



Statement to Wyre Local Plan Examination

Matter 4 – Housing Land Supply

for Wainhomes NW Ltd

Project : 15-415
: Wyre Local Plan
Examination
Client : Wainhomes North West
Ltd
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1. Introduction

- 1.1 Emery Planning Partnership is instructed by Wainhomes North West Ltd to attend the Local Plan Examination on Matter 4.

2. Issue 1 - Components of Housing Supply

- 2.1 Issue 1 asks 4 questions. Our response is as follows.

What is the up to date housing supply position (base date of 31 March 2018)?

- 2.2 The base date in ED010 is 31st March 2017. For example Table 10 sets out the completions at 31st March 2017 which shows a shortfall of 820 dwellings. With the Council undertaking an annual assessment with a base date of 31st March each year, then for this Examination a base date at 31st March 2018 has not been provided. We have based our statement on ED010 although if the position changes going forward at the hearing sessions, as set out in EL1.001b, then we would make comments at that time if required.

What are the components of the housing supply that will meet the housing requirement?

- 2.3 We agree with the components of the supply although we comment on windfall below.

Are the components of supply clearly shown within the LP?

- 2.4 We consider the components are set out clearly in Table 16 and Appendix 2 of ED010. We note the position in EL1.001b as to an addition to the local plan. We have no objection to this inclusion although it is intended to be at a base date of April 2018. It is important that the reader of the local plan is then taken to the annual assessment, for example in an AMR, as housing supply evolves and will change annually.

Should there be a windfall allowance?

- 2.5 It is common practice for a windfall allowance to be provided in a housing supply calculation as set out in paragraph 48 of the Framework and the PPG. However paragraph 7.21 of ED010 advises that a windfall allowance of 100dpa would result in an additional 1,400 units to 2031 which exceeds the capacity of the highways network as outlined in the evidence base). Therefore there is no specific windfall allowance.

- 2.6 The PPG (ID: 3-24-20140306) defines a windfall site as “*Sites which have not been specifically identified as available in the Local Plan process. They normally comprise previously-developed sites that have unexpectedly become available*”. It is inevitable in our view that such sites “*will continue to provide a reliable source of supply*”¹ unless there is a complete moratorium on development beyond the sites in this local plan. As we have set out previously and elsewhere in the statements for this Examination such a position requires clear evidence on the highway constraint which to date we have not seen. A windfall allowance should be included.

3. Issue 2 - The Housing Trajectory and Housing Implementation Strategy (HIS)

- 3.1 Issue 2 asks 2 questions. Our response is as follows.

2.1 Does the Housing Background Paper satisfy the requirement for a housing trajectory and HIS as required by para 47 of the NPPF?

- 3.2 Yes we consider it does although with a plan being heard in May 2018, whether the plan can be found sound on ED010 is an issue which is a point being addressed with the as yet to be provided April 2018 update.

2.2. Is the approach to making up any shortfall in delivery over the LP period justified (the Liverpool approach)?

- 3.3 Paragraph 6.15 and paragraphs 6.16 to 6.23 of ED010 sets out the Council's position on Sedgefield and Liverpool respectively. Paragraph 6.23 concludes that “*the council consider that the Liverpool method is the most appropriate methodology to use*”. We disagree for the following reasons.
- 3.4 Applying Liverpool will result in a lower requirement in the next 5 years as rather than addressing the full 820 shortfall in the next 5 years (Sedgefield), the Liverpool approach would require an additional 295 dwellings in the next 5 years. This in itself is not a justification for applying Liverpool as this would apply to any local planning authority. Paragraphs 6.18 onwards sets out the justification.

¹ Paragraph 48 of the Framework

3.5 Paragraph 6.18 states that there is no indication within the NPPF that one method is preferable over the other. Whilst it is accepted that the PPG advises the use of Sedgefield it is by no means required. A number of points arise.

3.6 The first is that the Framework does not specifically state how the backlog should be addressed. However, it did introduce a requirement to “boost significantly” the supply of housing (paragraph 47), and importantly the backlog is a shortfall in supply which exists at the start of the 5 year requirement. Therefore, to defer addressing it until the end of the plan period makes little sense in the light of paragraph 47 when there are 820 households who have not been provided with a home in Wyre. The purpose of the planning system must be to provide these households with a home and not to defer meeting this need in full until the latter end of the plan period.

3.7 Clear guidance is set out in paragraph 3-035 of the PPG (Reference ID: 3-035-20140306): “How should local planning authorities deal with past under-supply?”. It states:

“Local planning authorities should aim to deal with any undersupply within the first 5 years of the plan period where possible. Where this cannot be met in the first 5 years, local planning authorities will need to work with neighbouring authorities under the ‘Duty to Cooperate’.”

3.8 We consider this guidance is a clear expression by the Government that local planning authorities should aim to deal with the backlog within 5 years. This is the Sedgefield approach. Whilst the PPG recognises that there may be circumstances when this is not possible, it is important to clarify that these circumstances do not apply in Wyre. This is because the only departure from the Sedgefield approach is for local planning authorities to work with neighbouring authorities under the ‘Duty to Co-operate’. This does not justify the use of the Liverpool approach. Rather, it advises that the unmet need should be addressed by making immediate provision in adjacent authorities. The overarching point is that the PPG does not endorse deferring meeting the shortfall over a longer period than five years as it requires it to be met somewhere (i.e. an adjacent authority) within 5 years. This must be correct as the only way to boost supply and meet the backlog.

3.9 There is therefore no support in either policy or guidance for the Council's approach to addressing the backlog through the ‘Liverpool’ methodology and relying on neighbouring authorities to address the backlog is not an option for Wyre through this plan process and these

820 unhoused households cannot be just left unmet beyond the 5 year period which is seemingly the case.

- 3.10 In summary, addressing the backlog by the Liverpool method is contrary to the clear guidance in the PPG and contrary to the aim in the Framework to boost supply.
- 3.11 Paragraph 6.21 states that it is critical that Wyre adopt an up to date Local Plan without delay to support housing delivery, it would be counterintuitive to adopt a Plan that is likely to be deemed out of date (as a result of a lack of five year land supply) in the immediacy after adoption. It is important that the housing land supply is aspirational, but also realistic.
- 3.12 We now assess the trajectory in light of the above issues raised in ED010 to apply Liverpool.
- 3.13 The housing trajectory in Appendix 2 of ED010 sets out the projected annual completion rates. For ease of reference they are:

Table 1: Actual and Proposed Completions in Wyre between 2011 to 2022

Monitoring year	Requirement	Net completions	Over provision / undersupply
2011/12	411	215	-196
2012/13	411	185	-226
2013/14	411	195	-216
2014/15	411	276	-135
2015/16	411	320	-91
2016/17	411	455	44
2017/18	411	415	4
2018/19	411	576	165
2019/20	411	687	276
2020/21	411	741	330
2021/22	411	651	240
Total	4,521	4,716	195

- 3.14 Table 19 of ED010 states that the 5 year deliverable supply is 3,172 dwellings. Therefore, using these figures, the Council can demonstrate a 5.3 year supply using Sedgfield and applying a 5% buffer. Table 1 above also shows that the shortfall of 820 dwellings would be addressed in full in the following 5 year period.

3.15 Therefore, subject to conclusions on other matters, ED010 is clear that there are sufficient sites to deliver Sedgefield on adoption. Therefore the concerns raised in ED010 on applying Sedgefield are unfounded.

3.16 Therefore for the reasons set out, the Liverpool method is not justified and it is considered that the Council is seeking to apply the Liverpool method to seek to arithmetically boost its land supply figure for the purposes of paragraph 49 of the Framework. This is based on a risk that the plan would not be out of date soon after adoption, rather than actually boosting the delivery of new homes as required by paragraph 47 of the Framework by applying Sedgefield and implementing the trajectory to meet not only the requirement for the next 5 year but the 820 households not provided with a home since 2011.

4. Issue 3 - Five Year Housing Land Supply

4.1 Issue 3 asks 5 questions. Our response is as follows.

3.1 Should a 5% or 20% buffer be used to calculate the housing land supply position?

4.1 The Paragraph 47 of the NPPF sets out the guidance. This has been clarified in Paragraph 3-035 (Reference ID: 3-035-20140306) of the PPG on dealing with under supply.

4.2 The LPA states that a 5% buffer should apply. This is principally set out in paragraphs 7.5 to 7.9 of ED010. Of importance is that Table 12 of ED010 confirms that the Council has under delivered in 5 of the last 6 years since the base date for the requirement of 2011 with a total shortfall of 820 dwellings. This equates to a 33% shortfall in the first 6 years of the plan period. On this simple statistic, then a 20% buffer should be applied in order to address that shortfall as soon as possible to provide a realistic prospect of achieving the planned supply.

Table 2: Housing Supply Scenarios 2017 to 2022

		Sedgefield	Liverpool
A	Requirement 2011 to 2017	2,466	2,466
B	Completions	1,646	1,646
C	Shortfall	820	820
D	Requirement 2017 to 2022	2,055	2,055
E	Requirement 2017 to 2022 plus shortfall	2,875	2,350
F	5% Buffer	3,019 (604 dpa)	2,467 (493 dpa)
G	20% Buffer	3,450 (690 dpa)	2,820 (564 dpa)

4.3 Table 2 above shows the position using a combination of the 5% or 20% buffer and the Sedgefield or Liverpool approach.

Table 3 Housing Supply Scenarios

	Council Supply of 3,172
5% and Sedgefield 3,109 (604 dpa)	5.25
5% and Liverpool 2,467 (493 dpa)	6.43
20% and Sedgefield 3,450 (690 dpa)	4.59
20% and Liverpool 2,820 (564 dpa)	5.62

4.4 Table 3 shows that under all but one scenario that the Council can demonstrate a 5 year housing land supply. The only scenario where it cannot be demonstrated is 20% and Sedgefield. The obvious implication is that further sites may would be required. Whether additional sites can

come forward is the subject to other hearings matters, particularly the asserted highway constraint. However the principle position is the conclusion that Sedgefield and a 20% buffer should apply.

3.2 Generally, are the assumptions about the delivery from commitments and allocations realistic?

3.3 Are lead in times and build out rates within the Housing Background Paper realistic?

- 4.5 Table 14 of ED010 sets out the standard lead in and build out rates per annum. Overall we are in agreement with the table and we support that this is a starting point and that it is refined on site specific evidence. Clearly these can be revised through annual assessments as a greater number of sites come forward providing additional evidence on how long sites taken to start delivering and then build out annually.

3.4 Is the approach to lapse rates realistic (10% for small sites, no lapse rate for larger sites)?

- 4.6 We agree with the 10% lapse rate for small sites. We note that there is no lapse rate for large sites. Table 15 shows that large sites do lapse but at a low rate. Our overall position is that the delivery of large sites should be assessed as to their deliverability and discounts made accordingly where there is evidence that footnote 11 of the Framework justifies it. This approach should be adopted rather than applying a lapse rate. We therefore agree that there should be no lapse rate for large sites.

3.5 Will there be a five year supply of deliverable housing sites on adoption of the LP?

- 4.7 Please see our response to Issue 3.1 above.

5. Issue 4 - The wording of housing supply policies

- 5.1 Issue 4.1 states:

"4.1 Is Policy HP1 clear to the decision maker? (the Council propose modifications in response to the Inspector's preliminary questions)".

- 5.2 We agree with the point raised by the Inspector and the Council's change. However in light of our position on the other issues above, then we paragraph 7.2.2 needs to apply Sedgefield. An alternative is that paragraph 7.2.2 is silent on the matter as this should be assessed annually.