



# Proof of evidence of Ben Pycroft BA (Hons), Dip TP, MRTPI in relation to housing land supply

Residential development of up to 100 no. dwellings – Land  
rear of Oakdene, Chain House Lane, Whitestake,  
Lancashire

for Wainhomes (North West) Ltd

Emery Planning project number: 18-294

PINS ref: APP/F2360/W/19/3234070

LPA ref: 07/2018/9316/OUT

Project : 18-294  
Site address : Land rear of Oakdene,  
Chain House Lane,  
Whitestake, Lancashire  
Appellants : Wainhomes (North West)  
Ltd  
Date : 16<sup>th</sup> February 2021  
Author : Ben Pycroft

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## 1. Introduction and summary

- 1.1 This proof of evidence is submitted on behalf of Wainhomes (North West) Limited (i.e. the Appellant) in support of its appeal against the decision of South Ribble Borough Council to refuse to grant outline planning permission for the erection of up to 100 dwellings at land to the rear of Oakdene, Chain House Lane, Whitestake, Lancashire (LPA ref: 07/2018/9316/OUT).
- 1.2 This proof of evidence specifically addresses matters relating to housing land supply. It should be read alongside the proof of evidence prepared by Mr Harris, which deals with all other planning matters in relation to the appeal.

### Qualifications

- 1.3 I am Benjamin Michael Pycroft. I have a B.A. (Hons) and postgraduate diploma in Town Planning from the University of Newcastle-upon-Tyne and am a member of the Royal Town Planning Institute. I am a Director of Emery Planning, based in Macclesfield, Cheshire.
- 1.4 I have extensive experience in dealing with housing supply matters and have prepared and presented evidence relating to five year housing land supply calculations at several Local Plan examinations and public inquiries across the country. I prepared and presented evidence in relation to five year housing land supply on behalf of the Appellant at the first public inquiry into the appeal in November 2019.
- 1.5 I understand my duty to the inquiry and have complied, and will continue to comply, with that duty. I confirm that this evidence identifies all facts which I regard as being relevant to the opinion that I have expressed and that the Inquiry's attention has been drawn to any matter which would affect the validity of that opinion. I believe that the facts stated within this proof are true and that the opinions expressed are correct, and comprise my true professional opinions which are expressed irrespective of by whom I am instructed.
- 1.6 I provide a separate summary to this proof of evidence and a set of appendices. I also refer to several core documents and the statement of common ground regarding housing land supply matters.

## Executive summary

1.7 Paragraph 73 of the Framework states:

*“Local planning authorities should identify and update annually a supply of specific deliverable sites sufficient to provide a minimum of five years’ worth of housing against their housing requirement set out in adopted strategic policies or against their local housing need where the strategic policies are more than five years old.”*

1.8 Footnote 37 of the Framework explains that unless the housing requirement set out in the strategic policy has been “*reviewed and found not to require updating*”, local housing need will be used for assessing whether a five year supply of specific deliverable sites exists using the standard method set out in the PPG once the strategic policy is more than five years old.

1.9 The housing requirement for South Ribble is 417 dwellings per annum as set out in Policy 4 of the Central Lancashire Core Strategy. The Core Strategy is more than 5 years old. However, it is common ground that the housing requirement set out within Policy 4 was reviewed in 2017 when the Central Lancashire authorities commissioned the production of a Strategic Housing Market Assessment (SHMA) and then signed a Memorandum of Understanding (MOU) which agreed that the housing requirement figures should continue to be applied prior to or pending adoption of a replacement local plan<sup>1</sup>.

1.10 In its statement of case, the Council now asserts that there has been a significant change in circumstances since the 2017 review through the introduction of the standard method to assess local housing need. The Council states that because the local housing need using the standard method of 191 dwellings per annum is significantly less than the adopted housing requirement of 417 dwellings per annum it renders Policy 4 of the Core Strategy out of date and supersedes the review of that policy which culminated in the 2017 MOU.

1.11 Whilst the review of Policy 4 took place before the July 2018 Framework was published and the standard method for calculating local housing need was introduced, footnote 37 of the Framework is clear that where the housing requirement has been reviewed and found not to require updating, it should continue to be used to measure the five year housing land supply. This part of footnote 37 was introduced in the July 2018 Framework without any transitional arrangements. Therefore, from the day the 2018 Framework was first published, even if the

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<sup>1</sup> Please see paragraph 6.7 of the Council's Statement of Case

strategic policy was over five years old, as long as it had been reviewed and found not to require updating then the housing requirement within it should continue to be used for five year housing land supply purposes. There is no distinction in the Framework between reviews undertaken before or after the publication of the 2018 Framework. This is clear from the terms of the Framework (in both its 2018 and 2019 versions) and is confirmed in the PPG. Paragraph 68-005 of the PPG<sup>2</sup> is within the section entitled: "Housing supply and delivery". It states:

*"Housing requirement figures identified in adopted strategic housing policies should be used for calculating the 5 year land supply figure where:*

- the plan was adopted in the last 5 years, or*
- the strategic housing policies have been reviewed within the last 5 years and found not to need updating.*

1.12 Paragraph 68-005 was last updated on 22<sup>nd</sup> July 2019 and therefore would apply to any review which had been undertaken from July 2014 onwards i.e. including those reviews undertaken before the 2018 Framework was published. Indeed, the previous version of this paragraph contained within paragraph 3-030<sup>3</sup> was published the same day as the PPG provided the standard method for calculating local housing need in September 2018. It contained similar wording to paragraph 68-005 and stated:

*"Housing requirement figures identified in strategic policies should be used as the starting point for calculating the 5 year land supply figure:*

*for the first 5 years of the plan, and*

*where the strategic housing policies plans are more than 5 years old, but have been reviewed and are found not to need updating."*

1.13 As the policy which contains the housing requirement for South Ribble has been reviewed and found not to need updating, national planning policy contained within footnote 37 of the Framework and supported by guidance contained within paragraph 68-005 of the PPG is clear that the five year housing land supply should be measured against it.

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<sup>2</sup> Paragraph: 005 Reference ID: 68-005-20190722: "What housing requirement figure should authorities use when calculating their 5 year housing land supply?"

<sup>3</sup> Paragraph: 030 Reference ID: 3-030-20180913: "How can an authority demonstrate a 5 year supply of deliverable housing sites?"

1.14 It is common ground that assessing the five year housing land supply against the adopted housing requirement means that the Council cannot demonstrate a deliverable five year housing land supply. Against the adopted housing requirement plus shortfall and a 5% buffer, the Council's supply figure of 2,546 dwellings equates to 3.8 years.

1.15 I have assessed the supply and conclude that 120 dwellings should be removed because the Council has not provided clear evidence for the inclusion of sites with outline planning permission for major development or allocated sites without planning permission as it is required to do so under the definition of "deliverable" as set out on page 66 of the Framework. I also conclude that the Council has not provided compelling evidence for the inclusion of a windfall allowance of 600 dwellings and conclude that a further 423 dwellings should be removed from the supply. This means that the deliverable supply at 1<sup>st</sup> April 2020 is 2,003 dwellings. Against the adopted housing requirement plus shortfall and a 5% buffer, this equates to 2.99 years as summarised in the following table:

**Table 1.1 – South Ribble Borough Council's Five Year Housing Land Supply at 1<sup>st</sup> April 2020**

	<b>Requirement</b>	
A	Annual requirement	417
B	Past shortfall at 1 <sup>st</sup> April 2020	1,108
C	Amount of past shortfall to be addressed in the five year period	1,108
D	Total five year requirement (A X 5 + C)	3,193
E	Requirement plus 5% buffer (D + 5%)	3,353
F	Annual requirement plus buffer (E / 5 years)	671
	<b>Supply</b>	
G	Five year supply 1 <sup>st</sup> April 2020 to 31 <sup>st</sup> March 2025	2,003
H	Years supply (G / F)	<b>2.99</b>

1.16 The implication of this is addressed by Mr Harris.

## 2. Planning policy context

2.1 Section 38(6) of the Planning and Compulsory Purchase Act (2004) requires applications for planning permission to be determined in accordance with the development plan, unless material considerations indicate otherwise. The National Planning Policy Framework ("the Framework") is a material consideration, which is discussed below.

### National planning policy and guidance

#### The National Planning Policy Framework ("the Framework")

2.2 The Framework was published in March 2012. It was revised in July 2018 and again in February 2019. In relation to housing land supply, section 5 of the Framework: "*Delivering a sufficient supply of homes*" and the definition of "deliverable" set out on page 66 of the Framework are relevant to my proof of evidence.

#### Planning Practice Guidance (PPG)

2.3 The PPG was first published in March 2014 and has been updated since. It contains guidance on "*Housing and economic needs assessment*" at section 2a, "*Housing and economic land availability assessments*" at section 3 and "*Housing supply and delivery*" at section 68. I refer to paragraphs within these sections of the PPG in my proof of evidence.

#### Development Plan Context

2.4 The existing development plan is contained within the Central Lancashire Core Strategy (adopted July 2012) and the South Ribble Local Plan (adopted July 2015). The conformity of the appeal proposal with the development plan is addressed by Mr Harris.

2.5 Policy 4 of the Core Strategy: "*Housing Delivery*" is relevant to my proof of evidence. It sets out a "*minimum*" housing requirement over the period 2010 to 2026 of:

- 507 dwellings per annum for Preston;
- 417 dwellings per annum for Chorley; and
- 417 dwellings per annum for South Ribble.

2.6 Policy 4 of the Core Strategy also states that prior under provision of 702 dwellings since 2003 should also be addressed in the plan period 2010 to 2026.

## Other material considerations

### Housing Land Position incorporating update to Strategic Housing Land Availability Assessment (November 2020)<sup>4</sup>

2.7 The latest Housing Land Position (HLP) was published in November 2020 and has a base date of 31<sup>st</sup> March 2020. I also refer to the previous Housing Land Positions (base date 31<sup>st</sup> March 2019<sup>5</sup>, 31<sup>st</sup> March 2018<sup>6</sup> and 31<sup>st</sup> March 2017<sup>7</sup>) in my proof of evidence.

### Local Development Scheme (LDS)

2.8 The latest LDS was published in February 2020 and sets out the following timescale for updating the Central Lancashire Local Plan:

- Issues and Options Consultation – November 2019 – February 2020;
- Consultation on draft plan (Regulation 18) – Spring / Summer 2021;
- Publication of the Submission Draft Local Plan (Regulation 19) – October to December 2022;
- Submission – March 2023; and
- Adoption – November / December 2023.

2.9 The Central Lancashire Authorities are in the process of reviewing this timetable.

### Central Lancashire Local Plan

2.10 Consultation on Issues and Options<sup>8</sup> took place between November 2019 and February 2020. The following documents form part of the evidence base to the new Local Plan and are relevant to my proof of evidence:

- The Strategic Housing Market Assessment (September 2017)<sup>9</sup>; and
- Central Lancashire Housing Study (March 2020)<sup>10</sup>

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<sup>4</sup> Core Document **1.18**

<sup>5</sup> Core Document **1.20**

<sup>6</sup> Core Document **1.21**

<sup>7</sup> Core Document **1.22**

<sup>8</sup> Core Document **1.12**

<sup>9</sup> Core Document **1.5**

<sup>10</sup> Core Document **1.7**

## **Memorandum of Understanding and Statement of Co-operation**

2.11 There have been two memorandums of understanding:

- Memorandum of Understanding 1 – October 2017<sup>11</sup>; and
- Memorandum of Understanding 2 – April 2020<sup>12</sup>.

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<sup>11</sup> Core Document **1.8**

<sup>12</sup> Core Document **1.9**

### 3. South Ribble’s Five Year Housing Land Supply Position

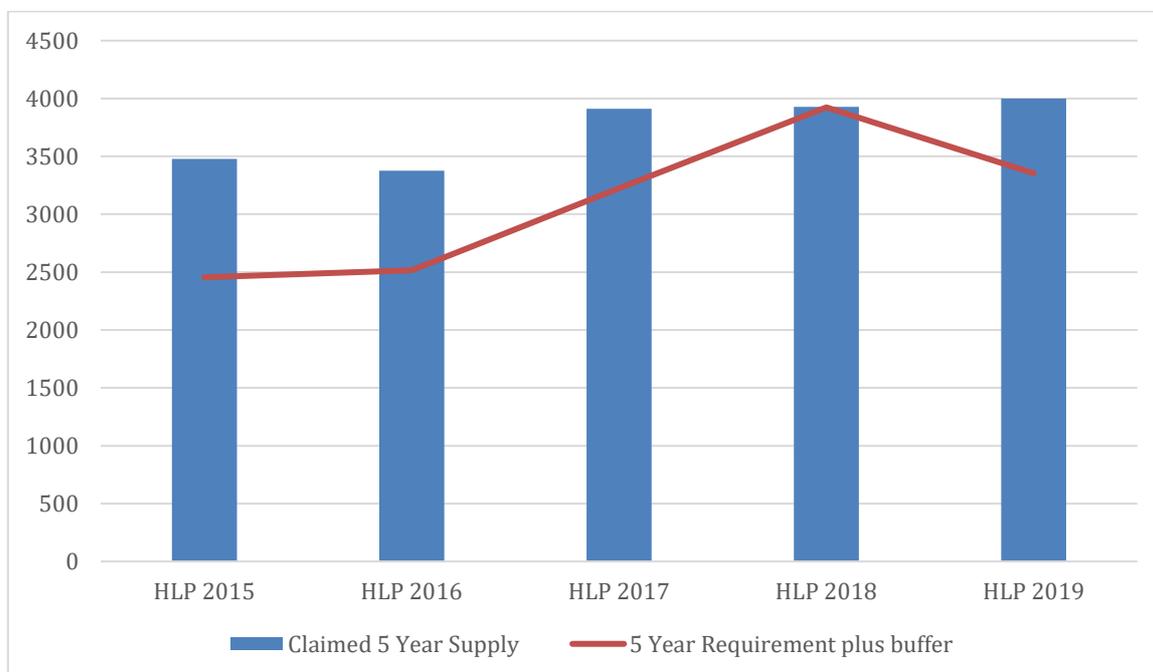
#### Previous positions

3.1 Since the South Ribble Local Plan was adopted in July 2015, the Council claimed that it could demonstrate a deliverable five year supply of housing land against its adopted housing requirement in each of the Housing Land Positions to 2019. This is shown in the following table and chart.

**Table 3.1: South Ribble’s Claimed Five Year Housing Land Supply Position 2015 – 2019**

	01/04/15	01/04/16	01/04/17	01/04/18	01/04/19
Claimed five year housing requirement plus buffer (dwellings)	2,455 (491 p.a.)	2,515 (503 p.a.)	3,225 (645 p.a.)	3,923 (785 p.a.)	3,355 (671 p.a.)
Claimed five year supply (dwellings)	3,477	3,377	3,910	3,927	3,998
Claimed supply (years)	<b>7.1</b>	<b>6.7</b>	<b>6.1</b>	<b>5.01</b>	<b>5.96</b>

**Chart 3.1: South Ribble’s Claimed Five Year Housing Land Supply Position against the adopted housing requirement 2015 – 2019**

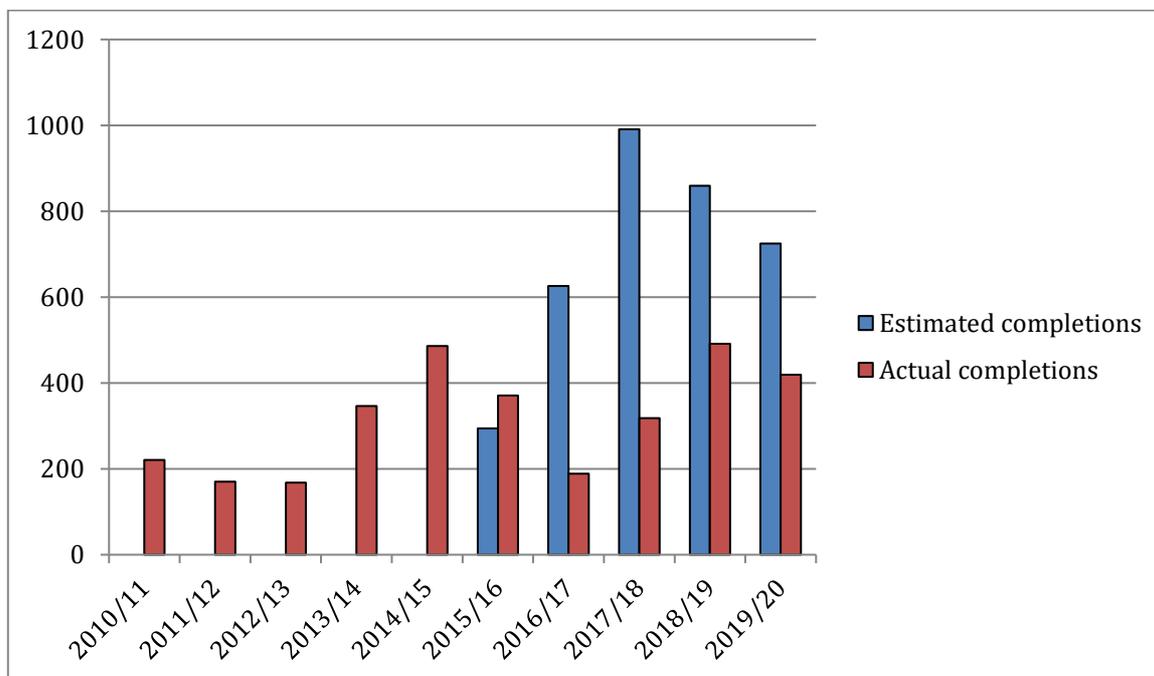


3.2 The Council has over estimated delivery over the respective five year period in each of the trajectories appended to its Housing Land Position reports as I show in the following charts and tables.

**Table 3.2 – South Ribble’s Housing Trajectory of Estimated Dwelling Completions at 31<sup>st</sup> March 2015 compared to actual delivery**

	2015/16	2016/17	2017/18	2018/19	2019/20	Total
Total Estimated	294	626	991	859	725	3,495
Actual	371	189	318	491	419	1,788
Difference (dwellings)	<b>77</b>	<b>-437</b>	<b>-673</b>	<b>-368</b>	<b>-306</b>	<b>-1,707</b>

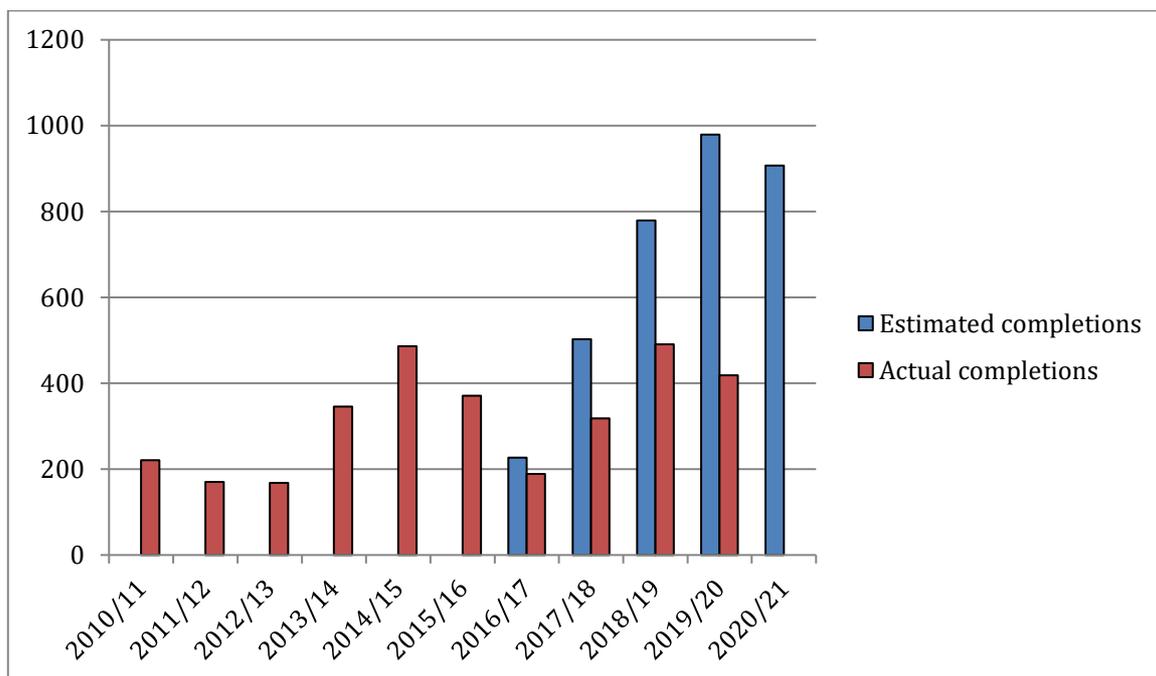
**Chart 3.2 – South Ribble’s Housing Trajectory of Estimated Dwelling Completions at 31<sup>st</sup> March 2015 compared to actual delivery**



**Table 3.3 – South Ribble’s Housing Trajectory of Estimated Dwelling Completions at 31<sup>st</sup> March 2016 compared to actual delivery**

	2016/17	2017/18	2018/19	2019/20	2020/21	Total
Total Estimated	227	503	779	979	907	3,395
Actual	189	318	491	419		
Difference (dwellings)	<b>-38</b>	<b>-185</b>	<b>-288</b>	<b>-560</b>		

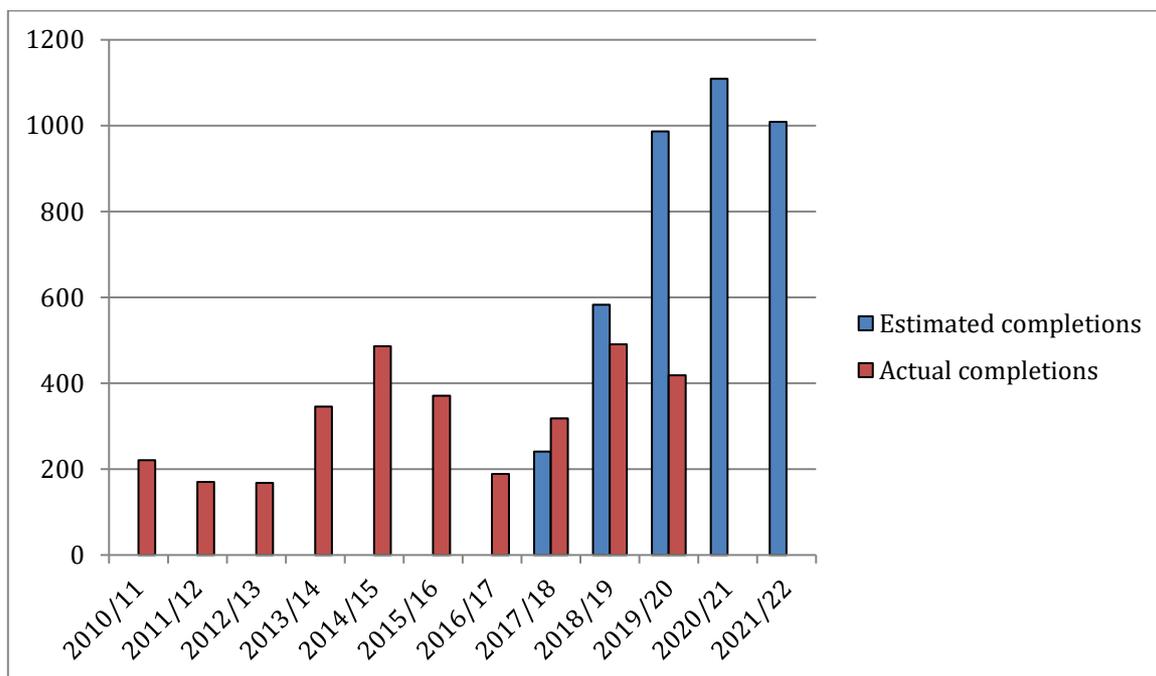
**Chart 3.3 – South Ribble’s Housing Trajectory of Estimated Dwelling Completions at 31<sup>st</sup> March 2016 compared to actual delivery**



**Table 3.4 – South Ribble’s Housing Trajectory of Estimated Dwelling Completions at 31<sup>st</sup> March 2017 compared to actual delivery**

	2017/18	2018/19	2019/20	2020/21	2021/22	Total
Total Estimated	241	583	987	1,109	1,009	3,929
Actual	318	491	419			
Difference (dwellings)	<b>77</b>	<b>-92</b>	<b>-568</b>			

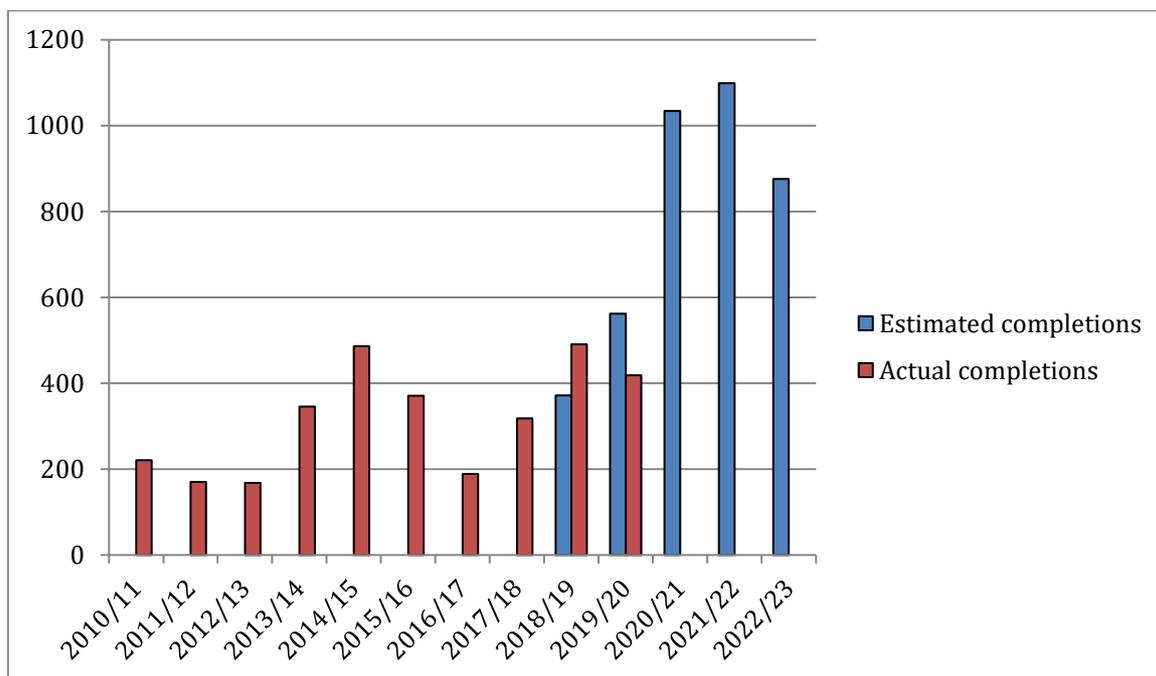
**Chart 3.4 – South Ribble’s Housing Trajectory of Estimated Dwelling Completions at 31<sup>st</sup> March 2017 compared to actual delivery**



**Table 3.5 – South Ribble’s Housing Trajectory of Estimated Dwelling Completions at 31<sup>st</sup> March 2018 compared to actual delivery**

	2018/19	2019/20	2020/21	2021/22	2022/23	Total
Total Estimated	372	562	1034	1099	876	3,943
Actual	491	419				
Difference (dwellings)	<b>119</b>	<b>-143</b>				

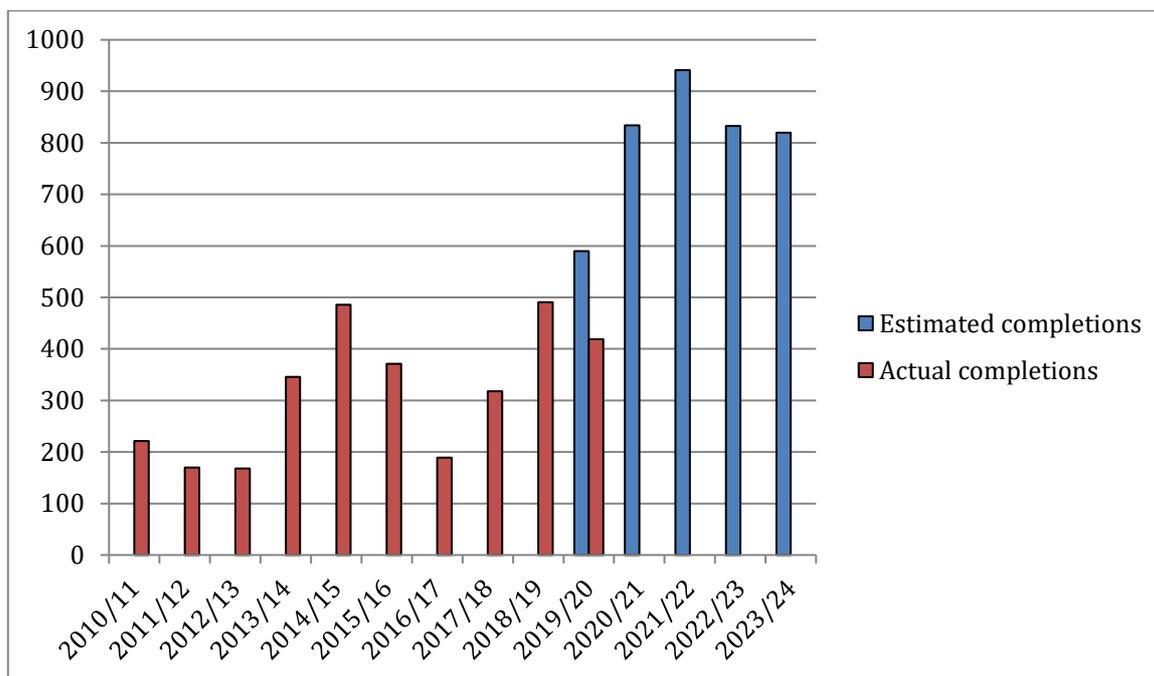
**Chart 3.5 – South Ribble’s Housing Trajectory of Estimated Dwelling Completions at 31<sup>st</sup> March 2018 compared to actual delivery**



**Table 3.6 – South Ribble’s Housing Trajectory of Estimated Dwelling Completions at 31<sup>st</sup> March 2019 compared to actual delivery**

	2019/20	2020/21	2021/22	2022/23	2023/24	Total
Total Estimated	590	834	941	833	820	4,018
Actual	419					
Difference (dwellings)	<b>-171</b>					

**Chart 3.6 – South Ribble’s Housing Trajectory of Estimated Dwelling Completions at 31<sup>st</sup> March 2019 compared to actual delivery**



3.3 As can be seen from the above tables and charts, the actual completions have been substantially below what the Council has estimated would be completed in each of its trajectories. Delivery has not just fallen short of expectation by a small margin but by a significant amount. Each projection shows that delivery over the next five years will be significantly higher than it has been in previous years. This is important since those trajectories have been central to the basis upon which the Council has claimed to be able to demonstrate a five year supply of housing land over the last few years. In my view, the clear reason for the difference between delivery expectation and reality is because of the heavy reliance on sites without detailed planning permission on allocated sites, which have not come forward as the Council expected.

## Current position

3.4 The Council's Housing Land Position (HLP) claims that it can demonstrate a 13.3 year supply at 1<sup>st</sup> April 2020 against the local housing need using the standard method based on the following:

- A base date of 1<sup>st</sup> April 2020 and a five year period to 31<sup>st</sup> March 2025;
- A local housing need of 191 dwellings;
- A total five year requirement of 953 dwellings;
- The application of a 5% buffer meaning that the total five year supply to be demonstrated is 1,000 dwellings; and
- A "deliverable" supply of 2,665 dwellings.

3.5 The Council has subsequently amended its position and now claims that the deliverable supply at 1<sup>st</sup> April 2020 is 2,546 dwellings.

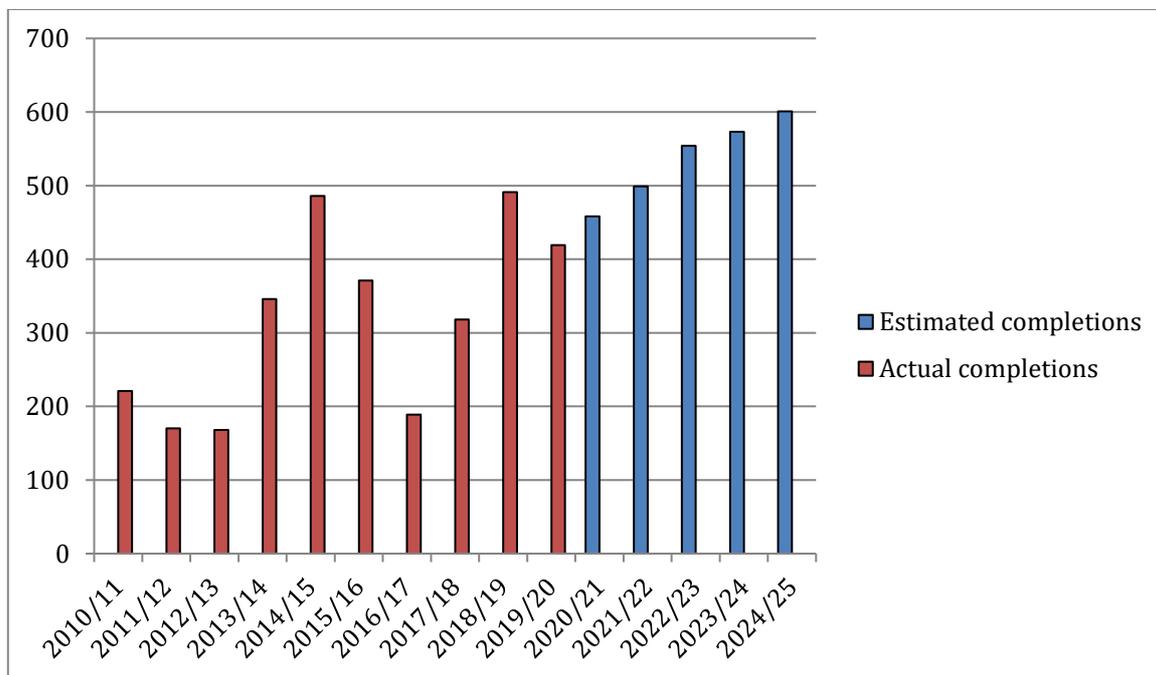
3.6 The position is summarised in the following table alongside the claimed five year housing land supply against the adopted housing requirement of 417 dwellings per annum set out within Policy 4 of the Core Strategy plus the backlog against the adopted housing requirement of 1,108 dwellings and a 5% buffer.

**Table 3.7 – South Ribble's claimed Five Year Housing Land Supply at 31<sup>st</sup> March 2020**

	<b>Requirement</b>	<b>Adopted housing requirement</b>	<b>Local housing need</b>
A	Annual requirement	417	190.59
B	Past shortfall at 31 <sup>st</sup> March 2020	1,108	0
C	Amount of past shortfall to be addressed in the five year period	1,108	0
D	Total five year requirement (A X 5 + C)	3,193	952.95
E	Requirement plus 5% buffer (D + 5%)	3,353	1,000.59
F	Annual requirement plus buffer (E / 5 years)	671	200.12
	<b>Supply</b>		
G	Claimed five year supply 1 <sup>st</sup> April 2020 to 31 <sup>st</sup> March 2025	2,546	2,546
H	Years supply (G / F)	<b>3.8</b>	<b>12.73</b>

3.7 The five year supply trajectory as set out in the HLP is shown in the following chart compared to the past completions:

**Chart 3.6 – South Ribble’s Five Year Housing Trajectory at 31<sup>st</sup> March 2020**



## 4. Housing Delivery

### Housing Delivery Test

- 4.1 The definition of the Housing Delivery Test (HDT) is provided in the Glossary to the Framework on page 67 as follows:

*“Housing Delivery Test: Measures net additional dwellings provided in a local authority area against the homes required, using national statistics and local authority data. The Secretary of State will publish the Housing Delivery Test results for each local authority in England every November”*

- 4.2 The HDT is measured as a percentage each year. The following implications apply where the HDT results confirm that delivery has fallen below specific thresholds.
- 4.3 Firstly, as explained in footnote 7 of the Framework, the tilted balance to the presumption in favour of sustainable development set out in paragraph 11(d) of the Framework applies where the HDT indicates that the delivery of housing was “substantially below” the housing requirement over the previous years. The transitional arrangements set out in Annex 1 of the Framework explain that “substantially below” means for the 2018 HDT results below 25%, for the 2019 HDT results below 45% and for the 2020 HDT and beyond below 75%.
- 4.4 Secondly, paragraph 73 and footnote 39 of the Framework explain that where the HDT result is below 85%, the 20% buffer will apply for purposes of calculating the five year housing land supply.
- 4.5 Thirdly, Paragraph 75 of the Framework explains that where the HDT result is below 95%, the local planning authority should prepare an action plan to assess the causes of under delivery and identify actions to increase delivery in future years.
- 4.6 The HDT Measurement Rule Book (July 2018) explains that HDT is calculated as a percentage of net homes delivered against the “number of homes required”. However, it then explains that where the latest adopted housing requirement figure is less than five years old or has been reviewed and found not to require updating (as is the case in South Ribble), “the number of homes required” means the lower of either the latest adopted housing requirement figure or the minimum annual local housing need figure. The transitional arrangements set out in paragraph 21 of the HDT Measurement Rule Book then explain that for the financial years 2015/16, 2016/17 and 2017/18, the minimum annual local housing need figure is replaced by household projections.

- 4.7 The HDT results for 2020 were published on 19<sup>th</sup> January 2021. The Government reduced the housing requirement in 2019/20 by one twelfth to reflect the impact the Covid-19 pandemic could have on build rates. The result for South Ribble is summarised in the table below:

**Table 4.1 – Summary of the 2020 Housing Delivery Test Result for South Ribble**

	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>Total</b>
Number of homes required	193	209	189	591
Number of homes delivered	312	437	412	1,161
HDT measurement				<b>197%</b>

- 4.8 As can be seen from the above, South Ribble delivered 1,161 new homes over the last three years against a "requirement" based on household projections and the local housing need over the same period of just 591 dwellings. This results in a HDT measurement of 197% and means that the Council has passed the HDT. This means that the 5% buffer applies.

### **Housing delivery against the adopted housing requirement**

- 4.9 The base date of the adopted plan is 1<sup>st</sup> April 2010. However, as policy 4 of the Core Strategy explains, the backlog since 1<sup>st</sup> April 2003 should be taken into account. The planned housing requirement set out in the Core Strategy is 417 dwellings. By 31<sup>st</sup> March 2020, 7,089 dwellings should have been completed based on an annual requirement of 417 dwellings. According to the Council's data, only 5,981 dwellings were completed in the same period and therefore the backlog is 1,108 dwellings as shown in the table below.

**Table 4.2: Accumulated backlog of housing in South Ribble since 2003**

Year	Requirement (dwellings p.a.)	Completions (net)	Over / under provision	Cumulative
2003/04	417	538	121	121
2004/05	417	657	240	361
2005/06	417	520	103	464
2006/07	417	284	-133	331
2007/08	417	320	-97	234
2008/09	417	312	-105	129
2009/10	417	171	-246	-117
2010/11	417	221	-196	-313
2011/12	417	170	-247	-560
2012/13	417	168	-249	-809
2013/14	417	346	-71	-880
2014/15	417	486	69	-811
2015/16	417	371	-46	-857
2016/17	417	189	-228	-1,085
2017/18	417	318	-99	-1,184
2018/19	417	491	74	-1,110
2019/20	417	419	2	-1,108
<b>Total</b>	<b>7,089</b>	<b>5,981</b>	<b>-1,108</b>	
<b>Average</b>	<b>417</b>	<b>352</b>		

4.10 I note that the Council's own trajectory in its position statement confirms that the adopted housing requirement will not be met in the plan period to 2026. The Council has only identified an additional supply of 3,274 dwellings from 2020 to 2026<sup>13</sup>. In addition to the 5,981 housing completions from 2003 to 2020, this means a total supply of 9,255 dwellings, **336 dwellings** less than the housing requirement of 9,951 dwellings over the plan period (i.e. 417 X 23 years = 9,951) even on the Council's figures in the position statement. Indeed, the 336 shortfall figure increases to **453 dwellings** now that the Council reduces the capacity on one site by 7 dwellings and accepts the following sites should be removed from the deliverable supply:

- Brindle Road (land adjacent Cottage Gardens), Bamber Bridge East (11 dwellings);
- Pickering's Farm (90 dwellings); and
- Lostock Hall Primary School, Avondale Drive (10 dwellings).

<sup>13</sup> Please see the table and trajectory on page 18 of the HLP.

4.11 The reason why the adopted housing requirement will not be met in the plan period is because the allocated sites have not delivered as anticipated by the Council in Table 2 of the Local Plan (pages 39 to 41). Appendix 5 of the HLP confirms that only 1,834 dwellings had been delivered on the sites allocated in the South Ribble Local Plan by 31<sup>st</sup> March 2020. These sites are clearly not going to have delivered 4,794 dwellings by 31<sup>st</sup> March 2021 as anticipated in the Local Plan.

4.12 The following allocations did not even have planning permission at 1<sup>st</sup> April 2020 (five years after the South Ribble Local Plan) was adopted:

- CC – East of Leyland Road / Land off Claytongate Drive / Land at Moor Hey School, Bellfield (capacity = 63 dwellings);
- DD – Gas Holders Site (aka land off Wateringpool Lane) (capacity = 22 dwellings);
- EE – Pickering's Farm (capacity = 1,100 dwellings);
- H – Vernon Carus Site / Penwortham Mills (capacity = 300 dwellings);
- JJ – Shakespeare Foundary, Higher Walton (capacity = 80 dwellings);
- M – Land to the south / rear of Longton Hall, Longton (capacity = 95 dwellings);
- S (part) – Land adjacent to Cottage Gardens, Brindle Road (capacity = 11 dwellings);
- T – Land off Browndedge Road (capacity = 100 dwellings);
- U – Rear of Dunkirk Mill, Slater Lane (capacity = 47 dwellings);
- V (part) – Land off School Lane / Old Drive, Longton (capacity = 40 dwellings);
- W (part) – North of Bannister Ln and rear of 398 - 414 Croston Road, Farington Moss (capacity = 70 dwellings);
- X – Land adjoining Longton Hall Farm, South of Chapel Lane, Longton (capacity = 48 dwellings); and
- Z – Lostock Hall Primary School (capacity = 20 dwellings).

4.13 The combined capacity of these sites is 1,996 dwellings (28% of the combined capacity of all of the allocations in the plan).

4.14 In addition, phases 3-5 of the Moss Side Test Track (ref: FF, capacity = 753 dwellings) have planning permission but are not deliverable in the five year period to 31<sup>st</sup> March 2025 and therefore will clearly not deliver in full in the plan period to 31<sup>st</sup> March 2026.

## 5. Assessment of the Council's housing supply

5.1 My assessment of the Council's five year housing land supply is based on six key stages:

1. Agreeing the base date and five year period;
2. Identifying the housing requirement;
3. Identifying the past shortfall;
4. Identifying the method of addressing the past shortfall;
5. Applying the appropriate buffer; and
6. Identifying a Realistic and Deliverable Supply.

5.2 Each stage is addressed below.

## 6. Stage 1: Agreeing the base date and five year period

6.1 The base date is the start date for the five year period for which both the requirement and supply should relate.

6.2 The current Housing Land Position (HLP) has a base date of 31<sup>st</sup> March 2020 and a five year period of 1<sup>st</sup> April 2020 to 31<sup>st</sup> March 2025. I have assessed the supply at 31<sup>st</sup> March 2020 as that is the most up to date position.

6.3 The Council should not attempt to add any new sites, which are not already included within the schedule of sites as being deliverable at the base date. This would effectively mean changing the base date to beyond 1<sup>st</sup> April 2020 without adjusting the housing requirement.

6.4 Within this context, there have been several appeal decisions, which have found such an approach to be inappropriate.

6.5 For example, in allowing an appeal for up to 150 dwellings at a site on Bath Road, Corsham, Inspector Prentis stated at paragraph 53 of the appeal decision<sup>14</sup>:

*"Finally, I note that since the Inquiry the Council has permitted housing development on two sites at or near Corsham, amounting to 152 dwellings. However, it would not be appropriate simply to add that figure to the supply – that would be tantamount to changing the base date of the HLS exercise. Moreover, some of these units are already accounted for in the HLS figures. The Council and the appellant have agreed that the correct base date for this*

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<sup>14</sup> PINS ref: 2222641

*appeal is 1 April 2014. If any later base date were used it would be necessary to review all the elements of the HLS exercise”.*

- 6.6 Similarly, in an appeal decision regarding land to the rear of former Dylon International Premises, Station Approach, Lower Sydenham, London<sup>15</sup>, the Inspector noted the following in paragraphs 17 and 18:

*“17. The final site is the former Town Hall and car park that was granted planning permission for 53 units in November 2015, after the base date of 1 April 2015. The appellants submit that the appropriate estimate is the 20 units envisaged at the base date, whereas the Council considers that the latest position should be the one on which the figures are based.*

*18. Whilst there is more up-to-date information now available, it seems to me that if additional units granted planning permission after the base date are to be taken into account, so should any units that have been completed after the base date and consequently removed from the future supply availability, in order to present the most accurate overall picture. This exercise had not been completed for the Inquiry and I therefore conclude that for the purposes of this appeal, the position as agreed in the SoCGH should be adhered to.”*

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<sup>15</sup> PINS ref: 3144248

## 7. Stage 2: Identifying the housing requirement

### National planning policy and guidance

7.1 Paragraph 73 of the Framework states:

*“Local planning authorities should identify and update annually a supply of specific deliverable sites sufficient to provide a minimum of five years’ worth of housing against their housing requirement set out in adopted strategic policies or against their local housing need where the strategic policies are more than five years old.”*

7.2 Footnote 37 of the Framework explains that unless the housing requirement set out in the strategic policy has been “*reviewed and found not to require updating*”, local housing need will be used for assessing whether a five year supply of specific deliverable sites exists using the standard method set out in the PPG once the strategic policy is more than five years old. The first sentence of the footnote is important because it means that the five year housing land supply will not be assessed against the local housing need using the standard methodology in all circumstances when the policies become five years old. The first sentence of the footnote is the same as that set out in footnote 37 of the 2018 version of the Framework, which as I explain below was introduced without any transitional arrangements.

7.3 Paragraph 68-002 of the PPG<sup>16</sup> states:

*“A 5 year land supply is a supply of specific deliverable sites sufficient to provide 5 years’ worth of housing (and appropriate buffer) against a housing requirement set out in adopted strategic policies, or against a local housing need figure, using the standard method, as appropriate in accordance with paragraph 73 of the National Planning Policy Framework.”*

7.4 Paragraph 68-005 of the PPG<sup>17</sup> states:

*“Housing requirement figures identified in adopted strategic housing policies should be used for calculating the 5 year land supply figure where:*

- *the plan was adopted in the last 5 years, or*

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<sup>16</sup> Paragraph: 002 Reference ID: 68-002-20190722: “What is a 5 year land supply?”

<sup>17</sup> Paragraph: 005 Reference ID: 68-005-20190722: “What housing requirement figure should authorities use when calculating their 5 year housing land supply?”

- *the strategic housing policies have been reviewed within the last 5 years and found not to need updating.*

*In other circumstances the 5 year housing land supply will be measured against the area's local housing need calculated using the standard method."*

7.5 Consequently, it is clear that the five year supply should be measured against the housing requirement set out in strategic policies when those policies are less than five years old and when they are more than five years old if those policies have been reviewed and found not to require updating within the last five years.

## **Assessment**

7.6 Policy 4 of the Core Strategy: "Housing Delivery" sets out the housing requirement for South Ribble for the period 2010 to 2026 of 417 dwellings per annum. The local housing need using the standard method set out in the PPG is less than half of this. It equates to just 191 dwellings per annum.

7.7 The Core Strategy was adopted in 2012 and is therefore more than five years old. Indeed, it was already more than five years old when the 2018 Framework was published in July 2018. However, the Framework provides that the adopted housing requirement should continue to be used to measure five year housing land supply if it has been reviewed and found not to require updating within the last five years.

### **Has Policy 4 of the Core Strategy been reviewed?**

7.8 In this case, policy 4 was reviewed less than five years ago in 2017. To inform the review, the three Central Lancashire Councils appointed consultants GL Hearn to prepare a Strategic Housing Market Assessment (SHMA). A report to the meeting of the Central Lancashire Strategic Planning Joint Advisory Committee on 27<sup>th</sup> June 2016 explained why it was necessary to instruct consultants to prepare a new SHMA<sup>18</sup>. It stated at paragraph 7:

*"The three Central Lancashire authorities have up to date and National Framework compliant development plans consisting of the Joint Central Lancashire Core Strategy, adopted July 2012, and the three respective site allocations plans, adopted by the respective authorities on varying dates but all in July 2015. The Core Strategy is, therefore, reaching the point where, government guidance suggests that there should be some review as to whether policies need updating." (my emphasis).*

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<sup>18</sup> Appendix **BP4**

7.9 Paragraphs 8 to 12 of the report then confirm that the issue being raised was whether or not the Policy 4 housing requirement figures remained up to date.

7.10 The report also stated at paragraph 13:

*“For the reasons set out above this work is necessary and timely. In particular, taking into account the fifth anniversary of the adoption of the Central Lancashire Core Strategy in 2017, the revocation of RSS on which the Core Strategy figures are based and the latest population and household projection figures all point to the need to review this part of the local plan evidence base.”*  
(my emphasis).

7.11 The SHMA was therefore commissioned as part of a review of Policy 4 to see whether it needed updating within the context of the latest assessment of housing needs. Before the final SHMA was published, a report to the meeting of the Central Lancashire Strategic Planning Joint Advisory Committee on 2<sup>nd</sup> March 2017 explained that across the Central Lancashire Housing Market Area there is not a significant difference between the current plan requirement of 1,341 and the full objectively assessed need (FOAN) figure of 1,313<sup>19</sup>. Paragraph 20 of the report states:

*“the FOAN for Central Lancashire is only marginally lower (2%) than the housing requirement figure set out in the Core Strategy. It is, therefore, recommended that the Core Strategy requirements should be retained rather than proceed to a partial review of the Core Strategy at this time.”*

7.12 The final version of the SHMA was published in September 2017<sup>20</sup> and concluded that the objectively assessed housing need (OAN) for Central Lancashire is 1,184 dwellings per annum over the period 2014 to 2034. At a local authority basis, the OAN was expressed as a range:

- Chorley: 419 to 519 dwellings per annum;
- Preston: 225 to 402 dwellings per annum; and
- South Ribble: 351 to 440 dwellings per annum.

7.13 Following the preparation of the SHMA, the three Councils concluded that the housing requirement did not need updating. This position is set out in the minutes of a meeting of the Central Lancashire Strategic Planning Joint Advisory Committee on Tuesday 5<sup>th</sup> September 2017<sup>21</sup>. The minutes state that a verbal update on the SHMA was given at the meeting, which

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<sup>19</sup> Appendix **BP5**

<sup>20</sup> Core document **1.4**

<sup>21</sup> Appendix **BP6**

explained that the total housing need figure across the HMA was 1,184 dwellings. The minutes explain that as the housing requirement figure of 1,341 dwellings “clearly exceeds by some margin” the OAN, a memorandum of understanding retaining the plan requirement figures would ensure that the OAN is met across the HMA. The resolution of the committee was as follows:

*“Members of the Committee from all three authorities agreed to recommend to their authorities that the figures within the Core Strategy be retained and to enter into a Memorandum of Understanding between the three local authorities, to be approved by the 30<sup>th</sup> September 2017 which commits to the retention of the housing requirements in each authority across the housing market area, in order to meet the objectively assessed need for the HMA.*

- 7.14 Following this, a joint Memorandum of Understanding and Statement of Co-operation relating to the provision of housing land was signed in October 2017<sup>22</sup>. The MOU confirms that the Councils agree to continue to use the housing requirements in Policy 4 of the Core Strategy until the adoption of the new Local Plan.
- 7.15 It is relevant to note that the Government's consultation on the draft standard method for calculating local housing need (“Planning for the right homes in the right places: consultation proposals”) opened on 14<sup>th</sup> September 2017 (i.e. before the MOU was finalised and signed). The Government's draft local housing need figures for Central Lancashire over the period 2016 to 2026 was 1,087 dwellings per annum (225 dwellings per annum for Preston, 228 dwellings for South Ribble and 634 dwellings per annum for Chorley).

### **Does the Council accept that Policy 4 has been reviewed?**

- 7.16 At the first inquiry into the appeal, the Council's housing land supply witness claimed that Policy 4 had not been reviewed. However, the witness conceded in cross examination that the housing requirement had been reviewed in 2016-17 through the SHMA and MOU. Notwithstanding this, the Inspector for the first Inquiry concluded that the process of the SHMA and MOU did not constitute a review.
- 7.17 The appeal decision was challenged by the Appellant. The first ground of challenge was that the Inspector had made an error in concluding that the MOU and the SHMA leading up to it did not properly constitute a review. The judgment was issued on 21<sup>st</sup> August 2020. The challenge was successful and the appeal decision was quashed. The first ground of challenge was successful as

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<sup>22</sup> Core document **1.8**

the judge did not find the Inspector's reasons for concluding that the 2017 MoU and SHMA was not a review were legally adequate<sup>23</sup>.

7.18 Notwithstanding its previous position, the Council now accepts that Policy 4 was reviewed in 2017. This is set out in paragraph 6.7 of the Council's statement of case, which states:

*"The Council accepts, having regard to Ground 1 of the High Court Judgement, that the process of preparing the 2017 Strategic Housing Market Assessment and the September 2017 Central Lancashire Joint Memorandum of Understanding and Statement of Cooperation relating to the Provision of Housing Land constituted a "review" of Core Strategy Policy 4 in the terms envisaged in Footnote 37 to NPPF Para 73".*

7.19 The first sentence of footnote 37 of paragraph 73 of the Framework therefore clearly applies and the five year housing land supply should continue to be measured against the adopted housing requirement.

7.20 Paragraphs 6.8 to 6.13 of the Council's statement of case then seek to explain why the Council is seeking to depart from National Planning Policy, which I address below.

### **The introduction of the 2018 Framework**

7.21 Firstly, the Council's statement of case states that there has been a "significant change" in circumstances since the review of Policy 4 in that the revised Framework introduced a standard method for calculating local housing need which results in a figure of only 191 dwellings per annum for South Ribble compared to the adopted housing requirement of 417 dwellings per annum.

7.22 Whilst the review of Policy 4 took place before the July 2018 Framework was published and the standard method for calculating local housing need was introduced, footnote 37 of the Framework is clear that where the housing requirement has been reviewed and found not to require updating, it should continue to be used to measure the five year housing land supply against. This part of footnote 37 was introduced in the July 2018 Framework without any transitional arrangements. Therefore, from the day the 2018 Framework was first published, even if the strategic policy was over five years old, as long as it had been reviewed and found not to require updating then the housing requirement within it should continue to be used for five year housing land supply purposes. There is no distinction in the Framework between reviews

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<sup>23</sup> Core document 7.1

undertaken before or after the publication of the 2018 Framework. This is clear from the terms of the Framework (in both its 2018 and 2019 versions) and is confirmed in the PPG.

7.23 Paragraph 68-005 of the PPG<sup>24</sup> which is within the section entitled: "Housing supply and delivery" and is therefore relevant to how the five year housing land supply should be calculated. It states:

*"Housing requirement figures identified in adopted strategic housing policies should be used for calculating the 5 year land supply figure where:*

- *the plan was adopted in the last 5 years, or*
- *the strategic housing policies have been reviewed within the last 5 years and found not to need updating.*

7.24 Paragraph 68-005 was last updated on 22<sup>nd</sup> July 2019. The previous version contained within paragraph 3-030<sup>25</sup> was published the same day as the PPG provided the standard method for calculating local housing need in September 2018. It contained similar wording to paragraph 68-005 and stated:

*"Housing requirement figures identified in strategic policies should be used as the starting point for calculating the 5 year land supply figure:*

*for the first 5 years of the plan, and*

*where the strategic housing policies plans are more than 5 years old, but have been reviewed and are found not to need updating."*

### **Commitment to review the MOU**

7.25 The Council's statement of case then states that the first MOU was time limited. Reference is made to paragraph 7.1 of the MOU, which states:

*"The document will be reviewed no less than every three years and will be reviewed when new evidence that renders this MOU out of date emerges".*

7.26 The Council's Statement of Case states that the three year time limit has now expired and the Council *"therefore considers that the housing requirement in the JCS Policy 4(a) is out-of-date"*.

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<sup>24</sup> Paragraph: 005 Reference ID: 68-005-20190722: *"What housing requirement figure should authorities use when calculating their 5 year housing land supply?"*

<sup>25</sup> Paragraph: 030 Reference ID: 3-030-20180913: *"How can an authority demonstrate a 5 year supply of deliverable housing sites?"*

7.27 Firstly, the MOU was the outcome of the review. The review itself was the process leading up to the MOU, including the SHMA. Secondly, the MOU pre-dated the 2018 Framework and the introduction of footnote 37. Therefore, the fact that there is a commitment within the MOU for that document to be reviewed no less than every three years or when new evidence that renders the MOU is out of date emerges does not mean that the review for the purposes of footnote 37 is out of date.

### **Central Lancashire Housing Study and Second MOU**

7.28 The Council's statement of case then refers to the Central Lancashire Housing Study and revised MOU (MOU2).

7.29 In terms of the Central Lancashire Housing Study, at a meeting of the Central Lancashire Strategic Planning Joint Advisory Committee on 29<sup>th</sup> January 2019, an update report was presented to members on the Central Lancashire Local Plan Review<sup>26</sup>. Paragraph 16 explained that:

*"a specification needs to be commissioned for a **brief** housing study update which will meet the requirements of the new NPPF and in particular, look at:*

- *Specialist housing need (including numbers for new plan)*
- *More detailed work on the affordable need including specifying the type and tenure required in each area.*
- *Provide the evidence to support the redistribution of housing need across Central Lancashire" (my emphasis)*

7.30 At the next meeting of the Central Lancashire Strategic Planning Joint Advisory Committee on 4<sup>th</sup> June 2019, a further update on the Central Lancashire Local Plan Review was provided<sup>27</sup>. It explained that Iceni had been appointed as consultants to undertake "*an additional housing study which will provide the necessary housing need analysis required by the new NPPF which requires councils to be able to demonstrate taking account of the needs of groups with specific housing requirements are addressed" (my emphasis).*

7.31 Paragraph 12 of this report then states:

*"This piece of work will also provide robust evidence for an appropriate distribution of housing across the three local authorities. A draft report is*

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<sup>26</sup> Appendix **BP7**

<sup>27</sup> Appendix **BP8**

*expected in the Summer and will be presented to JAC thereafter, informing the review of the existing Memorandum of Understanding (MOU) between the three councils and the future policy for housing distribution"*

7.32 At the next meeting of the Joint Advisory Committee on 3<sup>rd</sup> September 2019, the update on the Local Plan Review<sup>28</sup> stated:

*"9. Icen Projects Consultancy have been commissioned to undertake an additional housing study which will provide the necessary housing need analysis required by the new NPPF and will also provide robust evidence for an appropriate distribution of housing across the three local authorities.*

*10. Icen have produced an interim paper for internal use only which will form the basis of a workshop meeting with the consultants plus the relevant directors and Planning Policy Managers from the three councils.*

*11. Members are engaged in discussions regarding housing distribution and this work therefore is evolving".*

7.33 At the meeting on 28<sup>th</sup> October 2019, an update on the Central Lancashire Housing Study and revised MOU was presented but this item was private and confidential. However, a report to South Ribble's Cabinet meeting on 13<sup>th</sup> November 2019<sup>29</sup> explained:

*"All three authorities have considered the above standard method approach through the Central Lancashire Joint Advisory Committee. All three authorities are concerned that the standard method does not truly reflect their needs moving forward." (my emphasis)*

7.34 In November 2019, the Central Lancashire Authorities then consulted on a draft revised Memorandum of Understanding and Statement of Co-operation. The draft Central Lancashire Housing Study by Icen accompanied the consultation document.

7.35 The final Central Lancashire Housing Study was published in March 2020. Unlike the SHMA, the Housing Study does not provide an assessment of housing need. This is surprising because it forms part of the evidence base for the new Local Plan. However, the housing study does not replace the SHMA, which remains the Council's only evidence in relation to housing need. The Central Lancashire Housing Study simply uses the standard method for calculating local housing need set out in the PPG.

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<sup>28</sup> Appendix **BP9**

<sup>29</sup> Appendix **BP10**

7.36 The Housing Study states that the considerations set out in paragraph 2a-010 of the PPG<sup>30</sup> are for plan-making. This paragraph of the PPG states:

*“The government is committed to ensuring that more homes are built and supports ambitious authorities who want to plan for growth. The standard method for assessing local housing need provides a minimum starting point in determining the number of homes needed in an area. It does not attempt to predict the impact that future government policies, changing economic circumstances or other factors might have on demographic behaviour. Therefore, there will be circumstances where it is appropriate to consider whether actual housing need is higher than the standard method indicates.*

*This will need to be assessed prior to, and separate from, considering how much of the overall need can be accommodated (and then translated into a housing requirement figure for the strategic policies in the plan). Circumstances where this may be appropriate include, but are not limited to situations where increases in housing need are likely to exceed past trends because of:*

- growth strategies for the area that are likely to be deliverable, for example where funding is in place to promote and facilitate additional growth (e.g. Housing Deals);*
- strategic infrastructure improvements that are likely to drive an increase in the homes needed locally; or*
- an authority agreeing to take on unmet need from neighbouring authorities, as set out in a statement of common ground;*

*There may, occasionally, also be situations where previous levels of housing delivery in an area, or previous assessments of need (such as a recently-produced Strategic Housing Market Assessment) are significantly greater than the outcome from the standard method. Authorities are encouraged to make as much use as possible of previously-developed or brownfield land, and therefore cities and urban centres, not only those subject to the cities and urban centres uplift may strive to plan for more home. Authorities will need to take this into account when considering whether it is appropriate to plan for a higher level of need than the standard model suggests.”*

7.37 Given the contents of this part of the PPG, it is surprising that the Central Lancashire Housing Study makes no recommendation that a higher level of need than the standard method suggests should be made in South Ribble because of:

- The funding being in place to promote and facilitate additional growth in South Ribble (i.e. City Deal);*

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<sup>30</sup> Paragraph: 010 Reference ID: 2a-010-20201216: “When might it be appropriate to plan for a higher housing need figure than the standard method indicates?”

- The strategic infrastructure improvements in place through the City Deal that are likely to drive an increase in the homes needed locally; and
- The SHMA concluding that the OAN in South Ribble (of 351 to 440 dwellings per annum) is significantly greater than the outcome from the standard method (of 191 dwellings per annum).

7.38 I accept that the Housing Study could not have considered the final two sentences of this paragraph of the PPG because they were added in December 2020 – after the Housing Study had been published.

7.39 The Housing Study does however conclude that the annual net need for affordable rent in South Ribble is 208 per annum. The need for affordable rent in South Ribble alone is higher than the local housing need using the standard method. However, the Housing Study makes no recommendation that the housing requirement figure should be higher than the standard method to meet this need as set out in section 67 of the PPG<sup>31</sup>.

7.40 Notably, the process of preparing the Central Lancashire Housing Study and entering into a revised MOU was not a review of Policy 4. It did not assess housing need as the SHMA did and was simply an attempt to redistribute the local housing need using the standard method between the three authorities. That is clear when considering the reasons why the Housing Study was commissioned as I have set out above. The SHMA has not been superseded or replaced and forms part of the evidence base to the new Local Plan. Furthermore, the Central Lancashire Housing Study and revised MOU does not alter the fact that the process in 2017 amounted to a review for the purposes of calculating five year housing land supply in South Ribble.

7.41 It is also of note that the Central Lancashire Housing Study was drafted on the basis that there had not been a footnote 37 review of Policy 4 of the Core Strategy. Paragraph 2.14 of the study discusses paragraph 73 and footnote 37 of the Framework and then states:

*“The Central Lancashire Core Strategy is more than four [five] years old; and the circumstances identified in Footnote 37 whereby the housing requirement figures within it could be used where ‘they have been reviewed and found not to require updating’ are not applicable”.*

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<sup>31</sup> Section 67: “Addressing the need for different types of housing”

- 7.42 Similarly, when discussing how the cap to the standard method applies, paragraphs 3.9 and 3.10 of the study does not consider that a review of Policy 4 has taken place for the purposes of footnote 37 of the Framework.
- 7.43 The Council's statement of case then states that following the Central Lancashire Housing Study, the Central Lancashire authorities entered into a second MOU, signed in April 2020. However, this document simply attempts to redistribute the local housing need for the three Central Lancashire Authorities as proposed by Icenl in the Central Lancashire Housing Study. There is no support for this approach in either the Framework or the associated guidance. Indeed, in a decision regarding an appeal made by Gladman Developments Ltd against the decision of Chorley Council to refuse outline planning permission for up to 180 no. dwellings at land at Pear Tree Lane, Euxton, Chorley<sup>32</sup>, the Inspector concluded that the authorities could not re-distribute the local housing need through the second MOU. There is an outstanding judicial review challenging the adoption of MOU2.
- 7.44 Furthermore, following the Pear Tree Lane appeal decision, as of 4<sup>th</sup> November 2020 Preston Council has since withdrawn from the second MOU with immediate effect<sup>33</sup>. The report for the meeting is not publicly available, but the minutes are and set out that the reason for withdrawing from the MOU was because of the Pear Tree Lane decision.
- 7.45 The fact that the authorities entered into a second MOU does not alter the fact that there was a review for the purposes of footnote 37 of Policy 4 in 2017. The second MOU is not a review of the first MOU because it has not been informed by appropriate evidence or proceeded on the basis that there was a footnote 37 of the review in the first place.
- 7.46 In summary, the housing study and second MOU are not a review of the Core Strategy Policy 4 housing requirement figures and nor are they a review of the review which took place in 2017.

### **The Pear Tree Lane Appeal Decision**

- 7.47 Finally, the Council's statement of case refers to the Pear Tree Lane Appeal Decision I have referred to above. It is of note that the Inquiry for that appeal took place in June and July 2020 and the decision was issued on 11<sup>th</sup> August 2020 i.e. after the first Chainhouse Lane Appeal Decision had been issued but before it had been quashed. It is relevant that neither party at that

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<sup>32</sup> Core Document **6.2**

<sup>33</sup> Appendix **BP3**

appeal advanced a case which stated that the housing requirements in Policy 4 had been reviewed for the purposes of footnote 37 of the Framework. Instead, both parties agreed that local housing need calculated using the standard method should be used but the issue was whether that figure could be redistributed between the three authorities in advance of a new Local Plan.

7.48 In summary, the Housing Study, second MOU and the Pear Tree Lane appeal decision do not recognise that a review of Policy 4 of the Core Strategy has taken place for the purposes of footnote 37 of the Framework. The Council's statement of case does not explain why there should be a departure from national planning policy set out within footnote 37 of the Framework and supported by the guidance as set out in paragraph 68-005 of the PPG. Therefore, because a review of Policy 4 has taken place and the outcome of that review was that the housing requirement does not need to be updated, the five year housing land supply should be measured against the adopted housing requirement.

## 8. Stage 3: Identifying the past shortfall

8.1 Paragraph 68-031 of the PPG<sup>34</sup> explains that:

*“Where shortfalls in housing completions have been identified against planned requirements, strategic policy-making authorities may consider what factors might have led to this and whether there are any measures that the authority can take, either alone or jointly with other authorities, which may counter the trend.”*

8.2 Paragraph 68-031 of the PPG also explains that:

*“The level of deficit or shortfall will need to be calculated from the base date of the adopted plan”.*

8.3 As set out in section 4 of my proof of evidence, the base date of the adopted plan is 1<sup>st</sup> April 2010. However, as policy 4 of the Core Strategy explains, the backlog since 1<sup>st</sup> April 2003 should be taken into account. The planned housing requirement set out in the Core Strategy is 417 dwellings. By 31<sup>st</sup> March 2020, 7,089 dwellings should have been completed based on an annual requirement of 417 dwellings. According to the Council's data, only 5,981 dwellings were completed in the same period and therefore the backlog is 1,108 dwellings.

8.4 The past shortfall against the housing requirement is very significant and reflects the fact that delivery has been on average 352 dwellings in 17 years of the plan period. The past shortfall equates to over 2.5 years of the annual number of housing required (i.e.  $1,108 / 417 = 2.65$  years).

8.5 It is also relevant that in several of the years, the Council underachieved by a very significant margin. The under delivery in housing has been persistent in South Ribble and continued after the Local Plan was adopted in July 2015.

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<sup>34</sup> Paragraph: 031 Reference ID: 68-031-20190722: “How can past shortfalls in housing completions against planned requirements be addressed?”

## 9. Stage 4: Identifying the method of addressing the past shortfall

- 9.1 If the adopted housing requirement is to be used, the Council agrees that the past shortfall should be addressed in full in the five year period<sup>35</sup>. This is known as the “Sedgefield” method.
- 9.2 The Framework does not specifically state how the backlog should be addressed; however it does set out the Government’s objective of “significantly boosting the supply of homes” (paragraph 59). Addressing the backlog as soon as possible would be consistent with this paragraph.
- 9.3 Paragraph 68-031 of the PPG<sup>36</sup>: “How can past shortfalls in housing completions against planned requirements be addressed?” states:

*“Where shortfalls in housing completions have been identified against planned requirements, strategic policy-making authorities may consider what factors might have led to this and whether there are any measures that the authority can take, either alone or jointly with other authorities, which may counter the trend. Where the standard method for assessing local housing need is used as the starting point in forming the planned requirement for housing, Step 2 of the standard method factors in past under-delivery as part of the affordability ratio, so there is no requirement to specifically address under-delivery separately when establishing the minimum annual local housing need figure. Under-delivery may need to be considered where the plan being prepared is part way through its proposed plan period, and delivery falls below the housing requirement level set out in the emerging relevant strategic policies for housing.*

*Where relevant, strategic policy-makers will need to consider the recommendations from the local authority’s action plan prepared as a result of past under-delivery, as confirmed by the Housing Delivery Test.*

*The level of deficit or shortfall will need to be calculated from the base date of the adopted plan and should be added to the plan requirements for the next 5 year period (the Sedgefield approach), then the appropriate buffer should be applied. If a strategic policy-making authority wishes to deal with past under delivery over a longer period, then a case may be made as part of the plan-making and examination process rather than on a case by case basis on appeal.*

*Where strategic policy-making authorities are unable to address past shortfalls over a 5 year period due to their scale, they may need to reconsider their*

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<sup>35</sup> Please see the statement of common ground on housing land supply

<sup>36</sup> Paragraph: 031 Reference ID: 68-031-20190722: “How can past shortfalls in housing completions against planned requirements be addressed?”

*approach to bringing land forward and the assumptions which they make. For example, by considering developers' past performance on delivery; reducing the length of time a permission is valid; re-prioritising reserve sites which are 'ready to go'; delivering development directly or through arms' length organisations; or sub-dividing major sites where appropriate, and where it can be demonstrated that this would not be detrimental to the quality or deliverability of a scheme."*

- 9.4 Therefore, the guidance is clear that the past shortfall should be addressed within the five year period. The Sedgefield method is therefore agreed.

## 10. Stage 5: Applying the appropriate buffer

### National policy and guidance

10.1 Paragraph 73 of the Framework states:

*"The supply of specific deliverable sites should in addition include a buffer (moved forward from later in the plan period) of:*

- *5% to ensure choice and competition in the market for land; or*
- *10% where the local planning authority wishes to demonstrate a five year supply of deliverable sites through an annual position statement or recently adopted plan, to account for any fluctuations in the market during that year; or*
- *20% where there has been significant under delivery of housing over the previous three years, to improve the prospect of achieving the planned supply."*

10.2 Footnote 39 of the Framework explains that from November 2018 "significant under delivery" of housing will be measured against the Housing Delivery Test, where this indicates that delivery was below 85% of the housing requirement.

10.3 As set out in section 4 of my proof of evidence above, the Council passed the 2020 HDT and therefore the 5% buffer applies in South Ribble. A summary of the housing requirement is set out in the following table:

**Table 10.1: Summary in relation to the housing requirement**

	<b>Requirement</b>	
A	Annual requirement	417
B	Past shortfall at 1 <sup>st</sup> April 2020	1,108
C	Amount of past shortfall to be addressed in the five year period	1,108
D	Total five year requirement (A X 5 + C)	3,193
E	Requirement plus 5% buffer (D + 5%)	3,353
F	Annual requirement plus buffer (E / 5 years)	671

## 11. Stage 6: Identifying a Realistic and Deliverable Supply

11.1 The HLP claims that the Council has a deliverable supply at 1<sup>st</sup> April 2020 of 2,665 dwellings. The Council now considers that the deliverable supply at 1<sup>st</sup> April 2020 is 2,546 dwellings.

### What constitutes a deliverable site?

#### National Planning Policy and Guidance

11.2 The definition of “deliverable” is set out on page 66 of the Framework states:

*“Deliverable: To be considered deliverable, sites for housing should be available now, offer a suitable location for development now, and be achievable with a realistic prospect that housing will be delivered on the site within five years. In particular:*

*a) sites which do not involve major development and have planning permission, and all sites with detailed planning permission, should be considered deliverable until permission expires, unless there is clear evidence that homes will not be delivered within five years (for example because they are no longer viable, there is no longer a demand for the type of units or sites have long term phasing plans).*

*b) where a site has outline planning permission for major development, has been allocated in a development plan, has a grant of permission in principle, or is identified on a brownfield register, it should only be considered deliverable where there is clear evidence that housing completions will begin on site within five years.”*

11.3 The PPG was most recently updated on 22<sup>nd</sup> July 2019. Paragraph 68-007 of the PPG<sup>37</sup> provides some examples of the types of evidence, which could be provided to support the inclusion of sites with outline planning permission for major development and allocated sites without planning permission. It states:

*“In order to demonstrate 5 years’ worth of deliverable housing sites, robust, up to date evidence needs to be available to support the preparation of strategic policies and planning decisions. Annex 2 of the National Planning Policy Framework defines a deliverable site. As well as sites which are considered to be deliverable in principle, this definition also sets out the sites which would require further evidence to be considered deliverable, namely those which:*

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<sup>37</sup> Paragraph 007 Reference ID: 68-007-20190722: “What constitutes a ‘deliverable’ housing site in the context of plan-making and decision-taking?”

- *have outline planning permission for major development;*
- *are allocated in a development plan;*
- *have a grant of permission in principle; or*
- *are identified on a brownfield register.*

*Such evidence, to demonstrate deliverability, may include:*

- *current planning status – for example, on larger scale sites with outline or hybrid permission how much progress has been made towards approving reserved matters, or whether these link to a planning performance agreement that sets out the timescale for approval of reserved matters applications and discharge of conditions;*
- *firm progress being made towards the submission of an application – for example, a written agreement between the local planning authority and the site developer(s) which confirms the developers' delivery intentions and anticipated start and build-out rates;*
- *firm progress with site assessment work; or*
- *clear relevant information about site viability, ownership constraints or infrastructure provision, such as successful participation in bids for large-scale infrastructure funding or other similar projects.*

*Plan-makers can use the Housing and Economic Land Availability Assessment in demonstrating the deliverability of sites."*

## **Assessment**

- 11.4 Whilst the previous definition in the 2012 Framework considered that all sites with planning permission should be considered deliverable, the revised definition in the 2019 Framework is clear that only sites with detailed consent for major development should be considered deliverable until permission expires unless there is clear evidence that homes will not be delivered within five years and those with outline planning permission or allocated sites without planning permission should only be considered deliverable where there is clear evidence that housing completions will begin in five years.
- 11.5 As above, the PPG has been updated to provide some examples of the type of evidence which may be provided to be able to consider that sites with outline planning permission for major development, allocated sites and sites identified on a brownfield register are deliverable.

11.6 Within this context, I refer to the following appeal decisions.

## Relevant appeal decisions

11.7 There have been several appeal decisions which have considered the definition of “deliverable” as set out in the 2018 and 2019 versions of the Framework and whether “clear evidence” has been provided for the inclusion of sites which only have outline planning permission for major development or are allocated without planning permission. Whilst each appeal has been determined on a case by case basis on the evidence before the decision-maker, several themes have arisen in appeal decisions, which I discuss below.

### The absence of any written evidence

11.8 Where no evidence has been provided for the inclusion of category b) sites, the Secretary of State and Inspectors have concluded that these sites should be removed. For example:

- In an appeal decision regarding land off Audlem Road, Stapeley, Nantwich and land off Peter De Stapeleigh Way, Nantwich<sup>38</sup>, the Secretary of State removed 301 dwellings from Cheshire East Council's supply from sites including: “*sites with outline planning permission which had no reserved matters applications and no evidence of a written agreement*” (paragraph 21 of the decision letter dated 15<sup>th</sup> July 2020); and
- In an appeal decision regarding land to the south of Cox Green Road, Surrey<sup>39</sup> an Inspector removed 563 dwellings on 24 sites from Waverley Council's supply because the Council had not provided any evidence for their inclusion (paragraphs 22 to 24 of the appeal decision dated 16<sup>th</sup> September 2019).

### The most up to date evidence

11.9 Paragraph 68-004 of the PPG<sup>40</sup> explains that for decision-taking purposes, an authority will need to be able to demonstrate a five year housing land supply when dealing with applications and appeals. They can do this in one of two ways:

- “*using the latest available evidence such as a Strategic Housing Land Availability Assessment (SHLAA), Housing and Economic Land Availability Assessment (HELAA), or an Authority Monitoring Report (AMR);*”

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<sup>38</sup> PINS refs: 2197532 and 2197529 – core document **6.12**

<sup>39</sup> PINS ref: 3227970 – core document **6.13**

<sup>40</sup> Paragraph: 004 Reference ID: 68-004-20190722: “*How can an authority demonstrate a 5 year supply of deliverable housing sites?*”

- *'confirming' the 5 year land supply using a recently adopted plan or through a subsequent annual position statement (as set out in paragraph 74 of the National Planning Policy Framework)."*

11.10 In this case, the Council's five year housing land supply has not been confirmed through a recently adopted plan or an annual position statement and therefore the latest available evidence should be used. As above, paragraph 68-007 of the PPG also states that *"robust, up to date evidence needs to be available to support the preparation of strategic policies and planning decisions"*. It also states that the "current" planning status of a site is one example of the type of evidence that could be used to support the inclusion of category b) sites. Therefore, the latest available evidence should be used.

11.11 In an appeal regarding land to the east of Newport Road and to the east and west of Cranfield Road, Woburn Sands (Milton Keynes)<sup>41</sup>, the Secretary of State agreed with Inspector Gilbert-Woolridge that the latest available evidence should be used when considering deliverability. Paragraph 12 of the Secretary of State's decision letter dated 25<sup>th</sup> June 2020 states:

*"For the reasons given at IR12.8-12.12 the Secretary of State agrees with the Inspector that it is acceptable that the evidence can post-date the base date provided that it is used to support sites identified as deliverable as of 1 April 2019 (IR12.11)"*.

11.12 Indeed, the Inspector in that case relied on evidence which post-dated the publication of Milton Keynes' housing land supply statement in June 2019 in considering the disputed sites and the Secretary of State agreed with the Inspector's assessment of the supply in that case.

11.13 Similarly, in a decision regarding land off Darnhall School Lane, Winsford<sup>42</sup>, the Secretary of State agreed with Inspector Middleton that it is appropriate to take into account information received after the base date if it affects sites included in the supply<sup>43</sup>.

11.14 This means for example that sites with outline planning permission at the base date can be included in the five year supply even if there was no clear evidence at the time the position statement was published but an application for reserved matters has since been made. It also

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<sup>41</sup> PINS ref: 3169314 – core document **6.14**

<sup>42</sup> PINS ref: 2212671 – core document **6.15**

<sup>43</sup> Paragraph 344 of the Inspector's Report and paragraph 15 of the Decision Letter.

means the latest position can be taken into account where sites have not progressed as the evidence suggested they would at the time the position statement is published.

11.15 in the Audlem Road appeal<sup>44</sup>, the Secretary of State removed from Cheshire East Council's supply;

*"a site where there is no application and the written agreement indicates an application submission date of August 2019 which has not been forthcoming, with no other evidence of progress". (paragraph 21 of the Decision Letter dated 15<sup>th</sup> July 2020)*

11.16 Cheshire East Council's Housing Monitoring Update (HMU) had a base date of 31<sup>st</sup> March 2019 and was published in November 2019. Representations by both parties on the HMU were received with the final comments received on 12<sup>th</sup> February 2020 (DL paragraph 7). Therefore, whilst the written evidence for this site explained a planning application would be made on this site in August 2019 because the application was not forthcoming by the time the decision was made and no other evidence of progress had been provided, the Secretary of State removed the site from the supply.

### **The form and value of the evidence**

11.17 In the Woburn Sands appeal decision referred to above, the Secretary of State agreed with the Inspector that a proforma can, in principle, provide clear evidence of a site's deliverability (please see paragraph 12 of the decision letter and paragraphs 12.13 to 12.15 of the Inspector's Report). However, the evidential value of the written information is dependent on its content. The Secretary of State and Inspectors have concluded that it is not simply sufficient for Councils to provide agreement from landowners and promoters that their intention is to bring sites forward. The evidence needs to provide a realistic prospect that housing will be delivered on the site within five years.

11.18 For example, in allowing an appeal for 120 dwellings at land east of Gleneagles Way, Hatfield Peverel<sup>45</sup>, the Secretary of State found Braintree Council could not demonstrate a five year housing land supply.

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<sup>44</sup> PINS refs: 2197532 and 2197529 – core document **6.12**

<sup>45</sup> PINS ref: 3180729 – core document **6.16**

11.19 Braintree Council claimed that it could demonstrate a 5.29 year supply. In determining the appeal, the Secretary of State concluded that the Council could only demonstrate a 4.15 year supply. The reason for this is set out in paragraph 41 of the decision letter (page 7), which states:

*“Having reviewed the housing trajectory published on 11 April, the Secretary of State considers that the evidence provided to support some of the claimed supply in respect of sites with outline planning permission of 10 dwellings or more, and sites without planning permission do not meet the requirement in the Framework Glossary definition of “deliverable” that there be clear evidence that housing completions will begin on site within five years. He has therefore removed ten sites from the housing trajectory”*

11.20 The ten removed sites are listed in a table provided at Annex D on page 24 of the Secretary of State’s decision letter. Of the ten sites removed from Braintree’s supply, 9 had outline planning permission and the remaining site was an allocated site with a hybrid planning application pending determination. For these sites, Braintree Council had submitted completed forms and emails from landowners, developers and their agents providing the timescales for the submission of reserved matters applications and anticipated build rates. However, the Secretary of State removed these sites because he did not consider they met the definition of “deliverable” as set out in the Framework. It is of note that the Secretary of State did not remove any of the sites with outline planning permission for major development where a reserved matters application had been made.

11.21 As part of its case in seeking to defend an appeal against its decision to refuse to grant outline planning permission for up to 140 no. dwellings at land off Popes Lane, Sturry<sup>46</sup>, Canterbury City Council claimed that it could demonstrate a 6.72 year supply. For there to be a shortfall in the supply, Canterbury Council claimed that some 1,654 dwellings (out of 6,455 dwellings) would have to be removed from the “deliverable” supply.

11.22 The Inspector however found that the Council could not demonstrate a five year housing land supply. The Inspector concluded that the deliverable supply was 4,644 dwellings, which equates to 4.8 years. The reason why the Inspector concluded that the deliverable supply was 1,811 dwellings (28%) less than the Council claimed was because he found that 10 sites should be removed from the supply because:

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<sup>46</sup> PINS ref: 3216104 – core document **6.17**

*“there is insufficient clear evidence to show that they meet the NPPF’s definition of deliverable. Sites which are not deliverable cannot be counted as part of the supply for the purposes of meeting the 5-year requirement.”* (paragraph 23)

11.23 In this case, Canterbury Council had provided statements of common ground between the Council and the developer or landowner to support the inclusion of several of the disputed sites. However, the Inspector found that the statements of common ground did not demonstrate that the development prospect was realistic. Paragraph 23 of the appeal decision states:

*“For a number of the disputed sites, the Council’s evidence is founded on site-specific SCGs which have been agreed with the developer or landowner of the site in question. I appreciate that the PPG refers to SCGs as an admissible type of evidence, and I have had full regard to that advice. But nevertheless, the evidential value of any particular SCG in this context is dependent on its content. In a number of cases, the SCGs produced by the Council primarily record the developer’s or landowner’s stated intentions. Without any further detail, as to the means by which infrastructure requirements or other likely obstacles are to be overcome, and the timescales involved, this type of SCG does not seem to me to demonstrate that the development prospect is realistic. In addition, most of the site-specific SCGs are undated, thus leaving some uncertainty as to whether they represent the most up-to-date position.”*

11.24 Similarly, as part of its case in seeking to defend an appeal made by Parkes Ltd against its decision to refuse to grant outline planning permission for up to 53 dwellings at land to the south of Cox Green Road, Rudgwick<sup>47</sup>, Waverley Council claimed it could demonstrate a supply of 5,708 dwellings, which equated to just under 5.2 years against its housing requirement and buffer.

11.25 The Inspector concluded that the supply should be reduced by 928 dwellings and therefore that Waverley Council could only demonstrate a “deliverable” supply of 4.3 years. The reasons why the Inspector considered the supply should be reduced are set out in paragraphs 10 to 27 of the appeal decision. I note that whilst Waverley Council’s assumptions of delivery on a site at Dunsfold Park relied on estimated numbers of delivery from a pro-forma returned by the site’s lead developer, the Inspector however considered that the details contained within it were “scant”. There was no explanation as to how the timings of delivery could be achieved including the intended timescales for submitting and approving reserved matters, applications of discharge of conditions, site preparation and installing infrastructure. The Inspector therefore did not include the site.

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<sup>47</sup> PINS ref: 3227970 – core document **6.13**

11.26 Finally, in allowing an appeal for up to 181 dwellings at land at Caddywell Lane / Burwood Lane, Great Torrington, Devon<sup>48</sup>, Inspector Harold Stephens concluded that Torrington Council could not demonstrate a five year housing land supply. Paragraphs 56 and 57 of the appeal decision state:

*“56. I have also had regard to the updated PPG advice published on 22 July 2019 on ‘Housing supply and delivery’ including the section that provides guidance on ‘What constitutes a ‘deliverable’ housing site in the context of plan-making and decision-taking.’ The PPG is clear on what is required:*

*“In order to demonstrate 5 years’ worth of deliverable housing sites, robust, up to date evidence needs to be available to support the preparation of strategic policies and planning decisions.”*

*This indicates the expectation that ‘clear evidence’ must be something cogent, as opposed to simply mere assertions. There must be strong evidence that a given site will in reality deliver housing in the timescale and in the numbers contended by the party concerned.*

*57. Clear evidence requires more than just being informed by landowners, agents or developers that sites will come forward, rather, that a realistic assessment of the factors concerning the delivery has been considered. This means not only are the planning matters that need to be considered but also the technical, legal and commercial/financial aspects of delivery assessed. Securing an email or completed pro-forma from a developer or agent does not in itself constitute ‘clear evidence’. Developers are financially incentivised to reduce competition (supply) and this can be achieved by optimistically forecasting delivery of housing from their own site and consequentially remove the need for other sites to come forward” (my emphasis)*

11.27 In summary, the above appeal decisions found that sites with outline planning permission for major development and allocated sites should not be included in the deliverable supply where the respective Councils had failed to provide the clear evidence required.

11.28 With reference to these appeal decisions and for the reasons set out in appendix **BP1**, the HLP has not provided clear evidence for the inclusion of 238 dwellings in its supply on allocated sites without planning permission or sites with outline planning permission for major development. These sites are listed in the table below:

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<sup>48</sup> PINS ref: 3238460 – core document **6.18**

**Table 11.1 – Discounts to sites in the Council's supply**

<b>Local Plan Ref:</b>	<b>Site Address</b>	<b>Status at 31/03/20</b>	<b>Council's 5YHLS</b>	<b>Appellants' 5YHLS</b>	<b>Difference</b>
S (part)	Brindle Road (land adjacent Cottage Gardens), Bamber Bridge East	Allocated	11	0	11
CC	East of Leyland Road / Land off Claytongate Drive / Land at Moor Hey School, Charnock	Allocated	63	0	63
EE	Pickering's Farm (north of farm track running east west) - Homes England & Taylor Wimpey	Allocated	90	0	90
W	Land between Moss Ln & rear of 392 Croston Road, Farington Moss (aka Croston Rd Nrth aka North of the Northern Section) (Homes England)	Outline pp	168	144	24
V	Land adjoining Longton Hall Farm, South of Chapel Lane, Longton (aka Kitty's Farm)	Allocated	40	0	40
Z	Lostock Hall Primary School, Avondale Drive	Allocated	10	0	10
		<b>Total</b>			<b>238</b>

11.29 The Council now accepts that the following sites should be removed from the deliverable supply:

- Brindle Road (land adjacent Cottage Gardens), Bamber Bridge East (11 dwellings);
- Pickering's Farm (90 dwellings); and
- Lostock Hall Primary School, Avondale Drive (10 dwellings).

11.30 The Council has also adjusted the number of dwellings it considers to be deliverable at Land adjoining Longton Hall Farm, South of Chapel Lane, Longton (aka Kitty's Farm) to 33 dwellings. Therefore, the following disputed sites remain with a combined capacity of **120 dwellings**:

- East of Leyland Road / Land off Claytongate Drive / Land at Moor Hey School, Charnock (63 dwellings);
- Land between Moss Ln & rear of 392 Croston Road, Farington Moss (aka Croston Rd Nrth aka North of the Northern Section) (24 dwellings);
- Land adjoining Longton Hall Farm, South of Chapel Lane, Longton (aka Kitty's Farm) (33 dwellings).

## Is there “compelling evidence” to justify the inclusion of a windfall allowance?

11.31 The Council includes a windfall allowance of 600 dwellings in the five year supply (50 dwellings in 2020/21, 100 dwellings in 2021/22 and 150 dwellings in each year 2022 to 2025). The windfall allowance assumes that currently unknown sites will become available, secure planning permission and deliver housing in the five year period.

11.32 The windfall allowance of 600 dwellings is the same as the previous HLP (base date 31<sup>st</sup> March 2019). However, it is a significant increase compared to the previous HLP reports with base dates of 31<sup>st</sup> March 2017 and 31<sup>st</sup> March 2018, which both included a windfall allowance in the respective five year period of 177 dwellings. The Council's housing land supply position at 31<sup>st</sup> March 2015 and 31<sup>st</sup> March 2016 did not include a windfall allowance at all in the five year period.

### National Planning Policy and Guidance

11.33 Paragraph 70 of the Framework states:

*“Where an allowance is to be made for windfall sites as part of anticipated supply, there should be compelling evidence that they will provide a reliable source of supply. Any allowance should be realistic having regard to the strategic housing land availability assessment, historic windfall delivery rates and expected future trends. Plans should consider the case for setting out policies to resist inappropriate development of residential gardens, for example where development would cause harm to the local area.”*

11.34 The definition of “windfall sites” is provided on page 73 of the Framework as follows:

*“Sites not specifically identified in the development plan”.*

11.35 Paragraph 3-023 of the PPG<sup>49</sup> states:

*“A windfall allowance may be justified in the anticipated supply if a local planning authority has compelling evidence as set out in paragraph 70 of the National Planning Policy Framework.”*

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<sup>49</sup> Reference ID: 3-023-20190722: “How should a windfall allowance be determined in relation to housing?”

11.36 Paragraph 68-014 of the PPG<sup>50</sup> states that annual position statements will be expected to include (amongst other things):

*“Permissions granted for windfall development by year and how this compares with the windfall allowance”.*

### **Compelling evidence**

11.37 The Council has not provided compelling evidence to justify a windfall allowance of 600 dwellings in the five year supply for the following reasons.

11.38 Firstly, the only evidence the Council has provided relates to past trends. The chart on page 6 of the HLP shows that the average completion rates on windfall sites has been 146 dwellings per annum over the past 10 years. However, that is a gross figure. For example, the chart shows that 103 dwellings on windfall sites were delivered in 2019/20. However, Appendix 1 of the HLP explains that the net completion rate on windfall sites taking into account demolitions and losses from residential use was only 92 dwellings.

11.39 Secondly, the average windfall completion rate cannot be relied on because as the previous HLP (base date 31<sup>st</sup> March 2019) explains, the completions on windfall sites includes sites that are identified in the development plan and therefore by definition are not windfall sites. Examples include:

- Arla Foods (80 dwellings in total) – 13 dwellings completed in 2018/19; and
- Roadferry Site (209 dwellings in total) – 41 dwellings completed in 2018/19.

11.40 Thirdly, and notwithstanding the above, even if the average gross completion rate of 146 dwellings per year on windfall sites could be relied on, this would mean that 730 dwellings could be expected on windfall sites in the five year period (i.e.  $146 \times 5 = 730$ ). However, the Council's supply already includes 369 dwellings in the five year supply on windfall sites as shown in the following table:

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<sup>50</sup> Reference ID: 68-017-20190722: “What information will annual position statements need to include?”

**Table 11.2 – Number of windfall sites included in the five year supply**

Source	Number of dwellings with planning permission on windfall sites at 31 <sup>st</sup> March 2020
Small sites (-10% reduction)	184
Medium and large sites but less than 10 dwellings	39
Land fronting Langdale Road, Buchshaw & Worden	14
Land at Olive Farm and land north of Methuen Drive	70
Wellington Park, Church Road (Balshaw Court)	62
	<b>369</b>

11.41 On this basis, the Council is therefore claiming that 969 dwellings will be delivered on windfall sites in the five year period (i.e. 369 + 600). This would equate to an annual delivery rate of 194 dwellings on windfall sites, which is far in excess of even the gross historic average delivery rate of 146 dwellings.

11.42 Fourthly, the Council has not provided any compelling evidence that windfall sites for major development (i.e. those over 10 dwellings) will continue to come forward. It is not known where these sites are or why they are expected to come forward. Contrary to paragraph 70 of the Framework, no reference has been made to the SHLAA.

11.43 The table above shows that at 1<sup>st</sup> April 2020 there were only three windfall sites with planning permission for more than 10 dwellings. However, the Olive Farm site, which has planning permission for 70 dwellings was approved at appeal. The Council refused permission and sought to defend its decision at the appeal. The windfall allowance should not rely on sites for major development being approved at appeal.

11.44 I accept that small windfall sites (i.e. those under 10 dwellings) will come forward and deliver dwellings in the five year period. The number of small sites with planning permission has largely remained the same in each HLP monitoring report:

- 31<sup>st</sup> March 2020 = 184 dwellings;
- 31<sup>st</sup> March 2019 = 182 dwellings;
- 31<sup>st</sup> March 2018 = 146 dwellings;
- 31<sup>st</sup> March 2017 = 172 dwellings;

- 31<sup>st</sup> March 2016 = 159 dwellings; and
- 31<sup>st</sup> March 2015 = 163 dwellings.

11.45 This reflects the fact that as small sites are built out, they are replaced by other small sites which secure planning permission in the monitoring year.

11.46 On this basis, the windfall allowance of 177 dwellings in the previous HLP reports should be included. This is based on 15 dwellings in year 1, 30 dwellings in year 2 and 44 dwellings in years 3 to 5. This results in a deduction of **423 dwellings**.

### Summary of deductions

11.47 In summary, I conclude that the Council's supply should be reduced by **543 dwellings** (i.e.  $120 + 423 = 543$ ).

11.48 As a result, I conclude that the deliverable supply is therefore **2,003 dwellings** (i.e.  $2,546 - 543 = 2,003$  dwellings).

## 12. South Ribble's Five Year Housing Land Supply

12.1 I conclude that the deliverable supply is 2,003 dwellings. Against the adopted housing requirement plus shortfall and a 5% buffer, this means that the Council has a deliverable supply of **2.99 years**.

**Table 12.1 – South Ribble's Five Year Housing Land Supply at 1<sup>st</sup> April 2020**

	<b>Requirement</b>	
A	Annual requirement	417
B	Past shortfall at 1 <sup>st</sup> April 2020	1,108
C	Amount of past shortfall to be addressed in the five year period	1,108
D	Total five year requirement (A X 5 + C)	3,193
E	Requirement plus 5% buffer (D + 5%)	3,353
F	Annual requirement plus buffer (E / 5 years)	671
	<b>Supply</b>	
G	Five year supply 1 <sup>st</sup> April 2020 to 31 <sup>st</sup> March 2025	2,003
H	Years supply (G / F)	<b>2.99</b>

12.2 The implication of this is addressed by Mr Harris.

## 13. South Ribble, Preston and Lancashire City Deal

- 13.1 The South Ribble, Preston and Lancashire City Deal is referred to in Preston's Housing Land Position Statement (base date 31<sup>st</sup> March 2019)<sup>51</sup> as one of the reasons why Preston decided to continue to measure its housing land supply against the adopted housing requirement even after the 2018 and 2019 Frameworks were published. It is discussed in paragraphs 1.19 to 1.21 on page 11 of the Preston Local Plan and in the foreword to the South Ribble Local Plan and is relevant in terms of the number of homes South Ribble has agreed with the Government that it is going to deliver. It is also discussed in the first and second MOUs.
- 13.2 The City Deal was signed in September 2013. It is an agreement between the Government and four local partners; Lancashire County Council, Lancashire Enterprise Partnership, Preston City Council and South Ribble Borough Council. A total of £434m new investment will lead to the expansion and improvement of the transport infrastructure in Preston and South Ribble at an unprecedented rate, enabling a forecast 20,000 new jobs and 17,420 new homes to be created over a 10 year period<sup>52</sup>.
- 13.3 Between 2014 and 2020, it was agreed that 7,726 dwellings would have been delivered within the City Deal area. However, less than 6,368 dwellings were delivered. Therefore, completions are already 1,358 dwellings behind the number of homes the authorities had agreed to deliver as shown in the following table:

**Table 13.1 – Delivery against City Deal agreement**

Year	Number of homes to be delivered in the City Deal area	South Ribble	Preston	Total delivered in City Deal area	Progress against City Deal agreement
2014/15	338	486	488	974	636
2015/16	868	371	282	653	-215
2016/17	1,391	189	791	980	-411
2017/18	1,579	318	634	952	-627
2018/19	1,891	491	785	1,276	-617
2019/20	1,659	412	1,121 <sup>53</sup>	1,533	-126
	<b>7,726</b>	<b>2,267</b>	<b>4,101</b>	<b>6,368</b>	<b>-1,358</b>

<sup>51</sup> Core Document **1.23**

<sup>52</sup> Core Document **1.17**

<sup>53</sup> The completions in Preston relate to 1<sup>st</sup> April 2019 to 30<sup>th</sup> September 2020

13.4 Over the next four years, Preston and South Ribble are committed to ensuring the delivery of 9,640 new homes as set out below:

- 2020/21 = 2,814 dwellings
- 2021/22 = 2,814 dwellings
- 2022/23 = 2,441 dwellings
- 2023/24 = 1,571 dwellings

13.5 However, Preston's deliverable housing land supply over the period 1<sup>st</sup> October 2020 to 30<sup>th</sup> September 2025 is only 3,581 dwellings and South Ribble's deliverable housing land supply over the period 1<sup>st</sup> April 2020 to 31<sup>st</sup> March 2025 is only 2,665 dwellings. This means that only 6,245 dwellings have been identified and combined with the completions above would mean 12,613 dwellings would be delivered by 2025 i.e. a year after the term of the City Deal. The shortfall against the City Deal is therefore at least 4,787 dwellings. The commitment to deliver 17,400 homes by 1<sup>st</sup> April 2024 is clearly not going to be met unless additional housing sites come forward and are delivered.

13.6 Paragraph 3.36 of the Central Lancashire Housing Study explains that a review of the City Deal has been undertaken and it will be necessary to extend the City Deal period and / or consider further how infrastructure funding gaps can be addressed. It states that the outcome of the City Deal mid-term review should be considered through the new Local Plan in due course. The mid-term review has not been concluded and therefore, it is not known whether the Government will agree to extend the City Deal period or not.

13.7 Paragraph 3.37 of the Central Lancashire Housing Study explains that the City Deal is not *"embodied in policy, identified in the NPPF or Guidance as a consideration in assessing five year housing land supply in advance of the Local Plan adoption, and is currently undergoing a mid-term review which raises some uncertainty over its continuation"*. However, the Housing Study does not explain why Preston City Council considered that the City Deal was a reason to continue to use the adopted housing requirement for measuring its five year housing land supply long after the 2018 and 2019 Frameworks were published<sup>54</sup>. It also does not make any conclusions about

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<sup>54</sup> Core Document **1.23**

what the housing requirement in the emerging Local Plan should be considering the City Deal. This would be in accordance with paragraph 2a-010 of the PPG<sup>55</sup>, which explains that the standard method is a minimum starting point in determining the number of homes needed in an area. There are circumstances where it is appropriate to consider whether actual housing need is higher than the standard method indicates, including where there are growth strategies in place for the area, such as City Deal.

13.8 In summary, the Council is committed to delivering many more new homes than even the adopted housing requirement set out in the Core Strategy requires. Within this context, it is surprising that South Ribble Council now considers that its five year housing land supply should be measured against a figure of just 191 homes per year.

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<sup>55</sup> Paragraph: 010 Reference ID: 2a-010-20201216: *“When might it be appropriate to plan for a higher housing need figure than the standard method indicates?”*

## 14. Affordable housing supply

- 14.1 Strategic Objective 8 of the Core Strategy is to “*significantly increase the supply of affordable and special needs housing particularly in places of greatest need such as more rural areas*”.

### Affordable housing need

- 14.2 The 2017 SHMA identifies a net need of 235 affordable homes in South Ribble per annum over the period 2014 to 2034. This is notably greater than the total local housing need using the standard method of 191 dwellings.
- 14.3 The Central Lancashire Housing Study (March 2020) includes an updated assessment of affordable housing need which responds to the widened definition of affordable housing set out in the 2019 Framework. It concludes that the need for rented affordable housing in South Ribble alone is 208 homes per annum over the period 2018 to 2036. This again is higher than the total local housing need using the standard method. However, the Housing Study also concludes that there is not a substantive need for affordable home ownership homes. It states:

*“Given the clear and acute need for affordable rented housing, the Councils should look to seek as much rented affordable products as possible”.*

### Affordable Housing Completions

- 14.4 Using the data available in the Council's HLP documents, the following table shows affordable housing completions in South Ribble over the plan period to date.

**Table 13.2 – Affordable housing completions in South Ribble 2003-20**

<b>Year</b>	<b>All Housing Completions (net)</b>	<b>Affordable housing completions (gross)</b>
2003/04	538	21
2004/05	657	53
2005/06	520	36
2006/07	284	27
2007/08	320	8
2008/09	312	35
2009/10	171	32
2010/11	221	15
2011/12	170	11
2012/13	168	40
2013/14	346	48
2014/15	486	84
2015/16	371	150
2016/17	189	25
2017/18	318	40
2018/19	491	97
2019/20	419	81
<b>Total</b>	<b>5,981</b>	<b>803</b>

14.5 As can be seen from the above table, affordable housing completions have been significantly below the net need identified in the SHMA and more recent Central Housing Study.

### **Affordable housing supply 1<sup>st</sup> April 2020**

14.6 The HLP explains that at 1<sup>st</sup> April 2020 there were only 16 sites which had planning permission and would deliver affordable dwellings on site. I have reviewed the supply and found that only 13 sites would deliver affordable housing in the five year supply as I set out at appendix **BP11**. The Council's claimed deliverable supply over the five year period is 2,546 dwellings. Of these, only 264 (10%) are affordable as I set out in appendix **BP11**. Therefore, the affordable housing need identified in the SHMA and the Central Lancashire Housing Study will not be met by the existing housing land supply.

## 15. Conclusions

- 15.1 My proof of evidence concludes that the five year housing land supply should be measured against the adopted housing requirement set out in policy 4, plus backlog and a 5% buffer. This means that the Council cannot demonstrate a deliverable five year housing land supply. I have assessed the supply and conclude that against the adopted housing requirement plus shortfall and a 5% buffer, the supply equates to 2.99 years. The implications of this are addressed by Mr Harris.
- 15.2 I also conclude that the Council will not deliver the number of homes it has agreed it will deliver with the Government through the City Deal without additional housing sites. Finally I conclude that the Council's deliverable housing land supply will not meet the identified affordable housing need. The implications of this are also addressed by Mr Harris.

## 16. Appendices

- BP1** Assessment of sites
- BP2** Timeline of events
- BP3** Minutes of Preston Council's Cabinet – 4th November 2020
- BP4** Report to the meeting of the Central Lancashire Strategic Planning Joint Advisory Committee on 27th June 2016
- BP5** Report to the meeting of the Central Lancashire Strategic Planning Joint Advisory Committee on 2nd March 2017
- BP6** Minutes of the meeting of the Central Lancashire Strategic Planning Joint Advisory Committee on Tuesday 5th September 2017
- BP7** Report to the meeting of the Central Lancashire Strategic Planning Joint Advisory Committee on 29th January 2019
- BP8** Report to the meeting of the Central Lancashire Strategic Planning Joint Advisory Committee on 4th June 2019
- BP9** Report to the meeting of the Central Lancashire Strategic Planning Joint Advisory Committee on 3rd September 2019
- BP10** Report to South Ribble's Cabinet meeting on 13th November 2019
- BP11** Affordable Housing Supply 1<sup>st</sup> April 2020