

# Copeland Local Plan 2021-2038 Examination

## Hearing Statement on behalf of Story Homes (Respondent No. 79)

### Matter 4: The Housing Requirement

**Issue: Whether the Local Plan has been positively prepared and whether it is justified, effective and consistent with national policy in relation to the overall provision for housing and the housing requirement?**

***Q4.3 Is the methodology for calculating housing need in the SHMA appropriate and does it provide a robust basis for establishing housing need?***

- 1.1 In accordance, with paragraph 61 of the NPPF, the minimum number of new homes needed across Copeland should be calculated using the 'standard method in national planning guidance'. The PPG makes clear that the housing need figure calculated by the standard method is a minimum "starting point"; it therefore makes clear that there will be circumstances where *"... the actual housing need is higher than the standard method indicates..."*<sup>1</sup>.
- 1.2 The standard method calculation for Copeland currently implies a need for only 4 dwellings per annum (dpa), which evidently is not credible where it is recognised that the Borough has in all but one year<sup>2</sup> delivered at least 116 dpa over the last eight years and as many as 154 dpa in 2016/17 and 152 dpa in 2019/20. This is clear evidence that the scale of the need and demand for new homes in the Borough is significantly higher than the standard method indicates.
- 1.3 The Strategic Housing Market Assessment (SHMA) was updated in 2021 and identifies a range of potential housing need<sup>3</sup>. These vary from 61 dpa for the Cambridge Econometrics baseline scenario, to 278 dpa in the Growth Scenario, with the Experian baseline of 146 dpa.
- 1.4 Draft Policy H2PU outlines the proposed housing requirement for the Borough, based on the conclusions of the SHMA, this being a minimum of 2,482 net additional dwellings to be provided between 2021 and 2038, equating to an average of 146 dpa.
- 1.5 The draft policy goes on to state that, in order to plan positively and support employment growth over the plan period, a range of attractive allocated housing sites, when combined with future windfall development, previous completions and extant permissions, will provide a minimum of 3,400 dwellings - an average of 200 dpa over the plan period. It also confirms that housing delivery will be 'monitored closely' and, where development is not coming forward as anticipated, interventions will be sought as set out in Policy H3PU.

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<sup>1</sup> Paragraph 010, Reference ID: 2A-010-20190220, PPG

<sup>2</sup> Net completions data for 2020/21 is only 98 dwellings. The Five-Year Housing Land Supply Position Paper 2021/22 document confirms that this reflects a large number of demolitions in Millom as part of the housing market renewal development.

<sup>3</sup> Figure 1, SHMA 2021

- 1.6 Whilst the methodology for calculating the potential range of housing needs in the SHMA is robust the plan period that was referenced in the Preferred Options draft covered the 18-year period 2017-2035. In order to accord with Paragraph 22 of the NPPF, which requires strategic policies to look ahead over a minimum 15 year period from adoption, the Publication Draft LP amends this to a seventeen year period covering 2021-2038.
- 1.7 Whilst Story Homes generally supports this change, should the Local Plan be subject to significant delays and not be adopted prior to the end of March 2024, it would mean that the strategic policies only look ahead 14 years from adoption. If this is the case, the strategic policies would need to be amended to look ahead to 2040 at the earliest, which would mean planning for additional dwellings.

***Q4.8 Is it appropriate to select the midpoint economic forecast?***

- 1.8 No. Story Homes welcomes the decision to increase housing needs beyond the standard method calculation. However, as referenced below in respect of Q4.13, Story Homes considers the minimum housing requirement for the Borough to be 300 dpa - 22 dwellings higher than the Council's highest figure in the range. This preferred approach broadly reflects the employment-led 'growth scenario' which will ensure the delivery of economic growth and assist CBC in meeting its stated aims and objectives.

***Q4.10 Is it appropriate to plan for a higher figure than the standard method indicates? Is it appropriate to include a range? Should the 5 year land supply be based on the minimum housing requirement as opposed to the planned 3,400 dwellings?***

- 1.9 Story Homes supports the use of a higher figure than the standard method approach to calculating housing need. Notwithstanding this, Story Homes is of the view that the housing requirement should be higher than 200dpa and considers it necessary to plan for more than 3,400 dwellings (average of 200 dpa).
- 1.10 Story Homes objects to the use of the lower figure of 146 dpa for calculating the five-year supply of deliverable housing sites.
- 1.11 Paragraph 74 of the NPPF is clear that: *"Local planning authorities should identify and update annually a supply of specific deliverable sites sufficient to provide a minimum of five years' worth of housing against their housing requirement set out in adopted strategic policies"*.
- 1.12 Policy H2PU is clear that a minimum of 3,400 dwellings will be delivered over the plan period, and that this figure positively supports employment growth. Notwithstanding the fact that Story Homes is of the view that the housing requirement should be higher than 200dpa, they do not support the retention of a lower requirement which is based on Experian forecasts. The 5 year housing land supply should therefore be calculated using the higher figure. The current approach is clearly not justified or positively prepared based on evidence included within the SHMA and the EDNA.

***Q4.13 In overall terms, is the housing requirement of 2,482 net additional dwellings for the Plan period or 146 dwellings per annum in Copeland appropriate and justified? Is it appropriate to plan for 3,400 dwellings or 200 dwellings per annum? Is there a basis to arrive at an alternative figure and if so what?***

- 1.13 As referenced above, the SHMA identifies a range of potential housing needs varying from 61 dpa for the Cambridge Econometrics baseline scenario, to 278 dpa in the Growth Scenario, with the Experian baseline of 146 dpa.

- 1.14 CBC's aspiration to depart from past trends is built on a consideration of investment potential in the Borough with specific reference to its major employers and sectoral specialisms. Section 13.3 of the Publication Draft Local Plan (PDLP) confirms that through discussions with key employers in the borough, it is the lack of suitable housing which is impacting upon the recruitment and retention of workforce<sup>4</sup>. Furthermore, based on the Housing Needs Assessment, the single most important reason for people moving into Copeland in the past 5 years has been to take up employment in the borough<sup>5</sup>.
- 1.15 The realism of achieving employment growth must be considered in the context of the success the Borough has had over recent years in creating new employment opportunities. It is critical that this growth is sustained, and its full benefits realised and the supply of an adequate quantity / range of housing is critical to achieving this objective.
- 1.16 Story Homes supports the CBC's positive approach in identifying that the full need for housing exceeds that set through the standard method. However, it is considered that the minimum housing requirement of 146 dpa outlined in draft policy H2PU does not reflect the Council's aspirations for economic growth and does not include consideration of supporting future employment growth.
- 1.17 The SHMA concludes that taking a midpoint of the baseline forecasts with a figure of 194 dpa is more appropriate for planning purposes. This is justified on the basis that the higher end of the range is significantly above past trends and substantially above the Standard Method. The SHMA confirms that the 278 dpa figure is linked to aspirational projects identified in the Economic Development Needs Assessment (EDNA) coming forward, which include Sellafield Off-siting, Cumbria Clean Energy Park, Woodhouse Colliery and North Shore development. However, the SHMA, and the PDLP<sup>6</sup>, concludes that the figure should be discounted as it is not considered to be realistic or deliverable, based on past trends and the need for Government funding. Selecting a midpoint figure of around 194dpa, rounded up to 200dpa, has therefore been taken forward through the PDLP.
- 1.18 It's worth noting that since the Local Plan has been submitted to the Secretary of State (SoS) for examination the Woodhouse Colliery has been granted planning permission<sup>7</sup>. The decision was referred to the SoS on 11 March 2021 and a decision issued on 7 December 2022. The proposals include a new metallurgical coal mine, coal loading facility and railway sidings linking to the Cumbrian Coast Railway. The SoS agreed with the Planning Inspector that the proposed development would create 532 jobs. The Section 106 Agreement provides that the applicant will submit a plan setting out the actions to endeavour to achieve targets for the recruitment of 80% of the workforce from within 20 miles of the site and provide training initiatives and support for retraining when the mine ceases production (anticipated in 2049).
- 1.19 The emerging housing need figure, and the rejection of housing need in the higher range as established in the SHMA, therefore needs to be reconsidered and increased to ensure housing needs are met and a skilled workforce are able to find local high quality housing.
- 1.20 Story Homes therefore objects to the approach of taking the mid-point on the basis that it does not meet the tests of soundness as it is not 'positively prepared' or appropriately 'justified' within the Council's evidence base. As noted above, it is the lack of suitable housing which is impacting upon the recruitment and retention of workforce within Copeland and the Local Plan represents an opportunity to provide further encouragement for more of these aspirational economic projects to come forward.

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<sup>4</sup> Paragraph 13.3.4, PDLP

<sup>5</sup> Paragraph 13.3.2, PDLP

<sup>6</sup> Paragraph 13.4.15, PDLP

<sup>7</sup> Appeal reference: APP/H0900/V/21/3271069 and Copeland application reference: 4/17/9007

- 1.21 As part of the Preferred Options consultation, Story Homes submitted a 'Technical Critique' of Copeland's housing needs<sup>8</sup>, undertaken by Turley and prepared jointly with Persimmon Homes and Gleeson Homes. This provided a comprehensive response in respect of draft policy H2PO (now renamed H2PU).
- 1.22 As set out in the Technical Critique, Story Homes considers that the minimum housing requirement for the Borough should be 300 dpa which broadly reflects the employment-led 'growth scenario' which will ensure the delivery of economic growth and assist CBC in meeting its stated aims and objectives.
- 1.23 Therefore, Story Homes encourage CBC to review the housing requirement to ensure that it is positively prepared and justified, including making sure that it is fully aligned with the economic growth aspirations and in the context of boosting the supply of housing outlined in the NPPF.

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<sup>8</sup> Housing Needs Report: Further Technical Critique, Turley (2020) (Appended to Story Homes Regulation 19 Consultation response)