

Matter 2: Housing and Employment Needs and Requirements

Issue 1: The Local Plan timeframe

The Framework requires that strategic policies should look ahead over a minimum 15-year period from adoption. The submitted plan has an end date of 2035. Adoption is not likely until late 2021 at the earliest and so a 15-year period from adoption would not be achieved.

In response to the Inspectors preliminary questions, the Council has agreed that a MM could be proposed to extend the Plan period to 2037.

1. Are there any comments on the alternative end dates of 2035 (submission) and 2037 (possible MM)?

In response to PQ24 and PQ25 the Council have considered extending the Plan Period to 2037, they have suggested that this extension would not have significant implications. The HBF considers that it is appropriate to extend the Plan Period to 2037 as this would be consistent with the NPPF¹ which states that strategic policies should look ahead over a minimum 15-year period from adoption.

The Council has also considered the implications of extending the plan period to 2037. The housing requirement would be increased by 972 units and the employment land requirement by 11.6 ha. The Council considers that the increase would be met by identified housing and employment land supply and allocated sites which would still be under construction in 2035 (See SHBC001 – PQ25).

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?

The HBF considers that it would be appropriate to extend the housing requirement by adding the additional two years of annual housing requirement.

The Plan includes within its title 2020-2035 (front cover), Policy LPA02 has a Plan period of 1 April 2020 to 31 March 2035 and the Glossary refers to the same period. However, the base dates for the employment land and housing requirements are different. Policy LPA04 (employment) and its explanation refer to a base-dates of both 2012 and 2018, whereas Policy LPA05 (housing) refers to a base date of 1 April 2016.

In response to the Inspectors' preliminary questions and suggestion that the base date should be 1 April 2016, the Council acknowledged the different base dates but considered that a base date of 2016 would have significant implications for the employment land requirement as set out in SHBC001 (PQ28).

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

¹ Paragraph 22 of the NPPF

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In response to PQ26 the Council states that the Plan period is 2020-2035. They go on to state that the base date for the housing requirement is 2016 and the base date for the employment land requirement is 2012, although Policy LPA04 states *that 'the Council will aim to deliver a minimum of 215.4ha of land for employment development between 1 April 2018 and 31 March 2035'*. The Council suggest in response to PQ27 and 28 that this is due to the evidence used for these requirements. The Plan suggests that the employment land OAN is up to 239ha from 2012 to 2037, based on the ELNS Addendum Report, it states that the base date of 2012 is used as there is evidence that the take-up rate since then have been suppressed by a restricted land supply. The HBF is concerned that use of different base dates for the Plan period, the employment land requirement and housing requirement has potential to cause confusion and removes clarity from the policies within the Plan.

3. *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?*

In response to PQ28 the Council highlight their concerns in relation to the use of the 2016 base date for the employment land requirement but does state that there would be no significant implications for the majority of the LPSD policies including the proposed housing requirements. The HBF considers that it would be beneficial for the Plan to have a consistent base date. The HBF considers that whilst it would have been preferable to have updated the evidence and ensure that both the residential and employment evidence was prepared on a consistent basis, it may be possible for the Council to continue to use the evidence as they have and to provide an employment land requirement from 2016 to 2037, which would be calculated in a similar format to that shown for the current requirement in Table 4.4.

Issue 2: Housing Need and Requirement

Policy LPA05 indicates that a minimum of 9,234 net additional dwellings (486 dwellings per annum (dpa)) will be provided between 2016 and 2035. If the Plan period was extended to 2037 the requirement would increase to 10,206 dwellings.

The Council's Housing Need and Supply Background Paper indicates that the local housing need assessment informed by the standard method set out in Planning Practice Guidance (PPG) would result in a figure of 434 dpa. However, PPG indicates that in some circumstances it may be appropriate to apply an uplift to the standard-method local housing need (LHN) figure to arrive at the full level of housing need. Some of the circumstances are set out in paragraph 010 of PPG. The Council refer, in particular, to the planned employment levels as a justification for the housing requirement being in excess of the starting point (see SHBC001 – PQ29).

4. *Do the circumstances, particularly relating to economic growth, support the requirement for housing of 486 dpa as an uplift on the LHN figure?*

The St Helens Borough Local Plan 2020 – 2035 was submitted to the Secretary of State on 29 October 2020 for examination by the Planning Inspectorate. The Housing Need and Supply Background Paper (October 2020) sets out the Local Housing Need (LHN) calculation undertaken by the Council at the time of the submission. It identifies a LHN of 434 dwellings per annum (dpa) based on the standard method.

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The PPG² states that the LHN provides a minimum starting point in determining the number of homes needed, it also states that government is committed to ensuring that more homes are built and that government support ambitious authorities who want to plan for growth. The PPG goes on to identify circumstances when it might be appropriate to plan for a higher housing need figure than the standard method. These circumstances include where there are growth strategies for the area, or strategic infrastructure improvements, or where any authority agree to take on unmet need from neighbouring authorities, or where previous levels of housing delivery or previous assessments of need are significantly greater than the outcome of the standard method.

Building our Future: Liverpool City Region Growth Strategy (2016) seeks the creation of over 100,000 additional jobs by 2040, a net increase of 20,000 businesses over the next 25 years, an additional 50,000 people living in the City Region by 2040 and a near doubling of the size of the economy to £50bn by 2040. The Liverpool City Region (LCR) has also been provided with funding to support this growth through the Growth Deal, to date the LCR has secured £336m.

The 2019 SHMA Update considers a number of economic scenarios aligned with planned economic growth in the Borough, as set out in the St Helens Employment Land Needs Study Addendum (ELNA). The ELNA identified three scenarios Scenario 1 – Develop as soon as possible, Scenario 2 – Development prioritisation, and Scenario 3 – Allow for Potential Capacity Constraints at Haydock. Two of which – Scenario 2 and Scenario 3 – the ELNA considered were most likely to come forward and these are therefore the scenarios considered in the SHMA. The SHMA states that Economic Scenario 2 would result in a need for 514 dpa, whilst Economic Scenario 3 results in a need for 479 dpa (for the period 2016 to 2033). The 2019 SHMA also identifies an affordable housing need of 117dpa.

The LCR Strategic Housing and Employment Land Market Assessment (SHELMA) (March 2018) identifies demographic based housing need of 416dpa and an economic driven housing need of 397dpa for the baseline scenario and 855dpa for the growth scenario. The Economic Growth reflects the jobs growth which could result from development projects and policies which are expected to be implemented over the study period. Within the growth scenario the modelling also assumes that the economic activity rate increases above the baseline position and rises to half of the difference between the current rate and the national average. It is noted that the economic growth scenario in the SHELMA identified an employment land requirement of 397ha of B8 across the whole LCR and 28.8ha and 27.3ha of B1 and B2 land respectively within St Helens.

Previous levels of housing delivery show that over the last five years 3,003 dwellings have been delivered at an average of 601dpa. This average is 167dpa over the 434dpa identified by the standard method and the previous delivery is consequently considered to be significantly greater. The HBF therefore considers that the housing need is higher than the standard method indicates and higher than the figure currently proposed by the Council.

² PPG ID: 2a-010-20201216

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Year	Net additional Dwellings ³
2015/16	575
2016/17	487
2017/18	408
2018/19	775
2019/20	758
Total	3,003
Average	601

The HBF is concerned that the 486dpa does not reflect the evidence particularly in relation to economic development. The HBF considers that given the evidence contained within the SHMA, the SHELMA, the ELNA, the Liverpool City Region Growth Strategy and Growth Deal and the previous delivery of homes that the Council should consider an uplift in the housing figure above that provided by the Standard Methodology and above that currently proposed.

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?

As set out above in response to question 5, the HBF considers that the housing requirement should be further increased. The increase could be beneficial in helping the Council to meet their, and the LCR economic growth aspirations, and in providing choice and competition in the housing market and in providing additional affordable housing.

7. Is the change in the housing requirement during the Plan preparation process justified?⁴

The HBF has concerns in relation to the significant differences in the housing requirement, particularly as at the preferred options stage the Council felt that a housing requirement of 570dpa was necessary to meet the Council's ambitions to stabilise and increase the population, to allow for more housing choice and competition, to allow for significant economic growth and to reflect the high levels of housebuilding. The Council suggest that the reduction in the Submission document was necessary due to the introduction of the standard method, the reduction in employment allocations and the SHMA Update. The HBF is concerned that this means that the Council's ambitions in relation to the population, economic growth and housing choice will no longer be met.

Issue 4: Alignment between housing and employment requirements

SHBC001 (PQ43) summarises the Council's position in relation to the alignment between housing and employment requirements.

³ MHCLG Table 122: Housing Supply; net additional dwellings by local authority district, England 2001/2 to 2019/20 (<https://www.gov.uk/government/statistical-data-sets/live-tables-on-net-supply-of-housing>)

⁴ These are summarised at pages 19-20 of the Housing Need and Supply Background Paper

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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?

The HBF does not wish to respond to this question at this time

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