



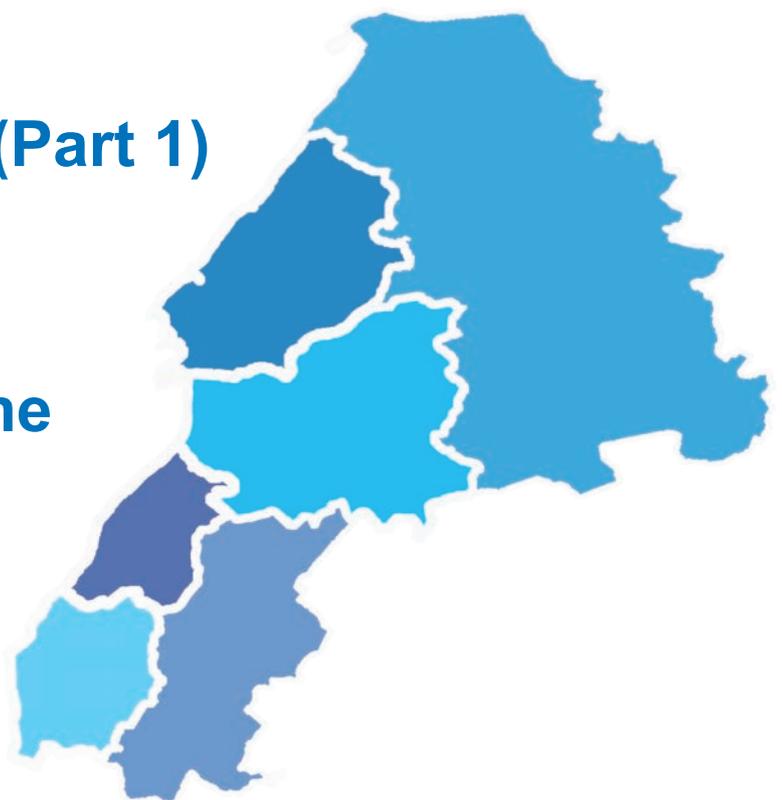
Allerdale Borough Council



Allerdale Local Plan (Part 1)

Response to the Home Builders Federation

January 2014



Response to the Home Builders Federation January 2014

Introduction

1. This further Statement has been produced by Allerdale Borough Council to outline its response to the Hearing Statement **[HS3]** submitted by the Home Builders Federation (HBF). This statement provides further clarification on specific points made in **[HS3]**; however, these should be read in conjunction with the Positions Statements produced by the Council, in addition to the Topic Papers and extensive evidence base. Where this response to **HS3** is silent, the Council's position on the Initial Matters **[ED3]** is detailed in the Position Statements available on the examination webpage.

Matter 1 – Duty to Cooperate

Position of the Council regarding Matter 1

2. The Council considers that it has fully met the Duty to Co-operate. Position Statement 1 **[PS1]** together with the Statement of Compliance **[CD10 and 10a]** sets out how the Council has met the Duty to Co-operate. It clearly establishes the cross boundary issues, where they exist, and what the policy outcomes are.

Response to the HBF on Matter 1

3. In light of the Hearing Statement **[HS3]** submitted by the HBF the Council considers that it needs to clarify three key points with regard to Matter 1.
4. Cumbria wide cooperation on housing issues has led to a common methodology and approach to the development of population projections and other evidence based studies. These projections are consistently used as a starting point by local planning authorities across Cumbria to inform the SHMA, which provide an

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important source of evidence for the establishment of local housing policies. The Statement of Compliance **[CD10 and 10a]** details the actions and outcomes that clearly demonstrate that the Council has met the Duty to Co-operate, including those related to housing. Appendix 1 of **CD10** provides an overview of the key topics, issues, partners and actions. The Council would like to clarify that the table should be read as a whole; under the housing topic the key outcome highlighted is a county wide approach and methodology to the housing evidence base, and not the adoption of a shared method for establishing housing requirements.

5. Furthermore, the Council would like to emphasise that there is countywide consensus on the Housing Market Areas that have been used as the basis for carrying out SHMA **[CD10a]**. The Council's Position Statement on Matter 1 **[PS1]** provides further detail, however, it is worth highlighting that Housing Market Areas that cover the Allerdale Local Plan Area largely conform to the local plan boundary. Thus, following the National Planning Policy Framework (NPPF) the Council has developed a clear understanding and assessment of housing need in the Plan Area, and developed a sound approach to ensure that the Local Plan meets the full, objectively assessed needs of Allerdale Plan Area. Given the Cumbria agreement on HMAs this also follows in each of the other Planning Authorities in Cumbria. Furthermore, each Authority has clearly stated that it intends to fulfil its housing need within its own plan area **[CD10 and CD10a]**.
6. The Copeland Borough Council formally adopted the Core Strategy and Development Management Policies on 5 December 2013. The Plan sets a baseline requirement of 230 dwellings per year derived from projected household growth. An aspirational figure of 300 dwellings per year is also allowed for, to cater for the 'nuclear investment' scenario.

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7. The Council is confident that the evidence base and resultant policy are robust and result in a sound approach.

Matter 3 – The Scale of the Housing Requirement

Position of the Council regarding Matter 3

8. The Council considers that the Allerdale Local Plan (Part 1) provides a sound strategy to provide the scale of new homes to meet the housing requirement within the Allerdale Local Plan Area. The approach is based on up to date and robust evidence, that objectively assesses the level of housing need and is effective on the basis that the Council is confident that the approach is deliverable. The work undertaken to calculate the housing requirement follows national policy and reflects local circumstance and consultation.

Response to the HBF on Matter 3

9. The Council has produced a short update **[TP4a]** to the Housing Requirement Topic Paper to provide clarity on the Allerdale Housing Market Areas (HMAs), the decision-making process and data used. This paper was published and submitted to the planning inspector along with the Local Plan (Part 1) to provide clear demonstration that the 'Local Plan meets the full, objectively assessed needs' of the Allerdale HMAs.
10. National policy states that household projections published by the Department for Communities and Local Government should provide the starting point estimate of overall housing need. Allerdale's Housing Topic Papers **[TP4 and TP4a]** confirm that the housing requirement has been informed by the Projections Paper - Projecting Employment and Housing Change **[EB1]**. The projections were

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developed by Cumbria County Council, Experian and GVA using the 'POPGROUP' model. POPGROUP projections were undertaken using DCLG assumptions around current and projected headship rates that underpin the DCLG 2008 based Sub-National Household Projections, combined with up-to-date and localised inputs.

11. **TP4a** provides a discussion of the recent 2011 Interim Household Projections for context and comparison. The Council is aware of the PAS paper¹ highlighted in the HBF Statement (Matter 3, Paragraph 3); however, the 2011 interim household projections have not been used as a basis for policy formation.
12. Following the NPPF Allerdale Borough Council has produced a SHMA **[ED2a-e]** to provide a full assessment of housing needs. The SHMA and other evidence documents have been central to the formation of the Plan Policies including establishing the housing requirement. While there is a role for primary survey based data comparisons, as national policy suggests household projections published by the Department for Communities and Local Government provide the starting point estimate of overall housing need.
13. The Council stands by conclusions stated in paragraph 12 of **TP4a** that it is important that the plan is deliverable and realistic. In reaching a conclusion regarding the housing target, Allerdale has considered the understandable aspirations for a growth-oriented figure, in the context of the West Cumbria housing market, economy and the available evidence. The Council believes that representations advocating figures of up to 800 per annum, do not appear to be based on evidence that the housing market, developers or economy could actually achieve it.

¹ Alan Holmans (2013) 'New estimates of housing demand and need in England, 2011 to 2031' Planning Advisory Service

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14. The past delivery of housing provides important context for the local market and capacity of the industry, however, it has not be used to as a basis for assessing future need. It is recognised that recent years completion rates must be viewed in the economic context, however, the analysis covers the period starting from 2003 prior to the recession and with the benefit of a recently adopted Local Plan (1999). Furthermore, the Council does not accept that it has applied restrictive planning policy; indeed, the Council has been proactive in working with developers to grant permissions for green field sites out with settlement limits. Indeed, the Council has granted planning permission for over 1,000 dwellings on such sites since 2012, representing approximately 53% of the 5 year land supply.
15. In conclusion the Council considers that the Allerdale Local Plan (Part 1) provides a sound strategy to provide the scale of new homes to meet the housing requirement within the Allerdale Local Plan Area. Furthermore, the Council does not believe that any of the figures for a housing requirement suggested by HBF represents a sound, evidence based alternative.

Matter 4 - Cross Boundary Issues in Housing Provision

Position of the Council regarding Matter 4

16. The Council considers that the Allerdale Local Plan (Part 1) has a clear and robust strategy for addressing potential cross boundary issues in housing provision. All districts have agreed a set of HMAs that do not have cross boundary implications, and each is confident that the objectively assessed need will be met with the Plan Areas. Therefore, the approach is considered to be sound.

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17. The Council's position and that of its neighbouring authorities is clear. Each Authority intends to fulfil its housing need within its own plan area. This is demonstrated in the Statement of Compliance **CD10** and **CD10a**. There is no evidence to suggest that in terms of potential land supply or infrastructure capacity this is an unrealistic assumption.
18. Furthermore, the update of the Duty to Cooperate Compliance Statement [**CD10a**] demonstrates that there is a countywide consensus on the Housing Market Areas that have been used as the basis for carrying out SHMA.
19. Given the points raised above, and the approach and stage of each of the neighbouring District's Local Plan is it unclear where the '*regional under delivery*' (Matter 4, Paragraph 5) arises from.
20. The HBF suggests that there are contradictions in concluding in the Housing Topic Paper [**TP4**] that '*there are no strategic cross boundary issues in relation to housing delivery*' (Matter 4 Paragraph 2). The Council maintains that although there is potential for cross boundary housing issues identified in **CD10a**, work carried out, including discussions with neighbouring authorities demonstrates that there are no (outstanding) strategic issues in relation to housing delivery that the plan needs to address. There is Cumbria wide agreement on this matter.

Matter 5 – The delegation of location decisions to subsequent documents

Position of the Council regarding Matter 5

21. The Council considers that the Allerdale Local Plan (Part 1) is consistent with national policy and regulatory requirements, is deliverable and provides a robust strategic framework for future development decisions. The absence of site specific

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allocations neither renders it unsound nor will it hold back housing and employment growth.

Response to the HBF on Matter 5

22. The HBF is concerned that carrying out settlement boundary in the Local Plan (Part 2) Site Allocations will constrain delivery of housing in the short term. The Council strongly disagrees with this assertion for the reasons outlined in Position Statement 5 [PS5], not least given that the Council has a recent history of proactive planning and has granted a number of permissions for green field sites out with settlement limits. Indeed, the Council has granted planning permission for over 1,000 dwellings on such sites since 2012, representing approximately 53% of the 5 year land supply.

Matter 6 - Viability of housing provision in low-market areas

Position of the Council regarding Matter 6

23. The evidence demonstrates that viability in Allerdale can be challenging, especially against a backdrop of a severe economic recession. However, careful consideration of available information shows that the Local Plan Strategy is deliverable and policies will not constrain development, given; continued evidence of housing delivery, the proportion of deliverable and greenfield land in the SHLAA, flexible policy approach, together with prospects of economic/housing growth over the Plan Period.

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24. The Council is confident that the Plan Strategy and Policies are deliverable and have the flexibility to deliver sustainable development even in low market areas. The Cumulative Viability Assessment Topic Paper **[TP2]** concluded that when the cumulative impact of Local Plan policies was tested, the model yielded approximately 5.3 years supply under 'moderate' conditions, and over 8 years supply under 'good' conditions. This must be viewed in context of the whole evidence base in addition to the strategic nature of the viability modeling and the local evidence presented in **TP2a**. Together with the Viability Topic Paper, Position Statement 6 **[PS6]** provides a clear explanation and justification of the viability of housing provision in low market areas.

25. Furthermore, the Strategic Housing Land Availability Assessment **[EB4]** contains largely greenfield housing supply (80%), and provides a broad indication of future direction. It is worth re-emphasising that the economic viability of sites according to strategic plan-level assessments differs significantly from the results of site-specific assessments due to the broad assumptions made on the variables included within the model. The Cumulative Viability Assessment Topic Paper Update **[TP2a]** highlights the contrast between the scenario posited by the strategic viability assessment and actual residential development activity.

26. The Cumulative Viability Assessment Topic Paper Update **[TP2a]** illustrates that recent transactions, approvals and development activity have been concentrated primarily in low market areas. Contrary to the results suggested in the strategic viability modelling, these sites have consistently been able to provide affordable housing and other S106 developer contributions.

27. Lastly, in relation to Matter 6 the Council acknowledges that given past delivery the five-year land supply will be supplemented with a buffer of 20% **[CD1 paragraph 78]**. Following the NPPF this will be maintained through managing and phasing of

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housing supply as a whole (moving supply forward from later in the Plan Period) to provide a realistic prospect of achieving planned supply and to ensure choice and competition in the market. This will ensure delivery of the quantity of housing required over the Plan Period.