



**North Lincolnshire Housing and Employment Land Allocations DPD**

**Inspector's Matters, Issues and Questions for Examination at the  
Hearing**

**Matter 2: Conformity with the adopted Core Strategy (June 2011) and  
with National Planning Policy**

**Submitted by Signet Planning on behalf of Moorwalk Limited**

## **North Lincolnshire Housing and Employment Land Allocations DPD**

### **Inspector's Matters, Issues and Questions for Examination at the Hearing**

#### **Matter 2: Conformity with the adopted Core Strategy (June 2011) and with National Planning Policy**

Note: Matter 2 is concerned with the conformity of the NLHELA DPD with the adopted North Lincolnshire LDF Core Strategy, and with National Planning Policy. Discussions will focus on the strategic context of the specific site housing and employment allocations contained in the NLEHA DPD together with the current position regarding housing supply and delivery, and the take up of employment land.

#### **Objectively Assessed Housing Need**

Paragraph 47 of the NPPF states that Council should ensure that their Local Plan meets the full, objectively assessed needs for market and affordable housing in the housing market area so far as is consistent with the policies set out elsewhere in the NPPF. Paragraph 159 indicates that Councils should prepare a Strategic Housing Market Area (SHMA) to assess their full housing needs working with neighbouring authorities where housing market areas cross administrative boundaries. The Council's adopted Core Strategy pre-dates the publication of the NPPF. The housing requirement set out in Core Strategy Policy CS7 drew on the evidence base used to prepare the Regional Strategy which now carries no weight in the context of the emerging Local Plan. It should also be noted that the RS Requirement was not an assessment of housing need. It was based on an apportionment on housing which reflected constraints on provision in other Local Authority areas.

There has been a SHMA produced since the adoption of the Core Strategy and a more up to date assessment of need can be found.

It is our view that significant weight should be placed upon up to date evidence of assessed housing need for the district and Local Plan. Inspectors presiding over other site allocation plans have advised Local Authorities such as Harrogate, Doncaster and Chiltern that it is important to be consistent with the requirements of the NPPF in terms of having a Local Plan supported by an up to date assessment of housing need which has led to their subsequent withdrawal through the Local Plan process.

There have been two recent Court cases addressing this matter – *Gladman Homes v Wokingham Borough Council* and *Gallagher Homes Limited & Lyon Court Homes Limited v Solihull Metropolitan Borough Council* where a Council decision to adopt a Local Plan has been challenged partly on the basis that the documents fail to comply with the NPPF and that they were not based on an up to date objective assessment of housing need. We understand that the Council in the latter case is submitting an application to appeal to the Court of Appeal following a refusal of permission to appeal in the High Court. Irrespective of this current position it is relevant to point out that:

- Further updated evidence is now available from the SHMA;
- The Core Strategy was adopted before publication of the NPPF;

- The NPPF (Annex 1) states that plans may need to be revised to take into account the policies of the NPPF and, in the current circumstances, the Core Strategy has due weight only in accordance to its consistency with the NPPF;
- The Core Strategy's approach to housing requirements cannot be relied on to be NPPF compliant
- Although legislation makes provision for different kinds of development plan document (as discussed in the Gladman v Wokingham BC), Government has made it clear (without reviewing the legislation) that it wants Local Planning Authorities to move towards a single Local Plan;
- NPPF Guidance on housing provision in Local Plans (for example 14, 47 to 55 and 159) makes no distinction between the approaches to be taken in different kinds of Local Plans.
- There are clear policy injunctions that Local Plans should be positively prepared and provide for objectively assessed housing needs. It is not reasonable for the plan to restrict its provision to the Core Strategy target. It should address strategic housing requirements in the light of the latest evidence.
- The Council have a statutory duty to keep the Local Plan documents under review in their area (Section 13 (1) of the 2004 Act).

The Council may well argue that the current requirement of 750 dwellings per annum aligns with the level of growth projected under scenarios 2 & 3 of the SHMA. However, the scenario 3 Baseline Employment Growth – Constrained Scenario is only modelled on the basis of an increase of 1,850 full time equivalent jobs between 2010 and 2026 (i.e. 113 additional jobs per annum).

Paragraph 5.35 of the SHMA confirmed that this is a modest level of employment change. We consider that account needs to be taken of the aspirational and realistic growth proposals that the Council have chosen to subscribe to in the Core Strategy. Indeed, Paragraph 9.8 of the Core Strategy confirms that the basis of determining future employment land is based on a potential annual growth of 550 full time equivalent jobs for the district equating to around 11,000 new jobs in total between 2006 to 2026. Scenario 4 in the SHMA assumes a job growth of almost 9,180 jobs between 2010 and 2026 (573 jobs per annum) which is more reflective of the Council's agreed economic strategy set out in the Core Strategy. Against this background, Paragraph 4.3 of the HELA DPD confirms that there is potential to create 10,000 plus jobs on the South Humber Bank alone independent of the other development opportunities available.

Whilst the relationship between economic growth and new housing is complex, Scenario 4 identifies a need for an annual requirement of 1,084 dwelling which will be over 350 dwellings per annum greater than the current Core Strategy requirement. By failing to provide a necessary number of new housing for envisaged new employees, the economic strategy would not be realised unless there are significant increased rates of commuting into the area which is neither sustainable nor desirable. By ignoring the objectively assessed housing need identified within the SHMA, there will be a significant mismatch between the aims of the Development Plan for housing delivery and the number of new jobs that could potentially be created by the proposed site allocations. By accepting the more realistic Scenario 4 assumptions, this would comply with the NPPG (ID 2a/018/20140306) and

Paragraph 158 of the NPPF which indicate that Local Plans should seek to integrate housing and employment needs taking account of relevant market and economic signals.

In summary, we consider that the HELA DPD is not NPPF compliant and contrary to Paragraph 159 as the document is not supported by an objective assessment of up to date need for housing.

### **Five Year Land Supply**

Since the release of the submission version of the NELA DPD, the Local Authority have released a paper entitled 'Assessment of Five Year Housing Land Supply' and the conclusion reached in this document is that North Lincolnshire currently has a five year housing supply of deliverable sites during the period April 2014 to March 2019. Based on our original representations we would take issue with how the Local Authority have undertaken their calculation.

#### **i. Historic Under Delivery**

To leave the historic under delivery untouched would be simply storing up more problems for the future and contributing to a worsening of the housing shortage that exists in the district. This back log represents the needs which are already urgent, having being unmet during the period when they arose, and will be more as time goes on. We can therefore see no proper reason why the whole backlog should not be added to the five year requirement following the Sedgefield method. This approach is contained within the NPPG (ID 3/035/20140306).

The un-delivery equates to **1,621** dwellings and we consider that this should be incorporated within the Five Year Housing Land Supply calculation.

#### **ii. 5%/20% Buffer**

It is our case that the Local Authority should be applying a 20% buffer as required by the NPPF Paragraph 47. The Local Authority has failed to meet the annualised housing requirement for the District between 2007/08 and 2013/14. A seven year period of continual under performance represents in our view a persistent un-delivery of housing. Whilst the Council may claim that the economic downturn is a key constraint to the delivery, this does not form part of National Policy and indeed, the intention of the NPPF is to address the recession by (amongst other things) building more homes. With the 20% buffer, the residual annual requirement is calculated as an extra **1,074** dwellings.

#### **iii. Housing Supply**

With regards to the lists of sites included in the Five Year Supply at Tables 3, 4 & 5 we have identified a range of concerns in respect to the accuracy and soundness of the delivery targets from each source of supply. With this in mind, it is appropriate to revisit the Local Authorities wider requirements of the NPPF which includes 'significantly boost housing supply' and delivering a quantum of housing that reflects the most up to date evidence on need.

The Framework's definition of deliverable sites can be found at Footnote 11 of Paragraph 47 and states that deliverable sites should be:

- Deliverable now;
- Offer a suitable location for development now;
- Be achievable with a realistic prospect that housing will be delivered on the site within five years and that the site is regarded as viable.

Within our original representations we have already identified the build out rates for Lincolnshire Lakes as being too optimistic and this is borne out in further up to date evidence. Village 1, 2, 3, and 6 are identified within the five year calculation and the Council envisaged 1,800 dwellings being built during this period. Due to the complexities of developing large scale urban extension, it is our experience that this built out rate is over optimistic and this is confirmed within the Lincolnshire Lakes Area Action Plan submission Draft 2014. Figure 6.1 entitled Infrastructure Delivery Schedule shows only the delivery of 1,290 dwellings during the five year period (a difference of **510** dwellings) compared to the Council's five year assessment.

Two other sites in the supply schedule at Table 3 namely Redevelopment of Westcliffe Precinct and Land at Council Depot, Station Road are currently occupied with existing uses and we would contend that there is no clear evidence available that suggests these will be vacated within the five year period. The removal of these sites would be a further reduction in the supply by **148** dwellings.

It is generally recognised that in so far as the sites with planning permission are concerned, there should be a 10% lapse rate allowance as has been recognised at Local Plan Examinations and Planning Appeals. Of the permissions identified within the schedule, including those identified in Table 4 and 5, this would amount to a 10% reduction equating to 44 dwellings. Finally, in relation to the windfall allowance, there is no robust evidence provided by the Council to justify whether this should be factored into the overall calculation. As there is no compelling evidence as requested by NPPF, we would question this figure.

Based on this initial assessment and supply, we do not accept the Council can deliver the total supply identified as 4,683 dwellings and we consider the deliverable supply would be at best **3,841** dwellings.



iv. Summary Position

Assuming the requirement reflects the Core Strategy Figure, our position on the Five Year Land Supply calculation is as follows:

<b>Component</b>	<b>Dwellings</b>
Requirement 1 April 2014 – March 2019 (750 x 5)	3,750
Historic Under Delivery from 1 April 2004 to March 2014	1,621
Overall Requirement	5,371
Applying 20% Buffer	1,074
Total Five Year Requirement	6,445
Deliverable Supply*	3,941
Supply in Years	3 Years

\*Based on Signet Assumptions

As previously advised, we believe the housing requirement for the area should be based on an objectively assessed need of around 1,080 dwellings per annum and if this figure is fed into the calculation then the year supply would drop further to around 2.3 years.

**Phasing of Housing Land**

We have already made our concerns known in our original representations regarding the objection to the inclusion of Policy H1 dealing with Phasing of Development. Based on our Five Year Land Supply calculations there is a lack of sufficient land supply and the NPPF at Paragraph 15 confirms that development, which is sustainable, can be approved without delay, we consider there should be no artificial barrier imposed to prevent housing sites being released. This approach has been accepted by other Local Plan Inspectors and we particularly make reference to Rotherham Core Strategy and the Wakefield Site Specific Policies Local Plan. We also object to the prioritising the use of brownfield land over greenfield land. Whilst the NPPF does encourage Councils to set robust evidence targets for brownfield delivery it does not prioritise its use. This policy approach is particularly important to ensure that Councils can deliver against its housing requirement.

**Release Mechanism for Contingency Sites**

Paragraph 3.164 of the DPD requires a 3 year period of un-delivery by 20% or more to elapse prior to the contingency sites being brought forward. Based on the past completion rates over the last six years, the underperformance is ranging between 60% to 40%. Given these statistics we would argue that consideration should be given to the release of appropriate contingency sites (and appropriate 'omission' sites such as Yaddlethorpe that are being considered as part of this DPD process).