

North East Lincolnshire

Housing Topic Paper

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Section 1 Introduction

- 1.1 This paper sets out the approach the Council has taken to various different elements of Housing, setting out options that have been considered where appropriate. It should be read in conjunction with the evidence base supporting the Council's Pre-Submission Draft Plan.

Section 2 Policy context

2.1 Delivering a sufficient supply of homes

- 2.1** The review of the Adopted North East Lincolnshire Local Plan (Adopted 2018) is being undertaken under the 'legacy' system, with the National Planning Policy Framework (NPPF) 2024 being the relevant document. The (NPPF) emphasises the Government's objective to significantly boost the supply of homes, requiring Local Plans to ensure enough land is allocated to meet local housing needs over the plan period. Policies for housing delivery sit within the NPPF's section on "Delivering a sufficient supply of homes," introduced in this version of the Framework.
- 2.2** The Framework is explicit that meeting identified needs is a central purpose of Local Plans, requiring councils to plan for a level of housing growth aligned with national ambition. Supporting commentary confirms that the Government is targeting around 370,000 homes per year, reflecting a strengthened delivery agenda.

2.2 Standard Method for assessing local housing need

- 2.3** A key change in the December 2024 NPPF is the introduction of a revised Standard Method for calculating local housing need. This becomes the mandatory basis for establishing housing provision in Local Plans. The December 2024 Standard Method:
- Uses a baseline equivalent to 0.8% of existing housing stock, replacing dependency on household projections.
 - Applies a revised five year average median affordability ratio to determine local uplift.
 - Removes previous caps and the former "urban uplift", ensuring the calculation outputs a minimum housing requirement aligned with Government growth priorities.
- 2.4** This calculation forms the minimum number of homes Local Plans should seek to deliver. The December 2024 NPPF makes clear that housing targets are no longer advisory: mandatory housing targets have been reinstated, reversing the 2023 flexibility.
- 2.5** The calculation uses a nationally published affordability ratio that is revised on an annual basis. The calculation is carried out centrally and then published for local authorities to use.
- 2.6** The standard methodology calculation for 2025/26 for North East Lincolnshire is 621 dwellings per annum (DPA).

2.3 Requirement for local plans to meet identified housing need

- 2.7** Following the new Standard Method, Local Plans must:

- Meet the full local housing need unless national policies provide strong reasons to justify lower delivery;
- Demonstrate that sufficient sites are available, suitable and achievable to accommodate the housing requirement over the plan period;
- Prioritise site allocations that contribute to sustainable growth and deliverability over the first five years and beyond.

2.8 The Framework emphasises that Local Plans should ensure a continuous supply of developable land supported by robust evidence, clear site selection methodologies, and deliverable trajectories.

Section 3 Background

- 3.1** The Local Plan was adopted in 2018 and covers the period 2013 to 2032. The Local Plan contains a number of policies that set out the strategic direction for the provision of housing over the Plan period. The adopted Plan includes policy 3, which sets out a hierarchy of settlements based on the services they provide and their status within the Borough. Each of the settlements has a defined settlement boundary, which helps to manage the pattern of growth.
- 3.2** Adopted Plan Policy 2 sets out a total housing requirement of 9,742 homes over the Plan period. This equated to 512 per year. When adopted in 2018, the approach was based on the Housing Needs Assessment available at that time. Subsequent changes to national policy introduced the standard methodology calculation July 2018. The Council embarked on the first review of the adopted Local Plan in 2022.

3.1 Site assessment

- 3.3** The Council produced a Strategic Housing Land Availability Assessment (SHLAA) with the results published in 2025.
- 3.4** The proposed allocations include a mix of existing allocations and new sites submitted as part of a Call-for-Sites exercise. The SHLAA provides the main assessment of the sites in relation to suitability, availability and deliverability. The initial Regulation 18 consultation included all possible sites. The second Regulation 18 Preferred Option consultation then set out the list of sites proposed to be taken forwards for allocation.
- 3.5** As part of the work on the SHLAA, sites were discounted based on a variety of factors. These factors were considered likely to be fundamental barriers to a site coming forwards within the reviewed Local Plan period. The assessment was based on the SHLAA Methodology (2025).
- 3.6** The refined set of sites were confirmed as being suitable through a more detailed assessment using pro-formas contained in the Site Selection document, which assess each site against a number of metrics and constraints.
- 3.7** During late 2025 and 2026 the site owners/promoters were again contacted to confirm the sites were still available and to try and obtain additional information regarding delivery rates and timescales. Where this information has been made available it has been used to update the trajectory to give a more accurate picture.

3.2 Delivery rates per year

- 3.8** The Trajectory for the Pre-Submission Draft Plan uses a standard 25 Dwellings Per Annum (DPA) where no other information is available.
- 3.9** The 2014 SHLAA Methodology section 3.36 includes an assessment of the delivery rates. The conclusions have been shown in the first table below. This first table shows that delivery rates for sites below 200 houses averaged at 25 DPA and for

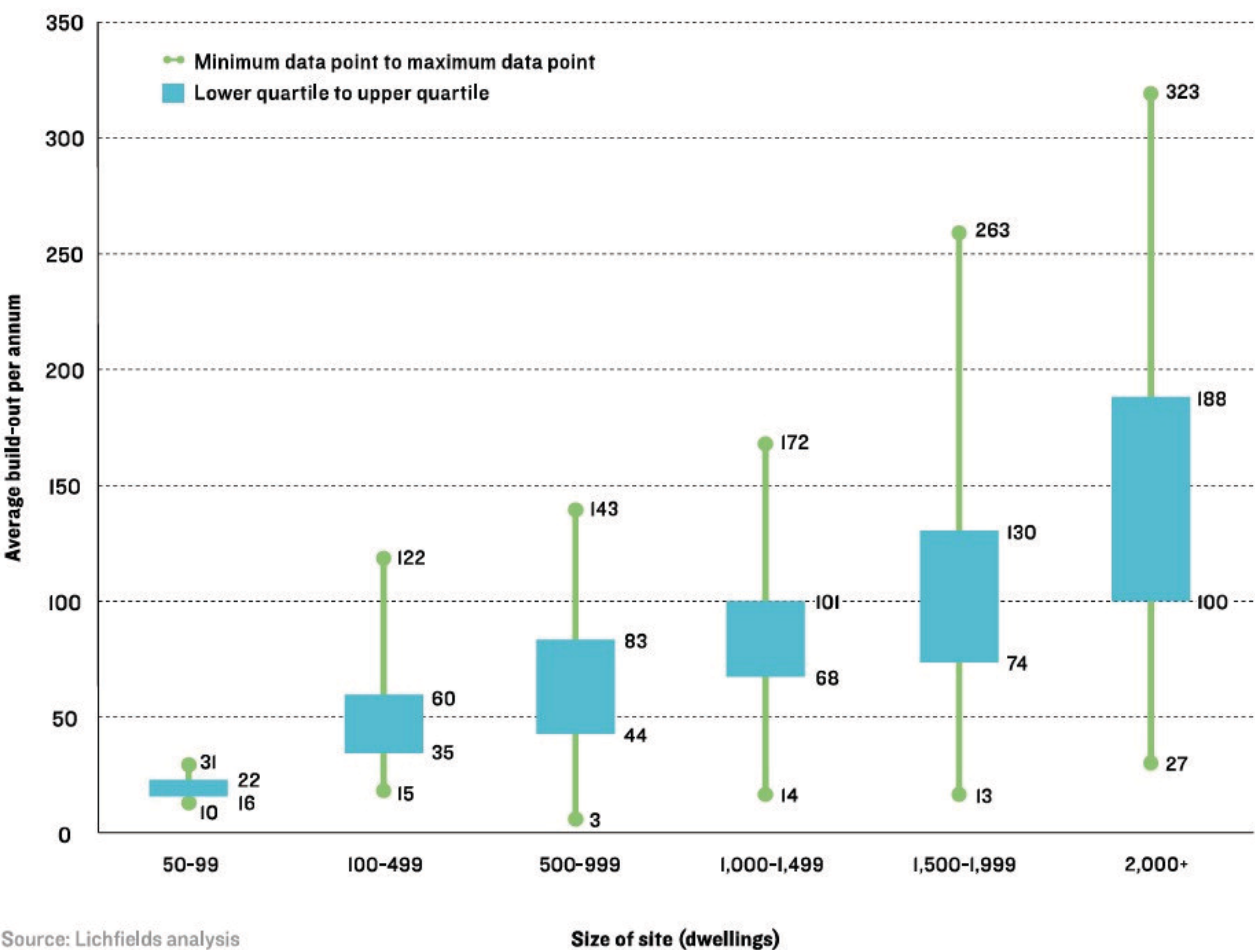
sites over 200 houses (with multiple developers) the average was 45 DPA. For apartments/flats it set out an average rate of 30 units per annum. It is acknowledged that this assessment is now over 10 years ago.

- 3.10** In addition to this, Lichfields Start-to-Finish (2024) considered 297 sites covering 387,000 dwellings. The results are shown in the second table below. This shows that for smaller sites of 50-99 dwellings the benchmark is around 16-22, slightly below the 25 DPA used in the Trajectory. However, for sites of 100-499 the benchmark is between 35-60, which is significantly above the 25 DPA used. For larger sites this rises further, with 500-999 producing between 44-83 DPA. When looking at the Trajectory, there are a number of sites with capacity for over 100 dwellings that still only use the benchmark of 25 DPA, but under the Lichfield assessment could potentially yield higher numbers per year.
- 3.11** When having regard to both the SHLAA Methodology 2014 and the Lichfield Start-to-Finish 2024, it is considered that the 25 DPA used as the benchmark in the Trajectory is a conservative figure for many of the sites proposed to be allocated, in particular those in the 100-500 range.
- 3.12** This 25 DPA average is used as a baseline for all sites to understand how many homes each will provide throughout the plan period. However, in order to improve the understanding on a site-by-site basis, contact has been made with the promotor/landowner to obtain more specific information, regarding their likely commencement timescales and trajectory of delivery. This information has been used to update the rates for relevant sites to align with the actual projected delivery.

Site Delivery Rate Assumptions			
Type of development	Site Size	Number of developers assumed	Delivery rate (units per annum)
Houses	Below 200	One	25
Houses	200 and Above	Two or more	45
Apartments/Flats	N/A	N/A	30

Picture 3.1 SHLAA Methodolgy 2014

Figure 4.I: Average build-out rate by size of site (dwellings)



Source: Lichfields analysis

Figure 3.1 Lichfield Start-to-Finish (2024)

3.13 1

3.3 Windfall allowance

3.14 An assessment has been undertaken looking at the historic rate of windfall delivery across the District. This assessment considered average rates over the period 2018 to 2025. The work considered sites of a size one to nine dwellings. The findings indicated that the average was 120 dwellings per year completed as windfall. However, the assessment advises that for the first five years, major applications should be excluded to ensure double counting of any already known/committed sites is avoided. This reduces the windfall figure for the first five years to 77 DPA, rising to 120 DPA for the remaining Plan period. Annual monitoring will be used to ensure this figure continues to be realistic.

1 The Lichfield report is available to view on their website via: [Lichfield Start-to-finish \(2024\)](#).

Year	Major	Minor	Small minor	Total
2018 to 2019	36	26	42	104
2019 to 2020	44	51	58	153
2020 to 2021	43	15	30	88
2021 to 2022	143	23	65	231
2022 to 2023	10	20	54	84
2023 to 2024	24	37	56	117
2024 to 2025	1	19	42	62
Total	301	191	347	839
Average				119.86
Average excluding major				76.86

Table 3.1 Windfall calculation

3.4 Demolitions allowance

- 3.15** An assessment has been undertaken to understand how many dwellings are lost through demolitions. This assessment considered the average losses over the period 2018-2025. This figure is then used to work out how many additional plots must be included in the Local Plan to offset these losses and ensure the overall housing target is met.
- 3.16** The work has identified that on average over the period, the average was 66 dwellings lost. It can be seen that spikes do occur, for example when a block of flats or care home is demolished. However the 66 units used in this Plan is considered to be a fair reflection of the average when flattened out over a longer period. The opportunities for such large losses are diminishing as such buildings are being redeveloped through organic and funded regeneration. The 172 figure for 2020/2021 was a known and predicted loss of a substantial residential building. There are no other known pipeline plans for this kind of loss in a single proposal.

Period	Total
2018 to 2019	75
2019 to 2020	94
2020 to 2021	172
2021 to 2022	51
2022 to 2023	30
2023 to 2024	35

Period	Total
2024 to 2025	6
Total	463
Average	66.14

Table 3.2 Losses and demolitions

3.5 Sedgefield method

- 3.17** It can be seen from the trajectory included in the Local Plan and set out in the trajectory spreadsheet that much of the delivery is likely to occur in the early – middle period of the plan [2027/28 – 2034/35]. The Sedgefield Method suggests an acceptable route to take is to spread any undersupply over the next five years of the plan, rather than over the whole plan period. This is generally the preferred accepted route over the alternative Liverpool method, which suggests spreading undersupply over the remaining Plan period. It also aligns with Governments drive to provide needed housing now, rather than in 10 to 20 years time.
- 3.18** The Plan trajectory shows that initial delivery can demonstrate a five year supply. Whilst there is a slight shortfall initially, this is quickly turned around as strategic sites begin to deliver. Through the middle period, the five year housing land supply peaks at just under six years. The previous undersupply that may occur as sites ramp up delivery could be readily accounted for in the slightly later range of years [2027/28-2034/35] as delivery figures spike in these periods. This results in a smoother ride into the later years of the plan, where delivery is thinner. However, whilst any shortfall should be recovered, it is not common practice to carry any oversupply through into later years of the Plan period. To do this would have the effect of reducing the annual target below the standard method target.
- 3.19** It is expected that early monitoring will determine how delivery is shaping up. The initial reviews of the new Plan through the new 30 month system will seek to ensure that the future pipeline is strengthened for the years 2035/36 – 2043.
- 3.20** The five year housing supply calculations shown below and in the trajectory spreadsheet sets out the potential result through the initial years of the Plan. The second calculation shows the effect of including the oversupply projected as strategic sites begin to deliver. However, as stated above the first calculation is the primary one.

	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35	35/36	36/37	37/38	38/39	39/40	40/41	41/42	42/43
5yHls - standard																		
Annual Requirement for the 5 year period	3105	3105	3105	3105	3105	3105	3105	3105	3105	3105	3105	3105	3105	3105	3105	3105	3105	3105
cumil shortfall/gain	100	144	110	134	136	0	0	0	0	0	0	0	0	0	0	0	0	0
5 Yr requirement (3105+cumil sf/g)*1.05	3365.3	3411.45	3375.75	3400.95	3403.05	3260.25	3260.25	3260.25	3260.25	3260.25	3260.25	3260.25	3260.25	3260.25	3260.25	3260.25	3260.25	3260.25
Annual requirement for calculation (req/5)	673.05	682.29	675.15	680.19	680.61	652.05	652.05	652.05	652.05	652.05	652.05	652.05	652.05	652.05	652.05	652.05	652.05	652.05
Net delivery	3324	3631	3749	3956	4034	3774	3499	3312	3117	3029	2962	2802	2656					
5YLS	4.9387	5.321784	5.5528401	5.816022	5.927036	5.7878997	5.3661529	5.0793651	4.7803083	4.6453493	4.5425964	4.2972165	4.0733073					
5yHls - including cumulative gain																		
Annual Requirement for the 5 year period	3105	3105	3105	3105	3105	3105	3105	3105	3105	3105	3105	3105	3105	3105	3105	3105	3105	3105
cumil shortfall/gain	100	144	110	134	136	-119	-382	-534	-717	-793	-788	-776	-741					
5 Yr requirement (3105+cumil sf/g)*1.05	3365.3	3411.45	3375.75	3400.95	3403.05	3135.3	2858.15	2699.55	2507.4	2427.6	2432.85	2445.45	2462.2					
Annual requirement for calculation (req/5)	673.05	682.29	675.15	680.19	680.61	627.06	571.63	539.91	501.48	485.52	486.57	489.09	496.44					
Net delivery	3324	3631	3749	3956	4034	3774	3499	3312	3117	3029	2962	2802	2656					
5YLS	4.9387	5.321784	5.5528401	5.816022	5.927036	6.0185628	6.1189514	6.1343557	6.2158018	6.2386719	6.0875105	6.7290069	6.3500927					

Figure 3.2 5 year housing supply calculations

3.6 Sites under one hectare

3.21 The NPPF requires 10% of homes to be provided on sites under 1.0hectare. Small sites already form a key component of the Councils annual housing delivery. The Council's paper on windfall housing development (2025) identifies that 6% of delivery is on sites of four to nine dwellings and 10% of gross housing completions were on sites of four units or less. This demonstrates that there is already a significant proportion of organic growth on smaller sites through the windfall allowance.

3.22 The 2025 Windfall Housing Paper states:

"The analysis shows a consistent delivery of windfall sites each year across all scales of development:

- *There has been an average of 43 major windfall site completions per year, making up 8% of the gross housing completions.*
- *In terms of minor windfall sites (five to nine units), the average number of units of this size developed per year is 27, six percent of gross housing completions.*
- *Further, the analysis shows a consistent delivery of windfall completions on small minor sites (four units or less), with an average of 50 completions per year, making up 10% of the gross housing completions."*

3.23 To provide additional choice, this Pre-Submission Draft Plan identified a further 421 plots or 3.6% of the total housing requirement on sites under 1.0ha.

3.7 Settlement hierarchy and boundaries

3.24 The Local Plan defines settlement boundaries around Grimsby, Cleethorpes, Immingham and each of the key village settlements.

3.25 There are generally two options available when considering how to manage the expansion of settlements.

1. Provide a set of maps with clearly defined settlement boundaries. The maps will support policy that guides new development to sites within those boundaries.
2. Do not have settlement boundaries, instead use policies to describe how new development should be related to the existing built form.

3.26 The first approach gives more clarity and certainty from a visual line on a map. However, it can also stifle expansion and reduce flexibility around the edges of settlements. The second approach can provide more flexibility. However, it can also introduce a more subjective element that can make the expansion of development harder to manage.

3.27 Whilst this review is being undertaken based on the NPPF 2024, the recently released NPPF 2026 has been released and sets out a definition of "settlement". It places emphasis on a having a clear spatial strategy.

3.28 The adopted Local Plan defines settlement boundaries around key towns and villages. These have been retained in the Pre-Submission Draft Local Plan to maintain a consistent approach and clearly defined spatial strategy for development. However, they have also been reviewed and altered where necessary to ensure they correctly encapsulate each settlement in its current form.

3.8 Taking existing allocations forwards

3.29 The adopted Local Plan allocates land for housing development. This provided for space for the minimum 9,742 new homes required. It is now eight years from the start of the adopted Plan and many of these sites have gained permission, with some being completed and others nearing completion. As this is simply a review of the existing adopted Plan, some of these sites have been taken forwards where there is still capacity remaining that could come forwards in the extended Plan period and to ensure a mix of sites is provided.

3.30 Where an existing allocation does not have planning permission these are still classed as undeveloped.

3.9 Trajectory

3.31 A trajectory has been mapped out over the Plan period based on likely commencement and delivery rates. Contact has been kept with promoters/agents where possible to ensure up-to-date information on site delivery specifics is maintained. For sites where it has not been possible to obtain estimated commencement and annual delivery rates, the standard delivery rate of 25dpa has been used based on previous average delivery rates. The Lichfield method has been used to where appropriate to estimate when a site is likely to start producing completions where this information has not been provided.

3.32 Consideration was given to a stepped trajectory, which would align with the approach taken in the adopted Local Plan. However, the option of a flat trajectory based on the 621DPA for each of the 18 years was considered to be more appropriate to meet

with the principles of the standard methodology calculation that provides a set figure for delivery each year. This would also ensure housing was still delivered up front in the Plan period to contribute early to the Government's national housing delivery aims, whilst giving more assurance that the trajectory could be met in later years of the Plan.

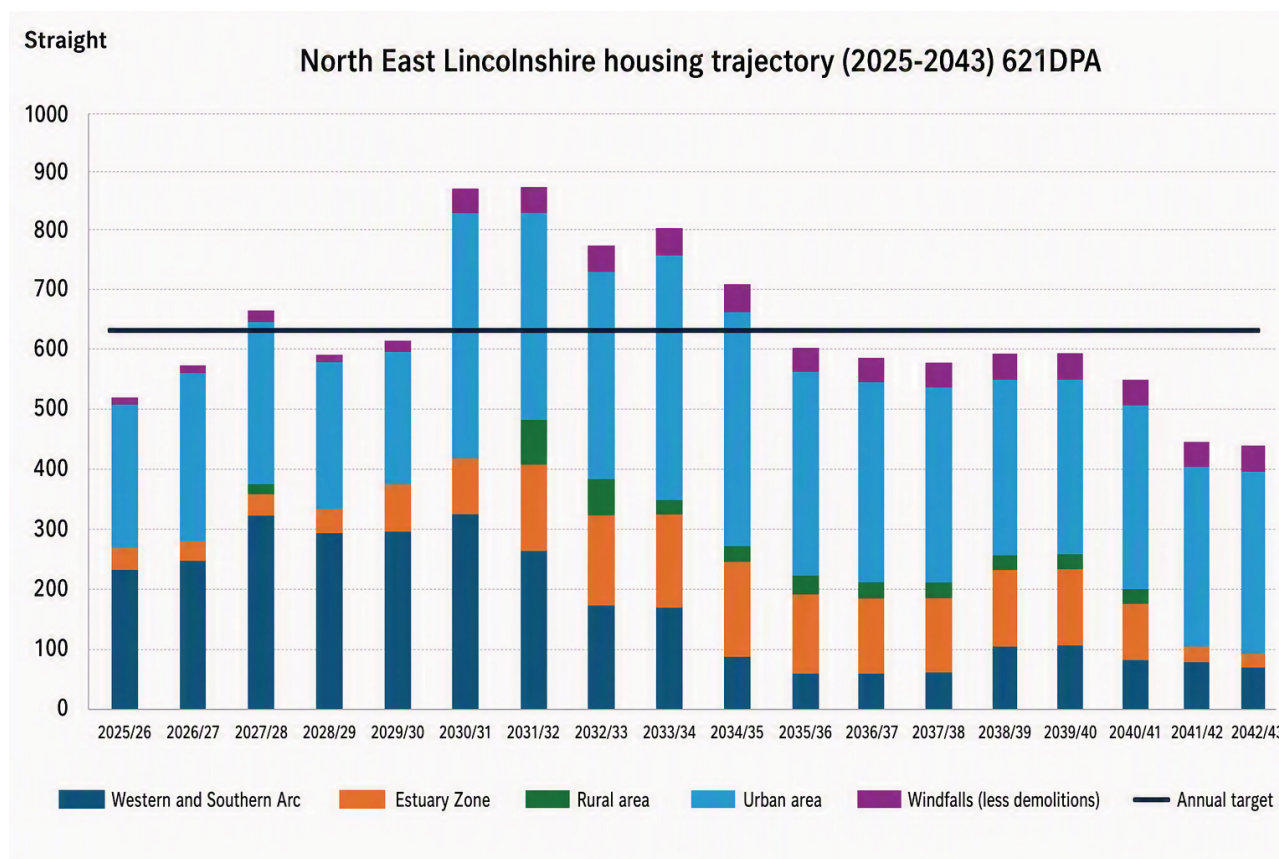


Figure 3.3 Flat trajectory of housing delivery

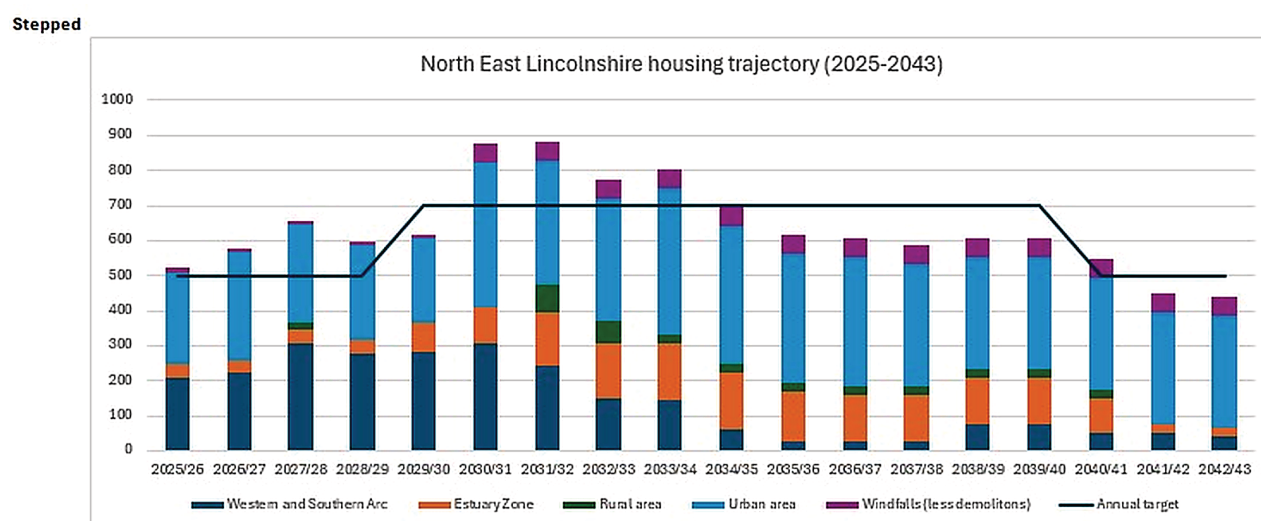


Figure 3.4 Stepped trajectory of housing delivery

3.10 Affordable housing

- 3.33** The Viability Assessment was updated in 2026. This identified a number of value zones and a variable rate of affordable housing requirement for each. These value zones have not changed since the Plan was adopted in 2018 and have therefore been carried forwards.
- 3.34** Affordable housing has been worked for each of the newly proposed sites for allocation based on the zone and the percentage contribution, with a potential total of 1,379 affordable homes from all sites. For the largest sites, some of these could be provided after the end of the Plan period.

3.11 Strategic sites

- 3.35** This section provides further explanation as to the approach taken towards the three proposed Strategic Housing sites (SH sites) in relation to the Trajectory.

Grimsby West (HOU342) Strategic Housing Site (SH1)

- 3.36** This site is already allocated in the adopted Local Plan. This site has a live application that is being considered for up to 3,500 dwellings. However as no approval has yet been granted the estimated capacity has been used. The promotor/developer has submitted a trajectory that steps up to 250 DPA. They explain this by advising there will be multiple housebuilders on site building the phases and there is support from Homes England. This site will need closely monitoring throughout its build lifetime and adjustments may have to be made in future Local Plan reviews should the 250 figure be under or over actual delivery.

Humberston (HOU074B) Strategic Housing Site (SH2)

- 3.37** This site is already allocated in the adopted Local Plan. Discussions are ongoing at pre-application stage in relation to this site, however no other information has been provided. The standard delivery rate and original estimated capacity have been used in the trajectory. Given the size of this site it may involve multiple developers and increased delivery rates that may be realised as the Plan period progresses.

Immingham (HOU394 and HOU005) Strategic Housing Site (SH3)

- 3.38** These two sites are in separate ownership. However, they have been combined to form a newly proposed allocation, as Strategic Site 3 (SH3). There are ongoing discussions progressing around a masterplan for the combined site with the promotor/developer keen to push forwards. The masterplan is seeking a higher number of houses, but there is also uncertainty around the route of the Viking Link pipeline, which is being considered under a DCO. The potential route runs north-south through the western section of this site.
- 3.39** The promotor/developer for HOU394 has submitted a trajectory and proposed delivery rates. The promotor for HOU005 has not submitted this information. Therefore the increased delivery rate has only been applied to HOU394.

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