

#### **Matter 4 - The Housing Requirement**

***Issue - Whether the Local Plan has been positively prepared and whether it is justified, effective and consistent with national policy in relation to the overall provision for housing and the housing requirement?***

***Relevant Policy - CS(R)3***

**Q4.1 Is the calculation of the local housing need set out in the 2018 Housing Needs Assessment (EL096) consistent with the standard methodology set out in national guidance?**

The calculation set out in the 2018 Housing Needs Assessment (EL0096) identifies a housing need of 265 dwellings per annum (dpa) for Halton, it appears to be generally consistent with the standard methodology set out in the PPG. Although as the Delivery and Allocations Plan (DALP) was submitted in March 2020, it would have been appropriate to update the calculation to the latest information available at that point. The paper also does not make clear that the housing need identified by the standard method is the minimum number of homes expected to be planned for, it does not produce a housing requirement figure. The HBF is also concerned that the paper does not then go on to consider the further stages of the methodology where the PPG<sup>1</sup> considers where it would be appropriate for a higher housing need figure than the standard method indicates.

**Q4.2 How does the Local Housing Need calculation compare to the calculation of housing need set out in the Mid-Mersey Strategic Housing Market Assessment (SHMA) 2016 and the Liverpool City Region Strategic Housing and Employment Land Market Assessment (SHELMA) 2017?**

The figure of 265dpa identified by the Housing Needs Assessment 2018 is significantly below the figures identified by the Mid-Mersey SHMA and the Liverpool City Region (LCR) SHELMA. The Mid-Mersey SHMA 2016 identified an OAN of 1,756dpa across the Mid-Mersey housing market area (HMA), of which 466dpa were to be provided in Halton. The LCR SHELMA March 2018 identified an OAN of 1,691dpa across the Mid-Mersey HMA, of which 326dpa were to be provided in Halton. The draft LCR SHELMA January 2017 also identified an OAN of 1,691dpa across the Mid-Mersey HMA of which 326dpa should be provided in Halton. However, it also identified an Economic Growth Scenario for Halton where the OAN was identified as 565dpa.

**Q4.3 The calculation of Local Housing Need at 2018 shows a need for 265 dwellings per annum (dpa) which forms the starting point for the housing requirement in the submission draft Local Plan. However, Policy CS(R)3 sets a requirement for 350 dpa (net) in order to support the local economy. How has the proposed economic uplift figure of 85 dpa been calculated?**

**In particular:**

**a) The Housing Topic Paper (SD32) indicates that the starting point for the calculation of the economic uplift figure is the Oxford Economics Baseline and Growth Scenarios for Halton in the Liverpool City Region Strategic Housing and Employment Land**

---

<sup>1</sup> PPG ID:2a-010-20190220

**Market Assessment (SHELMA) 2017. What were the original assumptions which were used to convert potential employment growth into the need for additional housing for example in terms of economic activity rates; commuting patterns/ratios; migration etc? Are these assumptions still relevant?**

The HBF considers that this is a question for the Council to answer.

**b) The Housing Topic Paper sets out how adjustments to the inputs to the Baseline and Growth Scenarios in the SHELMA have been undertaken. Are the assumptions behind these adjustments based on sound evidence?**

The Housing Topic Paper states that the SHELMA Growth scenario jobs estimates were calculated by Oxford Economics by applying increase growth assumptions to the LEP's priority growth sectors and the growth the Council expected on transformational sites. It is assumed that at the time of preparing the SHELMA these adjustments were based on sound evidence. The Housing Topic Paper suggests that the Council now consider that these assumptions may have been overly optimistic, although their evidence suggests that they still expect these sites to come forward. Whilst the Housing Topic Paper criticises the SHELMA for the 'black box' used to calculate these growth figures, there is limited information provided within the Topic Paper as to how these adjustments to the growth scenario to create a more realistic assessment of the transformational sites has led to the proposed housing requirement.

**c) How have the 2014-based household projections and 2016-based population projections been taken into account in the adjusted figures?**

The HBF considers that this is a question for the Council to answer.

**d) What is the basis for the assumption that 70% of the forecast economic uplift arising from transformational sites would happen within the Local Plan period? Is this supported by evidence?**

The HBF considers that this is a question for the Council to answer.

**e) Are the adjusted economic growth assumptions upon which the proposed housing requirement is based deliverable?**

The HBF considers that this is a question for the Council to answer.

**f) What is the basis for the 25% migration discount (economically inactive) which has been applied to the SHELMA housing recommendation set out at Figure 12 of the Housing Topic Paper (SD32)? Is this supported by evidence?**

The HBF considers that this is a question for the Council to answer.

**g) The Housing Topic Paper states that the suggested economic uplift should be 120 dwellings per annum on the basis of the revised SHELMA calculations. However, if the 120 dwellings per annum is added to the 2018 Housing Needs Assessment figure of 265 dwellings per annum it results in a figure of 385 dwellings per annum. Why was the housing requirement of 350 dwellings per annum chosen?**

The HBF considers that this is a question for the Council to answer.

**Q4.4 Is it appropriate to plan for a higher figure than the standard method indicates?**

HBF response to the  
Inspector's Matters, Issues and Questions for the  
Examination of Halton Delivery and Allocations Local Plan 2014-37

The HBF considers that it is appropriate for the Council to plan for a higher figure than the standard method indicates, based on the PPG<sup>2</sup> guidance on when it would be appropriate to plan for a higher housing need figure.

**Q4.5 How does the proposed requirement (350 dpa) compare to previous levels of delivery in the Borough?**

Average housing completions over the last 10 years, shown in Table 1 below, from both Halton (408dpa) and MHCLG (484dpa) suggest based on previous levels of delivery that Halton should increase the housing requirement. If figures from just the last five years are considered the average increases even more significantly to 549dpa (Halton) and 560dpa (MHCLG), suggesting that the housing requirement of 350dpa should be increased and in fact the Core Strategy housing requirement of 552dpa is realistic and deliverable.

<b>Year</b>	<b>Net Completions<sup>3</sup> (CLG)</b>	<b>Net Completions (Halton)</b>
2010/11	291	171
2011/12	328	317
2012/13	415	316
2013/14	473	227
2014/15	526	495
2015/16	536	480
2016/17	699	698
2017/18	369	369
2018/19	597	597
2019/20	601	600
<b>Total</b>	<b>4,835</b>	<b>4,270</b>
<b>Average</b>	<b>484</b>	<b>427</b>

**Q4.6 How have other factors been taken into account? What do they show?**

The HBF considers that this is a question for the Council to answer.

**Q4.7 In overall terms, is the housing requirement of 8,050 for the Plan period or 350 dwellings per annum in Halton appropriate and justified? Is there a basis to arrive at an alternative figure and if so what?**

The HBF does not consider that the housing requirement of 8,050 for the Plan period or 350dpa is appropriate or justified. The HBF consider that the housing requirement should be increased. The Standard Method identifies a minimum annual housing need figure, it does not produce a housing requirement figure, whilst the Government is committed to ensuring that more homes are built and supports ambitious authorities who want to plan for growth.

The PPG is clear that the Standard Method provides a minimum starting point, and there may be circumstances where it is appropriate to consider whether the actual housing need is

<sup>2</sup> ID: 2a-010-20190220

<sup>3</sup> Table 122 Net additional dwellings<sup>1</sup> by local authority district

(<https://www.gov.uk/government/statistical-data-sets/live-tables-on-net-supply-of-housing>)

HBF response to the  
Inspector's Matters, Issues and Questions for the  
Examination of Halton Delivery and Allocations Local Plan 2014-37

higher than the Standard Method indicates. PPG<sup>4</sup> states that these circumstances can include growth strategies for the area; strategic infrastructure improvements; previous levels of delivery; or where previous assessments of need (such as the Liverpool City Region SHELMA) are significantly greater than the outcome from the Standard Method.

The content of the SHMA and the SHELMA, and the previous delivery rates have already been considered in response to earlier questions. But both of these areas of evidence suggest that the Council should identify a housing requirement, above the standard method, and in the case of the SHMA, the growth scenario in the SHELMA and the previous delivery rates above the proposed housing requirement.

Halton is within the Liverpool City Region and as such there are a number of growth strategies and funding initiatives covering the Borough. The Liverpool City Region received £900 million as part of the devolution deal over 30 years, along with additional funding from the Transforming Cities Fund, and support to connect Liverpool to the HS2 network. The Liverpool City Region Strategic Investment Fund includes £500 million available to support projects that make difference to people in the City Region this includes providing ultra-fast broadband, smart ticketing, and support for local businesses e.g. Sandon Global in Halton. The Liverpool City Region has also secured £336m of Growth Deal funding from Government. Within round 1 this included support for the maintenance works on the Silver Jubilee Bridge (SJB), enhanced access to public transport, 11km of new cycle infrastructure, park and ride upgrade at Runcorn station and upgrading of cycling facilities to and from the SJB. Round 3 included further support for works on the SJB and improvements to Earle Road junction to provide access to the town centre and Widnes Waterfront commercial and leisure development.

The Liverpool City Region Growth Strategy looks to create over 100,000 additional jobs in the City Region by 2040, an increase of 20,000 businesses over the next 25 years and supports an additional 50,000 people coming to live in the City Region by 2040. Within Halton Sci-Tech Daresbury is a private-public joint-venture partnership between developer Langtree, the Science and Technology Facilities Council (STFC) and Halton Borough Council. The Innovation Strategy for the site (June 2016) states that the ambition for the sites is to deliver an additional 10,000 high-value jobs over the next 20 years. These Growth Strategies and Funding sources suggest that it is reasonable for Halton to go for a higher housing figure.

Key pieces of infrastructure include the Mersey Gateway bridge, which is now opened, however, the regeneration works related to the scheme are still ongoing. The Mersey Gateway Project is considered by the Council to unlock significant development and investment opportunities within Halton. The Council are also currently working on other regeneration projects in Halton including the Station Quarter, Runcorn Town Deal and Astmoor Improvements which are intended to improve accessibility and development opportunities in the area. The re-opening of the SJB will also provide additional benefits to the area. Again, these strategic infrastructure improvements suggest that Halton would benefit from a higher housing figure.

---

<sup>4</sup> ID: 2a-010-20190220