

Planning and Policy Division,
Halton Borough Council,
Municipal Building,
Kingsway,
Widnes,
WA8 7QF
Email: forward.planning@halton.gov.uk

10/03/2016

Dear Sir / Madam

Delivery and Allocations: Scoping Document

1. Thank you for consulting with the Home Builders Federation (HBF) on the Halton Local Plan: Delivery and Allocations Scoping Document.
2. The HBF is the principal representative body of the house building industry in England and Wales and our representations reflect the views of our membership of multinational PLCs, through regional developers to small, local builders. Our members account for over 80% of all new housing built in England and Wales in any one year including a large proportion of the new affordable housing stock.
3. We would like to submit the following brief comments to selected questions posed in the consultation document. The HBF will provide a more detailed response at later stages of the plan preparation process.

Question 2.1: Do you think that there are any other plans or strategies at the national or local level which need to be taken into account?

4. Whilst it is recognised that the recent devolution agreement is not intended to delay the production of plans there are several pieces of work currently being undertaken at this level which will have a direct bearing upon the plan and will need to be taken into account. These include the '*City Region-wide Growth Strategy*' which was commissioned by the Liverpool City Region Combined Authority (CA) late in 2015, with publication anticipated during summer 2016, and the joint '*Strategic Housing and Employment Land Market Assessment*'. Failure to take account of this regional work would jeopardise both the soundness of the plan and compliance with the Duty to Co-operate. These and other city region-wide studies and strategies will need to be fed into the local plan and appropriate actions included.

Question 2.2: Do you agree that the Delivery and Allocations Local Plan should proceed as proposed pending the details of the production of the Liverpool City Region Strategic Framework?

5. The HBF considers that it would be beneficial to undertake work upon allocations and update relevant sections of the Core Strategy in advance of the *Liverpool City Region Strategic Framework*, providing this can be achieved in a timely manner. This will provide greater certainty to enable the delivery of much needed housing within Halton in the short to medium-term. It is, however, noted that the adoption of the *Delivery and Allocations Local Plan* document is unlikely to occur prior to 2018. The Council may, therefore, need to consider other mechanisms to ensure an adequate supply of land is maintained in the interim.
6. The timescale for the production of the *Liverpool City Region Strategic Framework* is unknown and as such it would not appear appropriate to wait indefinitely for this work to commence and progress through the various stages of plan-making. It is, however, clear that the city region framework and its evidence base will have significant implications for the *Delivery and Allocations Local Plan*. It is therefore essential that the *Delivery and Allocations Local Plan* takes account of the emerging evidence and also provides clear and robust early review mechanisms to ensure that the plan responds appropriately to the eventual production and adoption of a *Liverpool City Region Strategic Framework*.

Question 6.2: Are there any other issues and challenges that should be considered in relation to the Economy?

7. In addition to the issues identified regarding economic growth the Council should also consider the positive economic benefits which are provided as a result of house building and the additional jobs which could be provided locally if an increase to housing delivery were to be achieved. The HBF has recently published two reports which consider the economic impact of house building, '*Building Communities: Boosting Employment*' and '*The economic footprint of UK house building*', both can be accessed via our website at www.hbf.co.uk. The *economic footprint* report is supplemented by regional reports which highlight the benefits provided to individual local authorities over the last year.

Question 7.1: Do you agree, or disagree, that these are issues and challenges that should be addressed in relation to housing in the Delivery and Allocations Local Plan?

8. The issues and challenges identified, whilst limited in detail, are considered appropriate to be addressed through the *Delivery and Allocations Local Plan*.

Question 7.2: Are there any other issues and challenges that should be considered in relation to housing?

9. Yes, other important issues which require consideration include ensuring that the employment and housing strategies within the plan and city region align, the approach the Council will take towards Starter Homes and issues of economic viability.

10. With regards to the issues surrounding density noted within paragraph 7.13, whilst the impact upon character will undoubtedly be an issue, the Council will also need to consider the impact increased densities could have upon other policies such as amenity, open space, design and housing mix. The HBF therefore recommend that a flexible approach to density is employed within the plan.

Question 7.4: Which Option, or collection of Options, do you think would be most appropriate to follow within the Delivery and Allocations Local Plan?

11. The HBF consider that options 7.1B and a combination of 7.3C and 7.3D to be the most appropriate, our reasoning is set out below.

Housing 7.1 – number of dwellings

12. The HBF support Option 7.1B *‘To have a housing requirement higher than the OAN to allow for an increase in working age people in the Borough and to increase the levels of affordability in the Borough (and meet other LA’s housing need)’*, albeit the option should reference the need to align the employment and housing strategies of the Council and city region, as identified by the NPPF and PPG (2a-018). The recent interim conclusions of the Inspector of the Cheshire East Local Plan Strategy, dated 12th November 2014, clearly identify the folly of not aligning employment and housing strategies.

13. In terms of the OAN, the HBF does have a number of concerns regarding its derivation. The HBF notes the 2016 SHMA and its recommendations and whilst a detailed review of the data and assumptions contained within the 2016 SHMA has not, at this stage, been undertaken the overall methodology generally appears to accord with the principles set out within the NPPF and PPG. The HBF concerns lay with the choice of scenarios used within the study which may lead to a suppression of the overall housing need figure. In this regard it is considered that 466dpa is unlikely to represent the full OAN for the area and there appears justification for an increase.
14. The 2012 sub-national household projections (2012 SNHP) suggest a starting point of point of 233dpa over the period 2012 to 2037, once this is converted into a dwelling requirement. The SHMA does provide an uplift upon the 2012 SNHP starting point across the whole of the Mid-Mersey HMA, it is recognised that the vast majority of this uplift is within Halton. This is largely due to the effect of scenarios looking at UPC and employment trends .
15. The study considers four separate demographic scenarios, concluding that scenario 4, which is essentially a combination of the migration trends taken from the 2014 sub national population projections mid-year estimates (2014 MYE) and an adjustment for unattributable population change (UPC) to be the most appropriate. Within Halton this leads to an uplift upon the 2012 SNHP starting point. The reason for this uplift is largely due to the effects of UPC which for Halton had a positive effect of increasing the demographic scenario.
16. As noted within our recent comments upon the St. Helens Local Plan the utilisation of UPC, whilst accepted at some examinations, is fraught with uncertainty and as such should be used with considerable care. The HBF consider the scenarios which utilise UPC need to be considered in greater detail to ensure that they are soundly based.
17. It is also noted that the use of long-term migration trends were discounted as;

‘...for the HMA and to some extent each local authority the data suggested that there was little difference in terms of population change in either the short- (past 5-years) or longer-term (past 13-years)...’ (2016 SHMA, paragraph 6.13)

Whilst this is not contested the use of such a scenario, without further modification, would have provided useful context for the different authorities.

18. The study does not provide analysis of historic factors, which may have implications upon the future rate of both population and housing growth. It is notable that Halton has failed to meet its housing requirement since the adoption of the Core Strategy or indeed the now revoked Regional Spatial Strategy, albeit the increase in delivery in 2014/15 is encouraging (*Housing Land Position Statement, 2015*). The area suffered during the recession leading to significant job losses with rates of unemployment being consistently above national and regional averages throughout the recession. Indeed unemployment rates only began to realign with regional averages in the most recent figures (Nomis website, accessed March 2016). These combined factors will inevitably have had a bearing upon the rate of growth identified within the official projections and are likely to have led to a significant suppression of the demographic housing requirement.
19. The 2016 Mid-Mersey SHMA does consider the impact of economic growth on housing and provides a single scenario for Halton based upon a run of the Oxford Economics model. This scenario identifies a housing need figure of 444dpa. The HBF understand that this is a baseline forecast and as such does not take account of the growth aspirations and strategies of the Council, the Liverpool City Region nor the effects of the Northern Powerhouse. It is imperative that the Council align these aspirations with housing growth. A failure to do this is likely to lead to the plan being found unsound at examination.
20. The baseline forecast is also understood to include assumptions regarding economic activity rates. Assumptions surrounding economic activity rates are often the source of significant debate at local plan examinations. The PAS guidance '*Objectively Assessed Need and Housing Targets*' identifies large increases in economic activity rates to be a risky strategy which will have a negative effect upon the identified housing need. The 2016 SHMA does not provide sensitivity testing of the assumptions it uses to ascertain whether they are overly optimistic. This is considered a flawed approach which does not allow comparisons to be made. It is also notable that the assumptions used upon economic activity deviate from the official Office of Budgetary Responsibility (OBR) forecasts on such rates. This will need to be robustly defended.
21. The SHMA considers market signals and an uplift is provided across the whole HMA. It is also recognised that the study makes some adjustments to household formation rates. However, the rate of uplift applied in Halton is minimal, just 22

dwellings. Whilst it is recognised that the market signals across Halton are not as acute as elsewhere it is apparent that there remain issues with regards to affordability, identifying a need for 119 affordable units per annum, an increase in overcrowding and under-delivery.

22. The suggested OAN for Halton (466dpa), therefore is based upon the baseline economic position (444dpa) plus a small uplift for market signals (22dpa). Given the aforementioned issues and the need to align the economic and housing strategies not only for Halton but also the wider Liverpool City Region the HBF consider that the OAN is likely to be higher and the housing requirement will need to be increased.

Housing 7.3 - Other forms of housing

23. The HBF is supportive of providing housing for specialist needs, it must however be recognised that this may be neither feasible nor desirable on many sites due to issues such as location, need for services, topography and viability. Therefore a blanket requirement for all sites to provide for such accommodation is unlikely to be practical nor deliverable. Therefore Option 7.3A is not supported.

24. Option 7.3B refers to the requirement for a proportion of dwellings on sites to meet the Lifetime Homes standard. The Council will be aware that the Lifetime Homes standard is no longer applicable following the Government's Housing Standards review. Lifetime Homes have now been replaced by the optional Building Regulations accessibility standards. These standards can be introduced via a plan but only where there is specific evidence to justify their inclusion. The evidence base and method of introduction is set out within the PPG section upon '*Housing - Optional Technical Standards*' and include consideration of need and viability. The HBF is unaware that the Council can provide the necessary evidence at this stage and as such this option is not recommended.

25. The HBF favour Options 7.3C '*Allocate sites for specialist accommodation*' and Option 7.3D '*Identify criteria for sites that could be used for specialist accommodation*'. These options, which should be applied flexibly, would ensure that specialist accommodation is provided in the correct location specific to the needs of the accommodation.

Question 7.5: Are these the relevant Core Strategy policies in relation to housing? If not please detail which policies should or should not be included and why.

26. The policy areas generally appear appropriate. In formulating policies it is important that the Council provides a positive framework which enables appropriate development to occur and does not place undue constraints and burdens upon the development industry.

Question 7.6: Do you consider that the identified policies should be retained, deleted or replaced?

27. The HBF consider that all the policies will require either amending or complete replacement to ensure they are up to date and to reflect new evidence upon issues such as the housing requirement, viability, additional sites and to ensure that the plan reflects the wider Liverpool City Region growth agenda.

Question 7.7: Are there any other policies in relation to housing that you consider should be incorporated within the Delivery and Allocations Local Plan?

28. No, the HBF does not advocate any further policy requirements at this stage.

Question 7.8: Is the scope of Policy H1-H8 appropriate, should they cover any other areas?

29. The scope is generally considered appropriate, although we will reserve judgement until detailed policy wording is provided. In terms of the policy H3 Affordable Housing this will also need to consider the implication of starter homes.

Question 11.3: Are these the relevant Core Strategy policies in relation to Sustainable Development? If not, please detail which policies should or should not be included and why.

30. The HBF support the inclusion of policies SD1 'Green Belt Release Allocations' and SD3 'Safeguarded Land'. The NPPF, paragraphs 83 to 85, provides the mechanism for releasing Green Belt through the Local Plan process and requires local authorities to demonstrate exceptional circumstances. Providing other avenues of delivery have been explored the need to meet the housing needs of an area has been accepted to meet exceptional circumstances in other Local Plan examinations. In this regard, and taking account of the wider growth ambitions of the city region, as well as the need to increase the levels of house building within

Halton the HBF agrees that Green Belt release should be considered through the plan.

31. In terms of safeguarded land the HBF supports the principle of its identification as this should provide certainty over the Green Belt boundaries beyond the plan period. This is consistent with the NPPF, paragraph 85.
32. The NPPF, paragraph 85, identifies that where necessary Local Plans should provide safeguarded land to meet longer term development needs stretching '*well beyond the plan period*' and that local authorities should satisfy themselves that Green Belt boundaries '*will not need to be altered at the end of the development plan period*'. Furthermore NPPF paragraph 83 is clear that once established Green Belt boundaries should be '*...capable of enduring beyond the plan period*'. There is therefore an in-built presumption within the NPPF that where it is justified to amend Green Belt boundaries this should be undertaken as part of the local plan process and that the new Green Belt boundaries should not require alteration at the end of the plan period.
33. Whilst there have been numerous interpretations of the above requirements the HBF consider that a 15 year time horizon post plan period should be adopted. This would accord with the NPPF preference for Local Plans to be drawn up over a 15 year time horizon (paragraph 157).

Question 11.5: Are there any other policies in relation to Sustainable Development that you consider should be incorporated within the Delivery and Allocations Local Plan?

34. No, the HBF does not advocate any further policy areas at this stage.

Question 11.6: Is the scope of Policy SD1-SD10 appropriate, should they cover any other areas?

35. The scope of the policies generally appear appropriate, although we will reserve judgement until detailed policy wording is provided.
36. Policy SD4 '*Design of Development*' refers to low carbon and the use of renewables. The Council will be aware that following the Government's Housing Standards Review the energy requirements for new dwellings was identified as a

matter solely for the Building Regulations. The Council will, therefore, be unable to require housing developments to incorporate renewable energy installations.

Question 13.1: Do you think the suggested presentation of the Site Allocations is appropriate?

37. The suggested presentation appears appropriate. The HBF support the indication that development capacities and phasing will be indicative only. This is important to ensure sustainable sites are not constrained from coming forward earlier in the plan process than initially envisaged. This is important as such assumptions do not take account of the changing nature of housing needs and demand but also site specific viability and constraints which may not be fully understood until detailed pre-application work is undertaken.

38. It is suggested that the phasing element include a trajectory for site completion, which is kept under review. It is noted that the Council intends to undertake engagement with the relevant landowner, promoter or developer, wherever possible. This is supported and it is encouraged that the information from this engagement is used to inform the assumptions within the plan.

Further Consultations

39. The HBF would like to be kept informed of all forthcoming consultations upon the Local Plan and associated documents. Please use the contact details provided below for future correspondence.

Yours sincerely,

MJ Good

Matthew Good
Planning Manager – Local Plans
Email: matthew.good@hbf.co.uk
Tel: 07972774229