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Dear Sir / Madam,

Lancaster Local Plan (Part 1): Strategic Policies and Allocations

1. Thank you for consulting the Home Builders Federation (HBF) on the Local Plan (Part 1). We have also made comments upon the review of the Development Management DPD Local Plan (Part 2).
2. The HBF is the principal representative body of the house building industry in England and Wales and our representations reflect the views of our membership of multinational PLCs, through regional developers to small, local builders. Our members account for over 80% of all new housing built in England and Wales in any one year including a large proportion of the new affordable housing stock.
3. The Council will be aware that the HBF made comments, dated 30th November 2015, to the Lancaster Local Plan: People, Homes & Jobs consultation. Some of our earlier comments remain valid to this consultation. We wish to make the following comments upon this draft document.

Duty to Co-operate

4. The HBF welcomes the references to the Duty to Co-operate in paragraphs 1.9 and 1.10 of the consultation document. There is, however, currently a lack of detail regarding the actions the Council has taken to meet its obligations under the duty. It is important that the Council addresses this, ideally through the production of a statement of co-operation, prior to the next stage of consultation upon the plan.
5. The primary concerns of the HBF are those associated with housing need and delivery. It is noted from the 2015 *Strategic Housing Market Assessment* (SHMA) that Lancaster can be considered a self-contained housing market area (HMA) and is currently seeking to meet its own needs within its boundaries. It is, however, noted that this may change as the plan evolves (we provide further comment upon this in

response to Policy SP7 below). It remains unclear if the Council will, or indeed has, been requested to assist any neighbouring authorities.

Plan period

6. The plan covers the period 2011 to 2031. This will not ensure a 15 year time horizon post adoption as preferred by the NPPF, paragraph 157. Whilst it is recognised this will have implications for the evidence base and plan policies the HBF recommends that the Council considers extending the end date to take account of this preference.

Spatial Vision

7. The HBF does not object to the proposed vision, which replicates the vision within the Council's Corporate Plan. However, it does not easily translate into a development plan document. The growth ambitions, particularly in terms of the economy and housing, should be given greater emphasis. Lancaster also has a wider regional role which should be recognised, this is not clearly articulated within the proposed vision.

Strategic Objectives

8. The strategic objectives are generally considered appropriate. We particularly welcome strategic objectives;
 - SO1 - Delivery of a thriving local economy which fosters investment and growth and supports the opportunities to deliver the economic potential of the district; and
 - SO2 - Provision of a sufficient supply, quality and mix of housing to meet the changing needs of the population and support growth and investment;
9. The reference within SO2 to not only meeting the changing needs of the population but also support growth is particularly important. The need to align housing delivery with economic growth is emphasised within the National Planning Policy Framework (NPPF) and accompanying National Planning Practice Guidance (PPG).

Policy SP7: The Delivery of New Homes

10. The policy identifies a housing requirement of 13,500 dwellings over the plan period or an average of 675 dwellings per annum (dpa). This figure is also identified by the Council as the objectively assessed housing needs (OAHN) for the area. To ensure that the housing requirement / OAHN is positively prepared and to provide clarity it is recommended that it is expressed as a net minimum requirement.

11. The Council will be aware that the HBF previously made comments upon the proposed housing requirement¹. Neither the evidence base, nor the housing requirement, have been updated since these comments and as such they are still considered valid. To aid brevity they are not repeated here. In summary we considered that the housing requirement had failed to be adequately integrated with the economic strategy for the area, as required by NPPF (paragraph 158). Based upon the Council's evidence this would create a housing requirement of around 800dpa over the plan period. It is therefore disappointing to note that the housing requirement has not been reconsidered.
12. The Council at paragraph 9.11 of the consultation appears to suggest that the identified OAHN may be reduced due to delivery constraints. If this can be justified by robust evidence the Council will need to work with neighbouring authorities to demonstrate how the unmet needs will be accommodated through the Duty to Co-operate.
13. It is also worth noting that since the publication of the 2015 SHMA the 2014 based sub-national population and household projections (SNPP and SNHP) have been released. These supersede the 2012 based projections upon which the 2015 SHMA and the housing requirement / OAHN is based. In conformity with the PPG (ID 2a-016) the HBF recommends that the Council updates its evidence base to take account of the 2014 projections.
14. The 2014 SNHP identify a higher 'starting point' for the objectively assessed housing needs of Lancaster than their 2012 counterparts. This is illustrated in the table below.

Table 1: comparison of 2012 and 2014 SNHP starting points over the plan period (2011 to 2031)

	2012 SNHP	2014 SNHP	Difference
Plan period	6,585	8,066	1,481
Annual average	329	403	74

15. The HBF considers that the change between the 2012 and 2014 SNHP constitutes a meaningful change which should be given due consideration, alongside our other previously made points, prior to the next stage of consultation upon the plan.

¹ Lancaster Local Plan: People, Homes and Jobs consultation response dated 30th November 2015.

16. The proposed housing requirement is set out in phases and confusingly extends to 2033, rather than 2031. This is contrary to the stated plan period, other policies within the plan (e.g. Policy EC2) and the Council's own evidence base (2015 SHMA), which only extends up to 2031. Whilst the HBF recommends an extension of the plan period, see paragraph 6 above, this must be accompanied by appropriate evidence.
17. Paragraph 9.17 suggests that the additional two years, extending the plan period from 2031 to 2033, is required due to anticipated delivery rates from the allocations. This is not a justified approach. The plan cannot simply put-off meeting needs for a further two years. If the plan period is to be extended to 2033 the housing needs from 2031 to 2033 must also be considered. The Council should be more positive and seek additional opportunities to meet the OAHN within the plan period. If, after all other sources of supply have been considered, this cannot be achieved the Council will need to consider assistance from neighbouring authorities under the Duty to Co-operate.
18. The housing requirement / OAHN is proposed to be phased. The HBF does not support such an approach to housing delivery without adequate and justifiable evidence. A positive plan would seek to meet the needs now, not doing so will mean that current needs are not met for a number of years, if at all. This will have both social and economic consequences. Whilst the discussion in the consultation document is noted this is, at least in part, due to the Council's proposed strategy and the lack of viable allocations which can deliver early in the plan period. This can be rectified by providing additional allocations. Furthermore the Council's evidence base on need, set out within the 2015 SHMA, does not justify the approach being taken.
19. The issue of the phased approach to meeting needs is further compounded by the lack of an identified requirement for the start of the plan period 2011 and 2015. Once again this does not align with the evidence base of need (2015 SHMA, paragraph 7.51) which identifies the proposed OAHN range (650 to 700dpa) as being appropriate for the whole plan period (2011 to 2031).
20. Based upon the cumulative figures identified in the three phases in Policy SP7 (12,100 dwellings), albeit extending unjustifiably to 2033, this identifies a remaining requirement of 1,400 dwellings over the period 2011 to 2015. It is noted that this

closely correlates to actual completions over this period. It is not justified to base need, even past need, upon delivery. This would not only be contrary to the Council's own evidence but also the PPG and the NPPF and would have unjustified implications for identification an appropriate five year housing land supply calculation.

21. Indeed, as illustrated below, the suggested phasing would not meet the 2014 SNHP 'starting point' for the first 10 years of the plan. This not considered to be a sound approach to plan making. It is therefore recommended that the Council reconsiders its approach to phasing the housing requirement. Unless adequate justification can be provided the HBF recommends an average delivery rate over the plan period.

Table 2: Comparison of 2014 SNHP starting point and proposed phased requirement

Period	Cumulative requirement	phased 2014 SNHP starting point ²
2011 to 2015	1,400	1,917
2015 to 2021	3,000	2,614
2011 to 2021	4,400	4,531

22. The policy also identifies a 'future' supply of 11,960 dwellings. The HBF does not wish to comment upon the acceptability or otherwise of the proposed allocations, other than to state concern that they only account for 46% of the OAHN / housing requirement over the plan period.

23. The final paragraph of the policy suggests that with the inclusion of completions 2011 to 2014 the OAHN will be exceeded. The HBF is unclear how this conclusion has been reached. Table 2 of the consultation document suggests between 2011 and 2014 just 486 dwellings were delivered, this combined with the sources of future supply suggests delivery of 12,446 dwellings. Even if completions until 2016 are included (1,447 dwellings) this only provides a supply of 13,407 dwellings, 93 short of the identified requirement over the plan period (13,500). It is also noted that the figure for 2015-16 in table 2 of the consultation document does not concur with the figure set out within the 2016 *Housing Land Monitoring Report* (tables 1 & 2).

² Inclusive of 2015 SHMA vacancy rate of 4.8% (paragraph 2.48) to convert from households to dwellings.

24. The sources of supply are also reliant upon a significant contribution from sites either with permission or identified through the SHLAA as being implementable. It is unclear whether any discount has been applied to these sources to account for potential none implementation. This should be clarified and the Council's approach justified.
25. The supply also includes an allowance for windfalls of 1,200 units over the plan period. Whilst the NPPF, paragraph 48, does permit making an allowance for windfalls this must be based upon compelling evidence that such sites have come forward and will continue to do so in the future. The HBF is currently unaware of such evidence. Indeed to the contrary the Council's 2015 *Housing Land Supply Statement* suggests that a windfall allowance cannot be justified (paragraph 3.15).
26. Given the above comments the HBF remains unconvinced that the Council has identified a sufficient supply to meet its OAHN never mind exceeding it, as suggested in the draft policy. The HBF therefore recommends that the Council considers providing further allocations to ensure that a reasonable buffer above the OAHN is provided. A buffer of around 20%, as recommended by the Local Plan Expert Group³ may be appropriate.
27. In terms of providing this additionality to the supply the Council should also reflect upon the proposed changes to the NPPF identified within the Housing White Paper which suggests that at least 10% of the housing sites within the plan should be small sites (paragraph 1.33).

Information

28. The HBF is keen to remain involved in the Lancaster Local Plan process and as such wish be kept informed of the next stage of consultation upon this document and other documents. I am happy to discuss further any of the comments made within this representation.

Yours sincerely,

MJ Good

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³ Local Plan Expert Group (2016): Report to the Communities Secretary and to the Minister of Housing and Planning