

Gladman Hearing Statement
Fylde Local Plan to 2032 Partial Review
Examination

Matter 2: Housing



February 2021

CONTENTS

1	Matter 2 – Housing	3
1.1	Issue 1	3
	Question 1	3
	Question 1 a)	3
	Question 1 b)	4
	Question 1 c)	6
	Question 1 d)	6
	Question 2	6
	Question 2 a)	6
	Question 2 b)	7

1 MATTER 2 – HOUSING

1.1 Issue 1 – Have the revisions to Policies DLF1 and H1 and relevant supporting text, in relation to housing needs and the housing requirement, been positively prepared and are they justified, effective and consistent with national policy? Is Policy H2 consistent with national policy?

Q1 – Policy DLF1 and its supporting text, in the Partial Review, seeks to set out the minimum housing requirement figure as a range of 6,895-8,715 dwellings for the plan period. Policy H1 and its supporting text, as proposed, seeks to set the housing requirement as 415 net new homes per annum between 2011 and 2019, and sets a range of 275-415 net new homes per annum between 2019 and 2032. The Partial Review also includes revisions to Paragraphs 9.13-9.19 on housing provision. My queries are:

a) Is the assessment of housing need, using the standard method, consistent with national policy and does it accord with the methodology set out in the Planning Practice Guidance? Are there any 'exceptional circumstances' to justify an alternative approach?

- 1.1.1 Gladman do not believe that the Council's approach to reassessing its housing needs and revisiting the housing requirements contained in Policies DLF1 and H1 is consistent with the requirements of national planning policy or the methodology set out the Planning Practice Guidance (PPG) on Housing and Economic Needs Assessment.
- 1.1.2 The proposed changes to Policies DLF1 and H1 detail the Council's intention to revise its housing target to a range of 6,895 – 8,715 dwellings, or 275 – 415 dwelling per year. The supporting text accompanying Policy H1 (paragraphs 9.11 – 9.19) describes how it is envisaged that the lower of these two figures would provide the minimum housing target to be provided from 2020, whilst the upper figure would still allow for the delivery of existing sites that benefit from an adopted Fylde Local Plan to 32 (FLP32) allocation and help to meet unmet need from neighbouring authority areas.
- 1.1.3 Reviewing the Council's evidence base, we believe that the Council's proposed housing requirement of the 275 dpa is unjustifiably low, and seeking to reduce the Council's housing target runs contrary to the national objective of boosting the supply of housing.
- 1.1.4 The Council's proposed Standard Method-derived housing target of 275 dpa for the remainder of the FLP32 period should be viewed as the minimum starting point for assessing the number of homes that are needed¹ in the Fylde borough area and represents a significant deviation from the Council's current adopted housing target of 415 dpa. In this respect, we submit that the Council's

¹ PPG ID: 2a-010

- approach to re-assessing its housing needs fails to pay sufficient regard to factors that would justify increasing this figure or planning for a higher level of housing to meet the authority's needs.
- 1.1.5 The PPG on Housing and Economic Needs Assessment (PPG ID: 2a-010) describes some of the circumstances in which it may be appropriate to plan for a higher level of housing need than the standard method indicates.
- 1.1.6 This includes situations where previous levels of housing delivery in an area, or previous assessments of need (such as a recently produced Strategic Housing Market Assessment) are significantly greater than the outcome from the standard method. The PPG also makes clear that the Standard Method does not attempt to predict the impact that changing economic circumstances or other factors may have on demographic behaviour.
- 1.1.7 In this context, it is notable that the 2017 Fylde Coast Strategic Housing Market Assessment (SHMA): Fylde Addendum 3 used a similar demographic starting point as the Council's Standard Method figure (274 v 275 dpa respectively) but reasoned that there was a need to plan for 410 – 430 dpa in order to meet the borough's economic needs and support likely job growth.
- 1.1.8 Whilst the Council's Housing Needs and Requirement Background Paper (EDPR04) seeks to make comparisons between the affordability uplift included in the current Standard Method calculation and the Council's earlier SHMA work, we do not believe that it has provided an adequate explanation for departing from these economic projections of need and how they could affect the borough's economy.
- 1.1.9 The need to plan for a higher level of housing need in the borough is also supported by recent completions data provided in paragraph 4.5 of the Council's 2020 Annual Position Statement (EL1.002b). This identifies how housing completions have totalled 463, 490 and 634 dwellings per year in 2017/18, 2018/19 and 2019/20 respectively, thereby offering a clear indication of the true demand and need for additional housing in the borough.
- 1.1.10 For the foregoing reasons, we believe that there are no justifiable grounds for departing from the Council's adopted housing target, to pursue a requirement that is only likely to frustrate the delivery of much needed market and affordable homes within the Fylde borough area.
- 1.1.11 We further question why the Council are electing to take this approach, given the efforts that it has already taken to identify a sufficient supply of allocations to meet its present adopted FLP32 housing requirement, which could arguably come forward to meet this figure. The continued reference to a figure of 8,715 dwellings also raises questions over the Council's decision to promote a reduced housing requirement, when there is clearly recognition that a higher level of housing could come forward in the borough.
- b) is the inclusion of a minimum housing requirement figure as a range justified and effective?**
- 1.1.12 For the reasons set out in response to Question 1(a) above, Gladman do not believe that the proposed housing requirement of 6,895 – 8,715 is justified and effective. We do not believe that

- the Council has properly justified the use of a housing target of 215 dpa in setting the amended housing requirement figure contained in Policies DLF1 and H1, or explained why it is appropriate to depart from its existing FLP32 housing requirement figure in this respect.
- 1.1.13 Notwithstanding these views, we also question how the Council's proposed dwelling range would operate in practice and be interpreted by both decision makers and applicants. We believe that more clarity is needed in this respect.
- 1.1.14 For example, it is unclear whether the upper end of the Council's proposed housing requirement range would be solely reserved for the assessment of existing allocations, and how the Council would respond to proposals that exceeded its proposed 275 dpa target. We also object to any inference that the upper end of this range would be used as a cap on development (EDPR04 paragraph 4.5), as this would be inconsistent with references to the range being a minimum in Policy DLF1 and could create an unnecessary constraint on the delivery of sustainable development.
- 1.1.15 We also disagree with the assumption the Council's proposed housing requirement range would cater for unmet needs from Wyre. As set out in our Matter 1 Hearing Statement, there is currently no clarity on the level of housing that Wyre Borough Council will be pursuing through their own on-going Local Plan review, what the scale of their unmet needs will be and whether these can be accommodated in their own authority area. There is currently no clarity on this issue, and it appears that no agreement has been reached between the two Councils to address this matter.
- 1.1.16 This assumption is also made on the basis that this revised housing requirement is sound. For the reasons set out in response to Question 1 (a) above, we question whether this is the case. To provide flexibility and scope for meeting unmet needs or other changes in circumstances, we suggest that it would be more appropriate for the Council to identify additional sites for this purpose, and not rely on the existing suite of allocations that have been identified to meet its own needs.
- 1.1.17 Gladman also note that is the intention to use the Council proposed housing target of 275 dpa for the purposes of calculating the Council's five-year housing land supply position. In this respect, we believe that seeking to monitor housing delivery against such a low target will only serve to further frustrate the supply of housing, particularly when there is evidence of much higher housing demand in the borough.
- 1.1.18 We submit that this creates a very low bar for assessing housing delivery performance in the authority and is at odds with the potential supply of dwellings that could come forward through the Council's committed supply and allocated sites. We question what incentive there would be for ensuring the Council's proposed allocations are delivered and come forward, when there is such a low threshold for monitoring housing delivery.
- 1.1.19 As submitted through our Regulation 19 representations, this restraint on housing delivery will be further compounded by the Council's continued reliance on the 'Liverpool' method for addressing any backlog in the authority's housing land supply calculation. As explained by Inspector Baird in the authority's now quashed 15th January 2020 Annual Position Statement Report:

“The objective of national planning policy is to “...significantly boost the supply of homes...” and a 5-year HLS is regarded as a minimum position. The shortfall in delivery is not a mathematical exercise, it is real households that require homes now. In this context and given the declining supply of housing land (in Fylde), the continued use of the Liverpool Approach to determine the annual requirement cannot be justified”

- 1.1.20 In accordance with PPG ID: 68-031, Gladman therefore believe that the authority should now be looking to address any shortfall via the ‘Sedgefield’ method, unless there are clear and compelling reasons for continuing to make good any under-supply over the remainder of the Local Plan period. This should be examined through the Partial Review process.

c) Why is ‘minimum’ proposed to be deleted from Policy H1 criterion a) in relation to the housing requirement figure? Is this consistent with Policy DLF1?

- 1.1.21 Notwithstanding our views on the adequacy of the Council’s revised housing target, we submit that the housing targets contained in Policy H1 criterion a) should also be expressed as a ‘minimum’ for consistency with Policy DLF1 and to avoid any arbitrary constraints on the supply of housing in the borough.

d) Overall, are proposed Policies DLF1 and H1 soundly based? Are they clearly written and unambiguous in accordance with paragraph 16 d) of the Framework, and supported by effective explanatory text?

- 1.1.22 For the reasons provided above, we do not believe that Policies DLF1 and H1 are soundly based and unambiguous in accordance with paragraph 16 (d) of the Framework. We do not believe that the Council’s revised housing requirement figure is positively prepared and that sufficient justification has been provided to support this amendment as part of the Local Plan Partial Review.
- 1.1.23 There is also no clarity on whether the Council’s amended target will be able to address the issue of unmet housing needs, particularly those arising from Wyre Borough Council’s administrative area, which was a key driver of the Local Plan Partial Review process. On this basis we submit that the Council’s proposals are not justified and effective.
- 1.1.24 It is also unclear how the Council’s proposed housing requirement range would be interpreted and applied in practice. In this respect, we question whether these elements of the Local Plan Partial Review are clearly written and unambiguous in accordance with paragraph 16 (d) of the Framework.

Q2 - What effect, if any, does a minimum housing requirement as a range of 6,895-8,715 net new homes during the plan period, have on the ability of the Council to:

a) deliver affordable housing to meet identified needs; and

- 1.1.25 Gladman note that the 2014 Fylde Coast SHMA Addendum 1 concludes that there is a need to deliver 249 affordable homes per annum in the Fylde borough area. In this respect, it does not appear that the Council has provided any evidence on what its reduced housing target of 275 dpa would mean for the delivery of affordable housing or the ability to meet this requirement.

- 1.1.26 The PPG on Housing and Economic Needs Assessment² provides further guidance on how meeting affordable housing needs should be taken into account when setting a Council's housing targets, stating that:

"The total affordable housing need can then be considered in the context of its likely delivery as a proportion of mixed market and affordable housing developments, taking into account the probable percentage of affordable housing to be delivered by eligible market housing led developments. An increase in the total housing figures included in the plan may need to be considered where it could help deliver the required number of affordable homes."

- 1.1.27 The Council's annual affordable housing requirements would equate to 91% of the authority's amended 275 dpa target. In accordance with the PPG, making a meaningful contribution towards the borough's affordable needs based on the Council's adopted policy requirement of 30% would support the case for planning for higher level of housing than is currently proposed through the revisions to Policies DLF1 and H1.

b) achieve its economic ambitions to deliver growth, specifically employment provision and jobs, in line with the overall strategy for the Borough?

- 1.1.28 As set out in response to Question 1(a) above, Gladman note that the Council's existing housing requirement was informed by economic projections that suggested a range of 410 – 430 dwellings per annum should be provided in the borough.
- 1.1.29 These were based on the authority's Independent Assessment of the Economic Prospects of Fylde report (AMION Consulting, 2017), which considered that the future level of job growth in Fylde would lie in the range of 55 to 91 jobs per annum, but concluded that *"on balance, it is considered that the likely level of employment growth will be at the upper end of the range"*. The lower end of this forecast range corresponded to a housing target of 408 dpa, with the upper range consistent with providing 432 dpa.
- 1.1.30 Given that these economic forecasts were a key driver behind the Council's current housing target of 415 dpa, it is unclear what departing from this requirement would mean for the authority's economic prospects. The implication is that promoting a lower housing target could harm the economy of the borough, due to a misalignment between housing delivery and job creation.

² PPG ID 2a-024