

Planning Policy  
Wyre Council  
Civic Centre  
Breck Road  
Poulton-le-Fylde  
Lancashire  
FY6 7PU

SENT BY EMAIL  
Planning.policy@wyre.gov.uk

03/11/2017

Dear Sir / Madam,

### **WYRE LOCAL PLAN: PUBLICATION DRAFT**

Thank you for consulting with the Home Builders Federation on the Publication Draft of the Wyre Local Plan.

The HBF is the principal representative body of the house-building industry in England and Wales. Our representations reflect the views of our membership, which includes multi-national PLC's, regional developers and small, local builders. In any one year, our members account for over 80% of all new "for sale" market housing built in England and Wales as well as a large proportion of newly built affordable housing.

#### **Duty to Cooperate**

The Plan states that Wyre has requested assistance from all adjoining authorities in meeting housing need arising in Wyre, and that no local authority has offered any assistance.

The Duty to Cooperate Statement September 2017 identifies housing provision as one of the Strategic Planning Policies. It identifies Wyre as being within a housing market area (HMA) with Fylde and Blackpool, and therefore recognises these authorities are key parties in the duty to cooperate. It is clear from the Duty to Cooperate Statement that neither Fylde nor Blackpool are able to meet any housing need arising from Wyre at this time, and that both Lancaster and Preston have declined to assist. It is noted that the Fylde Local Plan, which is currently at examination is looking to include a review mechanism if the Wyre Local Plan is adopted with a shortfall. The key concerns of the HBF relate to housing need and delivery, and the need for the authorities of the housing market area to work together to ensure that the need is met and homes are delivered.

The HBF does not consider that the Memorandum of Understanding (MoU) is effective in terms of housing delivery and the plan. In relation to housing issues the MoU states that the authorities must *'reach a consensus on housing provision across the Fylde Coast sub-region'*. However, this consensus does not appear to have been achieved.

The importance of identified actions resulting from fulfilment of the duty is clearly articulated within the National Planning Practice Guidance (PPG). The National PPG states *'it is unlikely that this (the duty) can be satisfied by consultation alone'* and that *'inspectors will assess the outcomes of the co-operation and not just whether local planning authorities have approached other'* (ID 9-009 and ID 9-010 respectively). The key concern for the HBF relates to how the unmet housing needs of Wyre will be met. It remains our opinion that this issue has not been adequately dealt with.

The Government proposes that all Councils will have a Statement of Common Ground (its draft form in place in six months) in place twelve months from the publication of the revised NPPF (anticipated in 2018). If any Statements of Common Ground are prepared the HBF may wish to submit further comments on the Council's legal compliance with the Duty.

### **Plan Period**

It is noted that the 2031 plan period will not ensure a 15 year time horizon post adoption as preferred by the NPPF, paragraph 157. Whilst it is recognised this may have implications for the evidence base, site allocations and plan policies, the HBF recommends that the Council considers extending the end date of the Plan.

### **SP1 Development Strategy and HP1 Housing Land Supply**

*Policies SP1 and HP1 are not sound as they are not considered to be positively prepared, justified, effective or consistent with national policy for the following reasons:*

#### **Objectively Assessed Need**

The Local Plan identifies an Objectively Assessed Housing Need (OAHN) of 479 dwellings each year, and 9,580 dwellings over the Plan period, based on the 2013 Fylde Coast Strategic Housing Market, and its 2014, 2016 and 2017 Addendums.

The 2017 SHMA Addendum takes the 2014-based SNPP and SNHPs as well as the Council's Employment Land Study. It also updates the affordable housing calculation. The SHMA Addendum does state that the evidence considered continues to support the use of an OAN of 479 homes each year. The HBF consider that based on the evidence provided within the 2017 SHMA it is considered that to meet the full implied need to support the forecast jobs growth a figure of 513 dwellings may be considered more appropriate, based on the sensitivity scenarios modelled in the SHMA.

The Local Plan states that provision will be made for 8,224 net dwellings over the plan period, which equates to an annual provision of 411 dwellings. Paragraph 17 of the NPPF states that *'every effort should be made objectively to identify and then*

*meet the housing, business and other development needs of an area, and respond positively to wider opportunities for growth. Plans should take account of market signals, such as land prices and housing affordability, and set out a clear strategy for allocating sufficient land which is suitable for development in their area, taking account of the needs of the residential and business communities*'. It is clear that the Local Plan figure meets neither the Objectively Assessed Need as identified by the SHMA and within the Local Plan document itself of 479 dwellings each year, or the higher 513 dwellings identified through sensitivity testing in the SHMA to support jobs growth. It is therefore considered that the Local Plan is not compliant with the NPPF. The HBF consider that a higher housing requirement would be justified to meet a greater proportion of the housing needs.

The Housing Background Paper (September 2017) identifies a number of key constraints which could restrict development these are highway capacity, flood risk and green belt. It is considered that further details should be included within the Local Plan as to why the OAN cannot be met, and to ensure that all possible alternatives have been considered.

### **Housing Supply**

The Local Plan states that within the period 2011 to 2031, the Local Plan will deliver 8,224 dwellings. This is below the 9,580 identified by the Council as the OAN.

| <b>Monitoring Year</b> | <b>Completions (Net)</b> | <b>Local Plan Requirement</b> | <b>Over / Under Supply</b> | <b>Cumulative</b> |
|------------------------|--------------------------|-------------------------------|----------------------------|-------------------|
| 2011/12                | 215                      | 411                           | -196                       | -196              |
| 2012/13                | 185                      | 411                           | -226                       | -422              |
| 2013/14                | 195                      | 411                           | -216                       | -638              |
| 2014/15                | 276                      | 411                           | -135                       | -773              |
| 2015/16                | 320                      | 411                           | -91                        | -864              |
| 2016/17                | 455                      | 411                           | 44                         | -820              |
| <b>Total</b>           | <b>1,646</b>             | <b>2,466</b>                  | <b>-820</b>                |                   |

According to the Housing Background Paper (2017) between 2011 and 2017 there have been 1,646 dwellings completed. This is an undersupply of 820 dwellings. The Council are looking to use the Liverpool method to spread this shortfall over the plan period. However, this is not an approach the HBF would support, it is preferable to address any shortfall as soon as possible and preferably using the Sedgfield method.

The Housing Background Paper (2017) states that there were 378 units with permission on small sites as at 31<sup>st</sup> March 2017. The Council have decided to adopt a lapse rate of 10% and have only counted 340 units. For larger sites the Council have chosen not to include a lapse rate, they identify 1,075 dwellings with permission. The Council has decided not to include any windfall development within the five year supply.

The Local Plan does not identify sufficient housing supply to meet the objectively assessed need. The Council has not identified how any other authority will contribute to meeting this unmet need, through the duty to cooperate.

It is important that the plan should seek not only to provide sufficient development opportunities to meet the housing requirement but also to provide a buffer over and above this requirement. The reasons for the inclusion of such a buffer are two-fold. Firstly the NPPF is clear that plans should be positively prepared, aspirational and significantly boost housing supply. In this regard the housing requirements set within the plan should be viewed as a minimum requirement, this interpretation is consistent with numerous inspectors' decisions following local plan examination. Therefore if the plan is to achieve its housing requirement as a minimum, it stands to reason that additional sites are required to enable the plan requirements to be surpassed. Secondly, to provide flexibility. A buffer of sites will therefore provide greater opportunities for the plan to deliver its housing requirement. The HBF recommend a 20% buffer of sites be included within the plan.

### **5 Year Supply**

Within the Housing Background Paper the Council identify a deliverable supply of 3,035 dwellings. They suggest that this contributes to a 6.1 year supply. However, the HBF do not agree with the Council's calculations.

As identified above there has been a clear under delivery of dwellings against the OAN and the proposed housing figure. This will need to be addressed and it is considered that it should be addressed using the Sedgfield method within the five years.

The Council has clearly identified that it has not delivered against the OAN or the proposed housing figure. However, it has suggested that it will apply a 5% buffer to the supply of land. This does not seem appropriate and the HBF recommends a 20% buffer of sites be included within the 5 year supply.

The use of the Sedgfield method and the addition of the 20% buffer in the calculation will significantly reduce the Council's supply, this will need to be addressed by the Council.

The HBF suggests that more sites are allocated in the plan that will deliver in the first five years of the Plan. A greater number of allocated small sites would give greater certainty of planning permission to small developers who would be able to deliver these homes more quickly than for larger strategic sites. Such sites are also able to increase the number of outlets for housing sales and offers a diversity of housing that the market requires.

The HBF does not consider that paragraph 2 of Policy HP1: Housing and Supply is appropriate. There is no justification for the approach and it is considered to be contrary to national guidance. The HBF recommends that the wording is removed or amended to ensure that a 5-year supply is maintained and that any shortfall is addressed within the 5 year period.

### **Proposed Modifications in relation to Policy SP1 and HP1**

- The HBF consider that based on the evidence provided within the 2017 SHMA it is considered that to meet the full implied need to support the forecast jobs

growth a figure of 513 dwellings per annum may be considered more appropriate, based on the sensitivity scenarios modelled in the SHMA.

- The HBF consider that a higher housing requirement would be justified to meet a greater proportion of the housing needs.
- The HBF recommends addressing any shortfall in housing provision as soon as possible and preferably using the Sedgefield method.
- The HBF recommend a 20% buffer of sites be included within the plan.
- The HBF recommends that paragraph 2 of Policy HP1 is removed or amended to ensure that a 5-year supply is maintained and that any shortfall is addressed within the 5 year period.

### **Policy HP2: Housing Mix**

*Policy HP2 is not sound as it is not considered to be effective or consistent with national policy for the following reasons:*

The HBF acknowledges that this policy is based on the evidence set out in the SHMA. However it should be noted that the SHMA will only ever identify current deficits and reflects a snap-shot in time. The HBF would like to ensure greater flexibility within this policy to acknowledge that the mix will vary both geographically and over the plan period.

The HBF supports the need to deliver a range and mix of housing to meet local needs, but would like to ensure that flexibility is maintained within this policy to reflect market demand and aspirations, not just housing need.

It is not clear from the wording of Policy HP2 whether the proposal for sites (20 dwellings and above) to incorporate appropriate provision of accommodation types for older persons and those with restricted mobility refers to C2 or C3 provision. Further clarity on this policy is required.

The requirement for at least 20% of dwellings for sites of 20 or more dwellings to be of a design suitable or adaptable for older people and people with restricted mobility should include a viability clause to ensure that development can be delivered. In line with paragraph 173 of the NPPF which established the importance of viability testing to ensure that the sites and scale of development identified in the Plan should not be subject to such scale of obligations and policy burden that their ability to be developed might be threatened.

### **Proposed Modifications in relation to Policy HP2**

- The HBF would like to ensure that flexibility in relation to the mix of housing is provided within paragraphs 1 and 2.
- The HBF requests that further clarity is added to paragraph 3 of this policy in relation to the types of dwellings to be provided.
- The HBF recommends that a viability clause is included within paragraph 3 to ensure that development remains viable and deliverable.

### **Policy HP3: Affordable Housing**

*Policy HP3 is not sound as it is not considered to be justified, effective or consistent with national policy for the following reasons:*

The HBF supports the need to address the affordable housing requirements of the borough. It is noted that the SHMA Addendum shows an annual need of 134 units in the first five years, up to 2022, rising to 189 thereafter. The NPPF is, however, clear that the derivation of affordable housing policies must not only take account of need but also viability.

Paragraph 173 of the NPPF established the importance of viability testing to ensure that the sites and scale of development identified in the Plan should not be subject to such scale of obligations and policy burden that their ability to be developed might be threatened.

The Local Plan and Site Allocations Viability Study (October 2017) highlights the marginality of sites once policy requirements are taken into consideration. Although the document suggests for example that affordable housing is potentially viable on medium value greenfield sites at 30% once other policy requirements (e.g. Policy HP2 identified above) are taken into consideration this viability is then very questionable. The Council should be mindful that it is unrealistic to negotiate every site on a one by one basis because the base-line aspiration of a policy or combination of policies is set too high as this will jeopardise future housing delivery. Therefore site by site negotiations on these sites should occur occasionally rather than routinely.

### **Proposed Modifications in relation to Policy HP3**

- The HBF recommends that further consideration is given to the viability of development in relation to the requirements of this policy and other policies within the Local Plan.

### **Site Allocations**

The HBF does not wish to comment upon the acceptability or otherwise of individual sites. It is, however, important that all the sites contained within the plan are deliverable over the plan period.

### **CDMP2: Flood risk and Surface Water Management**

*Policy CDMP2 is not sound as it is not considered to be justified, effective or consistent with national policy for the following reasons:*

This policy sets a requirement for all development to achieve greenfield runoff rates. Whilst a reduction in run-off rates is desirable this must be balanced against the desire to ensure that development is delivered and the economic viability implications of the requirement.

### **Monitoring**

The Council's monitoring as set out in section 10 sets targets in relation to the delivery of new homes. The HBF recommends that specific monitoring triggers are introduced. It is not clear from the table how quickly action will be taken if targets are not met, and how long it will be before the final resort of reviewing the plan is considered.

### **Future Engagement**

I trust that the Council will find the foregoing comments useful as it continues to progress its Local Plan. I would be happy to discuss these issues in greater detail or assist in facilitating discussions with the wider house building industry.

The HBF would like to be kept informed of all forthcoming consultations upon the Local Plan and associated documents. Please use the contact details provided below for future correspondence.

I would like to be notified that the Wyre Local Plan has been submitted for independent examination. I would also like to express my interest in attending any relevant hearing sessions at the Examination in Public. Should you require any further clarification on the issues raised in this representation please contact me.

Yours sincerely,

A handwritten signature in cursive script, appearing to read 'J. Harding'.

**Joanne Harding**

**Local Plans Manager – North**

Email: [joanne.harding@hbf.co.uk](mailto:joanne.harding@hbf.co.uk)

Phone: 07972 774 229