

# RIBBLE VALLEY BOROUGH COUNCIL REPORT TO PLANNING & DEVELOPMENT COMMITTEE

Agenda Item No.

meeting date: 10 OCTOBER 2013  
title: DEVELOPMENT MANAGEMENT – HOUSING FIGURES  
submitted by: DIRECTOR OF COMMUNITY SERVICES  
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## 1 PURPOSE

- 1.1 To request the formal adoption of a figure of 250 dwellings per annum (as an assessment of housing need) for Development Management purposes.
- 1.2 To request the formal adoption of the Sedgfield method of calculating housing land supply.
- 1.3 Relevance to the Council's ambitions and priorities
  - Community Objectives – To match the supply of homes in our area with identified housing needs.
  - Corporate Priorities – To be a well run and efficient Council.
  - Other Considerations – None identified.

## 2 BACKGROUND

- 2.1 The provision of housing is a key element of the Council's land use planning and its role in determining planning applications. As an issue it generates high levels of interest and concern amongst the local community (as demonstrated in responses to the Core Strategy consultations) and brings great pressure from landowners and developers (as evidenced by the number of planning applications for major residential schemes and subsequent appeals within the past 18 months to 2 years). It should also be recognised however that notwithstanding these concerns and pressures, it also plays a key economic role, has a role in delivering sustainable mixed communities, regeneration benefits and opportunities to deliver a choice of both affordable and market homes to meet people's needs and aspirations.
- 2.2 As Members will be aware, previously strategic planning for housing requirements had been delivered through a top down approach formerly through the County Structure Plans and more recently by way of regional tier requirements in the Regional Spatial Strategy (RSS). The removal of the regional tier has placed the responsibility of establishing housing requirements with District Planning Authorities and this has been undertaken through the Core Strategy process.
- 2.3 The housing requirement that informed the preparation of the Core Strategy was the subject of a study undertaken by Nathaniel Litchfield & Partners (NLP) in 2011. It was consulted upon in late 2011 and in February 2012 a figure of 200 dpa was fixed upon for the Core Strategy. Only subsequent to that was the figure formally adopted by the

Council for Development Management purposes (May 2013 minute 39 refers). Prior to that the figure of 200 dpa had been used informally as a requirement in relation to housing need as it had been debated at planning appeals and accepted by some planning Inspectors. The RSS was revoked on 20 May 2013 and thus formal adoption of the 200 figure was requested for the avoidance of doubt but with a recognition that the housing numbers would form a considerable part of the forthcoming Examination in Public of the Core Strategy which may lead to a review of the figure.

2.4 The Council submitted its Core Strategy for Examination in September 2012 and as Members are aware, the Inspector raised concerns regarding the date of the housing evidence submitted with the Core Strategy. This resulted in the Council undertaking an extensive refresh and update of a number of the housing evidence base documents and Members considered reports of such matters at a special meeting of Planning and Development Committee held on 25 June 2013 (minute 143 refers) and 6 August 2013 (minute 191 refers). At the latter, Committee agreed that in respect of the housing requirement review:

- i) the Core Strategy be amended to reflect a housing requirement of 5000 dwellings over the plan period 2008 to 2028 with a figure of 250 per annum as the target for new housing in the borough and the proposed amendments to the Core Strategy as set out in Appendix 5 be published for consultation and submitted for the Inspector; and
- ii) confirm for the purposes of determining planning applications pending the outcome of public consultation, that the current figure of 200 dwellings per annum continues to be used for decision making.

2.5 There has been a six week period of public consultation of the aforementioned documentation which closed on 20 September 2013 with the responses received submitted to the Inspector for consideration as part of the Examination process.

### 3 ISSUES

3.1 In establishing the housing requirement for the area, it is a fundamental principle that the Council has an up to date evidence base and applies that evidence to make decisions and plan for the needs of an area in an appropriate manner.

3.2 Paragraph 47 of the National Planning Policy Framework (NPPF) seeks to boost significantly the supply of housing land and one of the core principles of the Framework is that Local Planning Authorities should *proactively drive and support sustainable economic development to deliver the homes ... that the country needs. Every effort should be made objectively to identify and then meet the housing ... needs of an area and respond positively to wider opportunities for growth.* There are also a number of other Government policy statements that emphasise the importance of boosting the supply of housing.

3.3 In considering housing land supply there are a number of issues that generate debate/disagreement between Local Planning Authorities and developers. Committee are being asked here to establish the housing need requirement and which methodology to choose for Development Management purposes in order to bring clarity and credibility to the process.

### 3.4 Housing Need

3.4.1 The NLP figure of 200 dpa was, prior to the suspension of the Core Strategy process to enable an update of the housing evidence documents, an expression of the Council's full objectively assessed needs. It had been used for decision making purposes as the minimum requirement for housing land supply as it is through the Development Management process that the supply of housing can be boosted significantly through the granting of planning consents. This ensures that as far as possible the housing needs of an area are met. The ability to demonstrate a five year land supply is an important consideration in the determination of planning applications and paragraph 47 of the NPPF requires Local Planning Authorities to identify and update annually a supply of deliverable sites sufficient to provide five years' worth of housing against their requirements. Members will be aware that in recognition of the fact that the borough's housing supply position is constantly changing, and the need to ensure up to date monitoring is available to inform the decision making process, this Council produces a housing land availability schedule on a quarterly basis.

3.4.2 At the recent re-opened Inquiry into the Barrow Lands 1 scheme for 504 dwellings, which considered the refreshed evidence base, and impact on determination of that appeal the issue of 200 dpa or 250 dpa was considered at length.

3.4.3 Notwithstanding evidence from the appellants to the effect that the 200 figure should be ruled out and a higher figure chosen for establishing housing need in line with the 2013 NLP report, be it 250, 280 or 300 dpa, evidence on behalf of the Council stated the 200 figure was still at that time the relevant one for decision making purposes. When the re-opened Inquiry was held, the NLP document and recommendation that 250 dpa be used was out for consultation. In closing submissions on behalf of the authority, Counsel stated:

*The figure of 200 dpa remains the resolved position of the Council. Following the consultation exercise and consideration by Members of the results of the consultation and future analysis and advice from their consultants, the appropriate figure to be put forward in evidence before the Examination in Public of the Core Strategy will be determined.*

*Until that process is complete, it is wholly inappropriate for an alternative figure to be relied upon. There is certainly no justification for placing the figure of 250 dpa as a requirement at this juncture. Indeed, it would be inappropriate to do so because it would render irrelevant the consultation exercise.*

3.4.4 Whilst the above was the resolved position of the Council at that time, ie the use of 200 dpa, the Council had to acknowledge in the re-opened Inquiry that there was in fact no up to date evidence base to support the need figure of 200 dpa. That figure was supported by the 2011 NLP report but with the evidence base refresh to inform the Core Strategy that document had been superseded.

3.4.5 The consultation period on the revised housing need figure has now ended. Representations have been received which in the main indicate that the figure should be greater than 250 dpa if the borough is to meet its full objectively

assessed needs as outlined within the NLP report. A number of the responses go further to assess the impact of a higher five year supply requirement plus previous undersupply and the 20% buffer NPPF requires to account for previous under-delivery. Whilst there are variations as to what the figure would mean in terms of a five year annual requirement, there is a common concern expressed that it represents a significant level of development and that it is unclear how the Core Strategy will be able to deliver this development in the short term.

- 3.4.6 There has been concern expressed by Blackburn with Darwen Council that with the revised housing target, and in particular the assumption underpinning it over time, more people will move from other areas into the Ribble Valley and this would represent a move away from the previously accepted strategic position. Previously they supported the 200 dpa figure on the basis that it was compatible with their own Core Strategy and was likely to support the delivery of established planning objectives in Pennine Lancashire. They would therefore continue to be supportive of a target at the same or a similar level to that. It is important to remind Members that the NLP report identified that a housing target of 280 dpa is required in order to ensure that both demographic and economic needs identified in the evidence base are met. However, that figure does not take account of other balances the Council needs to apply. It is in recognition in part of our duty to co-operate with neighbouring authorities and the need to be aware of their demographic and economic trends that a figure of 250 dpa has been advanced. This is with the recognition that such a figure would not address the full economic needs of the borough. For Committee's information there are a small number of other representations that consider the figure should be less than 250 dpa.
- 3.4.7 However, the above matters are the consideration of the Inspector at the Examination in Public to the Core Strategy. That is the forum for discussing the precise requirement moving forward. For Development Management purposes it is important to have an up to date assessment on which to base decisions. The 2011 NLP report has been superseded by the 2013 report and I do not consider there to be anything in the consultation responses to cast substantive doubt over the use of the mid-range figure of 250 dpa for Development Management purposes.

### 3.5 Methodology

- 3.5.1 There are two recognised methods of determining the extent of housing land supply – Sedgefield and Liverpool, also known as the Residual Method. To summarise, the Sedgefield method of calculating land supply involves adding any shortfall of housing from previous years within the first five years of a Local Plan, whereas the Liverpool/Residual method spreads the shortfall over the whole plan period.
- 3.5.2 The Council has to date used the Residual method (albeit we have argued that it does not take the whole plan period to make up any shortfall) and this has been debated at length in two public Inquiries this year in relation to Mitton Road and Barrow Lands 1.
- 3.5.3 As Members will be aware, the decision on Mitton Road has been received with the following comments made by the Inspector on this particular matter.

*The framework requires a 20% buffer (in cases where there has been a persistent undersupply) to be brought forward from later in the plan period. To my mind, it must follow that the historic undersupply should be given the same priority. In doing this, it is envisaged that a greater supply would increase the prospect of delivery and ensure choice and competition in the market for land. This is critical if the supply of housing is to be significantly boosted.*

The Inspector went on to use the Sedgefield method to establish whether a five year supply of housing could be demonstrated.

- 3.5.4 There has been strong support for the Sedgefield approach in other recent Inspector and Secretary of State appeal decisions across the country as this approach, as stated, ensures any existing shortfall is made up quickly and not simply averaged out over a much longer timeframe.
- 3.5.5 Given the Council's acknowledged record of persistent under-delivery, the immediate effect of adopting the Sedgefield method would be to reduce the five year supply position. Figures presented to the Barrow Lands 1 Inquiry demonstrated that using the 250 dpa figure the housing supply position was 5.26 years under the Residual method and 4.25 years using Sedgefield. There is also a concern that if the requirement is front loaded, as Sedgefield requires, the supply could overtake realistic rates of delivery that the local market could sustain. However, it is important that the method chosen for calculating land supply is robust enough to withstand the rigours of scrutiny and is in line with Government policy. Whilst the NPPF is silent on which methodology to use, it has been outlined by Planning Inspectorate decisions that the Residual approach is inconsistent with both the NPPF paragraph 47 ie the need to boost housing, and the government policy statement Planning for Growth (March 2011). It is also important to bring to Committee's attention draft National Planning Practice Guidance on the assessment of land availability (see website at [www.planningguidance.planningportal.gov.uk/blog/guidance/assessment-of-land-availability](http://www.planningguidance.planningportal.gov.uk/blog/guidance/assessment-of-land-availability)). This states that in relation to how Local Planning Authorities should deal with past undersupply they should '*aim to deal with any undersupply within the first 5 years of the plan period where possible. Where this cannot be met Local Planning Authorities will need to work with neighbouring authorities under the duty to co-operate*'. This is again a clear indication from Government that the Sedgefield method is preferred.

## 4 CONCLUSIONS

- 4.1 Having regard to the need for, and importance of an up to date housing evidence base (in accordance with requirements of NPPF), and fact that the consultation period on the 250 dpa figure has now concluded with little substantive evidence to support a figure lower than 250, it is considered an appropriate time to formally revise the housing need figure for Development Management purposes. This approach accords with the resolution of the 6 August meeting (minute 191 refers) to continue using 200 dpa pending the outcome of public consultation.
- 4.2 It is acknowledged that the appropriate forum for establishing the housing need requirement for the borough over the plan period is the Examination in Public into the Core Strategy. The Inspector may seek to raise the figure put forward in light of further

evidence analysis and consideration of objections through that forum but it is unlikely that the figure will be reduced from the 250 dpa. That was the mid-range of the 2013 NLP report and enables the Council to support the delivery of affordable housing and some economic growth.

- 4.3 It has become evident in recent months that the approach adopted in respect of calculating supply is out of step with the national trend. Whilst the Council has continued to use 200 dpa for Development Management purposes, it became apparent at the recent Barrow Lands 1 Inquiry that there is no longer an evidence base to underpin that as it has been superseded by the NLP 2013 report. The consultation period on the 250 dpa figure has now concluded and whilst there have been various representations made to that in terms of both uplifting or decreasing the figure, that matter will be formally resolved through the Examination in Public into the Core Strategy. On the basis of the comments received, it is not considered that at this stage there will be any further work undertaken to clarify points made and thus in accordance with the resolution of Planning and Development Committee on 6 August, I consider it now appropriate and logical to formally adopt the figure of 250 dpa for Development Management purposes.
- 4.4 In respect of the method of calculating housing land supply, the Council has maintained its stance of using the Residual method in two major public Inquiries this year but has recognised in those proceedings that there are extensive Inspectorate and Secretary of State decisions that support the use of Sedgfield and this includes the recent decision for a major development site within our borough at Mitton Road, Whalley.
- 4.5 It is important for the credibility of the decision making process that the Council reflects on its position in respect of housing need and method of calculating supply in order that it can fulfil the key role of boosting significantly the supply of housing that NPPF requires it to do. This is not growth at any cost but only insofar as it is consistent with the policies set out in the Framework. The Development Management process balances many considerations and housing supply is just one of these albeit an important one as the Framework requires Local Planning Authorities to maintain a five year forward supply.

## 5 RISK ASSESSMENT

5.1 The approval of this report may have the following implications

- Resources – No implications identified.
- Technical, Environmental and Legal – Members need to ensure a justified and evidence based approach is taken in line with existing planning policy guidance.
- Political – There is significant interest in housing and related Core Strategy issues.
- Reputation – The decision taken will influence future planning decisions. It is important that the Council adopt an approach that withstand scrutiny if public confidence and credibility in the process is to be assured.
- Equality & Diversity – No implications identified.

**6 RECOMMENDED THAT COMMITTEE**

- 6.1 Confirm that for the purposes of determining planning applications, pending the outcome of the Examination in Public into the Core Strategy which will evaluate the evidence base having due regard to the Council's duty to co-operate with neighbouring authorities, the figure of 250 dpa be used for decision making purposes. This figure to be reviewed following the outcome of the Examination in Public having regard to any relevant appeal decisions.
- 6.2 Confirm that in terms of the calculation of housing land supply, the Council adopt the Sedgefield approach.

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**BACKGROUND PAPERS**

National Planning Policy Framework  
Ribble Valley Housing Requirement Update NLP 2013

For further information please ask for Sarah Westwood, extension 4516.

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