

28th October 2019

FAO: Tony Blackburn
Rossendale Local Plan Programme Officer
15 Ottawa Close
Blackburn
BB2 7EB

Sent by email

Dear Tony,

**Response to Council's Housing Land Supply Update Report - October 2019 (Ref: EL4.014)
Taylor Wimpey (in relation to Allocations H72 and H74)**

We are writing in response to the Council's 'Housing Land Supply Update Report - October 2019' on behalf of Taylor Wimpey in respect of their land interests within Allocations H72 and H74.

This document (Examination Library Reference EL4.014) was issued on October 9th, the evening before the Matter 19 'Housing Supply and Delivery' session on October 10th. As such, whilst the document was discussed orally during that session, participants were granted additional time to review and provide further written submissions as appropriate.

Accordingly, this document updates Taylor Wimpey's position in respect of delivery rates on allocations H72 and H74, with some additional comments on other sites and the general supply calculations; which supplements our previous written submissions (most notably Hearing Statement 19 and 8) and our oral submissions made at the Hearings.

General Comments

In respect of the overall supply figures presented in this document, we note that this was meant to represent the agreed position on allocated sites following the Matter 9-14 sessions, however some of these figures were challenged further by representors during the Matter 19 session, whilst the figures on committed sites were also disputed.

We were not present at all the Matter 9-14 sessions and did not get a complete note of the further changes/ concessions agreed during the Matter 19 session, and would therefore reserve the right to make further comment on this at the appropriate time. Indeed, the Council acknowledge that this is very much an interim position prepared specifically for the EIP hearing and will be updated in the annual Five Year Housing Land Supply document and AMRs.

Small Sites Allowance

In respect of the small sites allowance, we note that some representors suggested this should be increased from 18 dpa to reflect additional historic delivery evidence from development within gardens, and the fact that urban and green belt boundaries have been amended and increased potential windfall capacity.

In response to this we would reiterate our comments from our response to MIQ 19B in that paragraph 70 of the NPPF requires evidence not only of past delivery rates, but that such rates can continue going forward, taking account of expected future trends.

It is our view that a continued flat rate across the full plan period is optimistic as sources of windfall are finite, and as larger sites are allocated or picked up through the SHLAA and call for sites processes

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going forward this will reduce the availability of small sites/ garden development, 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.

It is also notable that the Green Belt and Urban boundary changes are mainly to accommodate proposed allocations or existing development (due to cartographic errors) and will not generate significant new areas of developable land.

As such, we would object to any increase in this allowance, and still consider the 18 dpa figure to be optimistic in light of our comments above.

Housing Need and Supply Calculations

We would also stress that a robust assessment of the housing supply position also requires the housing requirement figure to be confirmed. The Council conceded during the Matter 3 session that the housing requirement would need to increase from 212 dpa to meet projected economic growth in line with the evidence from the SHMA, which suggested a range of **236 – 253 dpa**.

As such we have assessed the supply against the lower and upper end of this range alongside the current standard method based figure (so 3 scenarios in total), both for the first 5 years and for the full plan period.

It is pertinent that the above need scenarios do not directly address the historic shortfall accumulated over the existing plan period since 2011 (which equates to 636 when the 1,340 completions from 2011-2019 are set against the Core Strategy requirement of 247). Whilst this is not a requirement when using the standard methodology, the suppressed household formation resulting from this under delivery will be reflected/ baked into the housing projections which inform the standard method, which is further reason to support an uplift as proposed in the SHMA, potentially to the upper end of the suggested range (i.e. 253 dpa).

In respect of the supply we have used two scenarios, the Council's figures as quoted, and also our own estimate, which applies:

- a 5% lapse rate to committed sites, as per the Council's own evidence (EL1.002j.i) and our response to MIQ 19a(i).
- a 10% lapse rate to allocated sites, as commonly accepted by S78 Inspectors when detailed site by site evidence is not provided, in line with our response to MIQ 19d.

It is worth noting that our site specific comments below do suggest the removal of one committed site totalling 187 units (Land off Manchester Road and Clod Lane, Haslingden - PP Ref: 13/02/2758) unless further delivery evidence is provided. Whilst we have not specifically discounted this in the tables below, given the blanket lapse rate that is already applied to committed sites (to avoid double counting); this will inevitably reduce the supply further (as the lapse rate only leads to a total deduction of 101) and should be taken into account when reading the total supply table (it doesn't affect five year supply as is included from year 6 onwards).

Five Year Housing Land Supply Position

The 5 year supply position is set out below (using the 20% buffer as required by the NPPF given the Housing Delivery Test score of 75%):



Fig 1 – Rossendale 5 Year Housing Land Supply (2019-2024)

	Standard Method	SHMA Minimum Econ Growth	SHMA Maximum Econ Growth
Annual Requirement	212	236	253
5 Year Requirement	1,060	1,180	1,265
5 Year Req't + 20% Buffer	1,272	1,416	1,518
Council claimed supply – commitments*	851		
Council claimed supply – allocations**	783		
Council small sites allowance	36		
Council claimed supply - total	1,670		
Pegasus supply - commitments (- 5%)	808		
Pegasus supply - allocations (- 10%)	705		
Pegasus small sites allowance	36		
Pegasus claimed supply - total	1,549		
5YHLS (Council supply)	6.56	5.90	5.50
5YHLS (Pegasus supply)	6.09	5.47	5.10

*583 commitments from allocations + 268 other planning permissions

**1366 minus 583 already with planning

This confirms that the Council has a **6.1 - 6.6 year supply** based on their current standard methodology target, but that this would reduce to between **5.1 and 5.5 years** if the SHMA requirement figures are used, and if realistic supply deductions are applied.

This suggests the Council should look at ways to accelerate delivery on existing sites and/or include additional deliverable sites, to boost 5 year supply and ensure a robust and flexible plan.

Total Plan Period Supply Position

Total supply across the plan period and 3 scenarios is set out below:

Fig 2 – Rossendale Plan Period Supply (2019-2034)

	Standard Method	SHMA Minimum Econ Growth	SHMA Maximum Econ Growth
Annual Requirement	212	236	253
Full plan period requirement	3,180	3,540	3,795
Council claimed supply – commitments*	2,012		
Council claimed supply - allocations	1,125		
Council small sites allowance	216		
Council claimed supply - total	3,353		
Pegasus supply - commitments (- 5%)	1,911		

Pegasus supply - allocations (- 10%)	1,013		
Pegasus small sites allowance	216		
Council claimed supply - total	3,140		
Full plan period supply surplus (Council)	173	-187	-442
Uplift required to provide headroom (20%)	463	895	1,201
Full plan period supply surplus (Pegasus)	-40	-400	-655
Uplift required to provide headroom (10%)	676	1,108	1,414

**includes 670 on allocations with planning permission.*

This demonstrates a far less robust supply position, with the best case scenario only providing a buffer of 173 dwellings (5%) across the plan period using the Council's supply and standard method figure.

If a more realistic approach is taken to supply and the SHMA range is used then there will be a shortfall of between 400 and 655 dwellings (which will increase if the Clod Lane site is removed).

We would generally advocate a significant buffer being added to total supply (10-20% - see our response to MIQ 19F) to provide flexibility and provide a range and choice of sites; particularly where no lapse rate has been provided to allocated/ strategic sites.

Accordingly, we have shown the number of additional dwellings that would be required to provide a 20% buffer on the Council's supply figures and a 10% buffer on our supply figures (again to avoid double counting given we are already applying a 5-10% discount rate).

Based on the housing requirement range in the SHMA this suggests the Council should be seeking additional allocations for between 900 and 1,400 dwellings to provide a robust and flexible plan with sufficient headroom to allow for changing market conditions.

Site Specific Comments

Land off Manchester Road and Clod Lane, Haslingden (Commitment- PP Ref: 13/02/2758)

This site has been included within the trajectory (Appendix 1, Table 1 'Other Committed Sites') for a total of 187 additional units, starting in year 6 (2024/25), with 44 dwellings already completed.

At the outset we would note that including 44 built units in the 2018/2019 column is misleading, as they were actually constructed in the 1970's, and this would benefit from some further annotation/ explanation if this site is to be retained.

This site has been included on the basis of it having an extant and part implemented consent from 1972, as presented in written representations to earlier stages of the Local Plan and orally at the Matter 2 session. The written representations include Counsel opinion from David Manley dated 21st March 2013 which confirms that this consent is still implementable and provides a fallback position.

However we would stress that this only applies to that permission as granted in 1972, and its associated details (including layout, housetypes etc). Whilst we have not seen the plans (as they were not included with the representations), it is our strong view that no modern developer or housebuilder would be willing or able to build out this scheme without significant (material) amendments, and this is surely reflected by the fact that it has stalled for such a long time (45+ years). As such, whilst this permission remains extant, in our view it is undeliverable.

Amending the scheme to meet modern standards would almost certainly require a new planning permission or a S73 application (as a non-material amendment would not be able to address the level of changes required). Such an application would be tested against the current policy position, and given the site is currently within the designated Green Belt (and not proposed for removal as part of the emerging Local Plan), it would have to demonstrate 'very special circumstances', which is an extremely high bar to pass, particularly for a housing development such as this.

It was also noted at the EiP that the original reason for the development stalling was due a land slippage, which then led to issues with home buyers getting insurance for their properties. The promoter of the site suggested at the EiP that these issues had been resolved and that the site was both safe to build on and insurable, however as far as we are aware no further evidence for this has been provided.

The Council acknowledged some of these deliverability issues at the Hearings, and have moved the site back to year 6 in the trajectory as a result (some 52 years after the original consent was granted). However, it is our view is that this site is not deliverable or developable currently and should be removed from the supply altogether, unless the landowner can provide evidence that the extant consent is actually buildable (including the permitted plans and confirmed developer interest); or that a varied scheme would have a reasonable prospect of gaining planning permission given it's Green Belt designation (which would also require input from the Council).

Land West of Market Street, Edenfield (Allocation H72)

Timescales and delivery rates on this allocation were discussed extensively at the Matter 14 Hearing session, with our latest position summarised below (which should be read as an update to our response in MIQ 19a (ii)).

Taylor Wimpey own the main central part of the allocation (with an indicative SHLAA capacity of 273 dwellings) on a freehold basis, and expect to submit a full planning application within 3-6 months of adoption of the Local Plan.

We understand that the other major landowners within the allocation are also intending to progress applications promptly upon adoption of the plan, with Turley confirming during the Matter 19 session that Peel are intending to bring forward the northern parcel through their new housebuilding arm Northstone (rather than taking it to market with an outline consent), which will accelerate delivery.

Anwyl Land have yet to confirm whether they will bring the site forward themselves or market it with an outline, but do not anticipate this being a complex/ time consuming process, given the strong market location, relatively modest numbers (70-90 units) and self-contained nature of the site.

The remaining Horse and Jockey parcel has an extant permission (Ref: 2015/0238) and is under construction and as should therefore be complete 2020/21 as suggested by the Council.

The Council estimate that the remainder of the site will begin delivering in 2021/22, and based on the positions of the key developers set out above, we can see no reason why this cannot be achieved. However this is clearly reliant on the Local Plan being adopted promptly, which is largely beyond our control, as is the agreement of the Masterplan and Design Code elements of the policy.

All we can do is reaffirm our commitment to working with the Council, landowners and stakeholders to meet the requirements of policy HS3, with discussions already underway, and there is no reason why these elements of the policy cannot be progressed in tandem with the Local Plan to minimise additional delays.

To take account of potential delays with the Local Plan and Masterplan/ Design Code issues we have pushed back the start on site to halfway through the 2021/22 year (so late 2021).



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.

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 2022/23, with Taylor Wimpey increasing to 38 dpa once the 2 smaller parcels are complete in 2025/26). Our suggested trajectory is set out below:

Fig 3 - 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	5	5	30	30	30	30	30	30	30	30	30	30	30	30	30
Pegasus	5	5	30	60	60	60	45	38	38	38	21				

Finally, we would stress that based on our proposed rates, even if the development of this allocation was delayed further it would still make a contribution to five year supply (as long as it begins by 2023/2024) and would still deliver in full by the end of the plan period (as long as it begins by 2024/2025), which are the most important factors to the overall function of the plan, with individual year on year delivery less consequential.

Grane Village (Allocation H74)

Taylor Wimpey are in control of the majority of this allocation and submitted a full application for 131 units in August 2019 which was validated on 24th September (Ref: 19/0335), with determination due by 21st December. Taylor Wimpey intend to discharge and conditions and start on site immediately upon receipt of planning permission.

There is a further small parcel to the south west proposed for a further 17 units according to the Council, albeit TW have had no engagement with this landowner.

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).

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.

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 4 – 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	28								
Pegasus		19	38	38	36	17									

Overall Delivery Rates

We have not reviewed delivery rates or lead-in times of the other sites in detail, as we understand they may be subject to some further tweaks following the Hearings; but assume that they follow the same basic rationale as set out in the Council’s previous evidence in their ‘Response to Question 13 of Pre-Hearing Note 1’ (EL1.002j.i) and its supporting Appendix B (EL1.002j.iii), which we commented on in our response to MIQ 19a (ii) and summarise below.

In short, lead in times are generally quite short, but reflect historic evidence and preponderance of smaller sites, whilst delivery rates are fairly cautious (as shown in our commentary on Grane Village and Edenfield).

This ensures that the trajectory is not overoptimistic, 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).

Conclusions

So overall our analysis suggests that if the Council is going to increase its housing requirement in line with the SHMA as suggested, then it may need to bring additional sites into its five year supply to ensure a robust plan on adoption. It will also need significant additional allocations across the full plan period to 2034, for between 900 and 1,400 homes, to provide a robust and flexible plan with sufficient headroom to allow for changing market conditions.

Moving on to individual sites, we have provided updated trajectory information on the Taylor Wimpey sites within Allocations H72 and H74; whilst we suggest that the committed site at Manchester Road and Clod Lane, Haslingden (Ref: 13/02/2758) should be removed entirely unless further evidence of its deliverability/ developability is provided.

I trust the above representations are clear, but should you or the Inspector require any clarification or further information please make contact on the details below.

Yours sincerely,

Graham Lamb
Director