

Matter 3: The Housing Requirement

(Policies HS1)

Issue 3 – Is the identified housing requirement justified and consistent with national policy?

3.1 Is the housing requirement of 23,652 homes during the 2023 – 2041 period (policy HS1) and a figure of 1,314 per annum (dpa), justified by the Council’s evidence? Are the assumptions of the 2024 Housing and Economic Development Needs Assessments and Addenda (Doc HO10, HO11 and HO12) soundly based, particularly in relation to:

- a) Identifying a baseline figure;**
- b) Forecasts for economic growth;**
- c) Alignment of jobs and workers; and**
- d) Assumptions of housing requirements arising from economic growth?**

1. The HBF does not consider that the 1,314 dpa figure is justified by the evidence. The evidence base in the form of the Central Lancashire Housing Study Update [HO04] runs through a number of scenarios and recommends the employment led scenario which corresponds to 1,237dpa, which breaks down to 410dpa for Chorley, 441dpa for Preston and 386dpa for South Ribble [as referenced in HO10, HO11 and HO12].
2. Paragraph 4.19 of the Local Plan, states that following the publication of the revised NPPF in December 2024, the annual housing requirement for Central Lancashire has been increased to 1,314dpa in order to achieve 80% of the LHN using the new standard method formula, in accordance with the transitional arrangements. It suggests that the additional 77 dwellings needed to meet this 80% requirement has been distributed between the three authorities.
3. As outlined in our response to Matter 1b and our representations to the Regulation 19 consultation, the HBF considers that this approach is not evidenced and is therefore unjustified, as the additional dwellings are arbitrary and provided solely to meet the transitional requirements in relation to meeting 80% of the identified local housing need. Given this lack of evidence, the HBF considers that the transitional arrangements are not being appropriately used in this case and should not be used as a way for Central Lancashire to ‘bake-in’ a housing requirement that is lower than the current Standard Method figure. This is fundamentally at odds with the Government’s stated aim to deliver 1.5 million homes over this Parliament.
4. Irrespective of this, the current LHN defined by the Standard Method has increased owing to the new dwelling stock data (released March 2025) and the new affordability data (released May 2025). This is detailed in the table below:

Constituent Local Planning Authorities	Local Housing Need (December 2024) (dwellings per annum)	Local Housing Need (from May 2025) (dwellings per annum)
Chorley	564	557
Preston	590	632
South Ribble	489	498
Total	1,643	1,687

5. Using this figure, the 1,314 dpa figure contained in the Local Plan (Policy HS1) does not meet the 80% threshold anyway, rather it stands at 77.8%.
6. Even putting this issue aside, the HBF notes the numbers of documents that have been produced to support growth ambitions and economic development in Lancashire including the Economic Strategy, The Lancashire Growth Plan, and Invest in Lancashire. These identify economic growth projects such as Preston 35 (the regeneration plan for Preston), which has seen Government and Samlesbury Enterprise Zone, which is set to become a leading centre for world-class research, innovation and technology. It is noted that the National Cyber Force (NCF) will be establishing its future headquarters in Samlesbury, helping to grow technology, digital and defence sectors, with up to two thousand people working there by the 2030s.
7. Whilst the Central Lancashire Housing Study Update does apply an employment-led scenario, it is unclear as to the extent that it has factored in the above 'policy on' interventions into its sensitivity analysis. Paragraph 5.49 mentions a degree of flexibility has been used, although it is not clear how this is explicitly linked to the above growth strategies. Given the need to ensure that the Local Plan promotes sustainable patterns of development (NPPF, paragraph 11), the Local Plan should seek to incorporate these assumptions into its housing requirement.

3.2 How were the housing requirements of each authority arrived at? Will the proposed requirements adequately address the needs of each authority? Is the Plan sufficiently clear in relation to how a failure to supply housing in one authority will impact upon the other two authorities in relation to five year housing land supply?

8. The HBF does not consider that it is clear as to how the housing requirement in each authority (see Table 20 of the Central Lancashire Housing Study Update [HO4]) has been translated into the Local Plan (Policy HS1). The PPG is clear that where plans cover more than one area, the housing need for the defined area should at least be the sum of the local housing need for each local planning authority within the area (Reference ID: 2a-013-20241212).
9. For Chorley in particular, the housing requirement found in Policy HS1 (334 dwellings per annum) is notably below that which is found in the evidence base (410 dwellings per annum). Furthermore, it is proposed that Chorley has a stepped requirement (280 dwellings per annum in the first 3 years of the plan period (2023/24 to 2025/26) increasing to 345 dwellings per annum from 2026/27 onwards) therefore exacerbating the lack of housing being provided in Chorley. For comparison purposes, the current LHN for Chorley is 557 dwellings per annum.
10. The Council's explanation is found in paragraphs 4.17 and 4.18 of the Local Plan. In particular it notes:

"The delivery of the City Deal in Preston and South Ribble has also been considered. Delivery of sites in these areas was delayed in the existing Local Plans due to the delivery of essential

infrastructure required to unlock these sites coming forward later than envisaged. As a result, there remains a considerable supply of sites identified in the extant plans as part of the City Deal. In contrast, in Chorley, the bulk of housing delivery between 2012-2020 has taken place at Buckshaw Village, with delivery achieved quicker than expected. As Buckshaw Village has been built out, the focus of housing delivery over recent years has shifted away from Chorley towards Preston, supported by investment in infrastructure improvements.”

11. The NPPF is clear that local planning authorities should allocate land to meet their identified need (paragraph 69). This does not appear to have been the case for Central Lancashire as the above explanation would appear to be using past housing completions (which took place before the plan period) in order to inform what is needed for future years, rather than using the evidence in its own Central Lancashire Housing Study. This rationale appears to mix-up past housing supply and future housing need.
12. Whilst the PPG is clear that the authorities can distribute their total housing requirements as they see fit through the Local Plan (Reference ID: 2a-013-20241212), this needs to be evidenced and justified. The HBF considers that the justification in this case is not sufficiently robust and that each authority should, as a minimum, be seeking to meet its needs.
13. In relation to matters relating to five year housing land supply, the PPG outlines that this can be applied either over the whole plan area, or on a single authority basis. The Councils will need to expressly state in the plan which option is being chosen (considering the area is identified as a single housing market area). The Councils should clarify this and within its monitoring, explaining how it will address a failure to demonstrate a five year housing land supply if this happens to only one or two of the authorities.

3.3 In relation to Affordable Housing Needs, is the identified need for 438 dpa based on robust, up-to-date information? How has this been considered in the overall housing requirement?

14. The affordable need expressed in the Local Plan (438dpa) is a composite figure drawn from each constituent authority's 2024 Housing Need and Demand Assessment [HO10, HO11 and HO12]. This figure equates to around 33% of the Local Plan's overall minimum housing requirement (1,314 dpa).
15. The HBF notes that in all cases, the affordable need contains a significant proportion of existing unmet need (backlog). The gross figures stand at 2,500 dwellings in Chorley, 5,504 dwellings in Preston and 2,146 dwellings in South Ribble. It is this backlog need plus newly arising need over the plan period which makes up the gross affordable need across Central Lancashire.
16. The affordable housing supply is provided in table C6 of each Local Housing Need and Demand Assessment and appears to correspond to the method outlined in the PPG (Reference ID: 2a-022-20190220), with the net affordable need being calculated based on subtracting the supply from the total need (and making this an annualised figure).
17. In examining each of the Housing Need and Demand Assessments, the way in which each net affordable housing figure is arrived at is slightly different. This is illustrated in the table below:

Constituent Local Planning Authority	Annual Affordable Need	Net Housing	Years allowed for to clear backlog need	Components of Supply
Chorley	162		10	Excludes new build units.
Preston	130		10	Includes new build units.
South Ribble	146		5	Includes new build units.

18. It is unclear as to the reason why a different approach has been undertaken for each constituent authority in terms of the time taken to clear the backlog need and whether the supply includes new build units. For the approach to affordable housing need to be justified, the HBF considers that this needs to be explained, as a change in the years allowed for to clear the backlog and the inclusion of new build units has a notable effect on the annual affordable need (see Table C9 of each Housing Need and Demand Assessment).

19. The HBF would highlight again that the PPG states that an increase in the total housing figures included in the plan may need to be considered where it could help deliver the required number of affordable homes (Reference ID: 2a-024-20190220).

3.4 Does the requirement adequately recognise the impact of housing need arising from strategic employment allocations and regional growth strategies? What assumptions have been made in relation to this?

20. Please see our response to Question 3.1 above. It is unclear from examining the Central Lancashire Housing Study Update [HO4] as to whether this has been fully taken into account in the employment led scenario.

21. Given the need of the Local Plan to sufficiently balance jobs growth with new homes in order to achieve sustainable patterns of development, the HBF believes that taking these strategies into account is crucial.

3.5 Does the figure take adequate account of the needs of elderly residents and specialist housing?

3.6 Should there be a housing requirement for designated neighbourhood areas identified within the Plan (paragraph 66 in the NPPF Dec 2023)? If so, what should this be?

22. Paragraph 67 of the NPPF highlights that strategic policies should also set out a housing requirement for designated neighbourhood areas which reflects the overall strategy for the pattern and scale of development and any relevant allocations.

23. In doing this, the HBF would emphasise that any such figures should be classed as minima (and not ceilings) so that they correspond to the approach to the overall housing requirement figure and reflect the NPPF's requirement to significantly boost the supply of new homes (paragraph 60).