

WYRE LOCAL PLAN: EXAMINATION

MATTER 3: HOUSING AND EMPLOYMENT OBJECTIVELY ASSESSED NEEDS (OAN) AND REQUIREMENTS

WRITTEN STATEMENT ON BEHALF OF REDROW HOMES

REPRESENTOR NO.: 0930

HEARING DATE: 16 MAY 2018

RESPONSE TO KEY ISSUES

ISSUE The housing OAN
NO. 1

1. Cass Associates is presenting this Statement on behalf of Redrow Homes who have an interest in land bounded by Stanah Road and Underbank Road at the eastern edge of the built up area of Thornton.
2. The Housing Background Paper (reference ED010) highlights the fact that a wide range of demographic and employment data has been analysed in the process of arriving at the housing OAN.
3. Taking into account demographic information, market signals and economic evidence the Housing Background Paper (drawing on the Strategic Housing Market Assessment and its Addendums) sets out a minimum OAN of 457 dwellings per annum.
4. The assessment of OAN, however, is sensitive to the assumptions that underpin the modelling exercise. If a number of the key assumptions are viewed in a different way then there could be a case for an OAN which is higher. These assumptions are set out in further detail below.

(a) Headship rates

The assessment of OAN does account for suppressed demand from younger age cohorts. The ability of younger age groups to form households has been constrained in recent years by the supply of housing at a low level and the worsening of affordability. The impact of suppression has been assessed using a range of data sets and adjustments have been made to reflect a higher rate of household formation by younger people. However, the range of information in the data sets serves to demonstrate that this is a difficult matter to account for. The OAN needs to be reasonably flexible in order to account for an element of uncertainty on headship rates.

(b) Economic growth:

Employment trends need to be taken into account when assessing housing need. The available labour force becomes important (labour force supply). An imbalance results in unsustainable commuting patterns and reduces the resilience of businesses. In Wyre demographic projections are not sufficient to support forecast job growth. There needs to be an adjustment as there is a strong level of job growth projected over the Plan period. Even if older people remain active in the labour force for longer and working age people are attracted into Wyre there is a risk that jobs growth may not be supported by housing need. In these circumstances there is a need for flexibility. The OAN assessment does conclude that an increased in-migration of younger age cohorts in response to economic growth and job creation could justify a higher need for a minimum of 513 dwellings per annum.

(c) Affordable housing:

A reasonably assessed OAN figure is needed to align with the evidenced requirement for affordable housing across the district. There is a need in Wyre for a significant uplift of affordable housing to meet a backlog of affordable housing need and newly arising need. There is a risk that the ongoing supply of affordable housing is insufficient to meet projected

needs. This is an additional reason why it is important to build a reasonable level of flexibility into the OAN figure. The OAN Update (Addendum 3) (document reference ED088) shows that there is a backlog in the delivery of affordable housing. In the period 2004 – 2016 an average of 49 gross affordable homes have been completed. This has not matched need. The backlog serves to illustrate the importance of putting in place a resilient OAN figure.

5. The adjustment to some of the assumptions that underpin the modelling of the OAN indicate that the minimum requirement of 479 dwellings per annum could be raised to a higher number to support economic growth, to protect against a loss in working age population and to enable a reasonable level of delivery of affordable homes.

Standard methodology

6. The standard methodology for identification of local housing need set out by the Government in 'Planning for the right homes in the right places' has been published as part of a consultation exercise. It is currently in draft form and could be subject to change. It cannot be given any significant weight at this stage. There are transitional arrangements that allow for Local Plans submitted before 31 March 2018 to continue on the basis of methodologies that follow previously established methodologies.

ISSUE NO. 4 The housing requirement of 8,225 dwellings

7. Because the Local Plan does not meet a housing requirement set by the OAN it cannot be seen to be positively prepared or justified.
8. The Council has established an OAN of a minimum of 479 dwellings per annum. Whilst there are considerations which might justify an increase in this figure (as outlined above in this Statement), the provision in the Local Plan is for a reduced figure of 8,225 net additional dwellings. This equates to an annual provision of 411 dwellings. The reason for the shortfall is given as the constraints to development. The three main constraints are: highways capacity, flood risk and

green belt.

(a) Green Belt:

In relation in Matter 2 (Strategy and Strategic Policies) we have provided commentary on the green belt across Wyre and we have questioned the need to change the boundaries in this review of the Local Plan.

Paragraph 14 of the Framework requires Local Plans to meet objectively assessed needs unless adverse impacts of doing so would outweigh the benefits or specific policies in the Framework which indicate that development should be restricted. One example is policies relating to land designated as green belt. In the case of the district of Wyre the changes to the green belt boundaries are justified because the land in question does not fully meet the purposes for including land in the green belt. Some of the land to be released from the green belt is to be used to meet the OAN for housing. We maintain that this is not necessary when there are sustainable options to meet housing needs on land which is not currently designated as green belt. The green belt should not be a constraint as such to meeting the OAN in Wyre.

(b) Flood Risk:

The nature and topography of the borough of Wyre does mean that fluvial and coastal flooding present legitimate risks to new development. This is a constraint that rules out development on many sites analysed in the SHLAA exercise. However, the widespread nature of flood risk also highlights that extensions to the main urban area (the most sustainable growth option) need to be optimised where there is no significant risk of flooding and that land falls in Flood Zone 1.

In the context of paragraph 14 of the Framework locations at risk of flooding are justifiably seen as constrained. This is a consideration that can impact on the ability to meet full objectively assessed needs. However, assessment and analysis in the district of Wyre shows

that flood risk per se is not a constraint that has a bearing on meeting the OAN. There are options for growth to meet the full OAN on land that is not subject to flood risk.

(c) Highways capacity:

Highways capacity is not mentioned as a constraint to meeting objectively assessed needs in paragraph 14 of the Framework. Rather, the Framework (at paragraph 32) states that development should only be prevented on transport grounds where residual cumulative impacts of development are severe. The bar is set high when it comes to the assessment of traffic impacts arising from new development.

Highway capacity is commonly not an overriding constraint on new development largely because improvements can be undertaken across the transport network to limit the more significant impacts of development.

In the case of the Wyre Local Plan, highways capacity has had a significant influence on the amount and distribution of new development. However, this constraint always needs to be balanced against the positive objectives of the Local Plan, particularly the advantages to be derived from meeting the full OAN for housing and employment and support for economic growth. If the objective of aligning new housing with economic resilience is realised then the propensity of residents to commute out of the district is lessened. This alignment is not only a question of balancing housing supply and job creation, it also invokes the need to ensure that the location of housing is well placed in the context of where jobs are available and where they will be created. There is thus a strong case in favour of a spatial distribution of development which reinforces the need to secure housing and labour force growth at the edge of the main urban areas where employment opportunities now and in the future are greatest, where alternative modes of travel to the private car are available and where services and facilities are within easy reach.

9. Another consequence of a housing requirement that does not meet the full OAN is that flexibility is eroded. The lower housing requirement figure lessens the ability to adjust to slippage or stalled delivery at key housing development sites.
10. The resilience of the Local Plan is undermined by the adoption of a housing requirement which is below the OAN for housing.

Overall

11. The Local Plan is not positively prepared as it is not based on a strategy which seeks to meet objectively assessed development and infrastructure requirements. It is also inconsistent with national policy. At paragraph 14, the framework urges local planning authorities to positively seek opportunities to meet the development needs of their area.