

# RIBBLE VALLEY BOROUGH COUNCIL REPORT TO PLANNING & DEVELOPMENT COMMITTEE

Agenda Item No.

meeting date: THURSDAY, 24 FEBRUARY 2011  
title: REVIEWING HOUSING REQUIREMENTS FOR RIBBLE VALLEY  
submitted by: MARSHAL SCOTT – CHIEF EXECUTIVE  
principal author: COLIN HIRST – HEAD OF REGENERATION AND HOUSING

## 1 PURPOSE

1.1 To consider information relating to housing requirements in the Ribble Valley and the option of commissioning a local review.

1.2 Relevance to the Council's ambitions and priorities:

- Council Ambitions – To match the supply of homes in our area with the identified housing needs.
- Community Objectives – To protect and enhance the existing environmental quality of our area.
- Corporate Priorities – To be a well-managed Council, providing efficient services based on identified customer needs.
- Other Considerations – None.

## 2 BACKGROUND

2.1 Members will be aware of the concern being generated around the provisions of housing across Ribble Valley, driven by the existing policy framework established through the Regional Plan (RSS). This is a matter that has an important impact upon plan making and determining a development strategy for the area; it is fundamental to the determination of planning applications.

2.2 The nature and origin of the housing requirement has been a key issue raised in response to the Core Strategy consultation with many respondents questioning whether the figure was appropriate. It has also been identified by many respondents as an issue to revisit given the Government's stated intention to abolish regional strategies, leaving Local Authorities to determine housing requirements locally rather than being set at a regional level.

2.3 Undoubtedly the position has been in a state of flux as a consequence of the publication of the Secretary of State's intentions and the subsequent High Court challenges to the Government's position. This, coupled with responses to the Core Strategy consultation and the level of developer activity taking place across the borough, raises important considerations for the Council and the need to review how housing requirements are taken forward. It has also been recently reaffirmed that the Secretary of State's position that the intention to abolish should be treated as a material consideration when determining planning applications.

### 3 THE HOUSING REQUIREMENT – CURRENT POSITION

- 3.1 Ribble Valley currently uses the housing numbers set out in the adopted Regional Spatial Strategy (RSS). This requires 2,898 additional housing units to be provided over the RSS plan period 2003 – 2021, equating to 161 units per year. This figure is the basis upon which the Council's five-year housing land supply is calculated which is the underpinning factor for determining planning applications. It should be noted that in preparing the Core Strategy, the Council will be required to make a provision for housing over a 15 year period from the point at which the Core Strategy is adopted. It is anticipated adoption would take place in 2012, therefore a housing requirement would need to be established for the period up to at least 2027, beyond the current regional plan figure in any event.
- 3.2 In 2005, Nathaniel Litchfield & Partners produced a report which set out the proposed future housing distribution for each Local Planning Authority to be included as part of the RSS for the north west. Subsequent amendments were made prior to the final figures being adopted in the RSS following the Examination of the Public. The adopted figure for the Ribble Valley was the figure given above. This was of course based on a series of policy assumptions, demographic projections and economic aspirations relevant at the time.
- 3.3 When the RSS was adopted in September 2008, the housing numbers element went into an immediate review. Work on this review formed part of the RS2010, which Members have previously considered reports on. The RS2010 attempted to bring together the spatial, economic and environmental strategies affecting the region and to build a new long-term vision part of which would involve revising the housing figures. This was to utilize a revised series of projections and modelling assumptions. As a consequence of the coalition Government's published intention to abolish regional strategies and the regional level of plan making no further work was carried out on the housing figures and the review consequently stopped.
- 3.4 Having announced after the election in May the Government's intention to abolish regional strategies and consequently do away with the need for Local Authorities to use a regionally derived figure, the Secretary of State proposed that Local Authorities could establish their own figures. Alternatively if it was held to be appropriate they could adopt the regional based figure if considered applicable to the local area. Members consequently agreed to adopt the regional figure as the most relevant requirement for plan making and determining a five-year land supply in June 2010. For this Council there has been no change to the actual housing requirement it uses as we had adopted the RSS figure, pending further review.
- 3.5 Following the publication of and pending Royal Assent for the forthcoming Localism Bill which will introduce changes to the planning system the current system of regional strategies and local plans forming the Development Plan for the area will continue. Recent monitoring of the housing supply demonstrates that the Council cannot identify a five-year supply as required and will have to have regard to national policies set out in PPS3 which favours residential development. The Council can currently only demonstrate a three-year availability and would need to have in place relatively significant number of residential permissions in order to attain a five-year supply which would then trigger the determination of applications against the development plan. At that point the Council would have greater control over development in the area through locally determined policy.

## 4 UNDERTAKING A REVIEW

- 4.1 Whilst the Regional Strategy remains relevant, it is clear that the Council will be in a position where it will be appropriate and necessary to undertake a review of the housing requirements. Particularly in response to concerns over revised population, migration and economic projections. Members should also be aware that the current Strategic Housing Market Assessment (adopted 2008) indicated that to address identified affordable needs in the area we would need to deliver in the order of 240 units per year, higher than the housing requirement being worked to. There are clearly a number of revised circumstances and important factors that will influence the housing figures that warrant a local review to establish what the level of housing requirement should be for the borough.
- 4.2 Any review of the housing requirement should be undertaken to establish an appropriate housing figure based on more up to date information, it should not simply be seen as an exercise to reduce the amount of development to be undertaken in the area. The outcome of a local review would have to be robust enough to withstand scrutiny at Public Inquiry or Public Examination. Any results would have to be carefully considered with the Council needing to be satisfied that the housing requirement is both relevant to the area and sound before it adopted any revised position. It would also have to be aware that the development plan would still prevail unless the outcome of the review was able to demonstrate such a change in circumstances that it should be treated as a material consideration with some weight. The relevant weight would only be tested at appeal or in time through its application to the Core Strategy and the Examination in Public. In any event to undertake a review would take time to progress.
- 4.3 Due to the specialised nature of work and the benefit of having an independent review it is proposed that specialist consultants be instructed to advise the Council. The costs for this could be met from the Planning Delivery Grant (PDG) and is anticipated to be approximately £8,000 to £10,000 dependent upon the work commissioned. It should be noted however that no specific provision has been made for this work and using PDG would reduce the funding available to other areas of work, with money. It is anticipated that a series of model runs will be required, based on different assumptions. This will enable the Council to determine against a number of scenarios the relevant housing requirement and to understand any implications of different assumptions. Information on suggested assumptions and modelling scenarios is set out at Appendix 1 for discussion.
- 4.4 If Members agree to undertake a review, it is likely that the work would take place between January and March 2011. Consideration will need to be given to consultation and consequently a final report that could be adopted for operational purposes would be expected around June. Members will need to be aware that pending the formal abolition of the Regional Strategy, any alternative housing requirement would not have the same status as the Regional Strategy which is of course part of the statutory Development Plan. This would be a matter of material consideration when dealing with any planning application or subsequent planning Inquiry.

## 5 CONCLUSIONS

- 5.1 The announcement by the Secretary of State of the intention to abolish Regional Strategies and leave the determination of housing requirements to the Local Authority, brings with it the need for the Council to review its position. The Council has determined to continue to apply the regionally based housing figure as the most appropriate. For the time being any change must be informed by a review. The area is however experiencing significant pressure to develop and concerns amongst residents about the level of such

pressures and the basis against which housing requirements are determined, should be subject to further review. The review by way of the RS2010 was stopped but the fact that it was taking place should be noted.

- 5.2 The confirmation of the need to take account of Regional Strategies as a result of various legal challenges does reinforce the current application of the regionally based housing figures adopted by the Council. However, it is clear that the changed circumstances that apply could alter the housing requirements for the area. Whilst it is not anticipated that requirements would drastically alter, it is important that the housing requirement is seen to be correct and in any event a housing requirement needs to be established for the ongoing work on the Core Strategy. It is clear that the Government does intend to give responsibility to the Local Planning Authority to determine its own housing requirements. The Council needs to be aware how this might affect both planning applications and the preparation of the Core Strategy. The research and preparation of a new housing requirement will take time and it is considered important to undertake this work now to enable the Council to be fully informed and to progress this issue.

## 6 RISK ASSESSMENT

- 6.1 The approval of this report may have the following implications:

- Resources – The costs of engaging consultancy support is contained within existing budgets for the Local Development Framework.
- Technical, Environmental and Legal – It is important that planning decisions are made on up-to-date and tested information.
- Political – Housing requirements are a significant issue affecting the borough.
- Reputation – The Council is responding to the Government's published intention and high levels of concern from the community relating to development pressures in the area enabling the Council to make informed decisions.

## 7 RECOMMENDED THAT COMMITTEE

- 7.1 Agree to undertake a review of housing requirements and instruct the Chief Executive to commission consultancy support as appropriate.

## CHIEF EXECUTIVE

For further information please ask for Colin Hirst, extension 4503.

(24021102)

### **SUGGESTED MODEL RUNS AND ASSUMPTIONS**

In modelling the population and household projections the following scenarios should be considered to inform housing requirements.

- A baseline projection looking at natural demographic change and migration based on past trends.
- Household requirements based on natural change and assuming no planned housing growth to meet migration demands.
- Household requirements based on natural change and trend migration but no planned provision resulting from employment growth in the Ribble Valley.
- Household requirements based on natural change and local, trend based employment growth but no planned growth to accommodate needs of economic growth outside the borough.
- Model runs should provide differing scenarios in relation to dealing with local affordable needs on the basis of requirements to address 100% of SHMA needs (@240 dwellings), 50% of SHMA needs (@120 dwellings) and 25% (@60 dwellings).

In all cases the implications and effect of the assumptions should be identified as part of the report.