

Matter 6: Housing Land Supply

Issue 6 - Does the Plan provide an appropriate supply of deliverable and developable sites to meet identified needs and align with national policy?

6.1 Are the assumptions that have been made to inform the trajectory justified in relation to the delivery of housing sites, in particular in relation to:

a) lead in times for grant of full permissions, outline and reserved matters and conditions discharge?

b) site opening up and preparation, and dwelling build out rates?

1. The HBF notes that the Councils have set out their assumptions in their Housing Trajectory Assumptions paper (September 2025) [MO8]. This provides a degree of transparency with respect to lead-in times and build-out rates and on this basis the information is welcomed.
2. However, the HBF considers that there are still some question marks regarding some of the assumptions, particularly when no information has been provided by the promoter and whether the assumptions used in those instances are appropriate or whether further sense checking is needed for these (by looking at multiple sources of data).

6.2 Is there a reasonable prospect that a total of 6,499 new dwellings will be provided by 31/03/41 on sites that had planning permission at 01/04/24?

3. The HBF does not comment on specific sites and it will need to be shown that this source of supply can deliver the homes required. As a general rule, the HBF considers that the Councils should be applying an appropriate lapse rate to sites with planning permissions (eg. 10%), as it is unlikely that all of these sites will be delivered.

6.3 Is there a reasonable prospect that the total of 13,440 new dwellings to be delivered through local plan allocations will be provided by 31/03/41?

4. The HBF does not comment on specific sites and it will need to be shown that this source of supply can deliver the homes required. The HBF would always recommend a suitable buffer of sites is identified and added to the allocations to provide certainty that the quantum of new dwellings can be delivered.

6.4 Is there compelling evidence to justify a windfall allowance of 3,139 new dwellings over the plan period and to demonstrate that they will provide a reliable source of supply?

5. The PPG permits the use of a windfall allowance in the supply of new homes which is

forecasted to come forward throughout the plan period, on the basis that there is compelling evidence to show that it will be a reliable source of supply (Reference ID: 3-023-20190722).

6. The HBF notes in this case that Chorley and South Ribble have added a windfall allowance to their supply whilst Preston has not. As a rule, the HBF would generally recommend that an allowance for windfall should not be specifically included in the supply but instead should form part of the flexibility in the supply. It would also be better for clarity if all the constituent authorities took a consistent approach with windfall.
7. The evidence used by Chorley and South Ribble for a windfall allowance is an examination of windfall from previous years and using averages from these years as a guide to future windfall supply. This is outlined in the SHELAA [HO14a].
8. It will be for the Inspectors to determine whether this is compelling evidence in line with the PPG. The HBF would observe however that a reliance on historic windfall rates is not in itself a reliable indicator of future windfall. This is because those historic windfall rates would have been achieved in a different planning policy environment which may have been more conducive to speculative planning applications with less supply coming from allocations.
9. It is usually a common occurrence that upon the adoption of a plan, the supply from windfall in earlier years would ordinarily fall given that the supply would be more likely to be met through the site allocations. Windfall could then potentially increase towards the end of the plan period once the majority of allocations have been completed (or are near completion). The HBF would therefore question the reliability of the windfall assumptions in this case and that should certainly not be factored in until at least year 3 of the plan period (i.e. 2028/2029).

6.5 Has appropriate consideration been given to non-implementation lapse rates?

10. To ensure an appropriately robust approach, the HBF would be keen that lapse rates are included in the supply. It is noted that Chorley and South Ribble have included a lapse rate but, in both cases, this is for sites with capacity for fewer than 10 units, it is not proposing the application of a similar discount rate for larger sites. The HBF is of the view that it would be appropriate for at least a 10% lapse rate to be applied to all existing commitments with an extant permission across all of Central Lancashire. This is in the context of concerns regarding the viability of certain committed sites across the plan area as set out in the Local Plan Viability Report [I05], which indicates that some units with permission will not come forward. It is also reflective of best practice undertaken elsewhere for other Local Plans.

6.6 Overall, is there convincing evidence that:

a) Having regard to assumptions about commitments, allocations and windfalls the housing requirement across Central Lancashire between 2023 and 2041 is likely to be

met?

11. The HBF notes that the Councils have all provided detailed tables setting out their overall supply of homes over the plan period [HO18d, HO18e and HO18f].
12. The HBF does not comment on specific sites but would highlight that the Inspectors will need to be satisfied that the assumptions for delivery are realistic so there is sufficient evidence that the number of homes envisaged will actually be delivered over the plan period.
13. To ensure that there is certainty that the homes that are needed in Central Lancashire can be delivered and that there is sufficient choice in the market, the HBF would always advocate that an appropriate buffer of sites is provided.

b) A 5 year supply of deliverable housing land will exist on adoption?

14. The Councils have each set out their housing supply positions in their individual Five Year Housing Land Supply and Overall Housing Land Supply documents [HO18].
15. Whether the Councils can demonstrate a 5 year supply of deliverable housing land upon adoption of the Local Plan will depend on the reliability of the supply which has been stated and how this compares to each individual authority's 5 year requirement (with appropriate buffer).
16. In examining the forecasted five-year supply, Annex 2 of the NPPF outlines the type of sites that can be considered as deliverable over a five year period. This includes:
 - a) Sites which do not involve major development and have planning permission, and all sites with detailed planning permission, should be considered deliverable until permission expires, unless there is clear evidence that homes will not be delivered within five years (for example because they are no longer viable, there is no longer a demand for the type of units or sites have long term phasing plans).
 - b) Where a site has outline planning permission for major development, has been allocated in a development plan, has a grant of permission in principle, or is identified on a brownfield register, it should only be considered deliverable where there is clear evidence that housing completions will begin on site within five years.
17. It is noted that in all instances, the constituent authorities have included sites under both category (a) and category (b) as detailed above. This is found in each Council's Five Year Housing Land Supply tables [HO18a, HO18b and HO18c].
18. Whilst the HBF does not comment on specific sites, in relation to sites falling within category (b), the NPPF states that such sites should only be considered deliverable

where there is clear evidence that housing completions will begin on site within five years. If such evidence is not provided, then those sites from category (b) should not be included in the Council's five-year supply calculations.

19. Alongside this, and as set out above, the HBF also considers that at least a 10% lapse rate should be applied to all existing commitments with extant permission and that a windfall allowance should either be removed from the first two years of the plan period or, more robustly, excluded altogether.

20. When all of this is considered together, it is clear that the Councils will all need to reassess their five year housing land supply positions. The HBF understands other participants at the examination have already undertaken such work and this will need to be considered further through this examination session.

c) The Plan provides specific, developable sites so that a supply of deliverable or developable housing land is likely to exist throughout the plan period?

21. The HBF does not comment on specific sites and it will be up to the Councils to demonstrate that sites are deliverable and developable through its evidence-base so as to provide the homes that Central Lancashire needs. The HBF would always recommend that a suitable buffer of sites is included to provide certainty and choice in the market.

