

# **Independent Examination of the Fylde Local Plan**

Hearing Statement submitted by The  
Strategic Land Group (Representor number  
59)

Matter 2 : Objectively assessed housing  
and economic development needs

March 2017

***Issue 3 - Is the identified objectively assessed housing need (OAHN) soundly based and supported by robust and credible evidence and is it consistent with national policy?***

**11. Does the identified Fylde Coast HMA provide a robust and appropriate basis for assessing housing needs?**

- 1.1 The Fylde Coast SHMA and associated addendums (as summarised in SLG's response to Q23) have been prepared to provide the appropriate evidence base for Fylde to establish its objectively assessed housing need (OAN).
- 1.2 The FCSHMA sought to establish how many dwellings of different tenures would be needed across the Fylde Coast Housing Market Area (HMA) over a 15 year period and beyond, to inform the Local Plans of the respective authorities.
- 1.3 The starting point is sub-national population and household projections as advocated in the national Planning Practice Guidance (PPG)<sup>1</sup>. Addendum 1 updated the FCSHMA to take account of the implications of updated sub-national population projections<sup>2</sup> (SNPP) and other modelling assumptions. Addendum 2 reflected publication of the 2012 Sub National Household Projections (2012 SNHP) in February 2015 and an associated update to PPG. Assessment of the OAN has therefore been consistently reviewed and updated since the FCSHMA was first published to ensure that it remains up-to-date and reflective of guidance.
- 1.4 It is noted that the FCSHMA formed the basis of the evidence for the Blackpool Core Strategy (BCS) in respect of its housing need. The examination was held in May 2015. The BCS Inspector confirmed in his report (see Appendix 1) that the FCSHMA and updates that the forecasts contained within it represented an appropriate basis for establishing the OAN.
- 1.5 It is reasonable to conclude that the FCSHMA does therefore provide a robust basis for establishing the OAN for Fylde.

**12. The SHMA and its Addendums identify the OAN figure for Fylde as a range, based on the 2012-based sub-national household projections (SNHP). The DCLG released its 2014-based SNHP in July 2016. The Council refers to there being only a 1% difference in projected household numbers between the 2012 and 2014-based projections, though this is over slightly different timescales. Further to my initial questions to the Council (EL1.001a), its response (EL1.001b) indicates that the actual increase is less than 1% taking account of the different periods and it is not considered that this has any significant implications for the OAHN. Is this justified by the evidence? Is the use of the 2012-based sub-national household projections as a 'starting point' for identifying the OAHN appropriate? What bearing, if any, would the latest household projections have on the assessment of the OAHN?**

- 1.6 No comment

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<sup>1</sup> Paragraph: 015 Reference ID: 2a-015-20140306

<sup>2</sup> 2012 SNPP

**13. Is the OAHN range of figures identified in the SHMA soundly based?**

- 1.7 The FCSHMA represents best practice in terms of its methodology. It fully accords with national Planning Practice Guidance (PPG<sup>3</sup>) in respect of the approach taken, (as considered below) with PPG '*strongly recommend[ing]*' as the basis for assessments.
- 1.8 Addendum 2 models needs based on six different scenarios for the updated household projections, including assessment of the data underpinning them, and different migration-led and employment led scenarios. The lower end of the range is derived from the former, the higher end from the latter (notably the Aecom and Oxford Economics forecasts).
- 1.9 The modelling also takes account of six types of market signals (housing prices, rents, affordability, rate of development, land prices and overcrowding).
- 1.10 The range is soundly based, though it is of concern to SLG that although Addendum 2 concludes that the OAN should be at the upper end of the range, on the basis of the considered economic position, this is not reflected by the Council in identifying its housing requirement.
- 1.11 This is despite the conclusions of the BCS Inspector, who found that the Oxford Economics economic forecasts were '*more consistent [than Experian forecasts] with national and local policy aspirations*'. Close attention should be given to these aspirations when identifying the appropriate OAN for Fylde.

**14. Does the assessment of OAHN take sufficient account of market signals as well as other market indicators in relation to the balance between the demand for and supply for housing?**

- 1.12 Addendum 2 specifically responds to an appropriate range of market signals and economic scenarios. It reaches a firm conclusion in respect of the OAN, (as set out at paragraph 1.10 above) on the basis of careful consideration of these factors. .

**15. Has the assessment of OAHN taken account of other factors including vacancy rates and second homes?**

No comment

**16. In relation to affordable housing:**

- (a) Is the SHMA's methodology for assessing affordable housing needs robust and in line with Government guidance?**
- (b) The Plan recognises that the full amount of affordable housing needed per annum is not deliverable. Has the Council considered the option of a higher housing requirement to assist in delivering more affordable dwellings?**

- 1.13 The Council do not appear to have given any regard to the positive contribution an increased housing requirement could make to meeting the affordable housing need of

249 dwellings identified through Addendums 1 and 2. The proposed housing requirement of 370 dwellings per annum (dpa) will deliver less than half of this amount (111 dpa).

- 1.14 This is despite the case law referenced in SLG's Matter 3 statement<sup>4</sup> which emphasises the importance of making provision for the affordable housing need. Insufficient regard has been given to this by Fylde in selecting an OAN.

**17. Have the needs of particular groups (e.g. the elderly) and types of housing (e.g. private rented, self-build) been satisfactorily assessed?**

No comment

**18. Have employment trends been appropriately taken into account? Is the OAHN aligned with forecasts for jobs growth? (Also see Issue 4).**

- 1.15 PPG requires that plan makers should make an assessment of the likely change in job numbers based on past trends and/or economic forecasts as appropriate and also having regard to the growth of the working age population in the housing market area. Any cross-boundary migration assumptions will need to be agreed.
- 1.16 The FCSHMA and Addendums take account of scenarios including natural change, migration and various employment-led scenarios. It is those latter scenarios, specifically the AECOM and Oxford Economic scenarios which would point to a need for between 440 and 450 dwellings with SLG content is the appropriate basis for the housing requirement.

**19. In relation to gypsies, travellers and travelling showpeople, and further to the Council's additional evidence provided (EL1.002) following my initial questions (EL1.001a), what is the objectively assessed housing need up to 2032? Is this new identified need soundly based, consistent with national policy and supported by robust and credible evidence? What implications does this have in relation to the housing requirement for gypsies, travellers and travelling showpeople as set out in Policy H5?**

No comment

***Issue 4 – Are the objectively assessed economic development needs clearly identified, supported by robust and credible evidence and consistent with national policy?***

**20. Has the functional economic market area been adequately defined?**

- 1.17 There is a lack of analysis in the evidence base of Fylde's role in wider economic area in reaching a conclusion on its economic development needs. Given the interrelationship between the Fylde Coast Authorities, such that they form a single housing market area as established through the FCSHMA, it is surprising that the assessment of economic needs is not predicated on such a basis. This casts serious doubts over the figures used.

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<sup>4</sup> Satnam Millennium Limited v Warrington BC (2015) (CO/4055/2014)

**21. The SHMA assesses a range of economic development forecasts. What are the job needs and role of Fylde economically? What is the objectively assessed economic development need for the Borough?**

1.18 See Matter 3, Q25 in relation to the assessed need for Fylde.

**22. Is the Plan's economic development strategy (based on a continuation of historic land take-up) justified, consistent with national policy and compatible with that for the housing strategy? (Also see Issue 3)**

1.19 This is considered in more detail in relation to Matter 4.

1.20 In short the FLP takes a business-as-usual approach, with past take up rates simply rolled forward. This is wholly inconsistent with the approach required by NPPF and PPG which respectively represents a step-change in the policy approach to economic development and the consideration of a range of factors to determine the employment land requirement. As drafted, therefore the plan fails to make proper provision for employment land and associated economic growth.

# **Appendix 1: Blackpool Core Strategy Inspector's Report**



The Planning Inspectorate

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# Report to Blackpool Council

by **Malcolm Rivett BA (Hons) MSc MRTPI**

an Inspector appointed by the Secretary of State for Communities and Local Government

Date 23 November 2015

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PLANNING AND COMPULSORY PURCHASE ACT 2004 (AS AMENDED)

SECTION 20

**REPORT ON THE EXAMINATION INTO  
BLACKPOOL LOCAL PLAN PART 1: CORE STRATEGY**

Document submitted for Examination on 18 December 2014

Examination hearings held between 11 and 14 May 2015

File Ref: PINS/J2373/429/4

## Abbreviations Used in this Report

AA	Appropriate Assessment
CS	Core Strategy
DCLG	Department for Communities and Local Government
DtC	Duty to Co-operate
LDS	Local Development Scheme
LP	Local Plan
MM	Main Modification
OAN	Objectively-Assessed Need
PPG	Planning Practice Guidance
SA	Sustainability Appraisal
SADMPD	Site Allocations and Development Management Policies document
SCI	Statement of Community Involvement
SHLAA	Strategic Housing Land Availability Assessment
SHMA	Strategic Housing Market Assessment
SPD	Supplementary Planning Document

## Non-Technical Summary

This report concludes that the Blackpool Local Plan Part 1: Core Strategy provides an appropriate basis for the planning of the Borough providing a number of modifications are made to the plan. Blackpool Council has specifically requested me to recommend any modifications necessary to enable the plan to be adopted.

All of the modifications to address this were proposed by the Council and I have recommended their inclusion, subject to minor alteration, after considering the representations from other parties on these issues.

The Main Modifications can be summarised as follows:

- Amendments to provide greater clarity about (i) the housing requirement figure, (ii) the way in which proposals for housing will be considered in the period until the Site Allocations and Development Management Policies document is adopted and (iii) ongoing work to ensure that housing needs are met across the Fylde Coast housing market area;
- Clarification that (i) the 30% affordable housing requirement is not a minimum and (ii) bedroom number requirements are subject to viability considerations, and modifications to align policies with national policy in the light of the Housing Standards Review;
- Inclusion of the requirement that development at the Leisure Quarter should not undermine existing resort core uses and attractions.
- Various amendments to ensure clarity and that the plan is internally consistent and aligns with national policy in particular in relation to natural and historic heritage matters, alternative uses of employment sites, town centre uses in the resort core, wind turbines, development at Marton Moss, car parking and surface and waste water.

## Introduction

1. This report contains my assessment of the Blackpool Local Plan Part 1: Core Strategy in terms of Section 20(5) of the Planning & Compulsory Purchase Act 2004 (as amended). It considers first whether the plan's preparation has complied with the duty to co-operate, in recognition that there is no scope to remedy any failure in this regard. It then considers whether the plan is sound and whether it is compliant with the legal requirements. The National Planning Policy Framework (paragraph 182) makes clear that to be sound, a local plan should be positively prepared; justified; effective and consistent with national policy.
2. The starting point for the Examination is the assumption that the local authority has submitted what it considers to be a sound plan. The basis for my Examination is the Blackpool Local Plan Part 1: Core Strategy – Proposed Submission document of June 2014.
3. My report deals with the main modifications that are needed to make the plan sound and legally compliant and they are identified in bold in the report (**MM**). In accordance with section 20(7C) of the 2004 Act the Council requested that I should recommend any modifications needed to rectify matters that make the plan unsound/not legally compliant and thus incapable of being adopted. These main modifications are set out in the Appendix.
4. The main modifications that are necessary for soundness and/or legal compliance all relate to matters that were discussed at the Examination hearings. Following these discussions, the Council prepared a schedule of proposed main modifications. The consultants who had carried out sustainability appraisal of the plan at various stages of its preparation then considered each modification but concluded that, in the light of them, no further detailed sustainability appraisal would be necessary. Given the nature and likely implications of the modifications I agree with this assessment. The schedule of main modifications has been subject to public consultation. I have taken account of the consultation responses in coming to my conclusions in this report and in this light I have made some amendments to the detailed wording of the main modifications. None of these amendments significantly alters the content of the modifications as published for consultation or undermines the participatory processes and sustainability appraisal that has been undertaken. Where necessary I have highlighted these amendments in the report.

## Assessment of Duty to Co-operate

5. Section s20(5)(c) of the 2004 Act requires that I consider whether the Council complied with any duty imposed on them by section 33A of the 2004 Act in relation to the plan's preparation.
6. The Council prepared the plan in collaboration with a wide range of organisations in relation to matters of strategic and cross boundary importance as detailed in the *Statement of Compliance with the Duty to Co-operate*. These matters include homes and jobs; retail, leisure and other commercial development; infrastructure; health, security, community and

cultural infrastructure and climate change and the natural and historic environment. The collaboration also notably involved the preparation of joint evidence bases in connection with a number of key issues including a *Strategic Housing Market Assessment (SMHA)*, a *Gypsy and Travellers and Travelling Showpeople Accommodation Assessment* and a *Retail Study* for the Fylde Coast area in conjunction with Fylde and Wyre Borough Councils.

7. The ongoing co-operation between Blackpool Council and its neighbours Fylde and Wyre Boroughs and Lancashire County Council is formalised in an August 2013 *Memorandum of Understanding* (and March 2015 update) between these authorities. The memorandum indicates how the authorities will continue to work together on strategic issues and details the governance arrangements. As a result of the joint working Fylde Borough has formally agreed to seek to accommodate around 14ha of land for employment purposes, which is identified as necessary to meet Blackpool's requirements but which cannot be accommodated in the Borough.
8. In the light of the February 2014 SHMA, which sets out a range for the objectively-assessed need for new housing in Fylde, Wyre and Blackpool, each authority has indicated through discussions that it considers that it is likely to be able to accommodate its need within its own boundaries. Concern has been raised that the housing requirement for Blackpool set out in the plan and those indicated in the Preferred Options reports for Fylde (2013) and Wyre (2012) are, together, less than the lowest indicated figure in the SHMA for housing need across the Fylde Coast. However, the Fylde and Wyre Preferred Option reports pre-date the February 2014 SHMA and Blackpool Council has stated that the neighbouring authorities have indicated that the housing requirement in their emerging Local Plans will reflect the SHMA. Consequently, notwithstanding the Preferred Options housing figures set out some years ago, there is no reason to believe that the objectively assessed need for housing across the Fylde Coast will not be provided for.
9. Nonetheless, given the importance of meeting housing needs across the Fylde Coast housing market area it is necessary for the plan's effectiveness for it to be clear that the Council will continue to work with neighbouring authorities to ensure that the overall housing needs of the housing market area are met. Modification **MMO4** is thus necessary to soundness, although this in no way undermines the extent or effectiveness of the Council's co-operation with others in preparing the plan.
10. In the light of the above I am satisfied that in preparing the plan the Council has undertaken ongoing, constructive and active engagement with other bodies as appropriate on matters of strategic and cross-boundary significance. The Council has therefore complied with the Duty to Co-operate.

## Assessment of Soundness

### Main Issues

11. Taking account of all the representations, written evidence and the discussions that took place at the examination hearings I have identified nine main issues upon which the soundness of the Plan depends.

### **Issue 1 – Is the plan, which takes the form of a Core Strategy to be supported by a yet to be prepared Site Allocations and Development Management Policies document and with a time frame of 2012– 2027, soundly based?**

12. The Framework (paragraph 153) promotes the production by a local planning authority of a single local plan document, with additional development plan documents being produced only “where clearly justified”. In contrast, this plan, preparation of which commenced before the publication of the Framework, takes the form of a Core Strategy to be supported by a separate Site Allocations and Development Management Policies document (SADMPD) which the *Local Development Scheme* anticipates will be adopted in June 2018.
13. Having regard to the Framework and the representations made on the plan, it is highly desirable for there to be adopted policies in place in Blackpool for strategic planning matters, site allocations and development management as soon as possible. It appears to me that adoption of the Local Plan Part 1 Core Strategy followed by preparation and Examination of the SADMPD to the broad timescale set out in the *Local Development Scheme* is likely to result in “full plan” coverage for the Borough more quickly than if the current Core Strategy were to be aborted and work were to then commence on the production of a single local plan document.
14. Whilst it is not ideal that the Core Strategy will not offer the certainty about individual housing sites which the SADMPD will eventually provide, there is no reason why housing developments which accord with the policies in the Core Strategy, and the saved ones of the 2006 Local Plan, should not come forward in advance of the adoption of the SADMPD, a matter discussed elsewhere in this report in more detail. Consequently, in these particular circumstances and at the present time, the principle of the plan taking the form of a Core Strategy is clearly justified and soundly based.
15. The plan has a 15 year time frame of 2012 – 2027 which means that it would have a post-adoption life of less than 15 years. Paragraph 157 of the Framework indicates that plans should preferably have a 15 year time horizon. However, this period is not a requirement of national policy and nor does the Framework indicate that the 15 year time horizon must be post-adoption. Whilst some of the plan's evidence base extends to 2030, other elements of it do not and it is highly likely that modifying the plan to extend its life would further delay its adoption (and potentially that of the SADMPD). Bearing in mind the emphasis in the Framework (paragraph 12) on getting up-to-date plans in place, I conclude that the benefits of getting the Core Strategy adopted as soon as possible outweigh the disadvantages of it not providing guidance for development in Blackpool for a three year period (2027-2030)

twelve years from now. Consequently, in these circumstances, the plan period is also soundly based.

**Issue 2 –Does the plan set out a strategy for the strategic location of development and for housing, health and education which is positively prepared, justified, effective and consistent with national policy?**

*Strategic Location of Development*

16. Policy CS1 identifies that the overarching spatial focus for Blackpool is regeneration, focussed on Blackpool Town Centre, the Resort Core and neighbourhoods within inner areas, and supporting growth, to help meet housing and employment needs, in South Blackpool. In the light of all the evidence, particularly that concerning the Borough's key challenges and opportunities, the twin focus on regeneration and supporting growth is soundly based and it is not necessary for policy CS1 to address in detail every part of the Borough and/or every development likely to take place during the plan period.
17. Concerns that the policy (and the plan more generally) do not adequately address the need to positively encourage new housing development, and in particular "aspirational" homes, in the period until the SADMPD is adopted are considered below under the *Housing Target and Trajectory*.

*Objectively-Assessed Need for Housing*

18. The *Fylde Coast Strategic Housing Market Assessment (SHMA)* of February 2014, was prepared jointly for Blackpool, Fylde and Wyre Councils. Based on analysis of commuting and migration patterns the assessment identified the boundaries of the three authorities together as forming a relatively highly contained housing market area and there is no substantive evidence to challenge this. However, the assessment recognised that more local markets also operate within the Fylde Coast, equating more closely, although not necessarily precisely, to the boundaries of each Borough. Given this, and that local plans are being prepared for each Borough, the SHMA sets out housing requirement figures for both the Fylde Coast as a whole and individually for Blackpool, Fylde and Wyre.
19. In line with the *Planning Practice Guidance (PPG)*, the SHMA's starting point for the assessment of housing need was sub-national population and household projections. At the time of its preparation the 2011 projections were the most recently published although, given their interim basis, the assessment used the 2010 based projections, re-based to account for the 2011 Census population data. Using the POPGROUP software model the SHMA considered six future scenarios relating to different levels of migration, economic prospects and the ability/propensity of households to form. Based on what it reasoned to be the most realistic scenarios the SHMA concluded that the objectively-assessed need for new housing for Blackpool lies between 250 and 400 dwellings per annum between 2011 and 2030.
20. Since the submission of the plan for Examination the 2012-based Department for Communities and Local Government (DCLG) household projections have been published and the Council commissioned evidence (Doc FEB 002, April 2015) to, in effect, update the SHMA's findings to take account of the most

recent projections. These are considered across six scenarios:

- The “benchmark” of the 2012-based Sub-National Population Projections (SNPP);
  - Future migration based on the historic, 2003-2013, trend including “unattributable population change” in international migration assumptions;
  - Future migration based on the historic, 2003-2013, trend excluding “unattributable population change”;
  - Population growth determined by the change in the number of jobs as defined by Experian 2013 employment forecasts;
  - Population growth determined by the change in the number of jobs as defined by Oxford Economics employment forecasts; and
  - Population growth determined by the change in the number of jobs as defined by Oxford Economics employment forecasts, also assuming that the unemployment rate decreases in the 2013-2018 period.
21. The annual dwelling requirement for Blackpool for the 2012-2027 plan period ranges from 146 for the 2012- based SNPP “benchmark” scenario to 410 for the Experian 2013 employment forecasts scenario.
22. In the light of the SHMA the plan sets an objectively assessed need for housing (and housing requirement figure) of 280 dwellings per annum (dpa) influenced primarily by the Oxford Economics employment forecasts scenario. In view of this the key issues for consideration are whether or not this figure for the objectively-assessed need for housing is soundly based having regard to the most up to date evidence, and in particular:
- the competing Experian employment forecasts;
  - the headship rate assumed in the 2012-based household projections and whether or not household formation rates have in the past been suppressed;
  - market signals; and
  - the identified affordable housing requirement of 272 dwellings per year.
23. Both Experian and Oxford Economics forecast that Blackpool will perform significantly better in terms of employment during the plan period than it did in the period 2002 – 2012. Against a decline in employment of around 10% during this period Oxford Economics forecasts a much smaller decline of 1.4% during the 15 year plan period and Experian an increase of 1.2%. Although Oxford Economics forecast a small decline in employment, in the light of the significantly more negative employment trend of the ten years to 2012, which covers periods of both economic growth and recession across the country as a whole, it appears to me that both forecasts are appropriately aspirational.
24. Doc EB 006 analyses the realism of both forecasts by employment sector. Oxford Economics forecasts a decline in employment in public administration and defence along with a growth in arts, entertainment and wholesale and

retail. In contrast Experian forecasts a growth in public sector employment and a decline in retail. In the light of government policies to rebalance the economy away from the public sector and the Council's aspirations (supported by policies in the plan considered elsewhere (Issue 4)) to recapture for Blackpool retail trade currently lost to other areas, I concur with the findings of the report, and the view of the Council, that the Oxford Economics forecasts are more consistent with national and local policy expectations.

25. Reference is made to the proposed Enterprise Zone for Blackpool and to the Local Enterprise Partnership's (LEP's) ambitions to create 50,000 new jobs across Lancashire. However, in terms of the LEP's ambitions I have not seen evidence of firm plans, timescales and likely jobs numbers for Blackpool specifically. Moreover, whilst the Lancashire Growth Deal specifically refers to a commitment to deliver 1658 new homes in the Blackburn – Bolton railway line and M65 corridors, it makes no specific reference to an overall housing figure for Blackpool and there is nothing to suggest that the Core Strategy's 280dpa housing requirement figure would not align with the Growth Deal's commitments to "address the housing market in Blackpool" in order to support the renewal and growth of the Borough. Furthermore, it is not the case that the Experian forecasts take account of the possible Enterprise Zone and LEP's aspirations and that the Oxford Economics forecasts do not.
26. All in all I conclude that the Oxford Economics forecasts are the most appropriate basis on which to consider housing requirements. And, although these forecast a decline in employment over the plan period (albeit at a much lower rate than in the past), it is notable that, nonetheless, there would need to be significant levels of in-migration in to Blackpool to provide the employees needed to fill the jobs. This is primarily explained by the forecast ageing of the Borough's existing population and consequent reduction in the number of economically active residents.
27. Based on the Oxford Economic Scenario the SHMA forecasted a requirement of 281 dpa for the 2012-2027 plan period. This figure assumed that the headship rate was the average of those indicated in the 2008-based and 2011-based household projections. The comparable figure on the 2012-based household forecasts is 324 dpa, the difference primarily resulting from the higher headship (household formation) rate assumed in the 2012-based projections. In principle it makes sense to base housing requirements on the most up to date evidence on household formation rates.
28. However, the Doc FEB 002 "update" of the SHMA also analyses the impact of reducing unemployment in the Borough. The 324 dpa figure assumes that the average recession period (2008-13) unemployment rate for Blackpool of 8.2% would continue throughout the plan period to 2027. Based on the alternative assumption that the unemployment rate will fall incrementally to the pre-recession (2004-2007) average of 6% in the period to 2018, and then remain unchanged for the rest of the plan period, the comparable housing requirement figure is 223 dpa. It appears to me to be both highly likely and desirable that some of the new jobs created in Blackpool during the plan period (as forecast by Oxford Economics) would be taken by currently unemployed residents of the Borough rather than entirely by people moving into the town.

29. In line with the DCLG's *Planning Practice Guidance* (PPG) consideration has also been given to whether or not past household formation rates, reflected in the household projections, were suppressed by a lack of available housing. The SHMA identifies that between 2001 and 2011 an average of 43 new households a year were formed in Blackpool whilst, on average, 255 net new dwellings were delivered in the same period. Moreover, the dwelling vacancy rate increased from 5% in 2001 to 7.2% in 2011. The Council contends that this indicates that household formation rates have not been constrained by a lack of available housing in the Borough. However, the Council notes that the vacant properties are concentrated in inner areas and are likely to be private-rented, older accommodation in poor condition.
30. Consequently, it may well be the case that potential (or "concealed") households, in the market for owner-occupied housing in outer areas, were constrained from forming by a lack of available accommodation of this type. Indeed, the proportion of all families which are "concealed" in Blackpool, at 1.86%, is higher than the North West average (1.62%) and about the same as for England as a whole (1.85%). Moreover, the proportion of overcrowded households in Blackpool (3.3%), although below the England average, is significantly higher than the figure for Fylde Coast (2.5%). In the light of the PPG guidance this would imply a higher objectively-assessed need (OAN) than the 223 dpa figure referred to above.
31. Consideration of market signals has been formalised by the Council in its May 2015 *Blackpool Market Signals Report*. This shows that median house prices in the Borough fell significantly between 2007 and 2012 and that they are currently only 77% of their 2005 value, in comparison with 91% in Lancashire as a whole and 112% in England and Wales. Moreover, in the year to March 2015 Blackpool had the second lowest increase in house prices of the 64 largest urban areas in the UK. The report also demonstrates that rents in Blackpool are significantly below the England average, at or slightly below the North West average and were unchanged in cost between 2012/13 and 2013/14 in comparison with an England-wide increase of 3.33% (lower quartile) and 1.71% (median). In terms of affordability the ratio of lower quartile house price to earnings has fallen from a high point of around 6.75 in 2007 to approximately 4.6 in 2013. This latter figure compares with around 5.0 for Lancashire as a whole and approximately 6.5 for England. I concur with the Council that this evidence, together with the other analysis set out in the *Blackpool Market Signals Report*, does not demonstrate a need to adjust the objectively-assessed need for housing to reflect market signals.
32. Following the definitions and method of calculation set out in the PPG, the SHMA (November 2014 Addendum) identifies a net affordable housing need of 272 dwellings a year, comprising a backlog of approximately 170 dpa and new need of around 100 dpa. Based on the Council's proposed target of 30% of new dwellings to be affordable this would require a minimum of around 900 new dwellings a year to be delivered in total to achieve the required number of affordable homes. In reality, bearing in mind that on viability grounds plan policy CS14 excludes inner area housing developments from the 30% requirement, to deliver 272 affordable homes a year would require more than 900 dwellings in total to be constructed each year. The Council considers this to be completely unrealistic, bearing in mind that in the last 25 years or so the highest ever number of dwellings constructed in a year was 484 in 1997/98.

Nobody has contended otherwise.

33. I have carefully considered the argument that the OAN should be set at a level which would at least enable the forecast new affordable housing need (around 100 dpa) to be provided for. Whilst this would imply an OAN of at least 300 dpa it is not possible to determine exactly what the figure would need to be as it would depend on the balance of housing delivery in inner areas, where affordable housing will not be required, and outer areas where it will be and also the Council's success in achieving at or near 30% of outer area dwellings as affordable accommodation in the light of the "subject to viability" clause of plan policy CS14. Indeed, it appears to me that the delivery of affordable housing will as much, if not more, depend on the success of this policy as on the total number of houses delivered. Moreover, noting the PPG's advice that an increase in the supply of housing can reduce land prices, and in the context of Blackpool's fragile housing market, there is the potential for a supply of housing land in excess of that required to meet demographic and economic needs resulting in land and house values which in many cases would not support 30% affordable housing delivery. In the light of this there is no convincing evidence to justify increasing OAN to reflect identified affordable housing needs.
34. It is the case that the private rented sector currently plays a significant role in Blackpool in providing homes for those in need of affordable housing. Indeed, it is stated that the majority of in-migration into the Borough in many years in the 2000s was by housing benefit claimants from other areas of the region and country, specifically attracted to Blackpool by the availability of relatively low cost private rented accommodation, much of it converted from hotels and guest houses. Whilst it may not fully meet their needs in reality this accommodation will continue to provide homes for these people and, through plan policy CS12, the Council is seeking to achieve neighbourhood regeneration to improve the quality of the private rented housing stock.
35. In summary the Council contends that the objectively-assessed need for housing in Blackpool is 280 dpa [paragraph 22 above], which is more than 90% higher than the "starting point" figure of 146 dpa implied by the most recent (2012-based) SNPP and SNHP [paragraph 21 above]. However, in determining the requirement for new housing, it makes sense to give significant weight to future economic forecasts and I concur with the Council that the Oxford Economics employment forecast is appropriately aspirational and is more realistic than the competing one [paragraph 24 above]. Aligned with the increased labour requirement resulting from this forecast it is also eminently sensible to plan on the basis that unemployment will gradually fall to the pre-recession average for Blackpool rather than remain at a recessionary period high of 8.2% for the plan period [paragraph 28 above]. Taking account of this would imply an objectively-assessed need of 223 dpa [paragraph 28 above].
36. Whilst market signals do not imply the need to adjust this figure it is notable that the proportion of concealed households in the Borough is above the regional average and is very slightly higher than the national figure. Moreover, notwithstanding the increase in the proportion of vacant properties in recent years, concern has been expressed about a lack of owner-occupied dwellings in outer areas constraining the formation of some households and there is

some evidence of a problem of overcrowded households in Blackpool. Whilst there is not the evidence to determine precisely how the OAN should be adjusted to reflect this, the Council's figure of 280 is some 25% higher than the implied objectively-assessed need figure of 223 dpa, referred to above. I am satisfied that this is a proportionate increase to reflect any suppression of household formation rates and overcrowding. There is no convincing evidence to justify further increasing the figure in order to meet identified affordable housing needs.

37. In conclusion, therefore, 280dpa (4,200 dwellings across the plan period) is a soundly based figure for the objectively-assessed need for housing in Blackpool.

#### *Housing Target and Trajectory*

38. In the light of the objectively-assessed need of 280 dpa, policy CS2 states that provision will be made for 4200 new homes in Blackpool during the plan period – ie it is intended that the housing requirement figure will deliver the full, objectively-assessed need for housing.
39. Between 1991 and 2013 an average of 267 dpa were delivered in the Borough and in the context of this it has been suggested that a 280dpa target would not represent a positively prepared plan nor be the significant boost in the supply of housing which the Framework indicates is needed. However, paragraph 47, states "to boost significantly the supply of housing local planning authorities should... ensure that their Local Plan meets the full objectively assessed needs for market and affordable housing". The plan seeks to meet the OAN for Blackpool and thus accords with the Framework in this respect.<sup>1</sup> The Framework does not indicate that boosting housing supply necessarily requires an increase in housing delivery in every local authority area in the country and, in any case, 280dpa would represent an around 60% increase on the average new dwelling construction of 176 dpa in the period 2008/09 – 2012/13. Although the target would be less than set for Blackpool in the Regional Spatial Strategy for the North West, that document has been revoked, its evidence base pre-dated that prepared for this plan and I understand that it was based on policy objectives and circumstances which are no longer relevant.
40. Concern is expressed that the 280 dpa requirement is towards the bottom of the 250 – 400 dpa objectively-assessed need range indicated in the 2014 SHMA. However, the comparable range indicated in the Doc FEB 002 SHMA update (reflecting the 2012-based household forecasts) is 146 – 410 dpa. The 280 dpa requirement is slightly above the mid-point of this range.
41. With regard to paragraph 5.7 of the plan concern is raised that the Council is actively seeking to stem the trend of in-migration to Blackpool of housing benefit claimants. As discussed at the hearings this is not the case. Whilst the creation of more balanced communities in the Borough, particularly in the inner areas, is a priority, in reality the Council could do little to prevent in-migration of housing benefit claimants if the housing which has traditionally

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<sup>1</sup> As detailed in paragraph 32 whatever the total housing requirement figure for Blackpool it is not realistic to deliver the full affordable housing requirement in line with the Framework's definition of such accommodation.

attracted such migrants continues to be available. However, the housing requirement figure is based on the assumption of greater in-migration of workers than in the past and, thus, the proportion of in-migrants claiming housing benefit is likely to fall. Whilst not a matter that goes to soundness the Council has proposed an "additional" modification to para 5.7 to address any misunderstanding in connection with this matter.

42. Policy CS2 indicates that the required new homes will be located on sites identified through policy CS25 at South Blackpool, other sites in the existing built-up area, to be identified, and windfall sites. The Council's *Strategic Housing Land Availability Assessment* (SHLAA) (published June 2014) identifies that there are suitable and deliverable sites to accommodate 3,979 new dwellings and that a further 1400 new dwellings are forecast to be delivered on windfall sites. In addition 128 dwellings were completed in 2012/13, the first year of the plan period. The majority of windfall site developments are anticipated to be conversions (notably of hotels and guest houses) in the inner areas and the Council is encouraging such schemes in appropriate circumstances as part its regeneration strategy. Given this, the availability of such premises in Blackpool and the evidence of windfall housing development at around 100 dpa in recent years, there is compelling evidence that windfalls will continue to provide a reliable source of housing land supply during the plan period. I have seen nothing to suggest that the SHLAA's assessment of land supply is unrealistic or that, two specific sites aside considered in Issues 3 and 5, it excludes sites which would be suitable for housing.
43. Together the SHLAA sites, windfall sites and existing plan period completions would provide land for a total of 5379 dwellings, around 30% more than the 4200 plan period requirement. Paragraph 5.13 of the plan notes that, given Blackpool's difficult housing market and the risks in delivering more challenging sites, this "buffer" will provide flexibility should some sites not come forward as anticipated.
44. This buffer is clearly likely to be important in ensuring that the housing requirement in Blackpool is delivered. However, whilst it emerged in evidence submitted during the Examination that the majority of housing will be on sites to be identified in the forthcoming Site Allocations (SADMPD) document, this is not entirely clear from policy CS2 or its supporting text. Nor is it clear how the buffer will feature in the SADMPD or, until this document is adopted, on what basis housing developments will be encouraged/determined. To ensure that the plan is effective, and to provide appropriate clarity for developers, **MM02**, **MM03** and **MM05** are therefore necessary. I have slightly amended the wording of MM03, in the light of consultation responses, to make clear that a buffer of sites allocated in the SADMPD is "likely to be necessary".
45. However, given that circumstances can change and that it cannot be absolutely guaranteed that there will be sufficient suitable and deliverable housing sites to provide such a buffer in the SADMPD, it is not appropriate to state that a buffer "will" be provided. Furthermore, in the light of these modifications, the suggested addition to policy CS2/its supporting text, concerning support for SHLAA sites which fulfil the other policy requirements of the plan, is not necessary to soundness and, indeed, could inappropriately imply that, in advance of the adoption of the SADMPD, only sites identified in

the SHLAA would be permitted.

46. Policy CS2 states that provision will be made for "around" 4200 new homes. This lacks clarity and could result in less than the objectively-assessed need for housing being delivered. **MMO1**, which deletes the word "around", is therefore needed in the interests of effectiveness and the plan's soundness. In the light of consultation responses and to further ensure clarity (in the context of anticipated demolition of housing taking place in Blackpool) MMO1 includes "net" after the 4,200 figure. However, notwithstanding that such wording is used in a number of adopted plans, it is not necessary for the policy to state that provision will be made for "at least" 4200 homes. As already mentioned the Framework is clear that to be positively prepared and to boost significantly the supply of housing local plans should meet the full objectively-assessed needs for housing and policy CS2 (as proposed to be modified) would do that. There is nothing in national policy which indicates that, against their wishes, authorities should provide for more housing than is needed. That said, the 4200 dwellings figure is not a "ceiling" and the plan would not prevent more than 4200 dwellings coming forward if, in the light of the plan's policies (and other saved policies), this is shown to be sustainable.
47. Representations suggest that the plan gives insufficient emphasis to the need for "aspirational" homes, particularly for families, at the expense of inner area regeneration. However, this is not the case: paragraph 2.37 identifies a limited choice of family housing as an overarching issue and a number of the plan's 21 objectives relate to the provision of a choice of quality homes. More than 60% of the SHLAA sites identified in the five year supply of housing land (see below) are located in the Borough's outer, as opposed to inner, areas and policy CS13 sets bedroom number requirements to rebalance the housing stock to offer more family homes.
48. Paragraphs 5.19 – 5.21 of the plan indicate that within the overall average housing requirement of 280 dpa, the target will be 250 dpa in 2012-2017, 280 dpa in 2017-2022 and 310 dpa in 2022-2027. Whilst concern has been raised at this, there is nothing in national policy to indicate that such a phased approach to housing delivery is inappropriate. Indeed, paragraph 47 of the Framework requires local authority to illustrate the expected rate of housing delivery through a housing trajectory. There would be little point in this requirement if authorities were obliged to seek to deliver housing at a consistent rate throughout the plan period.
49. Two factors justify the phased approach to housing delivery in Blackpool. The housing requirement is substantially higher than the 2012-based household forecast "starting point" primarily reflecting Oxford Economics' employment projection. However paragraph 4.5.1 of Doc EB 006 demonstrates that, within the context of an overall average plan period housing requirement of around 280 dpa the economic forecasts result in a much lower requirement (72dpa) for the first five years, with consequentially higher requirements in later years. Given that delivery has significantly exceeded 72dpa in recent years there would be little point in "artificially" reducing it to this arguably extreme low level to precisely match the economic forecasts. However, the evidence does indicate that there is not the need for housing provision in the early years of the plan period to be as high as in the later years. Moreover, the plan's phasing of housing delivery provides for housing being delivered ahead of the

requirements indicated in Doc EB 006 throughout the plan period.

50. Secondly, given that in the last three years (ie 2012/13 – 2014/15, the first three years of the plan period) delivery averaged 109 dpa, it is unrealistic to expect that 280 dpa will be completed in the next two years. Notwithstanding the desirability of delivering more housing as quickly as possible, it is in nobody's interests to set a short term target which almost certainly would not be met. Consequently, the phased approach to housing delivery set out in the plan is soundly based.

#### *Five Year Supply of Deliverable Housing Land*

51. Doc EL1.004 sets out the position concerning the five year supply of housing land as of 1 April 2015 (updating figures in other evidence, notably Doc EB 003, *Blackpool's Housing Requirement: Technical Paper*). This indicates that there are sites which could deliver 2063 dwellings in the five years to March 2020, 1221 of which have full or outline planning permission. Concern is expressed at the reliance on sites yet to secure planning permission and the potential for not all those sites with planning permission to come forward. However, there is no detailed evidence to contradict the site by site analysis provided by the Council in support of its supply figure. Moreover, the figure represents the total number of dwellings which are capable of coming forward in the next five years (ie the deliverable supply) and it is not necessarily the case that they will all come forward.
52. Accounting for the shortfall in delivery in the first three years of the plan period and applying a 20% buffer to reflect persistent under-delivery in the past, the analysis demonstrates that there is currently a 5.7 years supply of deliverable housing land. This assumes that the shortfall in supply in the first three years is made up throughout the rest of the plan period rather than in the next five years. Whilst concern has been raised at this, and it is pointed out that the PPG advises that local authorities should aim to deal with any undersupply in the first five years of plan period where possible, there is nothing in national policy to indicate that this is an absolute requirement. Moreover, as indicated above, the Oxford Economics economic forecasts, on which the housing requirement figure is primarily based, implies a housing requirement of 72 dpa in the early years of the plan period – a much lower figure than the 280 dpa plan period average housing requirement. This reinforces the appropriateness of "catching up" in full on early years' delivery below the 250 dpa target (above the 72dpa figure) over a longer period than the next five years.
53. Representations suggest that the Council should seek to implement more positive actions through the plan and bring forward viable sites to ensure that a five year supply can be achieved. However, the Mythop Road and Co-op Sports Club and Field sites aside, there are no suggestions of any specific sites, beyond those already included in the five year supply analysis, which could deliver housing in Blackpool or, having regard to the Duty to Cooperate, in neighbouring districts for the Borough, in the next five years. As detailed in Issue 3 the plan appropriately provides for housing coming forward at Mythop Road as enabling development for an employment scheme. Moreover, bearing in mind the likely modest scale of possible housing development on the Co-op Sports Club and Fields site, as discussed in Issue 5, there is no compelling

reason why the Core Strategy should specifically seek to bring forward this site for housing.

*Affordable housing, meeting the housing needs of gypsies and travellers and housing standards*

54. Policy CS14 sets out the requirement that, other than in the defined inner areas, housing developments will be required to provide 30% affordable housing on sites of 15 dwellings or more. On sites of less than 15 dwellings a contribution will be sought to off-site provision in line with the *Affordable Housing Supplementary Planning Document*. The policy also indicates that where the requirements are robustly demonstrated to render a development unviable an alternative level of provision may be negotiated.
55. The 30% affordable housing requirement reflects the findings of the *Blackpool Local Plan and CIL Viability Study Report*, which demonstrates that most inner area housing schemes are unlikely to be able to viably provide for affordable housing. In contrast, it shows that around two-thirds of the assessed outer area housing schemes could viably provide affordable housing at or very near the 30% level and that the majority of the other third could viably make some affordable housing contribution. In the light of this the policy's requirement for only outer area housing schemes to contribute towards affordable housing at a 30% rate, subject to negotiation where specific viability constraints exist, is justified and soundly based.
56. However, it is not appropriate for the policy to refer to 30% as a "minimum" requirement (and at the hearings the Council indicated that this had not been the intention of the policy) and thus **MM17** which removes this word is necessary for the policy to be justified. In the interests of clarity, and thus effectiveness, **MM18** updates the policy's supporting text in relation to the affordable housing requirement. A reference to Vacant Building Credits, a detailed aspect of the application of affordable housing requirements, is not necessary to the soundness of the plan.
57. Policy CS12 is a positively prepared policy seeking to create more sustainable communities within the Borough particularly within the inner areas and outer estate priority neighbourhoods. However **MM13**, slightly reworded from that consulted upon in the light of comments by Historic England, is necessary for the policy to be effective and accord with national policy.
58. Policies CS10 and CS13 concern, amongst other things, standards for new housing and **MM12**, **MM15** and **MM16** are necessary to ensure that the policies, and supporting text, are consistent with the recent changes to government policy in this respect. **MM16** has been revised in the light of consultation responses and the Council's acceptance that there is not currently the evidence to justify space standards for new-build housing. However, in terms of conversion of existing buildings the Council's *New Homes from Old Places Supplementary Planning Document (SPD)* provides the evidence to justify space standards for residential conversions and the viability assessment of the Core Strategy (see Issue 9) indicates that these would not threaten scheme viability. Whilst the SPD sets more stringent requirements than the nationally prescribed Technical Housing Standards Space Standards, **MM16** (as amended) explains the Council's intention to appropriately replace the SPD's

space standards with those of the nationally prescribed standards.

59. In line with paragraph 50 of the Framework policy CS13 also sets out requirements concerning dwelling sizes, in terms of the number of bedrooms, in order to help achieved balanced and mixed communities. However, to be effective, the policy needs to be more flexible and to reflect viability constraints, akin to policy CS14 concerning affordable housing. **MM14** is thus necessary to the soundness of the plan.
60. The Council jointly commissioned an updated assessment of needs for sites for gypsies, travellers and travelling showpeople with Fylde and Wyre Boroughs. The relevant report was published following the finalisation of the Submission Plan and thus policy CS16 indicates that a target for new permanent and transit pitches and plots will be set in the Local Plan Part 2: Site Allocations and Development Management document. Consistent with national policy (*Planning policy for traveller sites, March 2012*) CS16 sets out criteria against which allocations for plots and pitches, and any applications which may come forward in the meantime, will be assessed. The updated assessment is now complete and the Council, jointly with the neighbouring authorities, is currently undertaking a "Call for Sites" exercise. The Council contends that it is not appropriate to set a target for plots and pitches until this exercise is complete, bearing in mind the requirements of the Duty to Co-operate if one or more of the authorities are unable to accommodate the identified needs. In the absence of any arguments to the contrary this is a soundly based approach.

#### *Health and Education*

61. Policy CS15 supports development which encourages healthy lifestyles and which enables the provision of high quality education facilities. It also indicates that, where a development will impact on the capacity of existing healthcare and/or education provision, contributions will be sought towards the provision of the necessary capacity. In the light of section 8 (Promoting healthy communities) of the Framework, policy CS15 is positively prepared, justified and effective.
62. In conclusion, subject to the recommended modifications **MM01– MM03**, **MM05** and **MM12 – MM18**, the policies in respect of the strategic location of development and for housing, health and education are positively prepared, justified, effective and consistent with national policy. They thus provide a sound basis for managing development in Blackpool.

#### **Issue 3 – Does the plan set out a strategy for economic development and employment land which is positively prepared, justified, effective and consistent with national policy?**

63. Policy CS3 seeks to strengthen the local economy by safeguarding around 180ha of existing employment land, promoting office development in Blackpool Town Centre and promoting for employment purposes additional land in South Blackpool. The policy reflects the findings of the *2013 Blackpool Employment Land Study* which recommended projecting forward the average historic employment land take-up rate of 1.75ha per year and including a 20% flexibility allowance. This equates to a 31.5ha requirement for additional

employment land during the plan period. Whilst there are a number of alternative possible methods of determining the requirement for employment land there is nothing to suggest that for Blackpool this approach is not positively prepared, justified and otherwise soundly based.

64. It has been argued that an increase in the supply of employment land is inconsistent with the Oxford Economics' forecast of a small decline in employment on which the housing requirement has been primarily based. However, this misunderstands the fact that although in recent years there was a much bigger decline in employment in the Borough than is forecast for the plan period, the take-up of new land for employment purposes nonetheless averaged 1.75ha per year. This is likely to be explained by some businesses not necessarily making the most efficient use of their land and new/expanding businesses having different land/locational requirements to declining old ones.
65. At July 2012 the baseline supply of realistic and available employment land was 17.8ha, indicating a shortfall in supply of 13.7ha. The Council indicates that, due to the intensely developed nature of Blackpool and its tightly constrained boundary, it is not feasible to meet this requirement within the Borough. Through joint working Fylde Borough Council has agreed to provide for around 14ha of employment land to address the shortfall in Blackpool and this is confirmed by that Council in a letter dated 8 December 2014 (DC 001). Whilst Fylde cannot currently indicate precisely where in its Borough this land will be located, at the hearings Blackpool Council stated that the soundness of this plan does not depend on its exact location within Fylde, and there is nothing to indicate otherwise.
66. It has been argued that policy CS3 is inconsistent with paragraphs 22 and 51 of the Framework in that the policy itself does not deal with alternative uses for existing employment sites for which there is no reasonable prospect of their being used for employment. However, in accordance with paragraph 22 of the Framework, the Borough's employment sites have been recently reviewed for their ongoing suitability through the *Blackpool Employment Land Study* and, the NS&I site at Mythop Road aside, there is no suggestion that its findings are incorrect or unrealistic. Moreover, whilst policy CS3 does not repeat national policy in terms of alternative uses for employment sites, neither does it conflict with it, nor does it suggest that national policy should not be applied in the determination of planning applications. However, the policy's supporting text (paragraph 5.35) suggests that acceptable alternative uses on employment sites might be more restricted than national policy indicates and, consequently, **MMO6** is needed to ensure consistency with national policy.
67. Submissions have been made that the NS&I site at Mythop Road has limited potential as an employment site in its entirety and that housing development on part of the site would enable viable redevelopment of the rest of it for modern employment purposes. The Council has indicated that, in principle, such a form of development may be appropriate at this location in line with the supporting text of policy CS3 as it currently stands and as it is proposed to be modified. However, since housing development would be justified on the basis of it enabling redevelopment of the rest of the site for employment purposes, it makes sense to retain the site allocated for employment in its entirety until a development of this type is permitted and constructed.

68. In conclusion, subject to **MM06**, the plan's strategy for economic development and employment land is positively prepared, justified, effective and consistent with national policy.

**Issue 4 – Does the plan set out a strategy for retail and other town centre uses which is positively prepared, justified, effective and consistent with national policy?**

69. Policy CS4 seeks to strengthen the role of Blackpool Town Centre as a sub-regional retail centre through additional comparison goods floorspace (to be identified through the SADMPD) and the preparation of a Town Centre Strategy and Action Plan. In line with guidance in the Framework, the policy promotes town centre uses of an appropriate scale in the Borough's other town, district and local centres and identifies that edge and out of centre retail/town centre development will only be permitted where, amongst other criteria, there are no more sequentially preferable sites.
70. The policy is based on the jointly commissioned (with Fylde and Wyre Boroughs) *2011 Fylde Coast Retail Study*, which, on the assumption of a moderate increase in the retention of trade which would otherwise "leak" outside the Borough, identifies capacity for 16,390 sq m of additional comparison goods floorspace in Blackpool Town Centre. A 2013 update of the study, prepared for Fylde and Wyre Boroughs alone, assumes static retention of trade and thus forecasts lower capacity for additional retail floorspace across the Fylde Coast. However, a moderate increase in the retention of retail trade in Blackpool Town Centre aligns with the plan's overall regeneration, employment and housing strategy and would assist in reducing journey lengths in connection with retail trips. Moreover, there is no convincing evidence that this aspirational strategy is not realistic.
71. Part 3 of policy CS4 indicates that town centre uses will only be permitted outside town, district and local centres subject to strict criteria, consistent with national policy. However, as tourism facilities are main town centre uses this aspect of policy CS4 conflicts with policy CS21's statement that tourism attractions will be focussed in the town centre and identified "Resort Core". As considered in Matter 7 there is a strong case for permitting tourism facilities and ancillary retail development in the Resort Core and therefore **MM07** is necessary to ensure consistency between the two policies and, thus, the effectiveness of the plan.
72. In support of policy CS4, policy CS17 indicates in more detail how the role of Blackpool Town Centre will be strengthened, including adequate references to the "evening economy". However to accord with the Framework, in connection with conserving and enhancing the historic environment, **MM19** is required to replace the policy's "exploiting key heritage... assets" phrase with "conserving and enhancing key heritage...assets".
73. Policy CS18 seeks major refurbishment of the Winter Gardens to enhance its appeal and status as an entertainment, leisure and conference venue. Whilst it is positively prepared **MM20 – MM22** are necessary, in the interests of clarity, justification and consistency with national policy, to make clear that supported uses include theatres, that any retail uses must be a limited element of redevelopment and that proposals must sustain and enhance the significance

of the Grade 2\* Listed Building (this latter point slightly amended in the light of consultation comments by Historic England). Whilst use of the word "limited" in relation to retail uses has been challenged there is the potential for more than limited retail development at the Winter Gardens to threaten its significance as a heritage asset. Moreover, there is no convincing evidence to suggest that without the inclusion of this word in policy CS18, appropriate redevelopment of this building could be ensured. However, it is not of sufficient relevance to planning, nor necessary to soundness, to require that development is financially self-sustaining and that generated income is used to maintain/enhance the Winter Gardens heritage asset.

74. Policy CS19 promotes comprehensive redevelopment of the Talbot Gateway Central Business District as part of the strategy of strengthening the role of the Town Centre and regeneration more generally. It is positively prepared although, given that the referred-to major foodstore has been completed, **MM23**, which corrects the reference to this development, is necessary to clarity and ensuring that the plan is justified.
75. The Town Centre's Leisure Quarter incorporates the prominent, but under-utilised, former Central Station site and the adjoining promenade frontage. Its comprehensive redevelopment is central to the plan's strategy for regeneration and employment. In support of this policy CS20 promotes comprehensive redevelopment of the quarter to provide a major leisure development of national significance and sets out criteria with which such a development must accord.
76. It is argued that if an amusement park were to be developed on this site it could significantly undermine the existing Pleasure Beach amusement park and the resort more widely and that, thus, amusement park development should be prohibited by policy CS20. The uniqueness of the Pleasure Beach and its value to Blackpool's economy and its role as a resort are not in dispute. I also appreciate that, nonetheless, it is an economically vulnerable attraction. However, whilst there is, at this stage, no evidence to indicate that an amusement park development at the Leisure Quarter would not threaten the viability of the Pleasure Beach and the resort more widely, neither is there convincing evidence to indicate that, as a matter of course, it would. Moreover, and having regard to the definition of an "amusement park" in the Town and Country Planning (General Permitted Development) (England) Order 2015, it seems to me that the likely effect on the Pleasure Beach and the resort more widely of an amusement park element of a Leisure Quarter redevelopment scheme would very much depend on the precise scale and nature of the development. It would, thus, be most appropriately considered in detail against policy CS20's criteria as part of the planning application for any specific proposal which might come forward.
77. Policy CS20 and its supporting text does not suggest that an amusement park would be an appropriate use for the Leisure Quarter site and the policy is clear that redevelopment should provide a compelling new reason to visit Blackpool and should integrate with and support existing resort core uses/attractions. As discussed at the hearings, to be justified it is also necessary for the policy to state that redevelopment should not undermine existing resort core uses and attractions (**MM24**). However, in the light of the policy (as proposed to be modified) requiring development to provide a compelling new reason to visit

the town and for it to integrate with, support and not undermine existing uses and attractions, it is not necessary to the soundness of the plan for the policy to specifically preclude amusement park development at the Leisure Quarter.

78. In conclusion, subject to **MM07** and **MM19 – MM24**, the plan's strategy for retail and other town centre uses is positively prepared, justified, effective and consistent with national policy.

**Issue 5 – Does the plan set out policies for transport, green infrastructure, water management, sustainable design and renewable/low carbon energy which are positively prepared, justified, effective and consistent with national policy?**

79. Policy CS5 sets out a positively prepared strategy for the development and promotion of a sustainable and efficient transport network and it addresses rail, tram, bus and coach facilities, car parking, eliminating road congestion "pinch points", pedestrian and cycle routes and Blackpool Airport. The policy, and the plan more generally, appropriately balance car use and other modes of transport, in line with national policy, and it is not necessary to the soundness of the plan for it to specifically state that for some development there may be no alternative to car use. However, in the interests of effectiveness, it is appropriate for part 5 of the policy to apply to all, not just town centre, car parking and thus **MM08** is required.
80. Policy CS6 seeks to protect and enhance the Borough's green infrastructure consistent with the Framework's core principle of conserving and enhancing the natural environment. Given that there are no ancient or veteran trees in Blackpool reference to these is not necessary; nor is a target for the creation of new woodland necessary to the soundness of the plan. The policy seeks to protect designated sites of biological/geological importance and indicates that where necessary development will be required to mitigate its impact on these sites. The policy does not prevent appropriate development adjacent to such sites and thus a modification to permit such development is not needed.
81. The policy's aim of protecting existing open space, sports and recreational buildings and land, unless the requirements of Framework paragraph 74 are met, accords entirely with national policy (including the reference to "existing open space") and there is no convincing evidence to justify an alternative approach being taken in Blackpool. In connection with this it has been argued that the former Co-op Sports Club and Fields site at Preston New Road should be allocated for residential development. Given its potential for a maximum of 60 or so dwellings it is not a site of strategic significance warranting consideration as part of the Core Strategy. The case for the site's allocation for housing will therefore be most appropriately considered in the preparation and examination of the SADMPD or as part of the normal determination of a planning application if a scheme for the site were to come forward before adoption of the SADMPD.
82. Consistent with section 10 of the Framework policy CS9 seeks to reduce flood risk and manage the impacts of flooding. **MM10** and **MM11**, indicating that unless unavoidable new development should not discharge surface water into the existing combined sewer network, is necessary for the plan to be justified. Modification to policy CS10 in connection with the Housing Standards Review

is covered in Matter 2 above. However, the element of **MM12** which concerns wind turbine development is necessary to accord with national policy as set out in a recent Written Ministerial Statement. Policy CS10's requirements in terms of non-residential development are consistent with the Framework's core principle of supporting the transition to a low carbon future and there is no evidence to indicate that they are not justified, nor would be effective.

83. In conclusion, subject to **MM08** and **MM10 - MM12**, the plan's policies for transport, green infrastructure, water management, sustainable design and renewable/low carbon energy are positively prepared, justified, effective and consistent with national policy.

**Issue 6 – Does the plan set out policies for quality of design and heritage which are positively prepared, justified, effective and consistent with national policy?**

84. It has been argued that the plan's evidence base on the historic environment is inadequate, that as a whole it does not give sufficient emphasis to providing a specific and positive strategy for the conservation and enjoyment of Blackpool's heritage and that many of the plan's policies should additionally include criteria or references to historic heritage matters.
85. The published evidence base in support of the plan includes Heritage Characterisation Studies covering eight key areas of interest in the Borough. The studies are extremely comprehensive and together comprise over 800 pages of analysis of the Borough's built-heritage and its significance. I am satisfied that this is more than sufficient to meet the requirements of paragraph 169 of the Framework. There are numerous references throughout the plan to the importance of Blackpool's heritage and its conservation, including in the Spatial Portrait and key objective 5 ("...conserving and enhancing Blackpool's rich heritage..."). Policy CS8 sets out an overarching strategy to achieve this objective.
86. As a general principle, the way in and extent to which the plan addresses historic heritage is soundly based, bearing in mind its role as a Core Strategy, supported by more specific saved policies of the Blackpool Local Plan (2006) which will in due course be replaced by development management policies in the SADMPD. In addition to the overarching heritage policy CS8, several other of the plan's policies include criteria relating to heritage where this is of particular relevance (eg CS18 concerning the Winter Gardens). However, the plan must be read as a whole and it is not necessary for there to be criteria concerning heritage in every, or even many of, the policies.
87. Nonetheless, policy CS8 is inconsistent in its wording and thus lacks clarity. **MM09** which addresses this is consequently necessary to the plan's effectiveness. The precise wording of this modification has been slightly amended from that consulted upon, reflecting comments made by Historic England, to ensure that it accords with national policy.
88. Consistent with the Framework's core planning principle (paragraph 17) of securing high quality design, policy CS7 sets out detailed requirements for new development. Given that it is addressed in policy CS6 there is no need to refer to the natural environment, biodiversity or ecological networks in this

policy.

89. In conclusion, subject to **MM09**, the plan's policies in respect of quality of design and heritage are positively prepared, justified, effective and consistent with national policy.

**Issue 7 – Are the plan's strategy and policies in respect of Blackpool Resort Core positively prepared, justified, effective and consistent with national policy?**

90. The defined Resort Core extends from Blackpool Town Centre along the seafront for some 4km or so. It includes many of the resort's key leisure and entertainment attractions and facilities for tourists and is fundamental to the character of Blackpool as a seaside resort. The importance of the area to the Borough's character and economy justifies support for new tourism attractions in the Resort Core, in addition to the town centre, as detailed in policy CS21 and in policy CS17 (as proposed to be modified). Given the need to regenerate key parts of the Resort Core, and the Borough's constrained boundaries and limited land availability, it makes sense for policy CS21 to seek to focus new tourism attractions and visitor accommodation in this area and the town centre, whilst supporting the enhancement of existing such facilities elsewhere in the town. The detailed modifications to the policy suggested by a representor are not necessary to the soundness of the plan as a Core Strategy and, in any case, the policy as it stands does not conflict with the suggested wording. However, to be justified and effective, **MM25** is necessary to make clear in policy CS21's supporting text that ancillary retail and food/beverage uses related to marketing the existing tourism offer will be permitted.
91. Policy CS22 is a positively prepared policy recognising the importance of the attractiveness of key gateways to the resort in attracting visitors to Blackpool. However, for the sake of clarity, and thus effectiveness, modifications **MM26** and **MM27** are necessary to include the parking provision element of supporting text paragraph 7.39 in the policy itself and to refer to the importance of peak visitor day parking requirements in the supporting text.
92. Reflecting the change in visitors' staying habits, the *Fylde Coast Visitor Accommodation Study (2009)* identified an over-supply of around 14,000 bed spaces in Blackpool and policy CS23 seeks to achieve an economically viable level of quality holiday accommodation: generally safeguarding such accommodation in key promenade hotel frontages and in the main holiday accommodation areas whilst permitting change of use to permanent residential accommodation in other areas.
93. There is no challenge to the principle of the policy, and in the light of the *Visitor Accommodation Study* and the clear need to regenerate parts of the Borough's inner areas it is soundly based. However, concern has been raised at the precise boundaries of the main holiday accommodation areas, as currently defined in the March 2011 *Holiday Accommodation Supplementary Planning Document (SDP)*. Having regard to Doc EL3.004 I am satisfied that it is appropriate for the precise boundaries of each area/frontage to be defined in the SPD and the Council has indicated its intention to review the SPD and the boundaries defined in it. Given the effect of the policy and the SPD on individual small businesses, and the need for ongoing regeneration of the

inner area, I urge the Council to complete the review as soon as possible.

94. In conclusion, subject to the recommended modifications **MM25 – MM27**, the plan's strategy and policies in respect of Blackpool Resort Core are positively prepared, justified, effective and consistent with national policy.

**Issue 8 – Are the plan's strategy and policies in respect of South Blackpool Growth and Enhancement positively prepared, justified, effective and consistent with national policy?**

95. Policies CS24 – CS27 set out a positively prepared strategy to co-ordinate the housing and employment growth in the areas around Junction 4 of the M55 and the Airport in South Blackpool. The policies appropriately seek to prioritise the use of sustainable modes of transport and support a neighbourhood planning approach for Marton Moss. Whilst Fylde Council has suggested some clarification of the plan's supporting text concerning proposals for its area close to Junction 4 these do not fundamentally challenge the plan nor affect its soundness.
96. In the interests of clarity and effectiveness **MM28** is necessary to require that the impacts of housing developments in the area on surface and waste water are appropriately managed, given that no such impact, currently referred to in the policy, may not be realistic. **MM29** which includes in policy CS25's supporting text requirements in connection with the protection of Natura 2000 sites, is also necessary to soundness given the possible impact of housing development in the area on these designations.
97. Marton Moss has a particularly distinctive, semi-rural character, reflecting its past as an area of market gardening, which is valued by the local community. Policy CS26 identifies the limited development which will be permitted in this area in the period until a local policy framework has been developed through the neighbourhood planning process. However, as currently worded, the policy is potentially more restrictive than national policy set out in paragraph 55 of the Framework. Consequently, to be justified, **MM30** is required to ensure consistency with this aspect of national policy.
98. In conclusion, subject to **MM28 – MM30**, the plan's strategy and policies in respect of South Blackpool Growth and Enhancement are positively prepared, justified, effective and consistent with national policy.

**Issue 9 - Having regard to national standards, would the requirements of the policies of the plan put the viability of its implementation as a whole at serious risk?**

99. In preparing the plan the Council commissioned URS Infrastructure and Environment UK Ltd and HDH Planning and Development to, amongst other things, assess the effect on the viability of development of the plan's affordable housing and other policy requirements. Following analysis of Blackpool's residential and non-residential property markets the consultants undertook viability appraisals of a range of developments likely to come forward in the Borough during the plan period. In response to the consultants' report of February 2014 the Council modified the draft plan to remove the requirement for inner area residential development to provide affordable housing.

100. Bearing this in mind, and in the light of section 12 of the report (Viability of the Core Strategy), there is evidence to show that, having regard to national standards, the plan's policies and requirements would not put the viability of its implementation as a whole at serious risk. In this context Policy CS11, which sets out requirements in relation to Planning Obligations, is soundly based.

### Other Matters

101. It has been argued that the Sustainability Appraisal (SA) of the plan (May 2014 Report) is inadequate because it does not assess, as reasonable alternatives, figures in the 250-400 dpa range (which the 2014 SHMA identified as the objectively assessed need for housing) above or below the plan's requirement figure of 280dpa. Paragraphs 6.11 – 6.14 of the *Blackpool's Housing Requirement Technical Paper* assesses the 280dpa figure along with 250dpa and 380dpa against four aspects of sustainability of relevance to the plan (accommodating population growth, Blackpool's economy, meeting affordable housing need and balancing constraints to delivery). Para 6.14 concludes that 250dpa and 380dpa would not deliver sustainable development and are thus not considered to be realistic options. This is summarised in paragraph 3.4 of the SA.

102. Having regard to Doc EL3.002 I am satisfied that the Sustainability Appraisal meets the requirements of the SEA Directive (2001/42/EC): the Council rationally considered (and evidenced) that higher and lower housing figures than 280 dpa would not meet the objectives of the plan. Such figures are therefore not realistic or reasonable alternatives requiring assessment as part of the Sustainability Appraisal. I am also satisfied that the Appraisal's assessment of the plan's policies against the identified SA Objectives (including landscape/townscape and heritage) are realistic and adequate.

103. Whilst a glossary of terms might be useful to assist non-planning specialists in understanding the plan this is not a matter which affects the soundness of the document. The schedule of main modifications consulted upon by the Council included **MM31**, concerning clarifications to be made to the *Habitats Regulations Appropriate Assessment Screening Report*. However, as this report does not form part of the Core Strategy itself, it is not necessary for me to recommend this modification as being necessary to the soundness of the plan.

### Assessment of Legal Compliance

104. My examination of the compliance of the Plan with the legal requirements is summarised in the table below. I conclude that the Plan meets them all.

<b>LEGAL REQUIREMENTS</b>	
Local Development Scheme (LDS)	The Blackpool Local Plan Part 1: Core Strategy is identified within the approved LDS (June 2014) which sets out an expected adoption date of September 2015. The plan's content is compliant with the LDS and whilst adoption of the plan will be slightly later than September 2015 this is not a failing in any material way.
Statement of Community Involvement (SCI) and relevant regulations	The SCI was adopted in November 2014 and consultation has been compliant with the requirements therein, including the consultation on the post-submission proposed 'main modification' changes (MM)
Sustainability Appraisal (SA)	SA has been carried out and is adequate.
Appropriate Assessment (AA)	The <i>Habitats Regulations AA Screening Report</i> (May 2014 and as subsequently updated) sets out why AA is not necessary.
National Policy	The Local Plan complies with national policy except where indicated and modifications are recommended.
2004 Act (as amended) and 2012 Regulations.	The plan complies with the Act and the Regulations.

## Overall Conclusion and Recommendation

105. The Plan has a number of deficiencies in relation to soundness and/or legal compliance for the reasons set out above which mean that I recommend non-adoption of it as submitted, in accordance with Section 20(7A) of the 2004 Act. These deficiencies have been explored in the main issues set out above.

106. The Council has requested that I recommend main modifications to make the Plan sound and/or legally compliant and capable of adoption. I conclude that with the recommended main modifications set out in the Appendix the Blackpool Local Plan Part 1: Core Strategy satisfies the requirements of Section 20(5) of the 2004 Act and meets the criteria for soundness in the National Planning Policy Framework.

*Malcolm Rivett*

INSPECTOR

This report is accompanied by the Appendix containing the Main Modifications