



TAYLOR WIMPEY UK (REPRESENTOR ID: 119)

**RECONVENED EXAMINATION HEARING STATEMENT- 2ND JUNE 2015
NEW MATTERS ARISING SINCE JULY 2014 HEARINGS
MATTERS 1-3 (EX40)**

Date: 15th May 2015

Pegasus Reference: ST/GL/MAN.0029/R006v2

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1. INTRODUCTION

- 1.1 This statement has been prepared on behalf of Taylor Wimpey UK Limited (TW) for consideration at the Knowsley Local Plan: Core Strategy Examination. It relates to new matters that have arisen since the July 2014 Hearings and specifically addresses a number of the questions in the Provisional Agenda (**EX40**) for 2nd June 2015, provided by the Inspector in April 2015.
- 1.2 In summary, Taylor Wimpey fully support the Council's further proposed modifications to the Core Strategy as approved in principle at the Council's Cabinet on 10th September 2014. In particular we support the early release of Green Belt sites through their allocation as Strategic Urban Extensions (SUEs), to help address the shortfall of deliverable housing sites over the 5 year period up to 31st March 2018. This modification is one that Taylor Wimpey has sought throughout the Core Strategy process.

2. LEGAL COMPLIANCE AND PROCEDURAL MATTERS

Q2.1 Is the Knowsley Local Plan: Core Strategy (KLPCS) in general accordance with the Statement of Community Involvement? Has the KLPCS emerged from an open and transparent process that demonstrates how and why the preferred strategy was selected, in consultation with the public and other stakeholders?

2.1 It is our view that the Knowsley Core Strategy has been prepared in an open and transparent way which accords with their Statement of Community Involvement. As such we fully support the contents of the Council's 'Note on Previous Consultation Stages' which was submitted in January 2015 (**EX37**).

2.2 The concern over the consultation process focuses on the issue of green belt release through the allocation of SUEs, with new representors suggesting they had not been made aware of this issue prior to September 2014. This issue has been subject to comprehensive consultation throughout the 4 stages set out below, which began in 2009:

- 1) **Issues and Options** - 8 week consultation from 27th November 2009 until 22 January 2010
 - Three broad options for development were put forward including Option C 'Sustainable Urban Extensions' which involved green belt release.
 - Was widely publicised through the website, leaflets to all households, internal briefings and meetings, drop in events etc (see Annex A of **EX37** for full list).
 - Report of Consultation issued afterwards which analysed the 222 responses (see **SD05**).
- 2) **Preferred Options** - 10 week consultation from 27th June until 5th September 2011
 - Option C was chosen and broad locations for green belt release were identified.
 - Was widely publicised again as per Stage 1 (Annex A of **EX37**).
 - Report of Consultation issued afterwards which analysed the 1,866 responses (see **SD04**).
- 3) **Proposed Submission** - 6 week consultation from 8th November until 21st December 2012
 - Proposed phased green belt release of over plan period on 'reserve' SUE sites with 'safeguarded' Knowsley Village SUE to come forward after 2028.
 - Publicity was as per Stage 1 and 2, with the addition of letters/ emails being sent to 1,698 previous respondents.
 - Statement of Previous Consultation summarised all the consultation taken by the Council up to submission in June 2013 (see **SD01**)

4) **Proposed Modifications** - 8 week consultation from 19th September until 14th November 2014

- Proposed formal allocation of SUEs and Safeguarded sites and removal of phasing mechanism to allow immediate delivery to assist 5 year supply.
- Publicity was as per Stages 1 to 3 (including 6,293 letters/ emails to previous respondents), with a further 5,830 letters being sent to residents within 200m radius of each of the SUE sites (with a profile of the relevant allocation).
- Report of Consultation and Report of Representations issued in December 2014 which analysed 2,102 responses (see **SD05**).

2.3 The consultation process clearly demonstrated how and why the preferred strategy was chosen, with each consultation stage being well publicised at the time through a number of media and with the responses clearly logged and analysed afterwards, before informing the next stage.

2.4 We concur with the Council's conclusions that the greater response rate received at the Proposed Modifications Stage was due to the changing nature of the Plan (namely the introduction of formal site allocations for the Sustainable Urban Extensions and removal of the phasing mechanism allowing the immediate release of these sites) opposed to any failure within the consultation process. The fact the sites will be delivered earlier on in the plan period is also likely to have triggered a greater response.

2.5 There is clear evidence that highlights the Council would fail to demonstrate a deliverable 5 year housing supply upon adoption if the Green Belt sites were not released upon adoption. It is therefore necessary to release the sites now.

2.6 The consultation process for the Knowsley Core Strategy has been clear and transparent throughout and has met and in some cases exceeded the Council's statutory obligations set out in their Statement of Community Involvement, as demonstrated at Annex G of **EX37**.

3. NEW MATTERS ARISING SINCE JULY 2014 HEARINGS

Housing Need and Land Supply Assessment

Q3.1 What are the implications of the new household projections for the KLPCS, particularly in relation to the objectively assessed need for housing?

- 3.1 The 2012-based sub national household projections (2012 SNHP) were released on 27th February 2015 and predict an increase of 5,836 households (9.6%) in Knowsley between 2012 and 2037 (from 61,660 to 67,496) at an average of 233 households per annum. This represents an increase of 4,449 households (6.8%) at an average of 247 households per annum across the plan period 2010- 2028.
- 3.2 These household projections are heavily influenced by the 2012 Sub National Population Projections (SNPP) which they use as a starting point, before applying new household representative rates based on data from the 2011 census.
- 3.3 The 2012 population projections were released in May 2014 and have already been assessed during the July 2014 Examination Hearings, as this formed one of the Inspectors questions (Q1.1) in the Agenda document **EX31**. This was subsequently assessed in our hearing statement (**RC20**).
- 3.4 In summary, the 2012 SNPP showed reduced levels of projected population growth when compared with previous versions. However, both our Hearing Statement (**RC20**) and the Council's (**CH12A**) highlighted that these population projections were to be treated with caution as they are informed by recent trends covering a period of severe recession which resulted in limited economic growth, low levels of house building and suppressed rates of household formation. The recession had a particularly acute impact in the North West of England and this was compounded by a lack of developable housing sites due to restrictive green belt boundaries surrounding Merseyside and Greater Manchester.
- 3.5 The household projections are subject to the same 'trend based' constraints and must therefore be viewed with similar caution.
- 3.6 That said, the 2012 SNHP actually show a rate of household growth that is 21.5% higher than the 2011 version, over the period 2011-2021 (as the 2011 SNHP were interim figures that only covered this period). This equates to growth of 292 households over that period compared to 241, which was the figure used in Scenario C of the Council's Housing Growth Technical Report (**TR01**). The increase in household formation is even greater when the influence of the 2012 SNPP is removed (by applying both the 2011 and 2012 household representative rates to the 2012 population base), suggesting a rate of household growth that is 128% higher than the previous version, over the period 2011-2021.
- 3.7 As such the household figure used in Scenario C of **TR01** has increased by over 20% as a result of these latest projections. This household figure can be converted to a dwelling figure, by using 2011 census data to assess the influence of second homes, empty homes and shared homes. Within

Knowsley the data suggests that 300 dwellings would be required to support the 292 households per annum projected by Scenario C.

- 3.8 However **TR01** acknowledges that this scenario acts as a benchmark and cannot be directly translated to an appropriate housing target. This echoes the latest National Planning Practice Guidance (NPPG)¹, which recognises that household projections are only a 'starting point' for estimating overall housing need, and should be adjusted to take account of future government policies, changing economic circumstances and other factors which might affect demographic behaviour; otherwise they will reinforce the recent 'recessionary' trends set out above (including limited economic growth, low levels of house building and suppressed rates of household formation).
- 3.9 In conclusion, the 2012 SNHP show a significant increase in the rate of household formation in Knowsley when compared to the previous version used within the Council's evidence base on Housing Need (**TR01**). It is our view that this does not materially affect the housing need position within Knowsley, as these projections only form a starting point and benchmark for assessing full objectively assessed need.

Q3.2 Are there other changes in the evidence base which materially affect the assessment of housing need, such as any update to the SHMA or changes in market signals?

Q3.3 Are there changes in the evidence base which materially affect the housing land supply assessment (eg. any significant changes to the availability of housing land, updated data on residential density, revisions to the housing trajectory, etc)? Does the latest information on housing land availability show any significant variation of recent trends?

- 3.10 The only relevant evidence base document that has been released since the last round of Hearings is the 2014 Annual Monitoring Report (AMR) (**PP30**), which was published in December 2014 and covers the period April 2013 to March 2014.
- 3.11 In respect of housing delivery, the AMR confirms (ref MI19 & MI20, page 35-37) that net completions during 2013/2014 totalled 360, up from 195 the previous year, and whilst this is a significant increase and signal of an improving market, it is still 20% below the annual housing target of 450, and 9% below the adjusted target in the latest housing trajectory.
- 3.12 This continues Knowsley's record of persistent under delivery and confirms that the 20% buffer is still appropriate for calculating 5 year supply, in line with paragraph 47 of the NPPF. The NPPG² provides further guidance on the issue of development rates, stating that: "*if the historic rate of development shows that actual supply falls below planned supply, future supply should be increased*

¹ 2a-015-20140306

² 2a-019-20140306

to reflect the likelihood of under-delivery of a plan". Accordingly, this new evidence reinforces the need to release the SUE sites immediately to boost supply.

- 3.13 Homelessness is another market signal listed within the NPPG³ where a long term increase may require an upward adjustment in housing numbers. The AMR confirms (ref MI35, page 49) that homelessness has increased slightly from in the last year (from 41 to 48) which is another indicator of un-met need.
- 3.14 The ratio between lower quartile house prices and lower quartile income is accepted by the NPPG as a measure of the relative affordability of housing, with the AMR (ref MI36, page 50) confirming that the ratio of lower quartile house prices to income ratios is declining in Knowsley (from 4.33 in 2012 to 4.14 in 2013), which indicates that affordability is improving slightly.
- 3.15 Comparing these figures to the Merseyside region (DCLG Live Table 576) shows that Knowsley is one of the more affordable areas in the region and is improving at a similar rate (Merseyside ratio declined from 4.76 in 2012 to 4.57 in 2013). This indicates that wages are rising against house prices which is a sign of an improving economy, although the AMR concludes that affordability remains a significant issue for lower quartile earners, which further reinforces the need to boost supply and delivery.
- 3.16 Overall the new evidence within the AMR suggests an improving housing market in Knowsley, with increases in completions and the level of affordability; however delivery is still well below target and market signals still suggest that housing numbers need to increase, reinforcing the need to release the SUE sites for **immediate** development within 5 years.

Ministerial Statements and revisions to Planning Practice Guidance

Q3.4 What are the implications (if any) of the Ministerial Statements and PPG revisions for the KLPCS, particularly in relation to:

a) Development in the Green Belt

- 3.17 The 4th October 2014 Ministerial Statement and updates to the NPPG confirms that the Local Plan process is the correct forum for reviewing green belt boundaries. It is precisely this process that the Council have undertaken and therefore the release of green belt sites in Knowsley conforms with this statement.
- 3.18 The green belt release proposed as part of the Knowsley Core Strategy is required to meet the full objectively assessed housing needs of the borough, representing clear exceptional circumstances necessitating green belt alteration⁴. There is insufficient brownfield sites and the only other suitable

³ 2a-019-20140306

⁴ NPPF paragraph 83

land available is green belt land. The need is acute and the consequences of not addressing this would result in severe social and economic impacts for the Borough.

b) Sustainable drainage systems

- 3.19 The Written Ministerial Statement published on 18th December 2014 set out the government's intention for sustainable drainage systems to be provided within new developments wherever appropriate and this has now been incorporated into the NPPG.⁵ All new developments of 10 units or more must ensure that sustainable drainage systems for the management of surface water run-off are put in place, unless demonstrated to be inappropriate to the satisfaction of the lead local flood authority, in line with the guidance contained within the new technical drainage standards.
- 3.20 Taylor Wimpey are committed to finding sustainable drainage solutions within all their developments and welcome this new guidance, including the involvement of lead local flood authorities in the process as statutory consultees. This is on the proviso that they are afforded sufficient resources to respond on applications within the standard timeframes to minimise delays.
- 3.21 Detailed on-site drainage solutions will be worked up at the planning application stage in line with the new guidance.
- 3.22 We would also remind the Inspector that flood risk modelling work has already been undertaken for the Edenhurst Avenue site by Capita Symonds and this has been addressed within our previous Hearing Statement (**CH31A**- pages 4 and 5) and Development Statement (**CH31B**, pages 42, 43, 50 & 51).

c) Housing standards

- 3.23 Taylor Wimpey fully support the government's review of technical housing standard and the Written Ministerial Statement from 27th March 2015, particularly the commitment to reducing the regulatory burden on housebuilders by rationalising the various existing standards into a simpler streamlined system, through the Deregulation Act 2015 and changes to the Building Regulations which come into force on 1st October 2015.
- 3.24 We are particularly supportive of technical housing standards being administered through the Building Regulations systems, with local authorities no longer able to set local standards, including Code for Sustainable Homes policies, which have often been applied inconsistently in the past, and acted as a barrier to development.
- 3.25 These changes have already been accommodated within the proposed modifications to the Core Strategy, with all references to Code for Sustainable Homes removed from Policy CS22, which Taylor Wimpey fully support, and we have made some separate comments on policy wording of

⁵ 7-079-20150415 (which came into force 15th April 2015) and 7-080-20150323 - 7-086-20150323 (which came into force on 23rd March 2015)

Policy CS22 within our accompanying Hearing Statement (R007v2) covering the Inspectors questions in **EX41**.

- 3.26 We also support the fact that the optional space standard can only be applied where there is a local plan policy based on evidenced local need and where viability would not be compromised. The Council have addressed this point within the Supplementary Document **SD35** 'Accounting for Proposed Modifications Representations' (page 200), where they acknowledge that they have no evidence to justify any sustainable construction targets/ housing standards above the national minimum.
- 3.27 The benefits of this simplified and standardised system are obvious for national housebuilders such as Taylor Wimpey to help ensure consistency in their housing product, and a DCLG report suggest the reduction in regulatory burdens has led to savings of £24.5m within the period 2010-2015.

d) Affordable housing site-size thresholds

- 3.28 Taylor Wimpey welcome the government's support for small scale developers, custom and self-builders, including the introduction of a 10 unit minimum threshold for seeking affordable housing contributions, as set out in the ministerial statement on 28th November 2014, 'Small scale developers, custom and self-builders'.
- 3.29 This is not directly relevant to the proposed SUE at Edenhurst Avenue as this has a notional capacity of at least 86 dwellings which far exceeds this threshold; however this change does increase the importance of releasing large sites, such as Edenhurst Avenue and the other SUEs, to ensure that the sufficient affordable housing is delivered, to off-set that are lost on smaller schemes going forwards, subject to viability.

e) Housing for older people

- 3.30 Whilst none of the recent ministerial statements and announcements specifically mention housing for older people, the review of technical housing standards has made changes in respect of Lifetime Home Standards, which relate to the adaptation of homes to meet people's changing needs over time. These standards have been replaced by an optional standard within Part M of the Building Regulations, called 'Category 2- Accessible and Adaptable Housing', which will come into force on 1st October 2015, but can only be applied if local authorities have evidence of local need and that viability would not be compromised.
- 3.31 Taylor Wimpey support this change and note that it is already reflected within the proposed modification to Core Strategy Policy CS17, albeit we make some further comments on policy wording within our accompanying Hearing Statement (R007v2) covering the Inspectors questions in **EX41**.

f) Planning obligations?

- 3.32 As with the affordable housing threshold above, Taylor Wimpey support the government's introduction of a 10 unit minimum threshold for seeking tariff style planning contributions, as mentioned in the 'Small scale developers' ministerial statement from 28th November 2014. However, as with affordable housing, this is not relevant to the Edenhurst Avenue SUE, but again highlights the importance of releasing larger sites for residential developments to ensure that sufficient contributions are secured to deliver the infrastructure required and to support these smaller scale developments, subject to viability.
- 3.33 We also support the government's commitment to tackling delays with Section 106 planning obligation negotiations, as set out in the March 2015 Planning Update, as these can act as a serious barrier to development and the delivery of sites which have already been granted permission.
- 3.34 From 6th April 2015 Local Authorities such as Knowsley, who have not adopted CIL Charging Schedules, are no longer allowed to collect 5 or more contributions for any type of infrastructure that should otherwise be collected under the levy. They are now able only to collect payments for site specific infrastructure projects rather than generic infrastructure types (such as education or recreation) to reduce the levels of pooling.
- 3.35 The SUE at Edenhurst Avenue site is unlikely to require mitigation that would require S106 payments to be made for the following reasons:
- **Public Open Space-** will be provided on site to meet the Council's requirements such that no off-site contribution is required.
 - **Education-** our original Hearing Statement on the Edenhurst Avenue site (**RH31A**) confirmed at page 7 and Appendix 5 that there was sufficient capacity within the schools in the Huyton and Roby townships to support the proposed development.
 - **Highways-** the Transport Issues Statement (contained at Appendix 4 of **RH31A**) confirms that the highway and access impacts of the development will be minimal and therefore unlikely to generate a requirement for off-site contributions, with any improvements that are required likely to come via S278 works, which falls under separate legislation.
- 3.36 In addition, affordable housing provision is not restricted by this legislation.

Other matters arising since July 2014 hearings

Q3.5 Are there any other matters relevant to the KLPCS?

- 3.37 No, Taylor Wimpey fully support the Knowsley Local Plan Core Strategy including the latest modifications proposed in September 2014.