

# **EiP Statement**

## **St Helens Delivery and Allocations Local Plan**

### **Taylor Wimpey UK Limited**

#### **Representor ID RO1154**

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**Our ref** 41874/04/CM/BOC  
**Date** May 2021

#### **Subject Matter 2 - Housing and Employment Needs and Requirements**

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#### **1.0 Introduction**

- 1.1 Lichfields is instructed by Taylor Wimpey UK Limited [TW] to make representations on its behalf to the emerging St Helens Borough Local Plan 2020-2035 [SHLP].
- 1.2 This Statement has been prepared in response to the Matters, Issues and Questions raised by the Inspector for the Matter 2 Examination in Public [EiP] hearing session.
- 1.3 Separate representations have been submitted in respect of the following Matters:
- 1 Matter 1 – Introduction to the Hearings, Legal Compliance, Procedural Requirements, and the Duty to Cooperate
  - 2 Matter 3 - Spatial Strategy and Strategic Policies
  - 3 Matter 4 – Allocations, Safeguarded Land and Green Belt Boundaries
  - 4 Matter 5 – Housing Land Supply
  - 5 Matter 7 – Specific Housing Needs and Standards
  - 6 Matter 9 – Generic Policies
  - 7 Matter 10 – Infrastructure and Delivery
- 1.4 These Matter Papers representations should be read in conjunction with previous submissions on the SHLP [Representator ID RO1154] as well as those made on the other Matters listed above.
- 1.5 TW is seeking to bring forward a high quality, well designed and sustainable strategic residential site at Gartons Lane, St Helens [Local Plan Site Reference: 5HA] and a site at Gorsey Lane, St Helens which forms part of the wider Bold Forest Garden Suburb [Local Plan Site Reference: 4HA]. Taylor Wimpey is supportive of the allocation of these two sites in the SHLP and considers that the identification of both sites as residential allocations will assist in boosting the supply of housing in St Helens. It will also assist in delivering sustainable development by contributing towards meeting the needs of market and affordable housing, creating employment during the construction period and mitigating any impacts on the environment.
- 1.6 This statement expands upon TW’s previous representations made throughout the Local Plan preparation process in light of the Inspector’s specific issues and questions. Where relevant, the

comments made are assessed against the tests of soundness established by the National Planning Policy Framework and the National Planning Policy Practice Guidance [Practice Guidance].

## **2.0 Planning Issues**

### **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 Taylor Wimpey advocates an elongated plan period to ensure the Plan can meet the requirements of national policy when it comes to being adopted.
- 2.2 The Framework<sup>1</sup> advises that 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. As adoption is not likely until the end of 2021 at the very earliest, TW considers that a plan period which runs to 2037 is the minimum that the Council should be pursuing to ensure the 15-year timeframe required by the Framework is provided. Should there be any delay to the adoption of the plan beyond 2022, the plan period should be extended accordingly to ensure that the 15-year timeframe can be achieved.
- 2.3 The Council has confirmed in its response to the Inspectors' Preliminary Questions that a Main Modification could be used to extend the plan period to 2037.

#### *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?*

- 2.4 Should there be a shortfall as a result of extending the Plan period, Taylor Wimpey considers that additional housing and employment allocations may need to be identified.
- 2.5 However, in its response to the Inspectors' Preliminary Questions, the Council has indicated that extending the Plan period to 2037 would not have significant implications for the Plan. For housing it would mean increasing the requirement by 972 units. The response indicates that this increase could be met by the existing Local Plan Submission Draft [LPSD] proposed housing land supply and proposed allocated sites that would be under construction beyond the existing Plan period.
- 2.6 The Housing Supply Background Paper<sup>2</sup> notes that the LPSD includes indicative post-2035 delivery of 3,358 dwellings, from allocated housing (sites 2HA, 4HA, 5HA, 6HA and 10HA), the delivery of which is expected to continue well beyond 2035. Based on the Plan period housing requirement of 486 dwellings per annum, this equates to a further 6.9 years of housing land supply.
- 2.7 The Response to the Inspectors' Preliminary Questions<sup>3</sup> states that that housing supply to 2037 would total 8,384 units, this would increase from 7,745 units under a 2020-2035 Plan period, because it would include increased supply from proposed allocations 2 HA, 4 HA, 5 HA, 6 HA

<sup>1</sup> National Planning Policy Framework §22

<sup>2</sup> Housing Need and Supply Background Paper (October 2020) §3.54

<sup>3</sup> Response to Preliminary matters, Issues and Initial Questions (January 2021) page 18

and 10 HA, forecast to be under construction in years 2035/36 and 2036/37. It also includes an additional 186 units from the windfall / small sites allowance. A 20% increased allowance has been added to Green Belt required capacity (to allow for contingencies e.g., infrastructure provision, delays, lead-in times to start of housing delivery etc.).

2.8 Table 1 summarises the housing supply position identified by the Council.

Table 1 Requirement and Supply Position 2016-2037

Requirement and Supply Position 2016-2037	Dwellings
Requirement 2016-2037	10,206
Residual requirement from 1 April 2020 – 31 March 2037 (deducting the delivery of 2,428 dwellings 2016-2020)	7,778
Total Plan period housing supply (includes an additional 186 units from the windfall / small sites allowance)	8,384

Source: St Helens Council

2.9 The Local Plan also identifies 8 Safeguarded Sites providing 2,641 dwellings to ensure Green Belt boundaries can endure beyond the current proposed plan period to 2035.

2.10 Based on the evidence provided, it therefore appears that there is sufficient housing land supply to meet needs over an extended time period to 2037.

### *3. Are the different base dates for employment land and housing requirements justified?*

2.11 In its response to the Inspectors' Preliminary Questions the Council has identified the reasons for the different base dates used:

- A base date of 2016 is used for the housing requirement as the 2019 SHMA Update projected housing need forward from 2016.
- The employment land requirement has a base date of 2012, as there is evidence to suggest that take-up rates since this time have been suppressed by a restricted land supply. From 2012 up to 2017 there was a significant decline in employment land take-up, which was reflective of a lack of adequate market attractive supply. If the base date of the employment land requirement was moved to 2016, it would result in 4 years of employment land demand not being accounted for in the employment land requirement, when it is clear there was a need. Therefore, there is a risk that the inclusion of post-2012 take-up rates in a historic take-up methodology would distort the historic baseline for predicting needs.

2.12 To ensure that the Plan is sound TW considers that the base dates for the employment and housing requirement should align. TW is concerned that use of different base dates for the employment land requirement and housing requirement is confusing and fails to provide a transparent evidence base for the policies within the Plan. We outline some additional concerns with the inconsistent timeframes in our response to Q4.

### *4. Would a consistent base date for the Plan of 1 April 2016 have any implications for the Plan in relation to meeting the area's objectively assessed needs, particularly relating to employment?*

2.13 TW notes that the modelling in the SHMA Update has a base date of 2016. However, the job projections in the ELNA are at least partly based on translating B-Class Local Plan employment allocations into jobs. As can be seen in Tables 9, 10 and 11 of the ELNA, the start date for jobs

coming forward on these sites is 2018. GL Hearn has made no adjustment for B-Class job growth in the years 2016 or 2017 in its modelling and assumes that the only job growth in these years will be in non B-Class uses.

- 2.14 Furthermore, there has actually been very strong economic growth since 2016 in the Borough. ONS provides Business Register and Employment Survey [BRES] data for 2016 and 2017 at district-level. This indicates that in just one year, 2016-2017, total employment increased in the Borough from 60,825 to 64,645 – an increase of 3,820.
- 2.15 This represents almost a third of the total job growth GL Hearn is allowing for the entire period to 2033 and it is erroneous to exclude it from the modelling. To include it would be likely to increase the overall job growth, and the housing need would need to rise accordingly (see comments below). TW therefore considers that this job growth should be included within the modelling.

## 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?*

- 2.16 The Framework<sup>4</sup> advises that the standard method is the default approach for calculating local housing need unless there are exceptional circumstances which could justify an alternative approach which also reflects current and future demographic trends and market signals.
- 2.17 The Government is clear that the figure derived by the LHN target is intended to be a minimum figure, and there will be circumstances when a higher figure than that generated by the standard method might be considered<sup>5</sup>:
- “The government is committed to ensuring that more homes are built and supports ambitious authorities who want to plan for growth. The standard method for assessing local housing need provides a minimum starting point in determining the number of homes needed in an area. It does not attempt to predict the impact that future government policies, changing economic circumstances or other factors might have on demographic behaviour. Therefore, there will be circumstances where it is appropriate to consider whether actual housing need is higher than the standard method indicates”.*
- 2.18 The Practice Guidance<sup>6</sup> provides several examples of where a higher housing need should be considered although the guidance is clear that any consideration of an increase is “*not limited to these situations*”.
- 2.19 The Practice Guidance<sup>7</sup> also states that:
- “Where a strategic policy-making authority can show that an alternative approach identifies 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.*
- 2.20 The Standard Method was tested in the St Helens SHMA Update (January 2019). This identified a need for 383 dwellings per annum [dpa]. The Council’s Housing Need and Supply

<sup>4</sup> National Planning Policy Framework §60

<sup>5</sup> Practice Guidance Reference ID: 2a-010-20201216

<sup>6</sup> Practice Guidance Reference ID: 2a-010-20201216

<sup>7</sup> Practice Guidance Reference ID: 2a-015-20190220

Background Paper (October 2020) also sets out the Local Housing Need [LHN] calculation undertaken by the Council at the time of submission. It identifies a LHN of 434 dpa based on the standard method. The current figure (as of 1<sup>st</sup> April 2021) is **424 dpa**.

- 2.21 In order to help meet the Borough’s economic potential, as set out in the St Helens Employment Land Needs Assessment, the Council has sought a higher housing need. The scale of this economic-led housing need is explored in Chapter 4 of the SHMA. On this basis, Policy LPA05 identifies a housing requirement of 9,234 net additional dwellings in the period from 1<sup>st</sup> April 2016 to 31<sup>st</sup> March 2035, which equates to 486 dpa. The figure is derived from the St Helens SHMA update 2019 [SHMA update], which updated the 2016 Mid Mersey SHMA. This is based on using the 2014-based SNHP as a demographic starting point; which TW agree is acceptable. The Council’s target of 486 dpa is derived from the ‘economic scenario 2’, Sensitivity Option 3, set out in the SHMA Update, albeit extended to cover the Plan period to 2035.
- 2.22 The Reasoned Justification alongside the Council’s Housing Needs Policy sets out why the Council has departed from the Local Housing Need generated by the Government’s standard method, which at that time indicated a need for 482 dpa:
- “A key disadvantage of relying on the standard method to identify housing need is that it does not take into account the increased employment growth that is likely to result from the development of the sites that are allocated for employment development in Policy LPA04. This employment growth is likely to lead to increased housing need. In addition, the long term trend of declining affordability is likely, if continued in the future, to present an upward pressure on the outputs of the standard method. To address these points the Council has considered a range of other evidence to identify the housing OAN...” [4.18.5]*
- “The St Helens SHMA update 2018 used more recently published household and population projections, together with updated data linked to the development of the employment site allocations in Policy LPA04 of this Plan, to assess the housing OAN figures. It did so by assessing a range of demographic and economic led scenarios, for example: using assumptions concerning the expected rate of jobs growth; the numbers of supporting jobs that would be generated; employment rates; and commuting patterns.” [4.18.8]*
- “Whilst the scenarios in the SHMA update 2018 indicate a range of annual housing needs figures, the scenario that is considered to be the most realistic gives rise to a figure of 486 net new dwelling completions per annum.” [Submission Draft Local Plan, 4.18.8]*
- 2.23 The SHMA update took into account the findings of the Liverpool City Region Strategic Housing and Economic Land Market Assessment [SHELMA] and the St Helens Employment Land Needs Assessment [ELNA]. The SHELMA considered housing market signals across the LCR to assess whether there was a justification to include an uplift to ease affordability pressures. This analysis concluded that there was no justification for an affordability uplift in St Helens.
- 2.24 TW considers that the Council has taken a positive and proactive approach to employment land and the approach by GL Hearn in linking economic growth with housing need is welcomed. However, for the reasons set out in our representations to the previous SHLP consultation, TW considers that there is an opportunity to opt for a higher housing figure to support economic growth aspirations. The Council may wish to consider this option and seek to increase the housing requirement on this basis.
- 2.25 For example, Scenario 2, Option 3 of the GL Hearn SHMA removes EA1 (Omega South) and land north east of junction 23 M6 (EA4). This has the effect of reducing the number of jobs

filled by St Helens residents from 8,503 to 7,797, a reduction of 706. This reduces the housing need figure from 514 dpa to 486 dpa (a reduction of 28 dpa).

- 2.26 Omega South has been removed as this is a Local Plan allocation that is intended to meet employment land needs arising in Warrington. However, the Council is still assuming that the 31.2 B2/B8 development would be constructed; just that it meets Warrington's employment needs and not St Helens'. It is unclear from both the SHMA Update and the ELNA exactly how this has been modelled, but it appears that BE Group has assumed that none of these jobs based on the Omega South site would be occupied by St Helens residents, even though employment opportunities will of course be available to local residents just as they will be to people commuting from Warrington. This is even acknowledged in paragraph 3.4 of the ELNA.
- 2.27 TW's view is that recognition should be made in the modelling that local residents will take up a significant proportion of the jobs on offer at Omega South, which would increase the housing need accordingly to **514 dpa**. This is particularly relevant given that the Council has chosen this scenario as its housing target of 486 dpa.
- 2.28 TW considers that 486 dpa should be considered the absolute minimum that would be required to meet the Council's economic objectives. However, the latest economic evidence shows that an additional uplift to the housing need to 514 dpa could be justified to fully support the employment land allocations of the Borough, if the Inspector sees fit. This is an entirely justified approach for the Council to adopt in going above the minimum number of homes needed. The 514 dpa figure has already been exceeded 5 times in the past 7 years, and is still well below the long term average of 541 dpa since the end of the last recession (2011/12). Furthermore, for the first 4 years of the Plan period (2016/17-2019/20) the Council has already delivered 2,428 homes at an average of 607 dpa.
- 2.29 With regard to the housing supply identified to meet the requirement, TW strongly supports the allocation of the sites below for new housing development and welcomes the Council's acknowledgement that they are suitable, achievable and deliverable. Development of these sites will make a significant contribution to the Council's housing land supply and assist in meeting the housing land requirement over the plan period.
- Land at Gorsey Lane (Site reference: 4HA-Land bounded by Reginald Road/Bold Road/Travers Entry/Gorsey Lane/Crawford Street, Bold (Bold Forest Garden Suburb); and,
  - Land at Gartons Lane (Site reference: 5HA – Land South of Gartons Lane and former St. Theresa's Social Club, Gartons Lane, Bold).

*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?*

- 2.30 The SHMA Update concludes that there is a need for 117 affordable housing units annually over the plan period (1,987 2016-33), which is a reduction from the 132 dpa figure in the previous SHMA.
- 2.31 Lichfields has not analysed in detail the figures forming the assessment of affordable housing needs, due in part to limitations on accessing the underlying data.
- 2.32 However, we note that one of the key changes in the approach GL Hearn has taken since the previous SHMA relates to the average household income estimate. Table 13 of the SHMA Update indicates that this has apparently increased from £30,194 in 2014 to £35,952 – a change of 19%. Whilst this of course means that more St Helens households can theoretically afford a

house on the open market, the scale of increase appears unusual, particularly as the ONS' Annual Survey of Hours and Earnings suggests that resident-based wages increased by only 5% over the same time period (from £475.2 per week in 2014 to £497.7 in 2017).

2.33 Similarly, it is not clear whether GL Hearn has used the 2016-based SNHP or the 2014-based SNHP to inform its estimate of gross household formation, which plays a key role in affordable housing need calculations. Given that the overall housing need figure of 486 dpa is based on the 2014-based SNPP, it would be consistent to use the same projections to calculate affordable housing need, which are significantly higher than the more recent iterations.

2.34 As noted above, taking the SHMA Update methodology at face value would suggest that St Helens has an affordable housing need of 117 dpa. This would equate to 24% of the overall housing target of 486 dpa. As set out above, this sits below the 30% affordable housing target advocated for large greenfield sites in Affordable Housing Zones 1 and 2; however, it must be questioned whether all of these sites are going to deliver the requisite target, particularly as Zone 3 has a much lower 10% target.

2.35 An uplift to the 486 dpa housing target of may therefore be justified in order to help meet a greater level of affordable housing need.

*7. Is the change in the housing requirement during the Plan preparation process justified?*

2.36 For the reasons set out in our response to Q5, we consider that the latest economic evidence shows that an additional uplift to the housing need to 514 dpa could be justified to fully support the employment land allocations of the Borough.

**Issue 3: Employment Need and Requirement**

2.37 TW has no comment on Issue 3.

**Issue 4: Alignment between housing and employment requirements**

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

2.38 The Council has taken a positive approach to employment land but TW considers that there is an opportunity to further align the housing requirement with the economic growth aspirations in Policy LPA04 to help achieve economic growth and sustainable levels of inward commuting. As detailed in our previous representations to the SHLP, this would involve opting for a higher housing figure, based on refined evidence in the SHMA to encourage a reasonable level of housing to support economic growth aspirations.

2.39 As noted in our response to Q5, the latest economic evidence shows that an additional uplift to the housing need to 514 dpa could be justified to fully support the employment land allocations of the Borough, if the Inspectors see fit. This is an entirely justified approach for the Council to adopt in going above the minimum number of homes needed.

2.40 Whilst the council has identified a need higher than that which would be derived from using the standard method alone, it may wish to consider this option and seek to increase the housing requirement on this basis.