

Warrington Local Plan Examination

Matters Statements

MATTER 8 - HOUSING LAND SUPPLY

August 2022



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Issue

Whether the Local Plan has been positively prepared and whether it is justified, effective and consistent with national policy in relation to the approach to housing land supply.

(NB. Examination Library reference numbers are provided in brackets after each document referred to in the Matters Statement)

Questions

1. What is the up to date situation regarding actual housing completions so far in the plan period i.e. 2021/22?

- 1.1 The housing completions for the period 1st April 2021 to 31st March 2022 are contained in the table below:

| Housing Monitoring 2021/22 | | | |
|-----------------------------------|-------------------|--------|-----------------|
| | Gross Completions | Losses | Net Completions |
| | 701 | 17 | 684 |
| Net dwellings equivalent | 45 | 5 | |
| Communal bedspaces | 82 ¹ | | |

- 1.2 Whilst, the net number of completions did not reach the level forecast (993 units) in the SHLAA 2021 (H4), the number of completions recorded was higher than for any year since 2014/15 (Refer to the Figure on page 14 of the AMR 2021 – CD01). This reflects the strong housing market in Warrington, despite the impacts of the Covid-19 pandemic.
- 1.3 The shortfall can be explained due to two large apartment schemes in the Town Centre. These are the Formers Skate Academy (144 homes) and land at John Street (362 homes). Both of these sites are under construction but were not fully completed in the 2021/22 monitoring period as anticipated. Due to the nature of these schemes, there is no phased completion. All the units will be recorded as being delivered at the same point on completion of the schemes in their entirety. Revised completion years for the two schemes are now 2022/23 for the Former Skate Academy and 2023/2024 for Land at John Street.

2. For each of the following sources of housing land supply for the whole plan period in turn, what are the assumptions about the overall scale, lead in times, timing and

¹ At a ratio of 1 dwelling to 1.8 bedspaces in a communal setting.

annual rates of delivery? What is the basis for these assumptions and are they realistic and justified?

- 2.1 The general assumptions about overall scale, lead in times, timing and annual rates of delivery are outlined in Section 2 of each year's SHLAA under the sub-section about estimating potential yield/capacity of a site. This section is updated every year to reflect any changes in legislation and new evidence that becomes available. The latest SHLAA, which contains the assumptions used for the Local Plan Trajectory are contained in the SHLAA 2021 (H4) and the associated appendices (H4a). Refer to paragraphs 2.45 to 2.59.
 - 2.2 As is outlined in the report these general assumptions are only used in the absence of any other information and where there is site specific information then this will be used in addition, as deemed appropriate. For example, as is outlined in paragraph 2.55, where developers have provided specific information on matters such as phasing this is utilised to inform build out rates of sites.
 - 2.3 The SHLAA and master planning work that the Council has undertaken was updated following the PDO consultation (2017) and the previous Proposed Submission Version Local Plan (2019) consultation, taking into account relevant representations. The capacities and build rates of the large sites are in the majority of cases informed by information provided by the developers of the sites in the first instance and only if it is not possible to obtain any details are the standard assumptions applied. The assumptions in the SHLAA (Build Rates; Lead-in-times; Densities etc) are based on local evidence and are re-appraised annually to ensure that they are up-to-date and take account of recent fluctuations in market conditions.
 - 2.4 Following consultation on the Updated PSVLP (2021), the Council has updated its SHLAA to take into account consented schemes and completions up to the end of March 2021, together with a comprehensive review of all existing and potential additional sites to ensure they are suitable, available and achievable in accordance with the NPPF (including the deliverability criteria set out in Annex 2) and to update timescales for their delivery.
 - 2.5 Therefore, the Council is confident that the assumptions used to calculate the Borough's housing land supply are realistic and justified.
- a) SHLAA sites under construction**
- 2.6 In terms of the overall scale of a development this has been determined by the planning permission that has been granted.
 - 2.7 If a site is already under construction then there would be no need to apply the lead in times outlined in paragraphs 2.56 to 2.57 of the SHLAA 2021(H4). The annual rate of delivery would be based on the size of the development in terms of the number of dwelling units as specified in Table 2.3 on page 19 of the SHLAA 2021(H4). As indicated above where there is specific information from a developer in this regard

this would normally be used in preference to the standard assumptions unless there is considered to be a good reason not to.

b) SHLAA sites with planning permission but not started (split by outline and full)

- 2.8 As above, in terms of the overall scale of a development this has been determined by the planning permission that has been granted. It is acknowledged that in the case of outline consents the actual capacity may in some cases, particularly for very large schemes, be an estimate or maximum number of units and the final number may vary slightly. But from experience of reviewing planning permissions in Warrington, this does not differ significantly.
- 2.9 In terms of sites with outline planning consent the lead-in-times to first completions is outlined in paragraphs 2.56 to 2.57 of the SHLAA 2021(H4) and the associated Table 2.2 (Reproduced below). As above, for sites that are under construction, the timing and annual rate of delivery would be based on the size of the development in terms of the number of dwelling units as specified in Table 2.3 (Reproduced below) on page 19 of the SHLAA 2021(H4). As indicated above where there is specific information from a developer in this regard this would normally be used in preference to the standard assumptions unless there is considered to be a good reason not to.

| Lead-in-Times | | |
|---------------------------|----------------------------------|---------------------------------|
| Status | Sites below 150 dwellings | Sites over 150 dwellings |
| Under construction | n/a | n/a |
| Full Permission/R Matters | 1.5 years | 1.5 years |
| Outline Permission | 2 years | 3 years |
| Sites without Permission | 2.5 years | 4 years |

Table 2.2: Lead in Time assumptions (Source: SHLAA 2021)

| Build Rates | | | |
|-----------------------------|-------------------------------|----------------------------|--------------------------------|
| Site Size | Less than 50 dwellings | 50 to 150 dwellings | More than 150 dwellings |
| Build Rate (units per year) | 20 | 35 | 55 |

Table 2.3: Build Rate assumptions for different site thresholds (Source: SHLAA 2021)

- 2.10 In terms of sites with full planning permission or reserved matters consents the lead-in-times to first completions would have been reduced as outlined in paragraphs 2.56 to 2.57 of the SHLAA 2021(H4). As above, the timing and annual rate of delivery has been based on the size of the development, as specified in Table 2.3 on page 19 of the SHLAA 2021(H4), unless there was specific information from a developer to vary from the standard assumptions.
- 2.11 All of these sites are expected to have started to deliver completions within the first five years of the plan period, in accordance with the definition of a deliverable site in Annex 2 of the NPPF. However, some of the larger sites at Omega and in South Warrington, which currently only benefit from outline permission are not expected to

be built out completely and delivery is expected to continue into the second (6-10 year) phase of the plan period.

c) SHLAA sites without planning permission

2.12 In terms of the scale of a development for sites without planning permission the methodology for assessing a sites capacity is outlined in paragraphs 2.45 to 2.53 of the SHLAA 2021 (H4). As indicated in paragraph 2.45 the potential number of dwellings that can be delivered on a site is influenced by the site size, the net developable area and the potential density of development that a site can accommodate dependant up on the sites location and any particular site characteristics and/or constraints.

2.13 In the vast majority of cases the relevant net developable area ratio (contained in Table 2.1 on page 17 – reproduced below) has been applied to the site area before applying the relevant density assumption (as outlined in paragraphs 2.51 to 2.52). However, as indicated in paragraph 2.50, if there is any evidence of specific site constraints or where housing would form part of a wider mixed use development the developable area ratio has been further reduced as appropriate. It is acknowledged that this process involves an element of professional judgement.

| Net Developable Area Ratios | | | |
|------------------------------------|------------------|---------------|----------|
| Site Size | Less than 0.4 ha | 0.4 ha to 2ha | Over 2ha |
| Gross to Net Ratios | 100% | 90% | 75% |

Table 2.1: Net Developable Area ratios for different scales of development (Source: SHLAA 2021)

2.14 The density that is then applied to what is the net developable area is then applied to establish the estimated site capacity. The density assumptions for different locations are explained in paragraphs 2.51 to 2.52 of the SHLAA 2021 (H4). Again this process involves a significant element of professional judgement and local knowledge. For example, the Town Centre High Density figure of 275dpa would be unlikely to be applied to sites in historic parts of the town centre which contain a significant number of listed buildings and/or conservation areas. In such locations the 30-50dph figure would most likely be applied and it would depend on the nature of the surrounding development and previously consented schemes as to whether a density figure at the lower or higher end of the range was applied.

2.15 In terms of lead-in-times to first completions, these would have been applied as outlined in paragraphs 2.56 to 2.57 of the SHLAA 2021(H4). As above, the timing and annual rate of delivery has been based on the size of the development, as specified in Table 2.3 on page 19 of the SHLAA 2021(H4), unless there was specific information from a developer to vary from these standard assumptions. In addition, in line with the definitions in Annex 2 of the NPPF sites without planning permission are not generally expected to deliver any completions in the first five years of the Plan Period.

2.16 There are a few exceptions, which include sites that are in either Council or other public body ownership and there is a clear firm commitment to develop the site for housing.

d) Small site allowance (windfalls)

2.17 The justification for the application of a “small sites allowance” and the method of how it has been calculated is outlined in paragraphs 2.60 to 2.66 of the SHLAA 2021 (H4).

2.18 The reliability of windfall sites has been tested through the history of windfall sites coming forward and is monitored annually. Historic windfall rates are listed in Table 2.4 on page 20/21 of the SHLAA 2021 (H4). The ten-year mean is 90 dwelling completions per annum, with 92 dpa over the past 14 years (2007-2020). There is therefore compelling evidence that a significant proportion of housing supply in the Borough comes forward through windfall/small sites.

2.19 Windfall housing land supply is a specific local circumstance and failure to plan for its provision would grossly underestimate the likely impact of housing growth on the environment, existing infrastructure and future infrastructure requirements.

2.20 It is therefore considered reasonable to assume that 81 windfall/small site completions can be expected to be delivered through the plan period, which was the 10 year mean for the previous year’s SHLAA (2020) and the most up to date figure available at the time that the Local Plan forecast was made.

e) Each of the Main Development Areas involving housing

2.21 In terms of determining the scale of a development for the main development areas, a more bespoke approach has been used, due to the size and varying characteristics of these schemes. These proposed housing site allocations in the Plan have been supported by a wide range of evidence; including concept Masterplans/Development Frameworks (MP1, MP2, MP2a, MP2b, MP4h and MP4k) that set out a capacity based on site constraints and infrastructure requirements. As indicated previously the potential number of dwellings that can be delivered on a site is influenced by the site size, the net developable area and the potential density of development that a site can accommodate dependant up on the sites location and any particular site characteristics and/or constraints.

2.22 In particular the Council has given detailed consideration to build rates and lead in times relating to the proposed urban extensions, given concerns raised during the previous PSVLP 2019 consultation relating to deliverability. The table below confirms the build rates that the Council has used in assessing options. The rates have been defined based on a review of the Council’s housing monitoring data and engagement with developers promoting sites. Given the number of representations to the previous PSVLP 2019 consultation which criticised the Council for using unrealistic build rates, the Council has also compared the rates to the Lichfields’ ‘Start to Finish’ report to ensure they are not unduly optimistic.

| Development Size | Average annual Build Rate (no. of dwelling units per annum) |
|-------------------------|--|
| Up to 500 | 55 |
| 500 to 1,000 | 70 |
| 1,000 to 2,000 | 120 |
| 2,000+ | 180 |

Assumed Build Rates for Main development Areas (Source: Development Options and Site Assessment Technical Report – O1)

- 2.23 The lead in time for each component has been considered based on site specific circumstance and likely timescales for delivery of enabling infrastructure.
- 2.24 In terms of the proposed allocation at Peel Hall (Policy MD4), the scale of development has been informed by the planning application/appeal process, whilst the lead in times, timing and annual rates of delivery, have been based on the same process outlined above in paragraph 2.20 for the Main Development Areas.
- 2.25 In terms of the proposed allocation at Thelway Heys (Policy MD5) the scale of development has been informed by information provided by the site promoter that has been sense checked against the Council’s methodology in SHLAA 2021 for sites without planning permission, whilst the lead in times, timing and annual rates of delivery, have been informed by the standard assumptions used for sites without planning permission as outline in paragraphs 2.56 to 2.58 of the SHLAA 2021(H4) and summarised in paragraph 2.13 above.

f) Each of the site allocations in outlying settlements

- 2.26 In terms of the scale of a development for the site allocations in the outlying settlements, the methodology for assessing a site’s capacity was essentially the same as that for sites without planning permission, as outlined in paragraphs 2.10 to 2.12 above. It has been assumed that the density of all of the settlement allocations would be 30dph.
- 2.27 In terms of lead-in-times to first completions, these have been based on those used the SHLAA 2021(H4) for sites without planning permission but with input from the site promoters. In all cases they have been assumed to start to deliver completions in year four of the Plan Period (ie. 2024/25).
- 2.28 As above, the annual rate of delivery has been based on the size of the development, as specified in Table 2.3 on page 19 of the SHLAA 2021(H4) (and as reproduced above in paragraph 2.7).

3. Would there be an adequate supply of housing land for the whole plan period?

- 3.1 The Council is confident that there would be an adequate supply of housing land for the whole of the Plan Period. The housing supply position as of 1st April 2021 is set out in the supporting text to Policy DEV1 (Paragraphs 4.1.6 to 4.1.33 of the Updated PSVLP - SP1). The Plan’s housing trajectory is shown in Appendix 1. The trajectory

confirms that the Plan provides for a sufficient land supply to deliver the housing requirement for the Borough over the Plan Period as a whole (i.e. from 1st April 2021-31st March 2039), including the non-implementation rate of 10%. (ie. Requirement including non-implementation rate of 16,157 compared to total supply of 16,676).

- 3.2 As indicated in the response to Question 15 in Matter Statement 6(a) there is likely to be a delay to the Waterfront allocation coming forward. However, even with the anticipated 2 year delay that would only lead to a loss of 80 homes in the Plan period. The Council considers that it has sufficient land supply to absorb this loss given the flexibility in the land supply in excess of the 10% non-implementation rate. Hence, there will be no material impact on the land supply across the Plan period.
- 3.3 In any event, the Council will be monitoring the land supply position on an annual basis throughout the Plan period and if any issues becomes apparent then the Council will address this through a future review of the Plan, in accordance with Updated Proposed Submission Version Local Plan Policy M1 - Local Plan Monitoring and Review. Further details on the Council’s approach to monitoring are provided in the response to Matter 14.

4. Overall, would at least 10% of the housing requirement/target be met on sites no larger than one hectare (in light of paragraph 69 of the NPPF)?

- 4.1 As is outlined in the response to question 2(d) above, the Council’s windfall allowance consists entirely of small sites less than 0.25ha. It is estimated that this will deliver 1,458 dwelling units across the Plan period, as shown in the Housing Trajectory contained in Appendix 1 of the Updated PSVLP 2021 (SP1). Based on the data contained in the SHLAA 2021(H4), sites between 0.25ha and 1.0ha in size will deliver 2,202 dwelling units over the Plan period.

| Sites no larger than 1.0 Hectare within Plan period | | | |
|--|------------------------------|-------|-----------------------------|
| SHLAA Sites between 0.25ha and 1.0ha | 0-5 Years | 843 | |
| | 6-10 years | 926 | |
| | 11-15 years | 433 | |
| | 15+ | 0 | |
| Small Sites Allowance | | 1,458 | |
| Total | | 3,660 | |
| 10% requirement as outlined in paragraph 69 of the NPPF | <u>Total no of dwellings</u> | | <u>14,688</u> = 0.249 = 25% |
| | Total housing Supply target | | 3,660 |

(Source: SHLAA 2021 Data)

- 4.2 This would result in approximately 25.0% of the Borough’s housing requirement being provided on small sites no larger than 1ha. This is significantly in excess of the 10% requirement in paragraph 69 of the NPPF.

4.3 Therefore it is considered that, in line with paragraph 69 of the NPPF, at least 10% of Warrington's housing requirement could be met on sites no larger than one hectare over the plan period.

5. In terms of a five year supply and paragraph 74 of the NPPF, is a 20% buffer appropriate?

5.1 Paragraph 74 of the NPPF requires local planning authorities to illustrate the expected rate of housing delivery over the plan period through a 'housing trajectory'. It also requires local planning authorities to 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 and that this should include a buffer moved forward from later in the Plan Period. The size of the buffer is dependent on past performance.

5.2 In Warrington's case the buffer should be 20% given past performance against the Government's Housing Delivery Test over the past three years.

6. Taking 2022/23 as the base year, what would be the five year requirement (assuming the stepped annual requirement and adding any shortfall or subtracting any surplus in delivery since 2021 before applying a buffer)?

6.1 The five year requirement (assuming the stepped annual requirement) taking 2022/23 as the base year is outlined in the table below:

| | |
|---|-------|
| Requirement for 2021/22 | 678 |
| Net completions for 2021/22 | 684 |
| Surplus | 6 |
| Requirement for years 2022/23 to 2025/26 at 678 per annum | 2,712 |
| Requirement for year 2026/27 at 870 per annum | 870 |
| Requirement for 5 years from 2022/23 | 3,582 |
| Total requirement for 5 year from 2022/23 (minus surplus) | 3,576 |

7. What would be the supply for this period (in total and by each source of supply)?

7.1 The supply for the five year period taking 2022/23 as the base year is outlined in the table below:

| Source | Source – Sub category | 5yr Capacity (2022/23 to 2026/27) | Totals |
|---|-----------------------------|---|--------------|
| SHLAA Sites | Under Construction | 2,227 | 3,041 |
| | Outline Planning Permission | 435 | |
| | Full Planning Permission | 331 | |
| | None Consented | 48 | |
| Small Sites Allowance | 5 x 81 | 405 | 405 |
| Allocated Sites Main Development Areas | Warrington Waterfront (MD1) | 0 | 573 |
| | SEWUE (MD2) | 270 | |
| | Fiddlers Ferry (MD3) | 105 | |
| | Peel Hall (MD4) | 60 | |
| | Thelwall Heys (MD5) | 138 | |
| Allocated Sites Outlying Settlements | Croft (OS1) | 75 | 610 |
| | Culcheth (OS2) | 137 | |
| | Hollins Green (OS3) | 87 | |
| | Lymm – Pool Ln (OS4) | 137 | |
| | Lymm - Rushgreen Rd (OS5) | 87 | |
| | Winwick (OS6) | 87 | |
| Total | | | 4,629 |

7.2 The SHLAA data is based on the 2022 housing monitoring information that was undertaken in April/May this year (i.e. includes planning consents granted from 1st April 2021 to 31st March 2022). The full SHLAA Report that usually accompanies the data will be produced in due course.

8. Are the assumptions on the sources of supply for this period realistic and justified?

8.1 The assumptions on sources of supply set out in Question 7 above, are contained in the response to Question 2 above. The delivery rates for the allocated sites are based on those set out in the Plan trajectory (SP1 – Appendix 1). The supply from none consented sources comes from two sites (SHLAA Refs: 1647 and 2193). Site 1647 has recently been reported to the Council’s Development Management Committee and there has been a resolution to approve the application subject to the S106 Agreement being signed. This scheme is for 27 units. Site 2193 is a site that is in Warrington Borough Council’s ownership and which the Council’s Housing Company are actively looking to bring forward in the near future. This site is estimated to have a capacity of 21 units, based on the Council’s standard assumptions used in SHLAA (outlined in response to Question 2(c) above).

8.2 The assumptions for the proposed housing allocations are supported by the site promoters in their Matter Statements, and are therefore considered robust.

8.3 The assumptions are therefore considered to accord with Paragraph 74 of the NPPF and the Planning Practice Guidance (Ref. ID: 68-007-20190722 guidance on deliverable sites).

9. Would there be a five year supply of housing land (from 1st April 2022)?

9.1 The following table demonstrates that the Council will have a 5 year housing land supply from 1st April 2022.

| 5 Year Supply (as of 1st April 2022) | | |
|--|--|-----------------------|
| | | 2020 base need |
| Five Year Requirement | 4 Years at 678 (Years 2022/23 to 2025/26) | 2,712 |
| | 1 Year at 870 (Year 2026/27) | 870 |
| Surplus from 2021/22 | | 6 |
| Total basic requirement | Five Year Requirement - surplus in delivery 2021/22 | 3,576 |
| 20% buffer | As required by NPPF paragraph 74 in areas with significant under delivery over the past 3 years. | 715 |
| Total housing requirement | Total basic requirement + 20% buffer | 4,291 |
| Deliverable supply of homes | | 4,629 |
| Annual requirement including buffer | <u>Total housing requirement</u> 5 | 858 |
| Number of years supply | <u>Deliverable supply of homes</u> Annual requirement (inc buffer) | <u>4,629</u> 858 |
| | | 5.40 yrs |