5-year supply. Sites concluded to be **‘not currently developable’** have also been discounted from the 5-year supply, but no future housing delivery is forecast for these sites.

Determining the achievable timescales for development

- 3.7. In assessing whether there is a reasonable prospect of the delivery of at least some completions on a site within the next five years, we have given consideration to the current planning status of the site and evidence gained from developers of their delivery intentions, anticipated start on site and build-out rates, as well as any grant funding arrangements. The latest targeted consultation exercise of landowners, developers, applicants and agents of permitted sites took place during August and September 2023.
- 3.8. Unless we had good reason not to do so, the information received from development industry consultees about the anticipated number of dwellings, delivery forecasts and marketability has been accepted as reliable and conclusive. Submitted data has been sense checked and adjusted where appropriate. This is based on local knowledge and understanding (for example, applying a later start on site or spreading delivery over a longer period).
- 3.9. In circumstances where no recent delivery information has been obtainable, the assessment of likely delivery timescales has been informed by some common delivery assumptions, as summarised at Appendix A of this report. This represents an extract of the delivery assumptions set out in the SHLAA. The regular monitoring process enables the delivery assumptions to be checked over later years against actual delivery rates, and updated and refined as appropriate to help ensure realistic and robust year-by-year delivery to be forecast.
- 3.10. The PPG confirms that having a planning permission in place is not a prerequisite for a site to be considered **‘deliverable’** within the next five years. Our general assumption is that sites of 5 or more dwellings without planning consent will not deliver housing completions within the next five years. Delivery from these **‘developable’** sites will only begin from year 6 onwards. Exceptions to this rule include:

- sites with a full or reserved matters planning application consented soon after the 31 March 2023 base date; and
- sites with a full or reserved matters planning application that is 'minded to approve' (such as a resolution to grant permission subject only to the signing of a S106 or highways legal agreement), but with on-site development expected to soon progress.

3.11. We will keep this approach under review in the context of the NPPF definition, which provides for the likes of development plan allocations and Brownfield Land Register sites to also be considered 'deliverable' if there is enough evidence to do so.

Small sites windfall allowance

- 3.12. Northumberland has a large number of small housing development sites of less than five dwellings. So it is impractical and unrealistic to get individual site delivery forecasts from landowners and developers. Small sites will still make an important contribution towards the delivery of new housing in Northumberland, and thus to the county's future housing land supply.
- 3.13. The NPPF and PPG provide for local planning authorities to make an allowance for 'windfall' sites in the 5-year supply when there is compelling evidence that such sites have consistently become available in the local area and will likely continue to provide a reliable source of supply. Instead of assuming that all permitted small sites of less than five dwellings are 'deliverable in principle', we have used a 'small sites windfall allowance' as a proportionate approach for capturing the potential future supply from such sites. This reflects past trends of the average annual housing completions rate on small development sites.
- 3.14. Appendix B shows that, over the past seven years (2016-2023) since the start of the plan period, on average 102 dwellings per annum have been delivered on small sites. The delivery of small sites was particularly suppressed during the Covid-19 pandemic. We have used an assumed **future annual average small sites delivery rate of 100 dwellings per annum** in this assessment. We will keep delivery trends and the small sites contribution rate under review.

Consultations feedback summary

- 3.15. The latest consultation with developers, landowners and agents gathered a lot of updated information about the anticipated housebuilding delivery rates on permitted sites of 5 or more dwellings. While updated build-out rate information was only received in respect of 46 sites this year, these accounted for 50% of the site-specific dwellings that have been assessed to be 'deliverable' within the 5-year supply.
- 3.16. Where no up-to-date data was received, the anticipated delivery rates have been informed by responses received to previous developer consultation responses, rolled forward and sense checked as appropriate, or otherwise the assumptions have been applied. The projected delivery on 50% of the site-specific dwellings in the 5-year supply has been based on previous responses and assumptions. Yet the vast majority of these sites are already under construction and delivering completions, or involve small numbers of dwellings.
- 3.17. Hence, there is a high degree of robustness in the calculation of the 5-year housing land supply of 'deliverable' sites.

4. Five-year housing land supply results

- 4.1. This section sets out the results of the updated 2023 5-year housing land supply analysis.
- 4.2. The site assessments identified 165 specific ‘deliverable’ sites (totalling some 739 hectares) which have a realistic prospect of delivering development within the next five years (between 1 April 2023 and 31 March 2028). Together, they have capacity for 6,795 outstanding net additional dwellings. Applying the ‘small sites windfall allowance’ at an average 100 dwellings per annum adds a further 500 homes to this potential supply. This results in a **total 5-year ‘deliverable’ housing land supply of 7,295 net additional dwellings**.
- 4.3. Northumberland’s supply of ‘deliverable’ housing sites is summarised in Figure 3 below. It reflects the relevant different categories of deliverability set out in national policy.

Figure 3: Components of the 5-year housing land supply 2023-2028

Category of sites	Number of sites	Forecast net additional dwelling completions 2023-2028
Deliverable in principle sites		
Permitted non-major small sites of <5 dwellings - Full or Outline Permission	Not applicable	(see ‘small sites windfall allowance’)
Permitted major and non-major sites of 5+ dwellings - Full Planning Permission or Outline Permission with detailed Reserved Matters	155	6,172
Permitted non-major sites of 5-9 dwellings - Outline Planning Permission (detailed Reserved Matters not yet approved)	4	24
Other deliverable sites		
Permitted major sites of 10+ dwellings - Outline Planning Permission (detailed Reserved Matters not yet approved)	7	599
‘Small sites windfall allowance’ (less than 5 dwellings capacity - average 100pa)	Not applicable	500
Total 5-year ‘Deliverable’ housing land supply		7,295

- 4.4. A schedule of all live housing permissions and ‘minded to approve’ application sites is provided in Appendix C, with the sites listed according to their deliverability category and identified by their SHLAA site reference number. It sets out the

delivery forecasts for each site. Other details are also shown, such as the number of affordable homes (where relevant).

- 4.5. About 83% of the permitted 'deliverable' supply is on sites already under construction. This provides a good degree of confidence in their delivery.
- 4.6. Of the total 10,351 homes remaining to be built on larger sites of 5 or more dwellings benefitting from planning permission (as at 31 March 2023), a significant number of dwellings are not included within the 5-year supply. The assessment discounts 338 dwellings on 14 implemented sites that are not considered likely to deliver any (further) completions. A further 9 permitted sites involving 223 outstanding dwellings have also been filtered out as being unlikely to deliver any (further) completions within the next five years, although they are considered to have potential to deliver some completions later in the plan period from year 6 onwards.
- 4.7. The conservative approach to the small sites 'windfall' allowance represents only 500 of the 898 outstanding permitted dwellings on sites of less than five units, despite them all technically being regarded as 'deliverable in principle'.
- 4.8. While a formal lapse rate is not built into the 5-year supply calculation, there is a high degree of confidence that the majority of permitted housing applications in Northumberland will come forward and be delivered. Evidence from the past 5 to 10 years suggests that, on average, only around 7% to 8% of permitted residential applications in Northumberland each year have lapsed before implementation. But because of the modest size of the sites involved, these lapsed permissions have actually resulted in only about 2% to 3% of the total permitted number of dwelling units not being delivered. As set out above, through the discounting of potential supply from some of the larger sites and using a 'small sites windfall allowance', 959 dwellings have been discounted from this 5-year supply calculation, including many sites that are 'deliverable in principle'.
- 4.9. The identified potential 5-year supply of 7,295 dwellings would equate to an average annual delivery rate of 1,459 per annum. This is below, but commensurate with, the average delivery rate achieved over the past seven years since the start of the plan period. This further illustrates the reasonableness of the forecast 5-year supply calculation.
- 4.10. Northumberland's identified 7,295 housing land supply on deliverable sites is compared against the county's Local Housing Need-based 5-year supply

requirement in Figure 4 below. This shows that **Northumberland's 5-year housing land supply is much higher than our 5-year housing supply requirement (248%)**. It equates to about a **12.4 years supply of 'deliverable' sites**.

Figure 4: Northumberland's 5-year housing land supply calculation

	Housing land supply requirement	Net additional dwellings
A	Baseline Local Housing Need 2023-2028	2,805 (561 per annum)
B	+ Buffer (5% allowance)	140
C	Total 5-year housing land supply requirement 2023-2028 (A + B)	2,945
D	Average annual housing land supply requirement 2023-2028 (C divided by 5)	589 per annum

	Housing land supply of 'deliverable' sites	Amount of housing supply
E	Total identified 'deliverable' housing land supply	7,295
F	'Deliverable' supply percentage of the 5-year housing requirement (E divided by C)	248%
G	Equivalent number of years of 'deliverable' housing supply (E divided by D)	12.4 years

5. Conclusions

- 5.1. This 5-year housing land supply update identifies a supply of 'deliverable' housing sites that could provide for delivering **7,295 net additional homes over the 5-year period 2023-2028**. This equates to a 248% 5-year housing land supply when compared to Northumberland's minimum Local Housing Need for 2,945 net additional homes between 2023-2028 (including a 5% buffer). This represents **about a 12.4 years supply** of 'deliverable' housing sites.
- 5.2. The high levels of housing delivery over the past seven years since the start of the plan period, together with the very high Housing Delivery Test results and the high numbers of outstanding permissions relative to minimum requirements, show that Northumberland has already more than satisfied the NPPF paragraph 60 objective of significantly boosting the supply of homes.
- 5.3. The plentiful 5-year housing land supply and Housing Delivery Test results mean that **the presumption in favour of sustainable development does not currently apply for housing applications in Northumberland** in the context of NPPF paragraph 11d (and footnote 8).

Appendices

Appendix A: SHLAA methodology site delivery assumptions

Delivery assumptions used in the Strategic Housing Land Availability Assessment

Categories of sites	Completions start year	Delivery rate (dwellings per annum, dpa)
Sites with Planning Consent		
Extant sites under construction - planning permission implemented but development yet to be completed	Where no information is submitted, or no relevant delivery history, completions will start in year 1	Delivery informed by completions rate achieved over previous years; or otherwise at no more than 30 dpa
Extant sites with full permission (or outline permission with reserved matters approved) - development yet to start	Where no information is submitted completions will start in year 2	No more than 30 dpa
Extant sites with outline permission (yet to gain reserved matters approval) - development yet to start	Where no information is submitted completions will start in year 3	No more than 30 dpa
Sites without Planning Consent		
Large sites (5+ dwellings) with an application 'minded to approve' subject only to finalising a S106 agreement	Full application - completions will start in year 4	No more than 30 dpa
Large sites (5+ dwellings) with an application 'minded to approve' subject only to finalising a S106 agreement	Outline application - completions will start in year 5	No more than 30 dpa

For sites with two or more active housebuilders on site at any one time, the assumed delivery rate may be increased to no more than 60 dwellings per annum on larger sites. Doubling the site's completions rate is considered to be reasonable and realistic in the light of available local and national evidence (some volume housebuilder sites actually deliver at much higher rates) and supports the fact that several developers and outlets will allow for increased delivery rates.

Appendix B: Housing completions trends on small sites

Net additional housing completions on small sites of less than 5 dwellings in Northumberland 2016-2023

Monitoring Year	Dwelling completions on small sites of less than 5 dwellings (net)
2016-17	105
2017-18	112
2018-19	110
2019-20	117
2020-21	89
2021-22	59
2022-23	121
Total	713
Annual Average	102 dpa

Appendix C: Five-year housing land supply of deliverable sites schedule 2023-28

See separate Appendix C document.

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