

Supplementary Information on the Consultation Outcome for the Memorandum of Understanding on Housing Provision and Distribution

Background

- 1.1 The consultation on the proposed housing distribution took place between 1st November 2019 and 15th November 2019, for a period of 2 weeks. The consultation was sent to the following:
- Developers and agents (as registered on the Developer Forum mailing list¹)
 - All Parish Councils within Preston, South Ribble and Chorley
 - All Elected Members within Preston, South Ribble and Chorley
 - All County Councillors representing Preston, South Ribble and Chorley
- 1.2 The consultation was also publicised on the Central Lancashire Planning Policy Team website and on the websites of the 3 Central Lancashire authorities.
- 1.3 A detailed responses report with Officer comments is currently being prepared and will be part of the delegated decision considerations which are being sought from this Council report.

Consultation responses

- 1.4 A total of **27** responses were received to this consultation. 3 of the responses agreed with the proposal, **9** of the responses gave no clear view either way and the **15** remainder objected to the proposal.
- 1.5 A summary of the **key issues** raised as a result of the consultation is set out below:
- The proposal / methodology for the distribution of housing is unlawful;
 - The consultation is inadequate and flawed – the consultation was too short to be meaningful; not all key stakeholders were consulted; and the decision to adopt the housing distribution was made by cabinets before the consultation period had expired;
 - The MOU is pre-determining the Local plan process as it is being decided before the consultation ends (i.e. South Ribble Cabinet) and before the Issues and Options consultation has ended. Further, the Icen Report has not been subject to a period of consultation;

¹ Refer to Appendix 1 for a full list of all organisations consulted.

- The standard methodology is the default approach for calculating housing need unless there are exceptional circumstances which could justify an alternative approach which also reflects current and future demographic trends and market signals;
- The standard method identifies a minimum annual housing need figure, it does not produce a housing requirement. Each of the authorities should meet its standard method figure as a minimum, with any additional growth then subject to an alternative spatial distribution if justified and robustly evidenced by the strategic plan making authority.
- The method of distribution is materially different from the extant Core Strategy and Local Plans and the standard method, and no exceptional circumstances are robustly evidenced.
- There is no justification for using a shared figure for the 3 areas which has been calculated by using the standard method for each area and adding it together/sharing it across the 3 area. There is no provision in the Framework or Guidance for measuring five year housing land supply, or the Housing Delivery Test, against a figure which is neither the adopted housing requirement nor the local housing need figure;
- The evidence base is insufficient and is not robust enough to justify the approach being taken; the Iceni report is only a draft and is still being consulted on (Issues and Options); and further work / evidence and viability testing is required before an informed decision about the amount, distribution, type and tenure of housing required can be made;
- The Housing Study prepared by Iceni is not fit for purpose and should not be relied upon to set the overall housing requirement;
- The standard method is only a minimum figure, and Central Lancashire housing need is higher than the overall figure being proposed using the methodology referred to above, especially given the growth strategies and other strategic infrastructure improvements in the area (such as City Deal) and is not compatible with planned economic growth;
- The PPG is clear that any alternative approach which results in a lower housing need figure for a local authority than the standard method should be considered unsound as it does not meet the minimum housing need required (e.g. Chorley);
- The local housing need figure shows a reduction from the Core Strategy requirements of 1,341 to 1,026 (a 24% reduction). This is not contributing the

Government's aim of 'boosting the supply of housing', in fact it is planning for significantly less housing and contrary to the Government's ambitions.

- Since 2010, the Central Lancashire authorities have under-delivered; so the Councils should be looking to achieve a higher housing requirement above the Core Strategy figures to take any shortfall into account.
- The Central Lancashire Authorities should be looking to increase the housing requirement in South Ribble and Preston, and as a result the housing market area as a whole, above the outcome of the standard method, rather than directing housing away from Chorley, which does not meet its own objectively assessed need by a significant margin (the housing needs of Chorley in particular are much higher than the distribution proposes);
- The distribution does not reflect how the Central Lancashire housing market operates, in terms of house price and migration data, and affordability ratios. The market and affordable housing needs in Chorley, including the needs of specific groups with specific housing requirements, are not be addressed. Further, Chorley's affordable housing need should be met in Chorley and redistributing the housing requirement to Preston and South Ribble will not address Chorley's housing need;
- Housing need should not assess land availability, which is a separate process. A distribution based largely on the availability of housing land does not accurately and robustly reflect the need for housing across the three areas for the future.
- The recent SHMA was only published two years ago and the housing needs in the area are significantly greater than the outcome of the standard method;
- The 2017 SHMA is now out of date;
- The Icen report is silent on whether there is any un-met need for other authorities, as set out in a Statement of common ground, that could be accommodated in Central Lancashire (for example, from Wyre, or Lancaster);
- The distribution of the housing requirement will not deliver sufficient affordable housing to meet the population's needs. It also fails to take account of and address relative affordability;
- The methodology in the Report fails to award substantial weight to the importance of historic housing completions / delivery;

- It is not appropriate for the urban capacity to be calculated without considering significant constraints such as Flood Zone 3. The Report produces an inaccurate picture of the deliverable urban capacity, which therefore cannot be relied upon as a basis for the distribution of the housing requirement. Further, other sources of supply, such as greenfield and Green Belt sites have not been considered. It is unrealistic to assume that all sites located on previously developed land will come forward for development;
- It is only once the full local housing need has been established that policy constraints such as Green Belt should be applied to assess the capacity of each of the three boroughs;
- The soundness of the new Local Plan will be brought into question. The MOU is trying to introduce policy by the back door – housing need and distribution should be established through the plan-making process and set out in development plan policies, not in an MOU. Further, this should be tested through examination, and be subject to sustainability appraisal;
- MoU is an approach no longer favoured in national guidance in NPPG. Rather a Statement of Common Ground containing substantive elements is advised.