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**Submitted by email only: [ldf@warrington.gov.uk](mailto:ldf@warrington.gov.uk)**

5<sup>th</sup> December 2016,

**Re: Local Plan Review (LPR) – Regulation 18 Consultation Scoping and Contents Document & Sustainability Appraisal (SA) scoping Consultation**

Dear Sir / Madam,

Introduction

This letter is in response to the Local Plan review scoping consultation (Regulation 18) and the accompanying SA scoping document. Gladman welcome the opportunity to comment on these documents and request to be kept informed of plan preparation process in the future, specifically any future stages of public consultation.

Local Plan Context

The Warrington Local Plan Core Strategy was adopted by the Council on 21<sup>st</sup> July 2014. The adoption of the Local Plan was subject to a High Court Challenge, which was heard in February 2015 with Judgement given by Mr Justice Stewart on 19<sup>th</sup> February 2015. This resulted in a number of parts of the plan in relation to the housing policies being overturned. These are as follows:

- The housing target of 10,500 new homes between 2006 and 2027 (500 dpa)
- Reference to 1,100 new homes at the Omega Strategic Proposal.

As Gladman understand all the other policies within the Local Plan Core Strategy remain unaltered. Given the outcome of the High Court Challenge and the ruling that the housing policies were to be quashed, the Council have begun the process of updating their evidence base on housing need.

This update to the evidence base was required and Gladman welcome the fact the Local Plan Review process is now coming forwards. It is fundamental that the Council review the Local Plan in order to ensure they identify the scale of housing needed across the borough and the policies and allocations required to deliver this.

The Council need to ensure that they do not come across similar challenges as with the previous plan. It is crucial that the Local Plan review is capable of meeting the tests of soundness set out in the National Planning Policy Framework (NPPF). In this regard we submit that in order to prepare a sound plan it is fundamental that this is:

- **Positively prepared** – The Plan should be prepared on a strategy which seeks to meet objectively assessed development and infrastructure requirements including unmet requirements from neighbouring authorities where it is reasonable to do so and consistent with achieving sustainable development.
- **Justified** – the plan should be the most appropriate strategy, when considered against the reasonable alternatives, based on proportionate evidence base.
- **Effective** – the plan should be deliverable over its period and based on effective working on cross boundary strategic priorities; and
- **Consistent with National Policy** – the plan should enable the delivery of sustainable development in accordance with the policies in the Framework.

### Housing

Give the history with the Warrington Local Plan and the High Court Challenge, the identification of the OAN and provision of housing in relation to this is even more paramount. The Council need to ensure that the plan is capable of being found sound, in its entirety, and not subject to any legal challenge. This is a key issue for any Local Plan, but it is fundamental that the Borough Council do not make the same mistakes as previously with regards to housing provision.

Gladman understand that the borough council along with Halton and St. Helens Councils have recently produced a Mid Mersey SHMA (2016). Gladman welcome the fact that the council are working with neighbouring authorities on this strategic matter and that this element of evidence base has been updated. Gladman note that the Mid Mersey SHMA identifies an OAN for Warrington of 839 new homes (to include 220 affordable units) per year up to 2037, and an additional 62 bed spaces in Care Homes (specialist housing per elder people). This equates to 16,780 new homes over the 20 year plan period.

At this stage Gladman have not undertaken a detailed review of this work, and as such reserve the right to provide further detailed comments in due course. However general comments regarding the process for determining the OAN are set out below.

The process of undertaking and OAN is clearly set out in the Framework principally in §14, §47, §152 and §159 and should be undertaken in a systematic and transparent way to ensure that the plan is based on robust evidence.

The starting point for this assessment requires local planning authorities to have a clear understanding of housing needs in their area. This involves the preparation of a Strategic Housing Market Assessment (SHMA) working with neighbouring authorities where housing markets cross administrative areas as detailed in §159 of the Framework. The Framework goes on to set out factors that should be included in a SHMA including identifying

*“the scale and mix of housing and the range of tenures that the local population is likely to need over the plan period which:*

- *Meets household and population projections taking account of migration and demographic change;*
- *Addresses the need for all types of housing including affordable housing and the needs of different groups in the community (such as, but not limited to, families with children, older people, people with disabilities, service families and people wishing to build their own homes); and*
- *Caters for housing demand and the scale of housing supply necessary to meet this demand.”*

Key points that are worth noting from the above are that the objective assessment should identify the full need for housing before the Council consider undertaking any process of assessing the ability to deliver this figure, In addition, §159 specifically relates to catering for both housing need and housing demand within the authority area. It is also worth pointing out that any assessment of housing need and demand within the SHMA must also consider the following factors; falling household formation rates, net inward migration, the need to address the under provision of housing from the previous local plan period, the results of the Census 2011, housing vacancy rates including the need to factor in a housing vacancy rate for churn in the housing market, economic factors to ensure that the economic forecasts for an area are supported by sufficient housing to deliver economic growth, offsetting a falling working age population by providing enough housing to ensure retiring workers can be replaced by incoming residents, addressing affordability and delivering the full need for affordable housing in an area.

Of particular importance is the need to consider market signals. The consideration of market signals is one of the core planning principles considered in §17 of the Framework, which states;

*"... Plans should take account of market signals, such as land prices and housing affordability, and set out a clear strategy for allocating sufficient land which is suitable for development in their area, taking account of the needs of the residential and business communities."*

Of critical importance is what the Framework goes on to say in §158 in the section discussing Plan Making. It states here that:

*"Local planning authorities should ensure that their assessment of and strategies for housing, employment and other uses are integrated, and that they take full account of relevant market and economic signals."*

Market signals are therefore at the very core of what the Framework is trying to achieve in promoting sustainable development and boosting the supply of housing land.

The publication of the Planning Practice Guidance (PPG) in March 2014 gives further explanation to what the Framework means with regards to market signals, and sets out in a range of paragraphs the way in which local planning authorities should go about factoring in relevant market signals in arriving at their OAN. §19 and §20 of the PPG gives guidance on what market signals should be taken into account and how plan makers should respond to these market signals. The below extracts identify some particularly pertinent points.

*"The housing need number suggested by household projections (the starting point) should be adjusted to reflect the appropriate market signals, as well as other market indicators of the balance between the demand for and supply of dwellings. Prices of rents rising faster than national/local average may well indicate particular market undersupply relative to demand."*

The paragraph goes on to indicate that these factors would include, but should not be limited to, land prices, house prices, rents, affordability, rates of development and overcrowding. However, given what the Framework says at §17, quoted above, it seems clear that particular consideration should be given to affordability.

In order to consider how market signals should be taken forward §20 identifies some key concepts:

*"Appropriate comparisons of indicators should be made. This includes comparison with longer term trends (both in absolute levels and rates of change) in the: housing market areas; similar demographic and economic areas; and nationally. A worsening trend in any of these indicators will require upward adjustment to planned housing numbers compared to ones based solely on household projections."*

It is therefore clear that where market signals are apparent (in any of the indicators assessed) there is an absolute and clear direction that an upward adjustment to housing numbers is required. It is also clear that both the absolute level of change and the rates of change are considerations, and that local planning authorities need to carefully benchmark themselves against other areas. This should not simply be a case of considering neighbouring authorities but should look at, as well as these, local authorities on a national basis, if the demographic and economic indicators are relevant. Gladman are firmly of the view that considering comparisons purely against neighbouring authorities is not sufficiently robust and does not address the underlying issues which both the NPPF and PPG are trying to tackle with regard to housing.

What is of further importance when considering these issues is the period of time analysed when considering both relative and absolute change. It has become apparent in our consideration of a number of plans, that many local planning authorities choose to look at periods of time which are not fully representative of the depth of the housing crisis which we are currently within.

The problems are noted in 'Fixing the Foundations: Creating a More Prosperous Nation', published by HM Treasury in July 2015. In paragraph 9.7 the report states:

*"There remains more to do. As the London School of Economics (LSE) Growth commission found, 'undersupply of housing, especially in high growth areas of the Country has pushed up house priced. The UK has been incapable of building enough homes."*

Gladman is therefore of the view, that local planning authorities must take a long term view when considering affordability and consider the relative and absolute change over a long term 15-20 year period, which coincides with the normal time span of a Local Plan. Authorities should assess, as a constituent part of their OAN, how they can improve affordability over the life time of a plan to a point where affordability is more in line with average earnings

and affordable mortgage lending rates. They should assess a level of housing over the 15-20 year plan period which would enable this step change and consider its deliverability in the plan. Only through planning for significant housing growth can local authorities realistically tackle market signals in the way advocated by the PPG and tackle the affordability and housing crisis.

The need to identify the full OAN before considering any issues with the ability of a Local Planning Authority to accommodate that level of development has been confirmed in the High Court. Most notably in *Solihull Metropolitan Borough Council v (1) Gallagher Homes Limited (2) Lioncourt Homes Limited* where it was considered that arriving at a housing requirement was a two stage process and that first the unconstrained OAN must be arrived at. In the judgement it was stated:

*"The NPPF indeed effected a radical change. It consisted in the two-step approach which paragraph 47 enjoined. The previous policy's methodology was essentially the striking of a balance. By contrast paragraph 47 required the OAN [objectively assessed need] to be made first, and to be given effect in the Local Plan save only to the extent that that would be inconsistent with other NPPF policies. [...] The two-step approach is by no means barren or technical. It means that housing need is clearly and cleanly ascertained. And as the judge said at paragraph 94, "[h]ere, numbers matter; because the larger the need, the more pressure will or might be applied to [impinge] on other inconsistent policies".*

Therefore, following the exercise to identify the full OAN for housing in an area:

*"Local planning authorities should seek opportunities to achieve each of the economic, social and environmental dimensions of sustainable development, and net gains across all three. Significant adverse impacts on any of these dimensions should be avoided and, wherever possible, alternative options which reduce or eliminate such impacts should be pursued. Where adverse impacts are unavoidable, measures to mitigate the impact should be considered. Where adequate mitigation measures are not possible, compensatory measures may be appropriate."* (NPPF §152)

This statement clearly sets out that local planning authorities should seek to deliver the full OAN and that this should be tested through the evidence base. Only where the evidence shows that this is not achievable, should they then test other options to see if any significant adverse impacts could be reduced or eliminated by pursuing these options. If this is not possible then they should test if the significant adverse impacts could be mitigated and where this is not possible, where compensatory measures may be appropriate.

The final stage of the process is outlined in §14 and involves a planning judgement as to whether, following all of the stages of the process outlined above:

*"Local Plans should meet OAN, with sufficient flexibility to adapt to rapid change, unless:*

- *any adverse impacts of doing so would significantly and demonstrably outweigh the benefits, when assessed against the policies in this framework taken as a whole; or*
- *specific policies in this Framework indicate development should be restricted."*

It is also worth noting that the final part of this sentence refers to footnote 9 of the Framework which sets out the types of policies that the Government consider to be restrictive. These include:

*"sites protected under the Birds and Habitat Directive (see paragraph 119) and/or designated as Sites of Special Scientific Interest; land designated as Green Belt, Local Green Space, an Area of Outstanding Natural Beauty, Heritage Coast or within a National Park (or the Broads Authority); designated heritage assets; and locations at risk of flooding or coastal erosion".*

Although this list is not exhaustive it is clear that local landscape designations, intrinsic value of the countryside, the character of areas, green gaps etc. are not specifically mentioned as constraints by the Framework.

The PPG contains guidance to support local authorities in objectively assessing and evidencing development needs for housing (both market and affordable) and economic development. This document supports and provides further guidance on the process of undertaking such assessments, in addition to what is set out in the Framework.

### Land Supply

The consultation document sets out that the Council undertook a SHLAA which was published in January 2016; this has since been updated in March 2016. This outlines that land supply in the urban area and on green field sites outside the Green Belt is approximately 11,500. From this the Council have reached the conclusion that they will not be able to accommodate all of their housing need within the existing urban area and on greenfield sites outside of the Green Belt. The Council recognise that in order to deliver housing to meet the OAN then Green Belt land would need to be released for development.

### Green Belt

Gladman strongly support the recognition made by the Council that due to the existing capacity they will need to release some Green Belt land for development if they are to meet their identified development needs.

The local plan is the correct forum to be making Green Belt boundary amendments, therefore Gladman support its inclusion within the proposed content of the Local Plan Review. It is important that the Green Belt assessment is thorough and robust and that the assessments contained within this are used to inform the Council's decisions moving forwards with regards to development options and boundary amendments. The Council need to ensure that all land parcels are assessed in a comparable and transparent manner and that this information feeds into the decision making process.

### Focus for the Review

The consultation document outlines that the Local Plan Review will be focussed on the following three strategic matters:

- The provision of land and level of housing development that can be accommodated within Warrington, taking into account the Objectively Assessed Needs (OAN);
- The provision of land for economic development and a growing local economy, taking into account OAN; and
- Ensuring the timely delivery of new and improved physical and social infrastructure required to meet the needs of new development and mitigate the impacts on existing communities.

Whilst Gladman agree that given the context of the Local Plan and the quashing of the housing policies it is fundamental that these are progressed through the Local Plan Review and we therefore support the three key matters identified above, Gladman do not believe the plan should stop at just these issues. In addition to this, and particularly given the initial findings of the new evidence on housing need (Mid Mersey SHMA), the Council are likely to need to plan to accommodate a significantly greater scale of housing growth; it would therefore seem prudent that the spatial strategy for delivery is also reviewed as part of this process. It may be that the Council chose to remain with the adopted strategy in this respect, however it would still be sensible to give this matter some consideration through the review process as a higher scale of growth is likely to have spatial implications. This to a certain degree appears to have been recognised by the Council by the fact they have undertaken a review of the Green Belt and are considering releasing some areas of land to help meet the identified OAN.

Gladman note the reference within the consultation document, that given the Council will be looking to amend Green Belt boundaries through the Local Plan Review, and that the Council will need to have regard for the permanence of the Green Belt that the Council is proposing a 20 year plan period. Gladman would be supportive of a 20 year plan period as this aligns with the NPPF and would as is the intention, help to provide a degree of permanence in relation to Green Belt boundaries.

Gladman also support and welcome the recognition within the consultation document that the Local Plan Review will need to identify safeguarded land. This again helps provide permanence and certainty regarding the Green Belt boundaries.

### Approach to Sustainability Appraisal (SA)

The SA scoping report represents the first phase of undertaking the SA. Whilst at this stage Gladman have only minor comments in relation to the SA process, we look forward to reviewing the outcome of the Council's assessments in the future and analysing whether these are based on fair and robust assumptions.

Under Section 19 of the 2004 Planning and Compulsory Purchase Act, policies set out in Local Plans must be subject to SA. Incorporating the requirements of the Environmental Assessment of Plans and Programmes Regulations 2004, SA is a systematic process that should be undertaken at each stage of the Plan's preparation, assessing the effects of the Local Plan's proposals on sustainable development when judged against reasonable alternatives.

The Council should ensure that the results of the SA process clearly justify its policy choices. In meeting the development needs of the area, it should be clear from the results of the assessment why some policy options have been progressed, and others have been rejected. Undertaking a comparative and equal assessment of each reasonable alternative, the Council's decision making and scoring should be robust, justified and transparent.

Gladman remind the Council that there have now been a number of instances where the failure to undertake a satisfactory SA has resulted in plans failing the test of legal compliance at Examination or being subjected to legal

challenge. There are also numerous examples where deficiencies with SAs have led to timely suspensions of EiPs whilst Councils ensure that the SA regulations have been adequately met.

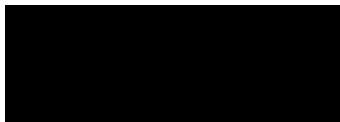
Gladman would like to take the opportunity to remind the Council how a justified and adequate SA should be undertaken to inform the policies and allocations made through the Local Plan. This should not be a cursory exercise, but should be a fundamental part of the plan preparation process and should help to inform the decisions made by the Council. In light of experiences in other authorities, the Council need to ensure that the policy choices in the LPR are clearly justified by the results of the SA process. Specifically, it should be clear from the SA process why some policy options have been progressed and others rejected.

In accordance with the Environmental Assessment of Plans and Programmes Regulations 2004, the Council must take account of all reasonable alternatives when assessing and selecting their preferred policy choice. It is integral that each reasonable alternative is assessed to the same degree of detail as the authority's preferred option, and should only be rejected after a fair and comparable assessment of its sustainability credentials. The Council should not seek to progress a pre-determined strategy that unjustifiably influences the assessment process. The SA needs to be undertaken in a clear and transparent manner.

#### Conclusions

We hope you have found these representations constructive and look forward to reviewing future documents as the SA and Local Plan Review progress. If you would like to discuss any elements of this submission please do not hesitate to get in touch with one of the Gladman team.

Yours faithfully,



Nicole Penfold  
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