

Housing Land Supply Paper

**Response to post hearing advice Block One Local
Plan Examination**

October 2025

Version 1.4

ECONOMY AND SUSTAINABILITY



Introduction

This paper has been prepared to respond to those matters relating to housing land supply as raised in the block 1 post hearing advice letter dated 3 July 2025. The specific section is included in full below:

Housing Land Supply

10. Paragraph 69 (Framework) requires that planning policies should identify a supply of specific, deliverable sites for years one to five following the intended date of adoption, with an appropriate buffer. Specific, developable sites or broad locations for growth should be identified for years six to ten and, where possible, years eleven to fifteen.

11. The Council's evidence of 3.9 years of supply presented to the examination falls short of the five-year requirement when the past shortfall and a buffer for that under delivery are factored into the calculation. This position is not consistent with national policy and, therefore, raises soundness concerns. Nor are we able to confirm five years of housing land supply, in line with the Council's request for us to do so.

12. We recognise that it may not be possible to fully respond to this issue until the hearing sessions for the site allocations have taken place and further consideration has been given to infrastructure delivery. However, ahead of the Block Two hearings we would ask for a response setting out how the Council proposes to address this issue of consistency with national policy, along with the likely timings for any further work.

Having reflected on the matters raised above, the Council have explored a number of options around how best to satisfy the requirement to identify a supply of deliverable sites sufficient to provide a minimum of five years' worth of housing against our housing requirement. This paper identifies the Council's preferred approach.

To inform the preferred approach the council tested various aspects of the methodology including: establishing the overall requirement, calculating the buffer, distributing the shortfall, revisiting the supply inputs and employing stepped targets over the plan period as allowed for by the London Plan.

In outlining our preferred approach, the paper also sets out the rationale and justification for this approach and demonstrates consistency with national and regional policy.

The council has also been asked to prepare a note on the barriers to housing delivery. The two notes are linked given that the 5 year land supply position is underpinned by assumptions on speed of delivery of sites. If/when issues identified are addressed and overcome (to an extent

this maybe reliant on national policy, but the council's note sets out the actions that the council is taking to support and enable increased delivery in the borough) buildout speeds should increase.

The submitted position (February 2025)

As summarised above in the post hearing letter, the evidence presented in February 2025 (as detailed in EB73), showed that the Council was unable to demonstrate that it could identify sufficient deliverable supply capable of meeting the 5 year requirement. Specifically, this evidence identified deliverable supply (anticipated to be delivered between 2024/25 to 2028/29) amounting to 13,016 net units. The identified deliverable supply amounted to 78% of the cumulative requirement for the same period, falling short by 3,657 units. This equated to 3.9 years of supply. This calculation is summarised in table 1 below:

Table 1 – 5 YHLS Summary Position (February 2025)

Component	Units
A – Basic Housing Requirement	10,785
B – Shortfall	3,109
C – Buffer at 20%	2,779
HR – Cumulative Requirement	16,673
D – Large Site Supply	10,296
E – Small Site Supply	2,120
F – NSC Supply	600
TS – Total Supply	13,016
Percentage Performance	78%
Supply in Years	3.9

There are a number of core methodological assumptions sitting behind this calculation which are noted here.

Of particular significance is the decision to follow the Sedgefield approach in relation to the treatment of shortfall. As detailed in EB73 it had been necessary to account for any shortfall arising from the base date of the target period which is set at 2019/20 as per London Plan policy H1. Covering the first half of the London Plan ten-year target period (2019/20 – 2023/24), delivery in Ealing has fallen short by 3,109, if monitored against an annualised position. Currently the 5-year calculation period aligns with the second half of the London Plan ten-year target window,

taking us up to 2028/29. Under the Sedgefield Approach the full extent of any shortfall is carried forward and added to the established requirement for the next five years. Alternative approaches such as the Liverpool Approach allow for some or all of that shortfall to be assigned beyond the 5 year calculation period. The rationale for applying the Sedgefield approach reflected the preference at the time to ensure that the measurable requirement tested through the 5 year calculation accounted for the full ten-year London Plan requirement before the end of 2028/29. Had the ten-year target window extended beyond 2028/29, then it is probable that the Council would have sought to distribute the shortfall over a longer period and thus reducing the shortfall attributed to the 5-year supply calculation.

It should be borne in mind that the cumulative requirement of 16,673 as expressed above in table 1 above would, if met, actually exceed the 10 year target total, when added to the 7,676 units previously delivered by some 2,779 dwellings. Combined this would amount to 24,349 net units, in excess of the 21,570 strategic target. The supply shortfall against the 5-year calculation arises because of the addition of the 20% buffer which is incorporated as part of the 5 year supply calculation, but does not form part of the original planned strategic requirement. This is of particular relevance in London where LPA level targets are exclusively a direct output of a capacity-based exercise (the Pan London SHLAA), with built in phasing assumptions.

It is perhaps also useful to briefly reflect on the factors which have contributed to the current calculated five-year supply position, considering both the requirement and supply inputs.

In respect of the 'requirement' inputs, as noted above the inclusion of the 20% buffer has had a significant bearing on the outcome, and has sizeably increased the measurable requirement utilised in the 5-year supply calculation. As documented in EB73 the inclusion of a 20% buffer beyond the standard 5% buffer was triggered as a consequence of the published 2023 HDT results. It is noteworthy that delivery fell short by only 1% against the threshold set to avoid the 20% buffer. Had a 5% buffer been triggered instead, then the supply position would be much improved. Whilst supply would still fall short of the 5 year requirement, it would be much closer to this total at 4.5 years.

The inclusion of a buffer also skews the understanding of performance when measured against the strategic requirement. As noted already the buffer takes the calculated cumulative requirement over and above the

strategic policy requirement as derived from the London Plan. The buffer is relevant only to the 5YHLS calculation, but beyond this it is not monitorable, and appropriately it is not written as an additional requirement into strategic policy SP4.3. Viewed in terms of the strategic target and policy, the position is, therefore more positive. Our identified 'deliverable' supply equates to 13,016. The base requirement for the first five years is 10,785 based on the established target. The shortfall/backlog currently stands at 3,109. Based on the identified 'deliverable' supply this is sufficient to meet all of the base requirement and a significant portion (72%) of the backlog. Against the ten-year target a shortfall of only 878 units would remain (around 4% of the 10 year total).

In respect of the supply position, to qualify as deliverable, the supply input relies on those units which are already advanced in respect of their planning status. Of the identified deliverable supply 62% (8,015) already benefit from full detailed permission, and evidence indicates that these are anticipated to complete during the first 5 years. The remaining 38% comprises 1,462 units with outline permission, 1,055 units from pending schemes, 364 from allocations and 2,120 calculated to derive from small sites. This position reflects a factual position, and is the outcome of the definition of a deliverable site as set through the NPPF (Annex 2: Glossary). There is no material scope to deviate from this finding or bolster this five year land supply position in the immediate term. This position principally reflects the established/emerging pipeline secured under the adopted policy context, and by and large it does not as yet reflect the effect of the emerging local plan. In practical terms the emerging local plan cannot change the housing supply position in the very short term – any sites it proposes to allocate or policies aimed at encouraging housing delivery will take time to lead to planning permissions and completions. The concept of the buffer assumes that a local planning authority has available to it deliverable sites which can be brought forward to bolster short term supply. That is not the case in Ealing.

Moreover, it should be noted that assumptions about build out times are fundamental to arriving at the housing trajectory and 5 year land supply figures. Land with the same physical capacity for housing will offer different contributions to the 5 year land supply depending on assumptions about build out. In the current market, some sites have stalled and other sites are taking longer to build out than would traditionally be the case. The reasons for this are explored in the

council's barriers to delivery paper and are issues that are being discussed at a local, regional and national level. Once some of these issues are addressed the delivery of sites is expected to speed up, and this will then improve the 5 year land supply position. It is not therefore principally an absence of sites or physical capacity which gives rise to the calculated 5 year supply position, but rather this is a feature of multiple factors impacting the speed of delivery.

Notwithstanding the above, this Paper tests various aspects of the methodology as previously established in EB73, to understand now whether the 5 year housing land supply requirement can be satisfied.

Reviewing the methodology

Revisiting the requirement inputs

Whilst the matters raised in the post hearing letter address specifically the 5-year calculation and outcome, it will be evident that it is not possible to consider this in isolation of the wider trajectory period and supply exercise. The following commentary therefore references both the 5-year calculation window and the wider trajectory period and exercise.

A - Reviewing the overall (basic) Housing Requirement

The published (February 2025) 5 year position statement derived its base requirement figure from the London Plan target which was annualised equally. It is noted that the latest 5 year supply calculation window extends up to the end of the London Plan 10 year target period in 2028/29.

Assessing the 5 year land supply will always be based on the information available at the time and more up to date information once available and verified may change the position.

As presented (February 2025) the trajectory covers the wider 20 year period encompassing 2019/20 to 2038/39. The first quarter covers the historical years. The remaining three quarters relate to 'future years'. The second quarter currently aligns with the 5 year supply calculation window. The third and fourth quarter look beyond the 5 year calculation period covering the remaining 10 years of the plan. For this iteration of the trajectory, EB73 advised that an annualised form of the London Plan target was rolled forward for the years beyond 2028/29. As presented

the overall requirement across the trajectory period equals 43,140 (i.e. $20 \times 2,157$). It is recognised that London Plan policy H1 introduces alternative methods for establishing local plan targets beyond the 2028/29. Specifically, it advises that boroughs may wish to draw on the 2017 SHLAA findings which cover the period to 2041. Having reviewed this option previously in the context of preparing the February 2025 trajectory, the Council had discounted this approach, noting that this would have led to establishing significantly lower targets post 2028/29, based off the significant drop in supply for those years identified in the SHLAA. Since this position largely reflected a limitation with the phasing approach employed as part of the pan London SHLAA, the Council did not consider that the 2017 SHLAA evidence for latter years, provided a sufficiently reliable source from which to establish the target post 2028/29. Having reflected on this position again as part of this exercise, and pending the completion of a new pan London SHLAA, the Council have not been able to identify better evidence or an alternative approach to establishing the target. In the absence of a credible alternative, the Council's preference remains to roll forward an annualised form of the adopted London Plan target. The detailed reasoning for this remains the same as set out previously in response to Matter 4 MIQ1).

In exploring options to ensure that the 5 year supply requirement is met, it was assumed that any approach must continue to satisfy the overall trajectory requirement of 43,140. However, there is scope set out in the London Plan to apply variable targets across the plan period whilst continuing to work within the overall totals.

Considering stepped targets over the whole plan period

As published (EB73) the trajectory utilises annualised targets derived from the London Plan, which are equalised over the trajectory period. Whilst this approach has the advantage of simplicity, it fails to acknowledge the variable nature of delivery, with levels of delivery fluctuating from year to year. 'Lumpy' delivery is a particular feature in London reflecting the prevalent flatted typologies, where completions typically occur and are recorded at a block level at more irregular intervals. This contrasts with house-based typologies which are more prevalent elsewhere, and which typically give rise to more consistent and regular rates of delivery. Moreover, the effect of this new plan in facilitating greater levels of delivery by, amongst other things, releasing sites from constraints, will take time as permissions are converted to completions. And the current barriers to delivery accentuate this issue.

The London Plan recognises this position in the context of setting and monitoring the 'ten-year delivery targets', acknowledging also that the target represents a step change in terms of the level of housing delivery expected, relative to earlier targets. Paragraph 4.1.10 notes that *'the increase in housing delivery required by these targets may be achieved gradually and boroughs are encouraged to set out a realistic and, where appropriate, stepped housing delivery target over a ten-year period.'* The option of using stepped targets provides an opportunity to better reflect the actual pattern of delivery, informed by the identified distribution of the supply by year, and to resolve the 5 year supply position.

As part of this work the council considered the use of a stepped target given that it can better take account of a more 'lumpy' delivery programme. There were a number of stepped options reviewed that would satisfy the requirement of the NPPF to demonstrate the existence of five years' worth of supply and could represent a satisfactory way forward. However, given the point in time this exercise was being carried out, i.e. 5 years into the ten year target and thus the first five years being based on the annualised target it was felt that a stepped target would be a second preference to one that maintained the annualised figures where possible.

B - Confirming the shortfall (backlog) total

Presently this reflects the cumulative shortfall arising between 1st April 2019 and 31st March 2024. For now, this figure (3,109) is effectively fixed until new completion figures are published encompassing the 2024/25 reporting year.

It is noted that the shortfall forms a part of overall requirement (i.e. 43,140), and it should not be read as being additional to this figure.

Redistributing shortfall

In the context of establishing the published position (February 2025) it has already been established that different approaches exist in respect of when and how any shortfall is distributed. The current 5 YHLS calculation employed the Sedgefield Approach, whereby the full extent of the shortfall (3,109) is added to the plan requirement for the next five years. Whilst the rationale for dealing with the shortfall upfront has been addressed elsewhere, national planning practice guidance advises that where authorities consider it necessary to deal with past under delivery over a longer period they should make that case as part of the plan making and examination process (paragraph 022). The approach taken to redistributing the shortfall directly impinges on the 5 year housing land

supply calculation, and is a key variable impacting the outcome of this exercise. Any reduction in the shortfall attributed to the next 5 years arising from its redistribution, will improve the five year land supply.

C - Calculating the buffer

As per the national planning practice guidance (paragraph 013) the buffer is calculated as a percentage of the base requirement and shortfall (backlog) combined, and is added to these resulting in a requirement figure over and above the level indicated by the strategic policy requirement. The buffer is relevant to the 5YHLS calculation only. The buffer does not feature in the trajectory which considers anticipated delivery over the life of the plan against the strategic requirement.

The NPPF establishes different buffer levels which are tied to different scenarios. The application of a 20% buffer has been triggered in Ealing's case because delivery in recent years has fallen below 85% of the housing requirement as established in the latest published HDT results. As noted previously, reported delivery equalled 84%, just short of the threshold where a 20% buffer would have been avoided. Nonetheless as it stands currently the 20% buffer is triggered. Reflecting the planning practice guidance it is accepted that the buffer has to be met during the 5 year window, which contrasts with the treatment of the shortfall where greater flexibility exists.

Revisiting the supply inputs

In addition to revisiting the requirement inputs, it is appropriate to explore whether the supply can be updated and whether this increases the identified deliverable supply with the aim of closing the gap.

As described in the NPPF (paragraph 69) and associated guidance (paragraph 007) the capacity identified for the five year land supply calculation must qualify as being deliverable. The NPPF (Annex 2: Glossary) provides a definition of deliverable, and the associated guidance provides further information (paragraph 007) around what evidence is needed to demonstrate deliverability. To be considered deliverable, sites for housing should be available now, offer a suitable location for development, and be achievable with a realistic prospect that housing will be delivered on the site within five years. Ordinarily sites would be advanced in respect of their planning status, benefitting from detailed permission. Whilst other opportunities may be included also, firm progress must have been made towards submitting or preparing a

planning application. Of the identified deliverable supply 62% (8,015) already benefit from full detailed permission, and evidence indicates that these are anticipated to complete during the first 5 years. The remaining 38% comprises 1,462 with outline permission, 1,055 units from pending schemes, 364 from allocations and 2,120 from small sites. Most of this capacity therefore reflects known schemes which are already part of the system.

The Council believe that it has been exhaustive in identifying deliverable capacity, accounting for the latest pipeline, live application lists and status information. There is no basis currently to re-categorise previously identified 'developable' supply as 'deliverable' supply. Efforts to identify new sites, such as via an additional call for sites exercise, would be of limited or no utility as such new opportunities, even if identified, are unlikely to qualify as 'deliverable' at present. Taking the 31st March 2024 cut-off (see response to Matter 4 MIQ12) all 'deliverable' opportunities are deemed to have been identified already through other sources.

No scope for adjustments has therefore been identified in relation to the quantum or distribution of the identified supply (from that presented already). As discussed above, a note on the barriers to housing delivery has been prepared to inform the examination, and the state of the market is inextricably linked to the speed of sites being progressed through the planning system and built out, in addition there are issues such as the Building Safety Act that have led to a slow-down in schemes being delivered for a number of reasons (both due to the process and the requirements). National and regional government are aware of all these issues and investigating ways to speed up delivery which may well mean some deliverable schemes are delivered faster than current assumptions assume and/or more sites move into the deliverable category. For example, issues with Register Provider capacity to engage in direct delivery or the purchase of s106 units may be improved to some extent in the summer spending review announcements, but that may take some months to filter into the system. The council's paper sets out the actions it is taking to speed up delivery, which again may improve the 5 year land supply situation through speeding up delivery.

The Proposed Approach

The detailed working for our preferred scenario is set out in the table below. The five year housing land supply calculation is also included demonstrating compliance with this requirement.

In summary the approach satisfies the overall plan requirement of 43,140 and assumes no change in the requirement (and supply) for historical years -4 to 0. In this approach the buffer is to be met within the next five years as that is set out as a requirement of the buffer in the PPG for the purpose of calculating the 5 year housing land supply position, but this buffer is not written into the overall requirement (target) as an additional component.

In this approach the base requirement and buffer are met in the 5 year period (with the buffer being calculated from the revised base requirement and shortfall apportioned to years 1 to 5) and a small amount of the backlog is met, but the majority of the backlog is met across years 6-15 reflecting the real world availability of the identified capacity.

Fixed & equalised target, majority of shortfall catered for in years 6 to 15, with modest provision made in years 1 to 5, buffer calculated from live requirement and shortfall

Year	Trajectory Year	Target (Annualised)	Target (5 yr total)	Backlog	Buffer	Identified Supply	Identified Supply (5 yr total)
2019-2020	-4	2157				1863	
2020-2021	-3	2157				1994	
2021-2022	-2	2157				1079	
2022-2023	-1	2157				1774	
2023-2024	0	2157	10785			966	7676
2024-2025	1	2157		12	433	1944	
2025-2026	2	2157		12	434	2261	
2026-2027	3	2157		12	434	2640	
2027-2028	4	2157		13	434	2947	
2028-2029	5	2157	10785	13	434	3224	13016
2029-2030	6	2157		304		4253	
2030-2031	7	2157		304		4106	
2031-2032	8	2157		304		4294	
2032-2033	9	2157		305		3230	
2033-2034	10	2157	10785	305		2517	18400
2034-2035	11	2157		305		1858	
2035-2036	12	2157		305		1602	
2036-2037	13	2157		305		1288	
2037-2038	14	2157		305		1210	
2038-2039	15	2157	10785	305		1123	7081
Total		43140	43140	3109	2169	46173	46173

5 Yr Supply Calculation

Component - Scenario 1x	Units
A – Basic Housing Requirement	10785
B – Shortfall	62
C – Buffer at 20%	2169
HR – Cumulative Requirement	13016
D – Large Site Supply	10296
E – Small Site Supply	2120
F – NSC Supply	600
TS – Total Supply	13016
Percentage Performance	100%
Supply in Years	5.00

Rationale

- The Council's proposed option accommodates a modest portion of the shortfall in years 1 to 5 alongside the full base requirement and buffer. It achieves this position without the need to adjust the planned target requirement and therefore maintains the integrity of the London Plan target as published for the period 2019/20 to 2028/29. No change is needed either in respect of strategic policy SP4.3. There are clear advantages to reinforcing the target as is and presenting a consistent position re. our planned requirement. Within the confines of the 5 YHLS calculation it is recognised that this outcome is contingent on our ability to be able to defer much of the shortfall to years 6 onwards, although this characterisation of the position re. the distribution of the shortfall reflects the calculation with the inclusion of a buffer. When considering the supply position against the strategic requirement underpinned by the London Plan target, where the buffer is excluded, the identified supply for years 1 to 5 is sufficient to meet all of the base requirement and over two thirds of the shortfall (72%). Of the various options considered, this is the Council's preferred option.