Borough Council of King's Lynn and West Norfolk

Housing Delivery Test Action Plan 2025 (in response to the 2023 results) Borough Council of King's Lynn & West Norfolk





# 1. Introduction and Aims

- 1.1 On 12 December 2024, the Government published its latest national Housing Delivery Test (HDT) result. The <u>2023 HDT result</u> superseded the previous 2022 result and showed a result of 60% for the Borough, therefore triggering the requirement for the Borough Council to prepare a HDT Action Plan and "presumption in favour of sustainable development" (National Planning Policy Framework, paragraph 11).
- 1.2 The 2024 (latest) Housing Delivery Test (HDT) Action Plan was approved by the Council on <u>27 November 2024</u>, just two weeks before publication of the Government's latest (2023) HDT result. The <u>2024 HDT Action Plan</u> was prepared in response to the 2022 HDT results, published by the Government on <u>19 December 2023</u> and which represented a comprehensive replacement to the 2019/ 2020 HDT Action Plan<sup>1</sup>. This:
  - Outlines proactive measures the Borough Council is currently taking to enable new homes to be delivered;
  - Provides a detailed analysis of the latest housing trajectory schedule and other data sources; and
  - Sets out a series of appropriate actions necessary to enable the increase of both supply and delivery of new homes moving forward.
- 1.3 The 2024 HDT Action Plan included an indicative 2023 result, based on the latest monitoring data (Table 13, 2024 HDT Action Plan).

KLWN 2023 HDT indicative result									
Number of homes required		Total number of homes required		nber of ho delivered		Total number of homes delivered	Housing Delivery Test: updated (2023) measurement	Housing Delivery Test: 2023 consequence	
2020- 2021	2021- 2022	2022- 2023	2020-2023	2020-2021-2022-202120222023			2020-2023		
358	547	572	1477	340	340	616*	1296	88%	Action plan

\* 569 + 47 dwellings carried forward from 2021-22 monitoring year

1.4 The 2023 HDT result showed a significant discrepancy between the latest Government figure (60%) and the Borough Council's own indicative calculation (88%), thereby technically triggering the "presumption in favour of sustainable development" (NPPF, paragraph 11). This is because this Government's HDT results webpage was to be taken as the definitive result. Notwithstanding, in either scenario the 2023 HDT result requires the Borough Council to prepare and/ or update the 2024 HDT Action Plan. This Action Plan fulfils this responsibility and is an update to previously published 2024 Action Plan.

<sup>&</sup>lt;sup>1</sup> <u>https://www.west-norfolk.gov.uk/info/20079/planning\_policy\_and\_local\_plan/753/5-year\_housing\_land\_supply\_position\_and\_housing\_delivery\_test\_hdt</u>

# 2. Challenge to the 2023 HDT result

- 2.1 Immediately following publication of the HDT results (12 December 2024), the Borough Council wrote to the Ministry of Housing, Communities and Local Government (MHCLG) to dispute the published figures. This was followed by an exchange of communication between MHCLG, Office for National Statistics (ONS) and BCKLWN officers, culminating a meeting between officers of MHCLG, ONS and the Borough Council.
- 2.2 During the meeting between MHCLG, ONS and the Borough Council (21 January 2025), MHCLG and ONS acknowledged that there is an issue with our published HDT figures. ONS has indicated that this is due to how data was collated for the 2011 Census which appeared to have artificially increased the numbers of dwellings, due to large numbers of static holiday homes having been incorrectly counted as "dwellings". MHCLG and ONS agreed to investigate further, in view of evidence presented by the Borough Council.
- 2.3 On 26 March 2025, MHCLG formally wrote to the Borough Council setting out a recalculated 2023 HDT result<sup>2</sup>. The letter is also appended as an Annex to this HDT Action Plan update. The revised calculation is set out below.

Number of homes required			Total number of homes required	Number of homes delivered			Total number of homes delivered	Housing Delivery Test: updated (2023) measurement	Housing Delivery Test: 2023 consequence
2020-	2021-	2022-	2020-2023	2020-	2021-	2022-	2020-2023		
2021	2022	2023		2021	2022	2023			
358	547	576	1481	340	340	616*	1296	87%	Action plan

\* 569 + 47 dwellings carried forward from 2021-22 monitoring year

2.4 The final published figure (March 2025; as shown in the Annex) varies slightly from the Borough Council's interim calculations. MHCLG's figure for the 2022-2023 monitoring year (576) is higher than the Borough Council's figure (572), due to how figures had been rounded in applying the standard method. In any event, the 87% 2022-2023 result entails preparation of an updated HDT Action Plan for the forthcoming (2023-2024) monitoring period.

# 3. Local Housing Need – incorporated into Local Plan 2021-2040

3.1 The Standard Method for calculating Local Housing Need (LHN), as per the NPPF and PPG, was used to calculate the LHN for the Local Plan 2021-2040, adopted 27 March 2025. As of 1 April 2024 (base date), this provides a figure of 554 new homes per year. The LHN calculation is set out below.

<sup>2</sup> <u>https://www.west-</u>

norfolk.gov.uk/download/downloads/id/9423/housing\_delivery\_test\_2023\_recalculation\_letter.pdf

# Step 1: Setting the baseline

2014 - Based Household Projections in England. Table 406:

2024	2034	Growth
68,608	72,899	4,291

4,291 / 10 = 429.1

## Step 2: An adjustment to take account of affordability

2022 Median Work Based Affordability Ratio Table 5c:

2022 = 8.64

Adjustment Factor

= (local affordability ratio -4/4) x 0.25

= (8.64 - 4 / 4) x 0.25 = 0.29

Minimum annual local housing need figure

= (1 + adjustment factor) x Projected household growth

= (1 + 0.29) x 429.1

= (553.539<u>) **554**</u>

# Step 3: Capping the level of any increase

Where the relevant strategic policies for housing were adopted more than 5 years ago (at the point of making the calculation), the local housing need figure is capped at 40% above whichever is the higher of:

- a. the projected household growth for the area over the 10 year period identified in step 1; or
- b. the average annual housing requirement figure set out in the most recently adopted strategic policies (if a figure exists).
- The average annual housing requirement figure in the existing relevant policies (Core Strategy 2011) is 660 a year
- Average annual household growth over 10 years is 429.1 (as per step 1)
- The minimum annual local housing need figure is 554 (as per step 2)
- The cap is set at 40% above the higher of the most recent average annual housing requirement figure or household growth:
- Cap = 660 + (40% x 660) = 660 + 264 = 924

The capped figure is greater than minimum annual housing need figure and therefore the minimum figure for this local authority is **554.** 

# BCKLWN Local Housing Need (LHN) = 554

3.2 Over the 19-year Local Plan period (2021/22 to 2039/40) the LHN calculation requires 10,526 new homes. Completions data has already been recorded for the first three years (2021-2024), with 16 years of the plan period remaining beyond the latest monitoring data (2024-2040), following adoption of the Local Plan (March 2025).

# 4. BCKLWN Indicative Housing Delivery Test Result 2024

- 4.1 The HDT results are anticipated to be published in November each year. They are based upon the previous 3 financial years. The most recent (2023) result was confirmed by MHCLG on 26 March 2025 (see section 2, above/ Annex below), citing completions data from the following financial years:
  - April 2022 March 2023;
  - April 2021 March 2022; and
  - April 2020 March 2021.
- 4.2 Data is already available for the 2023-2024 monitoring year, allowing an interim 2024 result to be prepared. Updated calculations are set out below, which reflect the respective positions for the 2023 and 2024 datasets. Slight discrepancies previously identified between the Government (MHCLG) and Borough Councils' housing completions data for 2020-2023 are also now resolved.

### Indicative 2024 HDT result

4.3 The initial MHCLG housing number returns for the 2023-2024 monitoring year were submitted in September 2024. These demonstrated that 606 new homes had completed within the Borough during the 2023-2024 financial year (monitoring year). This applies 2023-2024 monitoring period that was submitted in October 2024 for the 2024 return.

2024 HDT indicative result									
Number of homes required		Total number of homes required	Number of homes delivered			Total number of homes delivered	Housing Delivery Test: updated (2024) measurement	Housing Delivery Test: 2024 consequence	
2021- 2022	2022- 2023	2023- 2024	2021-2024	2021- 2022	2022- 2023	2023- 2024	2021-2024		
547	576	554	1677	340	616	606	1562	93%	Action plan

- 4.4 The latest (2024) indicative result (93%) indicates a 6% increase from the (2023) figure (87%). However, the HDT figure still falls marginally below the 95% "pass" figure.
- 4.5 Accordingly, the HDT Action Plan remains important in setting out possible approaches to the Borough Council to further boost housing delivery rates. The indicative 2024 result demonstrates that there could remain a requirement to further produce/ review the HDT Action Plan, once the 2024 result is published (late-2025).

# 5. Monitoring

- 5.1 The Borough Council recognises the ongoing importance of monitoring housing completions and continues to apply a comprehensive approach in which housing completions are monitored. This continues to evolve, utilising technology and intelligence captured by other Council services and external organisations; the main methods of data collection currently include those listed below:
  - Using dedicated computer software to record information, in combination with GIS software.
  - Dedicated team established for monitoring purposes.
  - Intelligence from BC Council Tax department.
  - BC waste and refuge information.
  - BC Street Naming & Numbering intelligence.
  - Community Infrastructure Levy (CIL) information.
  - Condition monitoring information.
  - Planning officer information.
  - Contacting the owners/agents/developers of the site
  - In person site visits
  - Information from the Valuation Office Agency (VOA) via Geo-Place.
  - Ordnance Survey (OS) digital mapping updates.
- 5.2 The HDT Action Plan should work alongside the Council's plan monitoring processes. The Authority Monitoring Report (AMR)<sup>3</sup> provides the definitive record for plan monitoring, including housing delivery.
- 5.3 The AMR is a requirement of the 2004 Planning and Compulsory Purchase Act. The most recent AMR (2023-2024) was prepared with reference to the previous Local Plan (consisting of the 2011 Core Strategy and 2016 Site Allocations and Development Management Policies Plan). Given the recent adoption of the replacement Local Plan 2021-2040, housing delivery is now monitored with reference to the annual calculation for local housing need (554 dwellings per year section 2, above), using the Government's standard method and incorporated into the new Plan.

<sup>&</sup>lt;sup>3</sup> <u>https://www.west-</u> norfolk.gov.uk/info/20079/planning policy and local plan/354/authority monitoring reports amr

- 5.4 The December 2024 NPPF update and associated HDT Rule Book<sup>4</sup> includes a revision to the standard method, which would lead to a near doubling of the Borough Council's local housing need (LHN), from 554 to 989 new homes required per year. However, the Government has proposed transitional arrangements, whereby if there is an adopted spatial development strategy of less than 5 years old, then this would form the benchmark against which housing delivery and supply should be measured (i.e. 554 dwellings per year). Therefore, housing delivery should be monitored against the current LHN (554), until at least the end of the 2029-2030 monitoring period.
- 5.5 The NPPF allows the LHN used for the Local Plan to be applied for up to 5 years from the date of adoption (in this case, March 2025), where the housing requirement is 80% or less than the most up to date figure (calculated using the revised standard method). For the Borough, the Local Plan figure (554 dwellings), is just 56% of that using the revised standard method. Therefore:

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. (December 2024 version, paragraph 78(c))

- 5.6 The NPPF (paragraph 78) specifies that the basis for calculating a five-year housing land supply will be adopted strategic policies (i.e. Local Plan 2021-2040), for the first 5 years beyond adoption. However, this requirement will increase from 554 dwellings (+5% buffer) to 554 dwellings (+20% buffer) from 1 July 2026 until the end of March 2030. Only following the 2029-2030 monitoring year would the new standard method apply (i.e. 989, or the calculated 2028-2029 figure, probably around 1,000 dwellings) be triggered.
- 5.7 The HDT rule book confirms (paragraph 12) that where the latest adopted housing requirement figure is less than 5 years old, the Local Plan (spatial development strategy) requirement will continue to be used until it is more than 5 years old. In the case of the Borough, the 554 annual local housing need figure (as used for the Local Plan 2021-2040) will continue to apply for the purposes of calculating HDT for the Borough, at least until March 2030.
- 5.8 After 27 March 2030, the revised standard method should be applied for calculating the HDT result. This currently results in an annual requirement for 989 dwellings, so it could be anticipated that 2029/2030 HDT result could be around 1,000 dwellings per year.
- 5.9 By successfully adopting the new Local Plan, this brings certainty for the Borough Council, in terms of how housing delivery and supply is monitored, for up to 5-years ahead.

<sup>&</sup>lt;sup>4</sup> <u>https://www.gov.uk/government/publications/housing-delivery-test-measurement-rule-book/housing-delivery-test-measurement-rule-book</u>

# 6. Housing Delivery Test Action Plan: Actions

- 6.1 In 2023 the Borough Council adopted a new Corporate Strategy<sup>5</sup>. This will apply to 2027 and sets out a vision for: "*A place where people can thrive, the environment is protected, heritage is preserved, and development meets the needs of people as well as legislation*". This should be achieved through a range of overarching themes and priorities relating to housing delivery, including:
  - Promote growth and prosperity to benefit West Norfolk;
  - Support our communities;
  - Work collaboratively; and
  - Implementing our priorities.
- 6.2 The Corporate Strategy sets out a range of potential measures for achieving corporate priorities, with reference to housing delivery. These are as follows:
  - Work with partners to develop a shared vision for a vibrant borough
  - Increase the number of good quality new homes and associated infrastructure built through direct provision by working with registered social landlords and private sector developers
  - Encourage private sector housing development that supports local need, delivers on local infrastructure
  - Provide information to local people, businesses and visitors in a timely and accessible manner
  - Improve access to affordable homes and work to improve the quality of rented accommodation.
- 6.3 The Corporate Strategy provides an overarching framework, within which the Action Plan should function. The table below (Figure 10 from the 2024 HDT Action Plan) outlines actions have been identified by the Borough Council, seeking to increase housing supply and delivery. These are categorised in timescales of when each could be achieved. They are based upon the Borough Council's ongoing activities and the analysis of the housing completions and permission data available.

<sup>&</sup>lt;sup>5</sup> <u>https://www.west-</u> norfolk.gov.uk/info/20163/corporate performance and transparency/1090/corporate strategy 2023 - 2027

Summary of Actions identified	(further details are	Relevant measure(s) identified
-	(iuither details are	
<ul> <li>Provided in Appendix)</li> <li>Ongoing:         <ul> <li>Continue to proactively w towards delivery of the W Growth Area (WWHGA) a infrastructure.</li> <li>Consider mechanisms an arrangements for reducin planning permissions, in I Delivery Test result and fi housing land supply posit</li> <li>Continue to provide supp communities wishing to p Neighbourhood Plan for t appropriate support neigh allocations.</li> <li>Continue to provide Mem understand their role in su delivery.</li> <li>Continue to proactively m delivery (completions and including allocated sites (</li> <li>Norfolk Strategic Planning continue to support this n Norfolk, which functions a Common Ground betwee</li> </ul> </li> </ul>	brk with partners est Winch Housing and associated d working g the time given to ight of the Housing uture five-year ions. Dort for those repare a heir area and if bourhood plan ber training, to upporting housing onitor overall housing permissions), l.e. planned growth) g Framework - on-statutory plan for is a Statement of	<ul> <li>Increase the number of good quality new homes and associated infrastructure.</li> <li>Encourage private sector housing development that supports local need, delivers on local infrastructure.</li> </ul>
<ul> <li>Borough Council to carry regard to its established h and seek to provide furthe Borough.</li> <li>Consider methods for inc Custom and Self-Build (C meet the defined need (a Register). These may inclarger sites promoted throconsider a percentage por proportion of housing on allocations to be reserved. To ensure the need is beimore rigorous and robust entries on the Register ar</li> <li>The Regeneration Team bring forward projects whopportunities for bolsterin e.g. Economic Strategy, t studies etc.</li> </ul>	er housing companies er housing within the reasing delivery of &SB) housing, to s shown on the dude, for example, for ugh a new local plan, licy requiring a site-specific for C&SB homes. ng met, implement monitoring, for both d C&SB consents. should continue to ch provide g housing delivery;	
<ul> <li>Short Term (1-2 years):</li> <li>Move to determination of accordance with Local Plance</li> </ul>		<ul> <li>Work with partners to develop a shared vision for a vibrant borough.</li> </ul>

Summary of Actions identified (further details are	Relevant measure(s) identified
provided in Appendix)	in Corporate Strategy
<ul> <li>national policy, to provide clarity, certainty and consistency.</li> <li>Review and update Housing Delivery Test (HDT) Action Plan as appropriate.</li> <li>Review Borough Council's partnerships and working arrangements with private sector construction firms.</li> <li>Analyse and consider potential opportunities for securing funding opportunities to support housing delivery; e.g. West Norfolk Shared Prosperity Funding, Rural England Prosperity Funding.</li> <li>Adoption of replacement Local Plan 2021-2040 –maintaining opportunities to bring forward a balanced portfolio of sites in terms of size, location, and Greenfield / Brownfield.</li> <li>Produce a new Strategic Housing Marketing Assessment (SHMA) which could support the next Local Plan.</li> <li>Development of new Strategic Infrastructure Delivery Plan (IDP), to better coordinate delivery.</li> <li>Continue to work with adjoining local authorities, including as part of the Norfolk Strategic Planning Framework.</li> </ul>	<ul> <li>Encourage private sector housing development that supports local need, delivers on local infrastructure.</li> <li>Provide information to local people, businesses and visitors in a timely and accessible manner.</li> <li>Improve access to affordable homes and work to improve the quality of rented accommodation.</li> </ul>
<ul> <li>Medium Term (2-5 years):</li> <li>Prompt implementation of housing schemes on the Borough Council's own sites – Build out of Borough Council sites which are allocated, have planning permission, or funding.</li> <li>Once the emerging Local Plan has been adopted commence work on a new Local Plan – The Government is currently considering what a new local plan preparation framework will look like. Part of this is based on Levelling Up and Regeneration Act (LURA 2003), however we await further consultation on this. It is currently anticipated that the new plan making framework could be in place by summer/ autumn 2025.</li> <li>Borough Council to consider future programme for Rural Exception Sites (affordable housing).</li> <li>Borough Council to carry out its functions as a Registered Provider and consider direct provision of affordable housing.</li> <li>Consider sites which may have stalled.</li> <li>Commence preparation of a new Local Plan, under the new system introduced through the</li> </ul>	<ul> <li>Work with partners to develop a shared vision for a vibrant borough.</li> <li>Pro Increase the number of good quality new homes and associated infrastructure.</li> <li>vide information to local people, businesses and visitors in a timely and accessible manner.</li> </ul>

Summary of Actions identified (further details are provided in Appendix)	Relevant measure(s) identified in Corporate Strategy		
2023 Levelling Up and Regeneration Act and 2025 Planning and Infrastructure Bill.			
<ul> <li>Long Term (5+ years):</li> <li>Borough Council to consider delivering more homes – both on own land and consider other options.</li> <li>Progress and adopt new Local Plan.</li> </ul>	N/a – current Corporate Strategy expires in 2027		

- 6.4 The 2024 HDT Action Plan describes current and ongoing projects and activities that the Council is actively engaged in maximising opportunities to deliver the necessary housing to meet local needs. It sets out specific actions that ensure the BC fulfils both its legal obligations and strategic aspirations, as specified in the Corporate Strategy. This update note represents a "light touch" update, in light of the 2023 HDT result, December 2024 NPPF update and adoption of new Local Plan 2021-2040 (27 March 2025). It is anticipated that preparation of a new Local Plan under the reformed system that is due to be introduced through the 2023 Levelling Up and Regeneration Act, and 2025 Planning and Infrastructure Bill<sup>6</sup> will commence in late-2025.
- 6.5 The Borough Council realises that if it is to meet the tests set by Government, then we need to play to our strengths. Based upon the detailed analysis of housing delivery and supply for the 2024 HDT Action Plan, strengths include in-house expertise in direct delivery through the Borough Council's actions on land it owns and active intervention on other sites (as necessary). It also means creating a policy framework which enables opportunities for sustainable windfall sites to continue to come forward at sustainable locations and in a sensitive manner, promoting growth and prosperity and supporting our communities, in line with the Corporate Strategy and newly-adopted Local Plan 2021-2040.
- 6.6 Other approaches to traditional models of development need to be considered such as Custom & Self-Build, we have seen that some sites have been delivered, that otherwise may not have been in such a timely manner. A more obvious measure is to ensure the Borough Councils continues to grant planning permission for Local Plan site allocations and proposals for sustainable windfall development, in accordance with the development plan (particularly the newly adopted Local Plan), unless material considerations indicate otherwise, and without delay.
- 6.7 Actions will be monitored through future updates to the Housing Delivery Test Action Plan. On the basis of the interim 2024 update, it is likely that a further HDT Action Plan will need to be produced after publication of the 2024 result (anticipated November 2025). The Appendix to the 2024 HDT Action Plan, accompanied by this update, provides a detailed and comprehensive review of specific actions that the Council can, and should, continue to pursue to achieve successful housing delivery, meeting local needs.

<sup>&</sup>lt;sup>6</sup> https://www.gov.uk/government/publications/the-planning-and-infrastructure-bill

## ANNEX: MHCLG letter, 26 March 2025



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26th March 2025

# Letter from MHCLG regarding recalculation of your 2023 Housing Delivery Test score

Dear Michael

You previously contacted us regarding the use of census-adjusted net additions figures in the 2023 Housing Delivery Test (HDT). In your correspondence to us, you provided us with evidence that the census-adjusted net additions figure for the 2020/21 year does not reflect the on-the-ground delivery in King's Lynn & West Norfolk, and that the use of this figure has affected your HDT consequence.

Following discussions with the ONS, it has been brought to our attention that methodological changes to the way certain types of accommodation are counted, made between the 2011 and 2021 census, may have resulted in changes to total stock counts in your area.

While we continue to rely on the census dwelling count as the baseline for the net additional dwelling statistics, as it is one of the most reliable National Statistics produced and subject to intensive validation processes/address matching, we understand that use of the adjusted figure for the 2020/21 measurement year has resulted in a different HDT consequence in your area than would have been the case compared to if the non-adjusted figures were used. After investigations of the data, including the evidence you submitted to us, we believe that in this specific instance the adjusted figures are not appropriate to use in the HDT.

We are therefore able to recalculate your 2023 HDT score using non-adjusted net additions figures.

We have produced a revised score using the non-census-adjusted net additions figures for the 2020/21 measurement year. We have also reflected revisions made to 2022/23 net additions.

We are therefore able to confirm that King's Lynn & West Norfolk's revised 2023 HDT measurement is as follows:

Number of homes required		Total number of homes required	Number of homes delivered		Total number of homes delivered	Housing Delivery Test: 2023 measurement	Housing Delivery Test: 2023 consequence		
2020 -21 358	2021 -22 547	2022 -23 576	1481	2020 -21 340	2021 -22 340	2022 -23 616	1296	87%	Action plan

For the avoidance of doubt, this letter supersedes the measurement for your local authority area which was published on 12 December 2024. To provide clarity, you should publish this on your website.

The revised Housing Delivery Test measurement for King's Lynn & West Norfolk takes effect upon receipt of this letter, as will any consequences that apply as a result of the measurement.

The consequence shown above will remain in place until the next publication of the Housing Delivery Test measurement.

Kind regards,

#### Planning Policy Team

Ministry of Housing, Communities and Local Government