

Examination of the *West Lancashire Local Plan 2012-2027*

Please reply via the Programme Officer
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Mr P Richards
LDF Team Leader
West Lancashire Borough Council

15 May 2013

Dear Mr Richards

MODIFICATIONS TO THE LOCAL PLAN

1. As I indicated in my letter of 29 April, I am now writing to set out my interim views on the modifications needed to those policies which cover the strategic and land allocation aspects of the Local Plan, in order to make the Plan sound. This letter covers policies SP1-SP3, GN1, GN2, EC1-EC4, RS1, RS2 and RS4, along with Chapter 10 and the Appendices.
2. I am sorry that this communication has taken rather longer to arrive than I had estimated at the last examination hearing session. As you are aware, that is because it has since become necessary to consult examination participants on the forthcoming revocation of the *North West Regional Spatial Strategy* [NWRSS] and on the Government's recently-published 2011-based interim household projections, and for me to take account of the responses to that consultation before writing to you.
3. In reaching my interim views, I have also given full consideration to all the representations made to date on the Local Plan as well as the discussions at the hearing sessions. The detailed reasons for my findings will be given in my report of the examination, which will be produced following consultation on the proposed modifications and will take account of that consultation. Thus not all the issues addressed in the examination are dealt with in this letter, whereas they will be in my report. Nonetheless, in order to assist understanding of the need for the modifications, I shall also provide an outline of my reasons for them in this letter.
4. My interim views may be altered, should that be justified in the light of further evidence, and are given here without prejudice to the conclusions that will appear in my report of the examination.

Housing land

5. I find that **the total housing requirement over the Plan period is 4,858 dwellings**, that is, just over 200 dwellings more than in the submitted Local Plan. That figure is based on consideration of all the evidence on housing need, including the DCLG interim 2011-based

household projections which were published after the close of the examination hearings.

6. As West Lancashire does not intend to make provision for housing need arising in any other local authority, or expect any other authority to meet any of its own need, it follows that the figure of 4,858 dwellings represents what I regard as the full, objectively assessed need for housing in the borough over the Plan period. It is made up of two elements: 679 dwellings to make up the accrued shortfall in provision against the NWRSS requirement for the years 2003 to 2012¹, and 4,179 dwellings to meet needs arising in the Plan period itself. The latter figure is derived by combining the household growth rate from the interim projections for 2011-2021 with (for the period after 2021) the average growth rate over the Plan period estimated in the *2011-based SNPP Scenario 2* produced for the examination hearings by Nathaniel Lichfield and Partners².
7. I accept that some phasing of this overall housing requirement is appropriate, in the light of two factors. First, the continuing effects of the post-2008 recession on the demand for housing. Secondly, and perhaps more importantly, the fact that the Plan relies on the release of safeguarded and Green Belt land to meet a substantial proportion of the housing requirement, meaning that there will be an inevitable lead-time before houses can actually be built on that land. However, these are both likely to be short-term factors, and it is important that the anticipated recovery in housing demand over the period as a whole is not artificially constrained by any under-provision of land. There is a danger that this could occur if the heavily-staggered residential targets set out in Table 4.1 of the submitted Local Plan were adopted.
8. Bearing all this in mind, I recommend that **the housing requirement over the first five years of the Plan period, 2012-2017, should be 1,510 dwellings, or 302 dwellings per annum [dpa]**. This figure represents the average annual requirement derived from the 2011-based interim housing projections, that is to say 257 dpa³, plus a third of the accrued NWRSS shortfall⁴. **For the remaining 10 years of the Plan period, 2017-2027, the yearly requirement should be an equal annual share of the total residual requirement of 3,348 dwellings, that is to say 335 dpa**, in order to achieve the overall housing requirement by 2027⁵.

¹ See Examination document SP.102, Table 3.2 (p9). The shortfall figure of 679 dwellings supersedes the figure of 750 in the submitted Local Plan.

² See examination document HS.145-01.

³ The average annual household growth figure for West Lancashire from the interim projections is 247, to which an allowance of 4% for vacant and second homes needs to be added, giving the figure of 257.

⁴ That is, 225 dwellings, arrived at by dividing 679 by 15, rounding the result down to 45 dpa and multiplying by 5.

⁵ The sum of these phased requirements would exceed the overall requirement of 4,858 dwellings by 2, due to rounding.

9. Turning to housing supply, I refer to the *Updated Housing Trajectory* which the Council prepared for the examination hearings⁶. The upper part of that table sets out the expected delivery of housing for each year of the Local Plan period from each of the sites and groups of sites on which the Plan relies. I have no substantial concerns over the soundness of the housing site allocations in the submitted Local Plan. Based on the evidence provided to me at the examination, however, I consider that some amendments to the detailed delivery figures are necessary to ensure that they are robust and realistic.
10. The revised table attached at Annex A shows those necessary amendments, highlighted in red. In some cases the figures, where amended, are lower than the originals, as the evidence has led me to conclude that expectations of site capacity or, more commonly, likely delivery rate were over-optimistic. But in the case of Grove Farm, Greaves Hall Hospital and Alty's Brickworks there are increased delivery figures, reflecting more recent evidence on the capacity of those sites.
11. **I would ask you to reassess the housing trajectory based on these amended delivery figures.** It appears to me that one or more additional sites will need to be allocated for housing in order to meet the overall housing requirement identified in paragraph 8 above, and to ensure that a five-year supply of deliverable sites can be maintained in accordance with the advice in paragraph 47 of the NPPF. **In assessing the five-year supply, a 5% buffer should be applied,** as I do not consider that there has been a record of persistent under-delivery of housing in West Lancashire.
12. In the Council's evidence to the hearing session on Matter 8, you indicated that, if additional housing sites were found to be needed, it would be most appropriate to give consideration to those sites which are already safeguarded in the Local Plan and for which evidence of deliverability was provided to the examination⁷. Based on the evidence I have heard so far, I would agree with that assessment. As it is your Local Plan, however, it is appropriate that in the first instance **you should come forward with proposals for additional housing site allocations, together with an amended housing trajectory to demonstrate how they would meet the overall housing land requirement and ensure an adequate five-year supply.** I would ask you to do this as soon as possible in order that I can assess the proposals without undue delay.
13. You will of course need to ensure that the selection of the additional site allocations is informed by adequate Sustainability Assessment and any necessary assessment under the *Habitats Regulations*.

⁶ Examination document EX.131.

⁷ That is to say, Parr's Lane (east) and (west), Aughton and Fine Jane's Farm and New Cut Lane, Halsall.

14. **Substantial consequential modifications will be needed to policies SP1, SP2, GN2 and RS1**, and their reasoned justification, to reflect these recommended changes to the housing requirement and supply. To ensure the effectiveness of the Plan, **I also recommend that the expected housing delivery figure for each allocated site is set out in policies GN2, EC3 and RS1**, as is already done in policies SP2 and SP3 and in Chapter 10.

Plan B and land safeguarded by policy GN2

15. I endorse the concept of Plan B as a constructive response to the uncertainty inherent in planning for housing provision. It gives the flexibility to address unforeseen circumstances, including a substantial failure of the allocated housing sites to deliver at the expected rate, so as to maintain housing land supply. I also find that quinquennial reviews of housing delivery, as proposed in the Plan, are sufficiently frequent to enable supply to be maintained while allowing for peaks and troughs in the overall trend of provision.
16. Setting the trigger-point at 80% of the required level of supply is also appropriate, in my view, since it means that there would be robust justification, in the form of a demonstrated significant shortfall in provision over time, for the release of Green Belt land under Plan B which would otherwise be safeguarded for development after 2027. The provisions of Plan B would be supplemented by the mechanism contained in paragraphs 49 and 14 of the *National Planning Policy Framework* to address any failure to maintain a five-year housing land supply.
17. However, in order for Plan B to be effective, **I consider that it should be included in the Local Plan as a formal policy**, probably as part of Chapter 7. I suggest that the policy should be worded along the following lines:

Land safeguarded in the Plan B category by policy GN2 will be released for residential development should any of the following circumstances arise:

[Insert the bullet points from paragraph 10.5 of the Local Plan]

In determining which of the Plan B sites to release, the Council will ensure that the capacity and deliverability of the released land is sufficient to meet the identified shortfall in housing delivery within the remainder of the Plan period.

18. The rest of the text of Chapter 10 should be edited and relocated to provide a reasoned justification for the policy. I also recommend that the detailed timetable you provided for Implementation of the Plan B Triggers⁸ is included in the reasoned justification to provide certainty over how the policy will be implemented.

⁸ Examination document EX.234.

19. I have no substantial concerns over the soundness of any of the sites safeguarded by policy GN2 as Plan B sites or as land for development after 2027. However, it may well be that the allocation of Plan B sites in the submitted Plan will need to be revised as a result of my recommendation at paragraph 13 above. In this context, **I recommend that consideration** (including any necessary Sustainability Assessment) **should be given to moving site GN2(b)(ii) (Land at Parr’s Lane (west), Aughton) into the Plan B category**⁹. This is because its merits as a potential Plan B site appear indistinguishable from those of the adjacent, proposed Plan B site at Parr’s Lane (east).
20. Putting both the Parr’s Lane sites into the Plan B category would not necessarily mean that both – or indeed either – would be developed if it became necessary to activate Plan B. But it would give greater flexibility in the choice of sites should that eventuality occur, including the option of bringing both Parr’s Lane sites forward at the same time. Doing so would enable a co-ordinated approach to be taken to their masterplanning and development, which is especially desirable given that the western site controls the access to Prescott Road and its bus services.

Affordable and specialist housing

21. I am satisfied that the thresholds for the provision of affordable housing in policy RS2, and the proportions of affordable housing to be provided at each threshold, are justified by robust evidence, including the *Council’s Housing Needs and Demands Study*, *Affordable Housing Viability Study* and the more recent *Draft Community Infrastructure Levy Viability Report*¹⁰. The policy advises that viability will be taken into account when assessing individual schemes and allows for reduced provision in circumstances where development proposals would be rendered unviable by its requirements.
22. Policy RS2 also makes it clear that other specific requirements for affordable housing, including tenure, size and type, and provision of lifetime homes, will be negotiated on a case-by-case basis. However, **the policy needs to include “affordable rented housing” in its bullet point on tenure**, as it is a category of affordable housing recognised by the NPPF.
23. As regards the requirement under policy RS1 for 20% of residential developments of 15 units or more to be designed to accommodate the elderly, I note that your proposed Main Modifications MM26 and MM27 would require any negative effect it may have on viability to be taken into account. While the overall need for homes for older

⁹ That is, if it is not included in your proposed modifications as an additional housing site allocation.

¹⁰ Examination documents SP.104 & 101 & EX.121a & 121b.

people in the borough is demonstrated by evidence¹¹, **these modifications are necessary to make the policy sound.**

Provision for gypsies and travellers

24. I endorse the approach to this matter set out in the Borough Planner's letter of 11 April 2013¹².

Employment land

25. The employment land requirement, in the submitted Local Plan, of 75ha over the Plan period was arrived at by taking an annual average of the actual delivery of employment development since 1992 (excluding delivery in 1997/98 and 2003/04 which the Council regard as anomalously high), multiplying by 15 and adding a 20% contingency allowance. Even if the annual average calculation is better-balanced by excluding the two years of lowest delivery as well as the two highest years, the 15-year requirement would still lie comfortably within the overall 75ha allocation. There is no substantial evidence to show that employment land take-up in future is likely to exceed these long-term average rates. On this basis I consider that **the employment land requirement of 75ha over the Plan period is justified.**
26. It is likely that take-up will be low in the early years of the Plan period, due to the ongoing effects of the post-2008 recession. But I am not aware of any clear evidential basis for the staggered targets set out in Table 4.1 of the submitted Plan. There are no significant constraints affecting most of the land which the Plan identifies to meet the requirement. Nor is there any national policy requirement to demonstrate a five-year supply of employment sites, as there is for housing.
27. Thus I find no clear justification for the phased employment land targets in Table 4.1. **I recommend that they are replaced with a single figure of 75ha for the Plan period as a whole.** This is necessary to ensure that the Plan is sufficiently flexible to allow a rapid response to changes in economic circumstances.
28. Turning to the supply of employment land, the Council's *Technical Paper 3*¹³ identifies about 40ha of undeveloped land in existing employment land allocations brought forward from the 2006 *Replacement Local Plan*. It also refers to 18ha of supply to be brought forward through re-modelling and regeneration of the existing Skelmersdale industrial estates. I am satisfied that these figures reflect a robust assessment of those existing sites, based on survey work carried out for the *Joint Employment Land and Premises Study* [JELPS] and your own Council's *Study into the Regeneration /*

¹¹ See paragraphs 7.14-7.16 of the Local Plan.

¹² Examination document EX.405a.

¹³ Examination document SP.602.

*Remodelling Opportunities of Employment Areas in West Lancashire*¹⁴. Moreover, I have no substantial concerns over the soundness of the new employment land allocations of 10ha and 2ha respectively at Yew Tree Farm and Banks.

29. The Plan also identifies 5ha coming forward on the existing Simonswood Industrial Estate through existing allocations and remodelling. The Table on pp11-12 of *Technical Paper 3*, however, identifies the 5.02ha at Simonswood allocated in the *Replacement Local Plan* as “unrealistic land supply”. While the following Table, on p12, identifies 5ha at Simonswood as a regeneration opportunity, that does not appear to be borne out by the findings in paragraphs 4.2-4.8 and 5.3 of your own *Study into Regeneration / Remodelling Opportunities*. *Technical Paper 3* itself acknowledges that “further investigations will be required” into land availability at Simonswood. On this basis, I do not regard the Plan as justified in relying on the provision of 5ha of employment land at Simonswood.
30. Thus, on the evidence before me, **there appears to be a shortfall of 5ha in the amount of land allocated by the Plan for employment development**. I consider that this needs to be addressed, either by the submission of further evidence to substantiate the Simonswood allocation (on which other examination participants would be invited to comment), or by the allocation of one or more additional employment sites. If the latter course of action is taken, the advice in paragraph 13 above will need to be followed.

The Rural Development Opportunity [RDO] sites

31. I have no substantial concerns over the soundness of the RDO site allocations at Greaves Hall Hospital, Banks, East Quarry, Appley Bridge or Tarleton Mill, Tarleton, in policy EC3.
32. In general terms, I also endorse the allocation of land at Alty’s Brickworks, Hesketh Bank for development in accordance with policy EC3. However, despite the requirement in policy EC3(iii) for a masterplanned approach to the development of that designated RDO site, there is no evidence that the majority landowners wish to include other land within the RDO site, but outside their ownership, in any development which they bring forward. This is evidenced by the exclusion of that other land from the masterplan on which public consultation has recently taken place, and from the related Screening Opinion request to the Council¹⁵.
33. In this light, I consider that there is little prospect of achieving an effective, co-ordinated development of the RDO site as a whole. This particularly affects the land at Mill Farm which, in the *Replacement Local Plan*, lay within the rural settlement boundary of Hesketh Bank

¹⁴ Examination documents SP.201-216 & SP.223a.

¹⁵ See examination documents EX.401a-EX.401e.

and thus benefited independently from the potential for development conferred by that policy.

34. Taking all this into account, **I find that the inclusion of the Mill Farm land in the RDO allocation is unsound, and that it should instead be designated as part of the Hesketh Bank Key Sustainable Village under policy SP1.** Through their development control powers, the Council should be able to ensure that any future developments on the Mill Farm and RDO sites are compatible with one another.

Edge Hill University

35. I endorse the approach set out in policy EC4 to maximise the role of Edge Hill University and its benefits to the borough, while seeking to minimise its adverse effects. To update and clarify the policy, I suggest that sub-paragraph (i) should be amended to read:

Supporting the continued growth, development and improvement of Edge Hill University and its facilities, in accordance with the approved masterplan, both on the existing campus and on the extension into the Green Belt to the south-east delineated on the Policies Map, where such development incorporates measures to alleviate any existing or newly-created traffic and/or housing impacts;

and that sub-paragraph (ii) should be deleted.

36. The tree belts which marked the boundary of the Green Belt extension as shown on the Policies Map have been removed as part of the University expansion. NPPF paragraph 85 advises that Green Belt boundaries should be defined clearly, using physical features that are readily recognisable and likely to be permanent. **I would invite you to consider this matter further and come forward with detailed proposals for redefining the Green Belt boundary appropriately in this location.**

Retail capacity

37. Paragraph 4.39 in the submitted Local Plan sets out the capacity for retail development in West Lancashire as a whole. Hence it is inappropriately located as part of the reasoned justification for policy SP2, which deals only with Skelmersdale Town Centre¹⁶. **I recommend that it be relocated to the reasoned justification for policy SP1**, where it would sit alongside the residential and employment land requirements. **The reference in the paragraph to “main towns within the Borough” also needs rewording** to make it consistent with the terminology used in the policy SP1 Settlement Hierarchy and/or in the Town Centre Hierarchy of policy IF1.

¹⁶ The same applies to paragraph 4.40 and the first sentence of paragraph 4.41 in Minor Modification Min 12.

Appendices

38. Appendix B contains a series of objectives and targets, some of which are likely to be affected by the modifications recommended above, and **so may themselves require modification**. Appendices A, C, D and E are also likely to need to be updated to reflect current circumstances and the recommended modifications. I have no changes to recommend to Appendices F, G or H.

Next steps

39. I am not inviting comments from the Council or any other party on my interim views as set out in this letter. They are provided for the purpose of identifying those matters of soundness on which I consider that further modifications to the Local Plan need to be brought forward. However, I would ask the Council to let me know as soon as possible if there are any points of fact or clarification you wish me to address.
40. I now invite the Council to propose main modifications to the relevant Local Plan policies to address the matters of soundness identified above, after carrying out any necessary Sustainability Assessment and *Habitats Regulations* assessment. Where you see a need for other (minor) modifications not specified in this letter I am happy for those also to be proposed.
41. Given that many of the main modifications are likely to be quite substantial, I have not at this stage commented on the modifications you have already proposed to the Plan's strategic and land allocation policies¹⁷. Once you have brought forward all the necessary proposed modifications, I would expect to engage in a process of dialogue over their detailed wording, similar to that which has just been concluded for the development management policies.
42. Following the conclusion of that process, all the proposed modifications will need to be the subject of public consultation for a minimum of six weeks. I will take the responses to that consultation into account in compiling my report and recommendations.

Yours sincerely

Roger Clews
Inspector

¹⁷ Examination documents Ex.403b & 403c.

Updated Housing Trajectory - Inspector's Amendments (May 2013)

Source / Site	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	Totals
Sites with outstanding permissions / pending applications	190	214	91	131	92	45	45	17	7	7	-	-	-	-	-	839
SHLAA (and windfall) Sites (1)	-	10	38	26	26	56	57	57	57	57	113	113	114	113	113	950
Skelmersdale Town Centre	-	-	20	40	40	40	40	40	40	40	40	40	40	40	40	500
Whalleys Sites, Skelmersdale	-	-	0	30	40	45	45	45	45	45	45	45	45	45	45	520
Firswood Road, Lathom	-	-	0	20	30	40	40	40	40	40	40	40	40	30	-	400
Chequer Lane, Up Holland	-	25	25	25	25	25	25	25	-	-	-	-	-	-	-	175
Grove Farm, Ormskirk*	-	-	-	11	25	30	40	40	40	40	40	34	-	-	-	300
Yew Tree Farm, Burscough	-	-	-	20	25	25	40	40	50	50	55	55	55	55	30	500
Guinea Hall Lane, Banks	-	-	25	30	30	30	-	-	-	-	-	-	-	-	-	115
EC3(i) Greaves Hall Hospital, Banks	-	-	-	10	20	25	25	25	25	10	-	-	-	-	-	140
EC3(ii) East Quarry, Appley Bridge	-	-	-	10	15	15	20	-	-	-	-	-	-	-	-	60
EC3(iii) Alty's Brickworks, Hesketh Bank	-	-	10	20	25	35	35	35	35	35	25	15	-	-	-	270
EC3(iv) Tarleton Mill, Tarleton	-	-	-	20	20	20	10	-	-	-	-	-	-	-	-	70

* The Grove Farm delivery trajectory is based on the Timescale Option with Development Brief for 300 units (Examination document EX.213)