



Report of	Meeting	Date
Director of Development, Preston City Council	Central Lancashire Strategic Planning Joint Advisory Committee	27 June 2016

## **FULL OBJECTIVELY ASSESSED HOUSING NEED AND STRATEGIC HOUSING MARKET ASSESSMENT**

### **PURPOSE OF REPORT**

1. To advise members of the Joint Advisory Committee of the appointment of consultants to carry out a Full Objectively Assessed Housing Need and Strategic Housing Market Assessment of Central Lancashire.

### **RECOMMENDATION(S)**

2. The Joint Advisory Committee is recommended to note the contents of this report.

### **EXECUTIVE SUMMARY OF REPORT**

3. This report sets out details of work to update the full, objectively assessed housing needs in the development plan.

### **REASONS FOR RECOMMENDATION(S)**

4. To advise member of the Joint Advisory Committee on the work to the evidence base.

### **ALTERNATIVE OPTIONS CONSIDERED AND REJECTED**

5. N/A

### **BACKGROUND**

6. The Planning and Compulsory Purchase Act 2004, S13, places a duty on local planning authorities to keep under review the matters which may be expected to affect the development of their area or the planning of its development, including:
  - (a) the principal physical, economic, social and environmental characteristics of the area of the authority;

- (b) the principal purposes for which land is used in the area;
- (c) the size, composition and distribution of the population of the area;
- (d) the communications, transport system and traffic of the area;
- (e) any other considerations which may be expected to affect those matters;
- (f) such other matters as may be prescribed or as the Secretary of State (in a particular case) may direct.

The duty extends to any changes that the authority think may occur to any matter and the effect of those changes. National Planning Policy in paragraph 158 of the National Planning Policy Framework requires local planning authorities to ensure that their local plans are based on adequate, up to date and relevant evidence. In particular, paragraph 159 indicates that they should have a clear understanding of the housing needs in their area. Planning Practice Guidance advice is that appropriate and proportionate evidence is essential for producing a sound Local Plan. The advice is also that the evidence should be kept up to date and where dated should be brought up to date to reflect current data. Government advice in the Planning Practice Guidance is that most local plans are likely to need updating in whole or in part at least every five years.

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.
8. The housing requirement figures in the plan, set out in Policy 4 of the Core Strategy, derive from the now revoked Regional Spatial Strategy figures, which in turn are based upon population and household projection figures dating from 2003. This is becoming an issue in determining planning applications and, particularly, in defending appeals where applicants/appellants are arguing that these figures, even in a recently adopted plan, do not constitute the full, objectively assessed need for market and affordable housing in each of the three Council areas. The further argument is that this is in breach of the requirement of paragraph 47 of the NPPF, which is that local planning authorities use their evidence base to ensure that the Local Plan meets the full objectively assessed need. In such circumstances elsewhere planning inspectors have weighed in favour of the appellant. In addition the High Court has supported the view that the starting point in determining housing requirements is the full, objectively assessed need.
9. In particular, in what is now regarded as a definitive judgment, the Court of Appeal ruled in *St Albans City Council v Hunston Properties* (Sir David Keene) that:

*“I see the force of these arguments, but I am not persuaded that the inspector was entitled to use a housing requirement figure derived from a revoked plan, even as a proxy for what the local plan process may produce eventually. The words in paragraph 47(1), “as far as is consistent with the policies set out in this Framework” remind one that the Framework is to be read as a whole, but their specific role in that sub-paragraph seems to me to be related to the approach to be adopted in producing the Local Plan. If one looks at what is said in that sub-paragraph, it is advising local planning authorities:*

*“to ensure that their Local Plan meets the full, objectively assessed needs for market and affordable housing in the housing market area, as far as is consistent with the policies set out in this Framework.”*

*That qualification contained in the last clause quoted is not qualifying housing needs. It is qualifying the extent to which the Local Plan should go to meet those needs. The needs assessment, objectively arrived at, is not affected in advance of the production of the Local Plan, which will then set the requirement figure.*

*Moreover, I accept Mr Stinchcombe QC's submissions for Hunston that it is not for an inspector on a Section 78 appeal to seek to carry out some sort of local plan process as part of determining the appeal, so as to arrive at a constrained housing requirement figure. An inspector in that situation is not in a position to carry out such an exercise in a proper fashion, since it is impossible for any rounded assessment similar to the local plan process to be done. That process is an elaborate one involving many parties who are not present at or involved in the Section 78 appeal. I appreciate that the inspector here was indeed using the figure from the revoked East of England Plan merely as a proxy, but the government has expressly moved away from a "top-down" approach of the kind which led to the figure of 360 housing units required per annum. I have some sympathy for the inspector, who was seeking to interpret policies which were at best ambiguous when dealing with the situation which existed here, but it seems to me to have been mistaken to use a figure for housing requirements below the full objectively assessed needs figure until such time as the Local Plan process came up with a constrained figure."*

10. In the two public inquiries involving housing land issues held in Preston since the adoption of the Site Allocations Plan (Ingol Golf Course and Gladman, Grimsargh both in January 2016), the Council has faced arguments that the Core Strategy housing requirement figure is out of date and does not represent the full objectively assessed need. The counter argument has been that both parts of the development plan, the Core Strategy and Site Allocations Plan, are National Planning Policy Framework compliant but it will become increasingly difficult to sustain that argument as time passes, and particularly as the fifth anniversary of adoption of the Core Strategy approaches in 2017, which is a critical date in government guidance.
11. It is, therefore, timely to look at the housing requirement figures. GL Hearn, who are one of a number of consultants with expertise in this area and are on the HCA's technical panel, have been appointed through the North West Procurement Portal to carry out the work. They have recent relevant experience of similar work in the North West, having carried out the Mid-Mersey study covering St Helens, Warrington and Halton during 2015.
12. The FOAN/SHMA work will be carried out during 2016 and it is currently expected that the work will be completed by the end of September.

## **CONCLUSIONS**

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.

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