

Representations to Warrington
Local Plan (Regulation 18
consultation)

Peel Holdings (Management) Ltd

December 2016

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Appendix 1: Review of the objectively assessed need for housing in Warrington

Appendix 2: Green Belt review – alternative parcel definitions

Appendix 3: Spatial distribution analysis

Client

Peel Holdings (Management) Ltd

Our reference

PEEM3056

December 2016

1. Introduction

- 1.1 This report has been prepared by Turley on behalf of Peel Holdings (Management) Ltd (“Peel”)¹. It provides detailed comments on the Warrington Local Plan Review Regulation 18 Consultation Scope and Contents Document (“the Scope and Contents document”) and the associated evidence base published concurrently by the Council.
- 1.2 Comments are provided in this report in the context of Peel’s significant and diverse land and development interests in Warrington, including:
- Sites within the Waterfront Strategic Development Opportunity area suitable for a mix of uses;
 - The existing and operational Port Warrington and associated expansion land to the north;
 - Major greenfield and Green Belt sites with significant residential development potential;
 - Various smaller sites within the urban area and outside of the urban area with mixed development potential.
- 1.3 Peel’s various assets present significant sustainable development potential. They can make a strategic contribution to realising the Local Plan’s aspirations and objectives and to delivering a sustainable future for the Borough through providing new homes, employment development and infrastructure that Warrington needs to thrive.
- 1.4 To this end, alongside this representation report, a series of completed call for sites forms are submitted in relation to Peel’s land interests. In respect of the following sites, Development Prospectuses are also provided which present a vision and deliverable masterplan for each site and provide a summary statement on its sustainability as a location to meet the development needs of the Borough over the plan period:
- Land north west of Croft;
 - Land off Lady Lane, Croft;
 - Land off Rushgreen Road, Lymm;
 - Land off Manchester Road, Hollins Green;
 - Land west of Higher Walton.
- 1.5 Completed call for sites forms are provided for the following sites:
- Port Warrington and expansion land;
 - Statham Meadows;
 - Land at Rixton New Hall;
 - Arpley Meadows;
 - Thorne Marine, Stockton Heath;
 - Land off Knutsford Road;
 - Land at Thelwall Lane West, Westy;
 - Land at Common Lane, Latchford;
 - Thelwall Lane East, Latchford

¹ Peel Holdings (Management) Limited is providing comments in relation to the assets and interests of the Peel Group’s operating companies in Warrington. These are Peel Holdings (Land and Property), Peel Ports and Peel Environmental.

- Land east of Glazebrook Lane, Warrington

1.6 With the exception of land east of Glazebrook Lane, each of the above sites has previously been submitted by Peel to both the Strategic Housing Land Availability Assessment (in September 2015) and to the Local Development Framework Call for Sites exercise (in September 2014).

Summary of Peel's representations

1. Peel is supportive of the progression of the Local Plan Review. Notwithstanding this, Peel has identified a number of matters with respect to the material published for consultation which it wishes to draw to the Council's attention in order that the Local Plan can be progressed on a sound basis going forward. Comments are therefore provided on the following areas:

- The proposed Local Plan housing requirement;
- The non-Green Belt housing land supply and the extent of Green Belt land required to deliver the proposed housing requirement;
- The published Green Belt Assessment;
- The spatial distribution of residential development and range and type of sites needed to deliver the housing requirement.

1.7 These representations present the following:

- Peel considers that the Local Plan is likely to need to plan for the delivery of a higher overall housing requirement than proposed within the Scope and Contents document;
- Peel raises significant questions over the Council's assertion that non-Green Belt sites are capable of delivering an average of 750 residential units per annum over the plan period;
- Peel does not consider that the non-Green Belt sites being relied upon by the Council will deliver the range and quality of residential accommodation which the Borough requires;
- Peel has a number of key concerns with respect to the methodology used in carrying out a Green Belt Assessment of the Borough and in the application of that methodology. Peel questions the conclusions reached in respect of the Green Belt contribution made by a number of the parcels of land assessed in the review;
- Through the Local Plan, the Council must ensure it considers, on an equal basis, all options relating to the spatial distribution of development and have proper regard to the development needs of all settlements, including recognising the challenges and opportunities facing each in ensuring their continued sustainability.

1.8 The remainder of this report is structured as follows:

- Section 2 presents some general comments on the Council's proposed approach to the Local Plan review;
- Section 3 considers the Council's proposed minimum housing requirement of 1,000 dwellings per annum;

- Section 4 considers the Council's proposal to release Green Belt land capable of delivering 5,000 residential units over the plan period based on the assumed urban capacity of the Borough;
- Section 5 considers the Council's Green Belt assessment;
- Section 6 considers the future spatial distribution of residential development and the need for a balanced approach to ensure a deliverable plan is put in place which secures the future sustainability of all of the Borough's settlements;
- Section 7 presents summarising and concluding comments.

2. General comments

- 2.1 Peel welcomes the progression of the Local Plan. It is noted that the Council is intending to progress this on the basis of a review of the existing Core Strategy rather than production of a new Local Plan. Whilst Peel does not object to this approach in principle, it is important to recognise that the review is concerned with strategic matters which will in many respects require an entirely new approach based on altered circumstances and a new evidence base.
- 2.2 A series of new options need to be considered afresh having regard to the needs of the Borough and the spatial issues and opportunities it faces over the next twenty years. This reflects the very different context in which the review is being undertaken compared to the development of the Core Strategy, not least with respect to the overall housing requirement.
- 2.3 This particularly plays out in how the Council will need to approach the spatial distribution of development across the Borough. The Core Strategy presented a constrained approach in this regard, reflecting the relatively low housing requirement and the imperative of limiting development to Inner Warrington only to realise its growth and regeneration. This was undoubtedly a major driver of the Core Strategy and as a spatial approach, was pursued at the expense of meeting the objectively assessed needs of the Borough as a whole and particularly other settlements within the Borough which have, as a result, delivered very little residential development over recent years.
- 2.4 The increase in housing requirement which the Local Plan will need to deliver presents an entirely different context. The spatial approach taken by the Core Strategy is unlikely to be sustainable and fit for purpose in this new context.
- 2.5 It is noted that section 3 of the Scope and Contents document identifies that the first two strategic objectives of the Core Strategy are no longer consistent with the development needs of the Borough; the inference being that these objectives, and the policies which sit beneath these objectives, will need to be subject to a fundamental review. These objectives are presented below:

Objective W1: *To secure the regeneration and renewal of the older areas of the town, strengthen existing neighbourhoods and make the most efficient use of infrastructure, ensuring development brings benefits to their host communities whilst supporting growth in the local and sub-regional economy by providing 277 Hectares employment land between 2006 and 2027.*

Objective W2: *To maintain the permanence of the Green Belt and the character of the countryside in the borough and protect them from inappropriate development.*

- 2.6 This is reflected in the table at Appendix 1 of the Scope and Contents document which identifies which policies of the Core Strategy will be subject to a minor review and which will be subject to a major review. Peel agrees with the Council that Policies CS2 (Overall Spatial Strategy – quantity and distribution of development); CS3 (Overall Spatial Strategy – maintaining and 10 year forward supply of housing land); CS5 (Overall spatial strategy – Green Belt); CS8 (Strategic Proposal – Omega and Lingley Mere);

CS10 (Strategic Proposal – Waterfront and Arpley Meadows); and CS11 (Strategic Opportunity – Port Warrington) will need to be subject to ‘Major Alterations’ as part of the Local Plan review.

- 2.7 Whilst Peel generally agrees with the above, it is important that the existing approach with respect to these policies is not established as a ‘starting point’ for reconsideration of the policies; rather each option needs to be considered on an equal basis. This is as directed by paragraph 182 of the Framework and is required for the plan to satisfy the ‘justified’ test of soundness.

3. The housing requirement

- 3.1 The Council has produced a significant volume of evidence considering the potential need for housing in Warrington to inform the development of the Local Plan Review. This includes a number of documents which have been published alongside the Scope and Contents document, which influence the assessment of an appropriate level of housing growth to be planned for in Warrington.
- 3.2 Turley, on behalf of Peel, has undertaken a comprehensive review of this evidence and detailed comments on the proposed housing requirement are provided at **Appendix 1** of this representation report.
- 3.3 The Scope and Contents document attempts to adopt a positive position in planning for a level of housing growth (c.1,000 dwellings per annum) which exceeds that required to meet objectively assessed needs (OAN), based on the latest evidence produced for the borough within the 2016 Mid Mersey Strategic Housing Market Assessment (SHMA, 839 dwellings per annum). It is considered that this approach strongly aligns with the Government's continued imperative to significantly boost the supply of housing and support the growth of the economy.
- 3.4 The proposed elevation in housing provision to support anticipated job growth, as advanced by the Council, is welcomed in principle. However, our review has identified a number of specific issues and challenges in its justification, based on the evidence produced to date. Collectively, these indicate that the scale of housing provision planned may potentially fall short of that required to fully support the Council's economic growth agenda, despite appearing relatively ambitious in the context of recent delivery. In summary, these concerns include:
- The extent to which the assumed creation of 28,000 jobs over the plan period – preferred within the Council's evidence base – would truly realise the economic potential of Warrington; and
 - The optimistic changes in labour-force behaviour assumed within the modelling, when considering the scale of labour-force growth necessary to support future job growth and the implied level of housing need.
- 3.5 These points of concern suggest that a higher level of housing growth will be required than currently supported by the Scoping Document, in order to fully support Warrington's economic growth potential. Whilst it is recognised that the future growth of the economy forms a key driving factor behind future housing need in Warrington, the critique also challenges the extent to which the concluded OAN set out within the 2016 SHMA fully reflects housing needs, based on both demographic and market factors. This presents an important context in appraising the level of ambition captured within the Scoping Document in terms of planning for future levels of housing provision in the borough.
- 3.6 It is recognised that the Scoping Document is intended to represent only the start of the process of developing the Local Plan Review. It is considered, however, that the points raised through the review presented at Appendix 1 are critical to ensuring that the subsequent Plan is found sound.

- 3.7 The opportunity now exists for the Council to continue to build upon its evidence base to ensure that it follows best practice and reflects in full the positive stance taken with regards to planning for economic growth and the aspirations of the Cheshire and Warrington Local Enterprise Partnership and associated Devolution Growth Deal Bid.

4. Housing land supply

- 4.1 The Council has identified the need for the development of 5,000 residential units in the Green Belt over the plan period. This is based on the assumed capacity of non-Green Belt sites of 15,000 units and working to an overall strategic requirement of 20,000 units.
- 4.2 Notwithstanding the comments on the proposed housing requirement as presented in section 3, Peel considers that the scale of Green Belt release needed to deliver 1,000 units per annum over the plan period to be significantly greater than anticipated by the Council.

Provision for under delivery – general principles

- 4.3 The proposal to deliver 5,000 residential units through the release of existing Green Belt land makes no provision for non-delivery of sites identified as being developable over the plan period within the Strategic Housing Land Availability Assessment (SHLAA) (January 2016). The approach taken by the Council therefore assumes that all sites within the SHLAA will be delivered, providing approximately 15,000 units in total.
- 4.4 This is highly unlikely to materialise. Recent DCLG analysis has indicated that between 10 and 20% of residential planning permissions are not delivered at all.² A further proportion of sites deemed to be developable will inevitably not materialise as planning applications. As a result, it is reasonable to assume that upwards of 15% of the total supply (both SHLAA sites and future Green Belt sites) (equating to 3,000 units based on a proposed requirement of 20,000 units) will not come forward over the plan period, notwithstanding policy support for these sites.
- 4.5 Paragraph 21 of the National Planning Policy Framework (the Framework) states that local planning policies '*...should be flexible enough to accommodate needs not anticipated in the plan and to allow a rapid response to changes in economic circumstance*'. Whilst the Framework does not prescribe a 'Flexibility Factor' with respect to housing allocations, a recent Report to the Communities Secretary and the Minister of Housing and Planning (March 2016) prepared by the Local Plans Expert Group recommends that Local Plans should include a mechanism for the release of developable 'Reserve Sites' equivalent to 20% of their total housing requirement to enable a Plan to respond to rapid change.³
- 4.6 At the suggested level of 1,000 dwellings per annum (dpa), allowing for this flexibility would necessitate identifying a developable land supply, comprising Green Belt and non-Green Belt sites, capable of delivering at least 24,000 residential units over the plan period. However, given Peel's concerns as to the robustness of the 1,000 dpa figure (on the basis it is understated), this figure will need to be higher still.

² DCLG Presentations to HBF Planning Conference (September 2015)

³ Paragraph 11.4, Report to the Communities Secretary and to the Minister of Housing and Planning, Local Plans Expert Group, March 2016

Warrington urban capacity and deliverability

General comments

- 4.7 Having regard to the make-up of Warrington's land supply more specifically, Peel does not consider that the non-Green Belt sites identified in the future supply are collectively capable of delivering an average of 750 residential units per annum over the plan period as proposed.
- 4.8 It is important to note that the non-Green Belt land which the Local Plan will be reliant on to deliver an average of 750 units per year over the plan period is not constrained by the current policy context. That is to say, the current and historic planning policy framework would enable these sites to come forward for development now. As such, the level of historic non-Green Belt development in Warrington may provide a helpful barometer for the realistic yield, over the plan period, from the identified non-Green Belt supply. The extent to which this is the case depends on the make-up of the housing land supply which has delivered this growth and how this compares to the forward supply being relied upon over the plan period.
- 4.9 Warrington has witnessed significant residential development over recent years. Annual Monitoring Reports record that over the 14 year period from 2003/04 to 2016/17, a total of 10,869 residential units will have been developed, at an annual rate of 776 units. However, a very significant proportion of this growth is attributed to the Chapelford Urban Village development which has delivered 2,217 units between 2004/05 and 2015/16, accounting for 22% of the total over this period. It is also noteworthy that even with the benefit of significant contributions from Chapelford, Warrington has only delivered more than 750 residential units in four out of the last fourteen years.
- 4.10 The 2016 SHLAA presents a range of development sites, with the largest being Peel Hall (SHLAA reference 1508 providing 1,480 units). There are no large single and generally unconstrained strategic sites of the same scale as Chapelford Urban Village within the non-Green Belt supply which are capable of providing a similar boost to delivery. More generally, the quality and range of housing sites within the urban area has declined over recent years as major residential development has occurred in the Borough, eroding the future supply. Notwithstanding this historic level of delivery, housing need and demand is growing as set out in section 3.
- 4.11 In light of this, and in the absence of such sites, Peel does not believe that the portfolio of non-Green Belt sites which the Local Plan is reliant on, are realistically capable of delivering an average of 750 residential units per annum. This reinforces the imperative of ensuring the Local Plan allocates sufficient land for development to allow for non-delivery of sites, as is likely to occur.

Warrington Town Centre, Inner Warrington and Waterfront Strategic Development Opportunity

- 4.12 It is noted that the Council has refined the assumed yield from various SHLAA sites to reflect emerging proposals within the area subject to a detailed masterplanning exercise, comprising Warrington Town Centre, Inner Warrington and the Waterfront Strategic Development Opportunity. This has resulted in yield from a mix of sites within

this location increasing from 3,716 units to 7,176 units. This is set out in the Council's Urban Capacity Statement (October 2016).

- 4.13 The basis for the increase is unclear. For example, SHLAA site 2693, assumed to have a capacity of 4 units within a site area of 0.04 ha within the SHLAA has now increased to 136 units within the Urban Capacity Study. It is assumed that the higher yield relates to a larger area than site reference 2693, but this is not explained. Similar points can be raised in respect of SHLAA sites 2472/2835; 1729 and the southern gateway sites (SHLAA references 1538, 1752, 1753, 1809, 2450, 2482, 2675, 2676 and 2677) which, collectively, are now assumed to deliver 1,047 units more than reported in the SHLAA of January 2016.
- 4.14 At this stage, the Council has produced only a draft masterplan on which to base the assumption around increased yields from these sites. However, the masterplan does not relate directly to the SHLAA sites identified and is not clear where each 'masterplan area' as identified in Table 1 of the Council's Urban Capacity Statement document is located within the wider masterplan area.
- 4.15 The evidence base to support the Council's assumptions around the yield from the masterplanned area is deficient and, as presented, does not form a robust basis on which to quantify the realistic urban capacity of the Borough. It is requested that further information is provided to verify the assumptions within the masterplanning work. This is a significant omission, particularly given the extent of reliance that is placed on this location to deliver the Borough's housing requirements.
- 4.16 Notwithstanding this, Peel considers that the strategy of placing reliance on this location to the extent that is proposed exposes the plan to a significant risk of under delivery. Clearly the central Warrington area is a complex location and is affected by a number of constraints. Throughout this location, but particularly so beyond the Waterfront Development Area, land will need to be assembled and existing sites cleared to provide development to be delivered.
- 4.17 The ambitions for this location are to be commended and the delivery of the Council's proposals will deliver significant economic and regeneration benefits for the Borough. However, the proposals involve effectively creating new housing areas utilising existing employment land and, to some degree, creating new markets in and around the town centre. This adds significantly to the uncertainty around the deliverability of these proposals in full over the plan period.
- 4.18 It is a key test of soundness that the plan is 'effective' and therefore deliverable over the plan period. Any delays or setbacks to the delivery of the Council's proposals for Inner Warrington would have significant consequences for the plan in this regard and to the realisation of the Borough's own growth and development objectives. This is a significant risk to the plan.
- 4.19 A more balanced approach whereby reliance on residential markets is more widely distributed and varied would mitigate this risk and ensure a more robust plan with added certainty of delivery.

- 4.20 Unless robust evidence is presented that a clear and deliverable strategy is in place to secure the realisation, in full, of the Council's proposals for Inner Warrington, Peel considers that the level of reliance being placed on this location to meet the Borough's housing requirements should be more cautious. To address this, a more realistic figure for the Inner Warrington area should be progressed which reflects the significant uncertainties around the delivery of the masterplan over the plan period. This is not to suggest that growth should be capped within this location, but rather that the extent to which it is relied upon to deliver the plan's housing requirements should be tempered.

Qualitative provision

- 4.21 It is a requirement of the Framework that Local Authorities deliver a wide choice of high quality homes, widen opportunities for home ownership and create sustainable, inclusive and mixed communities and that they '*...plan for a mix of housing based on current and future demographic trends, market trends 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).*'⁴
- 4.22 This can partly be achieved through policies which control and guide the mix and type of dwellings to be delivered on individual development sites. But certain types and quality of housing can only be delivered in certain locations; there is a clear spatial dimension to this which needs to be reflected in planning for delivery.
- 4.23 For example, much of the Inner Warrington and town centre area, will be most suited to high density development, including apartments and inevitably , fewer family homes. Conversely, sites in outlying settlements with strong, established housing markets and where demand is high, are able to deliver higher quality, aspirational family housing, to ensure the Borough attracts and retains higher earning households as needed to support its economic growth aspirations.
- 4.24 At this stage, the Council's approach to identifying the level of Green Belt land required for housing development over the plan period has had no regard to the qualitative housing needs of Warrington and whether the supply is able to meet these needs. The capacity of the urban area to meet housing requirements relates not only to quantitative needs but also has an important qualitative dimension. The Council will need to present evidence to demonstrate that its portfolio of sites, both urban and Green Belt, meets the requirements of the Framework in this regard.

Summary and conclusions

- 4.25 In summary, based on a consideration of the housing land supply which the Council is proposed to be reliant upon to deliver the housing requirements of the plan, Peel conclude the following:
- The plan should seek to allocate land capable of delivering at least 20% above the proposed housing requirement to provide sufficient flexibility within the supply given the likelihood of non-delivery of some sites;

⁴ National Planning Policy Framework (DCLG 2012) paragraph 50

- It is considered that the non-Green Belt sites identified by the Council are, collectively, likely to deliver significantly fewer than 750 residential units per annum over the plan period based on past trends and having regard to the makeup and characteristics of this supply;
- A more realistic (and evidenced) figure for the level of residential development which may be provided within the town centre, Inner Warrington and the Waterfront Strategic Development Opportunity, should be identified to mitigate the risk to the plan of under delivery within this location over the plan period.

4.26 Peel therefore considers that there will be a requirement to identify significantly more suitable and deliverable land currently located within the Green Belt.

4.27 It is also essential that, in reviewing Green Belt boundaries, the Local Plan addresses the permanence of those revised boundaries, such that they will endure beyond the Plan period (Framework paragraph 83). The Local Plan must consider the needs for development for a significant period beyond the Plan period and appraise whether this is likely to necessitate further use of existing Green Belt land. Not do so runs the risk of Green Belt boundaries once again having to be re-appraised through the next Local Plan process, contrary to the principles of permanence. The Local Plan should, alongside identifying land to be released from the Green Belt for development, identify Safeguarded Land, in accordance with the Framework (paragraph 85).

5. Green Belt Assessment

General comments

- 5.1 The published Green Belt Assessment⁵ presents a standalone piece of evidence to inform the allocation of sites for development through the Local Plan. It is undertaken without consideration of the development needs of the Borough and individual settlements. It is important to emphasise that the Green Belt Assessment will ultimately need to be considered in this wider context, and its findings balanced against other considerations, in identifying which sites to release for development. These other considerations will include:
- The overall housing requirement;
 - The optimum spatial distribution of development needed to achieve the plans objectives;
 - The capacity of non-Green Belt sites;
 - The general sustainability credentials, beyond Green Belt contribution, of sites being considered for development.
 - The viability and deliverability of sites being considered for development.
- 5.2 This general point is acknowledged within the Green Belt Assessment at paragraph 44 which refers to the Planning Advisory Service's guidance on Green Belt reviews. This confirms that sustainable development must be considered throughout the review process and that *'...based on what is now understood about accessibility, trip lengths and the use of appropriate travel modes for instance, the most sustainable locations for development may now be in the Green Belt. Reviews of the Green Belt must take account of paragraph 84 of the NPPF which states that 'when drawing up or reviewing Green Belt boundaries, local planning authorities should take account of the need to promote sustainable development''*⁶
- 5.3 The Framework's endorsement of this approach reflects that the overriding aim of the planning system is to deliver sustainable development and that this encapsulates economic, social and environmental dimensions. To select Green Belt sites for development on a sequential basis according solely to Green Belt contribution would be in conflict with the Framework in this regard and the need to balance social, environmental and economic objectives.
- 5.4 This is particularly relevant when coming to consider the needs of each settlement within Warrington. For example, based on the 2016 SHLAA, non-Green Belt sites within Lymm and Culcheth are capable of delivering just 101 residential units in each settlement over the plan period. Irrespective of whether there are Green Belt sites across the rest of the Borough which make a lesser contribution to the Green Belt than those adjacent to Lymm and Culcheth, it is essential that Green Belt land around Lymm and Culcheth is released to meet the development needs of these settlements over the plan period and to reflect their sustainability credentials.

⁵ Warrington Borough Council Green Belt Assessment (21st October 2016) (Arup)

⁶ Warrington Borough Council Green Belt Assessment (21st October 2016) (Arup) paragraph 44

- 5.5 Clearly it is not the role of the Green Belt Assessment to consider this wider context in detail, however its future use as an influence on the Local Plan must have regard to this context.

Methodology

General comments

- 5.6 Peel generally agrees with the approach towards defining General Areas (Stage 1) and Parcels (Stage 2) and the intended use of 'durable' features to identify where parcels should logically be terminated working outwards from the settlement boundary. However, Peel does not consider that this methodology has been correctly applied in the definition of parcels. Further comments on this are provided below at paragraphs 5.24 to 5.29.

Definition of Green Belt purposes

- 5.7 Peel agrees with how **Purpose 1: to check the unrestricted sprawl of large built up areas** has been defined in the context of Warrington and that only the Warrington urban area can reasonably be considered to comprise a 'large built up area.'
- 5.8 Peel agrees with how **Purpose 2: preventing neighbouring towns merging into one another** has been defined and particular that this relates only to the a selected number of settlements including Warrington, Lymm, Culcheth, St Helens, Newton-le-Willows and Runcorn, reflecting the status of these settlements as towns.
- 5.9 With respect to Purpose 2, Peel does not consider that Cadishead can reasonably be considered to form a town rather it is a suburb of West Salford. For example, in contrast to the other named towns Cadishead does not have a designated town centre, with its centre being identified as neighbourhood centre in the Salford UDP.
- 5.10 With respect to **Purpose 4: to preserve the setting and special character of historic towns**, the review notes that 'historic towns' consist of Lymm and Warrington within the Borough and Widnes and Runcorn outside of the Borough. It should be noted that the Planning Advisory Service's guidance set out in 'Planning on the Doorstep: Green Belt' (February 2015) confirms that *'This purpose is generally accepted as relating to very few settlements in practice. In most towns there already are more recent development between the historic core and the countryside between the edge of the town.'*⁷
- 5.11 Whilst this purpose is capable of applying to the Green Belt around settlements such as Lymm, whether this Green Belt contributes to this purpose depends on the character and use of the area between the historic core and the Green Belt area in question.
- 5.12 In assessing individual Green Belt parcels and their contribution, the Assessment proposes a buffer of 250m around the Conservation Area of the named settlements, with Green Belt land falling within this buffer being deemed to make a contribution in respect of this purpose. 250m is an arbitrary measure and in reality the contribution of a given area of land depends on the use and character of any buffer between the parcel and the Conservation Area as much as the size of that buffer. By way of an example, a Green Belt parcel within 100m of a Conservation Area boundary may make no

⁷ Planning on the doorstep: the big issues – Green Belt page 7 (Planning Advisory Service February 2015)

contribution to this purpose of the Green Belt if the land between the parcel and the Conservation Area has been extensively developed in recent years and the parcel has no physical or visual relationship with the Conservation Area. As a result, Peel disagrees with some of the conclusions drawn regarding the contributions made by individual parcels with respect to this purpose.

- 5.13 With respect to **Purpose 5: to assist in urban regeneration by encouraging the recycling of derelict and other urban land**, the contribution made by each parcel is determined based on a consideration of the brownfield capacity of the urban area within Warrington, St Helens, Halton and, within Salford, the settlements of Irlam and Cadishead. Whilst it is noted that each parcel is deemed to make the same contribution to this purpose (i.e. a moderate one), Peel does not agree with the approach to determining the contribution made by Green Belt parcels to this purpose.
- 5.14 The Scope and Contents document identifies the need to release Green Belt land to meet the development requirement of the Borough over the plan period. This is based on a full assessment of the capacity of non-Green Belt land with a deficiency in supply, relative to need, clearly identified. In this context, Peel does not consider that the Green Belt in Warrington fulfils any role in respect of purpose 5 insofar as the release of Green Belt restrictions on some land will not divert development away from the urban area given the need supply imbalance. In the context of a plan review which has identified a clear deficiency in the urban land supply, the Green Belt does not contribute to purpose 5. All parcels should therefore be deemed to make 'no contribution' rather than a 'moderate contribution' as currently recorded.

Overall assessment

- 5.15 The review presents a summary of how the overall contribution made by each individual parcel is established based on its contribution to each separate purpose. Paragraph 141 of the assessment explains how a professional judgement may be taken with respect to the overall contribution in certain scenarios and particularly where the appraisal has concluded a parcel makes a 'strong contribution' in respect of purposes 1, 2 and 3. In effect, this reserves the right to give additional weight to how a parcel performs against these three purposes.
- 5.16 The review seeks to justify this on the basis that the overarching aims of the Green Belt, as set out in paragraph 79, are subsumed within purposes 1, 2 and 3.
- 5.17 This approach conflicts with the opening sentence within paragraph 141 of the Assessment that '*...all five Green Belt purposes should be given equal weight...*' Moreover, the suggestion that the fundamental aims of the Green Belt are 'subsumed' within purpose 3 particularly is wholly unsubstantiated. Paragraph 79 of the Framework refers to the prevention of 'urban sprawl' being the overarching aim of the Green Belt. In contrast purpose 3 relates to the prevention of encroachment into the countryside.
- 5.18 Sprawl and encroachment are two very different concepts, as highlighted within the definitions provided within the review:

*Sprawl – spreading out of building form over a large area in an untidy or irregular way*⁸

*Encroachment – a gradual advance beyond usual or acceptable limits*⁹

5.19 Both of these concepts encapsulate development breaching existing boundaries, but there are very clear differences between them in terms of both scale and form of breach. It is self-evident that encroachment does not constitute or directly lead to a form of sprawl and indeed, managed encroachment and redefinition of Green Belts along more defensible and durable boundaries can protect against sprawl in the long term ensuring the Green Belt endures. Put simply, insofar as paragraph 79 is concerned, the prevention of encroachment is not the fundamental aim of the Green Belt. More generally, there is no justified basis for seeking to rank the different purposes of the Green Belt by importance and each should be given equal weighting.

5.20 The Green Belt Assessment's approach in this regard gives rise to a number of issues and makes the appraisal inherently inconsistent and opaque . This is compounded by the weak justification for forming the professional view which has ultimately determined the assumed overall contribution in respect of a number of parcels. For example, in respect of parcels which make no contribution to Purpose 1, a weak contribution to Purpose 2, a strong contribution to Purpose 3, no contribution to Purpose 4 and a moderate contribution to Purpose 5, where the Assessment concludes an overall strong rather than moderate contribution is made, the following generic justification is provided within Table G1 of the review in respect of each such parcel:

In line with the methodology, professional judgement has therefore been applied to evaluate the overall contribution. The parcel has been judged to make a strong overall contribution as it makes a strong degree of openness and there are non-durable boundaries between the parcel and the countryside therefore the parcel has a strong role in preventing encroachment into the countryside. The parcel therefore makes a strong contribution to fulfilling the fundamental aim of the Green Belt under paragraph 79 in protecting the openness of the Green Belt.

5.21 This text essentially restates the basis on which the Assessment has deemed the parcel to make a strong contribution in respect of Purpose 3. It presents no site specific justification for concluding an overall strong contribution and on what basis the professional judgement has been taken. Critically it does not provide a reasoned justification for some sites with the same contribution to each purpose being deemed to have a different level of overall contribution.

5.22 Peel has significant concerns therefore as to how the assessment has determined the overall contribution of individual parcels. There can be no valid basis for giving additional weight to the conclusions of the appraisal in respect of Purpose 3 particularly.

5.23 Notwithstanding that this is at odds with the Framework and represents a misinterpretation of paragraph 79 and the distinction between sprawl and encroachment, how professional judgement has been applied is unclear, leading to a significant risk of inconsistency in approach and an evidential document which is lacking in transparency. Given the role and importance of this critical part of the Local Plan

⁸ Warrington Borough Council Green Belt Assessment Final Report (Arup 21st October 2016) page 26

⁹ Warrington Borough Council Green Belt Assessment Final Report (Arup 21st October 2016) page 31

evidence, this represents a fundamental weakness and could have significant implications for the Local Plan and the ability for it to be found sound.

Definition of parcels

- 5.24 The basis on which the assessment has intended to approach the definition of individual parcels is generally considered to be appropriate. This is explained at paragraph 77 of the Assessment and is based on paragraph 85 of the Framework which directs that Green Belt boundaries should be defined by '*...physical features which are readily recognisable and likely to be permanent.*'
- 5.25 However, this methodology has not been consistently carried forward into the definition of parcels. This has resulted in parcels being defined, and then their Green Belt contribution assessed, which do not logically follow durable and defensible boundaries, including in a number of instances where such alternative boundaries do exist in the vicinity of the parcel.
- 5.26 It is noted in paragraph 77 of the Assessment that in instances where the definition of parcels based on durable outer boundaries would create a parcel which comprises a large expanse of countryside more akin to General Areas (as defined through the Stage 1 appraisal), features 'lacking durability' will instead be used to define parcels. This is intended to ensure the Green Belt is divided into 'manageable parcels' for the purposes of the assessment.
- 5.27 Peel does not disagree with this approach in principle, however no threshold with respect to parcel size is provided. In a number of cases where non-durable boundaries are used to define parcels, the redefinition of the parcel working to a nearby and logical durable boundary would not result in the parcel becoming 'unmanageable' in scale or akin to large expanse of countryside. In these selected instances, the parcels would remain appropriate in scale, enclosed by strong and durable boundaries and well related to the adjacent settlement, rather than forming part of the more open expanse of countryside beyond the durable boundary. This particularly applies to Green Belt parcels WR65, HG5 and CR1 – CR2.
- 5.28 The plans provided at **Appendix 2** of this report suggest alternative definitions of these parcels working to alternative boundaries, including major road, railway lines and waterbodies, each of which is identified as being a 'durable feature' within Table 3 of the Assessment.
- 5.29 In each of these cases the redefinition of the parcel to follow durable boundaries would clearly change the conclusions drawn regarding the contribution these parcels make to Purpose 3. In each of these cases, the Assessment's conclusion that the parcels make a strong contribution is made on the basis of their outer boundaries being non-durable. The change in parcel definition would result in the contribution in respect of Purpose 3 being, at most, moderate rather than strong. This has a direct consequence for the conclusions regarding the overall Green Belt contribution made by these parcels. This is considered in more detail below.

Comments on individual parcels

General comments

- 5.30 Peel has undertaken a full review of the appraisal of selected parcels of Green Belt presented within the Assessment. Presented below is a reappraisal of the contribution made by each parcel. This reappraisal is informed by the above comments regarding the methodology, application of the methodology and definition of parcels as well the subjective appraisal of each parcel presented within the Assessment.
- 5.31 In a number of instances, and consistent with the comments provided above, Peel has suggested alternative parcel areas to be assessed based on the use of more appropriate and durable outer boundaries. It should be noted that it is not Peel's position that these redefined parcels reflect the extent of land which should be released from the Green Belt but rather they are put forward as the more appropriate basis on which to assess the contribution which each area of land make to the Green Belt and its purposes. The selection of sites for allocation will need to be made through a full consideration of the sustainability of proposals put forward by land owners and developers.
- 5.32 Peel's comments are provided on each parcel are provided below.

Parcel LY16 (Lymm)



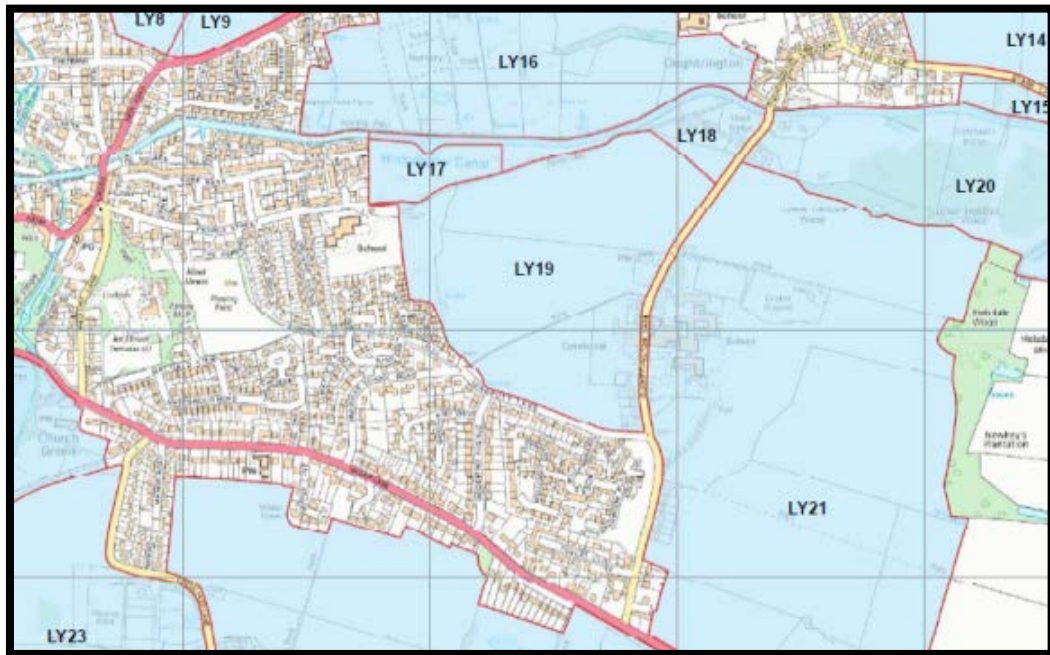


Figure 5.1: Parcel LY16

Purpose 3

- 5.33 The Assessment notes that the existing settlement boundary consists of garden edges which would not be durable enough to prevent encroachment into the parcel. This is presented as a feature of the site which increases its contribution to this purpose. This is a fundamental misunderstanding of this purpose of the Green Belt.
- 5.34 A non-durable boundary with the existing urban area does not indicate that the site performs a specific role in respect of Purpose 3. This matter relates to the existing inner boundary and not the parcel itself and its logical outer boundary. Conversely, the presence of an existing non-durable urban boundary in fact supports the case that the Green Belt boundary should be redrawn along a more durable line which can provide a defensible boundary to encroachment into open countryside beyond and ensuring that the Green Belt endures over the long term.
- 5.35 In this case, the Bridgewater Canal, which presents the parcel's only boundary with the open countryside to the south, is identified in the review as being 'durable enough to prevent encroachment beyond the parcel if the parcel was developed.' Beyond this, the site's other boundaries comprise development areas within the settlement of Lymm.
- 5.36 On this basis, Peel consider that the site makes, at most, a moderate, rather than strong contribution to Purpose 3.

Purpose 5

- 5.37 Consistent with the comments made at paragraphs 5.10 to 5.13 above, the fact that a small part of this parcel falls within 250m of the defined Conservation Area should not be taken to mean that it makes a contribution to Purpose 5. Whilst the Assessment concludes that this contribution is low, it should be noted that the site has no physical or visual relationship with the Conservation Area. The Conservation Area is not visible from the parcel nor would development of the parcel block views of the Conservation Area

from any view point due to the substantial areas of modern development located between the parcel and the Conservation Area.

5.38 On this basis, Peel considers that the parcel makes no contribution to Purpose 5.

5.39 The contribution made by this site should therefore be recorded as follows:

Purpose 1 – no contribution
Purpose 2 – no contribution
Purpose 3 – moderate contribution
Purpose 4 – no contribution
Purpose 5 – no contribution
Overall contribution – weak

First Draft Deposit UDP

5.40 The Council, through the UDP First Draft Deposit (2001), proposed that this parcel be designated as safeguarded land to meet future development needs beyond 2016. This was based on a recommendation made by the Inspector who considered objections to the Warrington Borough Local Plan 1996/97. He identified specific areas of land, totalling 447.4 ha, to be allocated as 'Areas of Search' for future development and therefore excluded from the Green Belt through the new plan. This included the whole of Parcel LY16. This recommendation is reflected in the First Draft Deposit UDP.

5.41 In drawing this conclusion, the Inspector had regard to the Green Belt purposes of each area of land under consideration. He deemed it appropriate to recommend that this site be part of the Areas of Search for future development, reflecting its limited Green Belt contribution.

5.42 The designation was not ultimately taken forward into the UDP but this parcel has evidently been deemed to be potentially suitable for development, having regard to its Green Belt contribution, in the recent past and in the context of broadly the same Green Belt purposes as those set out in the Framework. This reinforces the position set out above that the parcel makes a very limited overall contribution to the Green Belt.

Parcel HG5 (Hollins Green)



Figure 5.2: Parcel HG5

Purpose 3

- 5.43 As noted above, Peel considers that this parcel should be redefined to be drawn along durable boundaries in the vicinity of the parcel as shown on Plan 1 at Appendix 2. In this case, the southern boundary of the parcel would become Warburton Bridge Road rather than the brook running through the parcel. This would constitute a durable boundary, which alongside existing durable boundaries comprising Manchester Road and the Manchester Ship Canal, would mean the contribution to Purpose 3 would be reduced from strong to moderate.
- 5.44 The contribution made by this site should therefore be recorded as follows:

Purpose 1 – no contribution

Purpose 2 – no contribution (see paragraph 5.8 – 5.9 above)

Purpose 3 – moderate contribution

Purpose 4 – no contribution

Purpose 5 – no contribution

Overall contribution – weak

Parcel CR4 (Croft)



Figure 5.3: Parcel CR4

Purpose 3

- 5.45 The Assessment notes that the existing settlement boundary consists of garden edges which would not be durable enough to prevent encroachment into the parcel. This is presented as a feature of the site which increases its contribution to this purpose. This is a fundamental misunderstanding of this purpose of the Green Belt.
- 5.46 A non-durable boundary with the existing urban area does not indicate that the site performs a specific role in respect of Purpose 3. This matter relates to the existing inner boundary and not the parcel itself and its logical outer boundary. Conversely, the presence of an existing non-durable urban boundary in fact supports the case that the Green Belt boundary should be redrawn along a more durable line which can provide a defensible boundary to encroachment into more open countryside and will ensure that the Green Belt endures over the long term.
- 5.47 In this case, Mustard Lane and Lady Lane present the parcel's boundaries with the open countryside to the north and east, which are identified in the review as being 'durable enough to prevent encroachment beyond the parcel if the parcel was developed.' The parcel's other boundaries are with the urban area of Croft.

5.48 On this basis, Peel consider that the site makes, at most, a moderate, rather than strong, contribution to Purpose 3 and a weak-moderate overall contribution to the Green Belt.

5.49 The contribution made by this site should therefore be recorded as follows:

Purpose 1 – no contribution
Purpose 2 – weak contribution
Purpose 3 – moderate contribution
Purpose 4 – no contribution
Purpose 5 – no contribution
Overall contribution – weak to moderate

Parcels CR1 and CR2 (Croft)

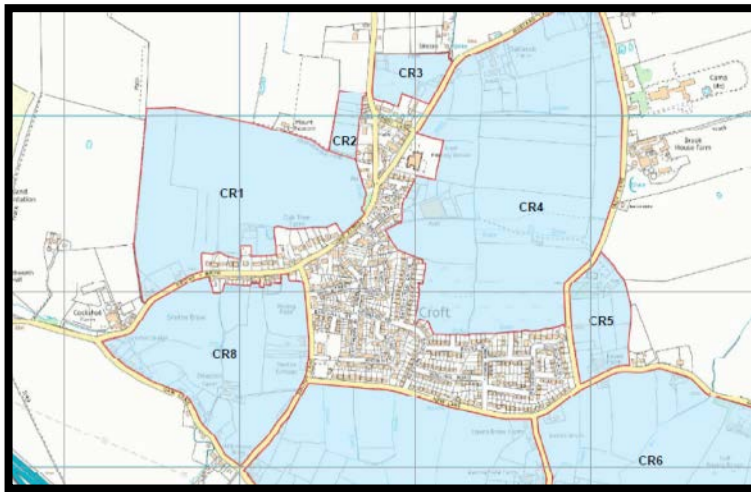


Figure 5.4: Parcels CR1 and CR2

Purpose 3

5.50 As noted above, Peel considers that this parcel should be redefined to be drawn along durable boundaries in the vicinity as shown on Plan 2 at Appendix 2. In this case, the revised boundary would become the M6 motorway to the south west, the A579 to the northwest and Sandy Brow Lane, Stone Pit Lane, Heath Lane and Smithy Brow around the southern, eastern and southern. This would constitute a durable boundary, which alongside existing durable boundary would mean the contribution to Purpose 3 would be reduced from strong to moderate.

5.51 Notwithstanding this, an alternative durable boundary would also be provided by the watercourse running through the parcel as shown on Plan 2. This is defined as 'river' on the Environment Agency's flood risk map (see Figure 5.5 below) which, according to the

Green Belt Assessment's own methodology, would comprise a durable boundary. As such, if the parcel were assessed based on this alternative boundary, it would still make only a moderate contribution in respect of Purpose 3.



Figure 5.5: Environment Agency flood risk map

5.52 The contribution made by this site should therefore be recorded as follows:

Purpose 1 – no contribution
Purpose 2 – weak contribution
Purpose 3 – moderate contribution
Purpose 4 – no contribution
Purpose 5 – no contribution
Overall contribution – weak

First Draft Deposit UDP

5.53 The UDP First Draft Deposit (2001), proposed that part of this parcel be designated as safeguarded land to meet future development needs beyond 2016. This was based on a recommendation made by the Inspector who considered objections to the Warrington Borough Local Plan 1996/97. He identified specific areas of land, totalling 447.4 ha, to be allocated as 'Areas of Search' for future development and therefore excluded from the Green Belt through the new plan. This included the southern part of this parcel. This recommendation is reflected in the First Draft Deposit UDP.

5.54 In drawing this conclusion, the Inspector had regard to the Green Belt purposes of each area of land under consideration. He deemed it appropriate to recommend that this land be part of the Areas of Search for future development, reflecting its limited Green Belt contribution.

- 5.55 This reinforces the position set out about that the parcel makes a very limited overall contribution to the Green Belt.

Parcel WR65 (Warrington Urban Area)

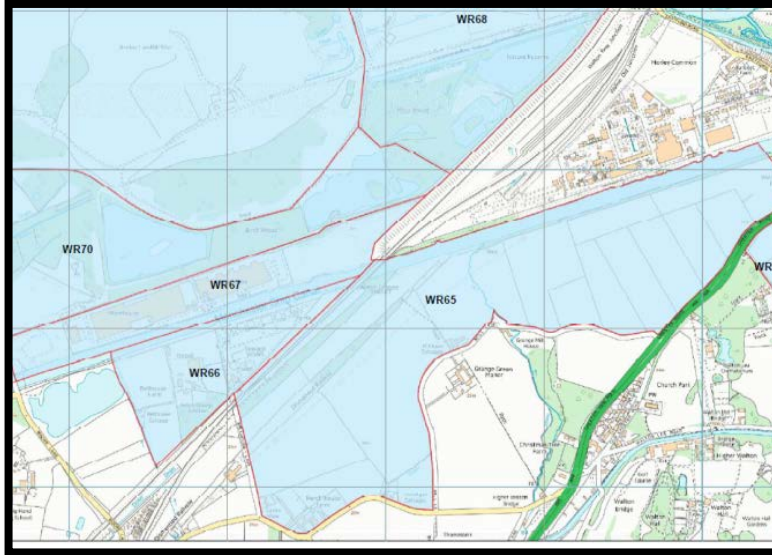


Figure 5.6: Parcel WR65

Purpose 3

- 5.56 As noted above, Peel considers that this parcel should be redefined to be drawn along durable boundaries in the vicinity as shown on Plan 3 at Appendix 2. In this case, the revised boundary would become Bridgewater Canal along the south and a longer length of the A56 along the parcel's eastern boundary. This would constitute a durable boundary, which alongside an existing durable boundary provided by the A56, Manchester Ship Canal and the west coast mainline would mean the parcel's contribution to Purpose 3 would be reduced from strong to moderate. The overall contribution to the Green Belt would remain as moderate as a result.

Purpose 4

- 5.57 The Assessment notes that the parcel falls within 250m of the buffer around the Walton Heath Village Conservation Area. Purpose 5 is very clearly intended to protect the settings of historic towns. As noted by the Planning Advisory Service's guidance, this purpose is '*...generally accepted as relating to very few settlements in practice.*' Whilst there exists a small conservation area within Walton Heath, this does not comprise a 'historic town' with respect to Purpose 4. To treat Walton Heath as such also conflicts with the Assessment's approach to this purpose as set out on page 34. This identifies that 'historic town' status only applies to Warrington and Lymm. To the extent that Warrington is a historic town, this clearly applies to its historic core from which it has grown outwards substantially over the last 40 years. Walton Heath was historically a separate settlement and insofar as Warrington is a historic town, this clearly does not include Walton Heath.
- 5.58 The parcel therefore makes no contribution to Purpose 4.
- 5.59 The contribution made by this site should therefore be recorded as follows:

Purpose 1 – moderate contribution

Purpose 2 – moderate contribution

Purpose 3 – moderate contribution

Purpose 4 – no contribution

Purpose 5 – no contribution

Overall contribution – moderate

Parcel WR68 (Warrington Urban Area)



Figure 5.7: Parcel WR86

Purpose 3

- 5.60 Parcel WR68 comprises land located immediately to the north east of Arpley Landfill site. The River Mersey to the north west and east and the west coast mainline to the south are noted as providing strong and durable boundaries within the review report.
- 5.61 Peel does not agree with the Assessment's conclusion that the northern boundary, formed by a footpath is not durable. Given that the site's northern boundary is with the urban area, the durability of this boundary is not directly relevant to a consideration of the site's contribution to Purpose 3, as noted elsewhere in respect of other parcels (e.g. Parcel LY16).
- 5.62 Arpley Landfill to the east is subject to a full restoration programme due to commence in 2017 and will be eventually developed as a country park as part of the closure of the landfill. This will be a strong and permanent natural feature providing a sufficiently durable boundary to prevent further encroachment into the wider expanse of countryside to the west in the event that the parcel comes forward for development. The durability of the restored landfill area will increase significantly overtime as its proposed new use and landscape features become established.

5.63 As such, Peel considers that this parcel makes a moderate contribution to Purpose 3 and an overall contribution of moderate also.

5.64 The contribution made by this parcel should therefore be recorded as follows:

Purpose 1 – moderate contribution
Purpose 2 – weak contribution
Purpose 3 – moderate contribution
Purpose 4 – no contribution
Purpose 5 – no contribution
Overall contribution – moderate

Parcel WR70 (Warrington Urban Area)

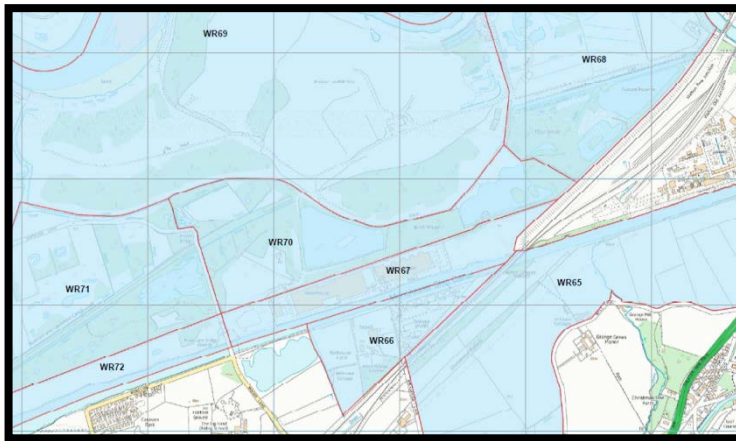


Figure 5.8: Parcel WR70

Purpose 3

5.65 Parcel WR70 comprises land located immediately to the south of Arpley Landfill site and north of the operational Port Warrington site. Whilst it does not benefit from a boundary with the defined urban area, it is contained by durable boundaries on all sides, including the existing Port Warrington site to the south, beyond which lies the Manchester Ship Canal, the west coast rail line to the east, dense woodland to the west and Arpley Landfill to the north.

5.66 Peel does not agree with the Assessment's conclusion that the northern and north western boundaries are not durable features. Arpley Landfill to the north is subject to a full restoration programme due to commence in 2017 and will be eventually developed as a country park as part of the closure of the landfill. This will provide a permanent natural feature comprising areas of woodland and a network of footpaths, providing a sufficiently durable boundary to prevent further encroachment into the wider expanse of countryside in the event that the parcel comes forward for development. The durability

of the restored landfill area will increase significantly overtime as its proposed new use and landscape features become established.

5.67 As such, Peel considers that this parcel makes a moderate contribution to Purpose 3 and an overall contribution of moderate also.

5.68 The contribution made by this parcel should therefore be recorded as follows:

Purpose 1 – weak contribution
Purpose 2 – moderate contribution
Purpose 3 – moderate contribution
Purpose 4 – no contribution
Purpose 5 – no contribution
Overall contribution – moderate

Requirement for a Stage 2 Green Belt review

5.69 Whilst it is accepted that the Green Belt Assessment provides a baseline appraisal of the current contribution of different areas of Green Belt land, it is critical that any decisions on which sites to release from the Green Belt are made based on a proper and full understanding of the impact that their proposed development would have on the Green Belt and a consideration of any mitigation measures which may be capable of reducing this.

5.70 Sites are not released from the Green Belt without the ability to control how they are subsequently developed and site specific policies can be put in place through the Local Plan which control how individual Green Belt sites are delivered to ensure the impact of development on the wider Green Belt and the continued fulfilment of its purposes is minimised. This particularly applies to larger Green Belt sites where there is greater scope to shape the design of the development to reduce and manage impacts. This might include through the provision of areas of strong landscaping or open space which may provide a buffer and long term defensible boundary between the developed site and surrounding land to be retained in the Green Belt.

5.71 In developing the Local Plan and selecting sites for allocation it is therefore important that the Council undertakes a further Green Belt Assessment which considers the means of developing out individual sites under consideration. This will enable the Council to identify which schemes, rather the solely which sites, would be capable of coming forward in a manner which limits harm to the Green Belt.

6. Spatial distribution of development

- 6.1 It is noted that the Scope and Contents document does not consider the spatial distribution of development to be delivered through the Local Plan. It is important that this is given early consideration. To this end, Peel would wish to take this opportunity to provide some initial comments on how this will need to be approached through the development of the Local Plan.
- 6.2 The overarching objective of the Local Plan will be to facilitate the delivery of sustainable development in a manner which meets the needs of the Borough and responds positively to the growth opportunities it presents. How development is distributed through the Borough has a significant bearing on this.
- 6.3 The Local Plan is being brought forward in the context of a significant increase in the development requirements for the Borough compared to that in which the Core Strategy was developed. The latter sought to deliver just 500 residential units per annum, with the Local Plan Review Scope and Contents document proposing a 100% increase on this figure.
- 6.4 This new context requires a fundamental review and reappraisal of how Warrington should seek to meet its development needs. Whilst the regeneration of Inner Warrington will remain a priority, the additional level of growth which the Local Plan will need to facilitate will mean that an unbalanced strategy of directing the vast majority of development to this location at the expense of other settlements will very evidently not represent a sustainable approach to growth. .
- 6.5 Critically, the increased development requirements of the Local Plan present the opportunity to achieve much more than the Core Strategy, including ensuring that full development needs of all settlements of the Borough are met, and importantly, without undermining the continued regeneration of Inner Warrington.
- 6.6 It is vital that the Local Plan is progressed based on a proper consideration of all spatial options and selects the one that achieves the optimum outcomes; this being the strategy which achieves the plan's overarching vision, is capable of delivering the growth which the Borough and each of its settlements needs and which is, in overall terms, the most sustainable, in accordance with the definition presented within the Framework. A continuation of the existing spatial strategy is unlikely to achieve this.
- 6.7 The spatial strategy will ultimately need to be determined through the development of the Local Plan, as informed by a robust evidence base. However, it will be important that this has particular regard to:
- The level of development needed to realise the Council's objectives for the regeneration of Inner Warrington;
 - The economic geography of Warrington and sustainable transport links between settlements and key employment areas within and beyond the Borough;
 - The development needs of all settlements in the Borough and the sustainability challenges these settlements face as a result of significant under delivery of development in recent years;

- The qualitative development needs of the Borough and its residents (future and presents) and how this will support Warrington's growth and ambitions;
- How the specialised and affordable housing needs of the Borough can be met;
- The need to ensure a strategy which is capable of delivering the level of growth which Warrington needs through supporting the development of sites which the market is genuinely capable of bringing forward over the plan period.

6.8 To assist the Council in considering this issue, the paper presented at **Appendix 3** of this representation report provides an initial appraisal of some of issues and matters to which the Local Plan will need to have regard in forming its spatial approach. This considers both the economic geography of Warrington, as a key influence on where housing should be delivered to promote sustainable patterns of travel, and some of the challenges and issues faced by the settlements in Warrington with respect to their long term sustainability as places to live.

6.9 The paper highlights a number of issues with respect to the current and future sustainability of the Borough's settlements, particularly around affordability, the long term viability of key services and the level of historic house building. The Local Plan must respond to this. As noted above, the significant increase in development requirements which the Local Plan will need to deliver provides it with the ability to put in place a truly balanced strategy which achieves both the regeneration of Inner Warrington without doing so at the expense of the needs of other settlements in the Borough as has been the historic trend. These settlements must be able to grow in a managed way according to their needs in order to secure their long term sustainability as vibrant and viable places to live and work.

7. Selection of sites for allocation

- 7.1 The Local Plan will need to support the development of sites which can deliver the significant uplift in annual housing development compared to the historic trend.
- 7.2 Warrington will be reliant on a range of developers and investors to deliver this step change in housing growth. Supplying the market with a variety of sites which appeal to the varied requirements of different developers and investors will ensure Warrington is an attractive and viable place to develop over the plan period, ensuring its growth ambitions are achievable. This will mean allocating a range of sites from small sites providing up to 50 units through to larger strategic scale sites providing 1,500+ units in varied market areas.
- 7.3 Given the scale of growth which Warrington will need to accommodate, larger strategic sites will have a particularly important role to play in delivering the Borough's housing needs. These sites can provide the critical mass of housing needed to support the delivery of infrastructure needed to accommodate the anticipated growth in population. They also provide the potential to accommodate the community and social infrastructure needed, such as schools and open space, on site. It is important that the Council allocates a number of strategic housing sites through the Local Plan.
- 7.4 The Local Plan will also need to recognise the challenges and constraints to the delivery of much needed affordable housing through the allocation of sites. This will mean giving weight to the ability of individual sites and locations to deliver affordable housing through Section 106 Agreements in the selection of site and setting a strategy for the spatial distribution of development. This will inevitably require a critical mass of residential development to be directed to the Borough's stronger housing market areas, particularly beyond the urban area of Warrington, where schemes can viably deliver higher levels affordable housing than weaker market areas, such as Inner Warrington.

Suggested sites

- 7.5 Alongside this representation report, Peel has submitted a number of suggested development sites to the 'call for sites' exercise. These present a range of sustainable development opportunities and are capable of making a strategic contribution to meeting the development needs of the Borough over the plan period. The sites are sustainably located, well related to services, employment and public transport connections and not affected by any insurmountable constraints.
- 7.6 The sites vary in location and reflect the need for the Local Plan to pursue a balanced spatial distribution of development to meet the needs of the Borough and of the different areas within Warrington. The sites range in size and type, as needed to ensure Warrington presents a varied range of development sites to the market to attract different types and sizes of developers and investors. This will help to maximise the prospects of the Borough delivering the significant scale of development it requires and particularly the uplift in rates of delivery compared to historic trends.
- 7.7 Each submitted site is deliverable in full over the plan period, being located in strong market areas where demand is high. Accompanying information is provided in respect of

a number of sites located within the Green Belt in the form of a development prospectus which present a series of conceptual masterplans and appraisal of each site's development potential and sustainability. This includes the following:

- Land north west of Croft;
- Land off Lady Lane, Croft;
- Land off Rushgreen Road, Lymm;
- Land off Manchester Road, Hollins Green;
- Land west of Higher Walton.

7.8 These sites are located in areas where significant Green Belt land will be needed to meet the Borough's development requirements. The development proposals presented can be accommodated in a manner which does not affect the strategic function of the wider area of Green Belt land within which these sites are located, as summarised in section 5 above.

7.9 Peel is further developing its proposals for these sites and will share additional information around deliverability and viability of these proposals with the Council in due course.

8. Summary and conclusions

- 8.1 This report has presented Peel's detailed comments on the Warrington Local Plan Review Regulation 18 Consultation Scope and Contents Document ("the Scope and Contents document") and the associated evidence base published concurrently by the Council.
- 8.2 Comments are provided in this report in the context of Peel's significant and diverse land and development interests in Warrington as summarised in section 1.
- 8.3 Whilst Peel is supportive of the progression of the Local Plan Review, a number of issues and concerns are raised with respect to the evidence for the Local Plan and the proposed basis on which the Local Plan is intended to be progressed.
- 8.4 In summary:
- Peel considers that the Local Plan will need to plan for the delivery of a higher overall housing requirement than proposed within the Scope and Contents document;
 - Peel does not consider that the identified non-Green Belt housing land supply is capable of delivering an average of 750 residential units per annum over the plan period;
 - Peel considers that the Local Plan will need to identify a supply of land capable of delivering significantly more housing than the proposed strategic housing requirement to allow for non-delivery and sufficient flexibility in the housing land supply;
 - Peel does not consider that the non-Green Belt sites being relied upon by the Council will deliver the range and quality of residential accommodation which the Borough requires;
 - Peel has a number of key concerns with respect to the methodology used in carrying out a Green Belt Assessment of the Borough and in the application of that methodology, including:
 - the definition of a number of Green Belt parcels
 - the provision of additional weighting to Green Belt purposes 1, 2 and 3 in appraising the overall contribution made by the defined parcels
 - the general assessment of selected parcels against Green Belt purpose 3
 - Peel considers that a range of development sites, in terms of size and location, will need to be allocated through the Local Plan. This will ensure Warrington is able to attract a broad range of developers and investors to the Borough as required to meet its significant and varied development needs. This will include allocating a critical mass of housing sites in strong housing market areas where affordable housing can be viably delivered as an integral part of housing developments.
- 8.5 This representation report has also highlighted the need for the Local Plan to ensure it properly considers, on an equal basis, all options relating to the spatial distribution of development, including recognising the challenges and opportunities facing each settlement within Warrington in ensuring their continued sustainability. An appropriately

balanced spatial strategy must be pursued. Most importantly, the Core Strategy's approach of focusing the vast majority of development in Inner Warrington, at the expense of other settlements in the Borough, clearly represents an unbalanced approach and should not be adopted as the default spatial strategy for the Borough.

Appendix 1: Review of the objectively assessed need for housing in Warrington

Appendix 1
Warrington Housing Need –
Evidence based Critique
Warrington Local Plan Representations

December 2016

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Client

Peel Holdings Land & Property Ltd

Our reference

PEEM3056

November 2016

Executive Summary

1. This report has been prepared by Turley on behalf of Peel to support the submission of representations to the Warrington Local Plan Review Regulation 18 Consultation Scope and Contents Document¹ ('the Scoping Document').
2. The Scoping Document represents the first stage of the review of the Council's Local Plan Core Strategy, which was adopted in 2014. The primary purpose of the Scoping Document is to identify the key issues raised through the Council's published evidence base, and set out the proposed scope of the review of the Local Plan.
3. The context for the review of the Local Plan has been shaped by the outcome of the High Court challenge to the adopted Core Strategy, which resulted in the housing target of 10,500 new homes over the period from 2006 to 2027 – or 500 dwellings per annum – being quashed.
4. The Council has produced a significant volume of evidence considering the potential need for housing in Warrington to inform the development of the Local Plan Review. This includes a number of documents which have been published alongside the Scoping Document, which influence the assessment of an appropriate level of housing growth to be planned for in Warrington.
5. This report reviews the published evidence base in the context of the latest available data – noting that they all represent recently published documents – and the methodology set out in Planning Practice Guidance (PPG).
6. The Scoping Document attempts to adopt a positive position in planning for a level of housing growth (c.1,000 dwellings per annum) which exceeds that required to meet objectively assessed needs (OAN), based on the latest evidence produced for the borough within the 2016 Mid Mersey Strategic Housing Market Assessment (SHMA, 839 dwellings per annum). It is considered that this approach aligns with the Government's continued imperative to significantly boost the supply of housing and support the growth of the economy.
7. The proposed elevation in housing provision to support anticipated job growth, as advanced by the Council, is welcomed in principle. However, this report has identified a number of specific issues and challenges in its justification, based on the evidence produced to date. Collectively, these indicate that the scale of housing provision planned may potentially fall short of that required to fully support the Council's economic growth agenda, despite appearing relatively ambitious in the context of recent delivery. In summary, these concerns include:
 - The extent to which the assumed creation of 28,000 jobs over the plan period – preferred within the Council's evidence base – would truly realise the economic potential of Warrington; and

¹ Warrington Borough Council (2016) Local Plan Review – Regulation 18 Consultation Scope and Contents Document

- The optimistic changes in labour-force behaviour assumed within the modelling, when considering the scale of labour-force growth necessary to support future job growth and the implied level of housing need.
8. These points of concern suggest that a higher level of housing growth will be required than currently supported by the Scoping Document, in order to fully support Warrington's economic growth potential. Whilst it is recognised that the future growth of the economy forms a key driving factor behind future housing need in Warrington, the critique has also challenged the extent to which the concluded OAN set out within the 2016 SHMA fully reflects housing needs, based on both demographic and market factors. This presents an important context in appraising the level of ambition captured within the Scoping Document in terms of planning for future levels of housing provision in the borough.
 9. It is recognised that the Scoping Document is intended to represent only the start of the process of developing the Local Plan Review. It is considered, however, that the points raised through this critique are critical to ensuring that the subsequent Plan is found sound.
 10. The opportunity now exists for the Council to continue to build upon its evidence base to ensure that it follows best practice and reflects in full the positive stance taken with regards to planning for economic growth.

1. Introduction

- 1.1 This report has been prepared by Turley on behalf of Peel Holdings (Management) Limited ('Peel') to support the submission of representations to the Warrington Local Plan Review Regulation 18 Consultation Scope and Contents Document² ('the Scoping Document').
- 1.2 Warrington Borough Council ('the Council') is consulting on the Scoping Document between October and December 2016. This Scoping Document represents the first stage of the review of the Council's Local Plan Core Strategy³, which was adopted in 2014. The primary purpose of the Scoping Document is to identify the key issues raised through the Council's published evidence base, and set out the proposed scope of the review of the Local Plan.
- 1.3 The context for the review of the Local Plan has been shaped by the outcome of the High Court challenge to the adopted Core Strategy, which resulted in the housing target of 10,500 new homes over the period from 2006 to 2027 – or 500 dwellings per annum – being quashed.
- 1.4 The Scoping Document has been published alongside a number of evidence base documents, which have a bearing on the assessment of an appropriate level of housing growth to be planned for in Warrington. These include:
- Mid Mersey Strategic Housing Market Assessment (SHMA)⁴ published in January 2016 in final form;
 - Mid Mersey SHMA – Addendum for Warrington⁵ published in October 2016;
 - Analysis – A review of economic forecasts and housing numbers⁶ published in October 2016; and
 - Economic Development Needs Study⁷ published in October 2016
- 1.5 Turley attended two stakeholder workshops on the Mid Mersey SHMA held in 2015 on behalf of Peel. Turley submitted comments via e-mail to the SHMA consultancy team following the first workshop⁸. These comments were limited to responding to the outputs presented at that point, and primarily concurred with the identification of the Mid Mersey authorities of Warrington, St Helens and Halton as a housing market area (HMA). Further clarification on the approach to be taken in the development of the economic evidence to be used within the SHMA was welcomed.

² Warrington Borough Council (2016) Local Plan Review – Regulation 18 Consultation Scope and Contents Document

³ Warrington Borough Council (2016) Local Plan Core Strategy

⁴ GL Hearn (2016) Mid Mersey Strategic Housing Market Assessment

⁵ GL Hearn (2016) Mid Mersey SHMA Addendum for Warrington

⁶ Mickledore (2016) Analysis – A review of economic forecasts and housing numbers

⁷ BE group & Mickledore (2016) Economic Development Needs Study

⁸ E-mail issued to GL Hearn and Warrington Council on the 9th June 2015

- 1.6 Turley also submitted a consultation response via a letter dated 27th November 2015 to St Helens Council following the second workshop and the publication of a draft version of the SHMA report in November 2015. This letter set out a number of concerns with the SHMA's interpretation of evidence, as well as further points of consideration in the translation of the SHMA into a housing requirement for the individual Mid-Mersey authorities.
- 1.7 It is acknowledged that the subsequently published January 2016 final SHMA report ('the 2016 SHMA') represents an updated version, with a number of changes to the report responding to points we had raised through the consultation. In general, we consider the SHMA as a useful and substantial piece of evidence, prepared in the context of the National Planning Policy Framework (NPPF) and Planning Practice Guidance (PPG).
- 1.8 It is recognised that the Scoping Document advances a level of housing provision which exceeds the objectively assessed need (OAN) concluded for Warrington within the 2016 SHMA. The evidence base documents published in October 2016 provide the justification for this uplift, which reflects the expected resilience of a growing economy in Warrington and represents a key consideration of this critique report.
- 1.9 As recognised above, Warrington falls within a wider Mid Mersey Housing Market Area (HMA). In May 2016, the Liverpool City Region issued two documents to Peel as part of a consultation on the preparation of a Liverpool City Region Strategic Housing and Employment Land Market Assessment (SHELMA). These included a method statement and a separate draft report seeking to define the HMA and functional economic market area (FEMA). These documents confirmed Warrington's inclusion within the Mid Mersey HMA, with the intention being to provide an updated OAN for the HMA and therefore Warrington. By contrast, Warrington was identified as falling outside of the Liverpool City Region FEMA. It is unclear in the absence of the publication of a draft of the SHELMA as to the extent to which this study will provide an updated Housing OAN for Warrington and how this will sit alongside the economic evidence published as part of this consultation which is focussed solely on Warrington.
- 1.10 It is understood through dialogue with City Region partners that the publication of the SHELMA is not anticipated before early 2017, therefore falling outside of the consultation period on the Scoping Document. Where the conclusions of the SHELMA have implications for the assessment of housing need in Warrington, Turley on behalf of Peel reserve the right to comment separately on the publication of this evidence base document and its implications on the soundness of the emerging Warrington Local Plan.
- 1.11 This report is structured as follows:
- **Section 2 – National Policy and Guidance** – an overview of the national policy context and guidance on the objective assessment of need;
 - **Section 3 – Emerging Policy and Evidence Review** – a summary of the emerging Local Plan Review position and its interpretation of the key evidence base documents on housing need. Other factors influencing the development of the Local Plan are also summarised, including the need to respond to the quashing of specific housing related policies within the adopted Core Strategy;

- **Section 4 – Evidence-based Critique** – an appraisal of the emerging housing policy in Warrington and its underpinning evidence base, through analysis of updated demographic evidence, economic indicators and market signals; and
- **Section 5 – Conclusions** – a concise summary of the implications of the review, drawing upon analysis in preceding sections.

2. National Policy and Guidance

- 2.1 This section provides an overview of the national policy context, and details the methodology advocated in the PPG for the objective assessment of need.

National Planning Policy Framework

- 2.2 The National Planning Policy Framework⁹ (NPPF) was published by DCLG in March 2012, and is built around a policy commitment to achieving sustainable development. A ‘*presumption in favour of sustainable development*’ is central to the NPPF, requiring local authorities to adopt a positive approach in the development of their Local Plans in order to ‘*seek opportunities to meet the development needs of an area*’¹⁰.
- 2.3 Further clarification is provided through the core planning principles, which importantly requires planning to:

“Proactively drive and support sustainable economic development to deliver the homes, business and industrial units, infrastructure and thriving local places that the country needs. Every effort should be made objectively to identify and then meet the housing, business and other development needs of an area, and respond positively to wider opportunities for growth. 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”¹¹

- 2.4 On the issue of housing, the NPPF states that local authorities should boost the supply of housing by using:

“Their evidence base to ensure that their Local Plan meets the full, objectively assessed needs for market and affordable housing in the housing market area, as far as is consistent with the policies set out in this Framework”¹²

- 2.5 This is qualified further, with paragraph 14 stating that:

“Local Plans should meet objectively assessed needs, 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”¹³*

⁹ DCLG (2012) National Planning Policy Framework

¹⁰ Ibid (para 14)

¹¹ Ibid (para 17)

¹² Ibid (para 47)

¹³ Ibid (para 14)

- 2.6 The NPPF provides further guidance on the use of a proportionate evidence base, stating that:

“Each local planning authority should ensure that the Local Plan is based on adequate, up-to-date and relevant evidence about the economic, social and environmental characteristics and prospects of the area. 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”¹⁴

- 2.7 The NPPF explains that a number of drivers and datasets should be considered when establishing an estimate of the objectively assessed housing need:

“Local planning authorities should have a clear understanding of housing needs in their area. They should:

Prepare a Strategic Housing Market Assessment to assess their full housing needs, working with neighbouring authorities where housing market areas cross administrative boundaries. The Strategic Housing Market Assessment should identify 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...; and*
- *Caters for housing demand and the scale of housing supply necessary to meet this demand”¹⁵*

Planning Practice Guidance

- 2.8 The NPPF recognises that local authorities are required to undertake an assessment of the need for housing, identifying the SHMA as the central evidence-based document for establishing objectively assessed housing needs.

- 2.9 Planning Practice Guidance (PPG) was formally published by DCLG in March 2014, providing a framework for the assessment of housing needs in line with the requirements of the NPPF. This provides clarity on the methodology required to establish objectively assessed needs within a housing market area.

- 2.10 The PPG includes a definition of need:

“Need for housing in the context of the guidance refers to the scale and mix of housing and the range of tenures that is likely to be needed in the housing market area over the

¹⁴ Ibid (para 158)

¹⁵ Ibid (para 159)

plan period – and should cater for the housing demand of the area and identify the scale of housing supply necessary to meet that demand”¹⁶

- 2.11 The PPG states that household projections published by DCLG should provide the ‘starting point’ for the assessment of need, but notes that:

“The household projections are trend based, i.e. they provide the household levels and structures that would result if the assumptions based on previous demographic trends in the population and rates of household formation were to be realised in practice. They do not attempt to predict the impact that future government policies, changing economic circumstances or other factors might have on demographic behaviour”¹⁷

- 2.12 The PPG identifies the importance of considering factors which have influenced local demography and household formation rates, stating:

“The household projection-based estimate of housing need may require adjustment to reflect factors affecting local demography and household formation rates which are not captured in past trends. For example, formation rates may have been suppressed historically by under-supply and worsening affordability of housing. The assessment will therefore need to reflect the consequences of past under delivery of housing. As household projections do not reflect unmet housing need, local planning authorities should take a view based on available evidence of the extent to which household formation rates are or have been constrained by supply”¹⁸

- 2.13 The PPG also goes on to assert that:

“Plan makers may consider sensitivity testing, specific to their local circumstances, based on alternative assumptions in relation to the underlying demographic projections and household formation rates. Account should also be taken of the most recent demographic evidence including the latest Office of National Statistics population estimates. Any local changes would need to be clearly explained and justified on the basis of established sources of robust evidence”¹⁹

- 2.14 The NPPF also expects local authorities to ensure an alignment between housing and employment policy and the underpinning evidence. The PPG states that this should be considered when objectively assessing housing needs by ensuring that the growth in labour force required to support likely job growth can be accommodated through the growth of the population and associated housing needs:

“Plan makers should make an assessment of the likely change in job numbers based on past trends and/or economic forecasts as appropriate and also having regard to the growth of the working age population in the housing market area”²⁰

- 2.15 The PPG recognises the possible implications of an imbalance between labour force growth and employment growth:

¹⁶ PPG Reference ID 2a-003-20140306

¹⁷ PPG Reference ID 2a-015-20140306

¹⁸ Ibid

¹⁹ PPG Reference ID 2a-017-20140306

²⁰ PPG Reference ID 2a-018-20140306

“Where the supply of working age population that is economically active (labour force supply) is less than the projected job growth, this could result in unsustainable commuting patterns (depending on public transport accessibility or other sustainable options such as walking or cycling) and could reduce the resilience of local businesses. In such circumstances, plan makers will need to consider how the location of new housing or infrastructure development could help address these problems”²¹

- 2.16 Finally, the PPG highlights the importance of taking market signals into account when objectively assessing the need for housing:

“The housing need number suggested by household projections (the starting point) should be adjusted to reflect appropriate market signals, as well as other market indicators of the balance between the demand for and supply of dwellings. Prices or rents rising faster than the national/local average may well indicate particular market undersupply relative to demand”²²

Duty to Co-operate

- 2.17 The NPPF states that local authorities have a Duty to Co-operate on planning issues that cross administrative boundaries. The Planning and Compulsory Purchase Act 2004 also requires local authorities to engage constructively with neighbours.

- 2.18 The NPPF makes particular reference to the importance of effectively fulfilling this duty when considering – and presenting – the strategic policies to deliver new homes and jobs through Local Plan preparation.

- 2.19 The NPPF provides guidance to local authorities regarding the appropriate measures to undertake in order to fulfil the duty:

- Joint working on areas of common interest is to be diligently undertaken to the mutual benefit of neighbouring local authorities;
- Collaborative working is to be undertaken between local authorities and other bodies, such as Local Enterprise Partnerships (LEPs); and
- Consideration of the preparation of joint planning policies on strategic matters.

- 2.20 The Duty to Co-operate therefore acts as the mechanism by which local planning authorities can effectively *‘ensure that strategic priorities across local boundaries are properly coordinated and clearly reflected in individual Local Plans’²³*.

- 2.21 Through this constructive process, the NPPF states that the Duty to Co-operate should enable *‘local planning authorities to work together to meet development requirements which cannot wholly be met within their own areas’²⁴*.

²¹ Ibid

²² PPG Reference ID 2a-019-20140306

²³ DCLG (2012) National Planning Policy Framework (para 179)

²⁴ Ibid

- 2.22 The PPG provides further guidance on the Duty to Co-operate, particularly clarifying the expectation for local planning authorities to take a strategic approach in the development of a Local Plan, in compliance with the requirements of the NPPF. Importantly, in relation to the objective assessment of need, it is noted that:

“Local Plans should be based on a strategy which seeks to meet objectively assessed development and infrastructure requirements, including unmet requirements from neighbouring local planning authorities where it is reasonable to do so and consistent with achieving sustainable development. Therefore, if a local planning authority preparing a Local Plan provides robust evidence of an unmet requirement, such as unmet housing need, identified in a Strategic Housing Market Assessment, other local planning authorities in the housing market area will be required to consider the implications, including the need to review their housing policies”²⁵

Local Plan Expert Group Recommendations

- 2.23 The Local Plans Expert Group (LPEG) was established by the Communities Secretary and the Minister for Housing and Planning in September 2015, with a specific remit to consider how local plan-making can be made more efficient and effective.
- 2.24 In March 2016, LPEG published its recommendations for consultation until 27 April 2016. A Select Committee Inquiry into the LPEG recommendations was held in July 2016. Subsequently, a letter was issued to the Minister of State for Housing and Planning by the Chair of the Committee seeking confirmation on a number of matters, including a direct question to ascertain whether DCLG intended to amend the PPG to include a standard methodology for objectively assessing housing needs²⁶.
- 2.25 It is understood that the Government will be providing a response to the recommendations as part of the Housing White Paper due to be published in early 2017.
- 2.26 The LPEG recommendations include a significant simplification of the methodology for calculating the OAN, which would have a bearing upon the concluded OAN for Warrington. In summary, these include:
- Limiting the scope to adjust the demographic projection of need;
 - Removing the need to adjust the calculated need for housing to take account of likely employment growth. The methodology suggests that this can still be taken into consideration as a ‘policy-on’ element when setting a level of housing provision within the plan-making process; and
 - Introducing a set of thresholds in relation to market signals uplifts which seek to define an appropriate and proportionate ‘supply’ response to evidence of affordability issues.
- 2.27 Alongside recommendations regarding the assessment of housing need, LPEG also suggested changes to improve the effectiveness of the Duty to Co-operate. These

²⁵ PPG Reference ID 9-020-20140306

²⁶ Letter from Clive Betts MP (Chair, Communities and Local Government Committee) to Gavin Barwell MP (Minister of State for Housing and Planning) titled ‘Inquiry into the recommendations of the Local Plans Expert Group’, 21 July 2016

included proposed revisions to the soundness tests of the NPPF to emphasise the expectation that needs should be met, with authorities who do not plan to meet their own needs identifying how they expect these needs to be satisfied elsewhere. The LPEG recommendations set out proposed revisions to the NPPF and the PPG to strengthen the process, introducing a mechanism whereby authorities apply to their neighbours to meet their unmet needs and, where necessary, engage in representations on their neighbours' plans in order to test the capacity of those adjacent authorities to meet unmet needs.

3. Emerging Policy and Evidence Review

- 3.1 This section details the emerging policy position with regards to housing provision in Warrington, recognising the latest position established within the Scoping Document²⁷ published in October 2016. The housing needs evidence base underpinning this position is also established.

Warrington Local Plan Review

- 3.2 Warrington Borough Council is consulting on the Scoping Document between October and December 2016. This Scoping Document represents the first stage of the review of the Council's Local Plan Core Strategy²⁸, which was adopted in 2014. The primary purpose of the Scoping Document is to identify the key issues raised through the Council's published evidence base, and set out the proposed scope of the review of the Local Plan.
- 3.3 The context for the review of the Local Plan has been shaped by the outcome of the High Court challenge to the adopted Core Strategy, which resulted in the housing target of 10,500 new homes over the period from 2006 to 2027 – or 500 dwellings per annum – being quashed.
- 3.4 On this basis, the Scoping Document proposes that the Local Plan Review focuses on three strategic matters, namely:
- The provision of land and level of housing development that can be accommodated within Warrington, taking objectively assessed needs (OAN) into account;
 - The provision of land for economic development and a growing local economy, taking OAN into account; and
 - Ensuring the timely delivery of the new and improved physical and social infrastructure required to meet the needs of new development and mitigate the impacts on existing communities.
- 3.5 As recognised within the Scoping Document – and in accordance with paragraph 158 of the NPPF – it is important that the first and second objectives are integrated to ensure that policies are mutually supportive. Indeed, the Scoping Document states that ensuring '*a balance between homes and jobs*' in Warrington will necessitate the provision of a minimum of around 1,000 new homes per annum (paragraph 2.13). The Scoping Document also sets out an OAN figure of 381 hectares of employment land up to 2037. The need for housing and employment development is stated as aligning with the supporting of growth aspirations set out in the 'Warrington Means Business' economic development programme as well as the Local Enterprise Partnership's (LEP) Strategic Economic Plan which will deliver 31,000 new jobs in Warrington up to 2040.

²⁷ Warrington Borough Council (2016) Local Plan Review – Regulation 18 Consultation Scope and Contents Document

²⁸ Warrington Borough Council (2016) Local Plan Core Strategy

- 3.6 The Scoping Document contains a short review of the evidence prepared to assess the need for both housing and employment, which inform this proposed position and are introduced below. This evidence base is considered further in section 4 of this report in the context of their alignment with the PPG and the latest published data.
- 3.7 The third strategic matter – whilst focused on the provision of infrastructure – will need to respond to a proposed spatial distribution of housing and employment provision. The Council has to date published limited supporting evidence considering the need for both housing and employment at a sub-authority level, with no specific associated settlement hierarchy and distribution proposed within the Scoping Document. The wider representations submitted by Turley on behalf of Peel consider this issue in further detail in the context of the advanced levels of housing and employment need summarised above.

Mid Mersey SHMA

- 3.8 The Mid Mersey SHMA was published in final form in January 2016, providing an objective assessment of need (OAN) for Warrington in the context of the defined Mid Mersey HMA, which also covers St Helens and Halton.
- 3.9 The SHMA concludes that there is an OAN for 1,756 dwellings per annum across the housing market area over the period from 2014 to 2037. This is disaggregated as follows:
- **Halton** – 466 homes per annum;
 - **St Helens** – 451 homes per annum; and
 - **Warrington** – 839 homes per annum.
- 3.10 The SHMA confirms that these levels of housing need should be considered to represent the full OAN in the absence of development constraints.
- 3.11 The SHMA follows the PPG to derive the OAN, taking into consideration:
- The then-latest 2012-based sub-national household projections (SNHP), described as the ‘starting point’ in the PPG²⁹;
 - Analysis of historic demographic data relating to population and household growth;
 - Forecast future levels of job growth and the implications for a changing labour-force; and
 - Appropriate adjustments to respond to market signals and the need for affordable housing.

²⁹ http://planningguidance.communities.gov.uk/blog/guidance/housing-and-economic-development-needs-assessments/methodology-assessing-housing-need/#paragraph_015

- 3.12 By taking the factors above into account, the concluded OAN represents a 14% upward adjustment from the 2012-based SNHP at the HMA level, when applying a common approach to convert household growth into a need for dwellings.
- 3.13 In the case of Warrington, the adjustments result in an OAN which is almost exactly aligned with that derived from the 'starting point' of the 2012-based SNHP. This results from a negative adjustment to the population projections offsetting modest uplifts associated with supporting economic needs and improving affordability.
- 3.14 The disaggregated OAN for each authority and the adjustments made are shown in the following table.

Table 3.1: Conclusions on OAN in Mid Mersey (dwellings per annum 2014 – 2037)

	Halton	St Helens	Warrington	Mid Mersey
Starting point	233	466	840	1,540
Adjusted demographic starting point	388	369	755	1,512
Meeting economic need	+56	+76	+65	+198
Improving affordability	+22	+6	+19	+47
OAN	466	451	839	1,756

Source: GL Hearn, 2016

October 2016 Additional Evidence

- 3.15 Alongside the publication of the Scoping Document, the Council has also published a series of additional evidence base reports as listed in section 1 of this report. The significant elements of this updated evidence, namely the Economic Development Needs Study³⁰ (EDNS), primarily consider the scale of job growth and employment land which should be provided for within the Local Plan Review. However, as set out above the Council has also recognised the implications of job growth for housing need.
- 3.16 Recognising the relationship between these two elements, the Council has published a 'review of economic forecasts and housing numbers'³¹ (the 'review'). This report was commissioned to consider the various economic forecasts and establish the implications for future housing requirements.
- 3.17 Whilst the exact scope of the report is not clearly defined, reference is made to the need to review and validate the employment forecasts. It is noted that the EDNS includes a more detailed review of the baseline forecasts published by Oxford Economics, with the analysis therefore focused in the 'review' on the implied levels of job growth associated with both the Devolution Deal and the potential implications of the Northern Powerhouse growth projections.

³⁰ BE group & Mickledore (2016) Economic Development Needs Study

³¹ Mickledore (2016) Analysis – A review of economic forecasts and housing numbers

3.18 The report concludes with a recommendation that:

“The Devolution Bid deal of 31,000 jobs over a 25 year period is considered to be realistic based on comparison with the level of job growth Warrington has achieved over the last 20 years and if the level of employment land identified in the EDNA is brought forward for delivery”

3.19 A consideration of the full implications of employment growth on the need for housing falls outside the scope of the work, and it concludes that a *‘more sophisticated model will take account of all of the factors’*.

3.20 The summary of the evidence produced within the Scoping Document indicates that the Mid Mersey SHMA Addendum produced for Warrington³² in October 2016 is intended to fill this role. The Addendum represents a notably concise remodelling of this element of the SHMA. On the basis of the methodology employed within the SHMA, it is concluded that supporting the higher level of job growth implied by the Devolution Deal, 27,280 jobs over the shorter plan period of 2016 to 2037, would result in a revised need for 984 dwellings per annum.

3.21 It is noted that the SHMA Addendum for Warrington does not explicitly state whether underlying demographic assumptions have been updated to take account of the recently published 2014-based sub-national population and household projections (SNPP, SNHP). The Addendum concludes by appearing to suggest that this is not the case, indicating that *‘a more comprehensive update of the SHMA will be required in due course to reflect more recent population and household projections which have been released following publication of the 2016 SHMA’* (paragraph 1.12).

3.22 On this basis, it is assumed that the latest evidence – produced in October 2016 – will be further updated to inform subsequent iterations of the emerging Local Plan Review. The critique set out within this report is therefore mindful of the fact that the evidence base will be revised and updated as the Local Plan develops. On behalf of Peel, Turley therefore anticipates providing a fuller response to matters concerning the OAN for housing and employment as necessitated through the plan-making process.

Warrington Economic Context – The LEP and the Devolution Deal

3.23 It is apparent from the summary of the evidence base documents above, in particular those issued by the Council in October 2016, that the economic strategy context for Warrington represents an important foundation for the development of the Local Plan Review.

3.24 Warrington forms part of the Cheshire and Warrington Local Enterprise Partnership (CWLEP) alongside Cheshire East and Cheshire West Councils.

3.25 The CWLEP promotes itself as *‘871 Square Miles of Opportunity’* asserting that the area is *‘the best performing economy in the North of England and one of the most successful and fastest growing economies in the country’*³³.

³² GL Hearn (2016) Mid Mersey SHMA Addendum for Warrington

³³ <http://www.871candwep.co.uk/>

3.26 The CWLEP's Strategic Economic Plan (SEP) establishes an economic vision built upon four strategic priorities; Atlantic Gateway, Crewe High Growth City, Science Corridor and Energy. The Vision set out within the SEP and Growth Plan is shown below.

Figure 3.1: CWLEP Vision

<p>By 2021 Cheshire and Warrington will be: An economy of £26.6bn with GVA per head 110% of the UK average</p> <p>By 2030 Cheshire and Warrington will be: An economy of £35bn with GVA per head 115% of the UK average Home to an additional 100,000 residents, 75,000 new jobs and 70,000 new homes</p>

Source: CWLEP SEP and Growth Plan

3.27 Within Warrington the planned investment in the Atlantic Gateway includes Warrington Waters, Warrington West and Warrington East which will collectively create a significant number of additional jobs in the authority. It is understood that to date the CWLEP has to date secured £142.7m from the government's Local Growth Fund with £15.3m of new funding confirmed for 2015/16 and £36.7 for 2016/17 to 2021.

3.28 In addition to its contribution to the CWLEP Warrington Council have also set out their growth aspirations within the 'Warrington Means Business' economic development programme, launched in 2013. Warrington Means Business established a number of strategic outcomes based upon planned developments which will include enabling 60,000 new jobs and the retention of existing jobs alongside the creation of 12,000 plus new aspirational and affordable homes.

3.29 The three LEP authorities in the CWLEP jointly submitted a Devolution Growth Deal Bid to Government in September 2015. The progression of this Deal is still be confirmed following discussions around the requirement to have an elected major in order to receive the benefits of devolved powers. The Devolution Deal specifically outlined a vision for Cheshire and Warrington by 2040 to have delivered:

- A £50 billion economy, adding £27 billion per annum to our GVA
- 127,000 new jobs
- 139,000 new homes
- Increased GVA per head to 120% of the national average
- Real public service efficiencies and transformation
- Reduced demands on public services
- Greater fiscal independence to ensure funding for our services is sustainable.

3.30 As set out above the evidence published by the Council to inform the Local Plan Review has taken into consideration the scale of job growth identified through the Devolution

Deal and considered the proportion of growth anticipated to be delivered in Warrington over the Plan period with Warrington anticipated to deliver 31,000 of these new jobs by 2040 (approximately 25%). This growth in jobs is evidently predicated on the range of projects and programmes underpinning the SEP and the Council's own economic strategic priorities. Specific reference is made within the Devolution Deal to the Warrington New City vision which anticipates a boost in the local economy resulting from enhancements to the towns connectivity through HS2 and HS3.

- 3.31 The two Cheshire Local Plans have both set a strong precedent for providing for a level of housing which is closely aligned to the anticipated continued growth of their economies. The Cheshire West Plan was adopted in 2015 and the Cheshire East Plan has progressed through a third set of EiP hearings which have seen its level of housing provision increased to reflect the job-growth ambition at the heart of the Plan. The approach proposed by Warrington Council as summarised in the evidence above broadly aligns with the approach taken in the other parts of the LEP and which has, at least in the case of Cheshire West, been considered sound through the Plan making process.

SHELMA

- 3.32 The six authorities within the Liverpool City Region³⁴ and West Lancashire Borough Council commissioned the preparation of a Liverpool City Region Strategic Housing and Employment Land Market Assessment (SHELMA) in 2016. In May 2016, the Councils consulted upon a method statement and a draft report seeking to define the appropriate HMA and FEMA for the study.
- 3.33 It is understood that the Council do not form part of the commissioning group of authorities for the study. However, the draft report considering the definition of HMAs and FEMAs – whilst confirming that Warrington fell outside of the FEMA – confirmed its inclusion within the Mid Mersey HMA (in alignment with the Mid-Mersey SHMA).
- 3.34 The Scoping Document does not reference the SHELMA. Clarification is therefore required on the envisaged relationship between the evidence being developed across the City Region – noting that this is anticipated to report in early 2017 – and the future development of evidence in Warrington.

³⁴ Halton Borough Council, Knowsley Metropolitan Borough Council, Liverpool City Council, Sefton Council, St Helens and Wirral Metropolitan Borough Council

4. Evidence-based Critique

- 4.1 As set out in section 3, the Scoping Document states at paragraph 2.13 that to *'ensure a balance between homes and jobs it will be necessary to increase the minimum supply of homes to around 1,000 per annum'*.
- 4.2 The review of published evidence in section 3 of this report indicates that this conclusion is based upon a partial update³⁵ to the 2016 SHMA, which has solely focused on the implications of supporting a higher level of job growth in Warrington. This is a key determinant of the level of housing need advanced through the Scoping Document.
- 4.3 The Scoping Document notes that the Council's housing needs evidence will require refinement before a preferred development option is confirmed, with reference made to the publication of updated demographic population and household projections³⁶. The release of the 2014-based SNPP and SNHP following completion of the SHMA provides a new 'starting point' for the assessment of housing needs. While the PPG states that assessments are not automatically rendered out of date following the release of new projections, local authorities are expected to consider any *'meaningful change'* to ensure that needs assessments are informed by the latest available information³⁷.
- 4.4 This section therefore initially considers the scale of change implied by the latest 2014-based SNPP and SNHP. However, the section concurs with the Council's own evidence that these demographic projections – which are trend-based – do not adequately or fully reflect housing need in Warrington. This recognises the important role of the economy in driving future growth, as well as factors which have historically constrained population and household growth, reflected in the analysis of market signals. These elements of the PPG methodology are also considered in more detail in the context of the Council's updated published evidence and the latest available datasets.

2014-based Sub-National Population and Household Projections

- 4.5 As set out above, the ONS and DCLG have both published more up-to-date sub-national population and household projections with a 2014 base, following the publication of the 2016 SHMA.
- 4.6 When allowing for vacancy³⁸, the new 2014-based household projections represent a lower 'starting point' than used in the SHMA, suggesting that a continuation of recent population trends would generate a demographic need for fewer homes than implied by the demographic scenarios presented in the SHMA in each of the Mid Mersey authorities. This is summarised in the following table, with each of the demographic scenarios presented in the SHMA also included for context.

³⁵ GL Hearn (2016) Mid Mersey SHMA Addendum for Warrington

³⁶ Warrington Borough Council (2016) Local Plan Review – Regulation 18 Consultation Scope and Contents Document (para 2.14)

³⁷ PPG Reference ID 2a-016-20150227

³⁸ Vacancy rates from 2011 Census applied for consistency with SHMA – 2.6% in Halton; 4.7% in St Helens and 3.3% in Warrington

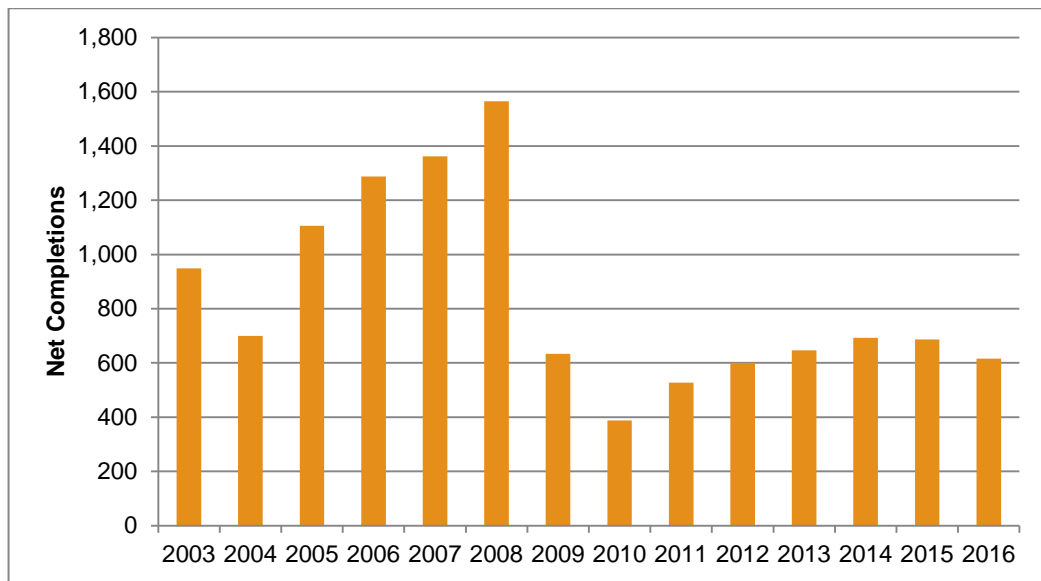
Table 4.1: 2014-based SNHP in Mid Mersey (dwellings per annum 2014 – 2037)

	Halton	St Helens	Warrington	Mid Mersey
Scenario adjusted for UPC (3)	515	269	779	1,563
2012-based SNHP (1)	233	466	840	1,540
Adjusted demographic starting point (4)	388	369	755	1,512
Rebased 2012-based SNHP (2)	261	468	732	1,462
2014-based SNHP	231	421	754	1,407

Source: Turley; DCLG; GL Hearn

- 4.7 This change is principally driven by a lower input level of population change, with the assumed rate of household formation largely consistent between the two sets of household projections. The published 2014-based SNHP includes a sensitivity test whereby the 2012-based household formation rates are applied to the updated 2014-based population projection. This sensitivity would result in the formation of 34,522 additional households between 2012 and 2037, which aligns almost exactly with the 34,519 additional households projected to form over the same period where the 2014-based household formation rates are applied. It should be noted that this is a different period than considered within the SHMA or the table above.
- 4.8 In contextualising these lower projections of population growth, it is important to recognise that the PPG identifies the need for adjustments to the official projections to reflect factors affecting local demography which are not captured in past trends. Specific reference is made in this regard to the potential impact of historic under-supply, and the consequences of a past under-delivery of housing.
- 4.9 It is noted that the Council has identified a discrepancy between its own monitoring of net completions and those published as part of DCLG Live Tables. On this basis, the Council's monitoring data has been used to consider the historic relationship between development and population growth. As shown in the following chart, the recent development profile of Warrington shows a clear distinction between the pre- and post-recession trend.

Figure 4.1: Net Completions 2003 – 2016



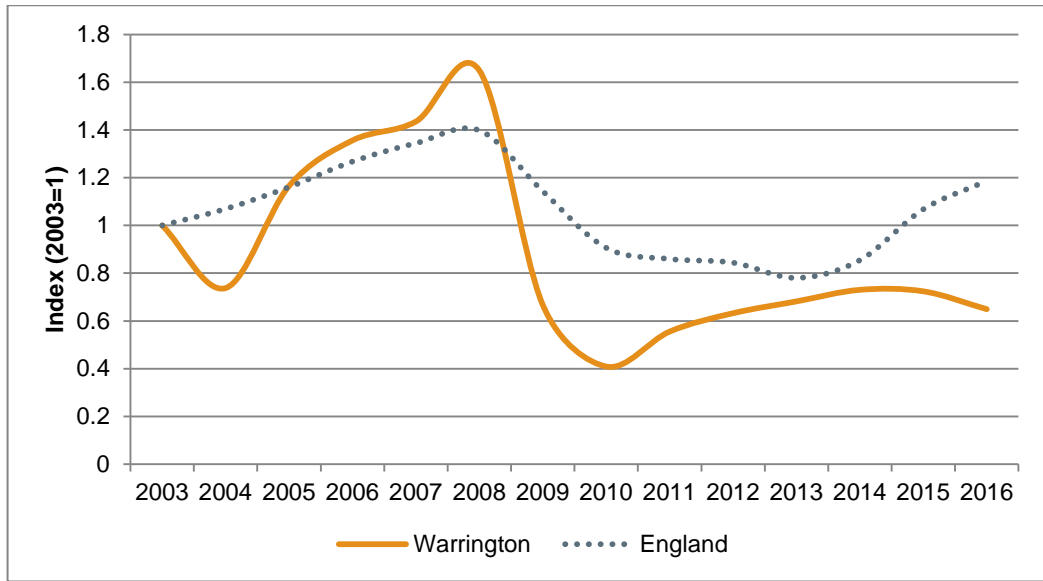
Source: Warrington Borough Council records³⁹

- 4.10 Prior to the recession, Warrington saw consistently high levels of housing development, with in excess of 1,000 new homes delivered annually during the four years prior to 2008. Indeed, prior to the recession (2003 – 2008), an average of 1,162 net additional dwellings were delivered in the borough each year. However, completion levels have subsequently reduced significantly, averaging circa 599 dwellings per annum since 2009. This represents a reduction of some 48% in the average annual level of housing development in Warrington.
- 4.11 This is further illustrated when indexing comparative development rates in Warrington against the national picture⁴⁰. Figure 4.2 illustrates that there was a more substantial decline in the rate of development in Warrington than seen nationally following the onset of the recession, with the borough evidently slower to return to the levels of development previously seen prior to the downturn. It is also apparent from Figure 4.2 that whilst nationally there has been a return to a stronger level of completions this trend has yet to be mirrored at a local level in Warrington.

³⁹ Data cited within Appendix 1 of 'A review of economic forecasts and housing numbers', Mickledore Ltd, October 2016

⁴⁰ DCLG Live Table 122 – Housing Supply, net additional dwellings by local authority district, England 2001-02 to 2015-16

Figure 4.2: Indexed Rate of Development in Warrington and England



Source: DCLG; Warrington Borough Council

- 4.12 As well as the overall level of completions, it is important to recognise the historic planning policy position in Warrington, which also forms an important context when considering historic completions. The North West Regional Strategy (NWRS) sets a minimum target for 380 net additional dwellings per annum in Warrington over the period from 2003 to 2021, under Policy L4 'Regional Housing Provision'. The NWRS was adopted in September 2008.
- 4.13 Firstly, the adoption of the policy impacted upon both the Council's response to applications for housing as well as the position of those seeking to advance development in the borough. This will have served to constrain the supply of housing in Warrington. The NWRS was not revoked until May 2013, with the impact of this constraint therefore influencing the development of housing in the borough for approximately five years.
- 4.14 Furthermore, the constraint of development in Warrington was a specific policy objective, with the low level of housing provision set through the NWRS intentionally contrasting with the higher levels of development achieved historically rather than seeking to respond to evidence of need or demand. This is reflected within the evidence base which underpinned the development of Policy L4, with the technical appendix of the submitted draft NWRS⁴¹ identifying an annual need for 1,214 dwellings per annum in Warrington, based on the mid-point between the two alternative preferred scenarios.
- 4.15 The extent to which a historic approach can influence demographic trend-based projections is recognised within the latest guidance issued by the Planning Advisory Service (PAS):

"Planning policy and environmental designations generally do constrain housing development, and have done so for many decades. When we assess future demand by

⁴¹ 'The North West Plan Submitted Draft Regional Spatial Strategy for the North West of England', NWRA, 2006

*projecting forward past trends, we also project forward the effect of those past constraints. Rather than policy-off, it is a policy-same, or policy-neutral, estimate*⁴²

- 4.16 Restricting the supply of new housing through policy, as was the case in Warrington, can influence migration in particular, given that existing residents are more likely to move elsewhere if there is an insufficient supply of housing, with a limited capacity to accommodate new in-migrants.
- 4.17 The latest SNPP and SNHP are based upon the 5/6 year demographic period preceding their 2014 base. In the context of the development profile set out at Figures 4.2 and 4.3, this period evidently represents one shaped by consistently low levels of development, and will also have been influenced by the impact of policy constraints over this period in the borough.
- 4.18 The ‘trend-based’ projections need to be considered within this context recognising their limitations in projecting future needs in full for Warrington. It is agreed that understanding in more detail the future potential drivers of growth therefore forms a more important consideration in establishing the full future housing need pressures in Warrington. These are considered further later in this section.

Considering the Implications of Brexit

- 4.19 There is no implication within the Council’s evidence base that there is an intention to reference the potential impact of Brexit. This approach is considered appropriate in the absence to date of a clear strategy by the Government to Brexit and an absence of data to underpin an understanding of any long-term implications. This is considered further below.
- 4.20 In June 2016, the UK voted to leave the EU following a national referendum. The invoking of Article 50 is the first step in the ‘Brexit’ process – commencing 2 years of formal negotiations – but in order to provide time to build a national consensus on the approach to negotiation with the EU⁴³, the Prime Minister has confirmed that Article 50 will be invoked no later than March 2017⁴⁴. This suggests that the UK will not formally leave the EU before 2019.
- 4.21 Migration was central to the referendum debate, and is a key element of future population growth projections and therefore housing need. While there may be an expectation that levels of migration change over the long-term as a result of leaving the EU, the exact nature and scale of change remains unknown, with no clear policy direction beyond a suggestion that ‘*an immigration system that allows us to control numbers and encourage the brightest and the best to come to this country*’ can be created⁴⁵.
- 4.22 Official projections make no assumption on the nationality of future international migrants, as confirmed by the National Statistician and Chief Executive of the UK Statistics Authority:

⁴² Planning Advisory Service (2015) Objectively Assessed Need and Housing Targets – technical advice note

⁴³ Ministerial statement of Rt Hon David Davis MP – Exiting the European Union (5 September 2016)

⁴⁴ Speech by Theresa May at Conservative Party Conference, 2 October 2016

⁴⁵ Ibid

“The migration assumptions are set in terms of in and out flows for the constituent countries of the UK by age and sex; they are not produced by nationality or country of last residence. Therefore ONS does not have an estimate of the number of immigrants from other EU and EEA member states who will (a) enter and (b) settle in the UK in each of the next five years”⁴⁶

- 4.23 When considering the implications of Brexit, this inhibits any isolation of EU migrants from official projections. However, it is important to recognise that the latest 2014-based national population projections (NPP) – which underpin the household projections – reveal that the statistical projection methodology employed by the ONS already assumes a long-term reduction in the impact of international migration on the UK’s population. The methodological assumptions used within the latest NPP evidently predate Brexit, but equally do not seek to take account of political factors, instead extrapolating forward future projections on the basis of historic trends and recognising that they *are produced without trying to predict any potential impacts of unrealised factors*⁴⁷.
- 4.24 The latest immigration data for the year ending March 2016 shows that there were 327,000 net international migrants to the UK. Of this total, 190,000 were non-EU migrants and 180,000 were from EU member states, with both collectively offset by an outflow of 43,000 British citizens in the same year.
- 4.25 The 2014-based NPP do not simply assume that this level of net migration – which has now been consistently seen for a number of years – is sustained over the long-term. The ONS dataset projects that international migration will fall to approximately 185,000 by 2020/21, with this level assumed to be broadly sustained over the remainder of the projection period through to 2037. This implies a reduction of some 44% in international migration levels in the next five years. As noted, this is a significant reduction and would be the equivalent of almost 80% of all EU-based migration ceasing during the projection period as a result of forthcoming Brexit negotiations, if it is assumed that non-EU migration levels remain comparable with more recent rates.
- 4.26 On this basis, there is no evidenced justification for viewing the projections of population growth implied by the 2014-based NPP, SNPP and SNHP as over-representing future growth in the short-term or indeed over a longer-term plan period. It is understood that the ONS does not plan to release any further iterations of their projections in advance of the 2016-based dataset, which would not be published before late 2017 at the earliest following the usual timetable. This will be the first set of official national projections which will be published in a post Brexit context.

Adjustment to Household Formation Rates

- 4.27 The 2016 SHMA includes an adjustment to household formation rates (‘headship rates’). This uplift is derived from an adjustment to headship rates amongst younger people, enabling a return to rates last seen in 2001 rather than continuing the suppressed assumptions – linked in the SHMA’s methodology to worsening market signals – within the 2012-based SNHP. This evidently represents a positive modelling response which

⁴⁶ Letter from John Pullinger CB CStat to William Wragg MP (29 April 2016)

⁴⁷ ‘Information Paper Quality and Methodology Information’, 27 May 2016, ONS, pg 2

recognises the challenges faced by younger households in particular to form as a result of a dysfunctional housing market over the last 15 years.

- 4.28 The increase in young households excluded from accessing the housing market represents a fundamental issue for the Government. Within the Explanatory Notes to the Housing and Planning Act 2016, the Government identifies a link between the impacts of worsening affordability and a failure to provide sufficient numbers of homes, with falling rates of home ownership and deteriorating formation rates amongst younger households. Within the policy background to the Act, the Government references a number of statistics including the English Housing Survey, which confirms that the proportion of under 40 year olds who own their own home has fallen by a third from 61% to 38%. ONS statistics are also cited which indicate that as of 2014, approximately one in four (26%) people aged 20 to 34 were still living with parents. The Act puts in place various tools and requirements aimed at addressing these statistics to deliver against the Government's manifesto commitment to *'build more homes that people can afford'*.
- 4.29 Whilst it is acknowledged that planning policy and housing land supply is not the only reason for people being excluded from the housing market, simply assuming that these trend-based projections are sustained and viewed as an acceptable new 'baseline position' would essentially serve to accept and maintain the implications of housing under-supply, impacting mostly on younger age groups.
- 4.30 As recognised in the Government's own supporting background to the Housing and Planning Act, the issues facing the younger generation have been clearly evidenced within the English Housing Survey, with the latest iteration confirming that home ownership for younger age groups has fallen markedly. The ONS recently considered the issue of *'Why are more young people living with their parents?'* on the basis that young adults (aged 20 to 34) in the UK are more likely to be sharing a home with their parents than any time since 1996⁴⁸. The statistics indicated that there were 618,000 more young adults living with their parents in 2015 than in 1996 – 3.3 million compared with 2.7 million.
- 4.31 These statistics are also advanced alongside a considered view of their implications within the recently published Redfern Review⁴⁹:
- "The most obvious example of the hidden household in the context of this Review is young adults living at home with mum and dad because they cannot afford to move out-either to buy or to rent...It is difficult to believe that, all of a sudden, the preference for 25-34-year-olds has changed so that they want to stay at home. Their decisions must be influenced by the changing availability of housing and the changing affordability constraints faced by this group"*
- 4.32 Whilst it is recognised that the approach taken to respond to market signals through an adjustment to headship rates has been accepted by at least one Inspector through the Examination of a Local Plan (Horsham), it is important to consider the implied scale of the adjustment in the context of elevating the assessment of need beyond the demographic starting point.

⁴⁸ ONS Digital (February 22, 2016) 'Why are more young people living with their parents?'

⁴⁹ The Redfern Review into the decline of home ownership, November 2016, p53

- 4.33 As set out in section 3, the impact of this adjustment in Warrington is to elevate the implied need for dwellings by only 19 dwellings per annum. This represents an adjustment of only 2.3%. The impact of this adjustment therefore needs to be considered in the context of other adjustments from the ‘starting point’ in calculating the OAN for the authority. This is considered further in particular under the review of the market signals evidence later in this section.
- 4.34 The precise methodology employed within the SHMA to calculate the adjustment is not specified. It is of note that the Stage 2 Household Formation Rates for the 2012-based SNHP dataset were published in December 2015, providing a more detailed position against which an uplift can be calculated. In many cases, the adjustment using these Stage 2 headship rate datasets presents a more significant uplift than that using the Stage 1 headship rates. There is a strong possibility on this basis that the adjustment presented within the Mid Mersey SHMA represents an under-estimate of that required to address the implications of a recognised historic suppression of younger households forming in Warrington.
- 4.35 It is of note that the latest 2014-based SNHP included the detailed Stage 2 headship rates at publication. Any subsequent adjustment prepared as part of an update to the SHMA should factor in the availability of this dataset.

Employment Growth

- 4.36 Warrington is widely recognised as having enjoyed significant recent historic success in generating new jobs. The Economic Development Needs Study⁵⁰ (EDNS) confirms:

“Warrington has generated significant employment growth in the period 1998 – 2014 (the period over which employment data is readily available). During this period its employment generation rate has outstripped that of the LEP area, the region or the national average (England). The result was that over 1998-2014, Warrington’s workforce grew from 101,000 to 122,000, a rise of some 21 percent...In the same period employment growth in England was 14 percent and the North West managed just 10 percent growth” (pg 35)

- 4.37 Other elements of the Council’s latest evidence base document⁵¹ reaffirm the historic success of Warrington in generating new employment opportunities:

“The town has achieved high economic growth in the past, been a beacon for economic growth within the sub-region, and has aspirations to continue this growth over the next 20 years”

- 4.38 As noted in section 2 of this report, the PPG highlights the importance of taking employment trends into account in establishing OAN, in order to ensure that the labour force grows in line with likely job creation⁵².

⁵⁰ BE group & Mickledore (2016) Economic Development Needs Study

⁵¹ ‘A review of economic forecasts and housing numbers’, Mickledore Ltd, October 2016

⁵² PPG Reference ID 2a-018-20140306

- 4.39 As explained in section 3, the Scoping Document proposes to plan for the creation of 31,000 jobs up to 2040, equating to 1,240 jobs per annum (25 year period), with this asserted to align with the Devolution Deal.
- 4.40 However, the Council's evidence base considers a range of different potential forecasts of employment growth over the plan period, noting this has a base date of 2016 and only extends to 2037. These are summarised in the following table.

Figure 4.3: Forecast Employment Growth in Warrington 2016 – 2037

	Total jobs created	Annual
Northern Powerhouse policy trend ⁵³	205,000	9,762
Previous employment trends (1992 – 2014)	36,175	1,723
Devolution Deal	27,280	1,240
Oxford Economics baseline	19,659	936
Cambridge Econometrics baseline	18,300	871

Source: Warrington Borough Council evidence base documents

- 4.41 Whilst the level of job growth represented by the Devolution Deal projection at face value appears ambitious, it is evidently below rates of historic growth, as recognised in the Council's own evidence base. Over more recent years, the development of Omega has formed an important part of the borough's economic success. The continued development of the strategic site is anticipated within the Council's evidence base – recognising its success to date – with the stated potential for the site to accommodate between 12,000 and 20,000 jobs when fully built out⁵⁴.
- 4.42 Within Section 3 an overview of the Council's economic ambitions was summarised within this including the Warrington Means Business initiative, which includes the targeted enabling of some 60,000 new jobs and retention of existing jobs⁵⁵. Cumulatively, this would imply that there is potential for Warrington to see total employment grow at a faster rate than the preferred scenario.
- 4.43 As well as falling below levels of growth seen historically, the preferred economic growth scenario appears to also fall significantly short of the Government's ambitions for the economic growth of the North. This is based on the Council's own interpretation of the Northern Powerhouse evidence base, albeit it is acknowledged in the Council's evidence base that this projection appears *'somewhat unlikely'*⁵⁶. It is noted that this takes no account of the potential spatial distribution of additional job growth or its relative timing, noting that higher job growth is predicated upon the successful delivery of significant infrastructure investment.

⁵³ Calculated based upon a 119% above trend growth for the northern region, predicted by SQW in the Northern Powerhouse Independent Economic Review

⁵⁴ 'Economic Development Needs Study' BE Group & Mickledore, October 2016 (pg 28)

⁵⁵ Cited in the 'Economic Development Needs Study' BE Group & Mickledore, October 2016 (pg 25)

⁵⁶ 'A review of economic forecasts and housing numbers', Mickledore Ltd, October 2016

4.44 Finally, it is notable that the EDNS considers the baseline forecasts referenced above as well as the implied job growth under the Devolution Deal. However, it is concluded that the assessed need for employment land should be based on historic take-up, given the historic strength in the take-up of land in the borough, particularly at Omega. This results in the EDNS concluding that there is an assessed need for significantly more employment land than implied by forecast job growth. While this conclusion is not disputed, it reinforces the potential for job growth to surpass the levels indicated by the baseline and adjusted forecasts where employment land is fully taken up over the plan period.

4.45 The Council's position with regards to the importance of aligning job growth and housing needs is set out clearly within its evidence base⁵⁷, which confirms that:

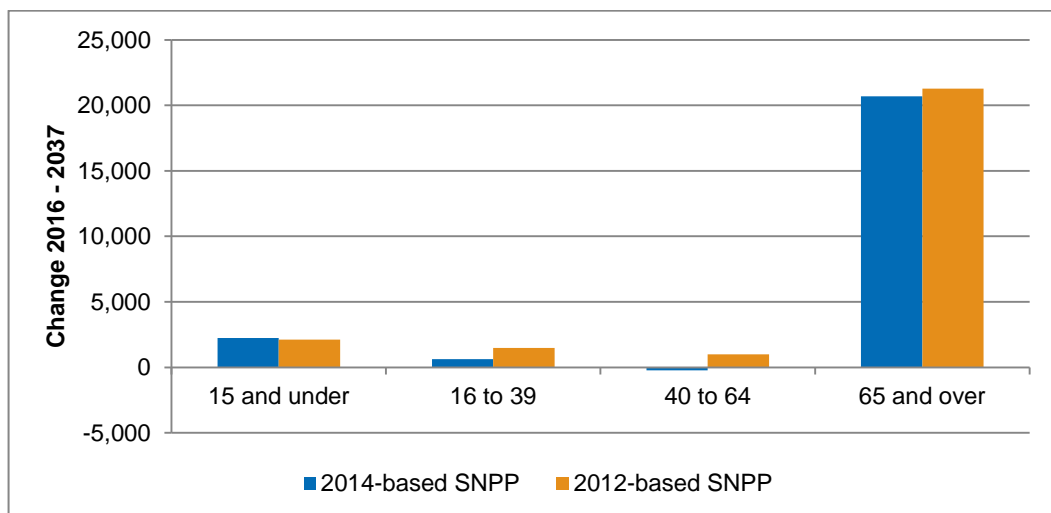
“The plans need to assume economic growth, employment and the housing provision to ensure that the cost of economic growth is not unsustainable commuting. All housing projections must now, for planning purposes, be linked to employment forecasts” (pg 1)

4.46 In advancing the development of the Local Plan Review, the implications of potentially higher levels of job growth than the 31,000 state in the Scoping Document will need to be considered, particularly in the context of historic rates of growth. This will ensure that the overall objectives of sustainably supporting growth are not undermined.

Labour Force Behaviour

4.47 In taking employment trends into account, the PPG clearly highlights the importance of considering future change in the working age population in order to understand the implications for labour force supply⁵⁸. Figure 4.3 shows the change in key age groups projected over the plan period in Warrington under the 2014-based and preceding 2012-based SNPP.

Figure 4.4: Projected Changes to Age Profile of Warrington 2016 – 2037



Source: ONS, 2016

⁵⁷ 'A review of economic forecasts and housing numbers', Mickledore Ltd, October 2016

⁵⁸ PPG Reference ID 2a-018-20140306

- 4.48 Both the 2014-based and preceding 2012-based projections assume a substantial growth in the older population over the plan period, suggesting that a continuation of recent demographic trends will lead to a significant ageing of the population in Warrington. Only limited growth in the working age population (16 – 64) is projected. Indeed, the 2014-based SNPP projects a growth of only 378 working age residents over the emerging plan period.
- 4.49 In accordance with the PPG, this confirms the need to uplift the demographic trend-based projections to grow the working age population, providing the labour force to support even baseline levels of future job growth. This is recognised within the Council's evidence base, with the identified level of housing need within the SHMA and the Scoping Document higher than the 'starting point' demographic projections (2014 SNPP/ SNHP).
- 4.50 Whilst this uplift is considered a positive step, it is noted that there is considerable uncertainty around how labour force behaviour will change over the emerging plan period. As such, we identify a number of concerns regarding the justification behind the assumptions applied in the development of future growth scenarios. Guidance produced by PAS notes the importance of:
- "[Avoiding] unrealistic assumptions on the relationship between housing, population and jobs. A number of housing assessments have been criticised by Inspectors for expecting very fast increases in economic activity rates. Such increases reduce the population growth, and hence the number of homes, that is required to support a given number of new jobs. But unrealistic figures put the emerging plan at risk"*⁵⁹
- 4.51 The EDNS confirms that 'Warrington has a skilled, growing and economically active population, with a low unemployment rate' (para iv). This evidently represents a positive context, which reflects the success of the borough in historically generating new jobs. However, the comparatively high level of economic participation in the borough means that the degree of latent capacity in the labour force – those who are not currently economically active – is likely to be relatively limited. This has implications for the ability of the borough to support growth in its economy without increasing its overall workforce through the in-migration of new persons of working age.
- 4.52 It is understood that the approach to aligning forecast job growth and labour force change – and by implication the implied housing need – within the 2016 SHMA and the Warrington Addendum applies forecast changes to employment rates based directly on those used within the Oxford Economics forecast⁶⁰. The 2016 SHMA acknowledges that these represent one 'particular view about how employment rates might change in the future'⁶¹.
- 4.53 A review of labour force assumptions integrated within many of the economic forecasting houses models has highlighted significant deviation away from historical trends. Equally, the scale of adjustments applied to different age groups regularly

⁵⁹ Planning Advisory Service (2015) Objectively Assessed Need and Housing Targets – technical advice note (para 8.15)

⁶⁰ This appears to be confirmed on pg 3 of the 'A review of economic forecasts and housing numbers', Mickledore Ltd, October 2016

⁶¹ GL Hearn (2016) Mid Mersey Strategic Housing Market Assessment (para 5.23)

extends well beyond 'known' changes associated with changes to state pension ages, for example. Such changes represent more subjective adjustments, resulting from anticipated lifestyle changes.

- 4.54 Evidently, it is extremely difficult to accurately forecast future labour-force behaviour. Furthermore, the extent to which forecasting houses regularly update their assumptions – and the extent to which they move beyond evidence-based positions – suggests that caution should be applied in simply adopting forecasting houses' assumptions without further consideration.
- 4.55 Within the Warrington SHMA Addendum, it is understood that the adjustments applied to employment rates (Table 1) are identical to those applied within the 2016 SHMA, set out at Table 43. It is stated that these adjustments are '*entirely consistent with the [Oxford Economics] economic forecast*' (para 5.21). The robustness of applying labour-force forecast behaviours from one forecasting house to another independent model is questionable.
- 4.56 Given that there is significant uncertainty around how participation rates may change in future, it is concerning that the SHMA does not seek to sensitivity test these assumptions in order to establish whether they represent an overly optimistic scenario or one which contrasts with other available datasets.
- 4.57 Relying on a significant deviation from historic trends, for example, could inhibit the growth of the labour force and constrain the future economic potential of Warrington. The SHMA does not, for example, consider the growth in labour force required if only modest changes to economic participation occur over the plan period. The singular approach adopted is considered to represent an insufficiently nuanced position, recognising the uncertainty and complexity associated with labour-force behaviour.
- 4.58 Elsewhere in the evidence base⁶², it is confirmed that the assumed increase in the employment rate results in over one in ten (10.55%) additional jobs over the plan period being supported by Warrington residents who are currently unemployed. In the context of the comparatively strong employment levels in Warrington, this position appears ambitious. Without this contribution from existing economically inactive residents, there would be a resultant need for a stronger in-migration of working age people, who in turn would need housing.
- 4.59 The SHMA acknowledges that other approaches could be taken, with Office for Budget Responsibility (OBR) forecasts and analysis by Kent County Council specifically cited in the report. These approaches are discounted, however, given that '*neither...are specific to the local area...[and therefore] would not provide robust and consistent outputs*'⁶³.
- 4.60 The merits of applying OBR adjustments to economic activity rates have, however, been recognised by Inspectors. Such adjustments have been given weight in a recent appeal decision⁶⁴ and also feature within the LPEG recommendations on the revised PPG

⁶² 'A review of economic forecasts and housing numbers', Mickledore Ltd, October 2016

⁶³ Ibid

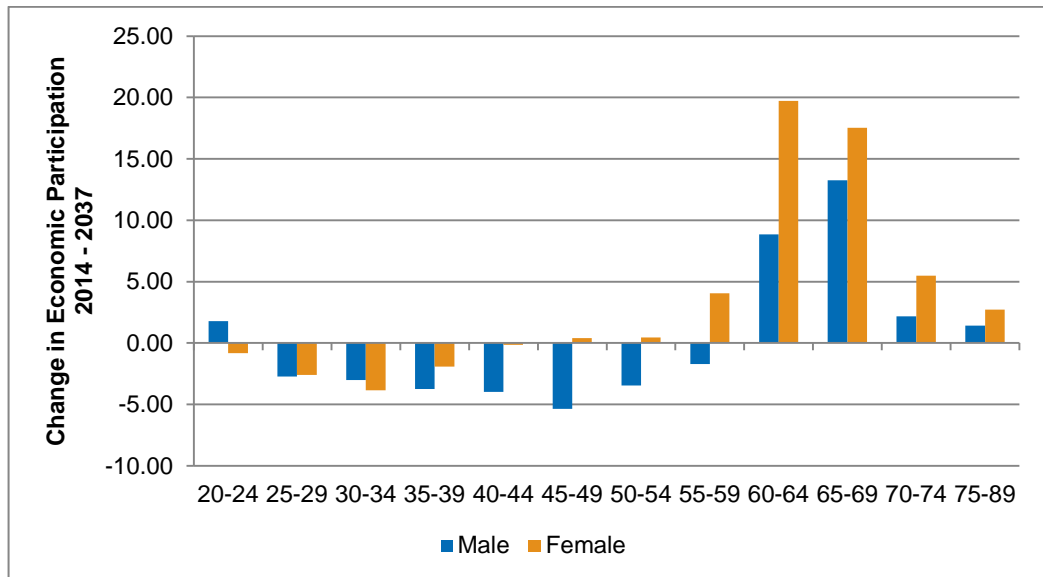
⁶⁴ Appeal Decision APP/V0728/W/15/3018546 (para 21)

text⁶⁵. It is understood that the latest planned level of provision within the Cheshire East Local Plan is based upon the alignment of job growth and labour-force change which broadly applies the OBR adjustments to economic activity rates⁶⁶, establishing an important local precedent for such an approach. The Inspector examining the Cheshire East Local Plan confirms in his latest Further Interim Views⁶⁷ that:

“CEC has also considered the implications of an ageing population in Cheshire East and the need to provide more potential employees to take up the increase in jobs needed to ensure the success of the economic strategy, as well as the quality of new jobs and increases in productivity.” (paragraph 13)

4.61 Over the period assessed in the SHMA (2014 – 2037), it is noted that the OBR forecasts a more limited growth in economic participation amongst working age residents, with the greatest change in the participation of older people. This is illustrated in the following chart, based on the detailed data underpinning the 2015 Fiscal Sustainability Report.

Figure 4.5: OBR Forecast Change in Economic Participation by Age 2014 – 37



Source: OBR

4.62 While this cannot be directly compared with the assumptions applied within the 2016 SHMA and addendum – given that both apply adjustments based on broader age groups – it is notable that the participation rate in each age group is assumed to increase over the assessment period, as summarised in the following table. This evidently contrasts with the more limited increases forecast for working age people, in particular the groups 25 – 59, by the OBR within their national forecasts.

⁶⁵ LPEG Recommendations Appendices Report – Appendix 6 – Housing and Economic Development Needs Assessment – Revised PPG Text, March 2016

⁶⁶ ‘Cheshire East Housing Development Study’, ORS, June 2015. Paragraphs 3.23 – 3.46

⁶⁷ ‘Inspector’s Further Interim Views on the Additional Evidence Produced by the Council During the Suspension of the Examination and its Implications for the Submitted Local Plan Strategy’ Cheshire East Council Examination of the Cheshire East Local Plan Strategy, 11.12.15

Table 4.2: 2016 SHMA Adjustments to Economic Activity Rates 2014 – 37

	16 – 24	25 – 34	35 – 49	50 – 64	65+
Males	+4.8%	+7.5%	+8.4%	+10.2%	+2.5%
Females	+5.2%	+11.9%	+11.9%	+13.7%	+2.1%

Source: GL Hearn

- 4.63 Whilst it is acknowledged that all forecasts contain a degree of uncertainty, applying a range of adjustments and assumptions – rather than a single adjustment linked to an employment forecast – would provide a crucial part of the evidence base in highlighting the range of population growth that may be required to support future employment growth. This allows the impacts of these assumptions to be more clearly evaluated, and the implications considered.

Market Signals

- 4.64 As established in section 2 of this report, the PPG requires local authorities to take account of any historic imbalance between housing supply and demand, manifest through worsening market signals.

- 4.65 The rationale for increasing supply to address house price escalation and therefore worsening affordability formed an important part of the conclusions reached in the recently published Redfern Review⁶⁸. Importantly, this found that the supply of housing had a relatively small impact on the rapid growth in house prices prior to the recession, on the basis that *‘new supply outstripped the rate of household formation’* over the 1996 – 2006 period. The report, however, goes on to identify that *‘since the financial crisis this picture has reversed’*.

- 4.66 Based on the modelling undertaken to support the review, the position is advanced that:

“In order for real house prices to rise in line with real earnings in the longer run, with current low interest rates, we would have to substantially ‘out build’ the growth in the number of households, assuming that in this scenario all the elasticities remain the same. With real earnings growing at 1.5% per year, real house price rises would be in the order of 3% annually, all other things being equal. This implies we would have to ‘out build’ the growth in households to trim the real house price rate increases back to anything near 1.5% - i.e. the same as real earnings growth – and so stabilise prices relative to earnings”⁶⁹

- 4.67 The report confirms that (emphasis added):

“For policymakers the implications of this analysis are very relevant. Restrictions on new housing supply have not been the main culprit when it comes to price rises over the past 25 years, although they have constrained availability. But looking forward, if the number of households in the UK were to grow at around 200,000 per year, new supply of 300,000 dwellings per year over a decade would be expected to cut house price inflation

⁶⁸ The Redfern Review into the decline of home ownership, November 2016, p15

⁶⁹ *Ibid* paragraph 12 Part Two

*by around 5% points (0.5 percentage points a year)...In other words boosting housing supply will have a material impact on house prices, but only if sustained over a long period*⁷⁰

4.68 The report goes on to recommend:

“We can significantly improve supply where it is needed – in the long-term, in a sustainable way but only if we adopt a long-term principle-driven approach. This has to include a stable and supportive environment for all main housing tenures.”

4.69 The establishment of a housing requirement figure within a pro-active development framework such as the Local Plan provides such a vehicle to support the elevation of supply over the longer term in those areas where there is evidence of a high demand for housing. This will ensure that the growth in house prices, whilst not stopped or reversed, is not unsustainable in scale.

4.70 It has already been noted in this section that the SHMA considers that the adjustment to household formation rates alone represented an appropriate response to market signals. The SHMA identifies in Tables 69 and 70 that this adjustment elevates the housing need by between 2.7% and 3.0% across the Mid Mersey area. It is recognised within the SHMA that this scale of uplift ‘looks to be fairly modest’ (paragraph 8.140). The adjustment for Warrington of 2.3 – 2.5% in this context, as noted earlier, appears by comparison even more modest.

4.71 The limited uplift associated with market signals in particular needs to be considered in the context of the cumulative adjustments relating to demographic and economic factors, and then compared back to the ‘starting point’ in the assessment of need established under the DCLG projections.

4.72 Within the 2016 SHMA, there is a concluded OAN for 839 dwellings per annum in Warrington. This broadly aligns with the scale of need implied by the then-latest 2012-based SNHP. As set out earlier in this section, the latest 2014-based SNHP imply a lower ‘starting point’ of 754 dwellings per annum. However, for the reasons set out within this section, this dataset is considered likely to under-represent the borough’s full demographic needs.

4.73 The rationale behind the application of a market signals adjustment under the PPG is, at least in part, to respond to historic evidence of under-supply, noting that this is a significant national issue. Such an adjustment should represent a positive response to correcting affordability issues.

4.74 The concluded OAN for 839 dwellings per annum in Warrington within the 2016 SHMA would represent a relatively modest uplift in the context of the above, and is considered unlikely to provide a sufficiently positive response to the more recent historic implications of under-provision. By contrast, the proposed provision of a minimum of 1,000 dwellings per annum – advanced through the Scoping Document and based on the addendum recently produced for Warrington – would deliver a more meaningful increase in supply. Whilst such a level of provision would boost recent levels of

⁷⁰ *Ibid* paragraph 17 Part Two

development, delivery of this scale is by no means unprecedented, having been consistently achieved over a four year pre-recession period to 2008.

- 4.75 Responding to worsening market signals by elevating the demographic projection of need is also integral to the LPEG recommendations. While these recommendations do not represent current adopted guidance and are being considered by Government – and therefore need to be accorded appropriate weight – they provide further context in relation to the scale of adjustment required to positively respond to worsening market conditions.
- 4.76 The proposed amendments to the PPG⁷¹ seek to simplify the proposed methodology in this regard, focusing on a set of fixed thresholds and adjustments based on the relative affordability of house prices and rents. These signals are termed the house price (HPR) and rental affordability ratio (RAR) respectively.
- 4.77 DCLG recently published updated evidence on the HPR⁷², which shows the ratio between median house prices and median earnings over the past three years. The LPEG methodology suggests that a three year average should be calculated to allow for volatility or anomalies. This is calculated in the following table for Warrington and the other authorities in the HMA. The England ratios are provided for context.

Table 4.3: Average House Price Ratio 2013 – 2015

	2013	2014	2015	Average
England	6.92	7.25	7.63	7.27
Warrington	5.94	6.09	6.16	6.06
St Helens	4.92	5.38	5.23	5.18
Halton	4.71	4.67	4.56	4.65

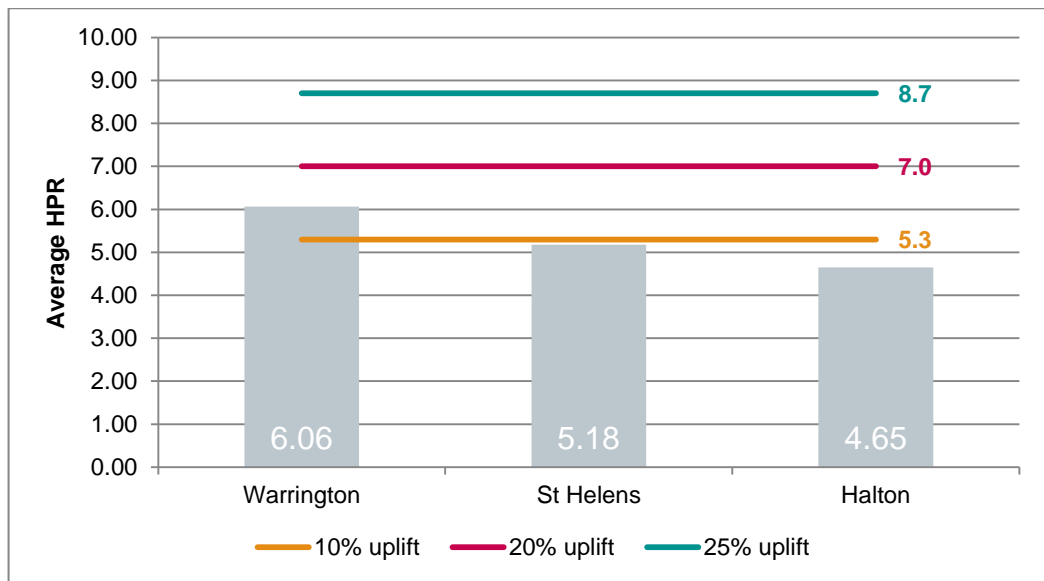
Source: DCLG, 2016

- 4.78 This dataset indicates that median house prices in the HMA as a whole are more affordable than the national position, relative to earnings. However, it is notable that Warrington is the least affordable of the three Mid Mersey authorities, with the borough also the only area to see a consistent year-on-year increase in the affordability ratio over the period presented above. This mirrors the national trend, and indicates that house price and earnings growth has been imbalanced over this period.
- 4.79 Importantly, while the data suggests that Warrington has a relatively low average HPR, it is the only one of the three authorities which exceeds the threshold of 5.3 above which a 10% uplift should be applied when aligning with the proposed LPEG methodology. This is illustrated in the following chart.

⁷¹ Local Plans Expert Group (2016) Report to the Communities Secretary and to the Minister of Housing and Planning – Appendix 6

⁷² DCLG (2016) Live Table 577 Ratio of median house price to median earnings by local authority

Figure 4.6: Benchmarking HPR with LPEG Thresholds



Source: LPEG, 2016

- 4.80 In the context of the national imperative to boost the supply of housing, it is evident – with reference to the LPEG recommendations – that the failure of the SHMA to apply an adjustment to the demographic scenario beyond the 2.3% uplift related to the household formation rate modelling is likely to be viewed as insufficient.
- 4.81 While it is recognised that even applying a 10% uplift to a demographic trend-based scenario would likely result in a level of housing need which falls below that implied by an employment growth scenario, this nevertheless serves to strengthen the justification for providing for a higher level of housing need than concluded within the 2016 SHMA for Warrington.

5. Conclusions

- 5.1 This report has been prepared by Turley on behalf of Peel to support the submission of representations to the Warrington Local Plan Review Regulation 18 Consultation Scope and Contents Document⁷³ ('the Scoping Document').

Emerging Policy and Evidence Base

- 5.2 Warrington Borough Council is consulting on the Scoping Document between October and December 2016. This Scoping Document represents the first stage of the review of the Council's Local Plan Core Strategy, which was adopted in 2014. The primary purpose of the Scoping Document is to identify the key issues raised through the Council's published evidence base, and set out the proposed scope of the review of the Local Plan.
- 5.3 The context for the review of the Local Plan has been shaped by the outcome of the High Court challenge to the adopted Core Strategy, which resulted in the housing target of 10,500 new homes over the period from 2006 to 2027 – or 500 dwellings per annum – being quashed.
- 5.4 The Scoping Document states that ensuring '*a balance between homes and jobs*' in Warrington will necessitate the provision of a minimum of around 1,000 new homes per annum (paragraph 2.13). This is based on a number of evidence base documents, which influence the assessment of an appropriate level of housing growth to be planned for in Warrington. These include:
- Mid Mersey Strategic Housing Market Assessment (SHMA) published in January 2016 in final form;
 - Mid Mersey SHMA – Addendum for Warrington published in October 2016;
 - Analysis – A review of economic forecasts and housing numbers published in October 2016; and
 - Economic Development Needs Study published in October 2016

- 5.5 The evidence presented in these documents is reviewed and appraised in the context of the latest available data – noting that they all represent recently published documents – and the methodology set out in Planning Practice Guidance (PPG).

Proposed Provision of Housing in Warrington

- 5.6 The Council has produced a significant volume of evidence considering the potential need for housing in Warrington to inform the development of the Local Plan Review.
- 5.7 The Scoping Document evidently seeks to adopt a positive position in planning for a level of housing growth (c.1,000 dwellings per annum) which exceeds that required to meet objectively assessed needs (OAN), based on the latest evidence produced for the

⁷³ Warrington Borough Council (2016) Local Plan Review – Regulation 18 Consultation Scope and Contents Document

borough within the 2016 Mid Mersey SHMA (839 dwellings per annum). It is considered that this approach strongly aligns with the Government's continued imperative to significantly boost the supply of housing and support the growth of the economy.

5.8 The proposed elevation in housing provision to support anticipated job growth advanced by the Council is supported in principle. However, this report has identified a number of specific issues and challenges in its justification, based on the evidence produced to date. Collectively, these indicate that the scale of housing provision planned may potentially fall short of that required to fully support the Council's economic growth agenda, despite appearing relatively ambitious in the context of recent delivery. In summary these concerns include:

- The extent to which the assumed creation of 28,000 jobs over the plan period – preferred within the Council's evidence base – would truly realise the economic potential of Warrington. It is noted that this scale of job growth falls below that seen historically in the borough, and may not fully account for the successful realisation of identified generators of economic growth in the borough and the development of the proposed employment land portfolio; and
- The optimistic changes in labour-force behaviour assumed within the modelling, when considering the scale of labour-force growth necessary to support future job growth and the implied level of housing need. Adjustments to age-specific employment rates are applied based on Oxford Economics' view of future changes, which move beyond changes linked to state pension age increases and national forecasts produced by the Office for Budget Responsibility (OBR), notably departing from current rates. The SHMA is not considered to sufficiently appraise the sensitivity of implied housing need associated with supporting forecast levels of job growth, undermining the robustness of the conclusions reached. It is considered that applying a more prudent set of assumptions – or considering change of the scale forecast by the OBR, for example – would imply that a more sizeable growth in the labour-force will be necessary to support likely job growth, generating a greater need for housing in Warrington than currently suggested under future growth scenarios tied to employment growth.

5.9 It is considered that these points of concern suggest that a higher level of housing growth will be required than currently suggested by the Scoping Document in order to fully support Warrington's economic growth potential. Whilst it is recognised that the future growth of the economy forms a key driving factor behind future housing need in Warrington the critique has also challenged the extent to which the concluded OAN set out within the 2016 SHMA fully reflects housing needs, based on both demographic and market factors. This presents an important context in appraising the level of ambition captured within the Scoping Document in terms of planning for future levels of housing provision in the borough.

5.10 Outside of concerns noted above the points raised through this critique report strongly suggest that the evidenced need for housing in Warrington outside of any adjustment to support planned economic growth – responding to market imbalance – is also likely to be higher than implied by the 2016 SHMA, on the basis that:

- The 2016 SHMA fails to adequately consider the implications of historic rates of under-provision against housing need and demand in Warrington. This recognises that completion rates fell significantly over recent years from those rates achieved prior to 2008. This is considered to reflect both the impact of the wider market context over this period as well as the 2008 adoption of a policy which constrained housing provision through the NWRS, which was not revoked until 2013;
- This position of undersupply has had an historic demographic impact, influencing past levels of migration and restricting the formation of younger households in particular. Whilst both factors are considered by the SHMA, the extent to which the concluded adjustments are justified and adequate is strongly challenged, given the availability of new data and the principle of adjusting the period upon which trends are based to ensure that an unduly constrained position does not form the basis for future plan-making; and
- The scale of uplift in relation to market signals is considered insufficient to meaningfully improve the worsening affordability issues in the borough. This needs to be considered in the context of national research which continues to highlight the need to significantly boost the supply of housing over a sustained period of time.

5.11 It is considered important to view any proposed uplift relating to the balancing of future likely job growth in Warrington and housing need in the context of these issues which would also collectively indicate a higher level of housing need associated with demographic and market signals evidence alone.

Next Steps

5.12 It is recognised that the Scoping Document is intended to represent only the start of the process of developing the Local Plan Review. It is considered, however, that the points raised through this critique are critical to ensuring that the subsequent Plan is found sound.

5.13 The opportunity now exists for the Council to continue to build upon its evidence base to ensure that it follows best practice and reflects in full the positive stance taken with regards to planning for economic growth.

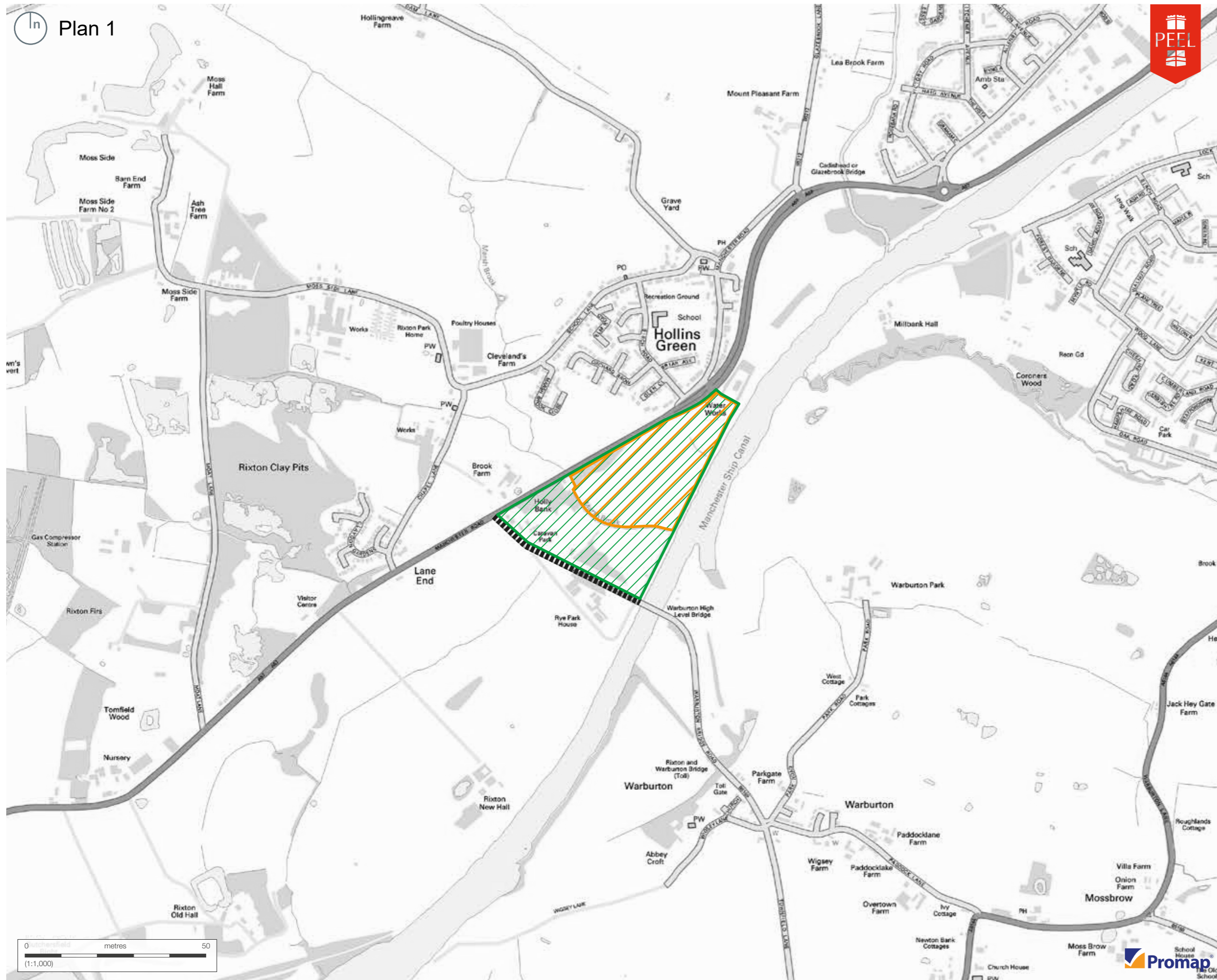
5.14 Peel welcomes the continued opportunity to be involved in the development of the Local Plan Review and comment on subsequent evidence base documents, which are central to the strategic ambitions of the Plan.

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Appendix 2: Green Belt review – alternative parcel definitions



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-  Alternative parcel for assessment*
-  Area assessed by Arup
-  Defensible boundary - Warburton Bridge Road

* Boundary as shown reflects area to be assessed for Green Belt contribution as part of GB assessment. This may differ from the area of land proposed for release from the Green Belt.

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Client:
Peel

Project:
Warrington Local Plan

Drawing:
Parcels HG5 alternative boundary

Project Number:
3056

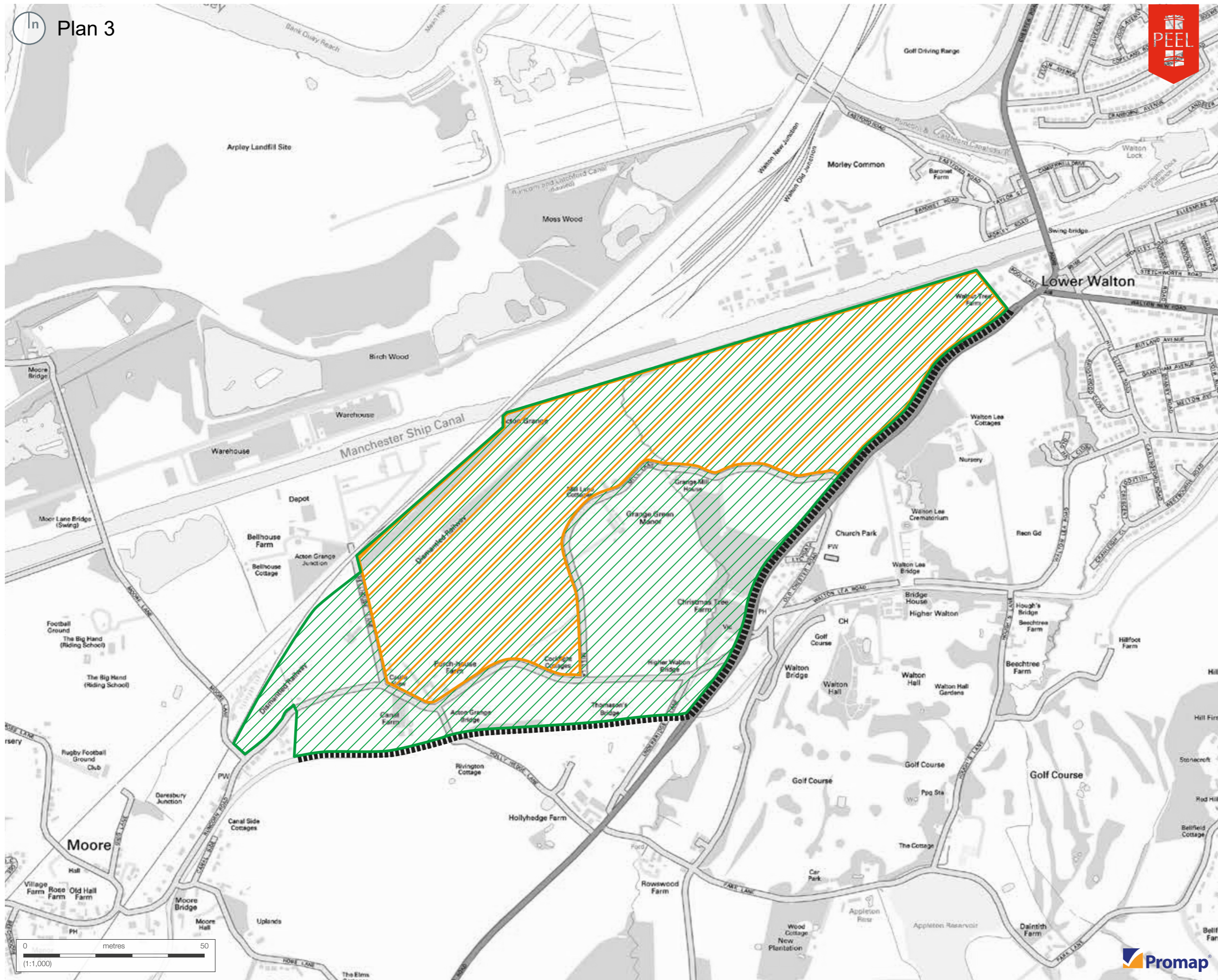
Drawing Number:
18_

Revision: **00** Status: **Final**

Date: **December 2016** Scale: **1:10,000 (A3)**






In Plan 3



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-  Alternative parcel for assessment*
-  Area assessed by Arup
-  Defensible boundary - A56 and Bridgewater Canal

* Boundary as shown reflects area to be assessed for Green Belt contribution as part of GB assessment. This may differ from the area of land proposed for release from the Green Belt.

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Client:
Peel

Project:
Warrington Local Plan

Drawing:
Parcels WR6S alternative boundary

Project Number:
3056

Drawing Number:
17_

Revision: **00** Status: **Final**

Date: **December 2016** Scale: **1:10,000 (A3)**



Appendix 3: Spatial distribution analysis

Introduction

In the context of the progression of a new Local Plan for Warrington, it is critical that proper consideration is given to the different options for the spatial distribution of development which the Local Plan will need to set out. A truly sustainable plan is one which not only seeks to deliver, in quantitative terms, the development needs of the Borough but one which has a clear understanding and appreciation of the qualitative development needs of the Borough and the spatial challenges and opportunities which the Borough faces.

This paper therefore supplements Peel's general comments on this matter as presented in section 6 of the main representation report and considers some of the challenges, issues and opportunities the Local Plan will need to respond to and which will inform the Council's consideration of how, spatially, the Borough will need to grow to achieve its vision and objectives.

Factors Shaping the Spatial Distribution

Peel has undertaken a review of a number of the key factors which will inform the Council's consideration of how the Borough should grow, spatially, as facilitated through the Local Plan. This is not intended to present a comprehensive review at this stage, however it considers the economic geography of Warrington, as a key influence on the Local Plan and, beyond the settlement of Warrington itself, the role and needs of 'second tier' settlements in providing for identified employment and housing development and the importance this will have on their future growth and their long term sustainability.

This includes by reference to a number of social and economic indicators which can provide helpful signposts to sustainability challenges facing these settlements and, in turn, how the Local Plan will need to respond through establishing an appropriate and sustainable growth strategy for each such settlement. Whilst not exhaustive, these indicators include:

- Historic levels of housing delivery
- Housing affordability
- Demographic profile of the resident population
- Long term viability and sustainability of key services

Key Employment Generators

A review of both the Core Strategy and the new and updated employment evidence continues to confirm that the main generators of employment through the Local Plan period will be:

- **Warrington Town Centre and Warrington Waters** – the town centre provides a significant concentration and range of jobs, which it is anticipated will continue to grow as the borough's population grows and new businesses choose to locate in the town. Continued potential for job generation is reflected in the ten development sites identified;

- **Omega and Lingley Mere** – the strategic site will continue to represent the borough’s main employment site, with its continued development anticipated to continue to generate significant new employment opportunities;
- **North of the Warrington Urban Area** – a cluster of strategic employment areas and sites are located in this part of the borough, outside of Omega and Lingley Mere, including Gemini, Birchwood Park, Woolston Grange and the Winwick Road Corridor;
- **Port Warrington** – the Port forms an important part of the Atlantic Gateway and supports the economic potential of the Manchester Ship Canal, with continued expansion providing the opportunity for further employment growth;
- **Fiddlers Ferry Power Station** – the Power Station represents an important source of employment with the potential for expansion within the identified development area in the Core Strategy; and
- **M56 Corridor to the West** – the Economic Development Needs Study¹⁰ (EDNS) confirms that consideration needs to be given to key locations to the west, along the M56, which fall within the economic influence of Warrington but outside of the borough’s administrative boundary, namely Daresbury Science Park and Enterprise Zone (Sci-Tech) and Preston Brook in Halton.

It is evident from the list of key drivers that whilst there are a concentration of employment generators within and surrounding the urban area of the town of Warrington – particularly to the north – there are also other areas of employment both within and outside of the borough.

Equally important, the EDNS identifies a number of areas where new employment land should be considered, recognising the current shortfall against assessed need. This includes ‘*areas of search*’ at:

- The M62 Corridor;
- The M56 Corridor, including a focus at Barleycastle Trading Estate and Stretton Green Distribution Park, Appleton Thorn;
- Port Warrington and surrounds; and
- East Warrington locations in and around Birchwood and Woolston Grange.

The analysis underpinning the definition of the functional economic market area (FEMA) within the EDNS confirms that whilst the Borough is a significant net importer of labour, there are significant net outflows to Manchester and Trafford. In the case of the latter, Trafford Park – connected via the M62/M602 – represents an important destination to the east of the borough, with the city centre in Manchester – and potentially other key drivers such as Manchester Airport – also important locations for commuters living in Warrington. Strong in and out flows of commuters are also confirmed with Cheshire East and Salford, recognising in the case of the former the important Local Enterprise Partnership (LEP) relationships and in the case of the latter the rapid growth in employment at locations in the Quays.

¹⁰ BE Group and Mickledore (October 2016) Warrington Economic Development Needs Study

It is important that consideration is given to the infrastructure links – existing, planned and proposed – from not only the town of Warrington but also the other settlements across the borough, which could in physical terms represent equal or more sustainable locations for labour to be located. This recognises the borough’s favourable geographic location surrounded by significant economic drivers and areas of strong growth in high value employment.

Ensuring Sustainable and Vibrant Settlements

The Core Strategy recognises the importance of maintaining the vitality and viability of settlements and communities. Policy SN 6 confirms that:

“The Council will seek to assist the continued viability and growth of the local economy and support the sustainability of local communities by ensuring development proposals:

- do not lead to the loss of viable, accessible sites and buildings used for industrial/commercial purposes or other employment generating uses in local communities including the countryside and its settlements;*
- avoid the loss or change of use of viable convenience shops, cultural facilities, post offices and public houses where the loss would impact on the diversity of local services in communities;*
- support the retention of viable local health and community facilities;*
- support the diversification of farm enterprises;*
- support the sustainable growth of existing businesses”*

The justification for the policy also recognises that *‘inherent in this approach is the retention of local employment opportunities, which is of particular importance in the Borough’s outer lying settlements’*.

Whilst these sentiments are clearly expressed, the Core Strategy itself does not provide any consideration of the current sustainability of settlements or potential threats to their future vitality and vibrancy. The recognised need to release new land across the Borough represents an important context for re-appraising this position, alongside the consideration of the infrastructure required to support and accommodate growth.

This section therefore considers a number of key socio-economic, housing market and social infrastructure factors to highlight the potential challenges faced as a result of historic growth, and therefore establish the importance of enabling future growth to ensure their future sustainability¹¹.

Historic levels of house building

The recent historic scale of growth in the housing stock in each settlement provides important context. With the Council’s published monitoring data not containing a disaggregation by settlement, the distribution of new build housing sales – based on Land Registry price paid data – represents a proxy of new housing development. The following table summarises the number of new build sales recorded in each settlement over the past decade (2006 – 2015),

¹¹ In the absence of a defined settlement hierarchy, the analysis has focussed on Built Up Areas (BUAs) as defined by the ONS, which represent the largest settlements in the borough. Ten BUAs are defined within Warrington by the ONS.

establishing the proportionate distribution of new build sales in the borough to understand the role of each settlement in accommodating growth in the housing stock. This illustrates the concentration of new build housing sales in Warrington, with a more limited number of new properties sold – and therefore a considerably smaller growth in the housing stock – in other settlements.

Table 3.1 New Build Sales 2006 – 2015

	New build sales 2006 – 2015	Proportion of all new build sales
Warrington	3,130	91%
Lymm	203	6%
Culcheth	53	2%
Hollins Green	24	1%
Glazebury	11	0%
Burtonwood	8	0%
Croft	2	0%
Winwick	1	0%
Appleton Thorn	0	0%
Broomedge	0	0%

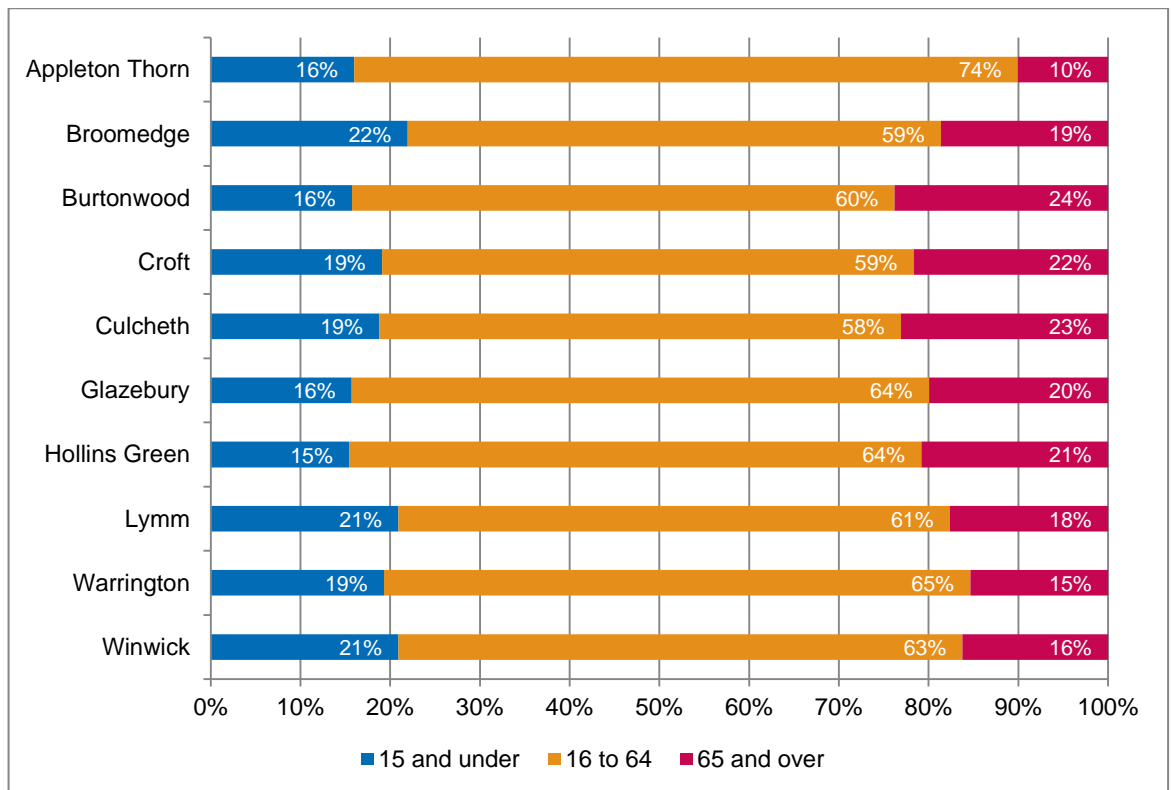
Source: Land Registry, 2016

This development profile will have impacted upon the ability of settlements to change and continue to meet the needs of their populations. In particular it is of note that outside of Lymm and Culcheth over the 9 year period less than 50 new build sales are recorded in total. Even in Lymm and Culcheth the levels of sales in absolute terms are notably small.

Demographic profile

The demographic profile of a settlement has a potentially significant impact on the future vitality of its social infrastructure as it changes, as well as its continued attractiveness as an area for business to invest and their ability to continue to operate. The following chart shows the proportion of residents in younger, older and working age groups at the 2011 Census.

Figure 3.1 Age Profile 2011



Source: Census 2011

Appleton Thorn contains the largest concentration of working age (16 – 64) residents in the Borough, with a small proportion of older residents. Warrington also has a profile which shows a comparatively strong proportion of working age residents. However, this contrasts with areas such as Burtonwood and Culcheth, where almost one in four residents are aged 65 and above. The small representation of working age residents within these settlements could limit their future vitality, particularly if an ageing trend continues as would be projected based on this profile. This is likely, at least in part, to reflect the limited growth in new housing and the ability of younger households to either stay locally or move to the settlement.

Affordability

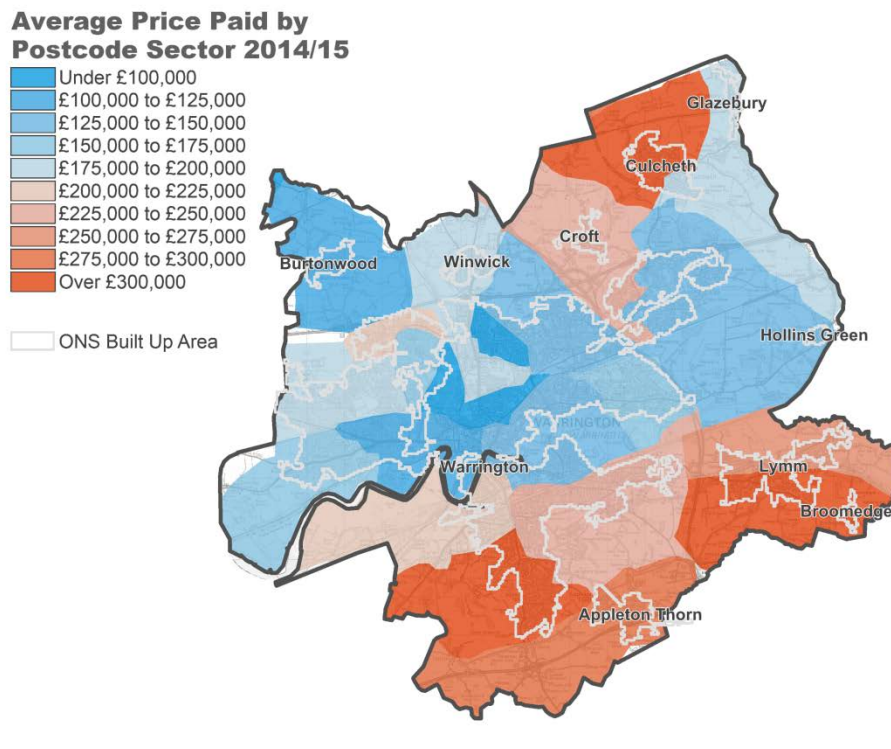
An imbalance between supply and demand of housing also manifests itself in the relative performance against the market signals set out in Planning Practice Guidance¹² (PPG). Comparatively high house prices and an escalation of house price growth represent important symptoms of such an imbalance. The Core Strategy recognises that there are areas in which affordability issues are more acute. For example, in relation to Culcheth it is recognised:

“The desirability of the village as a place to live in recent years has driven significant increases in house prices and as such the delivery of additional and genuinely affordable housing for local people represents an important issue, as does maintaining local employment opportunities’ (pg 139)

¹² PPG Reference ID 2a-019-20140306

As the following map shows, while Culcheth represents a relative concentration of higher house prices, it is not alone, with evidence of high house prices – and therefore likely affordability issues – elsewhere in the borough. The following plan shows the average price paid in different postcode sectors in Warrington over the last two full years for which Land Registry data is available (2014/15).

Figure 3.2 Average Price Paid in Warrington 2014/15



Turley
Economics

Source: Land Registry, 2016

It is evident that house price trends are variable throughout the Borough, with higher prices to the south – around the settlements of Appleton Thorn, Lymm and Broomedge – and north east in Culcheth. Conversely, lower values are largely concentrated across the middle of the borough, encompassing large parts of the Warrington urban area, Hollins Green and Burtonwood.

Understanding the rate of change in house prices also provides important context, although it is important to recognise that the limited number of sales on an annual basis in some smaller settlements can exaggerate price trends. On this basis, the following table shows the average house price recorded over a two year period (2014/15) and presents the proportionate change over the past five years.

Table 3.2 Average Price Paid (2014/15) and Change by Settlement 2010 – 2015

	Average Price Paid 2014/15	Change 2010 – 2015
Broomedge	£338,230	-15%
Lymm	£300,510	15%
Winwick	£256,431	-1%
Appleton Thorn	£254,831	-8%
Culcheth	£245,045	8%
Croft	£233,050	-9%
Hollins Green	£202,886	22%
Glazebury	£168,796	-4%
Warrington	£167,944	3%
Burtonwood	£123,215	4%

Source: Land Registry, 2016

Other than Burtonwood, all settlements outside of Warrington have higher average house prices than the Borough's main town, with the average price paid exceeding £300,000 in Lymm and Broomedge. Lymm and Hollins Green have notably seen the strongest growth in the average price paid for housing over the past five years, albeit noting that annual data can be influenced by the limited number of sales in smaller settlements. This is likely to be the key factor in the declining price paid for housing in Broomedge, for example, rather than any substantial improvement in the relative affordability of housing in the settlement.

Social infrastructure

Finally, it is useful to understand the comparative breadth and representation of social infrastructure within the settlements. Whilst a full review of the comparative health and representation of social infrastructure within each settlement has not been undertaken at this stage, initial consideration has been given to the comparative ranking of their retail offer and the location and capacity of schools.

The Core Strategy includes a retail hierarchy of centres. Of the outlying settlements, only Culcheth and Lymm are identified as Neighbourhood Centres. All of the other settlements considered in this assessment are identified as Local Centres, indicating that they play a smaller and localised retail role.

The Council published a Retail Study in August 2015¹³. This confirmed that: 'More than four out of every ten surveyed (43.0%) indicated that the principal reason for choosing their main food shopping destination was the store's proximity to their home.'¹⁴ Outside of the Warrington urban area and the district centres there were a number of stores claiming more than a 1.0% market share of top up food shopping trips originating from within the Study Area. Looking at the location of these stores in the outlying settlements shows the following listed stores:

¹³ 'Warrington Borough Council: Warrington Retail and Leisure Study – Final Report', WYG Planning, August 2015

¹⁴ *Ibid para 4.24 second bullet*

- Sainsbury's at Common Lane, Culcheth
- Co-operative Food at Dudlow Green Road, Appleton
- Co-operative Food at Cherry Lane, Lymm

It is clear that the outlying settlements on the whole have a relatively limited convenience offer. Culcheth and Lymm evidently have the strongest level of provision. Appleton and Burtonwood also have Co-op stores. The potential for additional growth to support an improved convenience offer and the vibrancy of the neighbourhood and local centres should form an important consideration in distributing future growth.

With the exception of Broomedge all of the settlements identified within this analysis contain at least one primary school. Lymm and Culcheth also include a secondary school. Table 3.3 compares the capacity of the schools within each of the settlements with the number of pupils as of January 2016.

Table 3.3 Surplus / Deficit of School Places in each of the Settlements

	Primary				Secondary			
	Schools	Capacity	Pupils	Surplus / Deficit	Schools	Capacity	Pupils	Surplus / Deficit
Warrington	52	15,705	14,672	1,033	10	10,822	8,934	1,888
Lymm	4	1,260	1,218	42	1	1,909	1,827	82
Culcheth	3	636	637	-1	1	1,293	1,108	185
Hollins Green	1	140	135	5	0	0	0	0
Glazebury	1	105	98	7	0	0	0	0
Burtonwood	1	210	180	30	0	0	0	0
Croft	1	188	209	-21	0	0	0	0
Winwick	1	210	193	17	0	0	0	0
Appleton Thorn	1	210	208	2	0	0	0	0
Broomedge	0	0	0	0	0	0	0	0

Source: Edubase, 2016

It is apparent that across the borough there is a surplus of school places at both primary and secondary level. Supporting and enabling the forecast growth in the population, as recognised in the Council's housing need evidence base (SHMA and Addendum 2016) will be important in ensuring the on-going vitality of education provision. Looking at the primary schools it is apparent that a number of the settlements are depending on a single school with a surplus of places in a number of them.

A continued ageing of population as a result of a sustained constraint on the growth of settlements is an issue already identified in this section, which will evidently further serve to undermine the future vitality of these establishments. This will influence the future availability of

important community infrastructure. The same picture is also true with regards to the secondary schools in Lymm and Culcheth. Ensuring that growth is enabled within the borough – and importantly those areas outside of the Warrington urban area – will be important in maintaining the demographic profile of the borough and supporting the existing educational infrastructure.

Summary and Conclusion

The significant change in the context with regards to the scale of housing and employment land to be provided through the Local Plan Review will have a fundamental impact on the approach taken to the spatial distribution of new land to accommodate needs.

Whilst the continued focus of growth should rightly remain in and around Warrington – given its central role as a generator of employment and its concentration of services and social infrastructure – it is equally apparent that the benefits associated with adopting a more balanced approach forms an important context, acknowledging the needs of other outlying settlements and the having regard to the economic geography of the Borough

In informing the approach to planning for supporting infrastructure development, it is critical that the Local Plan Review properly considers the comparative local needs of settlements, recognising their current characteristics as well as future challenges resulting from historic policy constraints on growth.

This paper has highlighted a number of sustainability challenges facing the Borough's 'second tier' settlements and a number of key economic drivers outside of the town of Warrington which the Local Plan must have proper regard to in setting a spatial strategy for the Borough as a whole and strategies for the managed and planned growth of individual settlements within Warrington.