

Wirral Local Plan – Main Modifications Wirral Council PO Box 290 Wallasey CH27 9FQ

> SENT BY EMAIL localplan@wirral.gov.uk 13/11/2024

Dear Planning Policy Team,

WIRRAL LOCAL PLAN: MAIN MODIFICATIONS

- 1. Thank you for consulting with the Home Builders Federation (HBF) on the Wirral Local Plan Main Modifications consultation.
- 2. The HBF is the principal representative body of the house-building industry in England and Wales. Our representations reflect the views of our membership, which includes multi-national PLC's, regional developers and small, local builders. In any one year, our members account for over 80% of all new "for sale" market housing built in England and Wales as well as a large proportion of newly built affordable housing.
- 3. The HBF notes that a consultation on the NPPF and the standard method for calculating housing need has commenced part way through the examination of the Wirral Local Plan, and that this may have implications for the adoption of the Plan, the policies it contains and how the Plan is used going forward. The HBF notes that the transitional arrangements set out in the NPPF consultation state that policies in this framework will apply for the purpose of preparing local plans from [publication date + one month] unless the local plan has been submitted for examination under Regulation 22 on or before [publication date + one month]. Where this applies the plan will be examined under the relevant previous version of the Framework. It then goes on to state that local plans that reach adoption with an annual housing requirement that is more than 200 dwellings lower than the relevant published Local Housing Need figure will be expected to commence plan-making in the new plan-making system at the earliest opportunity to address the shortfall in housing need.
- 4. The HBF notes that the proposed new standard method would see the local housing need for Wirral increase to 1,755 dwellings per annum (dpa). Therefore, Wirral will be expected to commence plan-making at the earliest opportunity. This is a significant increase in the housing requirement and will mean Wirral will need to update their Plan immediately. It alongside other policy changes in the NPPF and as set out in the Written Ministerial Statement (WMS) (Building the Homes we Need) of Angela Rayner on 30th July 2024 are likely to see Wirral subject to significant development pressures including sites within the Green Belt.



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MM1 – Paragraph 1.3

- 5. The Council propose to amend this to state that the Council has therefore concluded that the exceptional circumstances to justify alterations to the Green Belt boundaries set out in national planning policy do not exist in Wirral.
- 6. The HBF considers that this amendment is not sound, it is not justified by evidence and is not consistent with national policy. The Written Ministerial Statement (WMS) (Building the Homes we Need) of Angela Rayner on 30th July 2024 clearly states that the Government is committed to ensuring the Green Belt serves its purpose, and that means taking a more strategic approach to Green Belt release. It goes on to state that we will start by requiring local authorities to review their Green Belt boundaries where they cannot meet their identified housing, commercial or other development needs. As is set out in the Main Modifications and in our response below, the Council cannot meet their identified housing a supply below the housing requirement and stepping their housing requirement to reduce their housing requirement below the level of identified local housing need in the first 5 years of the Plan. This would be in line with national policy as set out in the WMS.

MM3 – Table 3.2

- 7. The Council propose to amend Table 3.2, this sets out the Council's anticipated minimum supply over the Plan period. It continues to include a source of supply from allowances from 2026/7 onwards. It sets out a total supply of 11,814 dwellings. This is a significant reduction from the supply 16,322 dwellings set out in the submitted version of the Plan.
- 8. The HBF considers that this amendment is not sound, is not justified by evidence and is not consistent with national policy. The HBF continues to consider that the Council does not have the compelling evidence necessary, in line with the NPPF¹, to support the inclusion of allowances in the supply, as has been set out in our previous responses.
- 9. The HBF also notes that the supply is not sufficient to meet the housing requirement set out in the Plan (a minimum of 14,400 net additional dwellings asset out in MM5), or the local housing need identified by the current standard method. The HBF does not consider that this consistent with national policy set out in the NPPF or the July 2024 WMS. The NPPF is clear that in plan-making the strategic policies should as a minimum provide for objectively assessed needs for housing (para 11), make sufficient provision for housing (para 20), and support the Government's objective of significantly boosting the supply of homes (para 60). The HBF does not consider that the Plan as proposed is consistent with these national policies. The Building the Homes we Need WMS is clear that we are in the middle of the most acute housing crisis in living memory, it is also clear that whilst planning is a local activity, decisions should be about how to deliver the housing an area needs, not whether to do so. It is also clear as set out above that the

¹ NPPF 2021 paragraph 71

Government will be requiring local authorities to review their Green Belt boundaries where they cannot meet their identified housing needs.

MM5 – Policy WS 1

- 10. The Council propose to amend this policy to state that the Local Plan seeks to enable the provision of a minimum of 14,400 net additional dwellings, and 1,149 residential care places for older people ie C2 class units. A table within the policy sets out the stepping of the housing requirement, with 500dpa in the year 2022/23. 2,544 in the period 2023/23 to 2027/28, 4,232 in the period 2028/29 to 2032/33, 5,107 dwellings in the period 2033/34 to 2037/2038 and 2,043 in the period 2038/39 to 2039/40. And a new Part D sets out that new dwellings will be delivered in line with the housing trajectory set out at Appendix 4, namely an annual requirement of 500 dwellings per annum to 2027/28, 850 dwellings per annum between 2028/29 and 2032/33, and 1,025 dwellings per annum from 2033/34 to 2039/40.
- 11. The HBF considers that these amendments are not sound, they are not justified by evidence and are not consistent with national policy.
- 12. The Council propose to amend the Plan period to 2022/23 to 2039/40. The NPPF² is clear that strategic policies should look ahead over a minimum of 15 years from adoption. The original end date of the plan in 2037, was not sufficient to meet this 15-year requirement and so the extension of the period to 2039/40 is considered appropriate. However, the modification also proposes to move the start date of the Plan. The HBF considers that it is not necessary for soundness to move the start date of the Plan period, and as such the HBF considers that the Plan period should be 2021/22 to 2039/40.
- 13. The submitted Local Plan saw the Council seeking to provide for a minimum of 13,360 net additional dwellings equivalent to 835 dwellings per annum (dpa). This was based on the Wirral Strategic Housing Market Assessment (SHMA) (October 2021) which includes 779 per annum based on the Governments standard methodology for calculating housing need, plus an uplift of 6 per annum to support economic growth. In addition, an allowance of 50 dwellings each year is added to make up for demolitions. This modification amends this housing requirement to 14,400 dwellings, the equivalent to 800dpa over an 18 Plan period. This is justified by an update to the LHN to 750dpa, and the inclusion of the 50dpa for demolitions. The HBF are concerned by the loss of the economic uplift, and the change in approach that is utilised by this modification, seeing the Council move away from the economically led housing requirement. The HBF considers that this change in approach is not sound, has not been justified, is not consistent with national policy and is not required for soundness purposes.
- 14. The HBF considers that the use of a stepped housing requirement is not sound. On recognising that they would not have a five-year land supply on adoption the Council should have considered providing a wider variety of housing sites including options for releasing sites in the Green Belt and delivering more housing on smaller sites earlier in

² NPPF 2021 Paragraph 22

the plan period rather than the adoption of a stepped trajectory which merely pushes back the delivery of much needed homes. Given the worsening affordability and the housing crisis that has already been identified as set out above in the WMS this stepped requirement cannot be justified. There is an acute shortage of homes now and every effort should have been made to increasing delivery in the short term.

15. The PPG³ suggests that a stepped housing requirement may be appropriate where there is to be a significant change in the level of housing requirement between emerging and previous policies and / or where strategic sites will have a phased delivery or are likely to be delivered later in the plan period. Neither of these scenarios apply in Wirral, the current Wirral UDP has a housing requirement of 10,500 dwellings which represents an average building rate of 700 dpa over the 15 years of the Plan. Given the dated nature of the Plan the Council will also have been utilising the Local Housing Need (LHN) as identified by the Standard Method, this has given Wirral a figure of more than 700dpa for the last few years. The stepped requirement would actually therefore see a reduction from the current Plan housing requirement and from the LHN. It would also be a reduction from what the Council is currently delivering, which the MHCLG live housing tables in relation to net additional dwellings suggests has averaged 616dpa over the last 10 years and 697dpa over the last 5 years. The PPG goes on to state that the Council will need to identify the stepped requirements in strategic housing policy and set out evidence to support this approach, and not seek to unnecessarily delay meeting identified development needs. The HBF does not consider that this approach is sound, and the HBF does not consider that the Council have set out the evidence to support this approach, in fact in very much appears that this approach has been undertaken to delay meeting identified development needs, and to avoid reviewing the Green Belt.

MM6 – Supporting text WS1

- 16. The Council propose to add new additional text here that states the Local Plan strategy is premised on achieving momentum in respect of regeneration, increasing density where appropriate and increasing the viability of development over the Plan period. As such although the Local Plan does not contain sufficient deliverable or developable sites at the time of the examination to meet the full housing requirement of 14,400, it provides a policy framework that will enable that provision (along with robust monitoring and provision for review in the eventuality that is not realised over time).
- 17. The HBF considers that this amendment is not sound, it is not positively prepared, it is not justified by evidence, it is not effective, and it is not consistent with national policy. As set out previously, the supply of housing land within the Plan is not sufficient to meet the housing requirement set out in the Plan, or the local housing need identified by the current standard method. The HBF does not consider that this consistent with national policy set out in the NPPF or the July 2024 WMS. The NPPF is clear that in plan-making the strategic policies should as a minimum provide for objectively assessed needs for housing (para 11), make sufficient provision for housing (para 20), and support the Government's objective of significantly boosting the supply of homes (para 60). The NPPF is also clear that Plans are sound if they are positively prepared providing a

³ PPG ID: 68-021-20190722

strategy which as a minimum seeks to meet the areas objectively assessed needs, and effective – deliverable over the Plan period, this Plan is not meeting the areas local housing need and is not being delivered within the Plan period. The HBF does not consider that the Plan as proposed is consistent with these national policies. The Building the Homes we Need WMS is clear that we are in the middle of the most acute housing crisis in living memory, it is also clear that whilst planning is a local activity, decisions should be about how to deliver the housing an area needs, not whether to do so. It is also clear as set out above that the Government will be requiring local authorities to review their Green Belt boundaries where they cannot meet their identified housing needs.

18. The HBF does not share the Council's confidence that this Plan will increase viability over the Plan period or that this Plan provides a policy Framework that will enable the provision of the full housing requirement. The viability challenges faced by the Plan were clearly set out by the Council's own evidence, and further by the evidence provided by others as part of the Examination of the Plan. The HBF also considers that policies within the Plan are restrictive rather than positive in terms of potential developments and as such the HBF does not consider that this modification is sound.

MM9 – New Policy WS2 and supporting text after paragraph 3.33

- 19. The Council propose to add a new policy in relation to Viability and Delivering Development, it suggests that proposals that do not fully accord with all relevant Local Plan policies on the grounds of viability will only be approved by the Council where the applicant has demonstrated that the development is not viable, that all opportunities for external funding have been explored and maximised and that the benefits of the development outweigh any harm arising due to not fulfilling the policy requirements.
- 20. The HBF considers that this amendment is not sound, it is not justified by evidence and is not consistent with national policy. The HBF is concerned by the requirements of this policy particularly in light of the significant viability challenges identified in the Council's viability evidence, and the even more significant viability challenges identified by other contributors to the Local Plan examination.

MM10 – WS3

- 21. The Council propose to amend this policy to state that proposals for new build market housing of 10 or more dwellings will be required to provide tenure blind affordable housing within the site at the following rates, unless up to date and robust evidence indicates otherwise. The table sets the affordable housing requirement at 10% in viability zones 1 and 2 to 20% in zones 3 and 4. A new part has been added to the policy to state that the provision of affordable housing may vary on a site-by-site basis taking into account evidence of local need and where appropriate the viability of the development. Any relaxation of the affordable housing requirements will only be supported if it complies with Policy WS2.
- 22. The HBF considers that this amendment is not sound, it is not justified by evidence and is not consistent with national policy. The HBF is concerned by the requirements of this policy particularly in light of the significant viability challenges identified in the Council's

viability evidence, and the even more significant viability challenges identified by other contributors to the Local Plan examination. The Council should be mindful that it is unrealistic to negotiate every site on a one-by-one basis because the base-line aspiration of a policy or combination of policies is set too high as this will jeopardise future housing delivery. The requirements of this policy and the viability evidence provided by the Council as part of the examination of the Plan clearly identify that the Council is setting itself up to negotiate viability on almost every site that is expected to come forward. This is not appropriate and not how a sound plan is intended to operate. It is recommended that this policy is amended to better reflect the actual evidence that the Council have identifying that sites similar to those used in the viability assessment typologies where they are identified to be unviable do not need to provide further evidence, to confirm what the Council already know.

MM13 – Policy WS 5

- 23. The Council propose to amend this policy in relation to BNG and propose to delete the reference to where development is located on Council owned land it must deliver minimum 20% BNG.
- 24. The HBF considers that this is an appropriate amendment.

MM21 – Paragraph 3.244 and WS12

- 25. The Council propose to add a Part B to this policy which will set out the circumstances where the Council will commence a review of the Local Plan earlier than the 5-year period after adoption set out in national policy.
- 26. The HBF considers that this amendment is not sound, as it is no longer consistent with national policy. The July 2024 WMS states that the Government's goal is for universal coverage of ambitious local plans as quickly as possible, and in pursuit of that goal they will take a pragmatic approach to the interaction between the changes they have set out and the fact that local authorities across England will have local plans at various stages of development. It goes on to state that for plans at examination, the Government will allow them to continue, although where there is a significant gap between the plan and the new local housing need figure, we will expect authorities to begin a plan <u>immediately</u> in the new system.
- 27. As set out previously, the Government are currently consulting on the NPPF, and this sets out transitional arrangements for Councils that have been submitted for examination and that reach adoption with a housing requirement that is more than 200 dwellings lower than the relevant published local housing need figure. It states that they will be expected to commence plan-making in the new plan-making system at the earliest opportunity to address the shortfall in housing need. Therefore, the circumstances set out in Part B are likely to be irrelevant as the Council should be starting a review immediately, not waiting until the annual housing delivering rate falls below 75% of the housing requirement or the delivery timescales for key sites to change. The HBF recommends that the Council amends this policy further to reflect the expectations of the WMS, the NPPF and potentially the new NPPF.

28. The HBF considers that for an early review policy to be effective, it must require the Council to commence immediate review of the plan upon adoption and require that an updated or replacement plan is submitted no later than three years after the adoption date of the plan. If these timescales are not met, then the policies in the plan which are most important for determining planning applications for new dwellings should be deemed to be 'out of date' and the presumption in favour of sustainable development engaged. A similar policy to this was included in the Bedford Local Plan 2030 (Policy 1), adopted in January 2020, because of changes to national policies and a need to plan for higher housing numbers (see Appendix 1).

Future Engagement

- 29. I trust that the Council will find these comments useful as it continues to progress its Local Plan to adoption. I would be happy to discuss these issues in greater detail or assist in facilitating discussions with the wider house building industry.
- 30. The HBF would like to be kept informed of the publication of the Inspectors Report, the adoption of the Plan and all forthcoming consultations upon the Local Plan and associated documents. Please use the contact details provided below for future correspondence.

Yours sincerely,



Policy 1 - Reviewing the Local Plan 2030

The Council will undertake a review of the Local Plan 2030, which will commence no later than one year after the adoption of the plan. An updated or replacement plan will be submitted for examination no later than three years after the date of adoption of the plan. In the event that this submission date is not adhered to, the policies in the Local Plan 2030 which are most important for determining planning applications for new dwellings will be deemed to be 'out of date' in accordance with paragraph 11 d) of the National Planning Policy Framework 2019.

The plan review will secure levels of growth that accord with government policy and any growth deals that have been agreed. The planning and delivery of strategic growth will be aligned with the delivery of planned infrastructure schemes including the A421 expressway, Black Cat junction, East West Rail link and potentially the A1 realignment.

The review will also serve to build stronger working relationships with adjoining and nearby authorities and may result in the preparation of a joint strategic plan based on a wider geography.