

Wiltshire's Housing Land Supply Statement Briefing Note No. 25 - 04

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BRIEFING NOTE ON HOUSING LAND SUPPLY

Summary

We have now completed the update to Wiltshire's housing land supply position. The current position is a **2.42 years** supply using a base date of 1 April 2024. This will be used to inform decision-taking of planning applications and appeals.

This is the first Housing Land Supply Statement to be published since the update to the National Planning Policy Framework (NPPF) was issued on 12 December 2024. This made changes to how housing land supply should be assessed, including the reintroduction of a buffer on the housing requirement, and an update to the calculation by which the housing requirement is established. An update on how the revised NPPF impacts on the council's planning functions is provided in [Briefing Note 24-20](#).

Recent housing delivery in Wiltshire remains strong, with the latest Housing Delivery Test results (from 2023) indicating the council has met **135%** of its housing targets over the past three years.

However, it is imperative that the housing land supply is continually replenished with new planning permissions and site allocations to ensure that housing requirements in the future can be met. Where there is an insufficient housing land supply to meet housing requirements over the next five years (for example, through allocated sites not being brought forward promptly) the council can be exposed to unplanned, 'speculative' planning applications, to help improve the housing land supply.

This briefing note provides information on both these Government measures and what the implications are for decision making.

1. Introduction

1.1 Government policy as set out in the National Planning Policy Framework (NPPF) includes two measures that are designed to drive the delivery of housing:

- (i) Five-year housing land supply (see below)
- (ii) Housing Delivery Test

1.2 The main difference between the two is that:

- (i) the five-year housing land supply measures the level of 'supply' that can be expected to come forward over a five-year period of time i.e. the number of homes that it is anticipated **will be** built; whereas
- (ii) the Housing Delivery Test measures the number of homes that **have been** built over a set period.

1.3 Both measures have established methodologies and assess the expected delivery of homes, and homes that have been delivered respectively, against the housing requirement for a local authority area. There is no latitude as to how the methods are applied.

2. What is the five-year housing land supply?

2.1 The latest NPPF (December 2024) sets out how the five-year housing land supply operates. There are two pertinent paragraphs:

Paragraph 78

Strategic policies should include a trajectory illustrating the expected rate of housing delivery over the plan period, and all plans should consider whether it is appropriate to set out the anticipated rate of development for specific sites. 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. The supply of specific deliverable sites should in addition include a buffer (moved forward from later in the plan period) of:

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

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

c) From 1 July 2026, for the purposes of decision-making only, 20% where a local planning authority has a housing requirement adopted in the last five years examined against a previous version of this Framework, and whose annual average housing requirement is 80% or less of the most up to date local housing need figure calculated using the standard method set out in national planning practice guidance.

Paragraph 79

To maintain the supply of housing, local planning authorities should monitor progress in building out sites which have permission. Where the Housing Delivery Test indicates that delivery has fallen below the local planning authority's housing requirement over the previous three years, the following policy consequences should apply:

a) where delivery falls below 95% of the requirement over the previous three years, the authority should prepare an action plan to assess the causes of under-delivery and identify actions to increase delivery in future years;

b) where delivery falls below 85% of the requirement over the previous three years, the authority should include a buffer of 20% to their identified supply of specific deliverable sites as set out in paragraph 78 of this framework, in addition to the requirement for an action plan;

c) where delivery falls below 75% of the requirement over the previous three years, the presumption in favour of sustainable development applies, as set out in footnote 8 of this Framework, in addition to the requirements for an action plan and 20% buffer.

Where there has been significant under delivery of housing over the previous three years¹, the supply of specific deliverable sites should in addition include a buffer of 20% (moved forward from later in the plan period)."

2.2 As the Wiltshire Core Strategy (adopted January 2015) is more than five years old, the housing requirement to be used in the five-year housing land supply calculation is Wiltshire's local housing need based on the Government's standard method². The local housing need is based on the existing housing stock and an adjustment to take account of housing affordability in the local authority area. It is recalculated every year based on the latest data which is applicable at the base date, currently 1 April 2024. The standard methodology operates on a local authority basis and does not disperse the local housing need figure to a smaller geographic level.

2.3 The annual update for Wiltshire has now been completed and the results of the assessment, using a base date of 1 April 2024, are set out in the 2024 Housing Land Supply Statement (HLSS). This is available on our website via this [link](#). Key points:

- The council cannot demonstrate the requisite five-year housing land supply. The current position indicates there is a **2.42 years** supply.
- The deliverable supply has increased from the previous position (as set out in Briefing Note 24-20) due to a number of factors, including an increase in the number of permissions being granted, and solutions for nutrient mitigation on environmentally designated sites being established.

¹ Where the Housing Delivery Test results indicate delivery below 85%.

² Planning Practice Guidance (MHCLG, December 2024) - <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>

3. How is the housing land supply calculated?

- 3.1 Housing land supply is calculated using a base date from which calculations are made to ensure a consistent position is established.
- 3.2 We have now updated the housing land supply calculation using a base date of 1 April 2024. Using this base date, an explanation is provided below:

Starting point for calculation at base date of 1 April 2024:

Local Housing Need (as at 1 April 2024) = **3,525 homes per annum**

Base 5-year requirement = **17,625 homes**

Add a 5% buffer to the base 5-year requirement = **18,506 homes**

What can be included in the supply ?

- (i) Number of homes on small sites (less than 10 homes) with planning permission or resolution to grant at 1 April 2024 = **1,415 homes** outstanding of which **955 homes** were considered to be deliverable within five years (the reduced number takes into account a delivery rate that is based on historic data on non-implementation and delivery timescales).
- (ii) Number of homes on large sites (10 or more homes) with full planning permission at 1 April 2024 = **4,853 homes** outstanding of which **4,289 homes** were considered deliverable within five years (the reduced number reflects delivery timescales and that some sites will not deliver in their entirety, or at all, in the five-year period).
- (iii) For other large sites with either outline planning permission, resolution to grant planning permission, or sites of any size which are allocated in the development plan³ at 1 April 2024 = **9,745 homes** outstanding, of which **2,411 homes** were considered deliverable over the five year period from 1 April 2024 to 31 March 2029 (the reduced number reflects delivery timescales and that some sites will not deliver in their entirety, or at all, in the five-year period).
- (iv) Windfall allowance: number of homes expected to be completed on new 'windfall' sites (which do not have planning permission as at 1 April 2024) over a five-year period from 1 April 2024 to 31 March 2029 = **1,290 homes**

Therefore, in total **8,945 homes** can be included in the deliverable supply.

- 3.3 (i) and (ii) are relatively straightforward statistical exercises, which involve an understanding of delivery timescales for individual sites.

³ Wiltshire Core Strategy, Chippenham Site Allocations Plan, Wiltshire Housing Site Allocations Plan, and allocations in Neighbourhood Plans which do not yet have planning permission.

- 3.4 (iv) is also a statistical exercise that requires understanding of past delivery trends and the potential for development opportunities to come forward in the future. As these are matters which vary year-on-year, the allowance is reviewed and refreshed as part of each annual update. The position includes an allowance for delivery on brownfield sites and small greenfield sites.
- 3.5 (iii) is more complex, and clear evidence must be provided for each site to meet the requirements of paragraph 78 of the NPPF, which requires that sites are deliverable over the five-year period being assessed. This means that for large sites, which take time to deliver, we may only be able to include the early phases of development in the five-year land supply.
- 3.6 So, while on the face of it there is a substantial pool of sites (for **17,303 homes** in total) and a higher level of supply could be expected, the timescales within which these can be delivered is a key consideration in setting out the five-year housing land supply. An assessment of the deliverability of these sites has indicated that only **52%** of these are capable of delivery during the five-year period 1 April 2024 to 31 March 2029. This is an increase from last year's assessment of deliverability, indicating that larger strategic sites are starting to come forward and contribute to the five-year supply. Factors determining housing delivery are often outside our control, as the development industry ultimately determines how and when sites come forward, despite planning permissions being granted and sites being allocated within the development plan.
- 3.7 It is important for credible judgements to be made in undertaking these assessments because they are subject to scrutiny at appeal by appellants, third parties and the appointed Planning Inspector.

4. What are the implications of not having a five-year housing land supply?

- 4.1 The implications for not having an adequate housing land supply for decision making were set out in previous briefing notes, most recently in [No. 24-18](#) (September 2024). These indicated that the presumption in favour of sustainable development applied when determining planning applications.
- 4.2 Following the December 2024 changes to the NPPF, the council is now required to demonstrate a five-year housing land supply (including the appropriate buffer as set out in paragraph 78 of the NPPF) to prevent the presumption in favour of sustainable development (or 'tilted balance') applying when determining planning applications. The implications of this are detailed in Briefing Note 24-20 (December 2024).

5. What is the Housing Delivery Test (HDT) and consequences?

- 5.1 It measures net homes delivery (i.e. net homes built) in a local authority area, such as Wiltshire, against the homes required over the preceding three years. It uses local authority completions statistics and planning data to carry out the calculation.
- 5.2 The results are published for each local authority area by the Secretary of State annually, see [Housing Delivery Test \(www.gov.uk\)](https://www.gov.uk/government/publications/housing-delivery-test)
- 5.3 As set out in the NPPF the Housing Delivery Test will apply the day following publication of the results, at which point they supersede previously published results. The most up to date

result, at the time of writing, is for 2023.

5.4 Since the inception of the Housing Delivery Test the published results for Wiltshire are:

2018	139% (years measured 2015/16 - 2017/18)
2019	149% (years measured 2016/17 - 2018/19)
2020	140% (years measured 2017/18 - 2019/20)
2021	141% (years measured 2018/19 - 2020/21)
2022	106% (years measured 2019/20 - 2021/22)
2023	135% (years measured 2020/21 – 2022/23)

5.5 The three consequences of failing the Housing Delivery Test (HDT) are set out in paragraph 79 of the NPPF, as follows:

1. Triggering the presumption in favour of sustainable development (HDT below 75%)

The presumption in favour of sustainable development (paragraph 11d, NPPF), as explained above, should be applied to decisions where the HDT indicates delivery has fallen below 75% of the housing requirement.

2. 20% buffer (HDT below 85%)

The five-year land supply must include an additional buffer of 20% where the HDT indicates that delivery was below 85% of the housing requirement.

3. Requirement to prepare an action plan (HDT below 95%):

The authority should prepare an action plan in line with national planning guidance, to assess the causes of under-delivery and identify actions to increase delivery in future years.

5.6 Wiltshire has consistently performed well against the HDT and has passed the test in the latest results. As a result, none of the consequences set out above apply in Wiltshire.

6. What can we do to improve the housing land supply?

6.1 The council will look to restore a five-year housing land supply through the Local Plan, which should be adopted prior to December 2025. In the interim, where applications are being considered for sites at settlements but outside the defined settlement boundaries there may be the opportunity to improve housing supply by favourably considering housing development proposals. The Wiltshire Local Plan review also looks to allocate additional housing land, some of which can be delivered within five years, and therefore will contribute towards meeting the five-year housing land supply in the future.

6.2 Since the base date of 1 April 2024, consents have continued to be granted permission on suitable sites. While these do not currently contribute to the housing land supply because they were permitted after the base date of 1 April 2024, they will help to increase the housing land supply in the future. New permissions help replenish the housing land supply as it is reduced due to housing completions, planning permissions lapsing, and delays in

delivery on key sites. Table 4 of the HLSS contains a list of large new sites (10 or more dwellings) that have been permitted since the base date up to the date of publication.

- 6.3 Work will now commence on the preparation of the next HLSS which will have a 1 April 2025 base date. These statements take time to prepare, particularly for authorities the size of Wiltshire, and typically take around 9 to 12 months from the base date to publication. It is anticipated that the next HLSS will take into account housing allocations in the Local Plan review.