

The following sets out the calculation of the local housing need (LHN) for Lichfield District using the standard methodology for calculation as set out at [Paragraph: 004 \(Reference ID: 2a-004-20190220\)](#) of the National Planning Practice Guidance (NPPG).

### Step 1: Setting the baseline

The most recent household growth projections ([2014-based projections](#)) (Table 406) are used to calculate the baseline housing need.

$$2022 = 44,625$$

$$2032 = 46,955$$

$$\text{Baseline} = 46,955 - 44,625 = 2,330$$

$$= 2,330 \div 10 = 233$$

**This equates to an average of 233 dwellings per year (2,330 ÷ 10 = 233) to be used as the baseline of the calculation.**

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

The baseline figure from step 1 is then adjusted based on the affordability of the area. The adjustment used is the most recent national '[median workplace-based affordability ratio](#)'.

$$\text{Current figure (Table 5c)} = 10.6$$

The NPPG sets out the calculation which is then used to determine the adjustment factor (*Af*). This is set out below:

$$\text{Adjustment factor} = \left( \frac{\text{Local affordability ratio} - 4}{4} \right) \times 0.25 + 1$$

$$Af = \left( \frac{10.6 - 4}{4} \right) \times 0.25 + 1 = \left( \frac{6.6}{4} \right) \times 0.25 + 1 = 1.65 \times 0.25 + 1 = 1.4125$$

$$233 \times 1.4124 = 329.0892$$

Using the calculation this results in an uplift figure of approximately 41% above the baseline figure established in step 1. **This results in a new requirement of 329 dwellings per year.**

### Step 3: Capping the level of any increase

If appropriate a 'cap' is then applied to the figure established in step 2 in specific circumstances which are set out within the NPPG. If appropriate a 'cap' is then applied to the figure established in step 2 in specific circumstances which are set out within the NPPG. As the local plan was adopted

more than five years ago (in February 2015) then 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 local housing need figure established through the standard approach (step 2) is not 40% above the level of household growth (calculated by step 1) OR above the average annual housing requirement of 478 dwellings from the current local plan. Therefore neither provision applies to Lichfield District. Consequently the local housing need (LHN) is 329 dwellings per annum.

**As a result the local housing need, or LHN, for the district is a yearly rate of 329 dwellings.**