



Hearing Statement on behalf of Wainhomes (North West) Ltd

In relation to: Matter 2 – Housing and Employment Needs
and Requirements

for Wainhomes (North West) Ltd

Emery Planning project number: 17-005

Emery Ref : 17-005
Hearing : Matter 2
Client : Wainhomes (North West)
Ltd

Date : May 2021

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1. Introduction

1.1 Emery Planning is instructed by Wainhomes (North West) Ltd to attend the St Helens Borough Local Plan Examination. Wainhomes (North West) Ltd has an interest in the following sites:

- Land off Camp Road and Strong Road, Garswood;
- Land off Lords Fold; and,
- Land off Winwick Road, Newton-le-Willows.

1.2 This hearing statement sets out our response to the Inspector's Matters, Issues and Questions in relation to Matter 2 – Housing and Employment Needs and Requirements. It should be read in conjunction with our detailed representations to the Submission Version of the Plan and our other Hearing Statements submitted to this Examination.

2. Response to Matters and Issues

Q1. Are there any comments on the alternative end dates of 2035 (submission) and 2037 (possible MM)?

2.1 Paragraph 22 of the Framework requires strategic policies to cover a 15-year plan period from adoption:

“Strategic policies should look ahead over a minimum 15 year period from adoption, to anticipate and respond to long-term requirements and opportunities, such as those arising from major improvements in infrastructure.”

2.2 The updated Local Development Scheme (September 2020) anticipates adoption in the winter of 2021/22. Assuming this is correct the plan period should be extended to 2037. However even this timescale for adoption may be somewhat optimistic with only 7 months until the anticipated adoption date.

2.3 Significant concerns have been raised with respect of issues of soundness identified in relation to housing provision which may necessitate main modifications and allocation of additional sites, which will require further consultation.

2.4 The plan period should be extended to at least 2037.

Q2. Are there any comments on the implications of extending the period in such a way, particularly for the housing and employment land requirement, taking into account the Council's comments?

- 2.5 The Council indicate the extension of the plan period to 2037 would not significantly impact on the plan, and would require an increase in the housing requirement by 972 units, with the additional requirement to be met through existing allocations.
- 2.6 However, we have already raised significant concerns through our representations at the Regulation 19 stage, that the identified supply is insufficient to meet the need identified by the Council over the plan period to 2035. This is without any consideration of the two additional years supply which would be required if the plan period were extend to at least 2037.

Q5. Do the circumstances, particularly relating to economic growth, support the requirement for housing of 486 dpa as an uplift on the LHN figure?

- 2.7 No. The circumstances surrounding economic growth as presented through Scenario 2, Option 3 of the SHMA Update is pessimistic and does not reflect the proposed plan period. Consequently, the proposed housing requirement of 486dpa is insufficient to meet the needs of the borough over plan period.

Q6. Should the housing requirement be further increased to take into account economic growth aspirations, choice and competition in the housing market and affordable housing need?

- 2.8 Yes.
- 2.9 The NPPG provides clear guidance as to when it may be appropriate to plan for a higher need figure than the standard method indicates. Paragraph 02a-10 of the NPPG provides examples of circumstances where increased housing needs are likely to exceed past trends including:

"growth strategies for the area that are likely to be deliverable, for example where funding is in place to promote and facilitate additional growth (e.g. Housing Deals)"

- 2.10 St Helens is part of the Liverpool City Region, which has a growth deal with the Government. The purpose being to provide funding to drive economic growth. The Growth Deal document states that by 2021, the deal will allow at least 10,000 jobs and allow 10,000 homes to be built in the City Region.

- 2.11 In view of the Government's stated expectation that authorities with Growth Deals will go above their minimum local housing need under the standard method, it is disappointing that the Council has decided to pursue a requirement which is significantly lower than the Preferred Options draft and the adopted Core Strategy requirement (570dpa).
- 2.12 The Council previously assessed its need at the Preferred Options stage, and determined that a continued requirement of 570dpa was necessary in order to continue stabilising and increasing the population, allow for more housing choice and competition so more households can afford to form, allow for significant economic growth and to reflect the high levels of housebuilding achieved in years before and after the 2008/09 recession.
- 2.13 The Council states the reduction has been made on the basis of the introduction of the national standard method, the reduction in the amount of employment land to be released and the SHMA Update 2018. However no further justification is provided as to why the above issues as identified by the Council at the Preferred Options stage and set out in paragraph 2.11 above no longer need to be considered or addressed.
- 2.14 Furthermore, the Council's Preferred Options draft took account of the requirement for demolitions in the order of 29dpa, providing justification for such an allowance referring to historic rates of demolition and changes of use. However, no such allowance was carried forward to the Submission draft.
- 2.15 With regard to affordable housing, paragraph 2a-024 of the NPPG states:
- “An increase in the total housing figures included in the plan may need to be considered where it could help deliver the required number of affordable homes.”*
- 2.16 The SHMA Update (2019) identifies a need for 117 net addition affordable homes per annum. It appears no assessment has been undertaken to establish whether this level of affordable housing can realistically be achieved.
- 2.17 Policy LPC02 sets a size threshold of 11 units, with varying rates for affordable housing dependent upon whether the site is a brownfield site and the zone it is located in. Zone 1 is exempt from providing affordable housing, and brownfield sites in zone 3 are only required to provide 10% affordable housing. In addition, there are large sites such as Cowley Hill (Site 6HA, 816 units) and

Moss Nook (Site 10HA, 802 units) already benefitting from planning permission, with no affordable housing provided on the basis of viability.

2.18 It is clear a significant proportion of the Council's supply will provide less than 30% affordable housing, if any at all. The result being that the identified need for affordable housing will not be met.

2.19 Paragraph 3.8 of the Housing Need and Supply Background Paper (October 2020) states that "The 2014-based projections show a growth of 411 households per annum over the 2020-30 period. This is the equivalent of 4.9% growth". Paragraph 3.11 then applies the affordability uplift and states:

"Applying this to the 2014 based household projections results in a growth of 434 dwellings per annum⁴ for the period 2020 to 2030 using the standard method. The minimum local housing need figure for St. Helens (as of March 2020) is therefore 434 dwellings per annum".

2.20 Therefore the affordability uplift is 23 dwellings per annum, yet the SHMA Update (2019) identifies a need for 117 net addition affordable homes per annum. These figures show that the mathematical formula (standard method) is not appropriate to derive the housing requirement and those real people in affordable housing need now will be failed by the Local Plan.

2.21 The purpose of the affordability adjustment is set out in the PPG¹ which states:

"An affordability adjustment is applied as household growth on its own is insufficient as an indicator of future housing need because:

household formation is constrained to the supply of available properties – new households cannot form if there is nowhere for them to live; and

people may want to live in an area in which they do not reside currently, for example to be near to work, but be unable to find appropriate accommodation that they can afford.

The affordability adjustment is applied in order to ensure that the standard method for assessing local housing need responds to price signals and is consistent with the policy objective of significantly boosting the supply of homes. The specific adjustment in this guidance is set at a level to ensure that minimum annual housing need starts to address the affordability of homes." (our emphasis)

¹ Paragraph: 006 Reference ID: 2a-006-20190220

2.22 We see this as a long term strategy to rebalance house prices in an area which is separate to meeting those in short and medium term affordable housing need. Paragraphs 018 to 024 of the Housing and Economic Needs Assessment of the PPG set out clear guidance as to how to assess affordable housing need. We do not repeat that guidance here but paragraph 19 sets out how “Strategic policy-making authorities can establish the unmet (gross) need for affordable housing by assessing past trends and current estimates of:

- the number of homeless households;
- the number of those in priority need who are currently housed in temporary accommodation;
- the number of households in over-crowded housing;
- the number of concealed households;
- the number of existing affordable housing tenants in need (i.e. householders currently housed in unsuitable dwellings); and
- the number of households from other tenures in need and those that cannot afford their own homes, either to rent, or to own, where that is their aspiration.

2.23 Therefore, the Housing Need and Supply Background Paper (October 2020) has not assessed a potential significant housing need which needs to be addressed through the preparation of an Affordable Housing Needs Study in order to provide an uplift to the standard method.

2.24 It is therefore considered the Council should increase the housing requirement in accordance with paragraph 2a-024 of the NPPG to assist in the delivery of the required number affordable homes.

Q29. Is there sufficient evidence to indicate a clear alignment between housing and employment land requirements, particularly given the different base dates referred to above?

2.25 Where an alternative method is used to identify housing need, Paragraph 02a-15 of the NPPG requires that need adequately reflects current and future demographic trends and market signals. The stated purpose of the alternative method proposed by the Council is to align housing growth with the plans projected economic growth.

- 2.26 The figure of 486dpa, derives from Scenario 2, Option 3 of the SHMA Update (Table 10) and is based upon removing 2 key sites from the projected employment growth: Omega South (EA1) and Land North East of Junction 23 M6, Haydock (EA4).
- 2.27 In response to the Inspectors Preliminary Questions the Council clarify that Omega South (EA1) remains a proposed allocation, but it is proposed as an allocation to meet Warrington's employment land need. However, the site would lie entirely within the administrative area of St Helens and would affect future demographic trends, increasing in migration and need for housing.
- 2.28 With regard to Land North East of Junction 23, M6, Haydock (EA4) an application for the development of the site was refused ((LPA ref: P/2017/0254/OUP) on the 30 July 2020. However, an appeal against the refusal has been lodged and the Inquiry was held in February 2021. The decision is awaited, therefore there remains a prospect that the site may come forward during the plan period.
- 2.29 Furthermore, Scenario 2, Option 3 does not align with the proposed plan period.
- 2.30 The ELNS considers a period to 2033. However, in accordance with paragraph 22 of the Framework, strategic policies should look ahead over a minimum of a 15-year period from adoption. Given the Council's updated position on the best-case scenario for adoption in late 2021 / early 2022 in the LDS, the plan would have an end date of at least 2037, with the Council's suggesting a Main Modification accordingly. Therefore, the plan is not based on meeting the employments needs in the full plan period.
- 2.31 For the above reasons the proposed requirement is not sound and an economic and affordable housing uplift are required.