

EXAMINATION OF THE PARTIAL REVIEW OF THE FYLDE LOCAL PLAN

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30 April 2021

Ms Julie Glaister
Planning Policy Manager
Fylde Council

By email only

Dear Ms Glaister

EXAMINATION OF THE PARTIAL REVIEW OF THE FYLDE LOCAL PLAN – POST HEARING LETTER

1. Further to the hearing sessions held on 17 and 18 March 2021 for the examination of the Partial Review of the Fylde Local Plan, this letter sets out my concerns on key matters relating to housing need and the housing requirement. It also identifies the way forward for the examination.
2. This letter does not cover other matters that were debated at the hearing sessions. Other actions on these matters have been noted and potential main modifications are currently being considered by the Council.
3. My comments are based on the submitted evidence and representations, including all that I heard at the hearing sessions. However, as the examination is still open and consultation on main modifications has yet to take place, my views in this letter are without prejudice to my final conclusions on the Partial Review.

Housing need

4. The 2018 adopted Fylde Local Plan identifies the objectively assessed housing need to be a range between 410 and 430 dwellings per annum [dpa]. This is based on the 2014 *Fylde Coast Strategic Housing Market Assessment* and its three Addendums [SHMA], which included a series of specific uplifts in respect of change in household formation rates, increased in-migration, and market signals.
5. Through the Partial Review process, and as detailed within the *Housing Needs and Requirement Background Paper* [EDPR04], the Council establishes a revised local housing need using the standard method, in accordance with paragraph 60 of the 2019 National Planning Policy Framework [the Framework]. This results in the minimum local housing need being 275 dpa.

In determining this figure the Council has followed the formula set out in the Planning Practice Guidance [PPG], which addresses projected household growth and historic under-supply. Based on the evidence that is before me, there is no justification for the use of an alternative approach for assessing local housing need, so the standard method is appropriate.

6. Paragraph 010 of the PPG identifies other circumstances when it may be appropriate to plan for a higher housing need figure than the standard method indicates. Whilst I acknowledge that the adopted Plan's objectively assessed housing need is higher than the standard method figure, this is based on assessments which were produced prior to the revised Framework and the new approach. Furthermore, the affordability adjustment within the standard method takes account of people moving into an area for economic reasons. There is also significant economic uncertainty at present, and there are no specific growth strategies or strategic infrastructure improvements that would justify an uplift to the standard method figure. I am therefore of the view that there is no justification for a higher housing need figure in this regard.
7. In relation to unmet housing need, paragraph 60 of the Framework clearly states that *'In addition to the local housing need figure, any needs that cannot be met within neighbouring areas should also be taken into account in establishing the amount of housing to be planned for'*. It is undisputed that Wyre Council has a total unmet housing need of 380 dwellings, following the adoption of the Wyre Local Plan on 28 February 2019. Notwithstanding that the Wyre Local Plan includes Policy LPR1 which states that the *"Local Planning Authority will bring forward a partial review of the plan with the objective of meeting the Full Objectively Assessed Housing Needs"* to be submitted by early 2022, an identified unmet need exists now.
8. There is limited assessment as to how the identified unmet need in Wyre is to be accommodated, other than potentially through Wyre Council's own partial review of its adopted plan. I recognise that Wyre Council is currently in the process of preparing this, but it will not be submitted for examination until early 2022.
9. The adopted Fylde Local Plan states that any housing need that remains unmet following the adoption of the Wyre Local Plan will need to be addressed. One of the purposes of the Partial Review is to consider this unmet need and the process provides an opportunity to address this need now.
10. However, the Partial Review does not provide for this unmet need, and instead it only includes an updated position within its introductory supporting text. This specifies that the amount of any unmet need and how this should be accommodated in Wyre should be determined through Wyre Council's partial review of its local plan, in accordance with its adopted Local Plan Policy LPR1. Indeed the Fylde Partial Review goes further by calculating a local housing need for Wyre using the standard method which is lower than the assessed need set out in the adopted Wyre Local Plan. Accordingly, by using this approach, the Partial Review concludes that Wyre Council will be able to fully meet its own needs.

11. However, I am concerned with this approach, as the partial review of Wyre Council's Local Plan is still in preparation and it is yet unknown what the revised local housing need will be. Wyre Council reiterates this point in its 6 March 2020 letter, stating that the calculation of housing need using the standard method is "*a starting point and it cannot be assumed that this will represent the final position for Wyre*", nor is it clear whether it will be able to meet housing needs in full within the borough through its partial review process. The approach in Fylde's Partial Review does not address the fact that there is an existing need that should be accommodated now.
12. I note the agreed statement of common ground between the Fylde, Wyre and Blackpool Councils that form the housing market area [SDPR05a] and that Wyre Council has not formally requested that Fylde Council meets its unmet need. However, this does not mean that it should not be addressed now. In a letter to Fylde Council, dated 6 March 2020, Wyre Council has raised concerns about the need to "*work together to identify where the unmet need should be accommodated, and our plan processes need to be properly aligned to accommodate this*". [Appendix 2 of SDPR10]. It is clear that the local plan review processes have not been aligned to assist this. Nevertheless this does not prevent this unmet housing need from being accommodated now.
13. The updated position on unmet housing need in the Fylde Partial Review also includes a statement that if any housing need cannot be met in Wyre, as established through Wyre's partial review, this can be provided for in Fylde through the new housing requirement range. However, it does not specifically state that the Partial Review is meeting Wyre's unmet housing need. I now provide my comments on this and determine what the housing requirement should be.

Housing requirement

14. Policy DLF1 in the adopted Plan sets the minimum housing requirement as 8,715 new homes over the plan period. Policy H1 sets the minimum annual requirement as 415 dwellings.
15. The Partial Review amends both policies to identify the housing requirement as a range. Policy DLF1 provides for a minimum of 6,895-8,715 new homes over the plan period and Policy H1 identifies a range of 275-415 dpa for the period 2019/20-2031/32, with the earlier years remaining at 415 dpa. In my view, a range lacks clarity and implies there is a maximum housing need figure which is not the case. Whilst I note that the Council does not set the top of the range as a ceiling, it is not clear what the higher figure does represent and it is critical that the housing requirement is set out unambiguously within the Partial Review policies. Accordingly it is necessary for the housing requirement to be identified as a single minimum figure within the Partial Review for the period 2019/20 to 2031/32.
16. I have already determined that the use of the standard method for calculating Fylde's local housing need is a sound approach and that, except for unmet housing need, there is no justification for any uplifts to the figure of 275 dpa or 6,895 dwellings overall. By adding Wyre Council's unmet

housing need of 380 dwellings (in total, not dpa), the minimum requirement increases to 305 dpa and 7,275 dwellings overall for the period between 2019/20 and 2031/32.

17. The Partial Review does not make any revisions to the existing housing land supply set out in the adopted Plan. This provides for 8,819 houses over the plan period and is fully justified, having been found sound in 2018. The housing land supply therefore significantly exceeds the minimum requirement of 7,275 dwellings by just over 1,500 dwellings. Moreover, this supply provides for appropriate flexibility to ensure that the revised housing need figure is met in the event that some housing does not come forward as envisaged. The Council therefore has more than enough supply to meet Wyre Council's undisputed and current unmet need of 380 dwellings.
18. Accordingly, for the Partial Review to be sound and given the Council's ability, through its existing housing land supply, to more than meet the identified unmet housing need of 380 dwellings over the plan period, I recommend main modifications to Policies DLF1, H1 and the supporting text to uplift the minimum housing requirement to meet Wyre's unmet housing need as set out above.

Next steps

19. My concerns on unmet housing need and the housing requirement are fundamental to the soundness of the Partial Review. I would be most grateful therefore if the Council could provide draft main modifications on these matters, as soon as possible. Confirmation as to when these will be available should be provided to the Programme Officer. Should the Council not wish to adopt the Partial Review on the basis of these modifications please inform me, through the Programme Officer, without delay in order that I can consider how best to proceed with the examination. However, at the present time, it is not clear to me what other modifications would make the plan sound.
20. Please note that this letter is addressed to the Council and I am not inviting, nor envisage accepting, a response from parties other than the Council on its contents.

Yours Sincerely

Y Wright
Inspector