

Rossendale Local Plan Examination

MATTERS, ISSUES AND QUESTIONS (MIQs)



Matter 19 – Housing supply and delivery

Issue – Does the Plan identify sufficient land to enable the housing requirement of 3,180 dwellings to be delivered over the Plan period? [Policy SD7]

Questions

- 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?**
 - 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?**

Lapse rates

19.1 Neither the National Planning Policy Framework nor the NPPG require the application of a lapse rate to housing sites allocated in a development plan as a matter of course. Instead the desirability of applying a lapse rate and the size of that adjustment should be based on clear evidence. Accordingly, the Council has analysed lapse rates and this information is contained in the response to question 13 [EL1.002j\(i\)](#) of the Inspector’s Preliminary Questions, which sets out the Council’s latest Housing Land Supply position.

19.2 The analysis has been derived by identifying unimplemented planning permissions which expired each year over the period 2012-2013 to 2018-2019 expressed as a percentage of the planning permissions comprised in the 5 year supply in each of those years. This information is set out in Table 1 below. This method and time period was chosen as it currently yields the most consistent historic data.

19.3 A yearly lapse rate was calculated by identifying (in each given year) the number of dwellings on sites in that year’s five year supply and then identifying if the permission had expired by the next financial year. For example, the table below shows that on the 1st April 2013, there were 334 dwellings on sites with an unimplemented planning permission within that year’s five year housing land supply. By the 1st April 2014, 17 dwellings out of the 334 still extant in the previous year were on sites where the planning permission had expired without

being renewed or implemented i.e. 5.1% of unimplemented sites from 2013/14 expired.

Table 1: Lapse rate analysis 2012/13 to 2018/19

Base date of 5YHLS	Total No. of dwellings on sites with unimplemented permission	No. of dwellings on sites in previous 5YHLS that had expired by the base date	Percentage lapse rate of all unimplemented permissioned sites from previous year
01/04/13	334	/	/
01/04/14	227	17	5.1
01/04/15	126	35	15.4
01/04/16	260	21	18.3
01/04/17	261	6	2.3
01/04/18	260	7	2.7
01/04/19	270	4	1.5
TOTALS		92	Average: 7.5%

19.4 Table 1 shows that, apart from in 2015 and 2016, the lapse rate is relatively insignificant. However, even if those two years are included it results in an average lapse rate of only 7.5%.

19.5 The point to note is that in 2015 and 2016 the lapse rate was disproportionately inflated by the non-implementation of a large site. By way of example, in 2014-2015 the lapsing of one site accounted for 70% of the overall lapse rate. In other cases, sites affected by expired consents have since been developed out under fresh planning permission. Thus the overall effect of lapsed permissions is judged to be small.

19.6 On the basis of this analysis, the Council does not believe the application of a lapse rate is justified. However, the Council will continue to monitor this and refine the methodology. For example, it could undertake further analysis to track the progress of individual planning applications over a longer time period. This would produce a more direct correlation between the total number of dwellings granted permission and the total number that expire and their eventual status.

Lead-in times

19.7 As the lapse rate analysis demonstrates, there is a fairly low tendency for sites with permission to lapse and the vast majority of sites which have been granted planning permission for housing commence within 0-3 years of gaining full consent. This suggests that speculative permissions are uncommon and that once permission is gained, most sites in the Borough are delivered relatively quickly.

19.8 Some further analysis has also been undertaken of the typical time taken between the granting of outline permission for residential development and the grant of Reserved Matters. This analysis looked at outline permissions on sites involving five or more dwellings since 2000, which then went on to gain

Reserved Matters (RM) permission associated with the outline permission¹. This included a total of 16 sites, of which: five received RM permission within one year (within as little as 4 months on one site); four received RM within 18 months; one within 2 years and the remainder within 3 years.

19.9 The average time taken to receive RM after Outline was 20 months, whilst the median figure was 15 months. This is a relatively small number of applications on which to establish a trend but it demonstrates the delay between outline and RM is generally fairly short and supports the inclusion of sites with outline permission being included in the five year supply.

Build-out rates

19.10 Delivery rate assumptions i.e. when development is expected to commence and the number of dwellings expected to be built out per year, has largely derived from the following:

- For sites in the control of developers with a previous track record in the Borough or being undertaken by a larger housebuilder - historic / typical build out rate data for similar schemes they have undertaken, or sites they are currently building;
- Information from the developer on their expected completion dates;
- An assumption that larger sites with fewer constraints and/or those within the control of larger housebuilders will be built out in the shorter term at a rate of 20 dwellings p.a. whilst smaller scale sites with more constraints are expected to commence in the medium to long term at a lower rate of delivery;
- An assumption that sites currently owned by the Council are generally expected to be delivered in the first five years as they have control over when the land is sold/marketed/permission is applied for and so on, unless there are particular constraints which means they are considered developable in the longer term;
- Development where it is known that affordable housing is to be delivered is expected to be built out in the short term at a higher annual build out rate;
- Typical build out rates on sites of a similar size and nature;
- Information on known constraints which need to be addressed / mitigated before development could commence;
- Identification of the timing of infrastructure requirements;

19.11 The Council acknowledges that the build out rates may be higher for some sites but has adopted a cautious approach in order not to overstate the potential supply that could come forward, particularly within the first five years.

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

19.12 The small sites allowance is considered to be justified and is supported by evidence. This is set out in sections 3.5 to 3.9 of the updated Housing Land Supply paper [EL1.002j\(i\)](#) which demonstrates that small sites (i.e. sites providing fewer than five dwellings) have provided an average of 18 homes per year since 2010/11. The allowance is only applied from year 4 of the housing trajectory, thus avoiding double counting with any small site which

¹ Not including sites where subsequent applications were not related to the original outline permission

already has permission (and has been accounted for within years 1-3). The monitoring of housing completions is based on robust evidence which can be accurately verified by Building Control and Council Tax records, site visits and so on.

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?

19.13 The Council considers that it has undertaken a comprehensive assessment of potential housing land within the built-up settlement area. All sites over five dwellings with planning permission have been taken into account (either as an allocation or as part of the five year housing land supply). The 2018 SHLAA ([EB004](#)) includes other sites without permission, identified from the following sources:

- Sites from the 2015 SHLAA (excluding those which had since gained permission);
- Sites proposed during the Local Plan consultation;
- Call for Development Sites process;
- Meeting with planning officers to identify sites and broad areas of search;
- Assessment of Council owned land suggested for release by colleagues in Property Services;
- Discussions with other colleagues (eg from Housing) and elected members, including the Local Plan Steering Group
- Sites identified by Lancashire County Council and other stakeholders
- Sites proposed for development by housing associations;
- Planning history (e.g. sites where planning permission had previously been applied for but which may have lapsed or been refused);
- Sites identified in the Brownfield Register

19.14 The range of sources shown demonstrates how thoroughly the Council has searched for potential sites and that all reasonable steps have been taken to identify land. Furthermore, the Council has specifically focused on the identification of as many brownfield sites as possible.

19.15 153 out of the 354 sites that were assessed as part of the SHLAA were located in the urban boundary. Table 2 in Annex 1 of the Housing Topic Paper 2019 [EB006](#) shows that out of 6,422 dwellings which could potentially be accommodated on land assessed as part of the SHLAA, 1,243 of these (or 19%) were located within the existing urban boundary.

19.16 The site selection process prioritised the identification of housing allocations situated within the Urban Boundary. However, there were not enough sites in the urban boundary identified as deliverable or developable in the SHLAA (and according to findings from other studies such as Strategic Flood Risk Assessment, Landscape Assessment, Heritage Assessment, and Viability Study) to meet the local housing need for the Borough. It was therefore necessary to consider additional sites outside the urban boundary.

19.17 Table 2 below provides a summary of the current locations of the proposed housing / mixed use² allocations that have been identified in the emerging Local Plan (as updated to 01/04/19). This is based on the existing location, rather than the proposed location, which for land currently in the countryside would need to involve amending the existing urban boundary. It shows almost half of all the dwellings being proposed are within the existing Urban Boundary, and this comprises two thirds of the total number of sites.

Table 2: Summary of locations of Local Plan housing allocations

	Urban Boundary	Countryside	Green Belt	Total
No. of allocation sites	51	19	5	75*
% of sites	68%	25%	7%	100%
No. of dwellings	1,321	936	521	2,778
% of dwellings	48%	33%	19%	100%

*Does not include H53 or H67 as these were complete as of 01/04/19; both of these sites were in the urban boundary

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

19.18 The housing allocations identified in the Local Plan only include sites which would accommodate 5 dwellings or more. The analysis on lapse rates referred to in part a i) indicates that only 3 sites of over 5 dwellings have lapsed since 2013/14, involving a total of 44 dwellings. This demonstrates that the sites most likely to expire are those of only 1 to 4 dwellings, where the personal circumstances of the individual building the site may have more bearing on the likelihood of delivery than on those sites being built by a larger scale developer. The number of lapsed dwellings on the larger sites represents a very small proportion of the allocated supply and it is not considered necessary to apply a lapse rate to the allocations.

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

19.19 In relation to availability, the NPPF definition of deliverable states that sites for housing should be "available now" whilst developable sites should have "a reasonable prospect that they will be available". All the deliverable allocated sites (i.e. those which are projected to come forward in years 1-5) are considered to be available now. This is based on information from any planning permission on the site, whether the site has been submitted as part of the Call for Sites process and/or confirmation from the landowner or associated developer of their intentions for the land.

19.20 Landowners have been identified for all the sites identified as developable within the Local Plan (i.e. in years 6 to 15) and the Council considers that these sites are either known to be available or have a reasonable prospect that they will be available within the period they are projected to come

² Mixed use allocations with an element of residential use

forward. This is based on information from the various processes outlined above.

19.21 The Council will continue to work with landowners to gather more information about when sites will come forward for development as appropriate.

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

19.22 The Housing Land Supply paper [EL1.002j\(i\)](#) identifies an overall supply of 3,262 dwellings over the Plan period. This is made up of 2,778 dwellings on allocated sites (512 of which are on sites which are already under construction or have permission), 268 from other committed sites and a small sites allowance of 216. This provides enough supply to meet the requirement of 3,180 dwellings for 2019-34 (212 dpa).

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?

19.23 Paragraph 68 of NPPF states that land should be identified to accommodate at least 10% of the housing requirement on sites that are no larger than one hectare. The Local Plan includes 42 allocated sites with a gross area of one hectare or below, making up approximately 62% of the total number of sites. These sites will provide 455 dwellings (14% of the overall supply) and this is considered to be in line with NPPF.

h) 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?

19.24 The application of a 20% buffer is required by paragraph 73 of NPPF as a consequence of failing to deliver over 85% of the housing requirement (as measured by the 2018 Housing Delivery Test). This buffer is applied to the first five years of the housing trajectory which means a requirement of 1,272 dwellings between 2019 and 2024 ($212 \times 5 + 20\%$).

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.

19.25 The Council considers the following evidence to support the identification of a site as "deliverable" (i.e. it is included in the five year housing land supply as of 01/04/2019):

- The site is actively under construction for residential development (with the future supply consisting of those homes which are yet to be completed on the site);

- The site has an extant Full / Reserved Matters Planning Permission for residential development;
- The site has an extant Outline Planning Permission and:
 - It does not involve major residential development (i.e. fewer than ten dwellings); or
 - It involves major residential (i.e. ten dwellings or more) and there is further evidence to demonstrate that the site will start to be delivered within five years. This includes one or more of the following:
 - a) Reserved Matters (RM) have been applied for;
 - b) Pre-application discussions have taken place regarding the submission of RM / the applicant or developer has confirmed they will be submitting RM shortly;
 - c) The site is associated with a developer who has an identifiable and positive track record of delivering homes in a timely fashion and the Council are confident that the site will be delivered in the short term;
 - d) The site is being actively marketed for sale or promoted for development;
- The site does not have planning permission but it is allocated for housing development in the emerging Local Plan and one or more of the following apply:
 - The site is subject to a planning application for residential development and it is considered likely to be granted permission;
 - The site has benefitted from residential planning permission in the past, there are no identified reasons why permission would not be granted again and there is evidence to suggest that a new application is due to be submitted;
 - The site is associated with a developer who has an identifiable and positive track record of delivering homes in a timely fashion and the Council are confident that the site will be delivered in the short term;
 - The site is being actively marketed for sale or promoted for development;
 - Pre-application discussions / consultation has taken place in preparation of submission of a planning application for residential development;
 - Site investigation works have been carried out in preparation for the submission of a residential development proposal;
 - An identified developer is interested in developing the site and delivery could commence within five years;
 - The site is within the ownership / control of a willing party who has expressed an interest in development of the site or is in a strong position to bring the site forward and delivery could commence within five years (this could include Council owned land);
 - The site is in the process of being sold for development and delivery could commence within five years;
 - Discussion / correspondence has taken place between the landowner/developer and the Council in relation to bringing the site forward and delivery could commence within five years.

19.26 All the sites identified in the five year supply as set out in housing trajectory in the Council's response to the Inspector's Pre-hearing Note (Question 13) are considered to be deliverable in line with the above definition, apart from the sites listed in Table below. On further assessment, the following sites are considered to be developable (i.e. they will deliver houses in years 6-15) rather than deliverable:

Table 3: Changes to housing trajectory set out in Q13

Site Ref.	Site Name	No. of proposed dwellings
H4	Turton Hollow, Goodshaw	30
H5	Swinshaw Hall, Loveclough	47
H6	Land south of 1293 Burnley Road, Loveclough	5
H7	Land Adjacent Laburnum Cottages, Goodshaw	10
H8	Oak Mount Garden, Rawtenstall	9
H10	Land at Bury Road, Rawtenstall	7
H31	Lower Stack Farm	10
H46	1 Laburnum Street, Haslingden	8
H47	Land at Kirkhill Avenue, Haslingden	22
H48	Land Off Highfield Street, Haslingden	13
H49	Land adjacent 53 Grane Road, Haslingden	5
H57	Foxhill Drive, Whitewell Bottom	7
H71	Land East of Market Street, Edenfield	9
TOTAL		182

Please note that the following site is considered to be deliverable in the first five years (it is shown in the housing trajectory in Q13 as developable):

H38	Land off Burnley Road and Meadows Avenue, Bacup	6
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19.27 The above changes mean that the number of dwellings expected in the first five years of the Plan period is 1,707. This provides an ample five year supply against the minimum requirement of 1,060 and could accommodate the 20% buffer required by NPPF.

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

19.28 The justification for a small sites allowance is set out in the response to part b) above. Specifically in relation to its application within the five year supply, the 2018 SHLAA ([EB004](#)) includes a Critical Friend Review (Appendix A) which recommends the inclusion of a small sites allowance. It states that there is robust evidence that this is appropriate and that historic trends demonstrate that these have provided a reliable supply of housing land. It goes on to recommend that, in order to avoid double counting between the allowance and any small sites which are already in the committed supply, it should only be applied in the final two years of the five year trajectory. This allows sufficient lead in times to take account of existing planning permissions.

19.29 The Council do not class the small sites allowance as a “windfall” allowance as such because they are not necessarily unanticipated sites, they are just too small for it to be practical to specifically identify such sites for the whole Plan period. However it is considered that paragraph 70 of NPPF (which allows for windfall sites to form part of anticipated supply, as long as there is compelling evidence that they will provide a reliable source of supply) can be

applied to the principle of the small sites allowance and this provides support for the Council's approach. The Council considers that the evidence is robust enough to demonstrate that small sites do provide a reliable source of supply.