



TAYLOR WIMPEY UK

EXAMINATION HEARING STATEMENT

NEW MATTERS ARISING SINCE NOVEMBER 2013 HEARINGS

Date: 4th July 2014

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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 original November 2013 Hearings and specifically addresses a number of the questions in the Provisional Agenda (EX31) provided by the Inspector.
- 1.2 In summary, Taylor Wimpey support the Council's proposed modifications (as approved in principle at the Council's Cabinet on 18th June 2014) in specific regard to the release of Green Belt sites through the Core Strategy document and in particular the release of the Edenhurst Avenue site. This modification is one that Taylor Wimpey has sought throughout the Core Strategy process.
- 1.3 As confirmed by the Local Planning Authority in their letter dated 26th June 2014, it addresses the shortfall of dwellings in Knowsley's 5 year supply and allows the Local Authority to meet its objectively assessed housing needs early on after the adoption of the Core Strategy. To delay the release of the Green Belt sites to another Development Plan Document process would simply compound the serious shortfall in housing delivery that has been experienced over recent years.
- 1.4 The remainder of this report addresses the questions raised on the Provisional Agenda.

2. 2012-Based Population Projections

Q1.1 What are the implications for the new population projections for the objectively assessed need for housing in Knowsley Borough?

- 2.1 The 2012 population projections continue to illustrate an increase in population over the plan period albeit at a far lower rate than predicted by post 2006 population projections. At just +72 additional population per annum, it is considered this needs to be viewed with a significant degree of caution. Indeed, growth of just +72 people per annum in the Borough is entirely at odds with the overall scale of the Liverpool conurbation, which is one of the region's fastest growing economies. It is also at odds with the planned economic investment in the sub-region (i.e. Atlantic Gateway, HS2, etc).
- 2.2 Most notable is the fact that the 2012 projections are based on past data which solely covers a period of the greatest recession this country has experienced in generations. This will have undoubtedly had an impact on migration levels, planned births and physical housing development on the ground to accommodate new population.
- 2.3 Lower population growth in Knowsley over the last 5 years will have also been compounded by the lack of developable land. Indeed, the vast majority of future planned housing growth in the Borough has to be placed in Green Belt land. Without any such release through a Local Plan process very few/no developers will have contemplated submitting planning applications for housing development (irrespective of how great demand was) on Green Belt land given its release for development is strictly controlled through the Development Plan process (which has inevitably taken a long time to deliver).
- 2.4 This is a particular issue across the North West region which is subject to an extensive Green Belt surrounding the major conurbations which has led to low housing development, and housing targets being consistently missed in the majority of authorities across Merseyside and Greater Manchester. This is leading to serious affordability issues as set out in the paper at **Appendix A**.
- 2.5 Irrespective of the above issues, there is still no data on DCLG proposed household growth projections and even when they are released, they will be subject to the same shortfalls associated with projections based on 5 years of serious economic recession.

3. Planning Practice Guidance

Q1.3 – Is the approach to past under-supply of housing consistent with PPG advice? If the post 2010 backlog is included in the five year land supply calculation, as suggested by some representors, is there a reasonable prospect that the resulting target is realistic and achievable?

3.2 The following quote from the PPG essentially endorses the approach to meet under-supply/backlog within the first 5 years:

'Local planning authorities should aim to deal with any undersupply within the first 5 years of the plan period where possible. Where this cannot be met in the first 5 years, local planning authorities will need to work with neighbouring authorities under the 'Duty to Cooperate'.'

3.3 This accords with numerous appeal decisions on this matter and is widely known as the 'Sedgefield approach'.

3.4 As to whether the end result represents a realistic and/or achievable 5 year target is somewhat irrelevant in the context of Knowsley and this Core Strategy as we do not foresee any obvious risks with such a target in place.

3.5 This is principally on the basis that the majority of the authority is surrounded by Green Belt land and therefore any land that is not identified for Green Belt release is afforded a strong level of protection from inappropriate development. In releasing the housing related 'reserve sites' from the Green Belt for housing development, the Council will also be able to claim they have a deliverable 5 year land supply irrespective of whether the entire backlog is built into the immediate 5 year housing land requirement or over the entire plan period. Indeed, the Council will have largely satisfied its role at this point and it will then largely be down to the development industry to deliver on the released sites.

3.6 The key and overriding point is that the PPG provides unquestionable support for the release of all housing related 'reserve sites' from the Green Belt upon adoption of the Core Strategy rather than through a separate DPD process.

4. Short term land supply and release of Green Belt Sites

Q2.1 – Is the designation of ‘reserve locations’ as Sustainable Urban Extension and the omission of a phased approach to their release (new policy SUE 1) justified by evidence?

4.2 In short, and further to the reasons set out above and below, the answer is ‘yes’. The Council have an identified shortfall in deliverable sites over the next 5 years and the PPG requires any backlog/shortfall in housing deliver to be made up over the next 5 years. The Council also need to apply a 20% buffer in light of these circumstances.

4.3 In addition, many of the SHLAA sites the Council have identified within the existing urban area and forming part of their 5 year housing supply do not actually benefit from planning permissions and will not be formally allocated housing sites following the adoption of the Core Strategy. As such, many of the sites referenced in the SHLAA are unlikely to be regarded as ‘deliverable’ housing sites that would contribute to a 5 year housing requirement if tested at a s73 planning inquiry.

4.4 In order to ensure the Council have an identified supply of deliverable housing sites on the day of adopting the Core Strategy, it is essential that all housing related ‘reserved sites’ are released from the Green Belt to form ‘Sustainable Urban Extensions’.

Q2.2 – Does the approach to Sustainable Urban Extensions adequately address concerns about the availability of a five year housing land supply?

4.5 As set out in the table below, Knowsley’s 5 year housing land requirement stands at 3,592 dwellings after accounting for a 20% buffer and backlog within the first 5 years of the plan.

Knowsley 5 Year Housing Land Requirement (Sedgefield Approach)

Total Core Strategy Target (over plan period 2010-2028)	8,100
Annual Requirement	450
Core Strategy 5 Year Requirement (Year 1-5)	2,250
Core Strategy 5 Year Requirement + 5% NPPF	2,363
Core Strategy 5 Year Requirement + 20% NPPF	2,700
Shortfall (2010 - 2013)	743
Annual Shortfall over 5 Years	149
5 year Requirement + Backlog	2,993
5 year Requirement + 5% + Backlog	3,143
5 year Requirement + 20% Buffer + Backlog	3,592
Annual Requirement including Backlog	599
Annual Requirement including Backlog + 5% Buffer	629
Annual Requirement including Backlog + 20% Buffer	718

4.6 Deliverable sites within years 0-5 as set out in EX23 stood at 2,309 dwellings, demonstrating there is a serious shortfall of 1,283 dwellings without the allocation of the SUEs.

- 4.7 Following the adoption of the Core Strategy, the Sustainable Urban Extensions (SUEs) essentially become housing allocations that can be delivered straight away. Whilst planning permission will still need to be established on all of the sites, there would be limited reason to withhold such consents in line with paragraph 14 of the NPPF. It would therefore be entirely reasonable for the Council to include these sites in their 5 year land supply calculations as advised by footnote 11 of the NPPF. Indeed, all of the SUEs have been tested throughout the process and have been confirmed to be available and deliverable. Whilst this position will need to be monitored by the Council throughout the Core Strategy plan period to ensure any unforeseen difficulties associated with the deliverability of the SUEs are picked up early and addressed by the Local Authority, upon the adoption of the Core Strategy the 'notional capacity' of the SUE can be placed within the Council's 5 year land supply.
- 4.8 The combined 'notional capacity' of the SUE's equates to 4,309 dwellings (as set out in Appendix E of the Core Strategy Modifications Document). This is above the 5 year requirement set out above. However, many of the larger sites will have a phased delivery beyond a 5 year period. As such, this should not represent a reason to phase the delivery/release of the sites. However, the figures indicate that the proposed modification will address the Council's 5 year housing requirement.

APPENDIX A: HOME TRUTHS 2013/14 – The Housing Market in the North West

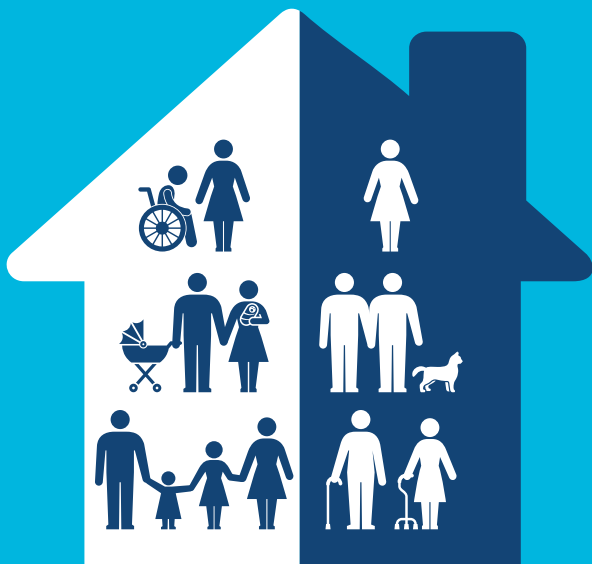
North West

NATIONAL
HOUSING
FEDERATION

home truths

2013/14

... the housing market
... in the North West



A distorted economic recovery

Only 64% of the new homes the North West needs are currently being built, storing up problems for the future.

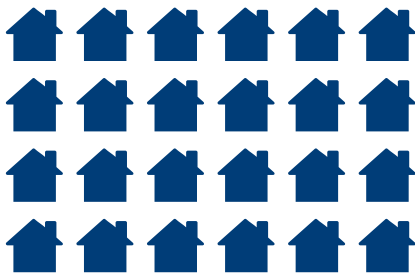
England appears to be emerging from recession, but the recovery is distorted. Parts of the country are experiencing growth but in places the local housing market is overstretched and is starting to overheat. Meanwhile other areas are at a relative standstill with little or no economic growth.

Less than two thirds (64%) of the new homes needed each year are being built in the North West, storing up problems for the future^{1,2}. The average home now costs almost eight times the average income^{3,4}, pushing more people into the private rented sector. But renting is also unaffordable for many and rents are predicted to rise 39% by 2021⁵.

But alongside this housing shortage with high prices and long waiting lists, the North West has the highest number of empty homes in the country. In Manchester, Liverpool and parts of East Lancashire and Cumbria, more than one in 20 homes are standing empty⁶.



**More homes
would kick
start the
North West's
economy**



Young families are struggling to afford a home of their own and there is not enough suitable housing for the region's growing older population. The North West also desperately needs more homes in the countryside and villages, where families are being forced out by high house prices and rural rents. With soaring housing costs, the North West has seen the highest rise (112%) in working people claiming housing benefit since 2009⁷.

Building more homes in parts of the region would give the local economy a major boost. Every new home built brings £86,087 into the North West and creates two jobs directly and in the wider regional economy⁸. Nearly 80% of businesses surveyed across the country said a lack of affordable housing is stalling local economic growth and 70% warned it would affect their ability to attract and keep workers⁹.

We need local people who want more housing to contact local councillors and say "Yes to Homes" (www.yestohomes.co.uk).

The solution



Government must invest in building more homes where they are needed, and at prices that everyone can afford. Rising rents and house prices, as well as high unemployment and low wages, mean more and more people in the North West need help with their housing costs.

Housing benefit currently costs taxpayers £24bn a year and most of it goes to private landlords rather than towards building new homes⁷. For a fraction of that, the Government could support areas experiencing economic growth by building more affordable homes.

In parts of the North West with high unemployment and low wages, local authorities need to work with housing associations, Local Enterprise Partnerships and other partners to invest in revitalising communities, creating jobs and supporting social enterprise.

Housing associations are in it for the long term. With more support, they can be real catalysts for change for local communities and help drive forward a balanced economic recovery for the North West.

The evidence

- Across the North West, 17,500 new households are expected to form each year between 2013 and 2021¹.
- In 2012/13 11,160 new homes were completed in the region – 2,689 by housing associations².
- Private rents are expected to rise by 33% by 2020 in the North West - just slightly behind the national average (39%). Lancaster and Manchester have seen rises of 18% and 12% respectively over the last four years, with further increases of 33% and 34% predicted by 2020⁵.
- The average house price in the region in 2012 was £155,781 – 76% higher than the average for 2002 and a steeper rise than the 72% national average over the same period³.
- Every new home built adds £86,087 to the regional economy⁸.
- In 2012 the North West had the highest proportion of empty homes, at 4.1% – significantly higher than the national average of 3.1%. Parts of East Lancashire, such as Rossendale and Pendle, along with Manchester and Barrow-in-Furness, all had in excess of 5% empty homes⁶.

Sources:

¹ Household population projections by district, England, 1991-2021, interim 2011-based – Department for Communities and Local Government (DCLG) April 2013

² Live Table 253, Permanent dwellings started and completed, by tenure and district – DCLG 2012/13, combined with Homes and Communities Agency (HCA) completions data

³ Simple average house prices – Land Registry data

⁴ Annual Survey of Hours and Earnings (ASHE) – Office for National Statistics (ONS) 2012 provisional results

⁵ Projections for the National Housing Federation – Oxford Economics 2013

⁶ Empty Homes (www.emptyhomes.com), 2012. Figures copyright and reproduced with permission.

⁷ Housing benefit statistics (Stat-Xplore) – Department for Work and Pensions (DWP)

⁸ Economic impact database, Centre for Economics and Business Research (CEBR) for National Housing Federation, 2013

⁹ Survey for National Housing Federation – ComRes 2013

North West

	Average (mean) weekly private sector rents 2012 ¹	Average (mean) house prices 2012 ²	Average (median) incomes 2012 ³	Ratio of house prices to incomes ^{2,3}	Gross annual income needed for a mortgage (80% at 3.5x) 2012 ²
ENGLAND	£162.69	£242,535	£21,429	11.3	£55,437
NORTH WEST	£120.92	£155,781	£19,656	7.9	£35,607
Blackburn with Darwen UA	£109.85	£115,392	£16,494	7.0	£26,375
Blackpool UA	£115.85	£102,522	£16,349	6.3	£23,434
Cheshire East UA	£142.38	£214,779	£20,899	10.3	£49,092
Cheshire West and Chester UA	£136.38	£192,872	£20,732	9.3	£44,085
Halton UA	£121.85	£130,613	£19,604	6.7	£29,854
Warrington UA	£128.54	£178,350	£21,356	8.4	£40,766
Cumbria	£112.38	£164,854	£18,434	8.9	£37,681
Allerdale	£109.62	£160,597	£17,852	9.0	£36,708
Barrow-in-Furness	£104.77	£114,827	£17,644	6.5	£26,246
Carlisle	£105.00	£141,809	£17,690	8.0	£32,413
Copeland	£110.31	£125,838	£24,830	5.1	£28,763
Eden	£119.54	£191,423	£17,160	11.2	£43,754
South Lakeland	£133.15	£227,165	£18,554	12.2	£51,923
Greater Manchester	£123.23	£151,262	£19,781	7.6	£34,574
Bolton	£105.69	£125,072	£18,715	6.7	£28,588
Bury	£120.92	£141,136	£20,992	6.7	£32,260
Manchester	£122.54	£147,208	£18,855	7.8	£33,648
Oldham	£115.38	£120,582	£18,392	6.6	£27,562
Rochdale	£112.85	£127,672	£19,900	6.4	£29,182
Salford	£121.62	£134,948	£19,687	6.9	£30,845
Stockport	£131.08	£188,472	£21,476	8.8	£43,079
Tameside	£115.85	£119,963	£19,557	6.1	£27,420
Trafford	£175.38	£239,407	£22,646	10.6	£54,722
Wigan	£110.54	£121,842	£19,932	6.1	£27,850
Lancashire	£111.69	£148,445	£19,349	7.7	£33,930
Burnley	£97.62	£93,745	£19,100	4.9	£21,427
Chorley	£123.00	£171,387	£21,367	8.0	£39,174
Fylde	£132.69	£187,255	£21,102	8.9	£42,801
Hyndburn	£99.69	£101,027	£17,493	5.8	£23,092
Lancaster	£94.62	£150,439	£18,964	7.9	£34,386
Pendle	£101.08	£109,729	£18,845	5.8	£25,081
Preston	£106.38	£139,080	£17,243	8.1	£31,790
Ribble Valley	£137.08	£213,261	£22,890	9.3	£48,745
Rossendale	£106.62	£125,466	£19,692	6.4	£28,678
South Ribble	£126.69	£149,839	£19,417	7.7	£34,249
West Lancashire	£119.77	£180,813	£22,136	8.2	£41,329
Wyre	£126.92	£153,250	£18,507	8.3	£35,029
Merseyside	£120.23	£141,331	£19,776	8.9	£32,304
Knowsley	£130.15	£116,788	£19,646	5.9	£26,694
Liverpool	£115.38	£127,210	£19,349	6.6	£29,077
St. Helens	£111.92	£120,619	£20,114	6.0	£27,570
Sefton	£127.38	£159,000	£19,656	8.1	£36,343
Wirral	£123.92	£159,909	£20,207	7.9	£36,551

Footnotes to tables

- 1 Private Rental Market Statistics – Valuation Office Agency (VOA), year to March 2012
- 2 Land Registry sales data 2012
- 3 Annual Survey of Hours and Earnings (ASHE), Office for National Statistics (ONS) 2012
- 4 Live Tables – Department for Communities and Local Government (DCLG)
- 5 New build completions data – Homes and Communities Agency (HCA) 2012/13

Households on waiting list 2012 ⁴	All new HA homes completed with HCA funding 2012/13 ⁵	Total HA rented homes ⁵	New lettings made by HAs and LAs 2012/13 ^{7,4}	% increase in working housing benefit recipients August 2009 to August 2013 ⁸	Empty homes 2012 ⁹	Projected % increase in 85+ year-old led households 2011 - 2021 ¹⁰
1,851,426	26,547	2,392,124	257,132	96%	710,140	39.0%
238,808	2,689	486,788	42,813	112%	130,081	34.4%
4,921	107	11,446	1,091	115%	3,474	9.3%
7,178	14	2,142	699	82%	3,932	15.3%
10,177	173	19,323	1,252	113%	5,372	42.4%
17,382	166	16,853	1,378	85%	4,967	36.7%
1,386	164	13,941	1,053	93%	1,516	32.9%
12,091	128	14,352	1,223	116%	2,349	44.8%
12,048	273	29,830	2,935	92%	9,885	39.9%
1,137	50	8,574	877	117%	1,821	35.0%
1,348	10	788	279	85%	1,668	39.2%
4,119	21	7,484	716	122%	1,796	35.5%
1,822	53	6,117	510	70%	1,484	44.8%
912	100	2,450	289	70%	979	52.9%
2,710	39	4,417	264	74%	2,137	40.1%
102,025	729	190,225	17,969	125%	46,240	31.9%
27,499	0	25,528	490	107%	4,900	25.1%
3,059	79	4,513	1,022	107%	2,921	30.8%
19,311	168	52,017	4,862	129%	12,426	33.9%
8,033	125	18,740	2,154	109%	4,098	28.8%
3,793	40	21,344	1,273	166%	3,661	34.9%
12,222	97	21,269	2,604	126%	3,595	19.3%
6,484	79	5,908	962	113%	3,437	41.4%
6,216	64	21,778	1,747	156%	3,380	33.7%
11,817	67	15,803	816	102%	2,632	34.7%
3,591	10	3,325	2,039	138%	5,190	32.6%
23,910	305	53,575	5,529	113%	24,151	36.6%
1,710	27	5,835	523	94%	2,978	30.7%
1,450	112	6,317	607	106%	1,752	42.7%
2,079	34	2,400	182	126%	1,784	32.8%
3,024	0	4,879	373	96%	2,565	30.8%
796	0	2,257	566	78%	2,540	40.2%
2,479	26	4,518	357	808%	2,554	22.3%
3,257	66	11,218	1,025	115%	2,478	24.7%
995	0	1,861	85	N/A	842	48.9%
3,271	0	4,548	468	98%	1,585	17.4%
1,959	3	4,965	339	87%	1,545	39.4%
2,880	29	1,072	695	105%	1,603	62.6%
10	8	3,705	309	76%	1,925	37.0%
47,690	630	135,101	9,684	107%	28,195	34.2%
2,000	57	17,980	1,267	113%	2,306	72.9%
13,336	270	58,434	4,250	102%	12,025	23.3%
3,850	69	17,420	1,280	70%	2,484	29.6%
7,224	161	19,055	1,330	171%	5,509	41.7%
21,280	73	22,212	1,557	97%	5,871	27.7%

⁴ Statistical Data Return – HCA 2013

⁷ CORE housing associations' new lettings data – HCA 2012/13

⁸ Housing benefit statistics [Stat-Xplore] – Department for Work and Pensions (DWP)

⁹ Empty Homes [www.emptyhomes.com] 2012. Figures copyright and reproduced with permission

¹⁰ Household Projections - DCLG, 2011 census based

The National Housing Federation is the voice of affordable housing in England. We believe that everyone should have the home they need at a price they can afford. That's why we represent the work of housing associations and campaign for better housing.

Our members provide two and a half million homes for more than five million people. And each year they invest in a diverse range of neighbourhood projects that help create strong, vibrant communities.

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