

EiP Statement

Wyre Local Plan Partial Review (2011 – 2031)

Our ref 42026/09/RCA/TE

Date September 2022

Subject Matter 2: Policies SP1 and HP1

1.0 Introduction

- 1.1 This Hearing Statement has been prepared by Lichfields on behalf of Taylor Wimpey UK Limited [Taylor Wimpey], in relation to Matter 2 (Policies SP1 and HP1). This Statement has been written in respect of Taylor Wimpey's land assets in Wyre. This includes Land at Cockerham Road, Garstang, allocated within the Adopted Wyre Local Plan (2011-2031) under Policy SA1/14, for the delivery of up to 260 units.
- 1.2 This Statement has been prepared in response to the Matters, Issues and Questions raised by the Inspector for Matter 2 Examination in Public [EiP] hearing sessions.
- 1.3 Taylor Wimpey have previously submitted representations in relation to the Wyre Local Plan Partial Review [WLPPR] Regulation 19 public consultation stages of the Plan in support of the site and concerning the overall strategy and other proposed policies.
- 1.4 This Statement expands upon Taylor Wimpey's representations¹ made on the WLPPR and focuses on the Inspector's specific issues and questions. Where relevant, the comments made are assessed against the tests of soundness established by the National Planning Policy Framework [NPPF] and the National Planning Practice Guidance [Practice Guidance].

2.0 Questions

Issue 1: Housing Need and Requirement

Question 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 requirement rather than undertaking a new housing needs assessment?

- 2.1 No. Taylor Wimpey does not consider it is justified for the WLPPR to use the standard method as a basis for the housing requirement rather than undertaking a new housing needs assessment. Whilst, the Framework is clear that the standard methodology is the default approach for calculating local housing need [LHN] unless there are "exceptional circumstances" to justify an alternative approach; the Government is clear that the figure derived by the LHN target is intended to be a minimum figure. Justification to go below

¹ Regulation 19 Stage Publication Draft Wyre Local Plan Partial Review (2011- 2031) Consultation: Representations made on behalf of Taylor Wimpey January 2022

this figure should only be on the basis of environmental or policy constraints rather than issues over the reliability of the household projections².

- 2.2 The Framework also makes it clear that the Council will need to look at a variety of factors, and not just the standard method, when calculating housing need. The blind adoption of the LHN figure without regard to any other factors, or consideration of whether there are exceptional circumstances, is not an appropriate start and end point for Wyre Council to adopt. In Taylor Wimpey's opinion, the Inspector's requirement for an early review within the plan was to ensure the Plan could be found sound at Examination and the full OAN could be met in the longer term. It therefore should not be used as a mechanism to suppress the adopted housing requirement figure.
- 2.3 The identified LHN for Wyre as part of the Partial Review shows a reduction in annual housing requirement compared to the current, adopted figure, which will have a knock-on impact on other areas of its planning policy such as economic aspirations, provision of affordable homes and a mix of homes to meet local needs.
- 2.4 The WLPPR should be based on proportionate evidence. Wyre Council need to re-consider meeting the adopted housing requirement in full taking into consideration current and future demographic trends, market signals and Wyre specific constraints; and provide updated evidence (update to the SHMA) to support this. Without this, the WLPPR cannot be found sound.
- 2.5 Given the above, Taylor Wimpey does not consider the use of the Standard Method to be justified and consider it necessary for the Council to undertake a new housing needs assessment in order to establish the housing requirement for the borough.
- Question 2. If the use of the standard method is justified, for what period should it apply?*
- 2.6 As set out in question 1, Taylor Wimpey does not consider the use of the standard method to be justified.
- Question 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?*
- 2.7 Yes. Taylor Wimpey consider that circumstances do exist to support an uplift in the housing figure derived from the standard method. At the outset of the Schedule of Revisions to the Wyre Local Plan (2011-2031) document, it sets out that the Council is seeking to update its Local Plan in line with Policy LPR1 which required the early Partial Review of the Local Plan with the objective of meeting the full Objectively Assessed Housing Needs [OAN] of Wyre.
- 2.8 Currently, the Local Plan makes provision for 96% of the identified housing OAN, equating to 460 dwellings per annum [dpa], which is 19dpa short of the full OAN of 479dpa. This OAN was based on an 'economic growth' scenario and the employment land requirement sought to align with the proposed housing requirement. It is therefore important for the

² PPG: §10 Reference ID: 2a-010-20201216

Partial Review to be considered in the same context and to not just use the standard method.

- 2.9 Taylor Wimpey understands that the evidence base for the Local Plan recommended an OAN range of between 400dpa and 479dpa; and that the proposed figure was based on the 2016 Strategic Housing Market Assessment [SHMA] which recommended that the OAN should be at the upper end of the range. This was in order to mitigate the risks associated with a declining working age population and to support higher levels of affordable housing delivery. The SHMA also sets out the need to provide 134 affordable dwellings per annum within the first five years of the Plan and 189 affordable homes per year beyond this.
- 2.10 As the Local Plan did not meet the full OAN in Wyre, the Inspector considered there to be a need for an early review of housing provision to ensure the housing requirement is met in full over the Plan period, rather than as a mechanism to pursue an alternative approach. The Inspector's Report (§64) sets out that, overall, and in the context of the Government's objective of significantly boosting the supply of homes, the OAN figure of 479 dpa is justified. This has not been countered by the Council via any alternative robust analysis provided as part of this Local Plan Review process. Taylor Wimpey would therefore have expected the Council to provide an update to the SHMA as part of the Partial Review in order to justify any reduction in housing figures.
- 2.11 The WLPPR now adopts the Standard Method, and identifies an LHN of 296 dpa, a reduction of 183 dpa when compared with the adopted figure in the Local Plan. This is a significant reduction and one which would likely impact the overall objectives and vision which underpin the Local Plan (such as economic aspirations, provision of affordable homes and a mix of homes to meet local needs). Progressing with the LHN figure significantly below the adopted housing figure will have a significant knock-on impact in respect of associated growth for the area.
- 2.12 The Framework is clear that the Standard Method calculation is a "minimum starting point" and there will be circumstances when a higher figure than that generated by the standard method might be considered appropriate³. This includes issues such as economic growth, worsening market signals and Wyre specific considerations including an ageing baseline population.
- 2.13 Given the previous OAN was based on an 'economic growth' scenario and the Inspectors comments on the identified housing need, Taylor Wimpey considers there are clear circumstances that exist to support an uplift on the housing figure that has been derived from the standard method. Taylor Wimpey would therefore have expected the Council to have provided additional evidence to support any deviation from the currently OAN.

Question 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?

³ PPG: §10 Reference ID: 2a-010-20201216

- 2.14 Yes. As set out in Question 3, Taylor Wimpey considers that given the previous OAN was based on an ‘economic growth’ scenario, and the Inspectors comments on the identified housing need, the housing requirement set out within the WLPPR should be increased to take into account these key considerations.

Question 5. Do recent levels of delivery in the Council area justify a higher housing requirement?

- 2.15 Yes. Taylor Wimpey considers there to be justified reasoning for the WLPPR to pursue a higher housing requirement. As set out in Table 2, the recent levels of delivery (2020 onwards) far exceed the housing requirement and there is general trend of increasing delivery since the beginning of the Plan. The Housing Delivery Trajectory within Appendix 4 of the HIS (Appendix 4) shows these delivery levels are expected to continue until late into the Plan period. TW would expect the Council to pursue a higher requirement more aligned with the expected delivery levels.

Table 2 Housing Completions 2011 - 2019

Total Completions											
2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	Average
215	185	195	276	320	455	395	406	438	605	749	385

Source: Wyre Council Housing Implementation Strategy (HIS) August 2022

Question 6. How should the 380 dwellings provided through the Fylde LP Partial Review to meet Wyre’s needs be accounted for?

- 2.16 The 380 dwellings provided through the Fylde LP Partial Review should be considered as part of Wyre’s Housing Land Supply however, should not be included as part of any OAN calculations.

Issue 2: Implications of the housing requirement

Question 7. Have the implications of using the reduced housing requirement for the Plan strategy as a whole been taken into account?

- 2.17 No. Taylor Wimpey does not believe the WLPPR has taken into account the implications of a reduced housing requirement for the plan strategy. A reduction in the overall housing requirements, compared to the current, adopted figure, will have a knock-on impact on other areas of its planning policy, for example:
- It will lead to unsustainable levels of commuting as the Council continues to pursue an aspirational employment land requirement;
 - It will exacerbate the already high affordable housing needs of the Borough; and
 - It will depress economic growth and cut job creation through construction in the Borough.
- 2.18 Arbitrarily reducing the housing requirement of an area will directly affect employment levels and inward investment in Wyre.

Question 8. In particular:

(a) Will the Plan as reviewed deliver the affordable homes needed?

- 2.19 No. Taylor Wimpey does not consider the plan, as reviewed, will deliver the required affordable housing. The Framework is clear that the Standard Method calculation is a “minimum starting point” and other issues, such as economic growth, worsening market signals and specific considerations such as Wyre’s ageing baseline population should also be taken account. Wyre’s 2021 affordability ratio is 6.81⁴ compared to the north west average of 6.11 which demonstrates affordability issues, particularly when one considers that mortgage lenders apply a ratio of approximately 4 when assessing the size of mortgage it will grant, compared to income.
- 2.20 There is a clear link between worsening affordability and low levels of housing delivery, and unless Wyre can commit to delivering a higher level of housing its affordability issues are likely to remain or even worsen. Taylor Wimpey would note that suppressing the housing requirement by pursuing the minimum LHN from the standard method cannot be justified, rather the Council should be looking to support higher levels of housing delivery in sustainable locations where it can. Similarly, in order to achieve the economic aspirations, set out within the Local Plan, and meet the current affordable housing targets, the proposed LHN figure is not sufficient to support this.
- 2.21 The SHMA identifies a need to provide 134 affordable dwellings per annum within the first five years of the Plan and 189 affordable homes per year beyond this. The WLPPR is not supported by an updated SHMA and the modified local plan continues to support the provision of a high level of affordable housing. For the Council to maintain this level of affordable housing, with the revised housing requirement, would see over 60% of the annual housing requirement needed to provide affordable housing, in line with the recommendations of the SHMA.
- 2.22 Taylor Wimpey would therefore expect to see the Council looking to achieve the upper end of its adopted housing requirement OAN (479 dpa) and not use the Partial Review as an opportunity to simply reduce housing figures without considering the knock-on implications in terms of affordable housing delivery and ability to meet the Council’s stated economic ambitions for the plan period.

(b) Will the reduced figure constrain jobs and economic growth, including in connection with initiatives such as the Hillhouse Enterprise Zone?

- 2.23 Yes. Taylor Wimpey believes the reduction in housing figures will constrain jobs and economic growth. Throughout the preparation of the Local Plan, the Council recognised that in order to support economic growth sustainably, there was a need to increase the level of housing provided above the LHN which was detailed in the SHMA 2016. Taylor Wimpey would therefore have expected Wyre Council to continue with this approach when undertaking the Local Plan Partial Review to meet its housing requirement figure in full.

⁴ ONS (2022): Median Housing affordability ratio by local authority district, England and Wales, 2021

Question 9. Would an alternative housing requirement figure, e.g. 479 dpa, be justified, based on up to date evidence?

- 2.24 Yes. As set out within the latest HIS⁵ (and supported by the PPG), the recent and expected housing delivery levels support a higher housing figure. As set out in our response to Q8, the Plan is unlikely to deliver on the affordable housing requirement unless a higher housing requirement figure is put forward. WLPPR therefore cannot justify the proposed LHN figure of 296 dpa as it will not deliver the homes required within Wyre.

Question 10. What implications would there be for the WLP and WLPPR, if an alternative housing requirement figure was justified?

- 2.25 Housing is a driver of economic growth and a well-functioning housing market is important for an area to remain competitive and attractive to businesses and economic activity which promotes growth. Taylor Wimpey is of the view that if an alternative housing figure, aligning with the current OAN, the Council will be able to achieve the economic aspirations, set out within the Local Plan, and meet the current affordable housing targets.
- 2.26 Taylor Wimpey considers that the Council is seeking to utilise this opportunity to reduce its overall housing requirement without considering the consequences; and not taking into account the Government's stated ambition of boosting the supply of housing. It appears that the Council is taking a short-termist approach and not considering the true implications of their decision. Taylor Wimpey is concerned about the implications of suppressing housing needs for present and future generations and the wider social and economic implications it will have on the Borough.

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

- 2.27 Taylor Wimpey notes that as part of the WLPPR no consideration has been given to the required level of employment land, when taken in context with the reduced housing requirement for the borough. This is an important consideration as the adopted housing requirement was based on an economic growth scenario and an employment land requirement that sought to align with the identified housing requirement.
- 2.28 The proposed changes set out in the Schedule of Revisions to the Wyre Local Plan only propose to amend the housing requirement element of policies, but does not seek to consider the impact on employment land requirement that this may inadvertently have.
- 2.29 Over the remaining plan period, the WLPPR identifies that it will continue to provide a minimum of 43 hectares of employment land. Taylor Wimpey raises concerns that employment trends have not been taken into account when formulating the local housing requirement. With the proposed provision of employment land remaining unchanged, but a reduction in the housing requirement, this will likely encourage commuting from outside the borough for work opportunities and will no longer provide sustainable development for Wyre.

⁵ Wyre Council Housing Implementation Strategy (HIS) August 2022 – Appendix 3

- 2.30 Whilst it is Taylor Wimpey's view that the proposed LHN figure of 296 dpa does not appropriately reflect Wyre's requirements, if the WLPPR is to progress with this figure, Taylor Wimpey would expect an assessment of the Employment Land Supply to be carried out to ensure this reflects the provision of housing within the borough.

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

- 2.31 Yes. Without a review of the required level of employment land the Plan cannot be considered as justified. The OAN within the current Local Plan was based on an 'economic growth' scenario and the employment land requirement sought to align with the proposed housing requirement. With such a significant reduction in the housing requirement proposed, Taylor Wimpey does not believe the employment land requirements can remain unchanged without have significant implications on sustainable development within Wyre.

- 2.32 As set out within Question 11, Taylor Wimpey would expect an assessment of the Employment Land Supply to be carried out to ensure this reflects the provision of housing within the borough. Without any consideration to the employment land requirement alongside the OAN Taylor Wimpey does not believe the WLPPR cannot be found sound.

Issue 3: Housing Supply

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

- 2.33 Whilst the Council has produced an up to date housing supply position, up to 31 March 2022 (HIS August 2022), Taylor Wimpey is of the understanding that the Publication Draft WLPPR is based off housing supply position 31 March 2021. Taylor Wimpey would therefore expect the WLPPR to be updated reflect the base up to date of 31 March 2022 in order to ensure the WLPPR can be found sound.

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

- 2.34 Taylor Wimpey is of the understanding that revisions to site allocations are not being considered within the scope of the Partial Review and will be a consideration for the full review of the plan. However, Taylor Wimpey would expect that the Council fully supports its existing allocations and actively support these to be brought forward within the Plan period. Taylor Wimpey has an allocation under Policy SA1/14 of the adopted Local Plan which is deliverable over the Plan period, and a planning application is currently pending.

- 2.35 As set out above, Taylor Wimpey considered the reduction in the adopted housing requirement, in line with the minimum LHN figure is not justified. Taylor Wimpey would therefore have expected the Council to review strategies for increasing allocations to address the historic under-delivery of housing and to meet its housing requirement figure of 479dpa.

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

2.36 Taylor Wimpey does not wish to comment on the Council's individual housing supply position. However, Taylor Wimpey expects the Council to be able to show they have a five year housing land supply position to support the WLPPR.

Question 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?

2.37 As clearly set out in the preceding questions Taylor Wimpey considers that if the WLPPR progresses with a housing requirement of 296dpa there will be an insufficient supply of housing within Wyre and it cannot be found sound because:

- 1 **It is not positively prepared:** The requirement for an early review was to ensure the housing requirement figure of 479dpa is met in full over the Plan period, rather than as a mechanism to pursue an alternative lower approach. Taylor Wimpey would expect the Council to be pursuing a housing requirement figure reflective of the need to supply housing to meet the needs of present and future generations.
- 2 **It is not justified:** The Partial Review is not based on proportionate evidence. For the Partial Review to be justified Wyre Council needs to re-consider meeting the adopted housing requirement in full taking into consideration current and future demographic trends, market signals and Wyre specific constraints; and provide updated evidence (update to the SHMA) to support this.
- 3 **It is not consistent with national policy:** The Framework makes it clear that a variety of factors should be considered, and not just the standard method, when calculating housing need. National policy makes it clear that the figure derived by the LHN target is intended to be a minimum figure. For the Partial Review to be justified Wyre Council needs to provide updated evidence (update to the SHMA) to support the use of the minimum figure produced by the Standard Method.