Warrington Borough Council Planning Policy and Programmes New Town House Buttermarket Street Warrington Cheshire WA1 2NH

29<sup>th</sup> September 2017

RE: Warrington "Preferred Development Option" Regulation 18 Consultation

#### Dear Sir/Madam

I object to the current Preferred Development Option on the following material grounds:

- 1. **Housing need.** The OAN for future housing appears to be based on the 'need-asaspiration' definition of housing need rather than 'need-as-demand'; this consequently risks being undeliverable, contrary to paragraph 173 of the NPPF. The assumptions used appear to have been selected to justify a higher housing requirement significantly above OAN and are neither logical nor robust
- 2. **Employment and growth.** The PDO Option 2 is based on an excess employment and economic growth outlook that is based on very high level aspirational assumptions and considerations completely outside the control or influence of WBC and ignore the competing aspirations of adjacent and further afield housing areas.
- 3. Green belt. WBC has not demonstrated the exceptional need to remove or develop any of the green belt as required under the NPPF (paragraph 83). WBC has not followed standard practice in their assessment of the green belt and appear to have undertaken the assessment with a view to justifying its release rather than provide a truly objective assessment
- 4. Infrastructure. WBC has not demonstrated that an adequate assessment has been made of the impact that the PDO will have on infrastructure needs. By WBC's own admission, no traffic surveys have been carried out or analysis undertaken to assess the impact of up to 24,000 additional homes and the proposed 'Port of Warrington' development on the already serious congestion problem in the town. No account has been taken of the current proposals to close Warrington Hospital in the infrastructure planning.
- 5. Pollution. The PDO relies heavily on road transport, mainly private cars. No assessment has been made on the impact of the increased traffic on the pollution of an area with the second highest pollution in the North West and which, by WBC's own admission, exceeds the targets for maximum air pollution at 60% of measured sites. No viable alternatives to private transport have been proposed or referenced in the PDO

- 6. **Deliverability.** There is no evidence beyond an incorrect and inadequate financial model to support deliverability of even just the demographically required housing needs, let alone the aspirational need. The transport infrastructure is unfunded, beyond an unsupported assumption that developers will fund it.
- 7. Consultation process. The consultation process has been inadequate and badly communicated, with inconsistent responses provided by Planning Officers throughout; either through a lack of knowledge of their own plan or by a deliberate intent to mislead the public through obfuscation. The Planning Policy team have actively sought to discredit local residents' groups when they worked to raise public awareness of the PDO, accusing them of 'scaremongering'. This appears to indicate that WBC wish to suppress views that oppose their own, contrary to regulation 18 (1) (b) of the Town and Country Planning (Local Planning) (England) Regulations 2012 which states that '[A local planning authority must] invite each of them to make representations to the local planning authority about what a local plan with that subject ought to contain'

Please refer to the sections below for further supporting evidence for the grounds of each objection.

### 1. Housing Need

The PDO is stated to be Option 2 – this is based on the aspiration of the Council executive to create a "new city", it is not the independent, objective and expertly assessed need of the town. There is now no accepted definition of a city, although the Cheshire and Warrington devolution plan references the international reputation and airport connections of Liverpool and Manchester that Warrington does not have in its own right. Under the Gold Standard of Housing Area definition, Warrington is actually split on the boundary of Liverpool and Manchester with the eastern parts of the district recognised as having more in common demographically and socio-economically with the affluent parts of south west Greater Manchester. This is also supported by South Warrington being recognised as a politically marginal seat. Development at the levels proposed will fundamentally and detrimentally change both the geography and the population of the area with no obvious compensation for the wider borough. There is no evidence to support a contention that the residents want to be part of a city and there are no immediate direct financial or economic benefits to Warrington from being awarded city status. Indeed, prospective residents not currently within the housing area don't want Warrington to be a city either - the SMHA of January 2016 cites the major justification for movers into Warrington was to escape the city!

The legal challenge to the previously adopted Local Development Plan was premised on the plan not properly reflecting the Objectively Assessed Need. Hence as a minimum, this process must be based on the deliverability of a Plan based solely on a robustly assessed OAN. Any higher levels of development should be clearly and separately identified as excess to needs and so subject to a much higher standard of justification and challenge. The current PDO blurs the reasoning between OAN and aspiration when it should focus instead only on delivering the equivalent of Option 1 in the first instance. Although the Council may wish for greater development, this has no justification in Government statute and the officers of the Council should not misrepresent this, as they regularly do. Higher levels of housing creation should and can be only as a consequence of excess, sustainable and independently verifiable economic growth, not based on unevidenced aspirations. Option 2 seems a perfect example of circular logic, with higher housing provision somehow generating higher economic growth, which in turn requires further housing.

Indeed there appears to be a flawed premise in an EDNA model justification for higher housing since economic growth will be also needed simply to sustain the expected demographic population increase and no separate evidence has been provided for this. Hence all the initiatives cited in the devolution and Northern Powerhouse plans (assuming they ever come to fruition) are actually required for this purpose in the first instance, not excess growth.

The projections are based on data periods prior to the Brexit referendum – although the Leave outcome has led to many claims for downward revisions in national expectations of immigration and economic growth levels, at the very least there will be considerable geopolitical uncertainty over the next five years, not helped by the recent election of a minority government.

Just the uncertainty itself will lead to delays or cancellations in proposed investment, thereby reducing economic growth and employment prospects. Hence the source data which generally references periods prior to 2015 is now out of date and does not accurately reflect the currently volatile will not reflect the current economic outlook.

The PDO was published ahead of the Government setting out details of a standardised, and nationally and regionally consistent, approach to assessing housing need based on Office of National Statistics projections. This has now been issued for consultation with the expectation of adoption from spring 2018. As any new Local Development Plan is very unlikely to be submitted for expert inspection before this date, it is reasonable to expect the inspector to reference the new basis in reviewing WBC's assessment of needs and more. This means having regard to both the methodology and the latest "live" data tables. Although the consultation on the methodology does not close until November, given the previous White Paper it is not unreasonable that any challenge is more likely to focus on the Affordability Adjustment rather than the use of ONS post Referendum projections for the base.

The latest live ONS projection equates to an increase of 716 homes per annum until 2039. This is largely driven by simple increase in the UK population to which Warrington has demonstrated historically an over 90% correlation, rather than immigration or other factors. WBC often reference the development of Omega as cause for abnormal higher employment and housing demand – the evidence would suggest it has no specific differentiating impact and the Officers should be wary of extrapolating relatively short periods of supportive data to create an apparent long-term trend expectation.

These latest numbers apparently make some adjustment for post-Referendum experience although actual demographics may prove somewhat different, especially as there appears to be evidence of a slowdown in "natural change" i.e. life expectancy improvements (and older generations are suggested to be forming a greater proportion of the Warrington population). There is a proposed adjustment factor reflecting affordability (or lack of) local housing. Warrington property values are allegedly six times local average earnings which translates into a 12.5% uplift giving a housing requirement of just 790 pa.

The Affordability Adjustment may be well intentioned, but by simply increasing the supply of properties most in the most expensive areas as opposed to where people want to live or are needed suffers from flawed logic. It also ignores other factors that contribute to real affordability – the existence of mortgage finance, ability to meet deposit requirements, desire to buy rather than rent as a lifestyle choice, and the ability of the private rented sector to meet demand (which appears to be ignored from planning policy). Moreover, blind application of an overall total to Warrington's base level OAN ignores the huge housing price difference noted between Lymm and other areas.

The Government also proposes a cap on higher density development where an authority has an existing plan adopted within the last five years. Although parts were subject to legal challenge (largely on the definition of OAN), WBC's plan only dates back to 2014/2015. This plan had a projected housing requirement of 607 pa suggesting that a cap would bite at 850 pa, irrespective of any additional demographic need or council aspiration. This would equate to a twenty year requirement of just 17,000 homes that could all be built on brownfield sites (comfortably so once the potential Fiddlers Ferry land bank is included).

In summary, the plan is based not on objectively assessed needs but to satisfy the wish of WBC to achieve city status (unsupported by the majority of the population). It appears that WBC has deliberately ignored their own previous reports and analysis, choosing instead to rely on out-of-date data, cherry-picked results, flawed logic and overly-optimistic forecasts to provide the 'evidence' to support this ambition.

## 2. Employment and growth

Option 2 is based on an excess employment and economic growth outlook that is based on very high level aspirational assumptions and considerations completely outside the control or influence of WBC and ignore the competing aspirations of adjacent and further afield housing areas. Any higher housing target should be a consequence, not a cause, of economic and demographic experience and requires detailed evidence if it is to be factored into any LDP.

With all the geopolitical, demographic, economic and technological uncertainty, perhaps the biggest issue with the PDO methodology is the term. There is no statutory requirement to produce a twenty-year plan even if ONS statistics exist for such a long term. Plans are generally produced on a 10-15 year outlook presuming it will take several years to achieve adoption. Consequently, it would be more prudent to produce a, say ten year, plan until the end of the currently approved plan by which point it would be much clearer of the economic and migratory impacts of Brexit, the impetus or not from any completed national infrastructure initiatives and what the consequences of technological change have been on work and home life (and balance).

In this period, it is likely also that a significant brownfield site (Fiddlers Ferry) will become available for regeneration, diminishing the need to safeguard or develop greenfield sites. WBC should also be clear on the level of approved but unbuilt developments and the number of unoccupied homes as these should be deducted from any future total.

The data used by the officers to derive the housing need is highly sensitive to the interrelationship between employment, population demographics and dwelling occupancy. The assumptions used appear to have been selected to justify a higher housing requirement significantly above OAN and do not appear logical or robust.

The PDO claims that a higher housing requirement can be justified by reference to the economic baseline case and affordability. These should be largely nullified by the use of ONS projections which will reflect the overall impact of future national economic prosperity and the need to be internally consistent i.e. by definition not all areas can experience above average economic growth concurrently over the long term, and if everywhere is subject to an upwards adjustment based on market signals and affordability, then the total housing stock would be surplus to national needs. This is why the Government requires WBC to develop formal statements of collaboration with neighbouring authorities before proceeding with large scale speculative development.

Any further housing requirement is not needs based but instead a consequence (but not a cause) of excess economic growth. Again, this needs to be internally consistent regionally and nationally and not double counting factors within the economic baseline adjustment. The ONS demographic projections suggest broadly similar growth for Warrington to Liverpool and Manchester and all are lagging significantly behind London and the southern counties. This would suggest that the various factors used to justify relative excess growth will not have the desired effect or come to fruition. Specifically, the forecasts produced by Oxford Economics are based on pre-Referendum data, secondly the projection of previous employment trends are based on a relatively short and unrepresentative period for Warrington (IKEA may have opened their first UK store here but wouldn't contemplate building a second in Appleton) and, thirdly, there is no evidence or justification within the Supporting Documents as to which new major employers would relocate to Warrington and why. Given the Golden Square exit of Marks & Spencer, historically the preeminent retail anchor and bellwether, and apparently service companies like Talk Talk too, the Council needs to first demonstrate it can at least protect the status quo before indulging in heroic growth economics.

Indeed, there appears no specific consideration of how technology will impact working (domestic and leisure too) practices in all sectors in both nature and number, an issue not unique to Warrington. For example, the Finance sector is proposed to be one of the biggest future employers based on ongoing relocation of middle and back offices from higher cost base city centres or in-shoring of overseas operations. This might be justified if the trends of recent years were to continue. However, there is a finite number of entities with scale operations that can be relocated but more significantly developments in electronic ledger and straight through processing are decimating overall headcount requirements. Indeed, anyone currently employed in the wider Services sector will be familiar with the trends towards hot desking, home working and digital connectivity/virtual workspaces i.e. you don't need the same floor space footprint as ten years ago.

Likewise, the ongoing evolution of online retailing may seemingly have benefits in demand for distribution facilities but ignores the likely progress in automation of such facilities (and most probably transportation too where automation is currently excluded from the planning office model) i.e.in the Amazon Prime future you need bricks OR clicks, you can't justify retail AND distribution. To ignore such transformational impactors in determining the number and form of housing required over a twenty-year term seems naïve at best. Unless and until there is a proper understanding of future employment nature and density, it is almost impossible to define what employment land is required let alone where it should be.

Higher economic growth is also allegedly justified as a consequence of the Devolution bid and Northern Powerhouse initiative, neither of which appear an immediate priority, legislative, financial or infrastructure creating, for the current Government. For example, there is no evidence that Warrington will be the intersection of HS2 and HS3 – indeed the routing of HS2 to Airport City, with its even better interconnectivity, instead creates an obvious economic growth cannibal to the town. The January 2016 SHMA uses the alternative Cambridge Econometrics model which suggests a lower economic growth outlook than the ONS data set.

### 3. Green belt

WBC has not objectively demonstrated that 'exceptional circumstances' have been met to warrant the release of green belt land – housing requirements based on an optimistic aspiration for growth (rather than objectively assessed prediction of growth) cannot justify the release of green belt land now, up to 20 years in advance of the *potential* requirement.

The green belt satisfied the tests of durability when it was designated and WBC has presented no exceptional circumstances to justify a change. Moreover the public inspectors report in 2014 noted at paragraph 96 that there was no need to develop on the green belt and no substantive arguments have been produced to rebut this.

No account appears to have been taken of the fact that developers will naturally prefer to develop greenfield sites over brownfield sites due to the reduced requirement for decontamination and higher sales prices with consequently increased profit margins. No attempt appears to have been made to mitigate the fact that, due to the above, a call for sites will always generate an outcome biased towards what *could* be built on (and easily) as opposed to what *should* be. A call for sites based on brownfield regeneration alone should force innovative thinking and efficiency. In addition, an unconstrained call for sites will not require developers to consider the creation, or contribution to creation, of the necessary infrastructure to make a development viable, including any environmental considerations.

The number of brownfield sites considered is not exhaustive and so leaves many areas not reviewed or considered properly. For example, Fiddler's Ferry Power Station, which must close by 2025 and which will therefore become available during the first 10 years of the plan, is not considered except as a possibility for future housing over and above that to be built on green belt land.

No consideration has been made of the loss of amenities and conservation areas and the villages and towns of South Warrington that would merge into one with significant, negative and irrevocable changes to the character of the area.

#### 4. Infrastructure

WBC has not demonstrated that an adequate assessment has been made of the impact that the PDO will have on infrastructure needs. By WBC's own admission, no traffic surveys have been carried out or analysis undertaken to assess the impact of up to 24,000 additional homes and the proposed 'Port of Warrington' development on the already serious congestion problem in the town. No account has been taken of the current proposals to close Warrington Hospital in the infrastructure planning.

Warrington currently suffers from heavily congested roads; indeed WBC's own PDO document states as such, whilst also admitting that not even an initial assessment has been made of the impact of the PDO on congestion within the town. Even without the addition of the growth of homes and businesses outlined in the PDO the congestion is set to worsen with the expected 4% increase caused by the Mersey Gateway Toll No funding has been put in place for any additional infrastructure in the PDO, bar an assumption that it will be funded by private investment and is therefore consequent on the release of green belt land and the construction of a large number of homes before funding will be available for the delivery of the improved infrastructure. This will lead to significant worsening of congestion for at least the initial years of the Plan.

The proposed canal crossings are inadequate and merely serve to move the problem; provision of a high level crossing between Grappenhall/Thelwall and Latchford, using the current Trans Pennine Trail route and site of the current disused railway embankment and bridge would serve only to increase the congestion at Bridgefoot. The maps which show the proposed road emerge at Bridgefoot also appears to take no account of the future 'Warrington Waterfront' project which would pedestrianise the area, which would appear to indicate that WBC has no ability to produce coherent plans and, coupled with WBC's own admissions about the lack of analysis carried out, leads to a lack of faith in the quality of supporting evidence for the PDO. A more detailed transport assessment including all options (rail, light rail/metro, bus etc.) is required in order to determine the true viability of the PDO and its infrastructure requirements.

The PDO takes no account of the proposed closure of Warrington Hospital and the consequent impact on the town; it makes little or no provision for the healthcare of the >50,000 desired new residents of the town or of the existing population.

The PDO contains very little assessment of how the population Warrington will commute for work or pleasure. There are some smaller considerations which will simply shift bottle-necks rather than assist with traffic flow. Public transport centres solely on new bus-routes, further choking the road network. No infrastructure improvements appear to have been funded or in some cases even considered (Motorway traffic) and there has been no integrated transport assessment. The PDO is therefore undeliverable and unsustainable.

## 5. Pollution

The PDO relies heavily on road transport (mainly private car). By WBC's own figures 60% of measured sites already exceed targets for harmful air pollution. The trend is only rising and will continue to get worse with increased congestion (by the Mersey Gateway for example). Warrington already has the second highest pollution figures in the North West of England.

24,000 new homes would bring approximately 35,000 cars onto Warrington's roads and, with many using Warrington as a dormitory town, it is almost certain that, during the life of the plan, Warrington will fail all air quality targets. Within the PDO there is no mention or strategy on how this will be improved.

# 6. Deliverability

The PDO document is very technical and references certain key numbers as given fact without direct links to the source material or alternative calculations – for example the Objectively Assessed Needs is cited as 839 new homes per annum. Although the executive and officers were in possession of an updated May 2017 addendum to the SHMA prior to publication of the PDO in July 2017 which derives a comparable figure of just 738 pa (but noted that the number could be as low as 679 homes pa) this number has been ignored. As the 839 is taken as the base for the Economic Development Needs Assessment then if the 839 is a significant overstatement so must be the EDNA.

The lower number is more consistent with the 716 homes pa within the ONS live tables used to underpin the Government's proposed formula for calculating OAN published in September 2017. I am aware that the Council has responded to questions on the application of the new methodology citing a higher base number of 810 and an adjusted number of 914. The 810 is based on ten year projections to 2026 – if the Council wishes to pursue a twenty year plan it must use the correct twenty year base which reflects a tailing off of growth in later years rather than incorrectly extrapolate the shorter term number. Either a ten year plan using 814 or a twenty year plan based on a lower baseline leads to a total demographic housing need much lower than claimed and negates any need for green belt development. In addition, the adjustment factor is likely to be refined through the consultation process for reasons outlined later.

It appears the planning office has ignored any scenarios or independent reports/models, however robust, which lead to lower housing need due to net migration and unattributable population change, and have further discounted any trend rate of change in later years that requires additional reductions in the projected housing stock, even allowing for additional economic led requirements. In short, it appears that the planning office has cherry picked

the data to ignore evidence that does not support their proposals and is therefore does not present a valid case for higher local economic growth and so yet even higher housing levels.

Many of the numbers used appear to include explicit and material margins but these are all premised on underestimating future requirements – hence combined the total will be excessive compared with an evidence based bottom up calculation. Whilst prudence is generally welcome, the current approach masks clarity – much better to say that the best estimate is, say, 17,000 with a possible variation of 5,000 -7,000 either way.

Unless there is clear consensus on the base data, then all subsequent conclusions are open to challenge.

The limited financial models included in the Supporting Documents are based on unrealistic and non-market rates of interest for borrowing and deposits yet still show anticipated internal rates of return that are wholly inadequate for any developer prepared to risk their own capital and would not get approval from any bank credit committee (even if banks were lending developing finance).

Hence it is not clear that there is a verifiable business case or source of funds for the levels of proposed development without recourse to the Council's own balance sheet, either directly or through its investment in Redwood Bank.

If development is only achievable through subsidy, then the Council should fully disclose its lack of independence, the nature and extent of its relationships with developers and the governance and transparency processes it will undertake to ensure that all transactions and approvals would satisfy an independent arm's length commercial terms test.

## 7. Consultation Process

The consultation process has been inadequate and badly communicated, with inconsistent responses provided by Planning Officers throughout; either through a lack of knowledge of their own plan or by a deliberate intent to mislead the public through obfuscation. The Planning Policy team have actively sought to discredit local residents' groups when they worked to raise public awareness of the PDO, accusing them of 'scaremongering'. This appears to indicate that WBC wish to suppress views that oppose their own, contrary to regulation 18 (1) (b) of the Town and Country Planning (Local Planning) (England) Regulations 2012 which states that '[A local planning authority must] invite each of them to make representations to the local planning authority about what a local plan with that subject ought to contain'.

It appears that WBC has deliberately scheduled the Public Consultation to minimise public awareness and the ability of the population and Parish Councils of the affected areas to respond. In short, they have met the letter of the regulations whilst appearing to deliberately flout the spirit of them – by their own admission, they were aware that they were scheduling the consultation during the summer holiday period when large numbers of people would be away from home and the Parish Councils do not meet. It is not clear whether this is due to incompetence or a deliberate effort to prevent public awareness, debate and objection.

WBC and their Officers' attempts to discourage public representations and to mislead the public on the PDO have included:

• An initial refusal to extend the consultation despite requests from MPs, Local Councillors & the public. (Later, a short extension was subsequently granted

but only to fall in line with the time period allowed for Parish Council responses)

- Public consultations occurring in the least controversial areas; by the admission of Planning Officers at consultation events the most affected areas (Grappenhall, Thelwall and Appleton) did not have events planned due to 'concerns over parking and congestion' – given that the PDO includes the addition of 6,000-8,000 homes in this area, this appears to constitute a major failing in the consultation process and demonstrates a lack of understanding (or concern) over the impact of the PDO on the area
- Council representatives have been unable or unwilling to answer even the most basic of questions about the PDO, providing the stock answer of 'it's just a plan'. This is clearly inadequate, and either demonstrates a lack of competence or an attempt to mislead the public by falsely encouraging the belief that the plan will not come to pass
- Use of outdated and unclear maps when presenting plans at the public consultations
- Conflicting answers have been given to the same questions asked at different public consultation meetings; and even by different WBC representatives in the same room at any given meeting
- When the public became more aware and began to raise awareness of the PDO, council officials reacted by calling those individuals 'scaremongers' in official correspondence. If the council has produced a well thought-out evidence based plan then they should actively encourage public awareness of the plan, not attempt to discredit members of the public who raise awareness of it if their views are contrary to the councils. This represents a breach of regulations as described above
- The use of semantics to deny points within the plan. For example; WBC's insistence that 'there are no plans to build a road on the Trans Pennine Trail' despite it being clear on maps within the PDO. WBC could argue they were correct as there are no planning permissions in place for a road on the Trans-Pennine Trail. However, this is just a play on words in an attempt to mislead the public.
- WBC appear to be indulging in outright lies in the press which contradict their stated position in official documentation. In an interview with the Warrington Guardian the Executive Director, Environment and Regeneration, Andy Farrall, stated that there are no plans for Warrington to become a city. Yet throughout WBC's website and official correspondence the town is referred to as, or working toward, becoming a 'New City'. Indeed the PDO states as its main aim (W1) as being 'To enable the transition of Warrington from a New Town to a New City'. Again, this represents a deliberately misleading stance by WBC.

I look forward to your response and confirmation that my legitimate objections have been properly considered and addressed in any subsequent plan.

Yours Faithfully,

