

# St Helens Local Plan 2020-2035 Examination in Public

## Hearing Statement on behalf of Story Homes

### Matter 10 – Infrastructure and Delivery

June 2021

Relevant Site:

Land south of A580 between Houghtons Lane and Crantock Grove, Windle (Ref: 8HS)

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## 1 Introduction

- 1.1 This Statement has been prepared by Hive Land & Planning on behalf of Story Homes and responds to the Matters, Issues and Questions released by the Inspectors on 30<sup>th</sup> March 2021. In this submission Story Homes are responding to **Matter 10, Issues 1, 2 3 and 4.**
- 1.2 The involvement of Story Homes in the St Helens Local Plan Examination relates to the continued promotion of the Land south of A580 between Houghtons Lane and Crantock Grove, Windle, Ref 8HS (hereafter referred to as 'Site 8HS'). Story Homes has promoted Site 8HS for the residential development of around 1,100 dwellings and has been undertaken following agreement with the landowners to secure a contractual position on the site.
- 1.3 Site 8HS is currently located within the Green Belt and has been identified as a Safeguarded Site within the Submission Draft St Helens Local Plan 2020 -2035, to be reserved for future residential development until after the plan period, unless a subsequent Local Plan Review proposes to allocate the land for development. In safeguarding Site 8HS, the Council has recognised that Site 8HS represents a suitable and sustainable location for housing and Story Homes welcome and support this recognition.
- 1.4 In the 2016 Preferred Options Draft of the Local Plan however, Site 8HS was identified as a Housing Allocation to come forward within the current Plan Period. This further confirms the Council's acceptance that Site 8HS, as a matter of principle, is a suitable location in which to locate this scale of new housing.
- 1.5 The Council has therefore acknowledged the acceptability of Site 8HS for residential development at every stage of the plan-making process.
- 1.6 This Hearing Statement should be read in conjunction with all the statements being submitted by Story Homes in response to **Matters 1, 2, 3, 4, 5, 7 and 11.**
- 1.7 We trust that this Statement assists the Inspectors in respect of the Examination.

## 2 Matter 10 – Infrastructure and Delivery

### Issue 1: Definition and scope of infrastructure required

*Question 1. In general terms will Policy LPA08, the IDP and other policies of the Plan, including allocation policies, ensure that necessary infrastructure is delivered and in a timely fashion?*

- 2.1 Policy LPA08 sets out that the Council will seek to ensure satisfactory provision of all forms of infrastructure that are required to serve the needs of the local community. The Infrastructure Delivery Plan provides evidence to support the requirements of Policy LPA08 and the relevant Strategic Housing & Employment Site policies (LPA05.1 and LPA04.1) seek to ensure that the strategic developments within the Borough contribute towards the provision of infrastructure. Parts 4 and 5 of each respective Strategic policy references Appendix 5, which contains site profiles and outlines site specific “requirements”, which are stated to be “in addition” to others needed to comply with Plan policies.
- 2.2 Parts 5, 6 and 7 of Policy LPA08 provide exceptions to the policy due to the economic viability of the proposed development, based upon a priority hierarchical system for contributions depending upon viability evidence. The hierarchy seems sensible, but in reality it is not clear whether the policy will ensure that necessary infrastructure is delivered and in a timely fashion, as the Inspectors ask, or whether the ability for developers to provide viability evidence to reduce contributions would result in less than all necessary infrastructure being delivered.
- 2.3 This situation is compounded by the fact that St Helens’ Housing Distribution across the Plan period (SHBC011) is skewed towards smaller town centre and urban SHLAA sites, which are mostly brownfield sites in lower market value areas. Brownfield sites are likely to have higher abnormal costs, such as remediation costs, and this combined with the lower market values means that viability is highly likely to be a factor that will result in a lower level of Section 106 contributions towards wider infrastructure provision. This will result in high density development coming forward within inner areas, where viable to do so, but without contributions to existing or new social and environmental infrastructure being secured via Section 106. The potential negative cumulative impacts arising from this situation will result in the Council failing to meet some of their Strategic Objectives as set out in the Plan, in particular:

- **Strategic Objective 1.2** - To reduce deprivation by ensuring that new development and investment can benefit deprived communities.
- **Strategic Objective 6.1** - To increase convenience and reduce the need to travel by ensuring appropriately located, integrated provision of a wide range of community facilities.
- **Strategic Objective 7.1** - To mitigate development impacts by ensuring that local and strategic infrastructure needs are fully met.

2.4 As set out within our Matter 5 Hearing Statement, a significant gap of around 894 dwellings exists between the Council's claimed supply and Story Homes' assessment of SHLAA sites that can be considered deliverable and developable. This further exacerbates this situation as the Council currently have expectations that these sites will be delivered during the plan period and will provide the requisite Section 106 contributions towards wider social and physical infrastructure needs. This will simply not be the case and so identified infrastructure projects will not be sufficiently funded via developer contributions as currently anticipated.

2.5 Should the Inspectors consider that Policy LPA08, the site allocations policies and the IDP will not result in the necessary infrastructure being delivered (and in a timely fashion), the Council should allocate further Green Belt sites that are known to be viable and capable of providing financial contributions towards infrastructure provision within the Borough.

2.6 Story Homes can confirm that the development of Site 8HS is viable and a strategic site of such scale will be able to make reasonable contributions towards the infrastructure requirements listed within the Infrastructure Delivery Plan, as well as reserving land within the site for a potential school and health surgery should the delivery of such infrastructure be deemed necessary to meet local needs. The development has the 'critical mass' to make the provision of such infrastructure viable. The Council can therefore have confidence that the new neighbourhood will be sustainable and self-sufficient. Story Homes refer the Inspectors to our Matter 4 Hearing Statement and Appendix A – Infrastructure Delivery Statement for further details in this regard.

2.7 Site 8HS in particular is well related to the St Helens core area, whereas a number of other sites being promoted by other participants are located further away from the inner St Helens area and so may fail

the planning obligations tests as contributions towards St Helens projects cannot be considered “directly related” to the development. Without additional contributions, it is not clear whether the necessary infrastructure will be provided and whether the Plan will truly be contributing towards tackling known areas of deprivation within the Borough.

*Question 2. Will the mitigation measures identified be sufficient to address the highway impacts identified?*

2.8 Story Homes do not have any specific comments in response to this question.

*Question 3. Is the Council satisfied that the LP proposals would not have an unacceptable impact on highway safety or the residual cumulative impacts on the road network would not be severe (see SHBC001 – PQ65)?*

2.9 Story Homes do not have any specific comments in response to this question.

*Question 4. How will the Council work with infrastructure and service providers (including the Liverpool City Region, Merseytravel, Highways England, developers, landowners and neighbouring authorities) to identify and address any impacts of proposed development, including through the use of contributions and through the implementation of highway improvement schemes?*

2.10 Story Homes do not have any specific comments in response to this question.

*Question 5. How will the Plan help to deliver these projects?*

2.11 Story Homes do not have any specific comments in response to this question.

*Question 6. Is it clear from the wording of Policy LPA07 how a decision maker should react to development proposals for these rail projects (in line with paragraph 16 d) of the Framework)?*

2.12 Story Homes do not have any specific comments in response to this question.

## Issue 2: Developer Contributions

*Question 7. How is the strategy in relation to developer contributions to be implemented by the LP (see SHBC001 – PQ69)?*

2.13 Story Homes supports the approach to consider the viability of each site independently. Story Homes are promoting Site 8HS and can demonstrate that the site is both viable and deliverable. However, it is important to note that whilst some sites in the Councils supply are viable, there is a risk that sites within the Councils supply, particularly those on Brownfield Land, may not be able to demonstrate viability. This will in-turn have significant implications for the delivery of infrastructure and Section 106 contributions.

2.14 The main risks which arise from this approach are:

- The lack of funding available to deliver the necessary S.106 and infrastructure required to deliver a scheme; and
- The delay associated with determining planning applications which are subject to a viability challenge.

2.15 The factors outlined above will in combination require the Council to fund the infrastructure themselves as the schemes will not be able to make their own contributions, which is clearly an unsustainable approach.

*Question 8. Is the approach set out in Policy LPA08 effective and does it strike the right balance between flexibility and certainty for applicants?*

2.16 The approach can only be considered effective if the Council have a clear strategy for funding the shortfall in Section 106 contributions in place and to address the shortfall in housing delivery that will occur as a consequence of the delayed applications.

## Issue 3: Viability

*Question 9. Does the EVA make realistic assumptions about land values, sales values, finance, profit and development costs?*

2.17 The Council's approach proposes applying a multiplier to the Existing Use Value (EUV). It is important to state that whilst this attempts to account for the EUV with an additional premium for the landowner, as



set out in PPG<sup>1</sup>, there is no set methodology associated with this in the PPG and as such its application can be considered inappropriate.. The EUV multiplier approach is inappropriate for the following reasons:

- It is not possible to evidence the multiplier adopted, with the use of arbitrary fixed multipliers becoming commonplace in local plan viability assessments;
- It is not a basis for valuation;
- It does not reflect the workings of the market as landowners do not have regard to this methodology when releasing land. It therefore does not consider the minimum return a reasonable landowner would expect in comparison to other options available.

2.18 As the EVA is being presented in a manner to determine at what point schemes become unviable the figures in the report are misleading. In paragraph 5.20, part of the justification for a lower Benchmark Land Value (BLV) is due to *“Greenfield sites may require significant initial expenditure on services and infrastructure to enable them to be developed for residential purposes”*. While this may be correct, the subsequent development of the site is usually less constrained than a comparable Brownfield site, however, this is used to justify a lower BLV.

2.19 With regard to the Build Cost, without clear understanding of the cost assumptions made by Keppie Massie and a breakdown of the build cost it is difficult to provide comment other than to understand the justification for moving away from BCIS which is an adopted and accepted approach that has been applied in other local plan viability assessments across England.

2.20 While there is provision for renewable energy enhancements to meet the Council's emerging policy this falls short of the requirements of Part L which will come into effect in 2023 meaning the changes will effectively capture all the emerging allocations.

2.21 Story Homes also seek clarification on the application of 'acre'. Within the body of the report there is no clarification and therefore assumed that the BLV applies on a gross acre basis however in the appendices a 'Net' developable acre is referenced.

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<sup>1</sup> Paragraph: 013 Reference ID: 10-013-20190509

2.22 Story Homes would expect the approach to BLV to be re-visited based on all the factors that need to be considered as prescribed by the PPG. The current approach ignores market evidence and the minimum return a reasonable landowner would expect. The typology approach requirement with the PPG has also not been fully considered, with a flat rate applied across all sites that are either small or medium/large without any appreciation for differences across the sales market. The main concern with the current approach is that if BLV assumptions are too low, land will not come forward and development will not take place. Story Homes would therefore strongly recommend the BLV assumptions are re-assessed.

#### Issue 4: Green Infrastructure (GI)

##### *Question 10. Is the inclusion of rural areas in the definition of GI justified?*

2.23 Story Homes do not have any specific comments in response to this question.

##### *Question 11. How would rural areas be defined?*

2.24 Story Homes do not have any specific comments in response to this question.

##### *Question 12. Are the definitions of GI contained within the Plan consistent (criteria 1 of policy LPA09, paragraph 4.33.2, GI in the Glossary to the Plan at Appendix 1)?*

2.25 Story Homes do not have any specific comments in response to this question.

##### *Question 13. Is the definition of GI consistent the Framework?*

2.26 Story Homes do not have any specific comments in response to this question.

##### *Question 14. Is this policy justified and consistent with national policy?*

2.27 Story Homes support the Council in principle, regarding their ambition to retain and enhance green infrastructure assets where possible. The Council proposes to amend Section 4 of draft Policy LPA09 in line with their suggested MM052 which outlines that when there are exceptions to the draft policy, that mitigation could take the form of incorporating the green infrastructure into the layout via masterplanning. However, even with this suggested modification, Story Homes are not convinced that the high bar/negatively worded policy is justified by proportionate evidence (there is no comprehensive Green

Infrastructure Strategy supporting the Plan – the Open Space Strategy does not include Greenways or Wildlife Sites which also comprise Green Infrastructure). Indeed, PPG<sup>2</sup> sets out (with our emphasis):

*‘Strategic policies can identify the location of existing and proposed green infrastructure networks and set out appropriate policies for their protection and enhancement. To inform these, and support their implementation, green infrastructure frameworks or strategies prepared at a district-wide scale (or wider) can be a useful tool. These need to be evidence-based and include assessments of the quality of current green infrastructure and any gaps in provision’.*

2.28 Nevertheless, Story Homes’ Infrastructure Delivery Statement (included as Appendix A to our Matter 4 Hearing Statement) confirms that the development of Site 8HS will contribute towards green infrastructure provision, both on and off site. Story Homes’ commitment to great placemaking ensures that green infrastructure is central to their approach to development. The Site will facilitate strategic enhancements to the green infrastructure offer for the local area, and could include (subject to detailed discussions with the Council):

- a. The creation of Watery Lane Green Corridor;
- b. Areas of children’s play space and amenity open space within the development; and
- c. Upgrades to the sports facilities at Eccleston Field.

2.29 This is a significant benefit that Site 8HS can deliver that the majority of sites within the Council’s claimed housing land supply are incapable of providing.

*Question 15. How would it be demonstrated that appropriate protection or retention of GI assets cannot be achieved?*

2.30 Story Homes do not have any specific comments in response to this question.

*Question 16. What mitigation, other than compensatory provision, would be required?*

2.31 Story Homes do not have any specific comments in response to this question.

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<sup>2</sup> Natural Environment PPG, Paragraph 007, Reference ID : 8-007-20190721

*Question 17. How could Section 4 of Policy LPA09 be modified to provide greater clarity on where the loss of GI might be acceptable to ensure that the policy is effective and consistent with national policy?*

2.32 Story Homes do not have any specific comments in response to this question.

*Question 18. Will the policies of the Plan, including LPC05 and LPD03, ensure sufficient protection and provision of open space?*

2.33 Story Homes have expressed concerns earlier in this statement regarding the fact that the majority of the Council's claimed housing land supply is on brownfield sites that could potentially face viability challenges. This is a concern in respect of the effectiveness of Policies LPC05 and LPD03 to deliver open space either as part of a development or to secure financial contributions towards the enhancement or improvement of off-site green infrastructure.

*Question 19. Is the threshold of 40 dwellings for the provision of open space positively prepared, justified and consistent with national policy?*

2.34 With reference to the Council's May 2021 update of their Housing Land Supply position (Doc: SHBC007), 49 of the 78 sites (63%) included within the Housing Trajectory 2021 – 2037 (as of 31.03.2021) have a capacity of less than 40 dwellings. Under Policy LPD03, none of these sites will be required to either provide or make a contribution towards open space provision, irrespective of their viability position. This is a significant quantum of the sites that have been identified as forming part of St Helens future housing land supply and so there is a real danger that the Strategic Objectives referred to our response to Question 1 will not be met and the 40 dwellings threshold, in addition to our concerns expressed regarding viability, will mean that Policies LPD03 and LPC05 will fail to deliver or enhance open space provision for all residents as a result of the strategy that is proposed to be adopted.

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