



Murphy Group (RO: 1953)

---

## **SHLPEIP MATTER 2**

Housing and Employment Needs and  
Requirements





Murphy Group (RO: 1953)

---

## **SHLPEIP MATTER 2**

Housing and Employment Needs and Requirements

**TYPE OF DOCUMENT (VERSION) PUBLIC**

**PROJECT NO. 62261804**

**DATE: MAY 2021**

WSP

8 First Street  
Manchester  
M15 4RP

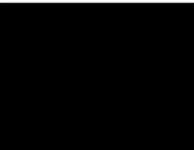
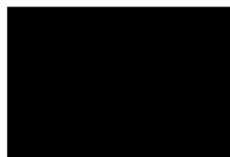
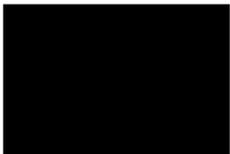


WSP.com

---

# QUALITY CONTROL

---

Issue/revision	First issue	Revision 1	Revision 2	Revision 3
Remarks				
Date	30/4/21	7/5/21		
Prepared by	Matthew Hard MRTPI	Matthew Hard MRTPI		
Signature				
Checked by	Doug Hann MRTPI	Doug Hann MRTPI		
Signature				
Authorised by	Doug Hann MRTPI	Doug Hann MRTPI		
Signature				
Project number	62261804	62261804		
Report number	Hearing Statement Matter 2 – Wednesday 26 May	RO 1953 Murphy Group Hearing Statement Matter 2		
File reference	(v2)			

# CONTENTS

---

<b>1</b>	<b>INTRODUCTION</b>	<b>1</b>
<b>2</b>	<b>QUESTIONS</b>	<b>3</b>
<hr/>		
<b>2.1</b>	<b>ISSUE 1: THE LOCAL PLAN TIMEFRAME</b>	<b>3</b>
	1. ARE THERE ANY COMMENTS ON THE ALTERNATIVE END DATES OF 2035 (SUBMISSION) AND 2037 (POSSIBLE MM)?	3
	2. 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?	3
	3. ARE THE DIFFERENT BASE DATES FOR EMPLOYMENT LAND AND HOUSING REQUIREMENTS JUSTIFIED?	3
<b>2.2</b>	<b>ISSUE 2: HOUSING NEED AND REQUIREMENT</b>	<b>4</b>
	5. DO THE CIRCUMSTANCES, PARTICULARLY RELATING TO ECONOMIC GROWTH, SUPPORT THE REQUIREMENT FOR HOUSING OF 486 DPA AS AN UPLIFT ON THE LHN FIGURE?	4
	6. 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?	7
	7. IS THE CHANGE IN THE HOUSING REQUIREMENT DURING THE PLAN PREPARATION PROCESS JUSTIFIED?	8

---

## **TABLES**

Table 2-1 - Affordability ratio data	5
Table 2-2 – calculation of historic under-supply in St Helens	6

---

## **FIGURES**

---



---

***APPENDICES – PLEASE SEE SEPARATE FILE***

APPENDIX A

INTRODUCTION TO MURPHY GROUP

APPENDIX B

PLAN OF LANDHOLDING

APPENDIX C

CORE STRATEGY INSPECTOR'S REPORT (EXTRACT)

# 1

## INTRODUCTION



# 1 INTRODUCTION

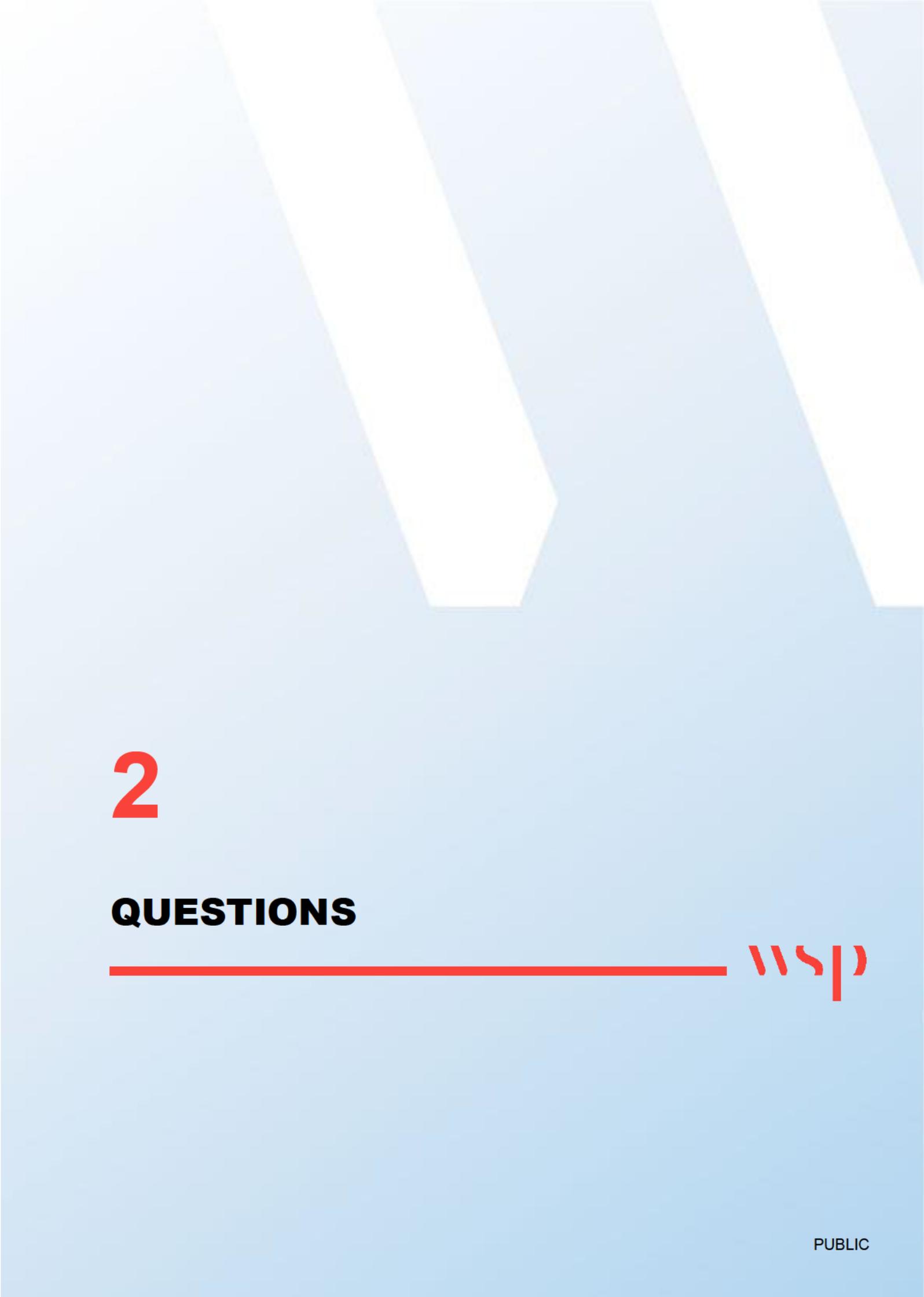
---

- 1.1.1. WSP<sup>1</sup> has prepared this Hearing Statement on behalf of Respondent ID RO 1953: Murphy Group<sup>2</sup>. An introduction to Murphy Group is provided for context in **Appendix A**. A plan showing its land holdings in St Helens and adjacent to St Helens is provided for context in **Appendix B**.
- 1.1.2. The Regulation 19 representations are contained from page 222 onwards in SD00821. The representations sought to re-designate 1HS (owned by Murphy Group) as an additional housing allocation.
- 1.1.3. It answers some of the Inspectors' questions on Matter 2.
- 1.1.4. These answers conclude the following:
- The plan period should be extended to 2037;
  - There are circumstances supporting the uplift above LHN;
  - The uplift is insufficient to address the issues it purports to, namely declining affordability and the objective to boost employment;
  - Historic under-supply of housing in St Helens has consistently been ignored and continues to be in this plan; and
  - The plan's housing requirement is not justified, effective or positively prepared.

---

<sup>1</sup> Indigo Planning made representations at the Regulation 19 consultation on behalf of Murphy Group. Indigo Planning has since been acquired by and become part of WSP.

<sup>2</sup> Murphy Group is also known as J Murphy & Sons.



2

**QUESTIONS**



## 2 QUESTIONS

---

### 2.1 ISSUE 1: THE LOCAL PLAN TIMEFRAME

#### 1. ARE THERE ANY COMMENTS ON THE ALTERNATIVE END DATES OF 2035 (SUBMISSION) AND 2037 (POSSIBLE MM)?

2.1.1. Extending the plan period to 2037 is the correct approach in order to accord with the Framework.

2.1.2. **Without extending the plan period, the plan is not sound as it is not consistent with National Planning Policy Framework (“NPPF”) paragraph 22.**

#### 2. 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?

2.1.3. The principle of rolling forward the end date for the annual requirement for another two years is agreed. The annual requirement is not agreed – see response to Qs 5 and 6 below.

#### 3. ARE THE DIFFERENT BASE DATES FOR EMPLOYMENT LAND AND HOUSING REQUIREMENTS JUSTIFIED?

2.1.4. The Council justify the different base dates because four years of employment land demand would not be accounted for. We have no comment on this, but it is important to note that the Council do not have any regard to the demand and in part unmet need for housing that has built-up over many years.

## 2.2 ISSUE 2: HOUSING NEED AND REQUIREMENT

### 5. DO THE CIRCUMSTANCES, PARTICULARLY RELATING TO ECONOMIC GROWTH, SUPPORT THE REQUIREMENT FOR HOUSING OF 486 DPA AS AN UPLIFT ON THE LHN FIGURE?

2.2.1. Circumstances support for an uplift above the LHN figure.

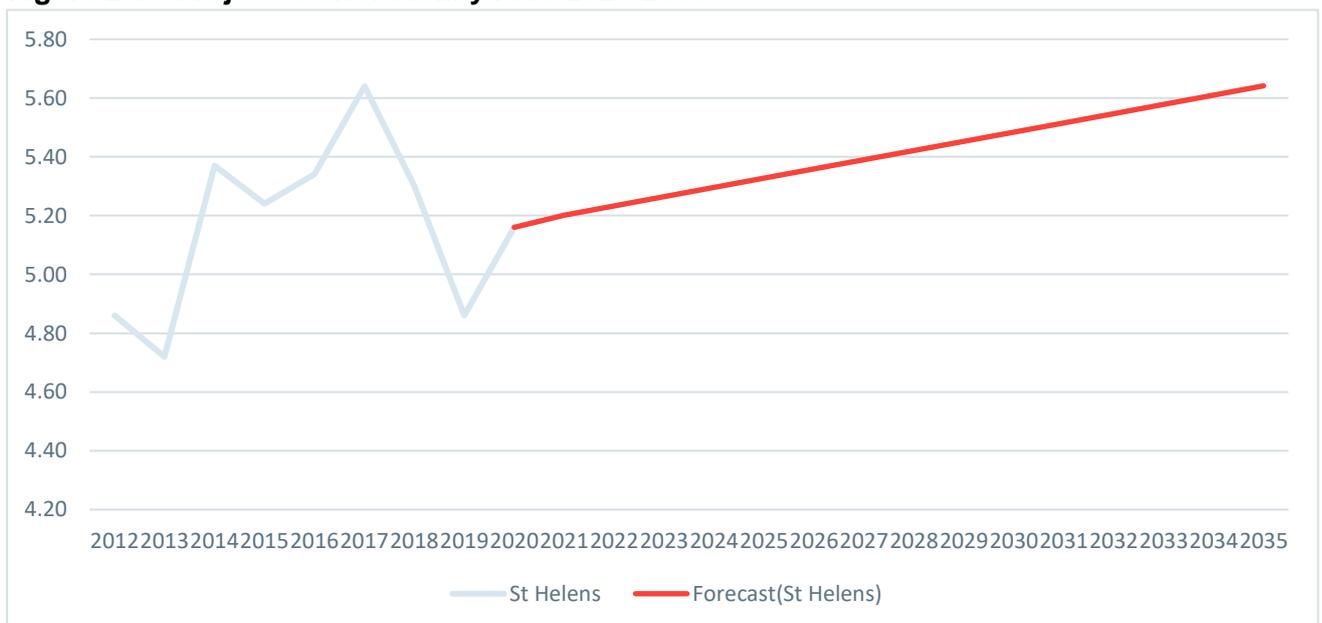
**2.2.2. The figure however is not justified and would render the plan unsound.**

2.2.3. SD025 para 3.28 references the PPG and the standard method formula namely the uplift which addresses an historic backlog of under-delivery. However, the very next sentence admits that the standard method is not being used. The Council does not quantify what its under-supply is, and as such there is no evidence that the uplift will address it. PPG (Paragraph: 011 Reference ID: 2a-011-20190220) says “where an alternative approach to the standard method is used, past under delivery should be taken into account.” This is important, because the Council seems to suggest that the uplift will deal with both economic aspirations/employment AND rising unaffordability, without quantifying the latter, nor quantifying under-supply that will have had (and will continue to have) a consequential effect on affordability.

2.2.4. HOU001 explains how 486 dpa was decided upon, namely Option 3 Scenario 2 (see paragraph 3.27 of SD025). The 486 dpa relates to the desired economic scenario. SDO025 paragraph 3.32 confirms this.

2.2.5. As a matter of fact, the 486 homes pa do not therefore take into account the unmet need to date nor any other motive for departing from the LHN. Unaffordability continues to rise in the borough, as evident by the March 2021 affordability ratio. Figure 2-1 below takes the trend of affordability ratio over the past eight years and projects it forward, showing a clear rise. The data is taken from the Government’s affordability ratio publication and is shown in Table 2-1.

**Figure 2-1 - Projected affordability ratio 2020-2035**



**Table 2-1 - Affordability ratio data**

<b>Timeline</b>	<b>St Helens</b>	<b>Forecast (St Helens)</b>
2012	4.86	
2013	4.72	
2014	5.37	
2015	5.24	
2016	5.34	
2017	5.64	
2018	5.30	
2019	4.86	
2020	5.16	5.16
2021		5.20
2022		5.23
2023		5.26
2024		5.30
2025		5.33
2026		5.36
2027		5.39
2028		5.42
2029		5.45
2030		5.48
2031		5.52
2032		5.55
2033		5.58
2034		5.61
2035		5.64

2.2.6. Meanwhile a housing shortfall in St Helens is not a new occurrence. At the time of the Core Strategy’s adoption in October 2012, the Council had a shortfall arising in the period 2003/04 to 2010/11 of 784 dwellings (against a requirement of 570 dpa). In their report on the examination into

the St Helens Core Strategy (1 October 2012), the Inspector noted that there was an overall deficit in the period 2003/04 to 2010/11. They remarked, “The Council’s contention that this is primarily accounted for by the difficult economic conditions of recent years is a convincing one and there is nothing to suggest that it resulted from there being a lack of available and suitable sites for new housing”. (Our Appendix C – paragraph 50).

- 2.2.7. At the time, the shortfall was picked up and rolled forward into the Core Strategy’s residual housing requirement for the plan period 2011/12 to 2026/27, which as development plan policy implies, means that it should have been largely met by now. However, the Core Strategy also foresaw a shortfall of 1,920 dwellings at the end of the plan period (in years 11-15), as effectively not enough land could be identified or allocated to meet the 570 dpa requirement. The Core Strategy identified that there would be four possible ways of addressing this shortfall: releasing sites from other uses; increasing housing densities through the plan period and thus reducing the total land requirement for new dwellings; reconsidering the potential for housing sites identified by the SHLAA as being possibly suitable for new dwellings subject to further investigation; and, if necessary, releasing land from the Green Belt (but this was a final, last resort). It is to be remembered that this examination took place before the amendment of the development plan regulations to mandate a review of local plans every five years, reflected for the first time in policy in NPPF 2018 paragraph 33.
- 2.2.8. In October 2012, the Inspector was therefore satisfied that the issue of a shortfall at the end of the period could be addressed by the next plan. This is the context in which St Helens finds itself in, but instead is now renegeing on this promise and ignoring current PPG, instead proposing to disregard the shortfall from the current adopted plan.
- 2.2.9. We have therefore undertaken our own shortfall calculation in the following table, based on historic housing delivery rates provided in Table 4.1 of SD025.

**Table 2-2 – Calculation of historic under-supply in St Helens**

Year	Annual Requirement	Gross Completions	Demolitions / Conversions	Net Completions	Cumulative Under/Over Supply
2003/04	570	871	-240	631	61
2004/05	570	896	-113	783	274
2005/06	570	549	-19	530	234
2006/07	570	637	-37	600	264
2007/08	570	496	-60	436	130
2008/09	570	441	-201	240	-200
2009/10	570	401	-2	399	-371
2010/11	570	183	-26	157	-784
2011/12	570	431	-12	419	-935
2012/13	570	320	-56	264	-1,241

2013/14	570	509	-6	503	-1,308
2014/15	570	635	-3	632	-1,246
2015/16	570	583	-8	575	-1,241
2016/17	570	489	-2	487	-1,324
2017/18	570	457	-49	408	-1,486
2018/19	570	806	-31	775	-1,281
2019/20	570	765	-7	758	-1,093
Total	9,690	9,469	-872	8,597	-1,093
Average (per annum)	570	557	-51	506	-

2.2.10. This reveals that against the adopted Core Strategy requirement of 570 dpa, there is a total shortfall of 1,093 dwellings over the plan period 2011/12 to 2019/20. However, given that the Local Plan’s plan period covers the period 2016/17 to 2034/3, there is some overlap which needs to be accounted for; the shortfall in 2015/16 stood at 1,241 dwellings.

2.2.11. Therefore, 1,241 dwellings should be added to the Local Plan’s housing requirement over the future Local Plan period 2016/17 to 2036/37 (equivalent to an additional 59 dwellings each year over 21 years). This would equate to an increased total requirement of 11,447 to 2037 (ie 10,206 + 1,241), at a revised delivery rate of 545 dpa. Without this, unaffordability in the borough is going to continue to increase – contrary to Strategic Objective 1.2 that seeks to reduce deprivation. Rising unaffordability is a market signal and would impact future demographic trends, therefore failure to take this adequately into account is contrary to paragraph 60 of the Framework; **consequently, the plan is not positively prepared, and the plan is not justified.**

**6. 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?**

2.2.12. Yes. It is explained above that the historic under-supply must not continue to be ignored and should be dealt with head-on, to help prevent continued rising unaffordability.

2.2.13. The Government’s response to the ‘Changes to the current planning system’ consultation paper (16 December 2020) re-affirms that the LHN figure is only a starting point for setting a housing requirement:

*“Within the current planning system the standard method does not present a ‘target’ in plan-making, but instead provides a starting point for determining the level of need for the area, and it is only after consideration of this, alongside what constraints areas face, such as the Green Belt, and the land that is actually available for development, that the decision on how many homes should be planned for is made.”*

2.2.14. With the Local Plan already identifying 2,955 homes on allocated sites beyond 2035 and capacity on safeguarded land for 2,641 new homes, there are easy solutions to bringing land forward earlier to

meet this uplift, namely changing the designation of some safeguarded land to residential allocations. 1HS is an obvious starting point.

- 2.2.15. PPG paragraph 010 of the 'Housing and economic needs assessment' section (Reference ID: 2a-010-20201216) explains that "there will be circumstances where it is appropriate to consider whether actual housing need is higher than the standard method indicates".
- 2.2.16. Pertinent circumstances in St Helens include:
- Economic growth aspirations;
  - Rising unaffordability; and
  - Identification of developable land with capacity for more than 5,500 homes beyond the plan period.
- 2.2.17. PPG paragraph 015 clarifies "Where a strategic policy-making authority can show that an alternative approach identified a need higher than using the standard method, and that it adequately reflects current and future demographic trends and market signals, the approach can be considered sound as it will have exceeded the minimum starting point" (Reference ID: 2a-015-20190220).
- 2.2.18. The issue is therefore whether the alternative approach adequately reflects current and future demographic trends and market signals. The increasing unaffordability is one such market signal.
- 2.2.19. The Local Plan Preferred Options (December 2016) proposed a housing requirement of 570 dpa. It explained that at that point an uplift of 20% above the objective assessed need figure (451 dpa) was considered appropriate to take account of:
- The Borough's ambitions to continue stabilising and increasing the population;
  - Allow for more housing choice and competition so more households can afford to form, allowing for significant economic growth;
  - To reflect the high levels of housebuilding achieved in years before and after the 2008-2009 recession; and
  - A further requirement of 29 dpa was added to accommodate demolitions.
- 2.2.20. As at today the first two bullets remain relevant.
- 2.2.21. The third bullet emphasises our previous point about under-supply; the "high-levels of housebuilding" resulted in an additional 130 homes against requirement 2003-2008 (see Table 1 above), but in the remaining years between the credit crunch and the publication of the LPPO, only 2014/15 and 2015/16 experienced completions totalling more than the annual requirement.
- 2.2.22. With higher levels of completions also being achieved in 2018/19 and 2019/20, reducing annual requirements (as 486 dpa will do, compared with current requirement of 570) will not have the desired effect not is it consistent with the objective of significantly boosting the supply of homes in the NPPF [59].
- 2.2.23. On closer inspection, the objective is not as ambitious as stated. **With reasonable housing requirement alternatives available, the plan is not justified.**
- 7. IS THE CHANGE IN THE HOUSING REQUIREMENT DURING THE PLAN PREPARATION PROCESS JUSTIFIED?**
- 2.2.24. No.

- 2.2.25. SD001 paragraph 4.18.5 attempts to explain the rationale for the Council to not rely on the standard method with two points: employment growth and declining affordability.
- 2.2.26. By reducing the housing requirement (not just in context of the future local plan requirement, but in comparison with previous requirements), the requirement will reduce the likelihood of workers at the new employment sites being able to live in the borough and reduce the ability of local people to afford to buy their own home.
- 2.2.27. We also note that SD005 paragraph 7.12.5 recognised the importance of a 20% buffer being applied to housing requirements, resulting in a significant positive effect. However, this buffer is not provided for in the plan.
- 2.2.28. With no evidence to show that the housing requirement is sufficient to a) support employment growth and b) to reduce unaffordability, the plan is not justified and won't be effective or positively prepared.**

# Appendix A

## INTRODUCTION TO MURPHY GROUP



# Appendix B

## PLAN OF LANDHOLDING



# Appendix C

## **CORE STRATEGY INSPECTOR'S REPORT (EXTRACT)**





8 First Street  
Manchester  
M15 4RP

[wsp.com](http://wsp.com)

PUBLIC