HYNDBURN CORE STRATEGY
SCHEDULE OF MATTERS AND ISSUES FOR EXAMINATION

5. HOUSING

(Policies H1-H3 & A1/GH1/R1)

Key issue:
Does the Core Strategy make appropriate provision for the effective delivery of new housing in Hyndburn, including the overall provision of new housing, the scale and distribution of new housing growth, affordable housing and provision for gypsies and travellers, having regard to national policy, and is it fully justified and supported by an up-to-date, credible and robust evidence base?

5.1 Overall provision of Housing

a. What is the basis and justification for the overall level of proposed housing provision, having regard to the evidence base in the NW Regional Spatial Strategy and any subsequent population and household projections, and the guidance in PPS3 (¶ 33)?

The overall level of housing provision in the submitted Core Strategy takes as its starting point the North West of England Plan: Regional Spatial Strategy to 2021 (RSS) (CS_Supp1.1). It uses the RSS annual housing provision figure from 2011 to 2021; it rolls forward the annual figure for each of the five years after 2026; and includes meeting the shortfall arising from levels of completions below the RSS figure for the period 2003-2011.

RSS Policy L4 sets out at table 7.1 a Total Housing Provision for Hyndburn for the period 2003 – 2021 of 3,400 dwellings (net of clearance replacement). Table 7.1 shows that this equates to an annual provision of 189 dwellings.

The overall housing requirement of 3175 dwellings set out at policies A1, GH1 and R1 of the submitted Core Strategy is based on the following:

\[
15 \text{ years} \times 189 \text{ dwellings per year} = 2835
\]

A further element is added to this to take account of the shortfall in actual housing provision against the RSS requirement which has accumulated during the RSS plan period to date (2003-2011). Regular monitoring shows that since 2003 a shortfall has arisen as follows:

\[
\begin{align*}
\text{RSS requirement 2003-2011 (189×8 years)} & = 1512 \\
\text{Actual completions 2003-2010 (net)} & = 1070 \\
\text{Estimated completions 2010-2011} & = 100
\end{align*}
\]

\[
\text{Shortfall} = 342
\]

The overall dwelling requirement for the Core Strategy plan period, net of clearance is:
2835 +342 = 3177

Rounded to 3175 dwellings.

Since the Core Strategy was submitted, actual monitoring information has been collected for the monitoring year 2010-11. It shows that 80 dwellings were actually completed, giving a shortfall of 109 dwellings for the year based on the RSS annual requirement. This gives a total actual shortfall of 362 dwellings for the period 2003-2011 which when added to the 15 year requirement of 2835 equals 3197 or about 3200 dwellings.

The overall housing provision figure is net of clearance i.e. that it is over and above the replacement of any dwellings which will be demolished and replaced on a one for one basis or lost through conversion to non residential use. This is in line with the approach in RSS Extract from RSS (supporting text to L4):

This essentially provides an update of the figure included in the Core Strategy and does not alter the basis on which the figure is calculated. It also shows that the two figures are very similar (less than 1%). The updated figures are reflected in the Schedule of Further Proposed Changes and are considered appropriate for inclusion in the Core Strategy as they represent the most up to date information.

The submitted Core Strategy covers the period 2011 to 2026 which represents five years beyond the RSS plan period. For the purpose of the Core Strategy, the annual housing requirement has been rolled forward five years to cover the period 2021 to 2026. This is in accordance with policy L4 of the RSS which states, “For the purpose of producing Local Development Frameworks, local planning authorities should assume that the average annual requirement set out in Table 7.1 will continue for a limited period beyond 2021.”

The overall housing requirement figures for the period covered by this RSS from 2003 to 2021 and the annual average figures are not absolute targets and may be exceeded where justified by evidence of need, demand, affordability and sustainability issues and fit with relevant local and sub-regional strategies.

The Council is mindful of the need to ensure that the Core Strategy is in general conformity with the RSS and considers that the housing provision figure satisfies this requirement. The SHMA (CS_Supp3.17) identifies an overall housing figure for Hyndburn of about 200 dwellings per year based on household formation, dissolution and net migration. Whilst this does not take account of policy interventions, it is similar to RSS annual provision (para. 6.68).

The Council is mindful of advice in PPS3 at paragraph 33 which states that in determining levels of housing provision local planning authorities and regional planning bodies working together should take into account (inter alia) the governments latest published housing projections and the needs of the regional economy. In considering the RSS requirements the Report of Panel following the EIP had increased the housing requirements overall by about 1.2% to reflect CLGs 2003 based household projections.
Since the RSS was issued, ONS has produced later series of population and housing
projections which were 2004, 2006 and 2008 based. The most recent 2008 based
household projections 2008-2033 were published in November 2010. No further work has
been undertaken at a regional level to update the housing provision figures in line with
recent projections. This would be the most appropriate level to commence a review which
would then be used to inform sub-regional figures.

The table below provides a comparison of the various household projections that have been
produced in recent years. The RSS housing figures utilised the 2003 based projections.
The SHMA (para. 7.73) notes that RSS provision is lower than that indicated by the then
latest (2004 based) household projections. The SHMA further indicates that “Nevertheless,
there is a case for considering higher house completions under RSS in the longer term if the
higher levels of household projections is sustained” (para.7.73). A similar point is made at
8.6. The most recent projections, 2008 based show in fact that these higher levels of
households as projected in the 2004 and 2006 based projections are not sustained and
there is not a case for considering revision to the RSS figure.

<table>
<thead>
<tr>
<th>series</th>
<th>Year 2004</th>
<th>Year 2006</th>
<th>Year 2008</th>
<th>Year 2011</th>
<th>Year 2013</th>
<th>Year 2016</th>
<th>Year 2018</th>
<th>Year 2021</th>
<th>Year 2023</th>
<th>Year 2026</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003 based</td>
<td>33</td>
<td>34</td>
<td>35</td>
<td>36</td>
<td>38</td>
<td>39</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2004 based</td>
<td>33</td>
<td>34</td>
<td>35</td>
<td>37</td>
<td>38</td>
<td>39</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2006 based</td>
<td>34</td>
<td>35</td>
<td>37</td>
<td>39</td>
<td>40</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2008 based</td>
<td>33</td>
<td>34</td>
<td>35</td>
<td>36</td>
<td>36</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

source: CLG

The latest, 2008 based projections show that the number of households in Hyndburn is set
to increase from 30,000 in 2008 to 34,000 by 2028/33. This amounts to a 13.3% increase
overall. The figures in the projections are rounded to the nearest thousand so it is not
possible to be precise. However the increase between 2008 and 2026 lies between 166
and 222 households per year. The annual requirement of 189 dwellings is within this range.

The Council recognises the limitations of the projections. Firstly, those projections for sub
regional and local authority areas are less robust than those at regional level and so care
should be taken when using figures for a single district such as Hyndburn. In addition the
projections are trend based and do not take account of policy interventions.

The Council has had regard to the advice in PPS3 (para 33) in considering overall housing
provision. In taking forward the RSS requirements (which are underpinned by a strong
evidence base and have been tested through the EiP process) which broadly accord with
the SHMA, the Council considers that its approach to housing provision in the Core Strategy
is sound.
The Council is mindful that any substantially different housing provision figure could fundamentally impact on the plan’s strategy and would have to be tested though the Sustainability Appraisal process.

b. **Should Policy H1 be amended to indicate the overall level of housing provision?**

Yes, the Council have proposed an amendment to Policy H1 that includes reference to the overall level of housing provision. The figure proposed is in line with the existing approach taken in the Core Strategy and the methodology explained above in 5.1a.

The Council consider that this would add clarity to the plan and has put forward a further proposed change to reflect this. Additional supporting text is also included which sets out the how the overall provision figure is calculated.

c. **Do the policies and accompanying text give sufficient guidance about the amount, location and timing of new housing development, consistent with national policy?**

Yes, the policies provide clear guidance on the amount and location of housing. Policies A1, GH1 and R1 set out clearly what proportion of the overall housing requirement would be met in the spatial areas. It builds on the existing settlement pattern/distribution of population and directs the majority of development to the main urban areas which has a good level of existing infrastructure and services to support new development. The distribution is as follows:

<table>
<thead>
<tr>
<th>Settlement</th>
<th>% of population</th>
<th>% of housing proposed</th>
<th>no. of dwellings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hyndburn</td>
<td>100.0</td>
<td>100</td>
<td>3200</td>
</tr>
<tr>
<td>Accrington and townships (policy A1)</td>
<td>75% new housing</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Great Harwood (policy GH1)</td>
<td>15% new housing</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rishton (policy R1)</td>
<td>10% new housing</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Rural areas currently account for about 1.5% of the total households and are not apportioned an element of the housing requirement and housing in these areas will be restricted to meeting local needs. The apportionment is based on the existing distribution of population with slight adjustment for Great Harwood and Rishton to reflect the need to sustain services in the two freestanding settlements. Based on the revised figure of 3,200 dwellings for the plan period set out at 5.1 the result of the housing distribution in accordance with policies A1, GH1 and R1 would be:

<table>
<thead>
<tr>
<th>Settlement</th>
<th>existing population</th>
<th>% of population</th>
<th>% of housing proposed</th>
<th>no. of dwellings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hyndburn</td>
<td>81,100</td>
<td>100.0</td>
<td>100</td>
<td>3200</td>
</tr>
<tr>
<td>Accrington and townships</td>
<td>63,060</td>
<td>77.7</td>
<td>75</td>
<td>2400</td>
</tr>
<tr>
<td>Great Harwood</td>
<td>11,145</td>
<td>13.7</td>
<td>15</td>
<td>480</td>
</tr>
<tr>
<td>Rishton</td>
<td>6,906</td>
<td>8.5</td>
<td>10</td>
<td>320</td>
</tr>
</tbody>
</table>
Note: the above table refreshes the one on page 7 of the housing topic paper by using the latest available ward population estimates based on 2009 MYEs (ONS February 2011).

The SHLAA demonstrates that these apportionments can be met.

The Council is mindful of the requirement to maintain a continuous supply of housing sites. In relation to timing of new development, it has consciously not included a phasing policy in relation to the delivery of new housing. The reasons are discussed at 3.1d. Monitoring of housing delivery will be crucial in determining whether adequate housing is being delivered, thought he use of housing trajectories and where appropriate updating the evidence base, including the SHLAA. Section 6 of the submitted Core Strategy sets out three five year phases and the major schemes which are expected to come forward in those phases. It is proposed that the Core Strategy will be reviewed towards the end of each of the five year phases. Appendix 9 sets out the delivery strategy and includes contingency actions for each policy, including housing provision.

d. How will the housing strategy ensure that the overall housing target is delivered, particularly in view of recent economic conditions and the likely future housing renewal programme, and how will it help to deliver the relevant elements of the Pennine Lancashire Housing Strategy?

The aim of the Core Strategy based on evidence and overarching strategies and policy at higher levels including the Pennine Lancashire Sub region is to provide for a greater choice and quality of housing in the Borough which overall contribute to a more balanced housing market. It addresses this by including policies which seek to:

- Provide an appropriate level of new housing (about 3,200 dwellings);
- Delivery a mix of housing that will achieve a better balance of housing (policy H1);
- Deliver housing to meet identified housing needs for affordable housing (policy H2);
- Provide a balance between supporting housing renewal and providing a greenfield housing site at Huncoat which will contribute towards supporting economic growth by widening the housing offer.

The Pennine Lancashire Housing Strategy (revised Dec 2010) recognises importance of achieving the balance between renewal and growth as set out in paras 4.7 - 4.9 of the Housing Topic paper. The Council and its partner organisations are acutely aware of the current economic conditions. Although the Core Strategy alone cannot ensure the delivery of these policies it seeks to provide the right context within which the appropriate development can happen including when economic conditions improve. Monitoring of the Core Strategy will be a key tool in this. It is proposed that the Core Strategy will be reviewed towards the end of each of the five year phases.

e. What is the current 5, 10 & 15-year housing land supply position, in terms of existing commitments, proposed new sites and provision identified in the latest SHLAA and other relevant evidence? What is the make-up of proposed housing provision in terms of existing and proposed sites, the contribution from windfall developments, and allowances for demolitions?
The Council is satisfied that adequate land can be identified to meet the overall housing requirement. The position at 31st March 2011 was that there were 429 outstanding dwellings with planning permission. The table at 3.20 of the Housing Topic Paper can be updated to show that during the Core Strategy plan period the housing provision will be met as follows:

<table>
<thead>
<tr>
<th>source of supply</th>
<th>dwellings</th>
</tr>
</thead>
<tbody>
<tr>
<td>commitments at 31st March 2011</td>
<td>429</td>
</tr>
<tr>
<td>potential future allocations</td>
<td>2771</td>
</tr>
<tr>
<td>total</td>
<td>3200</td>
</tr>
</tbody>
</table>

The majority of the 429 dwellings already committed have been tested through the SHLAA process and are considered to be deliverable. These will also be considered for inclusion in the Site Allocations DPD.

The SHLAA demonstrates that there is potential to deliver 4,263 dwellings over the three time frames as follows:

- 0-5 years: 1030 dwellings
- 6 to 10 years: 1087 dwellings
- 11 to 15 years: 2146 dwellings

(Source: Table 6.6. of SHLAA)

2,042 (about 48%) of these scored over 80% in the SHLAA assessment indicating that they could come forward with relatively few constraints. In the first 5 year phase, these accounted for over 99% of sites.

Council will consider the most suitable sites for allocation in the Site Allocations DPD to meet the outstanding requirement. It is clear that not all sites identified in the SHLAA will need to be allocated and that further consideration will need to be given of how those sites would meet the strategic objectives of the Core Strategy. It will also be necessary to undertake regular updates of the SHLAA to reconsider the position. The Council has undertaken further work to ensure that there is sufficient land to meet the overall housing requirements in accordance with the spatial distribution of housing as identified in policies A1, GH1 and R1 and is satisfied that it can.

The Council has made no allowance for windfall provision in meeting the overall housing provision. It is confident that, based on the SHLAA, it can identify adequate land through the site allocations process. This is consistent with the advice in para. 59 of PPS3. The SHLAA process in itself should include potential windfall sites. Nonetheless it is acknowledged that windfall provision has made a significant contribution to housing supply in previous years (see 3.17 of Housing Topic Paper).

In relation to demolitions, the overall housing provision is a net requirement as explained at 5.1a above.
The Council is mindful of the proposals in the draft NPPF which maintains the expectation that councils should have a rolling five year supply of deliverable sites to meet their housing needs with at least a 20% additional allowance to create competition and choice in the land market. It considers that there is sufficient potential as identified in the SHLAA to meet this requirement. In addition the SHLAA will need to be updated and housing delivery monitored annually through the AMR and should the final NPPF reflect this requirement, the Council will adhere to it.

f. **Is the information in the SHLAA & SHMA soundly based, accurate and up-to-date, have they been prepared in line with national guidance, and have they taken account of the current housing market, housing renewal programmes and economic conditions?**

The Council is satisfied that the SHLAA and the SHMA satisfy these requirements. They are soundly based, up to date and have been prepared in accordance with national guidance.

The SHMA (CS_Supp3.17) was published in January 2009 and conforms to GLG guidance and PPS3. It was undertaken in partnership with Blackburn with Darwen Council to cover the joint housing market area, as identified in report produced for the North West Regional Assembly, "The definition of Housing Market Areas in the North West Region" (March 2008) which was used to inform the RSS.

The SHMA takes account of national, regional and local strategies. It is based on a combination of secondary data from exiting sources and a comprehensive Housing Needs Assessment (2008) (HNA) (CS_Supp3.18) which also followed CLG guidance and PPS3. The SHMA is further supplemented by an Affordable Housing Viability Assessment (CS_Supp3.20-3.21) as required by PPS3.

The Council acknowledge that some of the secondary data used in the SHMA has been updated since the SHMA was undertaken. For example a further series of IMDs have been published (2010) and more recent 2008 based population and household projections have been published by CLG. In the case of the IMDs, as a Borough the IMD rankings have shown a negative movement but this is more due to the number of districts changing rather than an increase in relative deprivation. Within the Borough, the most deprived areas remain those that are closest to the town centres. There have been changes at the ward level but it is not considered that these are significant to render the 2007 based IMD information in the SHMA out of date. The more recent household projections are discussed in response to matter 5.1a.

The SHMA is also up to date in term of recognition of the current wider economic position. It was prepared as impacts of the credit crunch were apparent and the need to consider the impacts on the housing market, including affordability, are recognised e.g. see paragraphs 8.1-8.5 of the main report and 8.21. It gives due recognition to the housing renewal programme (see para’s 7.74-7.93 of main report).
The SHLAA (CS_Supp3.13) was produced in March 2009 in accordance with CLG’s SHLAA Practice Guidance. It was updated in July 2010 to revise the scoring of sites where more up to date information had come forward since the original survey. A SHLAA Housing Market Update (CS_Supp3.16) was also produced in July 2010 which effectively updated appendix F.1 of the SHLAA. The SHLAA recognises that house prices in the Borough were falling and refers to areas of low demand (e.g. at 7.6 and Appendix F). This demonstrates that the SHLAA is up to date.

The SHMA and SHLAA are up to date and are sound bases on which to develop housing policy for the Borough.

5.2 Housing mix (Policy H1)

a. Is there sufficient justification and evidence to support the mix of housing sought in Policy H1, consistent with the Strategic Housing Market/Housing Needs Assessment?

A key issue for the Borough is the oversupply of small terraced dwellings which make up over 50% of the housing stock when compared to 27% nationally. The ‘Borough and its People’ chapter within the Core Strategy illustrates using a number of indicators more generally the problems with the housing market.

PPS3 (Achieving a mix of housing, para 21) requires LPA’s to plan for a mix of housing on the basis of the different types of households that are likely to require housing over the plan period. The Core Strategy fulfils this requirement by seeking to rebalance the housing market to meet the needs of households over the plan period by setting out the proportions of different housing required.

The SHMA (pages 172-176) based on the HNA sets out the different types of market and affordable housing to redress the balance in the housing market. The Core Strategy (policy H1) draws directly from this in setting out the mix of housing. The mix of housing is also supported by the Pennine Lancashire Housing Strategy (CS_Supp2.3 and Post_2.4h). The Housing Topic Paper (CS_Supp4.3) at chapter 4 sets out more detail on housing mix and quality.

b. Is the balance between brownfield and greenfield land appropriate and soundly based, and does the strategy give enough emphasis to the regeneration of the urban areas?

The Balanced Development Strategy gives priority to developing brownfield land within the urban area but does allow for Greenfield development to take place. This strategy is based on the RSS (CS_Supp1.1) that includes a brownfield target of 65% and the emphasis on the effective use of land within PPS3 (see para 36 and 40-44).

The Council is mindful that the draft NPPF proposes to remove the national brownfield target and leave targets for development on different types of land to the local level. It however sees the continuing emphasis on brownfield development to be an important tool in
supporting regeneration efforts by, for example, diversifying the mix of housing in areas with a preponderance of small terraced housing.

At the same time, the Council considers the development of Greenfield sites to be justified and supported by evidence. Development of housing at Huncoat is seen as a priority and the strategy also allows the release of other Greenfield sites. The evidence (SHMA, PLHS) supports the need for large higher quality homes to support economic growth which need to be predominately on greenfield sites. This supports the need to balance the housing housing market and strengthen the economy.

The subsequent Site Allocations and Development Management DPDs would follow this approach in the allocation of future development sites and future decisions on development sites.

c. Will the delivery of new housing be affected by recent Ministerial statements about housing targets, housing density and development of residential gardens?¹?

The ministerial statement referred to accompanied a revision of PPS3 which excluded private residential gardens from the definition of previously developed land and deleted the national indicative minimum density of 30 dwellings per hectare.

Garden development does not form a significant source of housing supply in the Borough. The SHLAA set a threshold for the consideration of sites of 0.2 hectares (or 5 dwellings) which effectively excluded development within gardens as a source of housing supply. The SHLAA (CS_Supp3.13-3.14) identified sufficient housing land within the Borough for fifteen years. Further research undertaken on historic delivery rates on development within residential gardens also show a limited contribution from this source.

The Council is also satisfied that the removal of the national indicative minimum density will not have an adverse effect on the delivery of new housing. The SHLAA assumed a range of densities relating to the location of the site but also taking in market considerations (such as the greatly reduced market for apartment development). As such, the resulting yields from sites identified in the SHLAA are still appropriate.

d. What is the status and justification for the statement (para 4.34) resisting the development of land within the garden/curtilage of residential properties, particularly in the context of the latest national guidance in PPS3, and should this be incorporated into Policy H1?

The Council’s stance to the development of housing in gardens predates the work undertaken at a national level to understand the nature of the problem² and the subsequent responses mentioned above. The Council’s elected members have fought strongly to ensure that the future planning policy does not support the release of garden land for development and the Government has also changed its stance on garden development.

¹ Ministerial statement by Greg Clark MP on Previously Developed Land and Density [9 June 2010; DCLG]
² Garden Developments: understanding the issues [January 2010, DCLG]
The Council believe this is an area where local influences and priorities have played an important role in shaping the future policy framework.

It adopted as Council policy an ‘Interim Policy on Development of Housing within Gardens’. This was supported by evidence that the Council had sufficient land without the need to utilise residential gardens (the SHLAA utilised a lower threshold of 0.2 ha effectively excluding garden land) and the limited contribution that such land had made to housing delivery historically. Further evidence (SHMA) pointed to the need to retain larger properties and which was seen as being in short supply compared to the overall housing stock.

This evidence has been used in the development of the Core Strategy. The Council has had regard to the Letter from the Chief Planning Officer and considers its approach to housing in gardens as sound and one that reflects the local circumstances, and priorities of the Borough. The letter (dated 15th June 2010) announced that PPG 3 was to be amended to exclude garden land from the definition of previously developed land and also stated that “these changes emphasise that it is for local authorities and communities to take the decisions that are best for them, and decide for themselves the best locations and types of development in their areas.”

During the preparation of the Core Strategy that Council initially proposed a policy that prohibited the development of housing in gardens, however, this was later removed from the Core Strategy on the advice of the Government Office who considered that the policy would be better placed in the Development Management DPD but that the text of the Core Strategy should refer to such a policy so that the two DPD’s dovetailed. Notwithstanding this, the Council would have no objection to the incorporation of this into Policy H1 and this would be welcomed by elected members.

5.3 Affordable Housing (Policy H2)

a. Does the policy and accompanying text provide sufficient guidance about the provision of affordable housing, in line with national policy (PPS3; ¶ 29), particularly in terms of:

i. the overall target for the amount of affordable housing to be provided (including separate targets for social-rented and intermediate affordable housing), and the size and type of affordable housing;

The supporting text to Policy H2 is the subject of a proposed change in the Schedule of Further Proposed Changes. This proposes a numeric target of 38 affordable dwellings per year based on 20% of the overall housing provision.

The Council considers the remaining more detailed aspects of affordable housing provision to be better included within a subsequent DPD (Site Allocations / Development Management DPD). This accords with PPS3 that requires this information to be included within a Development Plan Document.
ii. the range of circumstances in which affordable housing will be required (including indicative site size thresholds and proportion of affordable housing);

The overall proportion of affordable housing (20%) that policy H2 seeks has been informed by the Strategic Housing Market Assessment (CS_Supp3.17), Hyndburn Housing Needs Assessment (CS_Supp3.18) and the Hyndburn Affordable Housing Viability Assessment (CS_Supp3.20&3.21).

Policy H2 also provides sufficient guidance by setting a size site threshold which clarifies the circumstances in which affordable housing is required. PPS3 states that “The national indicative minimum site size threshold is 15 dwellings. However, Local Planning Authorities can set lower minimum thresholds, where viable and practicable…” The Council has chosen to apply the national indicative minimum site size threshold.

The Council has explained the rationale for doing this in the Housing Topic paper (CS_Supp4.3) and in response to the Inspector’s Further Questions and Council Responses (Post_1.2). It considers that given the viability issues in the Borough, a lower threshold would place an additional burden on developers.

iii. the approach to seeking developer contributions to facilitate the provision of affordable housing?

Paragraph 4.35 of the Core Strategy states that affordable housing should normally be provided on site; this allows the provision of developers contribution in lieu of on site provision. The circumstances within which this would be appropriate is intended to be covered by a further policy in the Development Management DPD and supplemented by a SPD.

b. Is the need for affordable housing supported by evidence, including an up-to-date Housing Needs Survey/Strategic Housing Market Assessment; are the affordable housing target, threshold and proportion fully justified, supported by an informed assessment of their economic viability and consistent with those of adjoining districts; and how will sufficient affordable housing be delivered?

As stated in response to 5.1 f), the Housing Needs Assessment (2008) and the Strategic Housing Market Assessment (2009) are soundly based, have been prepared in accordance with national guidance and are up-to-date.

The 20% affordable housing target is taken from the SHMA (CS_Supp3.17, para 8.23). The gross need for affordable housing was considered to be greater than this but it should be reduced due to the existence of low cost private housing which contributes to affordable housing needs. Viability issues also contributed to a reduction in the target. The SHMA was undertaken jointly with Blackburn with Darwen BC and the 20% affordable housing target is consistent with the adopted BwD Core Strategy (2011).
An Affordable Housing Viability Assessment (CS_Supp3.20&3.21) was undertaken, both to satisfy the recommendation in the SHMA that more detailed work is done in this area and PPS3 requirements.

The findings of the Assessment have been discussed in the Housing Topic Paper (CS_Supp4.3, section 5) and the Council’s response to the Inspectors Further Questions (Post 1.2) but in summary it found that the 20% target was not deliverable on the majority of sites. The availability of grant funding meant that some affordable housing could be delivered but this was limited to a few site typologies in higher demand areas (see CS_Supp3.20 para 3.21). Sensitivity Analysis has shown that in improved market conditions by 10%, only increases viability marginally. The Council considers 20% to be a suitable target and has incorporated flexibility into policy H2 to reduce this subject to site-specific viability and availability of grant funding. This element of the policy is also consistent with policy CS8 of the adopted BwD Core Strategy.

The AHVA also concluded that there is no economic viability justification for applying a site size threshold. The Council having given due consideration to local circumstances and in particular not wanting to weaken the housing market by requesting viability assessments that can be a significant cost on the developers of small sites. PPS3 allows LPA’s to set its own threshold where viable and practicable but set a “default” national indicative minimum threshold of 15 units. The setting of a local threshold is not mandatory but optional and this Council have chosen to apply the national threshold for the reasons given above.

This position is different to that of adjoining district, Blackburn with Darwen which does not contain a threshold. The housing market is stronger and viability was not such an over-riding issue in Blackburn with Darwen (see Housing Topic Paper, CS_Supp4.3, para’s 5.6-5.7). The approach taken by the two authorities can therefore be distinguished on this basis.

c. How will sufficient affordable housing be delivered?

The affordable housing need identified in the evidence base cannot all be delivered through planning gain. It needs to be complemented by other development activity (e.g. RSL led schemes) financed through grant funding.

As we have stated at 5.2 ii), the amount of affordable housing delivered is closely related to viability; if a site does not have enough value in it to provide Affordable Housing, none will be realised. In Hyndburn, viability poses a significant constraint across a majority of sites as evidenced in the Affordable Housing Viability Assessment (CS_Supp3.20-3.21).

In order to deliver sufficient affordable housing, there will need to be an increased reliance on grant funding both to provide gap funding for market housing developments and for schemes that consist entirely of affordable housing. The Council will monitor the delivery of affordable housing. As economic conditions change it may be necessary to update the evidence base.

5.4 Gypsies & Travellers (Policy H3)
a. **Does Policy H3 make adequate provision for gypsy and traveller accommodation, having regard to the latest Gypsy & Traveller Accommodation Assessment, the conclusions of the EIP Panel examining the regional review, and current national policy?**

Policy H3 makes adequate provision for Gypsy and Traveller sites having regard to the conclusions of the EIP Panel that examined the regional review. The regional review was undertaken in the context of national policy. The Topic Paper on Housing explains the approach taken by the Council to Gypsy and Traveller accommodation.

Government policy on housing is underpinned by the principle that everyone should have the opportunity of living in a decent home. Circular 02/2006 makes it clear that members of the Gypsy and Traveller community have the same rights as everyone else.

Successive Governments have undertaken to make adequate provision for members of the Gypsy and Traveller community. However, it was considered necessary to introduce Circular 01/2006 because ‘Circular 1/94 has failed to deliver adequate sites for gypsies and travellers in many areas of England over the last 10 years’. The distribution of pitches in North West England is heavily skewed towards a small number of local authority areas and that the majority of local authorities in North West England make little or no provision of Gypsies or Travellers in their areas.

The failure to address this inequality of distribution has been both systematic and comprehensive in the sense that the methodologies used to consider need or demand for pitches is heavily skewed towards the areas where they already exist. The potential level of interest shown in an area by members of the Gypsy and Traveller community is strongly influenced by the way in which the local authority and police within that area respond to unauthorised pitches and the traveller community in general. Furthermore, there appears to have been no attempt to remedy the unequal distribution that exists until the recent publication of the revised distribution figures in RSS Review. The Council believe that the proposed figures in RSS represented a step change in the approach taken and a significant step forward taken to remedy the inequalities that exist.

b. **Are there any implications arising from the announcement** that the Government intends to revoke Circulars 01/2006 & 04/2007, along with the recently published consultation draft guidance on Planning for Traveller Sites?

The Council has responded to the consultation on the draft guidance on Planning for Traveller Sites. Whilst the Council welcomes the concept of allowing local authorities to plan for their areas, in relation to the provision of sites for Gypsies and Travellers the Council remain concerned that such an approach will not result in a more equitable distribution of sites across local authority areas. A summary of the main points raised by the Council is set out below:

---

3. *Ministerial statement by Rt Hon Eric Pickles (Secretary of State for Communities & Local Government) [dated 29 August 2010]*
4. *Planning for Traveller Sites - Consultation [April 2011; DCLG]*
• The Council welcome the review that is being undertaken.
• The Council believe the Government should seek to ensure that the revised policy results in a more equitable distribution of pitches and that all authorities contribute.
• The Council believe that a policy framework that perpetuates existing patterns of distribution would not facilitate “the gypsy way of life” and would not therefore be in line with the Human Rights Act.
• The Council question whether allowing local authorities to determine the accommodation needs of Gypsies and Travellers in their areas is going to result in a more equitable distribution of pitches or whether it would perpetuate existing patterns of distribution.
• The Council believe that the “duty to cooperate” may not be sufficiently robust and that there should be a requirement to consider the needs of Gypsies and Travellers over a wider geographic footprint.
• The Council believe that Green Belt policy is clear in relation to Gypsy and Traveller sites, but the lack of alternative provision should not constitute “very special circumstances” that is sufficient to outweigh other considerations. Removing the word “normally” from the guidance in the revised circular would help clarify this.
• The Council are unclear about the extent to which new planning policy will reduce tensions between the settled and traveller community.

Recognising that consultation on the draft document has only recently closed (and a further question was asked by CLG in relation to Green Belt), the Council consider that only limited weight should be given to the draft policy.