

This statement on behalf of Weston House sets out responses to the Inspector's Questions on **Matter 3**. They are arranged by Issue and question number using the Inspector's numbering.

This Position Statement relates only to the land known as Weston House on Lydiate Lane, Halewood, and not to land owned by United Utilities on which joint representations have previously been made. Those representations still stand insofar as they relate to Weston House.

Issue 1: Whether the proposed amount of housing development meets the objectively assessed needs of the borough

Q 3.1

The SHMA is clearly out of date and is not NPPF compliant, nor is it in accordance with the Practice Guidance (NPPG), which provides considerable useful information about how to undertake a SHMA, the area it should cover and how affordable housing need should be calculated. In addition the geographical scale of the SHMA does not cover the whole of the relevant northern Liverpool City Region Housing Market Area and as such is contrary to paragraph 159 of the NPPF. There is a requirement for authorities to work with their neighbouring authorities where housing markets cross administrative area. This is clearly the case here due to the relationships that exist and contiguous nature of the residential areas.

The July 2013 Housing Market Update takes account of the recent changes and availability of new data. It concludes that it is still appropriate to consider Knowsley as located within the Northern Housing Market Area and that sub regional geographies will become increasingly important. Knowsley's housing market must be viewed within the context of its immediate neighbours, and at the heart of a cross boundary housing market.

There are many examples of Core Strategies being found unsound or withdrawn, or their examinations suspended, due to the lack of a NPPF compliant SHMA, both because they are out of date but also not adequately responding to the needs of the whole housing market area. Examples include: Rushcliffe, East Hampshire, Coventry, Hart and Waverley. It should be noted that in the case of BANES, the Inspector has allowed the Examination to continue because the district is a reasonable proxy for the HMA as the Bath HMA covers 80% of population of district and is therefore a reasonable fit. The whole of Knowsley is contained within the Northern Housing Market Area, and consequently the use of borough wide information is helpful and pragmatic. However, it fails to establish the need for the whole HMA and to consider whether there is a spatial approach required to deliver this need which requires authorities to work to deliver sites across administrative boundaries.

Inspectors and the Secretary of State no longer consider that RSS figures are appropriate as a proxy for objectively assessed need. This was emphasised in the High Court Hunston Judgement

CO/4686/2013 on 5 September 2013 which makes clear that a constrained RSS figure is not an appropriate objectively assessed figure.

Q3.2

Given that the 2010 SHMA does not cover the whole of the HMA and is not up to date it cannot identify the objectively assessed needs. Consequently, it is difficult to identify from the work done what the evidence is that has been used to identify the requirement. Essentially it appears to be a mix of the forecast need arising from 2008 based projections combined with an element to meet the backlog. The NPPG now clearly states that household projections should provide the starting point in the assessment of overall housing need. However, it also goes on to explicitly state that these projections do not deal with the accumulated unmet housing need. The backlog in Knowsley has been calculated as 1861 dwellings. This should be frontloaded for delivery within the first five years, which would be 372 per year.

The recent 2011 based household projections indicate a lower rate of growth to 2021. This is a change from 61,301 to 63,706, which is 241 per year. However, this projection uses information from the low growth years during the recession and consequently projects forward a low rate, which may not be in line with the employment growth ambitions of the area and can mask the true need that exists due to the constrained supply. Even if these lower household projections are used, the rate for the next 5 years should be 613 (241 +372) which is considerably greater than the 450 chosen by the Council. Setting this higher figure as the requirement and addressing it through provision would go some way to providing for the flexibility that should be an inherent feature of the plan. It would however require a considerable increase in the supply of suitable and available sites.

It should be noted that these 2011 based projections do not cover the whole of the plan period and simply rolling them forward is not an appropriate response. It is necessary to consider the changes in household formation rates, detailed migration information as well as average household size assumptions.

Q3.3

The question refers to zero net migration though it may be that zero net commuting is what was meant. Zero net migration is not a realistic proposition to consider because it cannot be brought about by policy choices available to the Council through its plan. The NPPG is clear that it does not expect local authorities to consider purely hypothetical future scenarios.

Q3.4

The Annual Population Survey sets out commuting patterns which are described within the Housing Market Update. This demonstrates strong links with the City of Liverpool as well as the flows to and

from other adjacent districts. The travel to work data following the 2011 Census has not yet been released, but this is expected to be available this winter.

The travel to work area data 2001 demonstrates that there are similar number of journeys into and out of Knowsley for work. The number of people travelling for work is 54,690 people, but of these only 23,401 commute within Knowsley. This represents only 43% of the journeys to work. This figure represents a very low degree of self containment and emphasises that Knowsley is part of a conurbation with important functional relationships existing between Knowsley and Liverpool and the neighbouring districts. It is for proper spatial planning to reflect this pattern of places and activities and this is now explicitly part of the role of positively prepared Local Plans. The plan for Knowsley instead proceeds as though Knowsley is a place to be planned for separately, kept safe from contact with other places behind its Green Belt shield.

Q3.5

Since the figure does not represent the objectively assessed need that exists, it is not evident from the plan what level of increase is required to meet the requirement and hence how it should be achieved. The simple and clear principle is that the objective need should be identified and then the provision made through the plan in order to meet the requirement, taking into account all relevant supply and deliverability factors as well as duty to cooperate issues. This process is clearly set out within the 'Ten principles of owning your housing number: finding your objectively assessed need' (http://www.pas.gov.uk/4-plan-making/-/journal_content/56/332612/4077684/ARTICLE). This has been produced by PBA for the Planning Advisory Service and provides guidance of the approach to be taken in translating the requirement into the plan provision.

It is acknowledged that there may be circumstances under which levels of provision are made that are lower than the identified requirement. However, it is clear that within the context of the Government's policy imperative of 'significantly boosting the supply of housing', a concern for capacity or deliverability constraints must not be allowed to taint the objectivity of the assessment of the overall requirement and if the provision is lower than the requirement, very good planning reasons have to be given in justification.

The requirement to be addressed is higher than the figures the Council is using. Even in the absence of a full explanation of what the Council's means of assessing the requirement is, the outcome should be greater. This is so on three straightforward points at least. First, there is a high level of affordable housing need. It is clear from the NPPF and now the NPPG, that whilst this may not all be able to be met through planning mechanisms the presence of this need has to be a factor in determining how the plan deals with the housing requirement. It is evident that the Council has not given any weight whatsoever to this affordable housing need in arriving at its numbers. Second, no explicit recognition has been made of the requirement from the Framework for a n allowance to provide flexibility and for the level of flexibility to be provided to be a reflection of the difficulty there has been in meeting the required level of provision in the past. Given the backlog that has

arisen and is acknowledged, it is clear that a flexibility allowance of 20% should be added to reflect past underprovision. Third, the backlog that is identified has to be addressed in the next five years and hence whatever the backlog is when the plan has to be adopted has to be addressed in the next five years from that point.

It is clear that the level of provision does not need to be lower than the requirement because of issues of capacity. The capacity is there but some of it is on land that is designated as Green Belt. The Green Belt is not an inviolable constraint. National planning policy provides for the Green Belt to be changed through the preparation of a development plan where there are exceptional circumstances. The plan is in preparation and the housing requirement provides the exceptional circumstances. The planning authority does not need to look beyond its administrative area to make provision. The provision can be made in its area and not only would this go further in meeting the need and be consistent with national policy on housing provision, but it would lead to a more appropriate and more robust spatial strategy.

What does need to change to make the provision and to achieve the demonstrable deliverability required of the plan is the mix and timing of the sites identified for development. The plan needs to enable more smaller sites relatively free of infrastructure requirements in locations attractive to buyers and hence to developers to come forward. We deal with the chronological issues of the Green Belt under Matter 5, but the point to be made here is that the Council's wish to put off the use of Green Belt land till late in the plan period is not a sound reason for avoiding addressing the level of provision required in the first five years of the plan. More sites that are readily deliverable should be identified rather than held back by policy, enabling the plan's provision to be significantly nearer to the housing requirement following the approach set out in national policy.

Issue 2: Whether the broad distribution of housing development across the borough is consistent with the spatial strategy and the evidence base.

Q3.6

Our representations set out in detail the concerns about how the distribution has been arrived at. There has not been a proper and positive assessment of places within Knowsley and their role and function, as well as consideration of a vision for their future and how development will be used in bringing about that future, as well as meeting the needs that exist. Specifically the Core Strategy fails to positively plan for the township of Halewood and in failing to make provision for housing and employment development in this location is effectively planning for it to decline. The lack of a specific vision, objectives and policies for Halewood is a major failing of the Core Strategy. This shows the approach to the plan to be incomplete and inconsistent. If there was a strategy for Halewood as there is for the other townships, one which flowed from an understanding of the characteristics and needs of Halewood and which set out appropriate responses, there would inevitably be more development provided for in the plan at Halewood.

Within the distribution set out in the Core Strategy there is no acknowledgement of relationships with adjacent settlements and local authority areas. If this had been properly addressed the township of Halewood would be considered in a different light and would be recognised for the interrelationships that it has with Liverpool.

Having recognised the limited capacity within the urban area the necessary strategy is to make provision for additional well planned and integrated development adjacent to the urban area.

We note that the Council has recently changed its approach to Halewood in the Core Strategy but has provided no justification for the distribution and does not point to any evidence to justify its current approach.

Q3.7

One of the essential elements of a Local Plan is the need to provide sufficient flexibility to adapt to rapid change. This is at the heart of the presumption in favour of sustainable development in relation of plan making. In order to ensure adequate flexibility and deliverability of sites to maintain a robust and rolling five year land supply it is essential that suitable sites come forward in the most appropriate locations. Flexibility can be achieved by the use of appropriate phasing mechanisms and the use of trigger points which if reached would enable additional sites to come forward. However, Policy CS3 and the Green Belt policy fails to set out proper trigger points linked to phasing. These could be identified through the authorities monitoring report and could include delivery and completion levels, affordability indicators, and other market signals, new jobs figures, and changes in household formation rates and projections. Fundamental to this would be the new SHMA which is presumably being developed across the housing market area which would identify objectively assessed need and inform a review of the provision to be made.

This approach is dependent upon having a good supply of a range of sites supported by additional sites, including safeguarded land, available to use if the trigger points are breached. Additional land should be identified now and be subject to phasing policies that enable it to come forward. In relation to the site at Lydiate Lane, Halewood, we consider that the site is necessary now to meet the needs that exist within the township and locality of Halewood as well as meeting the needs across the whole of Knowsley and the wider housing market area. If this was not the case, the availability of the site for later development would add to the robustness of the plan.

Issue 3: Whether the KLPCS is sufficiently clear, effective and robust to ensure timely delivery of the proposed amount of housing development.

Q3.8

The SHLAA update 2012 sets out the current up to date position, together with the Housing Position Statement. A 2013 review has been undertaken with a base date of 1 April 2013, which will inform

the five year land supply position. We note that there has been some involvement of developers and the house building industry in the Housing Market Partnership. We were not invited to participate and a list of participants is not provided.

It is important that the Plan identifies a supply of specifically deliverable sites sufficient to provide five years worth of housing against their housing requirement with an additional buffer to provide choice and competition in the market for land. Many appeal decisions are concerned with the delivery of sites and the achievement of a robust five year supply. Decisions are supporting the NPPF and footnote 11 of paragraph 47 which requires considerable rigour in the assessment of deliverability and emphasise that sites should be available now, and be achievable with a realistic prospect that housing will be delivered on the site within five years and in particular that development should be viable. The Dawlish decision (APP/P1133/A/12/2188938) shows that the inclusion of sites within the SHLAA or as an allocation does not mean it should automatically be assumed to be deliverable. Instead of relying on the simple fact of allocation, evidence is required to demonstrate a realistic prospect of delivery.

While we note that the majority of the SHLAA sites have permission, there are over 600 dwellings assumed to come forward from allocations, which have not been subject to a uniform risk assessment and discounting process.

In order for the plan to adequately respond to the needs that exist and the expectation within the NPPF that needs should be met in full where they arise, the plan should include a range of types of sites. Consequently a larger number of smaller readily deliverable sites are needed because they can be developed easily and by a wider range of housebuilders. They are often sites without significant infrastructure requirements and provide quick completions to meet local needs. There is a need for more sites and for those sites to be in a greater variety of locations and of different sizes, because they will have different deliverability patterns and are more likely to produce completions in a shorter timescale. The site at Lydiate Lane, Halewood would fulfil exactly this role in that it is a medium sized previously developed site which is well contained and could be bought forward early in the plan period to contribute the market and affordable housing needs that exist in the short term and help ensure the Council has a robust five year land supply.

Q3.11

The Housing Market Update 2013 indicates that there are still significant affordability issues for the Borough's residents and demonstrates that a very high proportion of Knowsley residents who are first time buyers are priced out of the market, particularly when looking to purchase traditional larger family homes. There is considerable demand for smaller affordable dwellings. It states that the Affordable Housing Programme outlines up to 536 new affordable homes to be completed in Knowsley, however, we note that over half of these are not confirmed and subject to planning permission and HCA approval.

Affordable housing is an important factor to weigh in the balance of any decision about the amount of land to be provided. If the Council want to achieve delivery of a considerable amount of affordable housing, it is important that they take this properly into account in any calculation of the housing requirement. This is particularly the case in the current situation where there is no up to date NPPF-compliant SHMA and the 2010 information indicates a requirement of 568 affordable units in the next five years. The Council appears to have given no weight to the potential to increase the contribution to the affordable housing need in the way it has assessed the housing requirement or determined the level of provision to be made. Had it done so both figures would have been higher and more appropriate, and the plan would have greater flexibility.

Q3.12

Phasing would appear to be a key element of the delivery of sites, as is discussed in more detail in Q3.7. There does not appear to be any mechanism to release the sites and no trigger points have been identified that would lead to their release. Without this the plan is not effective and cannot meet the needs that exist or provide the flexibility required to respond to changing circumstances.

Q3.13

We note the acknowledgement by the Council that it is a under delivering authority with a need to provide a 20% buffer for choice and competition. The trajectory and five year supply calculations set out do not include any element for the delivery of housing resulting from historic underdelivery, which has been considerable. This backlog should be factored in to the calculation using the Sedgefield approach (ie frontloading it to the first five years), which is the most appropriate way forward to deliver the Government's plans for growth supported by the Secretary of State in the Dawlish decision (APP/P1133/A/12/2188938) and also seen in Shottery high court judgement (CO/12539/2012). If this approach was taken in setting the requirement the district would not have a demonstrable, deliverable and reliable five year land supply. While it might appeal to the Council to seek to spread this out across the plan period, it is essential that this shortfall is acknowledged and provided for adequately within the calculations of five year supply and addressed positively by identifying more deliverable sites in locations that fit the appropriate spatial strategy.

It is clear from the SHLAA that there is not an adequate number of sites available beyond the first 5 years and this situation would become far worse if the housing requirement overall and in the first five years was properly assessed and addressed. This provides the clear justification for the release of sites from the green belt. Given the difficulties in realising development in Knowsley it is essential to ensure there is a range of types and size of sites in a variety of different locations. The identification of greenfield sites, such as the site at Lydiate Lane, Halewood will allow the choice and competition referred to in the NPPF to be realised and increase the likelihood of delivery. This approach will be more likely to deliver both much needed affordable housing, but also provide market housing for families which is a key part of the Council's strategy.