

# EiP Statement

## Fylde Council Local Plan

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**Our ref** 41917/02/MW/PN  
**Date** 28 November 2017

### Subject Stage 3 Hearing Sessions - Response to Inspector's Questions

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#### 1.0 Introduction

- 1.1 Lichfields is instructed by Taylor Wimpey UK Limited [Taylor Wimpey] make representations on its behalf to the Fylde Council Local Plan [FCLP].
- 1.2 This statement has been prepared in response to the Questions raised by the Inspector for the forthcoming Fylde Local Plan Examination in Public [EiP] - Stage 3 Hearing Sessions in December 2017. The statement provides a response to the Questions raised regarding the following three hearing sessions:
- 1 Session 1: Objectively assessed housing and economic development needs;
  - 2 Session 2: Housing requirement; and,
  - 3 Session 3: Housing – Site allocations, 5 year housing land supply and the settlement hierarchy.
- 1.3 This response should be read in conjunction with previous submissions by Taylor Wimpey UK Limited [Representor ID: 60] on the FCLP including the Representations to Consultation on Additional Evidence in Support of the Fylde Local Plan to 2032, submitted on 14<sup>th</sup> September 2017 [September 2017 Representations].

#### 2.0 Session 1: Objectively Assessed Housing and Economic Development Needs

- 1 **Is the OAHN range justified and supported by robust evidence? In particular:**
  - a) **It has been suggested that due to the affordability ratio within the borough the market uplift should be increased to 20%. Is this higher level supported by evidence?**
  - b) **Some market signals have not been updated. Are the previous assessments for these still appropriate and based on credible evidence?**
- 2.1 The Framework sets out the central land-use planning principles that should underpin both plan-making and decision-taking. It outlines twelve core principles of planning that should be

taken account of, including the role of market signals in effectively informing planning decisions:

*“Plans should take account of market signals, such as land prices and housing affordability, and set out a clear strategy for allocating sufficient land which is suitable for development in their area, taking account of the needs of the residential and business communities.” [§17]*

2.2 The Practice Guidance<sup>1</sup> requires that the housing need figure (as derived by the household projections) be adjusted to take into account market signals. It clearly distinguishes between the demographic-led need for housing (generated by population and household growth) and the market signals uplift which is primarily a supply response over and above the level of demographic need to help address negatively performing market signals, such as worsening affordability.

2.3 Taylor Wimpey’s view in previous representations and hearing statements has been that 10% is an appropriate level of uplift to apply to the demographic starting point. However, since then, new data has been made available, including the Government’s consultation on the new methodology for objectively assessing housing need [OAHN]. Our findings are as follows:

1 **House Prices** – Our previous analysis confirmed the strength of the Fylde housing market when compared to other authorities. In particular, house prices were found to be higher than adjoining districts, and significantly more than Lancashire as a whole. It was noted that over the period 2000-2015, median house prices have increased by 156% (£111,475) in Fylde, compared to 121% and 133% in Blackpool and Wyre respectively.

The latest data for 2016 has now been published. This suggests that the median house price in Fylde has increased from £184,950, to £190,000. There has been an increase of 188% in the median house price between 1999-2016, compared to 172% over the same time period for Lancashire and 203% for England as a whole. It is apparent that house prices in the Borough have continued to accelerate at a level in excess of the County average.

2 **Rents** – The SHMA Addendum 2 indicated that Fylde’s mean private rental levels were above the comparator areas, with a mean rate of £583, above South Ribble at £578, Wyre at £555 and Blackpool at £495. Whilst the rate of growth since 2010/11 has remained largely static, at just 1.2%, this contrasts with the fall in rental levels experienced in Wyre and Blackpool (at -2.5% and -3.6% respectively). The latest data suggests that median monthly rents in Fylde have decreased, to £550 (as of March 2017), compared to £675 for England and £515 for Lancashire.

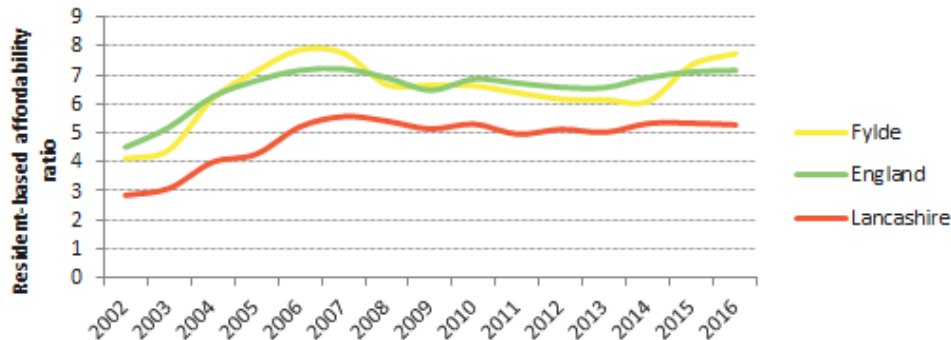
3 **Affordability** – The SHMA Addendum 2 acknowledges the affordability issues faced within Fylde. Overall the affordability ratio has been lower than the national average, but the affordability ratio of 6.22 in Fylde in 2013 was higher than Wyre (6.12) and Blackpool (4.59).

According to the latest 2016 figures, the resident-based affordability (house prices to resident-based earnings) has increased from 7.36 in 2015, to 7.74 in 2016 in Fylde. Since 2002 (4.1), this represents an increase of 88%, a rate far higher than the national average rate of change over the same time period (59%). It is also a higher rate of change than the County-wide average (of 85%). It is also important to note that despite the significantly lower house prices in Fylde when compared to the country as a whole, the resident-based

<sup>1</sup> 2a-020-20140306

affordability ratio is higher than the national rate, of 7.2.

Figure 1 Resident based affordability ratio for Fylde and comparator areas



Source: ONS Affordability data 2017

**Rates of Development** – the Practice Guidance<sup>2</sup> is clear that historic rates of development should be benchmarked against the planned level of supply over a meaningful period. Net housing completions over the last two decades are reviewed in the 2015 Addendum and indicate an under-delivery of 764 dwellings over the period 2003 to 2011 when set against the 306 dpa RS target. At the base date of the modelling undertaken by Edge Analytics (2012/13), the backlog had increased to 1,073. This is clearly a very significant level of under-delivery and is likely to have had an adverse impact on many of the other worsening housing market signals. However, since 2010/11, the cumulative number of net housing completions is 1,503 against a cumulative target of 2,490, an under-delivery of 987 dwellings against the current housing target. This includes a correction of -35 for historic completions set out in the Council’s response to the September 2017 Representations [Council’s October 2017 Response]. Therefore the Borough has a clear record of persistent under-delivery.

- 2.4 The data is unchanged for overcrowding as this is based on 2011 Census data.
- 2.5 The position is therefore complicated, with certain indicators increasing, whilst others have declined. However in general, it is clear that the having consistently under-delivered housing for a number of years (2016/17 notwithstanding), despite having comparatively low house prices when compared to the national average, Fylde remains an unaffordable place to live for many residents, and the situation is worsening. It has reached a point where Fylde has a higher affordability ratio than the national average (which includes London and the Southeast).
- 2.6 On 14th September 2017 CLG published “*Planning for the right homes in the Right Places*”. The consultation seeks views on a number of changes to planning policy and legislation following on from the Government’s Housing White Paper, “*Fixing Our Broken Housing Market*” (2017). Of particular relevance to this Addendum is CLG’s proposed approach to a standard method for calculating local housing need, including transitional arrangements
- 2.7 The proposed approach in the consultation document to a standard OAHN methodology consists of three components. The starting point would continue to be a demographic baseline using the latest CLG household projections (over a 10-year time horizon), which is then

<sup>2</sup> 2a-019-20140306

modified to account for market signals (the median price of homes set against median earnings). The modelling proposes that each 1% increase in the ratio of house prices to earnings above 4 results in a ¼% increase in need above projected household growth.

- 2.8 The data indicates that for Fylde Borough, an uplift of 11% should be applied to the demographic starting point.
- 2.9 On balance, Taylor Wimpey’s view remains unchanged, and that a market signals uplift of 10% would be appropriate for Fylde Borough.

**c) Some representors suggest that large employers in the area are contracting, which would result in a lower housing need. Is this the case and does the evidence support a lower jobs growth forecast?**

- 2.10 Whilst some employers in the area may be experiencing some contraction, others are experiencing growth and the number of people in work nationally is at an all-time high. Since the recession in 2008/09, the total number of residents in employment in Fylde Borough has increased steadily, to 35,700 as of June 2017.

Table 1 Number of Economically Active People In Employment in Fylde Borough

	Economically Active – In Employment
July 2008 – June 2009	33,600
July 2009 - June 2010	33,800
July 2010 - June 2011	35,800
July 2011 - June 2012	34,300
July 2012 - June 2013	35,700
July 2013 - June 2014	33,600
July 2014 - June 2015	34,700
July 2015 - June 2016	35,600
July 2016 - June 2017	35,700

Source: ONS Annual Population Survey 2017

- 2.11 Although uncertainty remains concerning the economic impacts of Brexit, the Framework requires Local Authorities to do ‘everything they can’ to boost economic growth. We have considered the growth opportunities likely to result from the Enterprise Zone and do not consider a lower growth projection is suitable at this time.

**d) Other representors suggest that an allowance for additional jobs growth at the Enterprise Zones should be taken into account in the assessment. Does the evidence support such an allowance? Does the Council’s economic strategy rely on growth at the Enterprise Zones? Are the economic and housing strategies aligned within the plan?**

- 2.12 The Enterprise Zones clearly form a key part of the economic strategy for the Council. The Blackpool and the Fylde Framework for Inclusive Growth and Prosperity identifies the Enterprise Zones as genuine opportunities to generate jobs in the decades ahead. It goes on to highlight the Enterprise Zones as presenting a once in a generation opportunity to unleash potential and drive job creation. The Fylde Borough Council Economic Development Strategy identifies the Enterprise Zone at Warton as one of its 11 key themes. It is noted that at the time of this document the Airport Enterprise had not been identified.
- 2.13 Throughout the Local Plan the role of the Enterprise Zones is clearly set out. The preface of the Local Plan sets out Fylde’s important part of the Lancashire economy, and sets out regionally significant business sectors including BAE Systems, part of the Warton Enterprise Zone and Blackpool Airport and its associated Enterprise Zone. Whilst the spatial portrait identifies the Warton Enterprise Zone as having potential to improve the economic and physical connectivity of Fylde, and the vision makes reference to both Enterprise Zones. Strategic Objective 4 highlights the key role the Enterprise Zones in developing a distinctive image of the borough as a business location. The strategic locations for development include land at Blackpool Airport Enterprise Zone (14.5ha), representing just under a quarter of employment allocations (62ha).
- 2.14 The Council’s housing requirement figure of 415 dpa disregards the creation of new jobs at the Enterprise Zones over the plan period. This is not realistic and conflicts with the Council’s economic strategy. Furthermore, it also fails to take into account the need to attract more residents of working age to the Borough in order to create a more balanced community and one that is able to provide a better match with the skilled employment opportunities that are likely to be generated. Even a figure of 430dpa does not take into account the creation of jobs in the Enterprise Zones and therefore the OAHN should be a lot higher than the 415dpa figure being pursued by the Council and higher even than 430dpa.
- 2.15 The Practice Guidance<sup>3</sup> notes that demographic trends should be applied as a starting point when assessing the OAHN. It goes on to state that consideration should also be given to the likely change in job numbers. This reflects the importance that the Framework [§158] places on the economy and the requirement to “*ensure that their assessment of and strategies for housing, employment and other uses are integrated, and that they take full account of relevant market and economic signals*”.
- 2.16 In modelling the impact forecast job growth on OAHN, the Fylde Addendum 3 utilises the findings of the Council’s ‘*Independent Assessment of the Economic Prospects of Fylde*’ prepared by AMION in May 2017<sup>4</sup> [Independent Economic Assessment] which states that an average of three forecasts (Oxford Economic, Cambridge Econometrics and Experian) is considered to be representative of future job growth within Fylde. The Independent Economic Assessment

<sup>3</sup> ID: 2a-015-20140306

<sup>4</sup> Additional Evidence Document. Appendix 1, Annex 1. Page 46.

presents two variant approaches to calculating the likely future job growth on the basis of a calculated average and concludes at Section 5 that *“it is reasonable to assume that the level of future employment growth in Fylde will lie in the range of 55 jobs to 91 jobs per year, between 2015 and 2032.”*

- 2.17 Overall, the Fylde Addendum 3 concludes that it is a reasonable to assume that there will be an associated need for between 408 and 432dpa to support the forecast job growth in the Borough and notes that *“the Independent Economic Assessment concludes that it is ‘expected...that the likely level of employment growth will be at the upper end of this range. It is therefore considered that the full need for housing will be more closely aligned with the upper end of the modelled jobs-led scenarios.”* [§4.49]
- 2.18 The Council states in its Additional Evidence Document [§2.11] that it considers *“OAN is an assessment of need reflecting future jobs growth independent of any policy influences. Within Fylde the Council considers that the two Enterprise Zones are a ‘policy-on’ consideration that should at this moment in time not unduly influence the assessment of likely job growth the be considered through assessment of OAN.”*
- 2.19 Taylor Wimpey considers that the Council has misinterpreted its evidence base in coming to this conclusion. The Fylde Addendum 3 [§4.21 & §4.38] clearly states that 410 - 430dpa is the OAHN for the Borough. It does not at any point refer to this range being a policy choice or the housing requirement for the Borough. In referring to the lower level of population growth and housing growth identified at Table 4.3 of Fylde Addendum 3, the Council has failed to acknowledge that Section 4 of the Independent Economic Assessment concludes that:
- “The analysis of the labour force profile in the Independent Economic Assessment recommends that it would be prudent to retain the more modest adjustments to labour force adjustments used in the main scenarios presented in this Addendum. This recognises the scale of job growth forecast in Fylde, the distinct projected changes to the age profile of Fylde and the significant impact of an increasingly ageing population as well as the range of industrial sectors in which growth is forecast. It is considered on this basis that it is reasonable to assume that in order to support the likely job growth concluded in the Independent Economic Assessment that there will be an associated need for between 408 and 432 dwellings per annum to support the forecast job growth.”<sup>5</sup>*
- 2.20 In this context, Taylor Wimpey considers it important to highlight that:
- 1 The upper and lower figures of employment change presented at Table 5.1 are simply different ways of projecting forward the average of the three forecasts i.e. they have nothing to do with policy choices;
  - 2 The higher figure (based on the yearly average of the three forecast data sets) is still below the growth in employment seen over some years within Fylde;
  - 3 The implications for job growth of the Enterprise Zones has no influence on the model; and,
  - 4 The level of growth suggested by the yearly average of the three forecast datasets is more reflective of recent historic trends and therefore allows for flexibility.

<sup>5</sup> Additional Evidence Document. Appendix 1, Annex 1. §4.48 and 4.49.

- 2.21 The Independent Economic Assessment concludes that:
- “The level of growth suggested by the yearly average of the three forecast datasets is more reflective of recent historic trends than the three-year moving average, albeit it is still below the growth in employment seen over some years within Fylde. The implications for job growth of local interventions, such as the Enterprise Zones at Blackpool Airport and Warton, also needs to be noted, despite sufficient evidence not yet being available to make specific adjustments to the baseline forecasts. Therefore, on balance, it is considered that the likely level of employment growth will be at the upper end of the range suggested by the yearly and three-year moving averages.” [Lichfields emphasis]*
- 2.22 It is right and proper that consideration of OAHN seeks to address economic growth needs and the Council has failed to acknowledge that the two Enterprise Zones are already established within the Borough and represent a key part of the largest concentration of aerospace activity within the UK. They cannot therefore be considered as ‘policy-on’ consideration. Furthermore, whilst recent job growth at the Enterprise Zone may have been slower than anticipated, this has to be seen in the context of a Plan with a time horizon that stretches to 2032.
- 2.23 The approach relating to Enterprise Zones is further clarified in Fylde Addendum 3, which states that “AMION consider that there is not sufficient evidence to include an allowance under the baseline scenario for additional employment growth in Fylde from the Enterprise Zones.” [§4.19]. It is therefore totally unnecessary for the Council to make any ‘planning judgement’ on the implications of additional job growth at the two Enterprise Zones in selecting its OAHN from the range identified within its evidence base as this has not been factored into the baseline forecasts.
- 2.24 The Council’s position completely disregards the creation of new jobs at the Enterprise Zones over the plan period. This not only conflicts with its economic strategy, but also fails to take into account the need to attract more residents of working age to the Borough in order to create a more balanced community and one that is able to provide a better match with the skilled employment opportunities that are likely to be generated. This gives further weight to the argument that the OAHN should be at the upper end of the 410dpa – 430dpa range identified by Turley in its Fylde Addendum 3.
- 2.25 Taylor Wimpey recognises that in certain cases, there may be a requirement to make a ‘planning judgement’ in relation to balancing housing needs and employment growth. However, in making its ‘planning judgement’ the Council is clearly seeking to justify a lower housing requirement than is evidenced by the work produced by Turley and AMION. The Council’s evidence base concludes that there will be a need for 432dpa to support the forecast job growth and the Fylde Addendum 3 is clear that *“the full need for housing will be more closely aligned with the upper end of the modelled jobs-led scenarios”* [§4.49].
- 2.26 It is imperative that the Council is planning for realistic levels of growth and it is disingenuous for the Additional Evidence Document [§2.20] to state that *“planning for the provision of 415 dwellings per annum evidently provides a significant level of headroom against this lower projection of need.”* In seeking to balance housing needs and employment growth, the Council should ensure that its economic and housing strategies are aligned. A failure to do so means that the plan is not positively prepared and the full housing needs of the Borough will not be met.

**e) Is a further upward adjustment for the delivery of affordable housing justified?**

2.27 The SHMA Addendum 1 identifies an affordable housing requirement of 249 dpa. The Council's Housing Requirements Paper (July 2016) [§70] suggests that there is a need to uplift the overall housing provision above the demographic baseline to address affordability issues. At 30% delivery (i.e. the target in the FCLP), this would equate to 830 dpa.

2.28 Whilst it is recognised that this level of housing is unlikely to be ever be achieved in Fylde, given that this is more than four-times the number of dwellings (net) the Borough has consistently delivered in the past (199 dpa over the past decade<sup>6</sup>), a further uplift is required to make a meaningful contribution to reduce the affordable housing need. Taylor Wimpey considers that a further 10% upwards adjustment should be applied to the OAHN to go a meaningful way to address affordable housing needs.

**2. Does the updated jobs growth assessment have any implications for the overall economic development strategy set out within the plan?**

2.29 Whilst Taylor Wimpey does not wish to make detailed comment on this issue at the current time, it notes that the housing and economic strategies in the local plan must be aligned.

**3. In relation to gypsies, travellers and travelling showpeople, are the housing needs of those people who do not meet the new definition set out in Annex 1 of the national Planning Policy for Traveller Sites included in the SHMA assessments?**

2.30 Taylor Wimpey does not wish to make any comment on this issue at this time.

## 3.0 Session 2: Housing Requirement

**1 Based on the submitted new evidence the Council is proposing that the housing requirement for the plan period would be 415 dpa (8,715 dwellings) rather than the 370 dpa currently set out within the plan. On what basis has 415 dpa been determined as the housing requirement figure? Does the evidence support a lower or higher figure?**

and

**2 Will this figure ensure that the plan meets the full objectively assessed housing needs identified in the SHMA Addendum 3?**

3.1 As set out in detail in our September 2017 Representations, Taylor Wimpey considers that the Council has provided no justification for the 415 dpa figure other than that it sits somewhere within the 410dpa – 430dpa range identified by Turley in its *'Fylde Addendum 3: Analysis of the OAN in light of the 2014-based SNPP and SNHP'* [Fylde Addendum 3] which forms Appendix 1 of Annex 1 of the Additional Evidence Document.

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<sup>6</sup> Turley (May 2015): Fylde Addendum 2: Analysis of Housing Need in light of the 2012 Sub-National Household Projections, paragraph 4.32



- 3.2 There is no reference anywhere within Fylde Addendum 3 that states the Borough's housing requirement is 415 dpa and in fact, the document clearly suggests that the full need for housing is more closely aligned with the upper end of the range identified i.e. 430dpa.
- 3.3 Taylor Wimpey remains firmly of the view that the Borough's housing requirement is significantly higher than 415 dpa, and higher even than the 430dpa figure. This reasoning for this is set out in detail within Taylor Wimpey's September 2017 Representations.

## 4.0 **Session 3: Housing – Site Allocations, 5 Year Housing Land Supply and the Settlement Hierarchy**

### **1 In the light of the Council's updated site allocations and site delivery methodology:**

- a) Is the amount of housing proposed for each site justified having regard to any constraints and the provision of necessary infrastructure?**
- b) Are the Council's revisions to the methodology for site delivery and adjustments to the build out rates reasonable and justified?**
- c) Is the housing trajectory realistic for each updated allocation: are there any sites which might not be delivered in accordance with the timescale set out in the trajectory?**

- 4.1 As set out in the September 2017 Representations, Lichfields has reviewed the Council's methodology used to identify its claimed level of supply and considers that it is unsound. Furthermore, it does not fully reflect discussions around the table at the Stage 2 Hearings Sessions. A general consensus was reached between all parties (including the Council) in relation to the delivery of many sites in the trajectory, and that it was understood that this would be accurately reflected when the Council produced and published its updated 5YHLS position for consultation. A joint statement setting out how this is not the case was also prepared by representatives of the development industry who were in attendance at the Stage 2 Hearing Sessions and submitted alongside the September 2017 Representations.
- 4.2 Taylor Wimpey provided full details in the September 2017 Representations regarding the sites which it is considered the Council has over-estimated delivery.
- 4.3 Since the September 2017 Representations, an appeal decision for Kilnhouse Lane<sup>7</sup> has been issued (16<sup>th</sup> November 2017). The Kilnhouse Lane Inspector raised concerns that the Council has been over-optimistic regarding the delivery of housing in the relevant 5 year period [§19]. In particular, the Inspector found that the Council's evidence did not justify including the smaller sites at Fairways (HS12), Whitehalls (HSS6), Sunnybank Mill (HS28), Thornhill Caravan Park (HS41), Wrea Green (HS47) and Newton Hall (HS51) within the 5 year supply.
- 4.4 Furthermore, the Inspector also made particular mention of the Queensway (HSS1) site as an example of a contested larger site that would not be achievable, as it does not yet have an agreed means of access. Despite the claim in the Council's October 2017 Response, that its delivery rate

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<sup>7</sup> PINS ref: APP/M2325/W/16/3164516

of 100dpa is based on evidence from the developer, the Kilnhouse Lane Inspector did not accept a build rate of 100 units per year on this site as such a build rate has rarely been shown to have been achieved by the developer in the past [§20].

- 4.5 The 5-year housing land supply should therefore be reduced to reflect the agreed position and the findings of the Kilnhouse Lane Inspector.

**2 It has been suggested that the 10% non-implementation rate should be applied to all sites with planning permission, not just small sites: is this approach justified? What implications, if any, would this have on housing supply, specifically the 5 year housing land supply, if it was applied across the board? Does evidence support the use of a higher 20% non-implementation rate for small sites?**

- 4.6 As set out in the September 2017 Representations, Taylor Wimpey considers that a minimum 20% discount for non-delivery should be applied to small site commitments.
- 4.7 In the Council's October 2017 Response, it argues that no evidence is provided to support the contention that the 10% allowance is insufficient. The Council sets out at page 43 of its October 2017 Response, how 61 units were the subject of a lapsed planning permission from 2011 to 2017 and represent approximately 11% of the implementable planning permissions during that period. The Council contends that this justifies a 10% reduction.
- 4.8 Lapsed planning permissions however, are just one reason why the anticipated number of units from small sites will not actually be delivered. Therefore whilst the Council's 10% allowance will, based on past evidence, almost (but not quite) account for lapsed planning permissions, it will not account for all non-delivery. In Lichfields broad experience of this type of work, smaller sites often experience non-delivery for a multitude of reasons including but not limited to lapsed permissions (e.g. individual landowners with no immediate desire or need to see a site delivered, unlike a commercial housebuilder). A 10% reduction from small sites is therefore likely to under-estimate the scale of under-delivery and a reduction of at least 20% should be applied.
- 4.9 It should be noted that even with a 20% reduction, the Council's anticipated trajectory would still see 262 dwellings from small sites within the 5YHLS at an average rate of 52 completions per year. As set out in the September 2017 Representations this is substantially higher than past rates of development on small sites.

**3 In my letter of 3 July 2017 I asked the Council for further clarification on their preferred approach to delivering the identified shortfall in housing delivery using the Liverpool method (across the plan period). In light of the Council's evidence on bringing sites forward for delivery and the availability of additional sites, is the use of the Liverpool method justified?**

- 4.10 During the Stage 2 Hearing Sessions the Inspector acknowledged that the Council had failed to justify the use of the Liverpool method and invited the Council to do so. However, the Council has failed to provide any robust evidence to justify the use of the Liverpool method.

4.11 Taylor Wimpey has sought legal advice on the subject, a copy of which was included with the September 2017 Representations and states that:

*“Thirdly, as a result of the above and the fact that the Council admits that it has not sought to advance identified sites or identify additional sites, the Council cannot use the alleged inability of early delivery as a reason for adopting the Liverpool approach it seeks to advocate4 contrary to the inspector’s clear indication in favour of the orthodox Sedgfield approach.” [§12]*

4.12 In the Council’s October 2017 Response, it maintained that the Liverpool method is a widely recognised and accepted method for assessing the 5-year supply and referenced that it was used in Blackpool and Preston (2015). Whilst Taylor Wimpey does not contest that the Liverpool approach is a valid method in cases where it can be fully justified and supported by robust evidence, Fylde Council has not provided any such justification or evidence.

4.13 Taylor Wimpey strongly objects to the use of the Liverpool method in Fylde as it is not justified and conflicts with the objective of the Framework to 'boost significantly' the supply of housing [§47]. The Sedgfield method should therefore be used.

4.14 The use of the Sedgfield method in Fylde has recently been endorsed by the Kilnhouse Lane Appeal Inspector in the appeal decision dated 16<sup>th</sup> September 2017<sup>8</sup>. The Inspector’s concluded that the urgent need for housing outweighs the arguments put forward by the Council with regard to the seriousness of the shortfall, a past housing moratorium, the unlikelihood of neighbouring authorities assisting with addressing the housing need and the requirement for Local Plans to be realistic.

**4 The Council in EL7.002 confirm that they have a 5 year housing land supply (5YHLS) whether Sedgfield (5.1 years) or Liverpool (6.4 years) is used. A recent Council planning policy statement (dated September 2017) produced for an appeal (PINS ref: APP/M2325/W/16/3174723) indicates that the supply is now 4.9 years using the Sedgfield approach or 6.2 years using the Liverpool method. Can the Council comment on their update and its implications for housing land supply within the plan? Will the housing provision have a reasonable prospect of delivering a 5 year housing land supply at the point of adoption of the plan?**

4.15 The Council claimed a 5.1 year supply based on the Sedgfield Method in the consultation on additional evidence [EL7.002]. In the September 2017 Representations, Taylor Wimpey demonstrated that the Council’s actual supply was 4.3 years [Table 6].

4.16 In the Council’s October 2017 Response, following the Mains Lane appeal<sup>9</sup> the Council presents an amended 5 year supply position which includes the following amendments.

- 1 A reduction of **70** from the supply due to site specific information;
- 2 A reduction of **35** from the historic completions due to a correction to historic demolitions; and,
- 3 A reduction of **25** from the supply due to a correction to the future demolitions allowance.

<sup>8</sup> PINS ref: APP/M2325/W/16/3164516

<sup>9</sup> PINS ref: APP/M2325/W/16/3174723)

- 4.17 The overall reduction of 70 from the supply is made up of:
- 1 The removal of site HS27 (Oaklands Caravan Park) - **53** dwellings;
  - 2 The removal of site HS65 (Dalmeny Hotel) - **34** dwellings;
  - 3 The addition of **20** dwellings to the supply from site HS14 (AXA);
  - 4 The reduction of **3** dwellings from site HS44 (Coastal Dune Road);
  - 5 The addition of **15** dwellings from site HS52 (Cobweb Barn, Oak Lane, Newton); and,
  - 6 A reduction of **15** dwellings from site HS53 (Singleton Village, Singleton).
- 4.18 Table 2 below updates Table 6 from the September 2017 Representations taking into account the adjustments above. The removal of site HS27 was included in Taylor Wimpey's calculated 5 year supply in the September 2017 Representations but none of the other sites at §4.17 were. Therefore in terms of the supply, the adjustments at §4.17 result in a reduction of 70 from the Council's claimed supply but a reduction of 17 from the supply based on Lichfields;' analysis.
- 4.19 As set out in Table 2 below, applying the adjustments to Table 6 of the September 2017 Representations results in a claimed supply of 4.9 years from the Council (as set out in the Council's October 2017 Response) but a supply of just 4.2 years based on Taylor Wimpey's analysis of the 5 year supply, based on the Sedgfield method and an OAN of 415dpa. Using an OAN of 430dpa, which should be the minimum, would result in a supply of just 4.0 years.
- 4.20 The Kilnhouse Lane decision explains that due to concerns over delivery (see §§4.3-4.5 above) the Council's claimed 4.9 year housing land supply should be further reduced (para 20). This, along with the Mains Lane decision serves to emphasise and validate the serious concerns surrounding the fragility of the supply of housing in Fylde. There is therefore, a clear and pressing need for further sites to be allocated. Without further sites, there is no certainty that a five year supply can be provided and therefore the local plan cannot be found sound.
- 5 In the Settlement Hierarchy Note (July 2017) (part of EL7.002), the Council concludes that there is no justification for altering the positions of Wrea Green and Elswick within the settlement hierarchy. Does the evidence support this approach?**
- 4.21 Taylor Wimpey does not have any specific comments to make on this issue but as has been made clear in previous submissions that Kirkham and Wesham is considered to be a suitable location to which additional balanced and sustainable growth should be directed.

Table 2 Fylde 5 year Housing Land Supply Position

Housing Requirement (2017/18-2022/23)	FBC Approach		Lichfields Approach		Lichfields Approach	
	(5x415)	2,075	(5x415)	2,075	(5x430)	2,150
5-year Requirement	(5x415)	2,075	(5x415)	2,075	(5x430)	2,150
Backlog (2011-2016)		987		987		1,062
Requirement + Backlog		3,062		3,062		3,212
Framework 20% Buffer		612		612		642
Outstanding 5 Year Requirement Requirement + Backlog + Buffer		<b>3,674</b>		<b>3,674</b>		<b>3,854</b>
Residual Annual 5-Year Requirement		735		735		771
<b>Existing Supply</b>						
Large Sites		3,182		2,774		2,774
Small Site Commitments		328		328		328
<b>Sub Total</b>		<b>3,510</b>		<b>3,102</b>		<b>3,102</b>
<b>Potential Supply</b>						
Small sites and windfall allowance (unallocated sites)		80				
Long Term Empty Homes re-entering market		50		50		50
<b>Sub Total</b>		<b>130</b>		<b>50</b>		<b>50</b>
<b>Allowances</b>						
10% Reduction from Small Sites		-33				
20% Reduction from Small Sites				-66		-66
<b>Sub Total</b>		<b>-33</b>		<b>-66</b>		<b>-66</b>
<b>Total Supply</b>		<b>3,607</b>		<b>3,086</b>		<b>3,086</b>
Demolitions Allowance		-25		-25		-25
<b>Total Supply</b>		<b>3,582</b>		<b>3,061</b>		<b>3,061</b>
Over/Under Supply 5 year period (Under Supply Expressed as a Minus)		-92		-613		-793
<b>5-year Housing Supply (Expressed as Years of Residual Requirement)</b>		<b>4.9</b>		<b>4.2</b>		<b>4.0</b>

Source: FBC and Lichfields