

ITEM 8 – SUPPLEMENTAL REPORT

LDF: SITE ALLOCATIONS & DEVELOPMENT MANAGEMENT POLICIES DPD – PREFERRED OPTIONS STAGE

1. On 11 July 2011, the inspector for the examination of the Central Lancashire Core Strategy made an announcement on proposed housing policy. The announcement (attached) expresses concerns about the soundness of the strategy on housing matters, and in particular as to whether the strategy conforms to Regional Spatial Strategy (RSS) with regard to housing delivery.
2. The inspector notes that the matter could be addressed through recommendations on his part, whereby the Core Strategy should follow the annual housing completions of RSS throughout the plan period, and for those figures to be regarded as a minimum. The inspector intends to formally provide a form of policy wording for the consideration by the three Councils. At the time of preparing this note, it has not been received, but is expected shortly. As a significant change in approach, this matter would need to be addressed by the Full Council, and will be in due course.
3. Officers hold the view that the inspector has taken this approach in the light of a recent judgment at the court of Appeal in relation to Cala Homes, the effect of which is that it is considered unlawful to allow the intended revocation of RSS to be treated as a material consideration in plan making.
4. The approach to site allocation has been informed by the Core Strategy position on the housing requirement, and the LDF Site Allocations & Development Management DPD must be in conformity with the Core Strategy. Attention will be drawn to the inspector's position in the preferred option version of the DPD and the views of consultees sought during the consultation.
5. Table 1 below shows the housing position based on policy 4 of the Core Strategy, and RSS. Using the RSS figures has the effect of cancelling the 20% reduction proposed for 2010-2012, a difference of 166 units (i.e. $417 - 334 = 83 \times 2 \text{ years} = 166$). The proposed allocations would result in a surplus of 169 units against the core strategy, and +3 units against the RSS figures.

TABLE 1	Core Strategy (417 pa, less reduction of 20% for 2 years 2010-2012)	RSS (417 pa)
Requirement 2003-2026	9,425	9,591
Net completions 2003-2011	3,284	3,284
Residual Requirement	6,141	6,307
Commitments & Proposed Allocations	6,310	6,310
Surplus/ Deficit	+ 169	+ 3

6. It remains factually the case that RSS was prepared prior to the economic downturn, and that it was based on an optimistic assumptions about future economic growth. National Government remains committed to the delivery of the Localism Bill, and the intention to revoke RSS remains a material consideration in the determination of planning applications. This administration still aspires to lower housing targets, and the work to inform this is being commissioned. It is considered that an early review of the core strategy's housing targets (whatever they may be as a result of the inspector's position) can be progressed.
7. In the light of :
 - a) the risks and issues identified in the main report;
 - b) the fact that the proposed allocations are sufficient to meet the proposed RSS target albeit with a small surplus;
 - c) the fact that the formal views of the three Councils are not yet known on the matter of the inspector's position on the Core Strategy; and
 - d) that the preferred option consultation process will allow for the views of interested parties on this matter to be sought;

it is considered appropriate to progress with the proposed allocations.