MATTER 8 STATEMENT - METACRE

Housing Land Supply

Statement on behalf of Metacre / Northern Trust – Respondent 2347

AUGUST 2022

DOCUMENT REFERENCE: 2347/08

1 RESPONSE TO THE INSPECTORS' QUESTIONS

Q1. What is the up to date situation regarding actual housing completions so far in the plan period i.e. 2021/22?

1.1 This is for the Council to update the Inspectors.

Q2. 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 annual rates of delivery? What is the basis for these assumptions and are they realistic and justified?

a) SHLAA sites under construction

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

c) SHLAA sites without planning permission

1.2 On matters 2(a) to 2(c) we rely upon the evidence of the Consortium prepared by Lichfields which undertook detailed analysis of the SHLAA supply.

Q2 (d) Small site allowance (windfalls)

1.3 Small sites allowance (sites <0.25 ha) is given as 81 dpa.

1.4 The 2021 SHLAA Figure 1 provides a summary of past completion rates to support the windfall allowance. It appears the figures are provided gross when they ought to be net. Clarification should be sought from the council and figures adjusted where necessary and average recalculated.

1.5 There is some concern the 10-year average may be over inflated because more recent years align with a period where there has been fewer large site / allocation supply which has led to a relative increase in the percentage of small windfalls as part of the supply, but also in absolute completions when looking back pre 2015.

1.6 It is not analysed in the SHLAA but a likely reason is the impact of fewer large sites being developed means it becomes more attractive for new entrants into the market specialising in smaller development sites to fill the shortfall in supply / address demand. Conversely, and Figure 1 suggest this, when supply is higher from larger sites / allocations, then market conditions change to discourage such entrants who will remove resources to other, more profitable markets.

1.7 This places a degree of uncertainty that a 10-year average small site supply that coincides with a downturn in overall housing supply is robust and may be over-estimating potential supply as a forecast.

1.8 As a minimum we suggest the figure is clarified as whether it is net or gross, with relevant adjustment; and, secondly to consider whether a 10% reduction is applied to this figure to account for potential over-estimation.

Q2 (e) Each of the Main Development Areas involving housing

1.9 **Warrington Waterfront** (**MD1**) is comprised of two separately identified housing areas at Arpley Meadows (SHLAA ref.1541 / Parcel K7, capacity 604 dwellings and SHLAA ref.1633 / Parcel K5, capacity 730 dwellings). UPSVLP Appendix 1 Housing Trajectory forecasts a combined delivery 1,070 units within the plan period, with a residual 264 units on Parcel K7.

1.10 The Consortium has provided a detailed response to Matter 6a Warrington Waterfront and the reasons for a lengthening lead-in period associated with site specific constraints and delivery the Western Link Road. We note the road delivery remains uncertain for funding since the government announcement referenced in 2019 and the delivery programme appended to the Council's 2017 Outline Business Case for the road has slipped in the region of 3 years. It had forecast completion by January 2024, which is already pushing out to mid-2028 before even consideration of whether stage timescales are realistic within the programme.

1.11 We therefore concur with the Consortium approach to forward delivery into Year 11 onward and this is taking a relatively benign approach as without evidence of deliverability there is reason to discard the allocation in this Plan.

1.12 Simple rebasing of the Council's own trajectory of completions (again a Matter 6a discussion point), a delay to Year 11 would mean delivery of 290 fewer units by Year 18, but it could realistically be significantly more.

1.13 **Fiddlers Ferry** (**MD3**) is assumed to deliver across two Green Belt parcel releases (Northern and Southern), a combined 1,310 completions beginning in 2025/26 (Year 5) on the Northern Parcel. Development on the Southern Parcel would follow 6 years later from 2031/32 (Year 11).

1.14 The Consortium again has provided a detailed response to Matter 6c which we do not repeat.

1.15 All things being equal we would concur that first completions would be unlikely until 2033/34 (Year 13) on assessment of regulatory and physical constraints to development and impact on lead-in times. This would mean on the Council's trajectory 385 units from the Northern parcel would be completed to Year 1, an overall reduction of 925 units to the plan period.

1.16 **Peel Hall** (**allocation MD4**) has been granted outline permission on appeal for comprehensive development including up to 1,200 dwellings. We agree with the Council's trajectory on build out rates, assuming multiple outlets, with completions from Year 6 to allow for a 4-year lead-in period which we not broadly align with Lichfields' *Start to Finish* guidance.

1.17 **South East Warrington Urban Extension** (**MD2**) has a trajectory for 2,430 units for Option 2 (Green Belt release) and a separate delivery of 772 from consented Homes England sites.

1.18 Though a large allocation it is in fact a series of smaller development parcels formed around a framework masterplan. Nonetheless it is surprising the green belt allocations are forecast in the trajectory to come forward sooner than the Peel Hall site despite the later having benefit of outline planning permission, though the build-out rates are realistic.

1.19 We would advocate consistency to follow Peel Hall delivery as a minimum, i.e. from Year 6 rather than from Year 5. The impact of 180 units is perhaps more marginal over a plan period, but it is more important when looking critically at the 5 year housing land supply.

1.20 **Thelwell Heys** (**MD5**) at 300 homes capacity is considered deliverable within the plan period even if the start on site may slip from the forecast in Year 4 to Year 5.

1.21 **Conclusion on Main Development Areas** is that there is prospect of a combined over-estimation of delivery in the region of 1,395 units.

Q2 (f) Each of the site allocations in outlying settlements

1.22 All outlying settlement allocations are considered deliverable and broadly consistent with housing forecasts on trends identified, including those by Lichfields' *Start to Finish*. This reflects the relatively small scale of the allocations, greenfield status, more limited infrastructure requirements and other development constraints.

1.23 The Inspectors will be aware the outlying settlements exclude a supply from Burtonwood and our other representations to support reinstatement of site OS1 Phipps Lane which would support the five year housing land supply.

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

1.24 No.

1.25 Evidence of the Consortium identifies a potential shortfall of 1,610 units from SHLAA sites. This figure includes the two SHLAA allocations at Arpley Meadows (Policy MD1).

1.26 Removing the potential for double counting in answer to Q2 (e) above, we estimate the shortfall from Main Development Sites is circa 1,105 units (1,395 – 290 units at MD1).

1.27 This leads to a conclusion that the Council must identify in the region of 2,715 additional units over the plan period (1,610 + 1,105 units).

Q4. 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)?

1.28 Yes.

Q5. In terms of a five year supply and paragraph 74 of the NPPF, is a 20% buffer appropriate?

1.29 Yes the 20% buffer is appropriate given the Housing Delivery Test position at 2021 (72% supply).

Q6. 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)?

1.30 We defer to the Consortium evidence in this matter.

Q7. What would be the supply for this period (in total and by each source of supply)?

1.31 The UPSLVP Appendix 1 Housing Trajectory gives the net supply as 4,228 dwellings for the period 2022/23 (Year 2) to 2026/27 (Year 6). But this needs to be updated to reflect any adjustment to Year 1 from actual completions and evidence of potential delayed or unimplemented permissions in the windfall allowances. This is an action for the council and the response below is caveat to this.

1.32 In terms of a 5-year forecast from Year 2 we say this figure may be lower at around 3,657 units, 571 fewer than the Council's trajectory. By category:

- SHLAA sites – no greater than 1,702 (1,925 less 233 per Consortium evidence to Q8)
- Peel Hall – 60 units (no change)
- Waterfront – 0 units (no change, different reason)
- Fiddlers Ferry – 0 units (-35 units)
- Garden Suburb – 717 units (-180 units from GB release)
- Top up site (Thelwall Heyes) – 83 units (-55 units)
- Outlying Settlements – 610 (no change)
- Other SHLAA – 80 units (no change)
- Small sites allowance – 405 units (no change, but with caveat to Q2 (d))

Q8. Are the assumptions on the sources of supply for this period realistic and justified?

1.33 No.

1.34 Specifically delivery of any housing at Fiddlers Ferry and assumptions from SHLAA sites, and to lesser extent the Garden Suburb (Year 5) and Thelwall Heyes (Years 4/5).

1.35 Although our 5-year supply figure 3,657 is a precise calculation of our positions to delivery from Main Development Areas and SHLAA sites, it should be interpreted with a degree of flexibility.

Q9. Would there be a five year supply of housing land (from 1st April 2022)?

1.36 No.

1.37 It is uncertain what shortfall may be brought forward from 2021/22 until the council releases monitoring figures which would be applied to the 5 year requirement.

1.38 Irrespective of shortfall the impact of the 20% buffer to be added for past under-performance to the housing requirement will exceed the potential resupply. This will occur under the average or the Council's favoured stepped requirement approach.