



Matter 2 Housing

Fylde Local Plan Partial Review

for Wainhomes (North West) Ltd and Hollins Strategic Land

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1. Introduction

- 1.1 Emery Planning is instructed to appear at the Examination into the Partial Review. We submitted representations and appeared at the Examination into the adopted Local Plan and submissions were made to the Partial Review. We do not repeat those representations in this Hearing Statement but in responding to the MIQs we will refer to some of the points previously made.
- 1.2 This Statement deals with Issue 2 which states:

"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?"

2. 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:

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?

- 2.1 There are two specific questions. With regard to the SM, the Council has follows the methodology set out in the PPG. The PPG¹ states that the "standard method set out below identifies a minimum annual housing need figure. It does not produce a housing requirement figure". It is the starting point.
- 2.2 Table 1 below shows the local housing need for the HMA based on the revised standard method.

¹ Paragraph: 002 Reference ID: 2a-002-20190220

Fylde Coast Housing Market Area Authorities	Annual Local Housing Need based on current standard method
Fylde	272
Wyre	296
Blackpool	121
HMA total annual housing need	689

2.3 It is clear that the LPA has used the SM as the start and end point and has failed to consider all the necessary inputs which is required in order to establish the housing need and then calculate the housing requirement. The PPG is clear on this point. Paragraph: 010 Reference ID: 2a-010-20190220 states:

"Circumstances where this may be appropriate include, but are not limited to situations where increases in housing need are likely to exceed past trends because of:

- growth strategies for the area that are likely to be deliverable, for example where funding is in place to promote and facilitate additional growth (e.g. Housing Deals);
- strategic infrastructure improvements that are likely to drive an increase in the homes needed locally; or
- an authority agreeing to take on unmet need from neighbouring authorities, as set out in a statement of common ground;

There may, occasionally, also be 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. Authorities will need to take this into account when considering whether it is appropriate to plan for a higher level of need than the standard model suggests." (our emphasis)

2.4 The Council uses the SM for calculating local housing need and states in EDPR04 that the 8.5% uplift in the SM addresses affordable need. This equates to 18 affordable homes per annum. However, a Government algorithm cannot and does not assess the affordable housing needs in each LPA area as the PPG² confirms where it states:

² Paragraph: 006 Reference ID: 2a-006-20190220

"An affordability adjustment is applied as household growth on its own is insufficient as an indicator of future housing need because:

household formation is constrained to the supply of available properties – new households cannot form if there is nowhere for them to live; and

people may want to live in an area in which they do not reside currently, for example to be near to work, but be unable to find appropriate accommodation that they can afford.

The affordability adjustment is applied in order to ensure that the standard method for assessing local housing need responds to price signals and is consistent with the policy objective of significantly boosting the supply of homes. The specific adjustment in this guidance is set at a level to ensure that minimum annual housing need starts to address the affordability of homes." (our emphasis)

- 2.5 The Council uses the SM for calculating local housing need and state in EDPR04 that the 8.5% uplift in the SM takes by 18 affordable homes per annum. Put simply the Council has dismissed this significant housing need and economic reasons as to why the Local Plan Inspector found an uplift to 415 dwellings per annum sound in our view to expedite this review to artificially increase their 5 year supply following the 2 APS reports which found a very marginal 5 year supply.
- 2.6 As we have noted in Matter 1, the issue of meeting unmet need remains an issue with Wyre Council. Therefore Fylde Council has unilaterally decided that there is no unmet need in Wyre due to the application of the SM. Wyre Council is right to conclude that it does not know and will not know if its unmet needs can be met in its plan area until they do their partial review. Until then there is a shortfall against the adopted Local Plan and this would require a figure above the 415 dwellings in DLF1.
- 2.7 We note that the Central Lancashire authorities are undertaken a review of housing need rather than just adopting the lower SM figure as they commence a review of their joint Core Strategy. Their report³ to the January 2021 committee states:

"HOUSING STUDY

2.2 An update to the Housing Study, prepared by Consultants Iceni, was expected to be undertaken in 2020 to reflect the economic growth aspirations of the region leading on from work being undertaken to support the Greater Lancashire Plan. However, delays were incurred in commissioning that way 3 due to Covid, and that, coupled with the consultation the Planning White Paper

³ <https://preston.moderngov.co.uk/ieListDocuments.aspx?CId=462&MId=5957>

and updates to the Standard Method, have meant it is considered pertinent to hold off updating this work which would otherwise be abortive effort at this time.

2.3 The update to this work will now be planned towards the end of 2021 to allow for the findings on the economic work, and outcomes from the recent consultation to be known, particularly those which affect the proposed changes to the standard method.

HOUSING NEEDS STUDY

2.4 Preston and Chorley Councils are partnering to commission a Housing Needs Study, South Ribble having undertaken a similar study in 2020. This study will look in more detail at housing needs of specific areas of Chorley and Preston and of the type of housing that is required. Work is expected to be commissioned in spring 2021."

2.8 If the Council is serious about meeting its housing needs then it needs to:

- Update its evidence base on affordable housing need;
- Review whether there is a change to the economic and market signals which applied to the 415 dwelling requirement in the adopted Local Plan; and,
- Work jointly on concurrent plan reviews with Wyre and Blackpool. An option that should be considered is a joint Strategic Plan for meeting the housing needs across the HMA with Part 2 plans for their council area which is what Central Lancashire has done and continue to do.

2.9 Only then can the LPA seek to depart from the adopted Local Plan requirement should it so wish.

We see no justification in the Framework or the PPG for an early plan review based on the adopted housing requirement being higher than the requirement generated by the standard method. In that context a revision through this Partial Review to reduce the housing requirement of 415 dwellings per annum to 275 dwellings per annum has no support in the Framework or PPG. Therefore, on this reason alone the Partial Review is not entitled to review the requirement in Policy H1. It also runs contrary to the key objective of the Framework which is to boost housing delivery.

2.10 If a requirement range is to be progressed it should be between 415 and 434 dwellings. The 434 dwellings is calculated by adding the 19 dwellings per annum that Wyre cannot provide in their adopted Local Plan.

Is the inclusion of a minimum housing requirement figure as a range justified and effective?

2.11 No. Policy DLF1 is proposed to state:

"The Local Plan will provide sites for a minimum of 6,895-8,715 new homes and a minimum of 60.6 Ha (gross requirement) of additional employment land over the plan period to 31 March 2032"

- 2.12 The only change is the addition of the 6,893 figure. This renders the adopted housing requirement 8,715 figure meaningless and for the reasons set out earlier the lower figure is not a requirement figure that has been justified.
- 2.13 In addition, such a significant gap between the two figures is not justified and is not effective. In short the LPA seeks to use the lower figures for the calculation of 5 year housing land supply and retain the allocated sites in the adopted Local Plan as it recognised that is the true requirement figure for their area. That cannot be correct.
- 2.14 If a range is to be progressed it should be between 415 and 434 dwellings. The 434 dwellings is calculated by adding the 19 dwellings per annum that Wyre cannot provide in their adopted Local Plan. However as set out earlier a joint plan should be the way forward rather than the continuation of different plans and different times in the one housing market.

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?

- 2.15 SDPR01 states that the 'minimum' is proposed to be deleted for the following reasons:

"To accord with the requirements of NPPF19 paragraphs 60 and 65. Housing numbers edited due to revised housing requirement figure resulting from change to housing needs methodology in NPPF19."

The Council will provide for and manage the delivery of new housing by: a) Setting and applying a minimum housing requirement of 415 net homes per annum for the plan period 2011-2032; 2019 and a housing requirement of 275-415 net homes per annum for the period 2019-2032."

- 2.16 With regard to paragraph 60, as we have set out above the LPA has failed to assess whether to not there are exceptional circumstances for an uplift. As Central Lancashire is doing, an LPA must undertake the work to understand its local housing and economic needs, and if after that work then the SM is appropriate then it can proceed and there would not be exceptional circumstances. If however there are local affordable needs, economic aims or market signals these need to be tested in order for that conclusion to be reached. The Partial Review does not accord with paragraph 60. It also fails to accord with paragraph 65 as the SM has been applied

as the requirement without going through due process on establishing the actual local housing need.

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?

- 2.17 No. They are not justified, and they are not positively prepared. from our response in our representations and this Statement, the urgency of the LPA to use the SM to boost its five year supply after two APS Inspectors finding that the 5 year is very marginal has resulted in changes which are not clearly written and are ambiguous. There should be one housing requirement and that should remain as the 415 figure unless the LPA is serious about meeting its housing needs as well as that of Wyre. In that scenario the requirement should be 434 dwellings.

3. 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:

- **deliver affordable housing to meet identified needs**
- **achieve its economic ambitions to deliver growth, specifically employment provision and jobs, in line with the overall strategy for the Borough?**

3.1 The effect would be significant, as paragraph 68-027 of the NPPG states that where the requirement is expressed as a range, 5 year housing land supply will be measured against the lower end of the range. Applying a figure of 275 dwellings per annum would therefore artificially increase the supply, which as the recent APS demonstrates is precarious at best. The application of the lower figure would not enable additional sites to come forward through the application of paragraph 73 of the Framework, should the allocated sites not deliver as expected. This would mean that identified housing needs (including the significant need for affordable homes) would simply not be met.

4. Conclusions

4.1 The Schedule of Revisions consultation document, published 23 July 2020, states that this Partial Review is being undertaken on the basis that:

1. The Local Plan was examined in accordance with the National Planning Policy Framework 2012, which was subsequently revised in July 2018 and February 2019, and revisions are required to ensure conformity with the updated Framework.
 2. The Local Plan was adopted with the commitment that an early review would be undertaken due to Wyre Council's difficulties in meeting its objectively assessed need for housing.
- 4.2 For the reasons we set out in this statement, neither of these two reasons justify the Partial Review as drafted and it should therefore be withdrawn.