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Dear Sir / Madam,

HALTON DELIVERY AND ALLOCATIONS LOCAL PLAN: SUBMISSION DRAFT

Thank you for consulting with the Home Builders Federation on the Proposed Submission Draft of the Halton Delivery and Allocations Local Plan.

The HBF is the principal representative body of the house-building industry in England and Wales. Our representations reflect the views of our membership, which includes multi-national PLC's, regional developers and small, local builders. In any one year, our members account for over 80% of all new "for sale" market housing built in England and Wales as well as a large proportion of newly built affordable housing.

The Council will be aware that the HBF provided comments upon the previous drafts of the plan. We would like to submit the following comments upon selected policies within the consultation document. These responses are provided in order to assist Halton Borough Council in the preparation of the emerging local plan. The HBF is keen to ensure that the Council produces a sound local plan which provides for the housing needs of the area.

CS(R)1: Halton's Spatial Strategy

Policy CS(R)1 is not considered to be sound as it is not positively prepared, justified or consistent with national policy for the following reasons:

This policy looks for new development to deliver at least 8,050 net additional dwellings in the period 2014 to 2037, this equates to 350 dwellings per annum (dpa).

This is significantly lower than the previous Core Strategy policy which looked for new development to deliver at least 9,930 net additional dwellings in the period 2010 to 2028, which equated to 552dpa. And lower than the housing requirement in the previous Publication consultation which looked to deliver at least 10,718 net dwellings in the period 2014 to 2037 (466dpa).

Paragraph 60 of the NPPF 2019 states that *‘to determine the minimum number of homes needed, strategic policies should be informed by a local housing need assessment, conducted using the standard method in national planning guidance – unless exceptional circumstances justify an alternative approach which also reflects current and future demographic trends and market signals’.*

The HBF have considered the local housing need (LHN) using the Standard Methodology set out in PPG, it can be calculated as follows:

Step 1 - Setting the baseline

2014-based household projections in England average annual household growth over a 10 year period, with the current year being used as the starting point. The household projection for 2019 is 55,728 and in 2029 it is 58,140, therefore the growth equals 2,412, giving an average of 241.2 dwellings each year.

Step 2 - An adjustment to take account of affordability

The most recent median workplace-based affordability ratio for Halton is 2018 at 4.85.

Where an adjustment is to be made, the formula is:

$$\text{Adjustment factor} = \left(\frac{\text{Local affordability ratio} - 4}{4} \right) \times 0.25 + 1$$

For Halton this would be: Adjustment Factor = $\left(\frac{4.85 - 4}{4} \right) \times 0.25 + 1 = 1.053$

Minimum annual local housing need figure = (adjustment factor) x projected household growth

For Halton this would be: Minimum annual local housing need figure = $1.053 \times 241.2 = 254$ dpa.

Step 3 - Capping the level of any increase

The Halton Core Strategy was adopted more than 5 years ago, therefore the local housing need figure is capped at 40% above whichever is the higher of: the projected household growth for the area over the 10 year period identified in step 1; or the average annual housing requirement figure set out in the most recently adopted strategic policies.

The Halton Core Strategy has a housing requirement of 552dpa, 40% above 552 would be 773dpa. The capped figure is greater than the minimum annual local housing need figure and therefore does not limit the increase to the local authority's minimum annual housing need figure.

It should be noted that the Standard Method identifies a minimum annual housing need figure, it does not produce a housing requirement figure. It should also be noted that the Government is committed to ensuring that more homes are built and supports ambitious authorities who want to plan for growth. 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 higher than the Standard Method indicates. PPG (ID: 2a-010) goes on to 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.

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 in 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 Runcorn including the Station Quarter 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. Highways England are also planning a new motorway junction on the M56 to the A533 in Runcorn, creating a new link to the Mersey Gateway bridge, this is proposed to start in Summer 2020. Again these strategic infrastructure improvements suggest that Halton would benefit from a higher housing figure.

The Halton Core Strategy¹ introduced a housing requirement of 552 dpa which the Council has been seeking to deliver. Whilst the Council has not achieved this figure in every year since adoption it has shown progress in delivering more homes. Average housing completions over the last 10 years from both Halton and CLG

¹ Adopted 2013

suggest based on previous levels of delivery that Halton should increase the housing requirement.

Table 1: Housing Completions in Halton		
Year	Net Completions² (CLG)	Net Completions (Halton)
2009/10	232	114
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	TBC	597
Total	3,869	3,784
Average	430	378

The Liverpool City Region SHELMA (March 2018) provides a consistent joint evidence base for housing needs for the City Region for the period to 2037. The SHELMA identifies jobs growth of between 3,500 and 11,200 (FTE) for Halton, with an economic-driven housing need of between 326 and 565 dpa. It is also noted that the SHELMA includes an amendment to the household formation rates for those aged 25-44 in Halton.

The HBF support the Council in using a figure over and above the LHN figure identified by the Standard Method. However, the HBF consider that a higher figure than that proposed would be more appropriate. Potentially, the 565dpa that is proposed by the SHELMA to meet the economic growth forecasts would seem an appropriate figure.

The HBF also support the Council in the use of the words 'at least', in relation to the provision of net additional dwellings, which allows for additional homes over and above the requirement.

Policy CS(R)3: Housing Supply and Locational Priorities

Policy CS(R)3 is not considered to be sound as it is not positively prepared, justified or consistent with national policy for the following reasons:

As set out in the response to CS(R)1, the HBF consider the proposed housing figure could be higher and recommend that the Council increase the housing requirement figure. The HBF are however supportive of the language used in the policy, with regard to the reference to 'at least' and 'net additional'.

The HBF are generally supportive of the Council seeking to maintain a 5-year supply of deliverable housing land across the Borough. However, further information should

² Table 122 Net additional dwellings¹ by local authority district
<https://www.gov.uk/government/statistical-data-sets/live-tables-on-net-supply-of-housing>

be provided as to how the Council intend to do this. This could include the level at which any trigger would be actioned and details on what the action could be, for example this could include a link to Policy GB2 and the release of additional sites for housing.

Policy CS(R)12: Housing Mix and Specialist Housing

Policy CS(R)12 is not considered to be sound as it is not justified or consistent with national policy for the following reasons:

Part 5 of this policy states that the Council will encourage the delivery of homes which meet Lifetime Homes standards. The Council will probably 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 (M4(2) and M4(3)). These standards can be introduced via a plan but only where there is specific evidence to justify their inclusion, as set out above. The HBF is unaware that the Council can provide the necessary evidence at this stage and as such this criterion is not supported.

The HBF considers that the policy should be modified as follows in order to make the document sound:

- *The HBF recommend that part 5 of the policy is deleted.*

Policy CS(R)13: Affordable Homes and Starter Homes

Policy CS(R)13 is not considered to be sound as it is not justified or consistent with national policy for the following reasons:

This policy looks for all residential schemes including ten or more dwellings (net gain) or 0.33ha or more in size to provide affordable homes. It then states that Strategic Housing Sites should provide 20%, greenfield sites 25% and brownfield sites 0%.

PPG (ID: 23b-023) states *'that provision of affordable housing should only be sought for residential developments that are major developments. For housing development, major development is defined in the NPPF as development where 10 or more homes will be provided, or the site has an area of 0.5ha or more'*. It is not clear what reasoning the Council have used to determine the need for a lower area threshold.

NPPF³ is clear that *'Plans should set out the contributions expected from development. This should include setting out the levels and types of affordable housing provision required, along with other infrastructure (such as that needed for education, health, transport, flood and water management, green and digital infrastructure). Such policies should not undermine the deliverability of the plan'*.

Table 10.3 of the Viability Study (2019) suggests that the majority of the Strategic Housing Sites are not viable at 20% affordable housing with only two having a potential residual value of more than the benchmark land value, and one of those only by a couple of thousand. It also suggests that a couple of greenfield site typologies are not viable at 25% affordable housing. It is also noted that small

³ Paragraph 34

changes in terms of the build costs, for example using the median BCIS costs, or the developer's return can have significant impacts on the viability of development.

The HBF considers that the policy should be modified as follows in order to make the document sound:

- *The HBF recommend that the Council look again at the affordable housing requirements to ensure that they are viable and do not limit the deliverability of housing.*

Policy RD1: Residential Development Allocations

Policy RD1 is not considered to be sound as it is not positively prepared for the following reasons:

Policy RD1 sets out the housing allocations for Halton. The HBF does not wish to comment upon the acceptability or otherwise of individual sites. It is, however, important that all the sites contained within the plan are deliverable over the plan period and provide a range of development opportunities. The Council's assumptions on sites in relation to delivery and capacity should be realistic based on evidence supported by the parties responsible for housing delivery and sense checked by the Council based on local knowledge and historical empirical data.

The HBF consider that it is important that the spatial distribution of sites follows a logical hierarchy, provides an appropriate development pattern and supports sustainable development within all market areas.

It is important that the plan should seek not only to provide sufficient development opportunities to meet the housing requirement but also to provide a buffer over and above this requirement. The reasons for the inclusion of such a buffer are two-fold. Firstly, the NPPF is clear that plans should be positively prepared, aspirational and significantly boost housing supply. In this regard the housing requirements set within the plan should be viewed as a minimum requirement, this interpretation is consistent with numerous inspectors' decisions following local plan examination. Therefore, if the plan is to achieve its housing requirement as a minimum, it stands to reason that additional sites are required to enable the plan requirements to be surpassed. Secondly, to provide flexibility. A buffer of sites will therefore provide greater opportunities for the plan to deliver its housing requirement.

The HBF considers that the policy should be modified as follows in order to make the document sound:

- *The HBF recommend that the Council engages with the relevant landowner, promoter or developer to ensure that the potential capacities identified are appropriate and to ensure that the proposed allocations are delivery within the plan period.*
- *The HBF recommend that further sites are allocated to meet the needs set out in the LCR SHELMA and to provide an appropriate buffer to support delivery, and provide choice and flexibility.*

Policy RD6: Custom and Self Build Housing

Policy RD6 is not considered to be sound as it is not positively prepared for the following reasons:

This policy looks for developments of 20 dwellings or more to provide 5% of homes as serviced plots for the provision of custom and self-build dwellings.

In principle the HBF is supportive of self-build & custom build for its potential contribution to overall housing supply. Many of our members will be able to assist the custom build sector either through the physical building of dwellings on behalf of the homeowner or through the provision of plots for sale to custom builders. The HBF would recommend appropriate evidence is collated to ensure that house building delivery from this source provides an additional contribution to boosting housing supply. This is likely to include engaging with landowners and working with custom build developers to maximise opportunities.

Future Engagement

I trust that the Council will find these comments useful as it continues to progress its Local Plan. I would be happy to discuss these issues in greater detail or assist in facilitating discussions with the wider house building industry.

The HBF would like to participate in any relevant hearing sessions at the Examination to discuss any issues relevant to the house building industry.

The HBF would like to be kept informed of all forthcoming consultations upon the Local Plan and associated documents, the submission of the Local Plan, the publication of the Inspector's Report and the adoption of the Local plan. Please use the contact details provided below for future correspondence.

Yours sincerely,



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