

Matter 2: Housing Need, Requirement and Supply

This matter explores whether the housing requirement proposed in the WLPPR is appropriate to meet the needs of the area and whether the housing supply position is up to date.

Policies to be covered by Matter 2: Policies SP1 and HP1

Main Evidence Base

*SDPR01 – Publication draft Schedule of Revisions to the Wyre Local Plan (2011-2031)
[November 2021]*

EDPR02 – Implementation of Policy LPR1 Background Paper [November 2021]

EDPR03 – Housing Implementation Strategy Partial Review [November 2021]

EDPR04 – Authorities Monitoring Report

Issue 1: Housing Need and Requirement

As indicated above, the WLPPR proposes that the housing requirement should be based on the standard method. As a result the WLPPR contains a housing requirement of 7,232 net additional dwellings - 296 dpa for the period 2019/20 to 2030/31, 460 dpa for the period between 2011/12 and 2018/19. It is noted that the Fylde Local Plan Partial Review adopted a similar approach.

That said, the Framework and Planning Practice Guidance (PPG) support a significant boost in housing supply and indicate that alternative approaches to using the standard method may be justified. The documents refer to the circumstances where a higher figure might be appropriate. The non-exhaustive circumstances referred to in the PPG include growth strategies, strategic infrastructure, and unmet need from neighbouring authorities.

Reference is also made to previous housing delivery¹. The PPG also notes that an increase in the total housing figures included in the plan may need to be considered where it could help deliver the required number of affordable homes².

1. *In principle and taking into account the contents of the WLP, is it justified for the WLPPR to use the standard method as a basis for the housing requirement³ rather than undertaking a new housing needs assessment?*

1. The HBF generally supports the Council in using the standard method as the starting point to assess the housing need for the area. However, the HBF considers that the housing need is likely to be higher than the housing requirement currently identified.

2. *If the use of the standard method is justified, for what period should it apply?*

2. The HBF considers that it is appropriate for the standard method to apply for the plan period, this is considered to be in line with the PPG⁴.

¹ Paragraph: 010 Reference ID: 2a-010-20201216

² Paragraph: 024 Reference ID: 2a-024-20190220

³ The WLPPR uses the standard method for the period 2019/20 to 2030/31

⁴ PPG ID: 2a-012-20190220

3. ***Taking into account that the standard method should be taken as the minimum, do the circumstances exist to support an uplift on the housing figure derived from the standard method?***
4. The HBF considers that the circumstances do exist to support an uplift on the housing figure derived from the standard method. The proposed housing requirement is a significant decrease from the housing requirement in the current Local Plan of 460dpa. It is also significantly below the 433dpa that have been provided on average over the period 2016/17 to 2020/21. The HBF considers that the housing requirement should be increased to better reflect this evidence.

Housing Completions (taken from DLUHC Table 122: Housing Supply, net additional dwellings by LA ⁵)						
	2016/17	2017/18	2018/19	2019/20	2020/21	Average
Wyre	462	370	396	361	576	433

5. The HBF also notes that the adopted Local Plan identified an annual affordable housing need of 134dpa in the first five years up to 2022 and rising to 189dpa thereafter. The Council does not appear to have updated the evidence in relation to the affordable housing need or proposed to amend this identified need within the Local Plan. This identified affordable housing need would be a significant proportion of the proposed housing requirement. The HBF considers that the housing requirement should be increased to allow for this affordable housing need to be met.
6. It is noted that the Council do not propose to amend the employment land requirement, the HBF is concerned that this reduction in the housing requirement will lead to an imbalance between economic development and residential development. The NPPF⁶ is clear that planning policies should seek to address potential barriers to investment such as inadequate housing provision. The HBF considers that the housing requirement should be increased to allow for an appropriate balance between employment and housing, as this will help to create a more sustainable area.
7. The HBF does not consider that the proposed change to the housing requirement is sound, as it is not positively prepared, justified or consistent with national policy.
4. ***For example, should the housing requirement be increased to take into account economic growth aspirations, strategic infrastructure improvements, choice and competition in the housing market, and/or affordable housing need?***
8. The HBF considers that the housing requirement should be increased to take into account economic development and growth as set out in the Local Plan, to create choice and competition in the housing market and to meet the demand as shown by the high levels of delivery over the previous five years, to meet affordable housing need as shown in the Local Plan evidence. These considerations are in line with those set out in the PPG⁷ as considerations in relation to when it might be appropriate to plan for a higher housing need figure than the standard method indicates.

⁵ <https://www.gov.uk/government/statistical-data-sets/live-tables-on-net-supply-of-housing>

⁶ Paragraph 82 NPPF 2021

⁷ PPG ID: 2a-010-20201216

5. ***Do recent levels of delivery in the Council area justify a higher housing requirement⁸?***
9. The HBF considers recent levels of delivery in the Council area justify a higher housing requirement, particularly when considered alongside other factors highlighted above.
6. ***How should the 380 dwellings provided through the Fylde LP Partial Review to meet Wyre's needs be accounted for?***
10. The homes provided through the Fylde LP Partial Review should be considered as part of the housing land supply considerations. They should not be considered as part of the housing need calculation or housing requirement.

Issue 2: Implications of the housing requirement

7. ***Have the implications of using the reduced housing requirement for the Plan strategy as a whole been taken into account?***
11. The HBF is concerned that the implications of a reduced housing requirement have not been fully taken into account, and could lead to a reduction in the delivery of affordable homes and an imbalance in employment development, and could reduce the sustainability of the area.
8. ***In particular***
 - (a) ***Will the Plan as reviewed deliver the affordable homes needed?***
 12. The HBF is concerned that the plan as reviewed will not deliver the affordable homes needed.
 - (b) ***Will the reduced figure constrain jobs and economic growth, including in connection with initiatives such as the Hillhouse Enterprise Zone?***
 13. The HBF is concerned that the reduced figure could constrain jobs and economic growth.
9. ***Would an alternative housing requirement figure, e.g. 479 dpa, be justified, based on up to date evidence?***
14. The HBF considers that an alternative housing requirement figure could be justified based on up to date evidence, including the affordable housing requirement, the provision of employment and the previous housing delivery.
10. ***What implications would there be for the WLP and WLPPR, if an alternative housing requirement figure was justified?***
15. The HBF considers that increasing the housing requirement, could have the potential to increase the provision of affordable homes, and help to support investment and employment opportunities.

⁸ EDPR03 shows delivery at an average of around 478 dpa for the five year period of 2016/17 to 2020/21

The WLP includes a requirement to deliver a minimum of 43 hectares of employment land between 2011-31 reflecting the Objectively Assessed Employment Need. The WLPPR does not propose any changes to the employment land requirement.

11. Should the employment land requirement be amended taking into account the reduced housing requirement?

16. The HBF does not consider that the employment land requirement should be amended to take into account the reduced housing requirement.

12. Are there any significant implications for the soundness of the Plan, if the employment land requirement is not altered?

17. The HBF is concerned that the imbalance between the employment land requirement and the housing requirement could potentially create a barrier to investment and employment and development, or could reduce the sustainability of the area.

Issue 3: Housing Supply

EDPR02-04 assess allocations in the WLP and other sources of supply and indicate that there is a supply of 9,423 dwellings against the WLPPR requirement of 7,232 dwellings. The documents indicate that only two allocations (SA1/3 and SA3/1) do not have the benefit of planning permission or a pending application.

The Council has indicated that it will provide an update on housing land supply to reflect the position at 31 March 2022, in advance of the statement deadline.

13. Will the up-to-date housing supply position be clearly shown in the Plan (base date of 31 March 2022)?

18. The HBF considers that this is a question for the Council. However, the HBF considers that it would be beneficial for the up to date housing supply position to be shown in the Plan.

14. Is there any evidence that allocations in the WLP overall are not coming forward as projected?

19. The HBF does not wish to comment on any of the individual allocations, however, the Council should continue to monitor the allocations to ensure that they are coming forward and to address any issues with the developer or landowner where the sites are not coming forward.

15. Does the evidence base support the Council's housing supply position, including the existence of a 5 year housing supply?

20. The HBF does not wish to discuss individual housing sites, however, the HBF would expect the Council to ensure that the housing supply position was sufficient to ensure the existence of a five-year housing supply.

16. On the basis that the housing requirement remains as set out in the WLPPR, is there likely to be insufficient or too much flexibility in the supply?

21. The Council propose to include a table which sets out the housing land supply at 31st March 2021. It suggests that the housing land supply for the plan period is 9,423 dwellings, this is made up of completions (3,490), large sites with planning permission (762), small sites with planning permission (including a 10% discount) (363), allocated sites with planning permission (2,573), allocated sites without planning permission (1,885) and a windfall allowance (350). The total housing requirement based on the proposed amended housing figure is 7,232 net dwellings. Therefore, the supply is approximately 130% of the requirement. The HBF considers that it is appropriate for the Council to have a level of flexibility in the supply, this will allow for a range and choice in the market, and it also allows for sites that do not come forward as envisaged this could be at lower densities or over a longer period of time.