



HEARING STATEMENT – MATTER 19 HOUSING SUPPLY AND DELIVERY

ROSSENDALE LOCAL PLAN EXAMINATION

TAYLOR WIMPEY (UK) LTD

Date: August 2019

Pegasus Reference: (KW/GL/MAN.0299/R015v1)

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1. INTRODUCTION

1.1 Pegasus Group have been instructed on behalf of their client, Taylor Wimpey (UK) Ltd, to prepare Hearing Statements to the Rossendale Local Plan Examination (EiP) in support of their land interests in the Borough. This relates to the following sites, which are both allocated in the submitted plan:

- Land west of Market Street, Edenfield (within Housing Allocation H72); and
- Grane Village, Helmsore (within Housing Allocation H74).

1.2 This Statement deals with Matter 19 'Housing Supply and Delivery' which addresses the following issue:

Issue - Does the Plan identify sufficient land to enable the housing requirement of 3,180 dwellings to be delivered over the Plan period?

2. MATTER 19: QUESTION A – EXISTING SUPPLY

[Policy SD7]

a) Is the Council’s approach to estimating supply from existing commitments justified and robust? In particular:

i) Is the non-application of a lapse rate justified?

2.1 The Council have provided evidence on lapse rates at page 21 of their ‘Response to Question 13 of Pre-Hearing Note 1’ (**EL1.002j.i**), based on an analysis of sites with unimplemented permissions over the last 7 years.

2.2 This indicated an average lapse rate of 5.3% over the 7 year period, however it is noted that this does not account for lapsed consents that have gained new permissions, and that the data has been skewed by under delivery on one large site during 2013/2014, and as such they do not include a lapse rate on this basis.

2.3 We would suggest that some form of lapse rate is still applied, as an element of under-delivery is inevitable, particularly with the increased number of sites proposed in the plan, there are also more large sites which have the potential to skew the data if they underdeliver as noted above.

2.4 In light of the Council’s evidence we would suggest that 5% should be sufficient to allow some flexibility for changing circumstances as the plan progresses.

ii) Are the estimated lead-in times and build-out rates for each committed site, as shown in the housing trajectory, justified and soundly based? Where relevant, are the rates supported by clear evidence that sites are deliverable in line with the National Planning Policy Framework definition?

2.5 The Council have provided more detail and justification on their housing trajectory (and approach to lead in times and build out rates) in their ‘Response to Question 13 of Pre-Hearing Note 1’ (**EL1.002j.i**) and its supporting Appendix B (**EL1.002j.iii**).

2.6 In respect of the two Taylor Wimpey sites we provide the following delivery updates:

Land West of Market Street, Edenfield (Allocation H72)

2.7 The central part of the allocation (with an indicative SHLAA capacity of 273 dwellings) is owned Taylor Wimpey who expect to submit a full planning application on adoption of the Local Plan (scheduled for spring 2020). This site is owned on a freehold basis which provides additional certainty of its deliverability.

2.8 We understand that the other major landowners to the north and south are also intending to progress applications promptly upon adoption of the plan as well, with further detail likely to be provided in their respective statements.

- 2.9 The remaining parcel, known as the Horse and Jockey has an extant permission (Ref: 2015/0238) and is under construction and we expect it to deliver in full within 2019/20 as suggested.
- 2.10 A start on site in 2021/22 for the remainder of the site, as suggested by the Council is considered reasonable. In terms of delivery rate the Council have assumed 30 dpa, but Taylor Wimpey predict a rate of 38 dpa on their site alone based on current TW sales rate and data, without accounting for the other 2 parcels. Whilst we cannot accurately predict delivery across the full site we would suggest a maximum average rate of 60 dpa based on multiple outlets delivering simultaneously (two outlets delivering at slightly reduced rates of 30 dpa each, or three outlets at 20 dpa each), which is eminently achievable given the nature of the site which has direct road access to all three parcels.
- 2.11 The total capacity of the site is likely to remain around 400 units. Based on the estimated capacities of each parcel, we estimate the site to be fully built out by 2029/30 instead of 2033/34 as anticipated by the Council, due to elevated delivery rates (we have assumed each will deliver 20 dpa from 2020/21, with Taylor Wimpey increasing to 38 dpa once the 2 smaller parcels are complete in 2024/25). Our suggested trajectory is set out below:

Fig 2.1 - Edenfield Trajectory

	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34
Council	10		30	30	30	30	30	30	30	30	30	30	30	30	30
Pegasus	10		60	60	60	40	38	38	38	38	18				

Grane Village (Allocation H74)

- 2.12 Taylor Wimpey are in control of the majority of this allocation (with an indicative SHLAA capacity of 160 dwellings), with a small parcel to the south west proposed for a further 14 units, albeit TW have had no engagement with this landowner.
- 2.13 Taylor Wimpey submitted a full application for 131 units in August 2019 which is due to be validated shortly, and should therefore be determined during 2019. Taylor Wimpey intend to discharge and conditions and start on site immediately upon receipt of planning permission.
- 2.14 As such, a start on site in 2020/21 as suggested by the Council is considered reasonable, although half way through the year might be more realistic. In terms of delivery rate the Council have assumed 30 dpa, but we are predicting 38 dpa, as above, based on current TW sales rate and data (with 19 in the first half year 2020/2021). The total capacity has reduced as the Taylor Wimpey site is proposed for 131 instead of 160 dwellings (due mainly to topography issues and to meet all the Council’s amenity and other policy requirements).

- 2.15 We do not know the delivery aspirations of the south western parcel, so have assumed that it will deliver in full in the year 2024/25 when the TW development is complete.
- 2.16 This elevated delivery rate and lower capacity result in the site being fully built out a year earlier than the Council anticipate (2025/26). Our suggested trajectory is set out below:

Fig 2.2 – Grane Village Trajectory

	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34
Council		30	30	30	30	30	24								
Pegasus		19	38	38	36	14									

- 2.17 Beyond that, we do not provide a critique of each committed site, but instead review the Council’s general methodology and assumptions on deliverability which have been applied to the trajectory (pages 22 and 23).
- 2.18 Firstly it is noteworthy that this document was produced in July 2019 and makes reference to the latest 2019 NPPF guidance, and the new definition of deliverability as highlighted in the question, which is positive.
- 2.19 In terms of lead in times, the Council’s analysis confirms that there is no typical lead in time due to the preponderance of smaller sites, however the lapse rate analysis has already confirmed that few sites lapse suggesting that lead-in times are generally short. They also claim that major applications are making it through the system promptly due to an effective pre-application service which is encouraging.
- 2.20 We can confirm that the projected lead-in times on the Grane Village and Edenfield sites are accurate, and these have been informed by discussions between ourselves and the Council which is also encouraging a key part of the methodology.
- 2.21 In respect of delivery rates they list a series of delivery assumptions which all seem reasonably fair cautious, such as suggestion that larger housebuilders will build out at 20 dpa on larger sites with fewer constraints. This ensures that the trajectory is not overoptimistic.
- 2.22 Overall, whilst we are not in a position to comment on the deliverability of each individual site, the Council’s overall methodology for setting lead in times and delivery rates is considered to be justified and soundly based, with sufficient flexibility to allow for some delays and under delivery on certain sites (by applying cautious rates throughout, that will likely be exceeded on several sites).

3. MATTER 19: QUESTION B – SMALL SITE ALLOWANCE

b) Is the small site allowance justified and supported by evidence?

- 3.1 Whilst the 2019 NPPF acknowledges that windfall development can be a realistic source of supply, paragraph 70 requires evidence not only of past delivery rates, but that such rates can continue going forward, taking account of expected future trends.
- 3.2 Such an allowance must also avoid any double counting of sites that already have permission or are included elsewhere in the supply.
- 3.3 In this case Rossendale have provided evidence at page 11 and 12 of their 'Response to Question 13 of Pre-Hearing Note 1' (**EL1.002j.i**). At the outset this confirms that they have only included sites of fewer than 5 dwellings to avoid double counting, as this is threshold they use for including sites within the SHLAA or allocations.
- 3.4 They also only include the allowance from year 4 forwards to take account those small sites that will be delivered in the first 3 years through extant permissions, again avoiding double counting.
- 3.1 In terms of the evidence itself, this demonstrates an average delivery of 18 units per annum on small sites since 2010/2011, however it does not confirm that this continue going forward.
- 3.2 In this instance, it is considered that a flat rate across the full plan period is optimistic as sources of windfall are finite, and as larger sites are picked up through the SHLAA and call for sites processes going forward this will reduce the availability of small sites, which by their very nature will sometimes form smaller parts of larger parcels. This is particularly relevant in Rossendale where the deliverable land supply is constrained by topography flood risk and other factors.
- 3.3 As such, we suggest the Council revisit and potential reduce this small site allowance.

4. MATTER 19: QUESTION C – HOUSING CAPACITY

c) Has the Council undertaken a comprehensive assessment of housing capacity within the built-up settlement areas, and allocated all potential sites capable of accommodating 5 or more dwellings which are suitable, available and achievable?

- 4.1 The SHLAA process has undertaken a comprehensive assessment of housing capacity within the built up settlement areas (on sites of 5 or ore dwellings), with the Sustainability Appraisal process used to filter out constraints that had not been picked up in the initial assessment.
- 4.2 Following this process, the 2017 SHLAA confirmed a capacity of just 1,243 units (made up of 665 deliverable sites and 578 on developable), within the urban area which equates to just 40% (as set out in table 2 within Annex 1 of the Housing Topic Paper (March 2019) **(EB006)**). Capacity for a further 2,532 dwellings was identified on greenfield sites adjoining the urban boundary.

Dwellings expected from SHLAA Sites with no planning permission as of March 2017	Urban Boundary	Countryside adjoining the Urban Boundary	Countryside not adjoining the Urban Boundary	Green Belt adjoining the Urban Boundary	Green Belt not adjoining the Urban Boundary	Total
Deliverable sites	665	384	68	105	44	1,266
Developable sites	578	2,148	316	1,810	304	5,156
Land supply from deliverable and developable sites without planning permission as of March 2017	1,243	2,532	384	1,915	348	6,422

- 4.3 These sites were then subject to a further detailed assessment and filtering process through the 2018 SHLAA, with the Housing and Green Belt Topic papers confirming that this left a capacity of just 603 units on brownfield land, with mixed greenfield and brownfield allocations increasing this to 1,117 units, which equates to just 35% of the 3,180 housing target.
- 4.4 This process demonstrated that there is insufficient urban capacity within the borough to meet the emerging development requirements of the Borough, which in turn contributed to the exceptional circumstances that justify Green Belt release in Rossendale, on sites such as the land West of Market Street, Edenfield.
- 4.5 Finally we would note that this information is not readily available in one source and is spread across several evidence base documents including the 2017 and 2018 SHLAAs, the Housing Topic Paper and Green Belt Topic Papers. It would be helpful if the Council could combine their housing capacity analysis into one summary document for scrutiny in the hearing sessions.

5. MATTER 19: QUESTION D – OVERALL LAPSE RATE

d) Should an overall lapse rate be applied to allocations within the supply calculations?

- 5.1 A common approach is to apply a discount to the claimed supply to allow for some under delivery which is inevitable, particularly on sites that don't have planning permission (as many of these allocations don't), and a 10% lapse rate is generally advocated by S78 Inspectors and would be appropriate here given Rossendale's physical constraints and historic under delivery.

6. MATTER 19: QUESTION E – AVAILABILITY OF ALLOCATED SITES

[Policy SD7]

e) Are all of the allocated sites confirmed as being available for development within the Plan period?

- 6.1 We would expect that all the allocated sites had been confirmed as being available for development, and can confirm that both Taylor Wimpey’s landholdings, within allocations H72 (Land West of Market Street), which TW own and a and H74 (Grane Village) are available for development, as confirmed in our response to question a part 2, and within our **Matter 14 Statement**.
- 6.2 The latest trajectory evidence within Appendix B (**EL1.002j.iii**) of the ‘Response to Question 13 of Pre-Hearing Note 1’ suggests that all sites will be delivered within the plan period; however more detailed analysis confirms that the actual planning status of the 78 allocations (74 housing and 4 mixed use), which breaks down as follows:
- Complete - 2
 - Under construction - 11
 - With planning consent - 10
 - Planning consent pending - 4
 - Developer interest/ commitment- 22
 - Council/ UU owned – 11
 - **No consent or developer attached – 18**
 - TOTAL = 78
- 6.3 As highlighted this suggests that 18 sites totalling 438 units (equating 23% of the total number of sites and 14% of the total number of units) have no active planning status or developer interest, which is slightly concerning at this stage of the process, and we would again ask the Council for clarification on the genuine availability and deliverability of these sites.

7. MATTER 19: QUESTION F – TOTAL PLANNED SUPPLY

f) Does the Plan identify a sufficient supply of homes to meet identified requirements over the Plan period?

- 7.1 The Council's 'Response to Question 13 of Pre-Hearing Note 1' (**EL1.002j.i**) confirms a total supply of **3,262** dwellings made up of 2,778 dwellings on allocated sites, 268 from other committed sites and a small sites allowance of 216.
- 7.2 When compared to the total requirement of 3,180 dwellings this leaves a headroom of just 82 units or 2.6%, which leaves very little flexibility or margin. Generally we would advocate a headroom of between 10% and 20% to allow for under delivery and to provide a choice and range of sites.
- 7.3 As such we advise that the submitted Local Plan and chosen sites must be regarded as the bare minimum for the Borough. Any proposed reduction would make the plan unsound and would actually allocate the need for more sites to be allocated. Should supply slip following adoption of the plan then the policies within it must be read in a permissive manner to allow additional windfall development to come forward in line with the NPPF 'presumption' or through a Local Plan review as appropriate.
- 7.4 In addition, we have already outlined in our **Matter 3 Statement** that there is strong evidence to support an uplift to why Rossendale should adopt a Housing Requirement which goes above and beyond the figure of 212 dwellings per annum. This would obviously require further additional sites to be allocated to meet this elevated requirement, with some headroom for flexibility.

8. MATTER 19: QUESTION G – SMALL SITES ALLOWANCE

g) Does the Plan identify sufficient land to accommodate at least 10% of the housing requirement on sites of 1 hectare or less, in line with the National Planning Policy Framework?

- 8.1 A review of the 78 allocations within the submitted plan confirms that 42 of them (54%) are on sites of 1 Ha or less with a combined capacity of 504 dwellings. This equates to 17.7% of all the dwellings allocated sites and 15.8% of the whole Local Plan requirement, which is well in excess of the 10% threshold sought in paragraph 68a of the 2019 NPPF.
- 8.2 Furthermore, it is worth noting that Rossendale do not allocate or identify sites of less than 5 dwellings, and instead make a small sites allowance for this type of development, which generates an even greater contribution from small sites.

9. MATTER 19: QUESTION H – FIVE YEAR HOUSING LAND SUPPLY

[Policy SD7]

a) Is the Council’s approach to calculating five-year housing land supply, as set out in the Council’s response to the Inspector’s Pre-Hearing Note (Question 13), robust and in line with national policy and guidance? In particular:

i) Is the application of a 20% buffer supported by the evidence?

9.2 The 2019 NPPF confirms that the 20% buffer is applicable where there has been significant under delivery of housing over the previous three years, to be measured against the Housing Delivery Test (Footnote 39).

9.3 The first round of Housing Delivery Test (HDT) results were issued in February 2019, which applies a standardised approach to housing delivery over the preceding 3-year period for all the Local Authorities across the country. The resultant percentage figure is used to confirm which buffer should be applied in the five-year supply calculation (5% if delivery is above 85% and 20% if below). In addition, if delivery has dropped below 95% the Council are required to prepare an Action Plan to assess the causes of under-delivery and identify actions to increase delivery in future years.

9.4 The HDT confirmed that Rossendale had delivered 75% of its requirement over the last 3 years, meaning that the 20% buffer is applicable, and an action plan is required to boost supply.

ii) Is there clear evidence to support the inclusion of sites which fall under category b) in the National Planning Policy Framework’s definition of deliverable? E.g. sites which have outline permission for major development, are allocated in the Plan, have a grant of permission in principle or are identified on a brownfield register.

9.5 The Council have provided some evidence to support the inclusion of sites under part b of the NPPF definition (as set out above) within Appendix B of their ‘Response to Question 13 of Pre-Hearing Note 1’ **(EL1.002j.iII)**

9.1 However, the NPPG (paragraph 68-007-20190722) is very clear on the level of evidence required to demonstrate deliverability:

- *current planning status – for example, on larger scale sites with outline or hybrid permission how much progress has been made towards approving reserved matters, or whether these link to a planning performance agreement that sets out the timescale for approval of reserved matters applications and discharge of conditions;*
- *firm progress being made towards the submission of an application – for example, a written agreement between the local planning authority and the site developer(s) which confirms the developers’ delivery intentions and anticipated start and build-out rates;*
- *firm progress with site assessment work; or*

- *clear relevant information about site viability, ownership constraints or infrastructure provision, such as successful participation in bids for large-scale infrastructure funding or other similar projects*

9.2 Whilst Appendix B provides some information within the trajectory table, it is arguable whether it is sufficient to determine that all of the sites are deliverable within the 5-year period (in line with the NPPF and NPPG requirement).

iii) Is the inclusion of a small site allowance justified?

9.3 Please see our response to question b above.