

Warrington Local Plan 2021-2038: Examination in Public

Hearing Statement by Peel L&P (Holdings) UK
Ltd (representor no. UPSVLP 0426)

Matter 8: Housing Land Supply

August 2022

Contents

| | | |
|----|-------------------------------|---|
| 1. | Introduction | 3 |
| 2. | Matter 8: Housing Land Supply | 4 |

Contact

Andrew Bickerdike



Client

Peel L&P (Holdings) UK Ltd

Our reference

PEEM3056

5 Aug 2022

1. Introduction

- 1.1 This Statement is prepared by Turley on behalf of Peel L&P (Holdings) UK Ltd (hereafter called 'Peel') in respect of the examination of the Warrington Local Plan 2021-2038. It provides Peel's response to the Matters, Issues and Questions ('MIQs')¹ identified by the Inspectors in respect of Matter 8: Housing Land Supply.
- 1.2 The context to Peel's representations, including its development interests in the Borough, is set out in its Matter 1 statement.
- 1.3 This Statement should be read alongside Peel's statements in relation to Matters 1, 3, 4, 6a, b and c, 7a, b, c and d, 11 and 14. It should also be read alongside statements submitted jointly on behalf of Peel L&P (Holdings) UK Ltd and Peel Ports (representor number UPSVLP 0438) which relate specifically to Peel's land interest at Port Warrington and Warrington Waterfront.

¹ ID02

2. Matter 8: Housing Land Supply

OVERALL SPATIAL STRATEGY FOR HOUSING

Q3: Would there be an adequate supply of housing land for the whole plan period?

Housing yield from the urban area

- 2.1 The Updated Proposed Submission Version Local Plan ('UPSVL') assumes the delivery of an average of 655 dwellings/annum from the urban area (11,785 / 18). Sites within the urban area have delivered, on average, 552 dwellings per annum over the 12-year period to 2021.²
- 2.2 During this period, 655 dwellings have been delivered on only two occasions in any year. The urban area will therefore need to deliver 18% more units per annum than has been achieved over the 12 past years.
- 2.3 Past delivery from the urban area can provide a helpful reference point in considering whether the supply, as a whole, is likely to deliver at the levels assumed. This is a form of supply which, in policy terms, is unconstrained and is not dependent on the step-change in policy created by the UPSVL to come forward. The impetus of the Local Plan does not change the planning context to these sites.
- 2.4 There is no evidence to support the assumed step-change in delivery, no clarification of how this will be achieved and no clear proposal for intervention from the Council to achieve this. The market has evidently only been able to deliver a lower level of development on an annual basis from a similar supply of sites. This highlights the need for a cautious approach to be taken in projecting future yield from the urban area.

Yield from the town centre

- 2.5 The UPSVL is reliant on, by Peel's estimation, the development of over 4,300 dwellings from the emergence of a new Town Centre residential market. This is an output of the SHLAA which applies a density of 275 dph to sites within the town centre and 130 dph to sites in Inner Warrington. This reflects the output of a Town Centre masterplanning exercise undertaken by the Council. This compares to a typical density level of 30 – 50 dwellings per hectare across the rest of the Borough.
- 2.6 Paragraphs 4.1 to 4.9 of Paper 3 of Peel's representations to the UPSVL in 2021 [Document UPSVL-0426-P1] set out a number of concerns regarding the assumed yield from the town centre. Of note, Peel has identified and evidenced the infancy of the existing residential market in the Town Centre and the susceptibility of investor-led apartment-led markets to changes in local and macro market conditions. This vulnerability has been further strengthened by emerging evidence of longer-term behavioural shifts in household aspirations arising from the pandemic and market responses which put an even greater emphasis on the need to make reasonable assumptions as to the scale and timing of delivery.

² SHLAA Table 8 (Examination Document H4)

- 2.7 Further, we would highlight that the Local Housing Need Assessment [Examination Library Documents H1 and H2] identifies a limited need for apartments in Warrington, significantly below the expected level of provision proposed through the UPSVLP, principally within the Town Centre.
- 2.8 Town centres have an important role to play in meeting housing needs. However, this would be an entirely new market for Warrington and emerging from a very low base. It is untested and unproven. It is not known to what extent the underlying conditions are present in the town centre to enable this market to emerge over the short term.
- 2.9 Combined with an effective regeneration strategy for the town centre, demand may grow as the infrastructure and facilities are developed to attract a residential offer and make the environment of the Town Centre an attractive one for an urban living market to emerge, emulating the success of Manchester and Liverpool City Centres for example. However, this inevitably takes time, as highlighted in Peel's representation to the UPSVLP in 2021 [See Paper 3 Appendix 2]. There is a high degree of uncertainty and volatility within an emerging market of this type and whilst the aspiration of the Council is commended, the risk of under delivery is high for the reasons outlined.
- 2.10 This is not to say the Council should consider diluting its aspirations for the Town Centre but rather a key issue for the UPSVLP is whether there is sufficient certainty regarding the deliverability of the Town Centre plan (and particularly the residential component of it) to place such reliance on it for the purposes of the UPSVLP's housing trajectory.
- 2.11 It is important to consider the appropriate flexibility allowance in the context of reliance on this emerging market area to deliver the Local Plan's housing requirements.

Correcting soundness

- 2.12 The UPSVLP includes a 10% flexibility allowance. This is standard for a Local Plan. The circumstances around the Warrington Local Plan warrant a higher such allowance of 20 to 25% to reflect the need to mitigate against the prospect of under delivery given the level of risk associated with the urban land supply as evidenced.
- 2.13 Based on the UPSVLP housing requirement, and without prejudice to Peel's position as set out in its Matter 4 Statement, this would increase the flexibility requirement from 1,469 dwellings to between 2,938 and 3,672 dwellings with a need to identify additional land to deliver a further 1,479 to 2,203 dwellings on top of the supply identified.
- 2.14 This step is necessary to satisfy the 'effective' test of soundness.

Turley Office



T [Redacted]