



# Warrington Local Plan Examination in Public: Hearing Statement

Matter 4: Housing Need

On behalf of Richborough Estates Ltd.

In relation to land at Cherry Lane Farm, Lymm

Participant ID: 0430

July 2022

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Version 2

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# 1 INTRODUCTION

- 1.1 Asteer Planning LLP has been instructed by Richborough Estates Ltd (“Richborough”) to prepare this Hearing Statement in relation to the Updated Proposed Submission Version Local Plan (“SVLP”) and the Matters, Issues and Questions (“MIQs”) posed by the Inspectors.
- 1.2 Richborough controls the site at Cherry Lane Farm in Lymm (Site Number: 0430<sup>1</sup>) which has been promoted through the Local Plan process since 2017. The site is wholly deliverable (being suitable, available and achievable) for residential development and could deliver significant public benefits, as demonstrated by the evidence presented in duly made representations in June 2019 and in November 2021 (Rep ID number: 0430/07).
- 1.3 This Statement responds directly to the Inspectors’ MIQs in relation to Matter 4; however, it should be read in parallel with previous representations. Separate statements have been prepared in respect of the following matters and should be read in conjunction with this Statement:
- Matter 3 (Spatial Strategy);
  - Matter 6a (Warrington Waterfront);
  - Matter 6c (Fiddlers Ferry);
  - Matter 7d (Lymm Allocations);
  - Matter 8 (Housing Land Supply);
  - Matter 9 (Other Housing Policies); and
  - Matter 14 (Monitoring and Review).
- 1.4 It is our view that a higher housing need figure could be adopted, rather than utilising the standard methodology for Local Housing Need (“LHN”), which should be considered a ‘minimum’, due to:
- The economic potential and growth aspirations of Warrington – which has aspirations to become a City, is a crucial axis of growth between the Manchester and the Liverpool

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<sup>1</sup> Omission Site Ref 22 (SHLAA Ref: 2705, Site Refs: R18/051, R18/101 and R18/P2/024)

City Region and has significant potential to capitalise on the Northern Powerhouse and Levelling Up agendas.

- A level of housing growth that is required to support identified infrastructure needs and, conversely, assist the delivery of this infrastructure to unlock the economic potential of the Borough.
- An affordability crisis in the Borough that supports an uplift in need and, subsequently, the identification of deliverable and viable sites to meet this need.
- Sites being identified to date in the SVLP that may not meet an appropriate housing need, nor the current LHN requirement of 816dpa. Further analysis of the spatial strategy and the Council's allocations is provided in Hearing Statements for Matters 3, 6a and 6c.

1.5 If Main Modifications to the plan are required, an increase its overall housing requirement could be considered to support economic growth, jobs and to address a worsening affordability crisis. An increased housing need will require additional deliverable sites to be identified as part of a balanced spatial strategy that supports delivery in the first 5 years of the plan.

1.6 Cherry Lane Farm has been demonstrated to be deliverable and could make a significant positive contribution towards meeting both affordable housing and overall housing needs early in the Plan Period. If the Inspectors consider Main Modifications are required to the plan, in terms of the overall housing requirement and the need to allocate additional deliverable sites, Cherry Lane Farm should be either allocated or safeguarded for new homes during the next Plan Period.

## 2 HOUSING NEED AND THE HOUSING REQUIREMENT

**Q2. Should the housing need figure be higher than the minimum Local Housing Need figure of 816 homes per annum? Do any of the circumstances set out in paragraph 10 of the housing and economic needs assessment chapter of the PPG (or any other relevant circumstances) apply in Warrington?**

2.1 We consider that there is a case for the housing need figure to be higher than the minimum LHN. National Planning Practice Guidance (“PPG”) sets out at Paragraph 10 that the standard method “provides a minimum starting point in determining the number of homes needed in an area”. The guidance identifies circumstances that may lead a planning authority to conclude that need is higher than that suggested by the standard method (it should be noted that the guidance is clear that there may be other considerations not set out in the NPPG paragraph that should be reviewed), including:

- Growth strategies for the area that are likely to be deliverable;
- Strategic infrastructure improvements that are likely to drive an increase in the homes; and
- Unmet need from neighbouring authorities.

2.2 Prior to analysing paragraph 10 of the NPPG, there are notable statements within key documents which form part of the SVLP. The Warrington Means Business (2020) Report identifies two key challenges for the Borough (Asteer emphasis in bold)<sup>2</sup>:

- *“New Homes - **Warrington is not building enough new homes** – The Local Plan’s Housing Need Assessment suggest that a minimum of 945 new homes should be built each year to meet the needs of local people and Warrington’s economy. However, **in 2018 less than 40% of these homes were completed and consequently Warrington failed to meet the Government’s Housing Delivery Target. Although market demand for new homes in the town is very strong land for new homes is limiting delivery.***
- *Affordable Homes - As a consequence **house prices in Warrington have risen dramatically**, over the last four years house prices have risen some 59%, driven by sales of new build houses, as compared to an average of 14% in our Cheshire neighbours. Again **this is due to the housing land supply issues and is causing a real and growing housing affordability problem in the town.***

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<sup>2</sup> The LHN figure has been updated since publication of the WMB 2020 Report.

- 2.3 Subsequently, the SVLP sets out the Vision for Warrington 2038 and beyond. Specifically, two key elements of the vision comprise (Asteer emphasis in bold):

*“2. Warrington’s **long term growth will be positively planned to ensure that new homes, jobs and businesses are supported by major improvements to the Borough’s infrastructure**, to the benefit of existing and new communities alike.*

...

*5. **New housing development will support Warrington’s economic growth** and will be focused on creating attractive, well designed, sustainable and healthy communities. New homes will meet a wide range of needs including those of families, those struggling to afford their own home, elderly people and disabled people.”*

- 2.4 The under-delivery of housing is evidently recognised by the Council and this is having an impact on not only housing provision but affordable housing for the residents of Warrington. In order to address this, the Council (with funding and partners) is investing heavily in infrastructure to support sustainable growth, and new housing is recognised as a key pillar which will underpin the economic growth of Warrington.

### **Growth Strategy**

- 2.5 It is Richborough’s view that the economic aspirations for employment land and job creation in the Borough will create successful businesses, people and places. Warrington has aspirations to become a City, is a crucial axis of growth between Manchester and the Liverpool City Region and has significant potential to capitalise on the Northern Powerhouse and Levelling Up agendas (or any subsequent north/south rebalancing policy that the next Government pursues). It is considered that the housing need should match these aspirations and the synergy between economic growth and housing need should be fully recognised.
- 2.6 Housing growth is critical to realising the economic and growth aspirations of the Borough and is essential to deliver successful places. In addition to the minimum LHN requirement, Richborough considers that a number of the urban and strategic allocations identified in the SVLP are constrained, which will impact on delivery early in the Plan Period (as set out in our response to Matter 3).
- 2.7 Should the housing strategy effectively align with the economic strategy, there is a genuine prospect of delivering sustainable growth across the Borough. Funding has been secured from a range of bodies including Highways England (Road Infrastructure Scheme); Local Growth Fund; Cheshire and Warrington Local Enterprise Partnership;

Department for Transport and the Council. In addition, the Council secured Town Deal funding from the Department for Levelling Up, Housing and Communities in February 2022 for £22.1m.

### **Strategic Infrastructure Improvements**

2.8 The Council is seeking to deliver housing growth that is supported by new strategic infrastructure improvements. The Council has removed or reduced the size of a number of allocations; however, the requirement to deliver infrastructure which matches the growth aspirations of the Local Plan remains. The IDP sets out a series of key infrastructure improvements that will support new homes in the future, including:

- Warrington Western Link - £220m.
- Warrington South Strategic Infrastructure - £223m.
- Bridgefoot Link - £7.2m.
- High Level Cantilever Bridge - £55m.
- CLC Station and Service Enhancement and Park & Ride ("P&R") - £486m.
- Mass Transit Network - £300m.

2.9 The delivery of this infrastructure is intrinsically linked to and will need to be in some part funded by housing growth. For transport related infrastructure improvements alone, the Council (and development partners) are looking to invest £2,700,401,000 during the Plan Period. This does not take into account the other infrastructure improvements across the borough including aviation; energy and digital amongst others.

2.10 In summary, Richborough considers that the circumstances set out in Paragraph 10 of the NPPG apply to Warrington, based on its history of rapid economic growth, strategic location at the heart of the North West and significant identified infrastructure requirements. On this basis, a higher LHN could be considered, particularly in an accelerated growth scenario.

### **Q4. What is the relationship, if any, between the housing need figure of 816 homes per annum and the amount of employment being provided for i.e. approx. 316ha?**

2.11 The Economic Development Needs Assessment (2021 refresh) suggests an OAN for employment land of 316.29ha based on a past take-up rate of 14.22ha/year over the period 1996/97-2019/20. Employment within the Borough grew over this period by 48,350

jobs or 2,015/year. On the basis that this rate of employment growth continues during the Plan Period, this would result in the creation of 34,255 jobs, not the 14,855 jobs currently estimated by the Council.

- 2.12 Evidence provided by Cambridge Econometrics (“CE”) – an advisor to the Council – indicates that the employment land supply set out in the SVLP will provide a significant level of new job provision across the Borough. CE estimate this to be 945 new jobs each year. Notwithstanding this evidence, WBC has adopted a middle ground forecast which assumes a lower level of job provision which is the mean estimate of CE and Oxford Economics. We consider that a higher level of new job provision, coupled with under-delivery of housing, could justify a higher housing requirement.
- 2.13 A significantly higher and more representative housing figure (which is supported by sustainable site allocations) would provide sufficient new housing to accommodate new workers in the Borough; and support a sound Local Plan that meets the future needs of the Borough. Any under-delivery of housing could lead to wider socio-economic impacts which will be at the detriment of Warrington’s growth ambitions.

**Q5. What are the implications of this amount of employment land in terms of jobs growth? Is it possible/reasonable to estimate the number of jobs likely to be created from this amount of employment land using past trends, evidence from recent proposed and permitted schemes in Warrington and the wider region or analysis in the Economic Development Needs Assessment 2021 (noting that it estimates the amount of land needed for projected jobs growth using both Oxford Economics and Cambridge Econometrics models)?**

- 2.14 As set out in Q4, the Council suggests a job creation figure of 14,255 during the Plan Period based on the employment land allocated in the SVLP. However, a continuation of past trends suggests that approximately 34,255 jobs will be created during the Plan Period.

**Q6. Does the scale of employment land provision justify an increase in the housing need figure?**

- 2.15 As set out in our response to Q4 and Q5, we consider the scale of employment land and potential for jobs growth in the Borough to justify an increase in the Council’s housing LHN requirement.

**Q7. Notwithstanding the above, is the housing requirement of 816 homes per annum justified? Should it be higher or lower than this and if so to what level and on what basis?**

2.16 The response to Q2, Q4 and Q5 sets out the reasons why the Council's housing requirement could be increased in the context of Warrington's aspirations for growth, committed infrastructure that will support significant growth and the scale of the Borough's employment need and corresponding jobs growth. Notwithstanding this, it is considered that there are other material factors that could justify an increased housing requirement, including:

- **Affordability** - the Warrington Local Housing Need Assessment (August 2021) identifies a significant level of affordable housing need, equal to 423 dpa (rising from 377 dpa in the 2019 assessment - an increase of 14.9%). Even if the affordable housing target of 30% can be reached across all sites (which is unlikely based on the issues with deliverability and viability on the SLVPs urban and strategic sites), this would only equate to 245 dpa, or 4,406 dwellings over the 18-year Plan Period. The affordability ratio of the Borough is 5.89%, but much higher in areas like Lymm (8.04%) – demonstrating the need to distribute need to areas that have acute affordability issues and that can viably deliver a significant amount of affordable housing.
- **5 Year Housing Land Supply** – as set out in our response to Matters 3, 6a and 6c; we consider that there is an over-reliance on urban and strategic sites that have complex delivery issues in the SVLP. The Council's housing trajectory at Appendix 2 of the SVLP identifies a supply of 4,071 units or 814 dwellings per annum for the first 5 years of the Plan Period. We consider this to be at risk for the reasons described above and there is a possibility that the Borough could have less than a 5 year supply early in the Plan Period (even based on a stepped trajectory). As such, if Main Modifications are required, the Council could adopt an increased housing requirement and seek to allocate sites that are deliverable early in the Plan Period.

**Q8. What is the basis for the stepped housing requirement (678 homes per annum rising to 870 per annum from 2026)? Why were the particular time periods and annual averages chosen? Is the approach justified?**

2.17 The Council has consistently under-delivered on housing in the Borough and the latest HDT engages a presumption in favour of sustainable development as insufficient homes have been built over the previous three year period. Warrington achieved a HDT of 52%, 57% and 72% for the years 2019, 2020 and 2021 respectively. Clearly there are issues with the housing supply in the Borough. The solution, therefore, is not to implement a stepped target which reduces the ability to address under-delivery within previous years; but to

identify a series of additional suitable, available and achievable deliverable housing sites in the SVLP, that can deliver early in the Plan Period.

2.18 Paragraph 021 of the PPG: Housing Supply and Delivery states (Asteer emphasis in bold):

*“A stepped housing requirement may be appropriate where there is to be a significant change in the level of housing requirement between emerging and previous policies and / or where strategic sites will have a phased delivery or are likely to be delivered later in the plan period. Strategic policy-makers will need to identify the stepped requirement in strategic housing policy, and to set out evidence to support this approach, and **not seek to unnecessarily delay meeting identified development needs**. Stepped requirements will need to ensure that planned housing requirements are met fully within the plan period. In reviewing and revising policies, strategic policy-makers should ensure there is not continued delay in meeting identified development needs.”*

2.19 There are strategic sites identified in the Plan which are constrained and which will be difficult to bring forward in the first part of the Plan Period. Detailed analysis is provided within Richborough’s Hearing Statements in relation to Matters 3, 6a and 6c. Richborough has concerns that an underperformance in housing delivery, compounded with a stepped housing target, could delay delivery and the ability to meet the identified housing needs in the Borough.

2.20 The Cherry Lane Farm site can deliver 170 new residential dwellings, all of which could be built and occupied within the first five years of the Plan. If the Inspectors consider Main Modifications to be necessary, in terms of the housing requirement and the allocation of sites, Cherry Lane Farm should be either allocated or safeguarded for residential development during the next Plan Period.