

Strategic Housing Land Availability Assessment Update – 2011

Foreword

This document provides an update to the Council's 2008-based Strategic Housing Land Availability Assessment (SHLAA), undertaken by Roger Tym & Partners on behalf of Liverpool City Council and Wirral Council, published in July 2010. The SHLAA Update considers the potential supply of housing across the Borough up to 2026 with a revised base date of April 2011. The information contained within this document reflects the best information available at the time of publication and the SHLAA will be regularly updated to ensure that any changes to the status of sites are reflected in the most up-to-date position.

The SHLAA forms part of the evidence base for the Local Development Framework for Wirral (LDF), along with a range of other technical studies.

The inclusion of any site in this report should not be taken as a Council endorsement of its future development and does not in any way determine decisions to be taken by the Council in relation to site identification in a future Allocations Development Plan Document; the preferred directions of growth in the Core Strategy; or the determination of individual planning applications.

The results of the SHLAA will be used to inform the Core Strategy and the Allocations DPD, scheduled for commencement following the adoption of the Core Strategy in mid 2013. Further work will be required as part of the production of the Allocations DPD to ensure that the identification of land allocations is based on sound and up-to-date information and a closer assessment of any site specific considerations.

1.0 Introduction

1.1 National Planning Policy Statement 3 (CLG, 2007) sets out the requirement for Local Authorities to demonstrate that they have a sufficient supply of potential sites suitable for residential development to deliver the required level of housing, taking account of the level of housing provision set out in the Regional Spatial Strategy. It sets out how Local Authorities should assess housing land supply through a Strategic Housing Land Availability Assessment - a Local Development Framework (LDF) evidence base document which should:

- Identify specific **deliverable** sites to deliver housing in the first five years.
- Identify a further supply of specific, **developable** sites for years 6-10 and, where possible, for years 11-15.
- Indicate broad locations for future growth where it is not possible to identify specific sites for years 11-15.

1.2 In order to be considered **deliverable** within the first five years, sites should:

- Be **Suitable** – the site offers a suitable location for development now and would contribute to the creation of sustainable, mixed communities.
- Be **Available** – the site is available now.
- Be **Achievable** – there is a reasonable prospect that housing will be delivered on the site within five years.

Wirral Strategic Housing Land Availability Assessment 2008 (SHLAA 2008)

1.3 Roger Tym & Partners, supported by A.P. Sheehan & Co, was jointly commissioned by Liverpool City Council and Wirral Council in May 2009 to undertake a Strategic Housing Land Availability Assessment (SHLAA) across Liverpool and Wirral, to meet the requirements of Planning Policy Statement 3. The final SHLAA Report for Wirral was published in July 2010 and set out the Council's housing land supply at April 2008. The main report, together with detailed appendices, set out the methodology used by Roger Tym & Partners in the production of the SHLAA. Details of the original methodology are **not** repeated within this report but the SHLAA 2008 report and its appendices are available to view on the Council's website¹.

1.4 Formal public consultation on the SHLAA 2008 was undertaken alongside consultation on the Core Strategy Preferred Options Report

¹ <http://democracy.wirral.gov.uk/ieListDocuments.aspx?CIId=121&MIId=3059&Ver=4> under Item 121

between November 2010 and January 2011. As part of this, consultees were invited to submit additional sites for consideration as part of the SHLAA Update.

1.5 Results of the formal public consultation were reported to the Council's Cabinet on 21 July 2011 (Minute 80 refers). The main comments related to:

- The methodology, which had previously been subject to consultation in March 2009;
- The assessment and categorisation of individual sites;
- The status of Green Belt sites, which were excluded because of the existing capacity already identified within the urban areas;
- The extent of reliance on the delivery of apartment sites at Wirral Waters, which represented just over 40% of the total supply to 2026;
- Suggested additional sites for assessment.

1.6 The majority of responses were from developers, landowners and their agents, with six responses from members of the public and six from local societies. It is intended that the findings of the SHLAA Update are also published for consultation, including with housing stakeholders, prior to their inclusion in the Proposed Submission Draft Core Strategy Development Plan Document and their approval as a material consideration for use by Planning Committee in the determination of planning applications.

Wirral Strategic Housing Land Availability Assessment 2011 (SHLAA Update)

1.7 In order to provide an up-to-date evidence base for the Draft Core Strategy, the Council has produced a SHLAA Update with a base date of April 2011. It was considered appropriate to undertake the majority of the SHLAA Update in-house and appoint A.P. Sheehan & Co. to undertake the achievability assessment element of the analysis to ensure consistency with the SHLAA 2008.

1.8 The key objectives of the SHLAA Update were as follows:

- re-evaluate the sites included in the SHLAA 2008, to identify any changes;
- incorporate, where appropriate, any amendments identified through consultation;
- assess any new sites for their suitability, availability and achievability; and
- identify the housing land supply position for the 15 year period from April 2011.

1.9 The structure of the report is set out below:

- **Policy Context** – this details key policy, legislative and housing market changes which have occurred since April 2008.
- **Methodology** – this highlights any refinement to the SHLAA 2008 methodology following consultation feedback.
- **Results** – this sets out the revised housing land position as at April 2011.
- **Conclusions** – this discusses the potential implications of the findings.

2.0 Policy Context

- 2.1 A number of policy and legislative changes have been introduced since the SHLAA 2008 was undertaken.

Regional Spatial Strategy for the North West (RSS)

- 2.2 The Secretary of State's Regional Spatial Strategy for the North West (GONW, September 2008) and the Council's Unitary Development Plan (adopted in February 2000), currently constitute the statutory Development Plan for Wirral. In the context of housing, the RSS sets out an annual average housing target for Wirral of 500 net dwellings up to 2021 and the intention to focus new residential development to promote economic growth and regeneration in the east of the Borough.
- 2.3 Following the decision to return decision making powers on housing and planning to local authorities, the Secretary of State for Communities and Local Government revoked Regional Strategies through a Ministerial Statement on 6 July 2010². Following successful legal challenge by Cala Homes, the High Court reinstated all Regional Spatial Strategies on 10 November 2010, ruling that the revocation of Regional Strategies was unlawful.
- 2.4 A subsequent judgement by the Court of Appeal on 27 May 2011 ruled that the proposed abolition of the strategies can be regarded as a 'material consideration' by decision makers when determining planning applications and appeals but that Regional Spatial Strategies remain part of the statutory development plan for the purposes of plan-making.
- 2.5 The Government now intends to abolish Regional Spatial Strategies through the Localism Act, which received Royal Assent on 15 November 2011. The abolition of RSS is currently awaiting the outcome of a Strategic Environmental Assessment, which was subject to consultation with a deadline for comments of 20 January 2012. Although the RSS housing requirement still forms part of the statutory development plan, it is important that the Council can provide a robust evidence base to support a locally-derived housing requirement once RSS is finally revoked. It is proposed that the most up-to-date CLG household projections for Wirral will be used as the basis for calculating the Borough's five-year housing land supply in the period between the abolition of the Regional Spatial Strategy and the adoption of the Core Strategy in mid-2013.

National Policy

- 2.6 At the national level, the Coalition Government has updated Planning Policy Statement 3 (Housing) to reflect a new definition of previously developed land, to exclude private residential gardens; and to remove

² <http://www.communities.gov.uk/statements/corporate/regionalstrategies>

the national indicative minimum density target of 30 dwellings per hectare (CLG, 2011³).

- 2.7 The Government also consulted on a new National Planning Policy Framework (NPPF) in autumn 2011, which will eventually replace the existing series of Planning Policy Guidance (PPGs) notes and Planning Policy Statements (PPSs).
- 2.8 A key objective of the draft NPPF is to increase the delivery of new affordable and market homes. It proposes to remove the national target for the re-use of previously developed land, to allow local councils to determine the most suitable sites for housing. The definition of previously developed land contained within the revised PPS3 (June 2011), is proposed to be retained.
- 2.9 The NPPF may also require local councils to identify an additional allowance of at least 20% of deliverable sites, on top of their five-year housing supply requirement. To qualify as “deliverable”, sites will need to be, at the point of adoption of the Local Plan, “available now, offer a suitable location for development now and be achievable with a realistic prospect that housing can be delivered on the site within five years and in particular that development of the site is viable i.e. that it would provide acceptable returns to a willing landowner and a willing developer based on current values and taking account of all likely infrastructure, standards and other costs” (NPPF, page 30, footnote 5).
- 2.10 It is anticipated that the final version of the NPPF will be published in April 2012.

Core Strategy

- 2.11 The Council consulted on a range of potential housing targets as part of the Preferred Options for the Core Strategy, based on the RSS ‘Option 1’ figure advised in the Conservative Party pre-Election Green Paper ‘Open Source Planning’; housing need; housing capacity; and market deliverability. Consultation feedback indicated that the majority of respondents wanted more account to be taken of the local housing needs identified in the Council’s Strategic Housing Market Update, which were based on CLG household projections.
- 2.12 Section 5 of this report sets out the housing land supply at April 2011 when set against the RSS requirement and the latest DCLG 2008-based household projections.

Interim Planning Policy for New Housing Development

- 2.13 The Council initially adopted an Interim Planning Policy for New Housing Development in December 2003 in response to the spatial

³ <http://www.communities.gov.uk/documents/planningandbuilding/pdf/1918430.pdf>

priorities set out in Regional Planning Guidance for the North West (RPG13, March 2003). The Interim Planning Policy was further revised in October 2005 to more strongly focus new housing development into identified regeneration priority areas, including the Newheartlands Housing Market Renewal Pathfinder Area.

- 2.14 The Interim Planning Policy was reviewed in March 2009, in response to the publication of the North West of England Plan and the findings of two planning appeals; and again in July 2010, following the initial proposals to revoke the Regional Spatial Strategy. It was determined that the Interim Planning Policy would remain unaltered until replaced by the emerging Core Strategy Development Plan Document. The policy and the areas affected can be viewed on the Council's website under 'Interim Housing Policy'⁴.

Overview Study

- 2.15 The Councils of Sefton, Knowsley, Liverpool, St Helens, West Lancashire and Wirral appointed GVA Grimley to produce a Housing and Economic Development Evidence Base Overview Study for the Wider Liverpool City Region ("the Overview Study"). The Overview Study examined whether a sufficient, appropriate and deliverable supply of land was available to meet housing and employment requirements across the study area. It also assessed the extent to which any excess supply in one or more local authority area(s) could be used to meet the needs of neighbouring or other local authorities, as part of the need to consider cross-boundary interactions in the preparation of the authorities' core strategies.
- 2.16 The Overview Study examined the Strategic Housing Land Availability Assessments (SHLAA) of each authority within the Study area. To ensure comparable datasets, the housing land capacity for each local authority was amended to reflect a 2010 baseline. The Wirral SHLAA 2008 identified a total capacity (on previously developed and greenfield sites) of 22,156 units. Gross completions from 2008/09 and 2009/10 were subtracted from the supply to provide a total potential supply of 21,217 units in 2010. 9,000 of these units formed part of a scheme called 'Wirral Waters', to focus growth and regeneration at the heart of the older urban area in and around the Birkenhead Dock Estate.
- 2.17 The results indicated that while Wirral, Liverpool and Halton demonstrated sufficient capacity to meet likely future housing requirements, Sefton, Knowsley, St Helens and West Lancashire faced a position of potential undersupply of housing land beyond 2020. The potential for authorities in a position of oversupply (including Wirral) to absorb the potential shortfalls within other authorities was, however, considered to be limited by recent patterns of migration, the localised

⁴ <http://www.wirral.gov.uk/my-services/environment-and-planning/planning/local-development-framework/unitary-development-plan>

nature of the majority of household moves and the pattern and extent of local housing needs. The Study, nevertheless, noted the ability of planning policies and regeneration initiatives to influence future housing market relationships and highlighted the potential for city centre and waterfront developments in Liverpool and Wirral to absorb some of the younger, more 'mobile' households generated within surrounding authorities.

Changes in Housing Delivery since 2008

Residential Completions

- 2.18 Between April 2003 and April 2008 Wirral recorded a total of 3,284 gross housing completions (at an annual average of 657 dwellings) and a total of 1,353 demolitions. Taking net gains from conversions into account, this equated to an annual average of 367 net housing completions. Although this fell below the requirement of 500 net dwellings per annum set by the RSS, Wirral had exceeded the annual requirement in both 2006/07 and 2007/08, before the onset of the national recession.
- 2.19 Since then, between 2008 and 2011, Wirral has delivered an annual average of 404 gross dwellings. Taking demolitions and net gains through conversion into consideration, this equates to an annual average of 210 net housing completions. In 2010/11, Wirral registered 97 net completions, the lowest figure recorded since the beginning of the RSS period in 2003.
- 2.20 Market conditions have, therefore, had a significant impact on the ability of developers to deliver new housing to the pre-recession levels envisaged in RSS.
- 2.21 Although the base date of the original SHLAA was April 2008, the economic viability assessments were undertaken in 2010 and took the economic downturn into consideration. The Council's appointed housing market viability expert has confirmed that the assumptions made in relation to the economic climate remain broadly comparable. Further detail on market viability assumptions can be found under paragraphs 3.11 - 3.16 of this report.

Housing Market Renewal Initiative

- 2.22 Newheartlands was a long term national regeneration project to tackle the causes and symptoms of housing market failure, vacancy and decline at the heart of the Merseyside conurbation. In Wirral, the boundary designated by the Government in April 2002, included parts of Bidston, Birkenhead, Liscard, Tranmere and Seacombe. The programme has been very successful in securing a number of homes for acquisition and clearance, renovating a range of existing properties and providing new high quality housing on former clearance areas.

- 2.23 Following the Government's Comprehensive Spending Review, HMRI funding ceased prematurely at the end of March 2011. Despite funding cuts, the objectives of housing market renewal continue to form a prominent part of the Council's Housing Strategy and the Council's ongoing Housing Investment Programme is based on the completion of previous priorities and initiatives in Birkenhead, Rock Ferry, Tranmere and Wallasey. The Council has secured HMRI Transitional Funding to the value of £2.7 million which will be used to support housing market renewal priorities alongside funding from the New Homes Bonus and the Regional Housing Fund, in partnership with the Council's preferred regeneration partners, Keepmoat and Lovell.
- 2.24 Demolitions have remained high since 2002 in the regeneration priority areas, largely associated with the completion of HMRI programmed demolitions. It is anticipated that future demolitions within these areas will be reduced due to the scaling down of housing market clearance. Wirral Partnership Homes are, however, also currently undergoing a programme of redevelopment on a number of their key sites and programmed demolitions are therefore likely to remain high for the next five years.

Mersey Heartlands Growth Point

- 2.25 In July 2008, the Government confirmed 'Mersey Heartlands' as one of 21 second-round New Growth Points (NGP). Under the NGP, accelerated housing supply was to be pursued alongside housing market renewal in Merseyside's regeneration priority areas. The ambition for the Mersey Heartlands NGP was to achieve a level of housing growth that was 20 per cent greater than the dwelling targets set by the RSS during the period 2008-2017. The Council's commitment to growth within this area was shown in the outline approval of up to 15,200 new dwellings at Wirral Waters but no new housing development has yet taken place.
- 2.26 National funding for the Growth Point programme also ceased in March 2011.

3.0 Methodology

- 3.1 The SHLAA Update has been produced in line with the agreed SHLAA 2008 Methodology and Site Assessment Criteria Note⁵ subject to consultation feedback and data updates.

Stage 2 – Determining sources of supply

- 3.2 The SHLAA 2008 incorporated sites from a range of sources set out in the SHLAA Methodology (Appendix 1 to the SHLAA 2008 Report). In order to ensure the SHLAA Update reflected the position at April 2011, a number of new sites have been assessed. These included:

- sites submitted through consultation on the SHLAA 2008 between November 2010 and January 2011;
- a review of housing refusals since April 2003, which were not included in the SHLAA 2008 (except that sites where the reasons for refusal were unlikely to be able to be overcome have continued to be excluded);
- sites where planning permission for housing had lapsed prior to 1 April 2011;
- additional sites identified through the National Land Use Database held by HCA;
- Council-owned sites that had or were likely to be declared surplus to requirements in future years; and
- additional vacant sites identified by officers during site visits.

Stages 3 and 4 – Desktop review of existing information

- 3.3 In accordance with the SHLAA 2008 Site Assessment Criteria Note (Appendix 4 to the SHLAA 2008 Main Report), a desktop review of existing information was carried out. All sites included in the original SHLAA were reassessed to see whether planning permission for housing or an alternative use had been granted since 1 April 2008. If so, these sites were removed. As discussed under paragraph 2.6, Planning Policy Statement 3 was revised in 9 June 2010 to exclude garden land from its definition of previously developed land⁶. All sites were therefore reassessed in line with the revised definition of previously developed land and the categorisation changed accordingly.

⁵ Appendices 1 and 4 at <http://democracy.wirral.gov.uk/ecSDDisplay.aspx?NAME=SD620&ID=620&RPID=1000027491&sch=doc&cat=12848&path=12848>

⁶ <http://www.communities.gov.uk/documents/planningandbuilding/pdf/1615265.pdf>

Stage 5 – Carrying out the survey

- 3.4 Once a list of potential sites had been established, planning officers conducted site visits to all sites in April 2011. This identified any changes which had occurred on sites since 2008 and gathered further information to assist in the assessment of suitability, availability and viability of each new site.

Stage 6 – Estimating the housing potential on each site

- 3.5 As discussed in paragraph 2.6 the revision of PPS3 in June 2010 also removed the national indicative minimum density target of 30 dwellings per hectare contained within the previous version of PPS3. In setting locally-derived densities, paragraph 47 of PPS3 states that Local Planning Authorities may wish to set out a range of densities across the plan area rather than one broad density range.
- 3.6 In order to reflect this, the density on sites with an extant planning permission for housing development at April 2011 was examined. Sites which featured a flatted element were removed, as it was considered that a number of these sites had received permission prior to the economic downturn and that the inclusion of higher density schemes would unduly skew any analysis. A median average was then calculated by Settlement Area and rounded to the nearest 10 dwellings per hectare:

Table 1: Median Density by Settlement Area

Settlement Area	Median Density (dwellings per hectare)
Area 1	50
Area 2	50
Area 3	30
Area 4	30
Area 5	30
Area 6	10
Area 7	10
Area 8	10

- 3.7 These notional densities were applied to all new sites within each Settlement Area, unless site specific circumstances indicated otherwise. These circumstances were recorded in the site database and included:
- where a lower density was considered more appropriate in order to preserve the existing character of the area;
 - where A.P. Sheehan & Co.'s economic viability appraisal assumes an alternative density; and
 - where it was considered that the site could support a higher density, for example to support a more sustainable pattern of development.

- 3.8 Densities on sites which were assessed as part of the SHLAA 2008 remain unaltered as it was considered that this would reflect the original achievability assessment.

Stage 7 – Assessing when and whether sites are likely to be developed

Stage 7a – Assessing suitability for housing

- 3.9 In order to ensure consistency, the suitability of sites was assessed in accordance with the original methodology. Updated maps provided by Environment Agency dated November 2010 were used to identify areas at risk of flooding and Conservation Area data was updated to include the recently designated Magazines Conservation Area.

Stage 7b - Assessing availability for housing

- 3.10 The availability of sites was also assessed in accordance with the original methodology. For sites where a planning application for residential development had been refused or a planning appeal had been received between April 2010 and April 2011, the site was assumed to be fully available.

Stage 7c - Assessing achievability for housing

Assessment of New Sites

- 3.11 A.P. Sheehan & Co. was appointed to undertake the achievability element of the work. It was agreed that only the viability of new sites (sites not included in the SHLAA 2008) would be assessed as A.P. Sheehan & Co had confirmed that the economic position had not changed significantly since the original sites were assessed. The scoring of the original sites was therefore not amended unless new evidence had been provided to indicate otherwise. The assessment of new sites comprised a high level viability appraisal of all sites of 0.4 hectares and above (total of 40 sites) and a sample of 50 sites below 0.4 hectares. In order to verify the assumptions in the high level assessment, A.P. Sheehan & Co. also undertook detailed development appraisals for a sample of 25 sites below 0.4ha and a sample of 10 sites of 0.4ha or above. Each site was given an achievability score of 1 – 3 which indicated the following:
- 1 – Development of the site **cannot** be achieved in the first **ten** years
 - 2 – Development of the site **cannot** be achieved in the first **five** years
 - 3 – Development of the site **can** be achieved in the first **five** years
- 3.12 In order to provide a representative sample of new sites, a range of sites were taken from each Settlement Area, including a mix of vacant sites, greenfield sites, and sites still in active use.

- 3.13 In the SHLAA 2008, an assumption was made relating to the likely delivery of small sites below 0.4 hectares which had not been subject to an achievability analysis, based on the proportion of large sites within each Settlement Area placed in Categories 1, 2 and 3. In order to assess new 'small sites' below 0.4 hectares which had not been subject to an achievability assessment, each site was categorised by site type (in use as an office, as amenity greenspace or currently vacant, for example), and split by Settlement Area. The achievability score for comparable surveyed sites within each Settlement Area was then applied to the remaining new sites below 0.4 hectares.
- 3.14 In terms of A.P. Sheehan & Co.'s assumptions, it was considered that build costs have remained broadly similar since 2008 due to the balance between increased material costs and reduced labour costs. It was also noted that, while sales values have fallen in the short term, the position taken in the appraisals assumes a five year annual average. Going forward, it is therefore anticipated that sales and land values will remain largely unaltered over the next 2-3 years. The introduction of Code for Sustainable Homes Level 4 could render currently viable sites unviable. The Government has consulted on introducing requirements equivalent to Code Level 4 from 2013 but the final proposals have not yet been published. As the Council is not proposing to introduce requirements in advance of the national Building Regulations, Code Level 4 requirements have not been factored into the calculations. Should this position change, the SHLAA will need to be updated accordingly.
- 3.15 In terms of sites with planning permission, the schedule of committed residential sites at April 2011 (Appendix 5 to the 2011 Annual Monitoring Report) identifies all sites with planning permission at April 2011. These are not therefore included as Category 1, 2, 3 or small sites in the SHLAA but are factored into the supply separately.
- 3.16 In line with the SHLAA 2008, it is considered reasonable to assume that a proportion of extant residential planning permissions will not be implemented. The Council undertook an exercise with landowners, developers and agents in 2009, through which they were asked if they still intended to bring the site forward. As Roger Tym & Partners were unable to robustly identify which of the outstanding commitments in Wirral were 'unlikely' to be implemented, it was agreed to apply a 20 per cent non-implementation rate to the outstanding commitments within the housing land supply, informed by a study carried out in Liverpool, where more responses were received. Given that the economic context has not changed significantly, it is considered reasonable to maintain a 20 per cent non-implementation rate.

4.0 Results

4.1 In line with the SHLAA 2008 Site Assessment Criteria Note (Appendix 4 to the SHLAA 2008), the assessments of suitability, availability and achievability have been used to place each site into one of three 'Category' bands:

- **Category 1** sites are considered to be suitable for housing and could be capable of being delivered within five years.
- **Category 2** sites are considered to be developable but may have some additional constraints which mean they are more likely to be delivered within a 6-10 year period.
- **Category 3** sites are considered to be not currently developable and are considered to be subject to constraints which would only make them deliverable within an 11-15 year period.

Identified Capacity

4.2 Out of 515 sites identified in the SHLAA 2008 supply, 196 have been removed following an assessment of their suitability, availability and achievability. A further 10 sites form part of the Wirral Waters scheme, which could increase the potential available capacity by *[figures to be added once available]* within Settlement Area 2 and the total dwelling capacity for the Borough to *[figures to be added]*.

4.3 Out of a total of 581 potential new sites, a total of 210 have been removed following an assessment of their suitability, availability and achievability.

4.4 This leaves a total of 680 sites with a total potential capacity of 9,259 dwellings without planning permission, excluding Wirral Waters. Table 2 illustrates the general locations of the total capacity currently available.

Table 2: All Sites at April 2011 (Excluding Wirral Waters)

Number of Dwellings (gross)	Category 1 Sites		TOTAL	Category 2 Sites		TOTAL	Category 3 Sites		TOTAL	Small Sites		TOTAL	Site with Planning Permission (- 20%)		TOTAL	TOTAL ALL SITES	% of Borough Total
	PDL	GF		PDL	GF		PDL	GF		PDL	GF		PDL	GF			
Settlement Area 1 – Wallasey	104	43	147	150	34	184	52	95	147	53	44	97	442	10	452	1027	8.8
Settlement Area 2 – Commercial Core	63	0	63	461	0	461	3172	41	3213	67	0	67	49	0	49	3853	32.9
Settlement Area 3 – Birkenhead	321	138	459	219	88	307	241	131	372	132	99	231	1022	130	1152	2521	21.5
Settlement Area 4 – Bromborough & Eastham	209	44	253	599	93	692	280	49	329	4	46	50	414	6	420	1744	14.9
Settlement Area 5 – Mid-Wirral	67	126	193	59	141	200	154	784	938	48	40	88	98	16	114	1533	13.1
Settlement Area 6 – Hoylake & West Kirby	67	20	87	73	60	133	2	25	27	25	19	44	33	9	42	333	2.8
Settlement Area 7 – Heswall	27	36	63	25	52	77	28	14	42	19	27	46	25	13	38	266	2.3
Settlement Area 8 – Rural Areas	0	0	0	132	26	158	91	0	91	0	0	0	197	2	199	448	3.8
TOTAL	858	407	1265	1718	494	2212	4020	1139	5159	348	275	623	2280	186	2466	11725	

Table 3: All Sites Assessed as Deliverable Within A Five Year Period From April 2011

Number of Dwellings (gross)	Category 1 Sites			Site with Planning Permission (less 20%)			GRAND TOTAL	% of Borough Total
	PDL	GF	TOTAL	PDL	GF	TOTAL		
Settlement Area 1 – Wallasey	104	43	147	442	10	452	599	16.1
Settlement Area 2 – Commercial Core	63	0	63	49	0	49	112	3.0
Settlement Area 3 – Birkenhead	321	138	459	1022	130	1152	1611	43.2
Settlement Area 4 – Bromborough & Eastham	209	44	253	414	6	420	673	18.0
Settlement Area 5 – Mid-Wirral	67	126	193	98	16	114	307	8.2
Settlement Area 6 – Hoylake & West Kirby	67	20	87	33	9	42	129	3.5
Settlement Area 7 – Heswall	27	36	63	25	13	38	101	2.7
Settlement Area 8 – Rural Areas	0	0	0	197	2	199	199	5.3
TOTAL	858	407	1265	2280	186	2466	3731	

4.5 Table 3 above includes Category 1 sites identified as deliverable within the first five years, together with sites with planning permission at April 2011 (discounted by 20 per cent) excluding Wirral Waters sites. It demonstrates that 84 per cent of the total five year supply is on previously developed land, above the RSS target of 80 per cent. The largest potential capacity lies within the urban area in Settlement Area 3 - Birkenhead, with Settlement Areas 1 – Wallasey and Settlement Area 4 – Bromborough and Eastham also demonstrating significant capacity.

4.6 The capacity in Table 3 includes the following:

- **188** units and **6.36** hectares of land on sites designated for employment purposes.
- **223** units and **13.27** hectares of land on sites designated as urban greenspace or currently used or designated for recreation.
- **94** units and **5.66** hectares of land on sites within a designated Conservation Area.
- **30** units and **2** hectares of land on residential garden sites.
- **559** units and **26.14** hectares of land are currently held back by the Council's Interim Planning Policy for New Housing Development.

- 4.7 Removing these sites would reduce the gross supply from 3,731 to 2,907 dwellings.
- 4.8 Wirral Waters could provide an additional *[figures to be added once available]* dwellings between 2011 and 2016.

Table 4: Sites Assessed as Developable Within Six to Ten Years From April 2011

Number of Dwellings (gross)	Category 2 Sites		TOTAL	% of Borough Total
	PDL	GF		
Settlement Area 1 – Wallasey	150	34	184	8.3
Settlement Area 2 – Commercial Core	461	0	461	20.8
Settlement Area 3 – Birkenhead	219	88	307	13.9
Settlement Area 4 – Bromborough & Eastham	599	93	692	31.3
Settlement Area 5 – Mid-Wirral	59	141	200	9.0
Settlement Area 6 – Hoylake & West Kirby	73	60	133	6.0
Settlement Area 7 – Heswall	25	52	77	3.5
Settlement Area 8 – Rural Areas	132	26	158	7.1
TOTAL	1718	494	2212	

4.9 The table above includes Category 2 sites identified as developable within the first ten years, again, excluding Wirral Waters sites. It demonstrates that 78 per cent of the total 6 – 10 year supply is on previously developed land, slightly below the RSS target of 80 per cent. Outside Wirral Waters, the largest potential capacity lies within the urban area in Settlement Area 4 – Bromborough and Eastham.

4.10 The capacity in Table 4 includes the following:

- **546** units and **24.71** hectares of land on sites designated for employment purposes.
- **205** units and **6.92** hectares of land on sites designated as urban greenspace or currently used or designated for recreation.
- **129** units and **3.73** hectares of land on sites within a designated Conservation Area.
- **48** units and **1.02** hectares of land on sites at high risk of flooding (Flood Zone 3a).
- **77** units and **4.49** hectares of land on residential garden sites.

- **165** units and **6.65** hectares of land on sites currently in use with potential for conversion but with no indication of delivery within the first five years.
- **843** units and **34.23** hectares of land are currently held back by the Council's Interim Planning Policy for New Housing Development.

4.11 Removing these sites would reduce the gross supply from 2,212 to 671 dwellings.

4.12 Wirral Waters could provide an additional *[figures to be added once available]* dwellings between 2016 and 2021.

Table 5: Sites assessed as Not Currently Developable Within Eleven to Fifteen Years From April 2011

Number of Dwellings (gross)	Category 3 Sites		TOTAL	% of Borough Total
	PDL	GF		
Settlement Area 1 – Wallasey	52	95	147	2.8
Settlement Area 2 – Commercial Core	3172	41	3213	62.3
Settlement Area 3 – Birkenhead	241	131	372	7.2
Settlement Area 4 – Bromborough & Eastham	280	49	329	6.4
Settlement Area 5 – Mid-Wirral	154	784	938	18.2
Settlement Area 6 – Hoylake & West Kirby	2	25	27	0.5
Settlement Area 7 – Heswall	28	14	42	0.8
Settlement Area 8 – Rural Areas	91	0	91	1.8
TOTAL	4020	1139	5159	

4.13 The table above includes Category 3 sites identified as not currently developable within the first ten years, excluding Wirral Waters sites. It demonstrates that 78 per cent of the 11 - 15 year supply is on previously developed land, slightly below the RSS target of 80 per cent. Outside Wirral Waters, the largest potential capacity lies within the Commercial Core in and around the town centre and the docks hinterland.

4.14 The capacity in Table 5 includes the following:

- **3,213** units and **90.53** hectares of land on sites designated for employment purposes.

- **1,333** units and **55.35** hectares of land on sites designated as urban greenspace or currently used or designated for recreation.
- **846** units and **10.55** hectares of land on sites within a designated Conservation Area.
- **2,252** units and **65.22** hectares of land on sites at high risk of flooding (Flood Zone 3a).
- **39** units and **3.24** hectares of land on residential garden sites.
- **60** units and **1.59** hectares of land on sites currently in use with potential for conversion but with no indication of delivery within the first five years.
- **530** units and **23.4** hectares of land are currently held back by the Council's Interim Planning Policy for New Housing Development.

4.15 Removing these sites would reduce the gross supply from 5,159 to 303 dwellings.

4.16 Wirral Waters could provide an additional *[figures to be added once available]* dwellings between 2021 and 2026.

Table 6: Small Sites at April 2011

Number of Dwellings (gross)	Small Sites		TOTAL	% of Borough Total
	PDL	GF		
Settlement Area 1 – Wallasey	53	44	97	15.6
Settlement Area 2 – Commercial Core	67	0	67	10.8
Settlement Area 3 – Birkenhead	132	99	231	37.1
Settlement Area 4 – Bromborough & Eastham	4	46	50	8.0
Settlement Area 5 – Mid-Wirral	48	40	88	14.1
Settlement Area 6 – Hoylake & West Kirby	25	19	44	7.1
Settlement Area 7 – Heswall	19	27	46	7.4
Settlement Area 8 – Rural Areas	0	0	0	0.0
TOTAL	348	275	623	

4.17 The table above includes small sites which were not subject to a detailed achievability appraisal. It demonstrates that 56 per cent of the total supply of small sites is on previously developed land, below the RSS target of 80 per cent.

4.18 The capacity in Table 6 includes the following:

- **54** units and **1.16** hectares of land on sites designated for employment purposes.
 - **91** units and **2.69** hectares of land on sites designated as urban greenspace or currently used or designated for recreation.
 - **20** units and **0.7** hectares of land on sites within a designated Conservation Area.
 - **19** units and **0.53** hectares of land on sites at high risk of flooding (Flood Zone 3a).
 - **52** units and **1.69** hectares of land on residential garden sites.
 - **5** units and **0.15** hectares of land on sites currently in use with potential for conversion but with no indication of delivery within the first five years.
 - **328** units and **9.71** hectares of land are currently held back by the Council's Interim Planning Policy for New Housing Development.
- 4.19 Removing these sites would reduce the gross supply from 623 to 184 dwellings.

5.0 Conclusions

- 5.1 This section sets out the total capacity identified and assesses whether such capacity can meet the RSS dwelling requirement and the requirement based on the DCLG 2008-based household projections.

RSS Requirement

- 5.2 The Regional Spatial Strategy for the North West sets a *minimum* housing target of 500 dwellings net of clearance per annum for Wirral for the period 2003 – 2021. This figure was supported by Wirral at the RSS Examination in Public, as, at that time, it was considered to be the most appropriate level of housing provision to support the Council's regeneration priorities within the older urban areas.

- 5.3 As the RSS requirement is backdated to 2003, the Council is currently required to provide for any shortfall that may have arisen since 2003 when measured against actual housing delivery. Wirral delivered 2,466 net completions between 2003 and 2011, 1,534 units below the RSS requirement. This backlog reflects the decline in housing completions since 2008 following the economic downturn; and a consistently high number of demolitions, largely as a result of clearance through the Housing Market Renewal Initiative within the older urban areas.

Revised Housing Requirement

- 5.4 The DCLG sub-national 2008-based household projections were published in November 2010 and provide an update to both the 2003-based household projections used to derive the RSS requirement to 2021 and the 2006-based projections used in the Council's Strategic Housing Market Assessment Update. The 2008-based household projections now set out projected household growth between 2008 and 2033. In Wirral, the number of households is projected to increase by 9,000, from 135,000 in 2008 to 144,000 in 2033, a significant reduction when compared to both the 2003-based and 2006-based household projections.

- 5.5 Although the 2008-based household projections are trend based, and assume a continued decline in the Wirral population, the figures appear to indicate that a figure below RSS could be justified, once RSS is abolished, until wider policy objectives can be considered in the Core Strategy.

Projected demolitions

- 5.6 In order to fully assess the five year housing land supply, it is also important to consider projected demolitions. The Council maintains a list of properties programmed for demolition by Wirral Council and Registered Providers. The majority of these properties are located within the Newheartlands Pathfinder Area.

- 5.7 Assuming that the majority of future Newheartlands Pathfinder Area demolitions are already known, Council data shows approximately 750 demolitions are programmed between 2011/12 - 2015/16, equivalent to 150 demolitions each year over a five year period within the Newheartlands Pathfinder Area. Demolitions in the Newheartlands Pathfinder Area beyond 2015/16 have, however, been calculated using the average number of actual demolitions since 2003 which were not funded as part of the Housing Market Renewal Initiative, which equates to approximately 20 demolitions each year.
- 5.8 Demolitions outside the Newheartlands Pathfinder Area have been calculated using the median of actual demolitions between 2003/04 and 2010/11 within the RSS Outer Area and RSS Rural Area, outside the Newheartlands Pathfinder Area, equivalent to 50 demolitions each year.
- 5.9 Table 7 sets out the five year housing land position when set against the RSS requirement, without taking account of the proposals at Wirral Waters.

Table 7: Five year supply 2011 – 2016 based on RSS requirement

A	RSS Housing Requirement 2003 - 2011 (500 x 8 years)	4,000
B	Demolitions 2003 - 2011 (actual)	1,901
C	Gross Completions 2003 - 2011 (actual)	4,495
D	Net Completions 2003 - 2011 (new build plus net gain from conversions less demolitions)	2,466
E	Shortfall (backlog) of completions against target 2003 – 2011 (A - D)	1,534
F	Five year projected demolitions (200 p.a)	1,000
G	5 year gross housing target 2011 - 2016 including shortfall and projected demolition replacement (500 x 5 + E + F)	5,034
H	Current five year gross supply	3,895
I	Annual requirement over 5 years (gross) (G/5)	1,007
J	Years' supply (H/I)	3.9

- 5.10 This analysis is based on the following assumptions:

- Projected demolitions over the five year period from 2011 (Row F) are based on the known programmes of the Council and Registered Providers of social housing and the median average of actual demolitions since 2003
- The five year gross housing target (Row G) assumes that the shortfall against RSS between 2003 and 2011 will be met in the five year period from April 2011. If this backlog is met over a ten year period, the SHLAA demonstrates capacity equivalent to a 4.6 year supply
- The current five year gross supply (Row H) includes Category 1 sites that were considered deliverable within the first five years, small sites calculated as being deliverable within the first five years and extant planning permissions at April 2011 (the last discounted by 20 per cent to reflect non-implementation)
- The calculation assumes that all Category 1 sites, small sites and extant planning permissions are fully developed and that the Council's Interim Planning Policy for New Housing Development does not continue to apply.

5.11 Table 7 demonstrates that the SHLAA Update does not identify sufficient capacity to meet the RSS requirement within the five year period from 2011, without Wirral Waters. When the RSS backlog and projected demolitions are taken into account, the SHLAA Update demonstrates a 3.9 year supply. The continuing application of the Interim Planning Policy could reduce this supply to 3.2 years. The *[figures to be added once available]* additional units at Wirral Waters could, however, help to deliver a *[figures to be added]*- year supply, reduced to *[figures to be added]* years, if the Interim Planning Policy continued to be applied.

5.12 Table 8 below sets out the five year housing land position when set against the latest 2008-based national household projections, without taking account of the proposals at Wirral Waters. The analysis is based on the same assumptions as for Table 7 above.

Table 8: Five year supply 2011 – 2016 based on DCLG 2008-based household projections requirement

A	Increase in no. of households 2008 – 2011 (average 200 pa)	600
B	Demolitions 2008 - 2011 (actual)	548
C	Gross Completions 2008 – 2011 (actual)	1,211
D	Net Completions 2008 - 2011 (new build plus net gain from conversions less demolitions)	631
E	Shortfall (backlog) of completions against target 2008 - 2011 (A – D)	-31
F	Five year projected demolitions (200 p.a)	1,000

G	5 year gross housing target 2011 - 2016 including shortfall and projected demolition replacement (2,200 + E + F)	3,169
H	Current five year gross supply	3,895
I	Annual requirement over 5 years (gross) (G/5)	634
J	Years' supply (H/I)	6.1

5.13 The calculation in Row G reflects projected household growth between 2011 and 2016, which increases from 200 per annum between 2008 and 2013 to 600 per annum between 2013 and 2018.

5.14 When measured against the DCLG 2008-based household projections, the SHLAA Update demonstrates a potential surplus against requirements, at 6.1 years' supply. The continuing application of the Interim Planning Policy could reduce this supply to 5.1 years. This indicates that sufficient capacity may therefore be likely to exist within the Borough to accommodate future household growth. The *[figures to be added once available]* additional units at Wirral Waters could further help to deliver a *[figures to be added]*-year supply, reduced to *[figures to be added]* years, if the Interim Planning Policy continued to be applied.

Table 9: Ten year supply 2011 – 2021 based on RSS requirement

	RSS Housing Requirement 2003 - 2011 (500 x 8 years)	4000
B	Demolitions 2003 - 2011 (actual)	1901
C	Gross Completions 2003 - 2011 (actual)	4495
D	Net Completions 2003 - 2011 (new build plus net gain from conversions less demolitions)	2466
E	Shortfall (backlog) of completions against target (A - D)	1534
F	Ten year projected demolitions ⁷	1350
G	10 year gross housing target 2011 - 2021 including shortfall and projected demolitions (500 x 10 + E + F)	7884
H	Current ten year gross supply	6373

I	Annual requirement over 10 years (gross) (G/10)	788
J	Years' supply (H/I)	8.1

5.15 Table 9 demonstrates the ten year supply when measured against the RSS requirement, without taking account of the proposals at Wirral Waters. It demonstrates a shortfall against the requirement of up to 1.9 years' supply.

5.16 This analysis is based on the following assumptions:

- That 1000 demolitions will take place between 2011 – 2016, comprising 750 within the Newheartlands Pathfinder Area and 50 per annum outside the Newheartlands Pathfinder Area.
- Beyond 2016 it is assumed that 20 demolitions will occur within the Newheartlands Pathfinder Area and 50 demolitions per annum will occur outside each year.
- The current ten year gross supply comprises Category 1 and 2 Sites plus small sites calculated as deliverable and developable within the ten year period, based on the pattern of categorisation of other sites in the same Settlement Area.

5.17 Table 10 below sets out the ten year housing land position when set against the latest 2008-based national household projections, without taking account of the proposals at Wirral Waters. The analysis is based on the same assumptions as for Table 9 above. It demonstrates sufficient capacity to meet the ten year requirement, equivalent to a 10.8 year supply.

Table 10: Ten year supply 2011 – 2021 based on DCLG 2008-based household projections requirement

A	Increase in no. of households 2008 - 2011	600
B	Demolitions 2008 - 2011 (actual)	548
C	Gross Completions 2008 - 2011 (actual)	1211
D	Net Completions 2008 - 2011 (new build plus net gain from conversions less demolitions)	631
E	Shortfall (backlog) of completions against target (A - D)	-31
F	Ten year projected demolitions	1350
G	10 year gross housing target 2011 - 2021 including shortfall and projected demolitions (4,600⁸ + E + F)	5919

⁸ This reflects projected household growth between 2011 and 2021

H	Current ten year gross supply	6373
I	Annual requirement over 10 years (gross) (G/10)	592
J	Years' supply (H/I)	10.8

5.18 Table 11 demonstrates the fifteen year supply when measured against the RSS requirement, without taking account of the proposals at Wirral Waters. It demonstrates a 16.4 year supply, which represents a surplus against requirements. This reflects the significant potential yield identified from Category 3 sites.

Table 11: Fifteen year supply 2011 – 2026 based on RSS requirement

A	RSS Housing Requirement 2003 - 2011 (500 x 8 years)	4000
B	Demolitions 2003 - 2011 (actual)	1901
C	Gross Completions 2003 - 2011 (actual)	4495
D	Net Completions 2003 - 2011 (new build plus net gain from conversions less demolitions)	2466
E	Shortfall (backlog) of completions against target (A - D)	1534
F	Fifteen year projected demolitions	1700
G	15 year gross housing target 2011 - 2026 including shortfall and projected demolitions (500 x 15 + E + F)	10734
H	Current fifteen year gross supply	11725
I	Annual requirement over 15 years (gross) (G/15)	716
J	Years' supply (H/I)	16.4

5.19 This analysis is based on the following assumptions:

- That 1000 demolitions will take place between 2011 – 2016, comprising 750 within the Newheartlands Pathfinder Area and 50 per annum outside the Newheartlands Pathfinder Area.
- Beyond 2016 it is assumed that 20 demolitions will occur within the Newheartlands Pathfinder Area and 50 demolitions per annum will occur outside each year.
- The current fifteen year supply comprises Category 1, 2 and 3 Sites, Small Sites plus sites with planning permission (discounted by 20 per cent).

5.20 Table 12 below sets out the fifteen year housing land position when set against the latest 2008-based national household projections, without taking account of the proposals at Wirral Waters. The analysis is based on the same assumptions as for Table 11 above. It demonstrates a potential significant surplus against requirement, with a 21.3 year supply.

Table 12: Fifteen year supply 2011 – 2026 based on DCLG 2008-based household projections requirement

A	Increase in no. of households 2008 - 2011	600
B	Demolitions 2008 - 2011 (actual)	548
C	Gross Completions 2008 - 2011 (actual)	1211
D	Net Completions 2008 - 2011 (new build plus net gain from conversions less demolitions)	631
E	Shortfall (backlog) of completions against target (A - D)	-31
F	Fifteen year projected demolitions	1700
G	15 year gross housing target 2011 - 2026 including shortfall and projected demolitions (6,600 + E + F)⁹	8269
H	Current fifteen year gross supply	11725
I	Annual requirement over 15 years (gross) (G/15)	551
J	Years' supply (H/I)	21.3

Windfalls

5.21 Although the majority of potential sites have been included in the SHLAA Update, it is still reasonable to assume that some unidentified sites will come forward.

5.22 PPS3 defines windfall development as 'those which have not been specifically identified as available in the local plan process. They comprise previously-developed sites that have unexpectedly become available. These could include, for example, large sites resulting from, for example, a factory closure or small sites such as a residential conversion or a new flat over a shop'¹⁰. Although the SHLAA

⁹ This reflects projected household growth between 2011 and 2026

¹⁰ Footnote 31

Guidance¹¹ notes the emphasis on specific, deliverable sites in PPS3, it also recognises that there may be local circumstances where a windfall allowance is necessary in the 11-15 year period. In these circumstances, an allowance should be included but should be realistic having regard to the Strategic Housing Land Availability Assessment, historic windfall delivery rates and expected future trends.

- 5.23 The SHLAA 2008 considered the number of completions from changes of use and conversions (residential subdivision) between 2001 and 2009. Results showed that, across the Borough as a whole, a total of 781 dwellings were completed in change of use and conversion schemes over the eight-year analysis period, equivalent to an average of 98 dwelling per year. It was noted that the supply remained relatively constant over the period, indicating that these potential sources are not yet close to depletion. Additionally, there will have been some development on unforeseen infill sites.
- 5.24 Traditionally, windfalls have formed a significant part of Wirral's housing supply and the results of the SHLAA 2008 analysis reflect this. The Council's annual windfall calculation is published in the Annual Monitoring Report, which demonstrates that Wirral has delivered an average of 398 new build windfalls since 2006.
- 5.25 In accordance with the SHLAA Guidance, RTP recommended not making a windfall allowance for the first 5-year period, but proposed the following for subsequent years, based on 32 per annum:
- 2013-18: allowance of 160 dwellings
 - 2013-23: allowance of 320 dwellings
 - 2013-26: allowance of 416 dwellings
- 5.26 The Council has granted planning permission for 316 units since April 2008 on sites not identified in the SHLAA 2008 and an additional 100 units since April 2011 on sites not identified in the SHLAA 2011.
- 5.27 In order to comply with PPS3, a windfall allowance has not, however, been built into the supply, although the factors outlined above demonstrate the clear potential for a number of windfall sites to be brought forward over the next 15 years. It is not currently possible under existing national policy to consider reducing vacancy within the existing stock or using the number of properties for sale to contribute towards the assessment of housing requirements or the five, ten or fifteen year supply.

Overall Conclusions

- 5.28 The analysis above highlights a potential shortfall in housing land supply when measured against the RSS requirement over the five and

¹¹ <http://www.communities.gov.uk/documents/planningandbuilding/pdf/399267.pdf>

ten year periods from 2011, without Wirral Waters. Across the fifteen year period, the SHLAA Update demonstrates a potential surplus against the RSS requirement, reflecting a significant potential capacity on sites that are not currently developable, which are included in Category 3. In order to meet the RSS requirement over the five and ten year periods, a number of sites from Category 3 may need to be brought forward sooner.

- 5.29 When measured against the 2008-based household projections, the SHLAA Update demonstrates that Wirral's identified capacity might be able to accommodate projected household growth within the five, ten and fifteen year periods from 2011, without Wirral Waters, if the Interim Planning Policy was no longer applied. The household projections cannot, however, lawfully be applied while the RSS is still in place. While the Government is committed to abolishing the RSS, the timetable for its removal is still uncertain and may be subject to a future judicial review. This means that the Council may need to plan on the basis of RSS remaining in place for the foreseeable future. This may also have implications for the future content of the Core Strategy, if RSS is not abolished before the Draft Core Strategy is published and submitted to the Secretary of State for public examination.
- 5.30 It is, however, important to note that predicting when each site is likely to come forward for development can only be based on the best evidence available at the time. The placing of a site into one of the three Category bands is therefore only intended to give an indication of the likely deliverability and potential timing of a site's development.
- 5.31 Due to the economic climate, a number of sites have been assessed as suitable and available but are not considered deliverable in the current market. If the economic situation improves, it is reasonable to assume that some of these sites could come forward sooner. It is therefore important that the SHLAA is continually monitored to reflect changes in the housing market. National guidance recommends an annual update through the Council's Annual Monitoring Report.