



Review of the emerging Pendle Local Plan – Core Strategy

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Review on behalf of the
Planning Advisory
Service

UK & IRELAND



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The methodology adopted and the sources of information used by URS in providing its services are outlined in this Report. The work described in this Report was undertaken between June 2014 and September 2014 and is based on the conditions encountered and the information available during the said period of time. The scope of this Report and the services are accordingly factually limited by these circumstances.

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1 INTRODUCTION

1.1 Planning Advisory Service “plan review” support

The Planning Advisory Service (PAS) provides consultancy and peer support, learning events and outline resources to improve local government planning. A ‘plan review’ is one of a range of direct support packages available to local authorities.

Plan review draws on recent Government announcements, Planning Practice Guidance (PPG), policy and the tests of soundness presented within the National Planning Policy Framework (NPPF) and the latest reports on local plans issued by the Planning Inspectorate (PINS). The reviews also take into consideration matters of compliance with planning and environmental assessment regulations. A plan review is akin to a health check. It is about helping councils to ‘take a step back’ and understand the risks and opportunities that the plan in its current form presents.

The output is generally a short advice note setting out some thoughts and suggested actions. Outcomes can include increased confidence in the draft plan and an understanding of any vulnerable areas plus potential mitigating actions.

1.2 Support to Pendle Borough Council

Pendle Borough Council is currently in the process of preparing a Pre-Submission Local Plan Part 1 (Core Strategy). A draft Strategy (June 2014) was provided alongside a number of technical documents which make up the supporting evidence base, as agreed with the Council.

In discussion with the Council a number of topics were highlighted that required consideration, including:

- Housing and employment policies, and the linkages between them;
- Renewables/allowable solutions policy;
- Infrastructure; and
- The Duty to Cooperate.

The following documents have been reviewed by URS as part of the plan review process:

- Pendle Core Strategy Pre-Submission Draft (PCSPS) (June 2014);
- Core Strategy Statement of Compliance with the Duty to Cooperate (June 2014);

- (Fordham Research) Burnley and Pendle Affordable Housing Site Viability Study (October 2009 Final Report);
- (Fordham Research) Burnley and Pendle Affordable Housing Site Viability Study Update Report 2010, Adopted 8th February 2011);
- (Colliers International and Aspinall Verdi) Pendle Borough Council Development Viability Study (December 2013);
- (NLP) Burnley and Pendle Councils Housing Needs Study and SHMA (Issued Report 10 December 2013);
- Pendle SHLAA (Review 2013);
- Employment Land Review (ELR) (First Revision Adopted 30th April 2014);
- Pendle Core Strategy Employment Technical Paper Publication Report September 2012;
- Pendle Infrastructure Strategy (Updated November 2013);
- Pendle Population Projections (2012-based Subnational Population Projections and the 2011-based Interim Subnational Population Projections).

In addition, a meeting was held with Pendle Council staff on 11th August 2014. At this meeting the following issues were discussed:

- Spatial distribution of housing and relationship with the viability evidence;
- Housing land supply;
- Phasing of housing delivery and wastewater infrastructure;
- Selection of strategic housing and employment sites and 'reasonable alternatives';
- SA Reporting - the plan-making 'story'; and
- Duty to Cooperate - Burnley's latest position in relation to the revised Pendle housing figure.

1.3 Methodology

The NPPF tests of soundness are used as the basis for structuring the review. The NPPF defines a sound approach as one that is:

- **Positive** – i.e. based on a strategy which seeks to meet objectively assessed development and infrastructure requirements, including unmet requirements from neighbouring authorities where it is reasonable to do so and consistent with achieving sustainable development;
- **Justified** – i.e. the most appropriate strategy, when considered against the reasonable alternatives, based on proportionate evidence;
- **Effective** – i.e. deliverable over the plan period, including in-light of the potential need for joint / cross-boundary working; and
- **Consistent with national policy** – i.e. in-line with the need to achieve sustainable development in accordance with the policies in the NPPF.

The report is structured around the above headings with a conclusions and recommendations section summarising the various risks and opportunities highlighted in this report. The review has concentrated on those key elements requested in conversation with Pendle Borough Council, namely:

- A review of the housing policies, which are recognised as being difficult to frame in a locality with limited viability. Attention has been paid to the overall housing figures, the proposed phasing mechanism and the approach to affordable housing provision;
- Linkages between housing and employment requirements;
- Calculation of the employment land requirement;
- The approach to renewables/allowable solutions in Policy ENV2;
- A review of the evidence on infrastructure as to whether it is sufficiently robust;
- A review of the Statement of Compliance in relation to the Duty to Cooperate to confirm whether it is appropriate/sufficient; and
- Any requirements for additional technical papers.

2 POSITIVELY PREPARED

The Local Plan should be based on a strategy which seeks to meet objectively assessed development and infrastructure requirements, including unmet requirements from neighbouring authorities where it is reasonable to do so and consistent with achieving sustainable development. The NPPF sets out 12 principles through which it expects sustainable development can be achieved.

2.1 Have requirements been objectively assessed?

Housing

Yes. Pendle Borough Council commissioned a joint Housing Needs Study and SHMA with Burnley Council which was completed in December 2013 (based on the 2011-based Interim SNPP). Burnley and Pendle form a distinct housing market area within Central Lancashire.

The SHMA identified the total and annual affordable housing need requirements, including the split by type, size, and tenure and for a range of special needs groups; as well as the total need, by size, type and at a sub-housing market level.

The 2013 SHMA is considered to be consistent with Government guidance on the production of such an evidence base, as set out in the NPPG and the NPPF, although at the stage the 2013 SHMA was published, the NPPG guidance was still in draft form.

The consultants who prepared the SHMA have recently produced an update note to the SHMA (August 2014), which focuses on the implications of the 2012-based SNPP, including the re-running of the various demographic and employment-led scenarios.

The August 2014 SHMA update has reviewed the latest demographic and population releases for Pendle Borough, specifically the 2012-based SNPP, and how these new projections compare with the data underpinning the SHMA. A sensitivity test has explored the likely impact of these new figures on dwelling requirements through a re-run of the PopGroup baseline model run. The rerun has incorporated the 2012-based Sub National Population Projections (SNPP) forecast and revisited the scenarios in relation to migration constraints and employment-led scenarios. The consultants also undertook a contextual overview exploring the reasons behind any significant changes to the projections and the extent to which the previous projections underpinning the Local Plan housing requirements remain valid, including revisiting the latest housing market signals. A re-running of the scenarios and consideration of the latest market signals suggests that the range of OAN for housing should be revised slightly from 280-320 dpa as recommended in the 2013 SHMA, to

250-340 dpa to reflect the change to the lower level of growth expected through the 2012-based projections.

Employment

In relation to employment land requirements, an Employment Land Review first revision (ELR) has recently been undertaken and this was adopted in April 2014. The approach adopted in the ELR first revision follows established good practice (2004 ODP Guidance). It considers forecasts based on employment growth (labour demand), on population forecasts and future growth (labour supply) and using past trends. Other factors are considered in assessing need. The work undertaken in August 2014 to update the SHMA also reviewed the labour supply based forecast using the 2012-based SNPP.

The ELR 2014 determined a requirement of 68ha using historic take up rates adjusted upwards to allow for a flexibility factor and losses of employment land over the Plan period. This approach has been adopted by several of the Council's neighbouring authorities and has been found sound.

Other

A Retail Capacity Study update was undertaken in 2012 and an Open Space Audit in 2008. A Green Infrastructure Strategy is currently being prepared which will provide more up-to-date evidence on open space requirements, however a draft has not been available for review. Work on the Playing Pitch Strategy element has commenced and is being jointly prepared with Burnley, Rossendale, Ribble Valley and Sport England.

The Infrastructure Strategy 2013 considers social, physical and green infrastructure and it seeks to summarise the baseline position on existing infrastructure provision and to highlight any capacity issues and requirements for new infrastructure. The Strategy sets out community facilities and social infrastructure requirements, and draws on a number of Parish Plans and the Sustainable Settlements Study which was undertaken in 2008.

Table 1 Summary of objectively assessed need

Table 1 below presents a summary of the district's needs over the plan period, based upon the most up to date assessments.

Category	Evidence-based need	Reference
Housing Target	250-340dpa (2011-2030)	Housing Needs Study 2012-based SNPP Update

Category	Evidence-based need	Reference
		(14 August 2014)
Housing Distribution	70% of new housing should be located in the M65 Corridor, 20% in the West Craven Towns and 10% in Rural Pendle.	Burnley and Pendle SHMA (2013)
Dwelling mix	<p>Property sizes:</p> <ul style="list-style-type: none"> • 7.5% 1-bed • 45% 2-bed • 35% 3-bed • 12.5% 4-bed+ <p>Property types:</p> <ul style="list-style-type: none"> • 35% semi-detached • 25% detached • 10% terraced • 10% flat/maisonette • 20% bungalow/specialist elderly accommodation <p>To rebalance stock away from smaller terraced properties and 3-bed accommodation, towards 2-bed dwellings, larger, more aspirational stock and good quality accommodation designed specifically for the growing elderly population.</p>	Burnley and Pendle SHMA (2013)
Affordable Housing	<p>Net annual affordable housing need:</p> <ul style="list-style-type: none"> • based on gross household formation approach – 672 • based on net household formation approach – 236 <p>Tenure:</p> <p>30% Social Rented</p> <p>30% Affordable Rented</p> <p>40% Intermediate Tenure</p>	Burnley and Pendle SHMA (2013)
Employment land	<p>The PCSPS identifies in Table WRK2 a projected shortfall of 25.02ha over the plan period (2011-2030).</p> <p>Issues identified in the ELR:</p> <ul style="list-style-type: none"> • questionable quality of existing sites (general environment and motorway accessibility); • no ability to accommodate large scale B2 or B8 development (over 60,000 sq. ft.); • need to identify a good quality business park for B2 and B8 uses of 10-15 ha in M65 corridor; • need to address undersupply of available sites and shortage of land for small business units in West Craven. <p>The ELR April 2014 identified a need for an additional 23.34 ha of employment land to meet identified need.</p>	Pendle Employment Land Review First Revision (2013)
Retail	<p>Up to 2033 (sales floorspace – sq.m net):</p> <ul style="list-style-type: none"> • Convenience - 1,262 sq.m • Comparison - 8,889 sq.m • Total - 10,330 sq.m <p>Convenience floorspace could increase to 3,010 sq.m if Barnoldswick is able to increase its retention of convenience goods</p>	Pendle Retail Capacity Study Update (2012) Pendle

Category	Evidence-based need	Reference
	<p>expenditure.</p> <p>The Update study provides a projected split across the six retail centres.</p>	
Community facilities/social infrastructure	<p>The number of dwellings proposed through the PCSPS would equate to about an 8-9% increase in population. Ideally this should be supported by an equal and corresponding increase in police staff, ideally based in new neighbourhood offices.</p> <p>However the Pendle Infrastructure Strategy 2013 notes that there is no real mechanism for obtaining capital funding for new infrastructure projects and the Police service is considering a strategy for lobbying for a charge via planning applications to fund such infrastructure. Co-location is a possible option.</p> <p>Need for health services identified in Colne as the Colne health centre is over capacity.</p>	Pendle Infrastructure Strategy (2013)
Open space/green infrastructure	<p>Several wards show relative deficits of open space provision, including parks, woodland, children's play areas and sports pitches/courts.</p> <p>A Green Infrastructure Strategy is being prepared (2014/15) which will review and update the evidence on open space requirements.</p>	Pendle Open Space Audit 2008
Transport	<p>Two strategic projects identified:</p> <ul style="list-style-type: none"> A56 construction of villages bypass Reinstatement of the Colne to Skipton railway <p>Congestion on east-west routes through Colne (AQMA) needs to be addressed.</p> <p>The lack of funding for the two major strategic projects may mean they cannot be delivered during the plan period.</p> <p>Proposed level of development should be able to be absorbed nevertheless.</p>	Pendle Infrastructure Strategy (2013)
Physical Infrastructure	<p>The Pendle Infrastructure Strategy 2013 maintains that there are no insurmountable barriers to the likely scale of development but some phasing of development particularly on large Greenfield sites may be required post 2015, as a number of waste water treatment plants are operating at or close to capacity.</p> <p>There is a need to improve broadband connectivity, particularly in rural areas, to increase opportunities for business diversification, home working and to meet community needs.</p>	Pendle Infrastructure Strategy (2013)

2.1.1 Overall housing requirements

The Department for Communities and Local Government's (DCLG) 2011 based household projections (published in April 2013) are the latest official household projections for England and take account of the 2011 Census results. As suggested in the PPG website, they are the starting point estimates for looking at household growth and housing requirements. A recent RTPI

research report¹ (published in January 2014) provides some guidance for authorities in the midst of calculating their objectively assessed need and suggests that LPAs consider:

- **To what extent has the pattern of household formation in the area been affected by an increase in international migrants?** The volume of international migration varies considerably from area to area – and with it the likely impact that increased international migration may have had on household formation patterns.
- **The extent to which household formation patterns have departed from previous trends.** This can be investigated by comparing household formation rates in the latest projections with those which underpin the 2008-based projections. For some age groups in some authorities the latest projections suggest that household formation rates will continue to fall. Authorities will wish to consider whether this is a prudent basis on which to plan.
- **Whether there have been significant changes in the projected net flow to or from other local authorities.** Where this is the case it may be a consequence of the use in the interim projections of flow rates from earlier projections. In such cases it might be appropriate to adjust the projected flows. The key issue is whether the trends that have been projected forward in the latest projections are likely to continue unchanged.

There are two reasons why those trends may not continue unchanged: (1) Increased international migration in the first decade of this century may have been responsible for a significant proportion of the changes to previous trends in household formation patterns. The further increases in international migration that would be needed for this factor to continue to apply are perhaps unlikely. (A continuation of recent rates of international migration should not have a further effect on household formation rates.); and (2) It seems likely that the 2011 Census results were influenced by both the economic downturn and the effects of a long period of poor housing affordability. If conditions in the housing market and the economy more generally improve there may be a return towards previous trends. Both of these factors suggest that planning on the basis of the latest projections could lead to an under provision of housing.

The authors of the Burnley and Pendle SHMA 2013 (NLP) pick up on this issue at paragraph 3.6 and 3.7 and identify the shortcomings with simply rolling forward household formation rates beyond 2021. The long-term trend

¹ http://www.rtpi.org.uk/media/819060/rtpi_research_report_-_planning_for_housing_in_england_-_january_2014.pdf

(2008-based projections) for Pendle suggest an accelerated decline in household size when compared with the 2011-based projections. NLP consider this reflects recent constraints on housing affordability and availability (both supply-side and demand-side factors) which have restricted new households forming in the same manner as observed in previous trends, potentially leading to higher rates of concealed households, higher rates of household sharing and factors such as young adults staying at their parental home for longer. NLP considers that as the market recovers, this suppressed demand will be 'unlocked' and people in the 25-44 age bracket will be able to get on the housing ladder and form new households. They have therefore applied the rate of annual change in household formation from the 2008-based household projections for the period beyond 2021, to reflect the longer-term trends demonstrated by these earlier projections.

A series of demographic-led and employment-led scenarios have been modelled in the 2013 SHMA to arrive at a range of figures for the overall need (139-358dpa). The final figure selected for inclusion in the PCSPS is 314dpa, towards the higher end of this range. This is consistent with the advice in the SHMA 2013, which suggests that an appropriate range would be between 280dpa and 320dpa on the basis that it is:

"...important for PBC to be realistic, but also to adopt a pro-growth approach that aligns with their economic aspirations. On this basis, it is recommended that the higher end of the (rounded) projections be taken forward..."
(paragraph 5.39).

As well as the most up to date projections, the PPG website has now placed greater emphasis on reflecting market signals, in addition to previous guidance on employment trends². Guidance on affordable housing spells out that:

*"The total need for affordable housing should be converted into annual flows by calculating the total net need (subtract total available stock from total gross need) and converting total net need into an annual flow...The total affordable housing need should then be considered in the context of its likely delivery as a proportion of mixed market and affordable housing developments, given the probable percentage of affordable housing to be delivered by market housing led developments. An increase in the total housing figures included in the local plan should be considered where it could help deliver the required number of affordable homes."*The authors of the 2013 SHMA have revisited the findings of this study in light of the release of the 2012-based Sub-National Population Projections [SNPP] that were published by the ONS on 29th May 2014. The review provides an analysis of how the 2012-based SNPP forecasts compare with the data underpinning the SHMA; reviews the latest Housing Market

² <http://planningguidance.planningportal.gov.uk/blog/guidance/housing-and-economic-development-needs-assessments/methodology-assessing-housing-need/>

Signals relevant to the Burnley and Pendle HMA and whether the housing need should be adjusted as a result (consistent with guidance in the NPPG) and remodels the 11 scenarios using the 2012-based SNPP. Finally, the update explores the reasons behind any significant changes to the forecasts and the extent to which the previous forecasts underpinning the recommended OAN for housing in the borough remain valid.

This appears to be a robust piece of work, although officers have pointed out that it is not clear how the backlog of unmet need has informed the range of figures. With respect to the implications of the findings, it is noted that although the lower end of the recommended range of the OAN is lower than that recommended through the SHMA 2013, the lower end of this range is still well within the overall range identified in the early work, which should provide comfort to Pendle Council in progressing their plan towards submission.

As well as looking at the technical evidence to calculate objectively assessed need for housing, it is crucial that the Duty to Cooperate is undertaken in a robust manner so that the residual housing needs of neighbours (if any) is factored in to the process (see also our comments under section 4.4 Duty to Cooperate).

2.1.2 Housing distribution

The Burnley and Pendle SHMA presents a recommended spatial distribution for new housing development for three spatial areas - the M65 Corridor, the West Craven Towns and Rural Pendle. Specifically for each area the SHMA looks at the current population and household distribution, past housing delivery rates, current housing land supply and the current affordable housing need. It suggests on a quantitative basis that 70% of new housing should be located in the M65 Corridor, 20% in the West Craven Towns and 10% in Rural Pendle.

The SHMA finds that there is a high priority to provide for the full range of housing needs in the M65 corridor. This is where two thirds of the Borough's population live and the corridor is clearly the most accessible part of the borough.

The SHMA reports that over the past ten years over 50% of total (gross) housing delivery has been in the M65 corridor – this is considered to be a little below the level that might be expected relative to the size of its population. Completions in Rural Pendle since 2003/4 represent 21% of total net delivery.

The most recent viability work undertaken (Development Viability Study December 2013) corroborates earlier viability and affordable housing studies. The Study broadly indicates that the delivery of new housing is likely to be

most viable in the West Craven Towns and Rural Pendle. However, there may be environmental and planning issues; such as Green Belt incursion, services/infrastructure capacity and adverse landscape impact that challenge the delivery of sites in these locations.

The 2013 study found that the property market in Pendle is typified by weak demand meaning low values. It found three clearly distinguishable market areas demonstrating a range of values and demand in the following descending order:

- West Craven Towns – Barnoldswick and Earby;
- Rural Areas – open countryside containing 16 widely dispersed villages and hamlets;
- M65 Corridor North/M65 Corridor South.

The Development Viability Study 2013 considered that within the M65 corridor there were two distinct sub markets – north and south of the M65. Average values of semi-detached housing were 20% higher to the north of the motorway. Paragraph 3.52 of the Study is worthy of mention:

“The sites to the north are attractive edge of town sites that command higher value areas than sites to the south of the motorway, which tend to be urban and are often on former industrial sites”.

This finding is reinforced by developer consultation undertaken in June 2013 when comments were made that several sites on the urban fringe north of the M65 would generate values close to those in the West Craven Towns.

The valuation modelling work undertaken within the study found that viability of residential development followed the market values and that, in general terms, viability was proven or potentially achievable across the borough with the exception of the area to the south of the M65.

The recommended spatial distribution of the PCSPS recognises that it will be necessary to ‘strike the right balance’ between viability and environmental issues. In addition, paragraph 10.43 of the PCSPS states that a number of key regeneration projects in Brierfield, Nelson and Colne will need to be developed over the Plan period. An AAP and SPDs have already been prepared to assist delivery in these inner urban locations.

Following the review of the PCSPS, the SHMA and the most recent viability work undertaken we have concluded that:

- the planned broad distribution of new development across the borough reflects needs and PCSPS strategic objectives; and

- in order to demonstrate that development in the M65 corridor is deliverable there should be a greater proportion of development north of the motorway, where development is likely to be more viable and more attractive to developers.

The viability evidence suggests that the spatial distribution approach in the PCSPS should respond to market and viability evidence to be compliant with viability/deliverability requirements of the NPPF. By seeking to locate as much development as possible into the more viable parts of the borough, this will facilitate meeting overall quantitative need and specific affordable and other housing needs.

2.1.3 Phasing of residential development over the Plan Period

The housing trajectory identified in the PCSPS (Figure LIV1a) (at the time of review) phased delivery in the following way:

- 200 dpa between 2012 and 2019; and
- thereafter 397 dpa until 2030³.

This approach would require increased delivery rates from 2019 to 2030. It would, in our view, be helpful for the PCSPS to describe in greater detail how in practical terms this will be achieved, as this aspect is likely to receive scrutiny at Examination. From discussions with officers it is clear that there are initiatives and efforts in hand which could assist in increasing delivery rates, such as the PEARL (Pendle Enterprise And Regeneration Limited) partnership and working with landowners and developers.

The PCSPS recognises that recent under-delivery (between 2011 and 2014) will need to be addressed in the next five years but it is also recognised that the predicted level of completions going forward remains low until 2016/2017.

The PCSPS also recognises that the viability of achieving brownfield first policy objectives is challenging and that, in any event, there are simply not enough brownfield sites to enable full delivery of the proposed housing trajectory. Paragraph 10.51 recognises that housing delivery is a fundamental issue for the CS.

³ Officers have subsequently advised us that the delivery phasing will be as follows:

- 220 dpa from 2011/12-2014/15;
- 250 dpa from 2015/16-2019/20;
- 353 dpa from 2021/22-2029/30.

It is recognised and understood that the role of the Pendle Local Plan Part 2: Site Allocations and Development Policies will be to allocate specific sites. However, following our review of the PCSPS and evidence base documents it is concluded that the proposed approach to phasing and spatial distribution of future housing land supply would be strengthened by developing a Housing Land Delivery Action Plan which draws together the ongoing initiatives and formalises these; setting out roles/responsibilities, target milestones, programme, outputs et cetera. This would act as a corporate delivery tool to be used across Council departments and would help to demonstrate Council efforts to increase delivery rates.

2.1.4 Employment Land Requirements

A requirement of 68ha is adopted by the PCSPS and was identified in the 2013 ELR First Revision using historic take-up rates adjusted upwards to allow for a flexibility factor and losses of employment land. The ELR decided against adopting an employment land requirement based on labour demand and labour supply forecasts.

There is no right or wrong answer in setting specific Local Plan employment land requirements. Good practice guidance sets out a process which the Council has followed, including undertaking a local business survey. Forecasts for land requirements based on employment and population projections range from 22.83 to 27.50 hectares from 2011 to 2030 – this would equate to an employment land provision of between 1.2 and 1.4 hectares per annum. The ELR reports (paragraph 5.21) that the average historic take up over the past 30 years was 2.65 hectares per annum.

The ELR and the PCSPS reflect on the weight to apply to forecasts for land requirements based on employment and population projections. The Council has aspirations to diversify the economic base and to focus on supporting investment in priority growth sectors such as advanced engineering and materials in order to revitalise the local economy – this approach is in keeping with sub regional policy direction identified in the Integrated Economic Strategy for Pennine Lancashire 2009 – 2020. The ELR concludes that:

- The supply or population projection based scenarios consider the potential growth in in the working age population, however these do not sufficiently reflect local aspirations for economic growth as set out in the PCSPS. Scenario B (Jobs Growth Policy On) does, however, seek to reflect these growth aspirations but the ELR maintains that the results are severely constrained by recent events (presumably the recent economic recession);
- The two scenarios based on employment projections are only concerned with the potential growth in employment over the plan period

and are based on zero or modest growth assumptions in priority growth sectors. Scenario I (2011 SNPP with Experian Jobs Growth Policy On) does, however, seek to reflect these growth aspirations but the ELR maintains that the results are severely constrained by recent events (presumably the recent economic recession).

The ELR analysis therefore points towards adopting a demand based estimate that reflects a realistic level of land requirement allowing for the need to rebalance the stock of larger industrial premises.

The ELR argues that using past delivery rates as a basis to forecast future demand is more accurate as it uses a 30 year reference period. The ELR and PCSPS articulates the economic and social benefits by adopting the highest figure from all the scenarios and it is felt that this approach is consistent with the Framework's requirements for positive plan preparation (NPPF para 157) and the need to identify land for economic development to meet identified needs (NPPF para 161).

It is therefore our view that the requirement for employment land is objectively assessed.

2.2 Does the emerging strategy seek to meet the requirements?

2.2.1 Housing land supply

The context for our review of housing land supply is drawn from the NPPF's paragraph 47 which seeks to significantly boost the supply of housing and sets out what Local Authorities should address in their local housing policies. One element of this is to identify and update annually a 5 year supply of specific deliverable sites. A footnote to paragraph 47 defines 'deliverable' as follows:

"To be considered deliverable, sites should be available now, offer a suitable location for development now, and be achievable with a realistic prospect that housing will be delivered on the site within five years and in particular that development of the site is viable. Sites with planning permission should be considered deliverable until permission expires, unless there is clear evidence that schemes will not be implemented within five years, for example they will not be viable, there is no longer a demand for the type of units or sites have long term phasing plans."

In addition Local Authorities are expected to identify a supply of specific developable sites or broad locations for years 6-10 and where possible 11-15. 'Developable' is defined as follows:

“To be considered developable, sites should be in a suitable location for housing development and there should be a reasonable prospect that the site is available and could be viably developed at the point envisaged.”

Key findings of the SHLAA 2013 Review were:

- 0 to 5 year period (between 2014/15 and 2019/20) - sites estimated to be capable of delivering 2,200 dwellings. 69% of the land available is within the M65 Corridor, 15% in the West Craven towns and 16% in rural areas. A number of the additional sites identified are located in the northern fringe of the M65 Corridor around Barrowford and Colne where development viability is considered to be stronger than that of sites in the inner urban areas to the south;
- 6-10 year period (between 2019/20 and 2024/25) - sites estimated to be capable of delivering 2,409 dwellings in the medium term. 87% are located in the M65 Corridor and 12% in the West Craven Towns, with only 1% in rural areas;
- 11-15 year period (between 2025/26 and 2029/30) - sites estimated to be capable of delivering 3,503 dwellings, however, these are largely made up of constrained brownfield sites in the M65 corridor and other sites with planning constraints in the M65 corridor, West Craven towns and rural areas requiring change of designation. Development in the latter two areas would lead to the significant expansion of the existing settlement areas. The overall split in this period is M65 corridor - 68%, West Craven Towns – 14% and rural areas 18% (620 dwellings).

In total therefore the number of dwellings that could be delivered is 8,112. Of this total amount of land available for development 30% is classified as Brownfield land whereas 70% is classified as Greenfield land. In discussions with officers confirmation was received that there are a number of identified greenfield sites north of the M65 where viability is easier to achieve than to the south of the motorway. This is encouraging and this should be drawn out more in the PCSPS.

Although the overall land supply is more than sufficient to deliver to the rates in the proposed housing trajectory, there are a number of potential issues which are apparent from our review, as follows:

1. The Council will need to monitor and influence spatial distribution across the borough over time to accord with the planned spatial distribution set out in Policy SDP3.
2. The Council will need to demonstrate that housing land it has identified in the PCSPS for new housing is deliverable.

Policy LIV2 provides for a Strategic Housing Site close to junction 13 of the M65 at Barrowford. This site is essential to help achieve the challenging housing trajectory set out within the PCSPS. It is clear that development proposals are emerging and that the developer is of the opinion that it is viable. The identification of this site is a very positive step in seeking to meet requirements.

2.2.2 Housing mix and tenure

Paragraph 50 of the NPPF states that Councils should:

- *plan for a mix of housing based on current and future demographic trends, market trends and the needs of different groups in the community (such as, but not limited to, families with children, older people, people with disabilities, service families and people wishing to build their own homes);*
- *identify the size, type, tenure and range of housing that is required in particular locations, reflecting local demand; and*
- *where they have identified that affordable housing is needed, set policies for meeting this need on site, unless off-site provision or a financial contribution of broadly equivalent value can be robustly justified (for example to improve or make more effective use of the existing housing stock) and the agreed approach contributes to the objective of creating mixed and balanced communities. Such policies should be sufficiently flexible to take account of changing market conditions over time.*

The SHMA has been reviewed and it is considered that Policy LIV 4: Affordable Housing of the PCSPS fulfils the requirements of Paragraph 50 of the NPPF.

The December 2013 viability study indicates that the current economic conditions in Pendle are such that only certain types of site in certain areas are viable to develop and therefore the opportunity to deliver the required levels of affordable housing will be limited. The Council is doing what it can by identifying additional greenfield sites in viable locations to boost housing land supply. A result of this will be to maximise prospects to deliver affordable housing over the plan period.

Policy LIV 5 Designing Better Places to Live of the PCSPS sets out helpful indicative guidance in respect of property types, sizes, and spatial considerations e.g. density.

2.2.3 *Employment land supply*

An important consideration identified in the ELR and the PCSPS is the mismatch between legacy employment premises and sites and the needs of modern businesses. In particular there is a lack of larger sites capable of larger footprints, which the PCSPS seeks to rectify. The PCSPS recognises the constraints arising from redeveloping brownfield land, seeks to protect existing employment areas and promotes a range of smaller neighborhood sites to support local regeneration needs. The PCSPS rightly recognises that major employment proposals should be located in the M65 corridor.

The ELR finds that:

- There is a projected shortfall of 25.02 hectares of employment land;
- There is a shortfall of sites suitable for large-scale warehousing and distribution, which appears to be a growth sector;
- There are insufficient larger sites in the M65 Corridor for general industry (B2) and warehousing (B8), sufficient to warrant consideration of the need to identify a strategic site within the M65 Corridor, where demand is highest, and/or to consider the need to relax, or remove, the B1a Office only policy restriction at the Riverside Business Park; and
- There are issues of suitability in relation to the existing portfolio and its spatial distribution to meet future demand.

The ELR (para 7.51) considers that following a comprehensive review of 13 sites, extensions at Lomeshaye Industrial Estate and West Craven Business Park would offer sufficient land of the right quality to meet future requirements. These two sites will meet the shortfall identified in the ELR.

The allocation of land at Lomeshaye will require a change to the Green Belt boundary and the PCSPS provides the justification for this and concludes that exceptional circumstances exist. It is felt that the allocation of this land will provide significant economic benefit and will serve to meet several of the PCSPS strategic objectives. The selection of a strategic site is further evidence of positive plan preparation.

Policy WRK2 is well aligned to spatial development distribution policies.

2.3 **Fit between housing and employment requirements**

There is a general focus on the M65 Corridor for future employment and housing growth (Policy SDP2) and this is reflected in the level of housing and employment provision proposed in Policies SPD 3 and 4. This will serve to concentrate new housing and employment opportunities in a sustainable way within or close to the towns in the M65 Corridor, where regeneration needs are highest and the demand for employment land is greatest. Policy WRK1

recognises the important roles that employment development can play in the three defined spatial areas.

The strategic role of the West Craven Towns is supported by directing almost 20% of new employment and housing development to these settlements.

There are some sites in the SHLAA that have also been identified in the ELR as being suitable for employment development. The Local Plan Part 2: Site Allocations and Development Policies will need to make a policy judgement as to which use would be most appropriate for each site.

Overall it is felt that there is a positive fit between proposals to meet housing and employment requirements which reflect the current baseline, vision and which will serve to meet strategic objectives set out in the PCSPS.

3 JUSTIFIED

The Local Plan should be based on a robust and credible evidence base involving:

- Research/fact finding: the choices made in the plan are backed up by facts.
- Evidence of participation of the local community and others having a stake in the area.

In relation to community-led planning, it is noted that at present, none of the Parish or Town Councils have opted to pursue preparation of a Neighbourhood Plan.

Pendle Council has an up-to-date evidence base which has informed the development of the PCSPS policies. The emerging plan has also been the subject of community consultation at several key stages, including 'issues and options', 'preferred options', a Regulation 19 consultation and most recently, a further Regulation 18 consultation on 'Further Options' in relation to housing and employment, including two strategic sites.

It is not possible within the timeframe for this review to examine in detail the extent to which local participation has informed the development of the PCSPS. However, we are concerned that the proposed allocation of a strategic housing site and a strategic employment site has not been informed by a transparent consideration and exploration of the 'reasonable alternatives' through the accompanying SA Report Addendum. The consultation documents that were published at this recent consultation do not in our opinion set out the 'story' as to why these strategic sites have been selected, what alternative sites could have been selected and why those alternatives were not preferred or 'reasonable'. This information should have been more readily

accessible at a Regulation 18 consultation. We therefore recommend that this issue is picked up and addressed through the SA Report that is prepared and published alongside the Regulation 19 version of the Core Strategy.

The Local Plan should provide the most appropriate strategy when considered against reasonable alternatives. These alternatives should be realistic and subject to sustainability appraisal. The SA report should show how the policies and proposals help to ensure that the social, environmental, economic and resource use objectives of sustainability will be achieved.

3.1 Is it the most appropriate strategy when considered against the alternatives?

In considering whether the strategy set out in the PCSPS is the most appropriate when considered against the reasonable alternatives, we have reviewed the following documents:

- Preferred Options SA Report (AMEC, October 2011);
- SA Publication Report (Regulation 19) Addendum (AMEC, September 2012);
- SA Regulation 18 Further Options (Regulation 18) Addendum Report (AMEC, December 2013).

When submitted, the PCSPS should be published alongside an SA Report that provides all the information required of the 'Environmental Report' by the SEA Directive/Regulations. As such, it should answer four questions:

1. What is the scope of the SA?

The SA report should summarise the SA scope in order to inform readers and demonstrate that wide ranging sustainability considerations have been taken into account (even if they are not explicitly referenced in the appraisal).

2. What has plan-making / SA involved up to this point?

Here there is essentially a need to 'tell a story' about how the draft plan was prepared subsequent to and in-light of the appraisal of 'reasonable alternatives'. Specifically, there is a need to answer three sub-questions:

- a) What are the Council's outline reasons for selecting the alternatives dealt with? Here there is a need to explain the 'reasonableness' of the approach taken to alternatives appraisal.
- b) What are appraisal findings in relation to reasonable alternatives?

c) What are the Council's outline reasons for developing the preferred approach subsequent to and in-light of the appraisal of reasonable alternatives? Here there is a need to justify the preferred approach with reference to the appraisal of alternatives.

3. What are appraisal findings at this current stage?

This is where the report should set out the appraisal of the draft plan, which should include recommendations for mitigation and enhancement.

4. What happens next?

This section should explain that the proposed submission plan is being published for a Regulation 19 consultation before being submitted for examination. If it is the case that proposed modifications are prepared prior to submission, or arise during the examination, then it may be appropriate to update the SA Report.

This section should also present 'measures envisaged concerning monitoring'.

Based on our review of the above reports against the four questions set out above, we have a number of concerns.

Scope of the SA – the baseline and scope for the SA has not been updated since 2011 when the Preferred Options SA Report was published. There have been significant changes in both the policy context and production of locally specific baseline information (e.g. on housing need) since the Preferred Options SA Report was published. The scope should be updated and presented alongside the appraisal in order to demonstrate that the appraisal has been undertaken in light of the most recent baseline information. For example, the text in the 'key baseline information and target' sections of the policy appraisal proformas has not been updated since 2011. We recommend that the scope is updated in the Final SA Report that is produced to accompany the Regulation 19 version of the Core Strategy.

Consideration of alternatives – this is where we have the greatest concern and feel the reports are likely to be subject to scrutiny at the Examination. In order to have the necessary information to hand to complete the answer to question 2, there must have previously been: A) detailed consideration given to the selection of reasonable alternatives; B) appraisal of reasonable alternatives; and C) consideration given to the implications of the alternatives appraisal.

There is no discussion in any of the reports reviewed as to why certain spatial distribution alternatives were selected for consideration at the Preferred Options stage, how those alternatives might be meaningfully different on the ground, or an appraisal of them to the same depth and extent as the preferred option. The appraisal tables in the Preferred Options SA Report Appendices present a detailed appraisal of the preferred spatial distribution option, but

there should also have been a *comparable appraisal* of the options that were not preferred. A few sentences of text in the main body of the report does not constitute a comparable appraisal.

As far as we could determine, there has been no appraisal of the 'options' for the quantum of growth. Whilst it is not necessary to appraise options for every thematic policy of the Local Plan, it is *crucial* to consider options for the spatial strategy (i.e. the approach to growth *quantum and distribution* of housing), and to ensure that those options are still valid (i.e. they are the reasonable alternatives) at the point at which the plan is submitted.

There should also have been a consideration and appraisal of reasonable alternatives for the strategic sites, given their importance to achieving the overall growth quantum and thus the spatial strategy. If there are indeed no reasonable alternatives to these sites, this should have been explained in the SA Report Addendum.

There is also no discussion in the reports as to how the SA process and its findings has influenced the selection of the preferred strategy.

Appraisal findings – the recommendations for mitigation and enhancement of effects should be readily apparent to the reader. The Preferred Options SA Report included a specific section in the report summarising the mitigation recommendations, there is no such section in the later Addendum Reports. It would be helpful if the significant effects were more readily discernable.

Measures envisaged concerning monitoring – whilst we appreciate that the latest reports have been Addendums, the version published at the upcoming Regulation 19 Publication should provide suggestions for an appropriate monitoring framework that will monitor the significant effects identified.

In summary, we consider that the SA Reports prepared to date do not provide justification for the selection of the preferred strategy and do not reflect best practice or the findings of recent caselaw. We understand from our meeting on the 11th August that the Council are preparing a Final SA Report to accompany the Regulation 19 version of the Core Strategy. We discussed the above comments in some depth at this meeting and we are satisfied that the Council has made a commitment to address these issues in the Final SA Report.

4 EFFECTIVE

The plan should be deliverable over its period and based on effective joint working on cross-boundary strategic priorities. To be effective the Local Plan needs to:

- Be deliverable;
- Demonstrate sound infrastructure delivery planning;
- Have no regulatory or national planning barriers to its delivery;
- Have delivery partners who are signed up to it;
- Be coherent with the strategies of neighbouring authorities;
- Demonstrate how the Duty to Co-operate has been fulfilled;
- Be flexible; and
- Be able to be monitored.

The Local Plan should indicate who is to be responsible for making sure that the policies and proposals happen and when they will happen.

4.1 Timescale of the Local Plan – is this appropriate?

Para. 157 of the NPPF states that (key points underlined) *‘Local Plans should be drawn up over an appropriate time scale, preferably a 15-year time horizon, take account of longer term requirements, and be kept up to date’.*

The plan period is for 19 years, from 2011 to 2030. This is longer than the period recommended by the NPPF. The plan period should only be considered to begin from the point of the Plan being adopted. The justification for selecting a longer period should therefore be articulated in the PCSPS.

September update: Officers have subsequently advised us that this period has been chosen because the baseline for the evidence base is 2011.

4.2 Is the strategy deliverable?

4.2.1 *Residential development*

Demonstrating supply is not just about housing numbers. Deliverability is key and as previously referenced, NPPF paragraph 47 says that to be considered deliverable, sites should be available, be a suitable location for development, be achievable and in particular that development is viable.

The NPPF requires Local Planning Authorities to model the ‘cumulative impact’ of local plan policies on viability to ensure that the overall delivery of the plan is not threatened by the discretionary policy costs that are over and above the normal costs of development. Crucially when modelling viability the Council should ensure that landowners and developers can attain ‘competitive returns’. The Council should ensure that whole plan viability is explicitly assessed and set out within the evidence base or examination statements/evidence papers in the future.

Testing viability is important and in simple terms the objective is to assess whether planned development is likely to occur within the lifetime of the Plan and will not be unduly threatened by policy that places development at risk. Paragraph 173 of the NPPF provides the framework to guide plan viability testing.

We have reviewed the Development Viability Study 2013 and it appears that the assessment of viability across the PCSPS has been carried out in accordance with relevant guidance.

What is the land supply and is it deliverable/viable?

This is a critical consideration in determining if the Core Strategy is effective. A number of issues have been identified and the key findings for sake of completeness are summarily set out below:

- The lack of viability in the M65 corridor, particularly to the south of the motorway, means it will be a challenge to deliver on sites in this area. Additional sites to the north of the M65 around Barrowford and Colne will be a crucial source of viable housing land. The Council will need to demonstrate that housing land it has identified in the PCSPS for new housing is deliverable;
- A number of key regeneration projects in Brierfield, Nelson and Colne will need to be developed over the Plan period. These projects are located to the south of the M65 motorway, where viability is difficult to achieve.

Developing a Housing Land Delivery Action Plan could act as a corporate delivery tool to demonstrate Council efforts to increase delivery rates.

Does the evidence base clearly identify the viability/deliverability of the strategic site?

Policy LIV2 in the PCSPS supports development of Trough Laithe Farm and it makes reference to the circumstances and current position in relation to evidence produced by the landowner confirming viability and deliverability. The Development Viability Study 2013 does not appear to review and confirm the

developer's assertion and the PCSPS also does not confirm that a check has been undertaken. We suggest that this check should be undertaken and documented in the evidence base.

4.2.2 *Non residential uses*

The 2013 Development Viability Study finds that all non-residential uses, except for large food stores and retail warehouses, are unviable. It is not the Council's policies that render them unviable – it is a factor of the current, very difficult economic climate. Pendle Council, in its capacity as a Planning Authority is not a developer. The Council is therefore restricted to providing an environment which is conducive for development. It will need to demonstrate this to confirm the Plan is deliverable in respect of both employment and residential development in locations and on sites which are not currently viable. The PCSPS could be strengthened by introducing potential ways to tackle viability issues and below are set out some possible suggestions:

- Being an active partner in the Local Enterprise Partnership (LEP) to secure any available external funding to the priority areas; and
- Working in partnership with developers to comprehensively redevelop key publicly owned sites.

Does the evidence base clearly identify the viability/deliverability of the strategic site?

Policy WRK3 supports a change to the Green Belt to enable development of land at Lomeshaye Industrial Estate to proceed. The policy requires that new road infrastructure and necessary services/utilities are provided and that any environmental impacts are addressed. Although it is known that employment development is not currently viable officers have confirmed that viability assessment has been undertaken and a strategy to deliver the site is being developed.

4.3 Does the Local Plan demonstrate sound infrastructure delivery planning?

In relation to infrastructure requirements the review of the Infrastructure Strategy 2013 identified the following issue:

- *Waste Water* - Foulridge and Earby waste water treatment works are operating close to capacity – greenfield sites could not be accommodated and would need to be phased post 2015. Officers have confirmed however that this is not considered to be a significant issue.

Please also note our comments about risk and contingency planning in relation to infrastructure planning under section 4.7 of this report.

4.4 Has the Duty to Co-operate been fulfilled?

The Council has a legal Duty to Co-operate (DtC) with neighbouring planning authorities and other prescribed bodies including English Heritage, Highways Agency, the Homes and Communities Agency, the Local Enterprise Partnership, the Marine Management Organisation (N/A) and Natural England and must effectively account for cross-boundary issues in its plan. While the statutory legal process of the legal duty is generally straightforward to address, it is the soundness test that is more challenging. This is due to such factors as the complexities of meeting need across a housing market area where constraints on delivery in one constituent local planning area impose unmet requirements in another.

For DtC purposes, effective demonstration of the fact that dialogue has taken place is as important as engaging in the dialogue itself. The PAS Soundness Self-Assessment Checklist states the following requirement⁴:

'A succinct Duty to Co-operate Statement which flows from the strategic issues that have been addressed jointly. A 'tick box' approach or a collection of correspondence is not sufficient, and it needs to be shown (where appropriate) if joint plan-making arrangements have been considered, what decisions were reached and why.'

The checklist continues:

'The Duty to Co-operate Statement could highlight: the sharing of ideas, evidence and pooling of resources; the practical policy outcomes of co-operation; how decisions were reached and why; and evidence of having effectively co-operated to plan for issues which need other organisations to deliver on, common objectives for elements of strategy and policy; a memorandum of understanding; aligned or joint core strategies and liaison with other consultees as appropriate.'

The Council has prepared an extensive Statement of Compliance with the Duty to Cooperate, which we consider reflects the above guidance in the PAS Soundness Self-Assessment Checklist. We have just two observations to make in respect of this paper. Firstly it would be helpful if this Statement of Compliance could be updated to set out what Burnley's latest position is in

⁴ Available online at [http://www.pas.gov.uk/local-planning/-/journal_content/56/332612/15045/ARTICLE#Soundness checklist](http://www.pas.gov.uk/local-planning/-/journal_content/56/332612/15045/ARTICLE#Soundness+checklist)

relation to the further increase in the Pendle housing target; as paragraph 3.37 of the Statement of Compliance leaves this somewhat unresolved.

Secondly, it would also be helpful to set out Pendle Council's position in relation to the range of possible housing figures in the emerging Burnley Local Plan (Issues and Options Consultation February 2014), and whether there are any concerns for delivery of the Pendle Core Strategy arising from this range of targets (such as for example, the wastewater capacity issue at Burnley WWTW). This would provide further demonstration of cooperation with Burnley, and of attempts to achieve coherence with the strategies of neighbouring authorities (recognising that this is difficult to do, given the lack of advancement of the Burnley Local Plan). It would be helpful to address this issue (i.e. achieving strategic coherence with the strategies of neighbours in relation to objectively assessed housing needs) in relation to all of Pendle's neighbouring authorities, to demonstrate what stage in the plan making process these authorities are up to and what implications their plans could have for Pendle. We suggested at our meeting on the 11th August that this could be in the form of a simple table included in the Duty to Cooperate Statement. September update: A diagram and additional commentary have been subsequently included in the Duty to Cooperate Statement regarding the housing and employment land requirements in neighbouring authorities.

4.5 Have no regulatory or national planning barriers to its delivery

We have reviewed the PCSPS and it appears that there are no regulatory or national planning barriers to its delivery.

Policy WRK 3 supports the development of strategic land in the Green Belt at Lomeshaye and this is critical to meeting employment land needs. The PCSPS makes a case for exceptional circumstances to justify its release, however if this is not supported following examination then this would represent a barrier.

4.6 Is the strategy flexible?

The Plan should be flexible to deal with changing circumstances, which may involve minor changes to respond to the outcome of the monitoring process or more significant changes to respond to problems such as lack of funding for major infrastructure proposals. Although it is important that policies are flexible, the Local Plan should make clear that major changes may require a formal review including public consultation. Any measures which the Council includes to make sure that targets are met should be clearly linked to the Authority Monitoring Report (AMR).

The following aspects of the PCSPS offer flexibility in relation to housing and employment land supply and in respect of affordable housing:

- Policy SDP 1 Presumption in Favour of Sustainable Development will ensure that proposals that accord with the development plan are approved without delay unless material considerations indicate otherwise;
- release of some Greenfield sites in advance of development on previously developed land is supported in order to not unduly restrict development and to ensure that the levels of growth proposed are achievable;
- the broad locations and distribution of the housing allocation is set out in Policy SDP3. A range of sites will be allocated to meet the different needs of the borough's population. As part of this process, the PCSPS states that a number of reserve sites may also need to be allocated to allow for flexibility and/or for additional growth where there is a proven need;
- PCSPS Policy LIV 4 adopts flexible target ranges for affordable housing and allows for individual scheme viability assessment to determine an appropriate level of affordable housing provision; and
- the PCSPS approach to employment land supply is to support a broad range of options in terms of site size, site quality and accessibility (in terms of proximity to markets and the locally available workforce). In combination these factors will help businesses to lower costs and potentially increase their profits, enhancing their long-term chances of survival and long-term growth and allowing for sufficient flexibility to provide for market uncertainty.

There are no major infrastructure proposals which the Plan is reliant upon and therefore potential withdrawal of funding or delay is not an issue.

4.7 Is the strategy able to be monitored?

The Council should identify risks, mitigation and contingency measures in the emerging implementation plan and/or infrastructure delivery plan and monitor these through a monitoring framework. SMART indicators should be used wherever possible and link to recommendations for any mitigation identified in the Sustainability Appraisal or any other impacts assessments that may be required prior to submission (HIA, EqIA, HRA etc.)

There has not been time during this review to consider the findings of the latest SA Report Addendums with respect to significant effects, proposed mitigation measures and how these effects/mitigation measures should be monitored in any detail; as these are not readily presented/summarised in the

SA Reports. The mitigation measures and monitoring indicators outlined in the Preferred Options SA Report are fairly generic, reflecting the less advanced nature of this stage in the plan making process.

The HRA Screening Report (December 2013) has not identified any necessary mitigation and concludes that it is not likely that the proposed plan will have a significant effect on a European site (in combination with other plans or projects). An Appropriate Assessment will not therefore be required.

Each of the policies in the PCSPS is accompanied by a Monitoring and Delivery framework table, which links the policy to the Local Plan Strategic Objectives and Sustainable Community Strategy (SCS) Priority Goals. It also sets out a number of targets, proposed indicators, delivery agencies and implementation mechanisms. 'Key Linkages' covers relevant guidance and national policy, as well as key elements of the evidence base. There is no indication in these tables however as to the potential risks of non-delivery, or any mitigation or contingency measures.

In addition, there is a chapter in the PCSPS 'Chapter 13 Monitoring and Delivery', although this is more of a signposting chapter as to where such information will be captured (i.e. the AMR).

Chapter 13 of the PCSPS refers to the Infrastructure Delivery Schedule, and that this will be monitored and updated through the AMR. The text at paragraph 13.10 of the PCSPS states that this Schedule includes an assessment of potential risks and contingencies. However a review of this Schedule in both the Infrastructure Strategy 2013 and the version appended to the PCSPS suggests that if such information is presented, it is not made readily apparent; as there is no column heading within the Schedule relating to these issues (although there is a title headed 'Dependencies' in the version in the Infrastructure Strategy 2013 so perhaps risks are discussed more generally there). Whilst it may be that there are no fundamental risks to delivery, and certainly the Schedule suggests that on the whole, the proposed level of development is acceptable and can be accommodated, it is acknowledged elsewhere in the Infrastructure Delivery Strategy that there may be issues with wastewater capacity for example, and that a phased approach to greenfield development may be required. This is the sort of contingency measure that should feature in this Schedule. Council officers acknowledged at our meeting on the 11th August that this was a weakness of the current version of the Infrastructure Delivery Schedule and that it was something that they would be addressing in a future draft of the Schedule. September update: Contingency measures have now been included in the monitoring table following each of the policies in the Core Strategy. This will be reflected in future drafts of the IDS.

With respect to the housing policies, there is currently no documentation in the monitoring and delivery framework as to what actions will be taken if the ambitious annual delivery target is not achieved. A robust monitoring framework and assessment of risk would provide comfort to the examining Inspector that delivery of housing in accordance with the trajectory will be closely monitored and addressed where results indicate action is needed (demonstrating 'positive' planning). It would be useful if the PCSPS was modified to set out what actions (i.e. contingencies) will be taken if delivery is not achieved, and here we would suggest that the plan might benefit from a 'trigger mechanism' in terms of prompting an early review of the housing delivery elements of the PCSPS if monitoring indicates these cannot be substantially achieved within the plan period.

5 CONSISTENT WITH NATIONAL POLICY

The plan should enable the delivery of sustainable development in accordance with the policies in the NPPF. The Local Plan should not contradict or ignore national policy; however in drafting the new Local Plan, the Council should ensure that it avoids undue repetition and that it does not reiterate policies that are already set out in the NPPF. Where there is a departure from national policy, there must be clear and convincing reasoning to justify the approach taken.

Paragraph 47 of the NPPF places an onus on local planning authorities to significantly boost the supply of housing.

Common issues raised at Examination

Other areas that have received the greatest levels of scrutiny from Inspectors has tended to focus on issues of objectively assessed need (NPPF paragraph 14), housing targets in light of paragraph 47, viability concerns in relation to paragraphs 173 and 174 and how well Local Authorities have engaged with their key stakeholders under the Duty to Cooperate (paragraphs 156 and 178-181).

Indeed research⁵ indicates that almost half of Plans currently submitted for examination have required further modifications with progress having stalled in the majority of these cases (almost 70%) due to Inspectors requiring more evidence of objectively assessed housing need. It is also notable that during

⁵ Nathaniel Lichfield & Partners (2014) Positive Preparations: A review of housing targets and Local Plans [online] Available at <http://nlpplanning.com/PositivePreparations.pdf>

the second year of the NPPF, three councils' Local Plans⁶ were withdrawn over their failure to meet the Duty to Cooperate with neighbouring councils.

The PAS soundness tool should be utilised by the Council when as is the case in Pendle, a draft Local Plan has developed sufficiently to be tested against all criteria.

The following specific issues raised at recent examinations are of potential relevance to Pendle:

Local Plan Details	Issue and modification requirements
Halton Borough Council Local Plan, Inspector's Report September 2012	<ul style="list-style-type: none"> - Phasing of housing numbers; - Requirement to identify more deliverable housing sites or broad locations for housing; - Requirement for partial Green Belt Review.
Erewash Borough Council Core Strategy, Inspector's Report January 2014	Requirement for Council to produce a housing delivery action plan and for a review of the plan if an appropriate housing land supply is not maintained in 2015.
Joint Core Strategy for Broadland, Norwich and South Norfolk, the Broadland Part of the Norwich Policy Area Local Plan: Inspector's Report November 2013	Requirement for a new flexibility policy to ensure the delivery of housing land in the Broadland part of the Norwich Policy Area in the event of a significant shortfall.
Suffolk Coastal District Council Core Strategy & Development Management Policies, Inspector's Report June 2013	Insufficient housing land supply to meet needs.

Two of the above Examinations are worthy of further consideration as they may represent potential solutions to deliverability/viability issues which have been identified in this report.

⁶ Brighton and Hove City Council (December 2013); Mid Sussex District Council (December 2013); and Aylesbury Vale District Council (January 2014).

Erewash BC Core Strategy, Inspector's Report January 2014

Although the Examination found that the Core Strategy's overall scale and general distribution of new housing was deliverable over the plan period as a whole, the examining inspector made the following comments in his report, which are of relevance:

"The Council has confirmed that it promotes sites, especially those capable of early delivery, and engages with landowners or developers. These actions need to be focused and co-ordinated in order to ensure that, from the outset, the plan will result in the necessary outcomes. To achieve this, main modification MM5 recommends that the Council should prepare a comprehensive action plan to identify and promote those housing sites that would be capable of delivery in the short term. While MM5 refers to the identification of sites, it is not intended that the action plan should be a mechanism for allocating land or setting out planning policy. It would be a delivery tool that would identify those sites already included in the SHLAA that are able to meet this requirement and would be a focus for the Council to engage proactively with landowners and developers. This would increase the certainty that the Framework land supply requirements could be achieved."

Joint Core Strategy for Broadland, Norwich and South Norfolk, Inspectors Report November 2013

The Inspector found that the Plan needed to address the consequences of a possible shortfall in the 5-year housing land supply, including possible contingency arrangements, in order to be sound. In the submission Core Strategy there was no provision for a quicker and less complex method of dealing with deliverability problems other than a review of the whole Core Strategy. The modification proposed is set out below:

..... if any Monitoring Report (MR) produced after two full years from the adoption of this Local Plan demonstrates that there is a significant shortfall (less than 90% of the required deliverable housing land) in the 5-year supply of housing land (plus the "additional buffer" required)....., then the Councils will take the course of action specified below to address the identified shortfall.

In the event of an identified shortfall, the Councils will produce a short, focussed Local Plan which will have the objective of identifying and allocating additional locations within the whole ...area for immediately deliverable housing land to remedy that shortfall, in accordance with the settlement hierarchy set out in paragraph 6.2 of the JCS. The Local Plan will cover such a time period as may reasonably be considered necessary for the delivery delay or shortfall (however caused) to be resolved.

6 CONCLUSIONS AND RECOMMENDATIONS

This review has considered the adequacy of the emerging Local Plan in relation to the supporting evidence base, deliverability, and the Duty to Cooperate. This review has not looked at the legal conformity of the Local Plan, it is recommended that the Council utilise the legal conformity tool on the PAS website to form a judgment on this matter.

In addition, the reviewers were asked to consider:

- *Where would PAS recommend additional technical papers are required?*

It is our opinion that it is sufficient to prepare housing and employment technical papers.

- *How appropriate is the approach to renewables/allowable solutions in Policy ENV2?*

This is a complicated and technical area of planning policy, however, Policy ENV2 provides clear and comprehensive guidance on requirements. In June 2014, the Government announced that it will exempt small house builders from the requirements (as yet no definition of small has been published). Pendle should consider if it wishes to adopt this approach.

The Development Viability Study 2013 has been checked to confirm that suitable building costs assumptions have been made to reflect this policy. The Viability study assumes CfSH 3 costs of £67 psf. and was written before Policy ENV2 was prepared. There is a concern that this construction cost does not reflect the move towards zero carbon standard advocated within Policy ENV2. It is recommended that the Council review this.

A number of issues have been flagged by the review, which it is recommended are given further consideration when finalising the plan:

Housing and employment policies, and the linkages between them

Overall it is felt that there is a positive fit between proposals to meet housing and employment requirements which reflect the current baseline, vision and which will serve to meet strategic objectives set out in the PCSPS. The overall housing and employment needs have been objectively assessed and inform the strategic framework.

The employment policy WRK2 is well aligned to spatial development distribution policies and the identification of a strategic site is evidence of positive plan preparation.

Policy LIV 4 and LIV5 are helpful policies and fulfill the requirements of the NPPF.

We do consider that some more amplification is needed to defend the deliverability of land identified in the PCSPS for new housing. Developing a Housing Land Delivery Action Plan could act as a corporate delivery tool to be used to demonstrate Council efforts to increase delivery rates. This Plan could draw together ongoing initiatives, formalising these by setting out roles/responsibilities, target milestones, programme, outputs et cetera.

A robust monitoring framework and assessment of risk would provide further evidence of positive planning to achieve delivery targets. It would be useful if the monitoring and delivery tables for the housing policies in the PCSPS were modified to set out what actions (i.e. contingencies) will be taken if delivery is not achieved. Such actions might usefully include a ‘trigger mechanism’ to prompt an early review of the housing delivery elements of the PCSPS if monitoring indicates these cannot be substantially achieved within the plan period. September update: Contingency measures have now been included within the monitoring table following each of the policies in the Core Strategy.

In relation to the strategic housing site at Trough Laithe Farm, we recommend that the viability information submitted by the landowner should be independently verified and documented in the evidence base.

Finally, in relation to these policies, we feel that the SA reports prepared to date are deficient in terms of providing justification for the overall quantum and distribution of housing and employment, and do not adequately set out and assess the reasonable alternatives and the ‘story’ of the plan’s development. This deficiency should be addressed in the Final SA Report which is prepared to accompany the Regulation 19 consultation.

Renewables/allowable solutions policy

As set out above, we consider that Policy ENV2 provides clear and comprehensive guidance. The Council should consider whether to exempt small housebuilders from the requirements (in line with the latest government announcements) and also consider updating the viability evidence in relation to the construction costs associated with implementing this policy.

The Duty to Cooperate

We consider the Duty to Cooperate Statement to be a well thought out and argued document. We have just two recommendations in relation to this document – provide further detail (once available) on the position of Burnley Council regarding the final housing target in the PCSPS and set out a short statement setting out how Pendle will attempt to achieve coherence with its

neighbouring authorities emerging plans, including in particular any possible implications of the range of housing figures on which Burnley has recently consulted, for delivery of the Pendle PCSPS. September update: A diagram and additional commentary have been subsequently included in the Duty to Cooperate Statement regarding the housing and employment land requirements in neighbouring authorities.