

## **WIRRAL COUNCIL**

### **CABINET**

**14<sup>th</sup> OCTOBER 2010**

#### **REPORT OF THE DIRECTOR OF CORPORATE SERVICES**

#### **WIRRAL STRATEGIC HOUSING MARKET ASSESSMENT UPDATE AND AFFORDABLE HOUSING VIABILITY ASSESSMENT – KEY FINDINGS AND POLICY IMPLICATIONS FOR WIRRAL**

##### **1.0 EXECUTIVE SUMMARY**

1.1 The purpose of this report is for Members to:-

- a) approve the key findings of the Strategic Housing Market Assessment (SHMA) Update and Affordable Housing Viability Assessment undertaken by Fordham for Wirral;
- b) approve the use of the findings to inform the preparation of the Council's Housing Strategy Statement and the Council's Local Development Framework
- c) recommend to Council that the findings of the Assessment and Viability Report are approved as a material consideration for use by Planning Committee in the determination of planning applications.
- d) Approve the use of Fordham Research Dynamic Viability Model to test the viability of sites within the Borough on an annual basis.

##### **2.0 BACKGROUND**

2.1 In order to respond to the needs of local communities and deliver its strategic housing function, Wirral must have a sound understanding and knowledge of local housing needs, local housing markets and their interaction with the wider sub region. This information is essential to effectively develop Wirral's Housing Strategy Statement, deliver our local strategic priorities and meet our objectives for transforming local housing markets in Wirral through targeted investment such as Housing Market Renewal. It is also an essential element of the evidence base for the preparation of the Council's Local Development Framework.

2.2 The Council has a duty to undertake a local housing needs survey every five years to update and inform its Strategy Statement and strategic priorities. Wirral's Strategic Housing Market Assessment which was completed in September 2007 was reported to Members at Cabinet on 7<sup>th</sup> February 2008 and approved as a material consideration in negotiating with developers on affordable housing contributions through S106 agreements. The 2007 SHMA assessment has been used by the Council's Housing Strategy Team in determining priorities and in its justification for securing investment to deliver its affordable housing programme. It has also been used by both the Council's Development Control and Forward Planning teams to inform pre-application discussions with applicants, negotiate the provision of affordable housing within Section 106 legal agreements and as evidence in determining appropriate housing proposals within areas currently the subject of planning restrictions.

- 2.3 However, Members will be aware of the economic climate and its impact upon the need for affordable housing. It has become clear that the onset of the 'credit crunch' triggered a serious downturn in the housing market. People's inability to raise deposits, a severe reduction in the availability of mortgages, and reducing house prices has led both to an increase in demand for affordable housing and at the same time has impacted on purchaser confidence. This has resulted nationally in private developers being more cautious on developing houses for outright sale, which has caused concerns around viability and housing developments coming forward, something which has been reflected locally in Wirral.
- 2.4 In addition, during 2008 there were two specific cases (Blyth Valley Borough Council and Newcastle City Council) where the appeals to the High Court have set out serious flaws in relation to the application of affordable housing targets in Development Plans. In both instances it was upheld that the Councils did not have regard to recent Planning Policy Statement 3 (PPS3) Guidance which clearly states affordable housing targets '*should also reflect an assessment of the likely economic viability of land for housing within the area*'. Paragraph 29 of PPS3 places the requirement on local authorities to set a target for affordable housing provision to be delivered through Section 106 policies that take into account the need for development to be viable, once allowance is made for factors such as the availability of grant funding. These two cases have reinforced the requirement for local authorities to undertake a robust assessment of viability before seeking to apply any target that could impose too onerous a burden on development schemes.
- 2.5 A growing proportion of affordable housing is delivered via Section 106 agreements. However in light of the economic climate and the impact this is having on the housing market and the outcome of the Blyth Valley and Newcastle challenges it is essential that Wirral's housing policy is realistic and credible taking into account current circumstances. A housing viability study sits alongside and is informed by the work of a SHMA and forms the evidence base which informs the affordable housing target for the district.
- 2.6 Based on this information Cabinet members agreed on 19<sup>th</sup> March 2009 to the then Director of Regeneration re-engaging Fordham (without the need to obtain written quotes pursuant to Rule 5.2 of the Contract Procedure rules) to update their original SHMA work and undertake in tandem the viability assessment.

### 3.0 **STRATEGIC HOUSING MARKET ASSESSMENT FINDINGS**

- 3.1 Members should be aware the work undertaken by Fordham was undertaken in two stages. Stage one involved undertaking an assessment of the local market and housing needs for the Borough with Stage two testing the viability of the suggested borough affordable housing target proposed by the SHMA. Therefore data used to inform the research undertaken by Fordham is that which was available at the point of the assessment.
- 3.2 Wirral's SHMA update reinforces that affordability continues to be a key issue across the Borough and that this, along with changes in recent years in the type and size of households means Wirral would require a change in the profile of its housing supply over the next twenty years to meet local needs, aspirations and balance the overall housing market in the long term. Some key findings from the SHMA include the following:-

#### Population and Household Data

- The overall population of Wirral has continued to decline from 312,293 at the 2001 Census point to 310,200 in 2007 (Office for National Statistics). The latest mid year estimate places the population at 308,500 (2009). Natural change (the balance between births and deaths) is negligible and the decline is therefore solely due to an excess in the number of people moving out of the borough over those people moving into the borough from other areas. In 2006-2007 migration flows between Wirral and other parts of the country resulted in a small net decrease in population and migration flows between Wirral and abroad, resulting in a large net decrease to the population. Overall the population in Wirral decreased by approximately 800 people between 2006 and 2007 as a result of migration flows. This is the continuation of a trend that has been recorded in Wirral since 2001-2002.
- The total number of households in Wirral is increasing at a faster rate than the population with household data indicating that between 2001 and 2007 the number of households increased by 2.6%. This implies that the average size of households in Wirral is declining, leading to a growth in the number and proportion of smaller one and two person households. Both existing supply and new affordable housing needs to take into account these households in terms of planning for future supply.

#### Local Housing Market, Unemployment and Affordability

- National house prices have seen an increase of 71% during 2001-2006, whilst in Wirral they rose by 98% over the same period, albeit from a lower base. Since 2006, average (mean) prices in Wirral have risen by 5.7%, despite falls on a national and regional level, but sales closely follow the national and regional trend, falling by 73.6%.
- Results from the 2009 SHMA Update estimate that mean annual gross household income (including non-housing benefits) in Wirral is £24,897. This is a decrease of 1.5% since the original SHMA report in 2007. Overall, some 25.6% of all households in Wirral are theoretically unable to afford market accommodation of an appropriate size currently. This compares to a figure of 23.6% for 2007. Clearly affordability remains a serious problem for many household groups in the Borough. Related to this, first time buyers, who would usually look to purchase properties at the lower end of the market, are being priced out and are restricted in accessing home ownership. 34.6% of would be first time buyers are unable to buy a suitable home.
- In addition, some 18.1% of households headed by someone employed in Wirral would be unable to afford market housing in the Borough (if they were to move now) compared to just 5.3% of households headed by someone employed outside of Wirral. This suggests that there is potential for households employed in Wirral to become marginalised in the market, which may impact on the local economy
- The significant increase in house prices across the Borough has raised a number of issues for potential buyers in all areas. Whilst Wirral continues to have the capacity to undergo continued economic growth, the level of unemployment amongst residents in the Borough increased by 47.6% between March 2008 and March 2009. From March 2009 - March 2010 the increase in unemployment levels has slowed with a 2% increase and since March 2010 levels have continued to fall with an 11% reduction to August 10. However overall from March 2008 to date there has been an increase in unemployment by 31%. Therefore, household's income and employment status has a significant impact on their housing choices and options.

## Local Housing Needs

- The CLG affordable housing model outputs indicate a 58% increase in the net annual need for affordable housing (2,784) compared to the 2007 SHMA findings which indicated 1,767 units required. The findings indicate that this increase is due to the gross need rising because of reduced affordability as a consequence of changes to the local labour market. This is a CLG imposed assessment based on criteria that households should not be spending over 25% of their income on housing costs and therefore shows the latent demand for housing. It does not necessarily mean that this should be set as a target for affordable housing or even could be met. Both these figures are well in excess of previous or existing annual rates of house building in Wirral.
- The SHMA, therefore, in addition uses a Market Balanced Model (MBM) to provide estimates for the need for affordable housing across all tenures which is based on more realistic assumptions of the market i.e. households spend up to 50% of their income (wages/salaries plus savings/equity) on housing rather than the 25% stipulated by CLG Assumptions. This revised analysis reduces the annual average requirement to 570 additional dwellings over a twenty year period to 2029.
- Using this Model the findings have identified that affordability is not limited to the more affluent areas where property prices are higher than the borough average, it is also prevalent in a wide range of neighbourhoods which fall within the eastern side of the Borough where resources are being targeted to restructure local housing markets.
- The scale of the affordable housing need identified indicates that the current 40% borough wide affordable housing target should continue to be required, consisting of 30% social rented and 10% intermediate (i.e. shared ownership)
- Whilst evidence has suggested there has been an increase in the number of smaller households and that this is likely to continue in the future there is still a requirement to meet the current and backlog of housing needs which the borough has alongside meeting people's aspirations for housing. Therefore around 47% of the requirement for new housing is for market accommodation, of which over 80% should have two or three bedrooms. About 19% should have one bedroom but mostly of types designed to provide for older people which must be of the right quality and standard. The majority (87%) of new intermediate housing should have two or three bedrooms. Nearly half of new social rented accommodation (47%) should have three or four bedrooms.
- The sub area analysis within the SHMA Update uses the three geographical areas identified in the former Regional Spatial Strategy to illustrate the likely pattern and location of local housing needs across the Borough.
- The headline findings based on the CLG model indicate that 44% of local affordable housing need arises from the Newheartlands Pathfinder (equivalent to the RSS Inner Area), 44% from the remaining areas to the east of the M53 Motorway (the RSS

Outer Area) and 12% from the areas to the west of the M53 Motorway (the RSS Rural Area).

- Fordham have also run a number of scenarios that examine the likely implications of the Market Balanced Model in further detail. This approach has limitations as it produces results within the Newheartlands Pathfinder (the RSS Inner Area) which could not realistically be translated into a local target without reinforcing existing social and economic divisions and impacting on established regeneration efforts.
- For example, in the absence of any further policy intervention, the Market Balanced Model would indicate that only 9% of new housing should be provided within the RSS Inner Area (of which 98% would be social rented), with 40% within the RSS Outer Area and 51% within the RSS Rural Area. Increasing the proportion of market housing within the RSS Inner Area to 60% could change this to 29% of new housing within the Inner Area, 54% within the Outer Area and 17% within the Rural Area. Only by markedly increasing provision within the Inner Area, could figures in other areas be significantly reduced.

#### Delivery of Affordable Housing in the Planning Policy Context

- The findings of the SHMA are significant considerations with regards to the level and location of future house building that should be permitted within Wirral. The consideration of this issue is, however currently subject to considerable uncertainty.
- The rate of new house building in Wirral has dropped markedly since the onset of the recession and the level and pace of any future recovery is as yet unclear. The Homes and Community Agency (HCA) who provide public subsidy to help deliver affordable housing has been the subject of reductions in line with Government spending cuts. The impact on the future levels of HCA grant will not be known until the outcome of the Comprehensive Spending Review however indications are that the budget could be reduced by 40%. This will have a significant impact on the ability to deliver affordable housing and in the absence of public grant the delivery of affordable housing will effectively be tied to the provision of new market housing
- The annual housing requirement for net additional homes in Wirral was previously set by the Secretary of State in the former Regional Spatial Strategy issued in September 2008 at 500 dwellings, lower than the need now identified in the SHMA. The Regional Spatial Strategy has now been revoked to remove “top down” targets to allow greater local choice and the Secretary of State has confirmed that decisions on housing supply will rest with local councils without the framework of regional numbers and plans. The basis for making these decisions in the absence of the Regional Spatial Strategy has, however, not yet been clarified.
- The Council will be consulting on a new housing requirement figure for Wirral as part of the preparation of the Core Strategy Development Plan Document. A range of figures will be suggested on which stakeholders will be invited to comment, including the annual rate of 570 net additional dwellings implied by the results of the SHMA Update. Matters to be addressed will include the location and capacity of available land, wider development aspirations and the pace of market recovery. It will not be possible to comment further on the potential future housing numbers for Wirral until that consultation process has been completed.

- In the interim, until a final figure can be determined, Cabinet has already resolved that an annual figure of 250 net additional dwellings should be applied (Cabinet, 22 July 2010, Minute 89 refers).

3.3 The SHMA sets out a range of supporting evidence for the continued need to deliver affordable housing to meet the local needs of the borough. This represents a significant challenge for Wirral, now and in the future and policies such as the Core Strategy will be fundamental in setting the policy context to maximise the opportunities for affordable housing to be delivered through the planning system.

3.4 However, whilst the SHMA indicates that any requirement below an annual rate of 570 net additional dwellings would be unlikely to meet the housing needs of the existing population, the annual requirement of the SHMA is based at a single point in time, on a number of factors including the provision that all emerging households will need a property and does not account for empty properties which could and may be made available. There are some 2,700 long term empty private homes in the borough and whilst this may not be appropriate or possible for these to meet all of the SHMA identified need it would strongly support the need to maximise opportunities to increase the local housing supply by other means than new build alone, for example, by bringing empty properties back into use and developing potential incentives for people who are under-occupying social housing to move to smaller units, thereby releasing larger accommodation.

#### **4.0 AFFORDABLE HOUSING VIABILITY ASSESSMENT**

4.1 National policy in Planning Policy Statement 3: Housing 2006 (PPS3) requires Councils to set a borough-wide target for the proportion of affordable housing to be delivered through new developments. The recently updated Strategic Housing Market Assessment (SHMA) provides guidance on the target levels for affordable housing that could be justified and sought through new development based on the analysis and evidence of Wirral's housing requirements. However the SHMA gives an assessment of the balance between the need for market housing and the need for affordable housing. It does not consider or test the commercial elements that affect and drive developers nor consider what level of affordable housing it is realistic to ask developers to provide.

4.2 The updated SHMA indicates a target of 40% is required if Wirral wishes to balance the overall housing market in the borough over the long term. In order for this to meet the requirements of PPS3 and to test whether this is a realistic target for the borough which will not stifle developments from coming forward, Fordham, in consultation with Council housing and planning officers, selected 15 representative sites across the borough to examine and test the SHMA 40% affordable housing target. The sites ranged in size from 18-150 dwellings each, were distributed across the whole of the borough, were at various stages in the development process and all but four had been subject to a planning application.

4.3 The selected sites were then tested under a range of assumptions based on key factors affecting viability including:-

- Affordable housing target levels of 0%, 10%, 20%, 30%, and 40%;
- A base assumption of 'zero grant' but Fordham also included analysis using typical historic levels of grant on affordable housing schemes;

- An Affordable housing split of 80% social rented and 20% intermediate;
- Land values for alternative uses for each of the sites, as the value of a site for housing cannot plausibly fall below the level of an alternative use, if there is another use which would give a better financial outcome for the landowner;
- Consideration of the levels of developer contributions likely to be required to address other planning issues consistent with current local policies;
- An assumption that all new housing would be built to Level 3 of the Code for Sustainable Homes (CSH);
- Abnormal costs were assessed and the figures taken into account where information collected for the assessed sites indicated abnormal conditions were likely.

4.4 The appraisals considered viability for two variant scenarios with regard to future changes in price and cost levels. The first reflected a short-term decline (prices falling 10% relative to build) and the second a return to conditions equivalent to the autumn 2007 market peak (prices rising 18 - 19% and costs falling by 6 - 7%). Consideration of the impact of different assumptions for tenure split were also assessed.

4.5 After undertaking the Viability Assessment and based upon the findings, Fordham highlighted the following issues and recommendations for the Council's consideration:-

- a) Although PPS3 asks for a 'Plan-wide' target, it is not realistic to expect a single target to work across Wirral, as part of the Council's area is essentially outside the normal market by the definition of the regeneration programmes carried out in the housing renewal areas.
- b) Due to the sharp contrast between the Newheartlands Pathfinder (the RSS Inner Area) and the rest of the Borough, Fordham suggest two targets as feasible for use in planning negotiations now, as broad brush targets. For the Rural and Outer parts of Wirral, a target of 20% is currently feasible without any grant subsidy, For the Inner/housing renewal area a target of 10% is currently feasible without any grant. However Members should note detailed viability evidence may come forward on particular sites which may mean that higher or lower targets may be delivered in individual cases.
- c) The national minimum site-size threshold to which affordable targets apply is 15 dwellings (PPS3), but provision is made for lower thresholds where appropriate. None of the 15 sites in the main appraisals undertaken by Fordham were under 15 dwellings and in order to provide guidance on this issue Fordham modelled a suite of notional sites (potential developments) ranging in size from four to 15 dwellings, with characteristics based on one of the larger actual sites. The results of the appraisals suggested that there is scope for reducing site size threshold in Wirral. It is being proposed that a 20% target, in line with the Borough-wide target, could be sustained down to sites of five dwellings.
- d) As viability is likely to change over time, particularly as the housing market recovers and to address the fact that some grant is still likely to be available, Fordham are suggesting retaining the 40% target as an aspiration for the longer-term, to be introduced incrementally, to continue to take account of the targets generated by the housing needs analysis in the original SHMA and the SHMA Update.

- e) The viability assessment has indicated the percentage target for affordable housing requirements in an informed way. Given the pattern of housing market conditions since late 2007, and more particularly a general expectation that house prices may continue to fall for some time to come, or may rise, it will be necessary for any proposed target to be reviewed regularly so to reflect the resulting changes in the profitability of development. Fordham have developed a dynamic viability model which will allow the Council to continue to test the viability of sites within the Borough on an annual basis and update policy responses accordingly, however the upper limit for any target in Wirral is given by the SHMA of 40% and would therefore not be exceeded.
- f) Whilst there are a series of recommendation for Members consideration, attention is drawn to the fact that these are indeed targets and the actual amount of affordable housing required on any particular site must be assessed for that actual site and take into account the peculiar factors of developing that site at that point in the economic cycle.

## **5.0 POLICY IMPLICATIONS AND WAY FORWARD**

- 5.1 The SHMA has identified a number of key areas and challenges facing the Local Authority and has recommended a policy response which could be adopted and taken forward to help respond to local demand for housing and changing demographics. With national CLG household projections estimating an increase in the number of households in Wirral up to 2029 and with the needs survey confirming Wirral has an ageing population there is a significant requirement to ensure Wirral's local policies respond appropriately to both local housing need whilst balance with the regeneration priorities for the Borough.
- 5.2 Affordability has emerged as a problem locally across the borough and is a key strategic priority which is highlighted within Wirral's Housing Strategy Statement 2005-2010. Significant work has been undertaken by officers to deliver and respond to local housing needs and since the implementation of the Housing Strategy in 2005 Wirral's Affordable Housing Development Programme has delivered over 1,400 homes within the Borough. However, whilst there has been an increase in the number of affordable housing, there is still a need to increase the current supply to provide a comprehensive and quality housing offer which meets local people's needs and aspirations.
- 5.4 Council Officers will continue to work in partnership with a range of agencies and local providers such as RSL's and private landlords to both increase the supply of accommodation and make better use of the unused existing accommodation available. Through opportunities including the Governments National Affordable Housing Programme and Housing Market Renewal and through effectively utilising its land assets the Council has been able to respond to local demand for housing. However in order for the Council to be able to maximise opportunities to deliver affordable housing through private developers the following issues must be addressed:
  - a) In order for Technical Services officers to better justify the requirement for private developers to provide a level of affordable housing units on eligible sites on which they are seeking planning approval, the findings from the SHMA will have to be endorsed by the Council as a material consideration.
  - b) The existing Affordable Housing Policy contained within the Council's Unitary Development Plan (UDP) currently provides the policy context to enable officers to clearly set out the Borough's affordable housing target of 40% on all eligible sites, as

recommended in the SHMA findings. However members should note that UDP Policy HSG2 and UDP Policy HS6 will eventually be replaced by the Core Strategy.

- c) Consultation on the options for a new policy for affordable and specialist housing has already show support for the application of a Borough-wide target on the basis that this was likely to result in a more even distribution of affordable housing and would be easier to implement. Any policy to be included in the final Core Strategy will, however, have to be tested through a public examination conducted by an independent planning inspector appointed by the Secretary of State.
- d) Preferred Option 9 – Affordable and Specialist Housing, which subject to Council approval will be published for consultation in November as part the Core Strategy Preferred Options Report (Cabinet 23 September 2010, Item 8 refers), proposes to include the following provisions, in line with the findings of the SHMA Update and the Viability Assessment:
- a third of the future housing land supply should be set aside for the development of specialist housing
  - the long-term aspiration will be to move incrementally towards a Borough wide target of up to 40% affordable housing as part of new market housing developments, subject to site specific viability
  - to begin with, a Borough-wide target of 20% affordable housing will be applied alongside a target of 10% within the Newheartlands Pathfinder , to reflect current market conditions
  - 85% of any affordable housing provided should be secured for social renting with the remaining 15% secured as intermediate housing delivering a mix of house types consistent with the latest local housing needs assessment
  - use by the Council of Fordham Research' Dynamic Viability Model which officers will update on an annual basis using national published data for house prices, building costs and alternative use values. This will enable targets to be re-considered regularly to reflect future changes in the strength of the housing market
  - targets will be applied to any site that will provide five or more dwellings, subject to site specific viability. A commuted sum will be sought where it has been agreed that affordable housing is not to be provided on-site
  - the housing needs assessment and viability assessment will be periodically updated to ensure that the most appropriate type and proportion of affordable and specialist housing is being secured.

## **6.0 FINANCIAL IMPLICATIONS**

- 6.1 An appraisal of developer costs may be necessary to test the financial viability of land values to deliver affordable housing targets to support negotiations on individual sites. Any viability appraisal would be commissioned by the Council, however the developer would be required to paid these costs as part of the planning process. Developers who have planning applications refused may also appeal the Council's decision on individual planning applications. Both of these situations may have additional resource implications and it may also be necessary to obtain the advice of Fordham Research, who conducted the SHMA, to provide support to Planning Officers at appeal hearings and at the public examination into the Core Strategy Development Plan Document.

## **7.0 STAFFING IMPLICATIONS**

- 7.1 Negotiating with developers on the delivery of the targets for affordable housing would be the initial responsibility of officers within the Technical Services Department (Development Control), supported by officers in the Corporate Services Department.
- 7.2 The negotiation and implementation of the Councils affordable housing targets through Section 106 agreements may require further staffing dependent upon the number of applicable development sites and the need for additional legal and financial support. Financial provision for these staffing resources could, however, be generated as part of the Section 106 benefits to the Council.
- 7.3 The annual update of affordable housing targets using Fordham Research Dynamic Viability Model will be carried out within existing staffing resources.
- 7.4 The preparation of policies for affordable housing within the emerging Core Strategy can be delivered within existing staff resources.

## 8.0 **EQUAL OPPORTUNITIES IMPLICATIONS/EQUALITY IMPACT**

- 8.1 The research details local housing needs and gives broad findings of specialist needs of vulnerable communities such as older people, homeless people, and young people. The findings will be used by both the Council and related partners to inform and shape future strategies and policies, reduce social exclusion and ensure appropriate housing and related services are available and accessible to all citizens in Wirral.
- 8.2 The provision of affordable housing will help to promote greater choice and increase housing for local people. These issues have been recognised within the Equality Impact Assessments carried out for both the Housing Strategy and the Enabling Role, under which affordable housing is placed and which identified potential positive impacts

## 9.0 **COMMUNITY SAFETY IMPLICATIONS**

- 9.1 None

## 10.0 **LOCAL AGENDA 21 IMPLICATIONS**

- 10.1 None

## 11.0 **PLANNING IMPLICATIONS**

- 11.1 The results of the SHMA Update and Viability Assessment will need to be applied as a material consideration for decisions on individual planning applications and incorporated in local Development Plan policies to provide a robust framework for negotiations with developers over individual developments and land allocations.
- 11.2 The results of the SHMA Update and Viability Assessment will, subject to Council approval, be used to inform the preparation of the emerging Core Strategy Development Plan Document, subject to the results of further statutory public consultation.

## 12.0 **ANTI-POVERTY IMPLICATIONS**

- 12.1 The delivery of affordable housing within the borough will ensure that quality housing will be delivered and will be available for local citizens who do not have the financial means to purchase market housing.

## 13.0 **SOCIAL INCLUSION IMPLICATIONS**

13.1 The delivery of affordable housing within the borough will have a positive effect on the promotion of social inclusion. Affordable housing includes accommodation for vulnerable people who have the potential to be excluded from society.

#### 14.0 **LOCAL MEMBER SUPPORT IMPLICATIONS**

14.1 The updated SHMA findings and results of the viability assessment will have an impact on the whole of the Wirral area, affecting all Wards.

#### 15.0 **BACKGROUND PAPERS**

15.1 Wirral Affordable Housing Viability Study September 2010, Fordham

Wirral Strategic Housing Market Assessment September 2010, Fordham

Cabinet Report 2009 Re-engagement of consultants for Wirral Housing Needs and Market Assessment and Strategic Viability Assessment

#### 16.0 **RECOMMENDATIONS**

That:-

a) the findings of the Strategic Housing Market Assessment Update Report and the Affordable Housing Viability Study are approved

b) the initial policy implications identified under section 5 of this report are noted

c) the findings are used to inform the preparation of the Council's Housing Strategy Statement

d) Members note the findings are being used as part of the consultation process for the Core Strategy Development Plan Document which Cabinet approved on 23<sup>rd</sup> September 2010

e) Cabinet recommends to Council that the Strategic Housing Market Assessment Update Report and the Affordable Housing Viability Study are approved as a material consideration for use by Planning Committee in the determination of planning applications.

f) Members approve the use of Fordham Research Dynamic Viability Model to test the viability of sites within the Borough on an annual basis.

Kevin Adderley

Interim Director of Corporate Services