

## **BACKGROUND INFORMATION**

### **Planning Policy Context**

- 1 National planning policy is set out in the National Planning Policy Framework (NPPF, March 2012) accompanied by national Planning Practice Guidance (PPG).
- 2 It is national policy to boost significantly the supply of housing and improve the overall affordability of home ownership, particularly for first time buyers (NPPF, paragraph 47 refers). It is also national policy for the planning system to do everything it can to support sustainable economic growth (NPPF, paragraph 19 refers).
- 3 To achieve this, the Council must prepare a statutory Local Plan to set out how land in the Borough is to be developed over the next 15 to 20 years. As part of the Local Plan, the Council is required to establish the local requirement for housing and to identify enough land for development to meet it in line with national policy.
- 4 Before deciding on a final housing requirement figure, the Council is required to identify the objectively assessed need (OAN) for housing in its area by preparing a Strategic Housing Market Assessment (SHMA), to identify the scale and mix of housing which the local population is likely to need over the period that the Local Plan is intended to remain in force.
- 5 The calculation of OAN must not take policy considerations into account. Only once the OAN has been identified, can the Council then apply other considerations, such as environmental capacity, viability and growth ambitions, before arriving at the figure for the final housing requirement, which will be adopted through the Local Plan. The final housing requirement may therefore be higher or lower than the OAN.
- 6 The housing requirement and the proposals for how it will be met must, however, be tested by a Planning Inspector appointed by the Secretary of State, who will test the soundness and legal compliance of the Local Plan, before it can be legally adopted and brought into force.
- 7 The Government expects local plans to be at an advanced stage of preparation by the end of March 2017 and has recently consulted on proposals to penalise authorities who do not comply with this expectation.

### **The Council's Core Strategy Local Plan**

- 8 The Council's emerging Core Strategy Local Plan was published for public comment in December 2012 (Council, 15 October 2012, Minute 60 refers). A number of respondents cited the need for the Council to undertake further evidence to identify Wirral's objectively assessed housing need, to reflect the requirements of recent revisions to national planning policy and to replace the housing requirement contained within the former Regional Spatial Strategy, which was then still in force, awaiting final revocation.

- 9 In response to these comments and to ensure that the Core Strategy Local Plan was based on the most robust up-to-date evidence, the Council appointed Nathaniel Lichfield and Partners (NLP) to carry out an SHMA to identify the potential scale of future housing need and demand in Wirral to 2032 and beyond. The analysis has been complicated by unexpected significant changes between previous projections and the population recorded in the 2011 Census, limitations in the subsequent Interim Household Projections and the late publication of Stage Two 2012-based national household projections in December 2015.
- 10 While the SHMA also provides more detailed information with regard to the need for affordable housing and the needs of particular groups, only the elements related to the overall need for housing are addressed in this report. The implications of the more detailed information, for example with regard to the Council's approach to the provision of affordable and specialist housing, will be addressed in a separate additional report.
- 11 National PPG sets out the broad approach that local authorities should take when assessing their OAN but there is no single approved methodology. Household projections published by the Government, which estimate how many new households will form over time, based on past rates of migration (in and out of the Borough), natural change (births and deaths) and the likelihood of different age groups in the population to form new households, should, however, provide the starting point. The assessment should then take account of other factors which may affect local household formation such as housing affordability and economic growth.
- 12 The calculations are complex and highly sensitive to slight adjustments in their underlying assumptions and are often subject to long and detailed discussion at the later stages of the plan preparation process, when the Local Plan is being examined by a Planning Inspector appointed by the Secretary of State.
- 13 A Local Plan Expert Group, appointed by the Government in September 2015 to identify potential reforms to the Local Plan process, has recently made recommendations to simplify the process for preparing housing market assessments for use in the planning system. While NLP have taken these recommendations into account, they cannot yet be applied in full until they have been formally endorsed by the Government. NLP have therefore continued to present a series of scenarios based upon a range of housing, economic and population factors, trends and forecasts, to help inform the Council's future decision making.
- 14 Further details on each scenario are set out in the 'Summary of SHMA Scenarios', attached to this report.

## **Strategic Housing Market Assessment (SHMA) Results**

### **Housing Market Linkages** [section 3 of the SHMA refers]

- 15 The SHMA demonstrates that Wirral's housing market is largely self-contained, with over 70 per cent of all household moves taking place within Wirral, with the majority of the remaining households moving to and from Liverpool and to a lesser extent to and from Cheshire West & Chester.
- 16 The SHMA also demonstrates that the Wirral population is highly mobile, with approximately 45,000 people or 32% of those in employment, travelling outside the Borough to work, to areas including Liverpool (40%), Cheshire West and Chester (23%) and Flintshire (6%).
- 17 Wirral's strongest external links are, however, still with Liverpool.

### **Demographic Context** [section 5, paragraphs 5.6 to 5.15 and section 6 of the SHMA refer]

- 18 According to the latest 2012-based national population and household projections Wirral's population is projected to increase by almost 11,000 between 2012 and 2037. This marks a step change from the previous long-term trend of population loss in Wirral, which is currently thought to reflect the under-recording of people at the 2001 Census and a significant increase in the population of Liverpool, who are most likely to move from Liverpool to Wirral.
- 19 Typically, migration out of Liverpool to Wirral is focused in the older age groups, whilst migration out of Wirral to Liverpool and elsewhere is mostly focused in the young adult age groups, largely to attend university and find work. As a result, the number of people aged 60 and above is set to increase significantly in Wirral, with the largest increase seen in those aged 85 and over. If existing trends continue, the number of people of working age is projected to decline by 8.5% or by 15,129 people by 2037.

### **Economic Context** [section 4 of the SHMA refers]

- 20 The SHMA shows that there has been a significant increase in house prices in Wirral since 2000 (+167%) when compared to Merseyside as a whole (+148%). There are, however, significant differences in the average house price across the Borough, with considerably higher house prices in western and rural parts compared to the older urban areas in the east.
- 21 The ratio of average house price to average earnings has also risen sharply since 1997, with affordability almost halving during this period, demonstrating a significant underlying need for affordable housing.
- 22 In terms of overcrowding, while the proportion of households living in overcrowded conditions is modest (3.9%), levels of overcrowding are increasing in the Borough at a rate higher than the regional average, The number of concealed households had also risen by over 53% since 2001, which may reflect people living in smaller

houses to manage costs or being forced to share accommodation with friends or family due to a lack of affordable housing.

**Affordable Housing Need** [sections 9 to 11 of the SHMA refer]

23 The SHMA identifies a total affordable housing need of 1,034 homes per year in Wirral, based on housing register data (3.3x income plus 20% deposit). PPG states that this need should be considered against the percentage of affordable housing that could be delivered by market housing led developments. NLP therefore recommend that up to 40% of all new housing should be delivered as affordable housing, subject to viability testing through the Local Plan.

24 In terms of the split required between housing type and size over the plan period, NLP also recommend the following percentage targets for Wirral, subject to viability testing:

Property Sizes

- *Total market and affordable housing* - 40% 1 or 2-bed and 60% 3 or 4-bed dwellings
- *Affordable housing* - 85% 1 or 2-bed and 15% 3 or 4-bed.

Property Types

- *Market housing* - 35% semi-detached; 25% detached; 10% terraced; 10% flat/maisonette; and 20% bungalow/specialist older people's accommodation
- *Affordable housing* - 30% semi-detached; 10% detached; 15% terraced; 20% flat/maisonette; and 25% bungalow/specialist older people's accommodation.

25 The recommended split between property size and type is intended to rebalance the stock towards 2-bed dwellings; larger more aspirational housing; and good quality accommodation designed specifically for the growing older person population. NLP nevertheless recommend that the Council takes a flexible approach when dealing with housing-related planning applications, to ensure that housing viability is not compromised by an unsuitable housing mix.

26 A further separate report on the Council's proposed approach to the delivery of affordable and specialist housing, will be presented later in the year.

**Population-Led Scenarios** [section 7 and paragraphs 7.9 to 7.24 of the SHMA refer]

27 NLP has considered five population-led scenarios, to assess their potential impact on the need for new housing:

- **Scenario A** – reflects the national 2012-based subnational population projections as the 'baseline' scenario.

- **Scenario Ai** – assumes that more new households will form over time as ‘pent up’ demand within the younger population (25-34 age groups) is released following a long period of unmet need given the lack of mortgage availability during the recession.
- **Scenario B** – based on the longer-term trend of migration which shows more people leaving the Borough than coming in.
- **Scenario C** – models the population impacts of balancing migration, to ensure that the number of migrants coming into the Borough equals the number moving out.
- **Scenario D** – looks at the impact of stripping out all migration into and out of Wirral so the only way the population can change is from the interaction of births and deaths.

28 Under each of these scenarios, based on existing trends, Wirral would experience an increasingly ageing population and a steep decline in the number of residents of working age. Fewer jobs will be able to be supported and the need for new homes would range between **451** and **757** per year up to 2032, largely to meet the needs of smaller, older households.

29 NLP advise that the only scenario that is likely to meet the needs of Wirral’s existing and future population is Scenario Ai, which assumes that more new households will form over time as ‘pent up’ demand within the younger population (25-34 age groups) is released following a long period of unmet need given the lack of mortgage availability during the recession – which would give rise to a need for **757** additional dwellings per year up to 2032.

#### **Market Signals** [paragraphs 8.8 to 8.17 of the SHMA refer]

30 In accordance with existing national PPG, NLP conclude that market signals, including the rate of change in house prices, the affordability ratio and the relative under-delivery of housing in the past, would justify increasing the population-based OAN by 5%, to **795** dwellings per year.

#### **Affordable Housing** [paragraphs 8.30 to 8.35 of the SHMA refer]

31 In accordance with existing national PPG, NLP advise that the significant underlying need for affordable housing should also be reflected, by raising the population-based OAN by a further 10%, to **875** dwellings per year up to 2032.

#### **Employment-Led Scenarios** [section 7 and paragraphs 7.25 to 7.46 of the SHMA refer]

32 It is national policy that significant weight should be placed on the need to support economic growth through the planning system (NPPF, paragraph 19).

- 33 A series of employment-led scenarios have therefore also been calculated to assess whether any additional housing would also be needed, to take account of economic growth.
- 34 These scenarios assess how many people would need to move into Wirral to support a given level of employment within the Borough, taking economic activity, commuting rates and the likely age of in-migrants into consideration. The scenarios then calculate how many new homes this increase in population is likely to generate.
- 35 Sensitivity tests also calculate the number of new homes that might be needed if the out-commuting rate was to reduce by 5% over the plan period, if a larger proportion of Wirral residents took up job opportunities in Wirral rather than in adjoining districts and fewer working age people were needed to move into the Borough.
- 36 The SHMA examines the following employment-led scenarios:
- **Scenario E** – based on the “policy-off” economic forecasts produced by Oxford Economics as part of their work for the Liverpool City Region Local Enterprise Partnership in 2014.
  - **Scenario F** – based on the “policy-on” Oxford Economics forecasts, which included the potential job growth from schemes at Wirral Waters (International Trade Centre, Advanced Supplier Park and East Float) and Wirral International Business Park (Former MOD site and Former RV Chemicals).
  - **Scenario G** – based on the number of dwellings that would be necessary to sustain job stabilisation over the Plan period (i.e. no net gain/loss in jobs).
  - **Scenario H** – considers how much housing would be needed if past trends of (negative) job growth were to continue into the future.
  - **Scenario I** – based on the most up-to-date “policy-off” economic forecasts produced by Experian (December 2015) which contain more optimistic growth assumptions than those previously forecast by Oxford Economics.
- 37 These scenarios identify a need for between **188** and **1,304** new homes each year up to 2032.
- 38 Under the scenarios which project job losses, it is estimated that a large number of working age people would leave the Borough and household growth would only be in the older age groups.
- 39 Under the scenarios which forecast job growth, a significant increase in the working age population would be required. In the absence of a significant change in commuting patterns or further large reductions in unemployment and economic inactivity, this level of job growth would require very high levels of net in-migration and would result in the need for a substantial number of new dwellings.

- 40 NLP advise that at least 790 additional homes would need to be provided each year if the number of jobs that could be supported by the local population was to remain stable to 2032, supported by in-migration of up to 10,348 additional people (Scenario G refers).
- 41 Any further job growth above this would require a further substantial increase in in-migration and a further substantial increase in the number of homes that would need to be provided to support it.
- 42 NLP advise that the latest 'policy-off' economic baseline projections from Experian (December 2015), which show employment growth in Wirral of 7,730 jobs to 2032 (Scenario I), would require 1,233 additional dwellings to be provided, given the existing pattern of migration of older age groups. Any figure below this would effectively represent holding back the 'natural' trajectory of the underlying Wirral economy.

**Policy-Led Benchmarks** [section 7 and paragraphs 7.47 to 7.50 of the SHMA refer]

- 43 The SHMA also models two scenarios which assess the impact on the population if the previous average rate of housing delivery continued to 2032 and if the need for affordable housing was accommodated (at 40% of all new housing development), which would suggest a need for **383** or **2,585** new homes each year respectively.
- 44 NLP advise that maintaining the average rate of actual housing delivery over the last 12 years could reduce the working age population by over 8% or 12,544 people by 2032 and could reduce the number of jobs that could be supported by the local population by 7,321.

**Overall Objectively Assessed Need** [section 8 of the SHMA refers]

- 45 Taking all the scenarios into consideration, including market signals and the need for affordable housing, the SHMA concludes that the Borough's OAN for housing should stand at between **875** and **1,235** per year, equivalent to the provision of **between 15,750 and 22,230 additional new homes** over the next 15 years.
- 46 The lower end of the range reflects Scenario Ai, with the two additional uplifts for market signals (5%) and affordable housing (10%) applied.
- 47 The higher end of the range reflects Scenario I, to provide a sufficiently large labour force to support the latest Experian economic forecasts, excluding any allowance for a reduction in out-commuting of 5%.
- 48 Were the recommendations of the Local Plan Expert Group to be accepted by the Government, the lower end of the range may only need to be uplifted by a single factor of 10% and the OAN would therefore stand at 15,030 homes over 15 years or 835 per year.

- 49 NLP, nevertheless, advise that an OAN below 900 homes per year would fail to prevent the net loss of working age people and would therefore not support economic growth, which could have implications for the ability to meet the economic growth aspirations of the Wirral Growth Plan.

### **Policy Implications**

- 50 The findings will not only have implications for the final housing requirement to be included in the emerging Core Strategy Local Plan but also for the calculation of the housing land supply that is used in the determination of planning applications.
- 51 National policy states that relevant policies for the supply of housing should not be considered up-to-date if the local planning authority cannot demonstrate a five-year supply of deliverable housing sites (NPPF, paragraph 49) and that where relevant policies are out-of-date, planning permission should be granted unless any adverse impacts of doing so would significantly and demonstrably outweigh the benefits, when assessed against the policies in the Framework taken as a whole or specific policies in the Framework indicate development should be restricted (NPPF, paragraph 14 refers).
- 52 The SHMA recognises that this level of housing provision would be very challenging for the Borough to achieve without a step-change in housing delivery and a transformation in the local housing market and that providing additional housing to secure additional jobs could simply perpetuate unsustainable travel patterns if the planned level of employment is not secured.
- 53 In terms of previous rates of housing delivery, the highest rates in Wirral occurred in the late 1970's, related to the rapid expansion into open countryside prior to the establishment of the Merseyside Green Belt in 1983. A large number of completions during this period were also Local Authority built properties, which totalled around 40 per cent of all completions.
- 54 Net completions in Wirral have rarely exceeded 600 per year since the mid-1990s. The most recent highest rate of housing delivery in Wirral was in 2007/08, prior to the onset of the recession, at 820 gross completions, of which over 60% were flats or apartments. Only since 2012 have gross completions slowly begun to recover, to around 500 per annum and viability remains an issue in parts of the Borough, particularly on smaller schemes and on previously developed sites.

### **Housing Requirement**

- 55 The Council must now use the objectively assessed need (OAN) as the basis for deciding on the figure to take forward as the new housing requirement, to be delivered through the Core Strategy Local Plan, as it will be the housing requirement figure in the Local Plan, rather than the OAN, that will be the target against which housing supply will normally be measured.
- 56 National policy states that local planning authorities should positively seek opportunities to meet the development needs of their area and that local plans should meet objectively assessed needs, with sufficient flexibility to adapt to rapid change, unless any adverse impacts of doing so would significantly and

demonstrably outweigh the benefits, when assessed against the policies in the Framework taken as a whole or specific policies indicate development should be restricted (NPPF, paragraph 14).

- 57 The Council will therefore need to consider if any adverse impacts of meeting the full OAN in Wirral would significantly and demonstrably outweigh the benefits, taking into consideration specific NPPF policies and constraints which restrict development, such as those relating to Green Belt; agricultural land; European Protected Sites; national Sites of Special Scientific Interest; Local Green Space; designated heritage assets; and locations at risk of flooding and coastal erosion.
- 58 Recent case law indicates that it is not sufficient to simply determine the maximum housing land supply available and constrain the housing requirement to that figure. A distinct assessment must be made of whether specific policies dictate or justify constraint.

### **Sub-Regional Context**

- 59 The decision regarding the final housing requirement for Wirral will also need to be taken alongside neighbouring local authority partners to ensure that strategic cross-boundary issues have been properly addressed, particularly as any failure to meet Wirral's full objectively assessed needs could result in additional pressure on neighbouring authorities to accommodate any unmet need.
- 60 The Council has already informally sought the views of surrounding local authorities on the emerging range of objectively assessed need as part of the preparation of the SHMA. While the surrounding local authorities would generally support the Council meeting the population-led housing needs of the future population in line with the national household projections, they would have concerns over the levels of in-migration which would be required to deliver the higher-level growth scenarios, primarily because of the impact on their own aspirations to grow their own working age populations.
- 61 To help resolve these issues, Liverpool City Region authorities have now jointly commissioned a Strategic Housing and Employment Land Market Assessment (SHELMA), to identify the scale of housing and employment land that would be needed to inform a Liverpool City Region Single Spatial Framework, in line with the Devolution Agreement agreed in November 2015.
- 62 The SHELMA, which is scheduled for completion by September 2016, will identify revised OAN figures both for the LCR as a whole and for each of the individual districts, including Wirral, based on the more recent 2014-based population projections, which can be used to further verify the findings of the Wirral SHMA but which may give slightly different results on the basis of the joint consideration of employment needs in particular.
- 63 While it is too early to draw firm conclusions, it is already known that the 2014-based population projections show a further upward trend in growth, when compared with the projections used by NLP and it is therefore unlikely that the

OAN identified in the SHELMA will be significantly lower than that identified by NLP in the Wirral SHMA.

### **Housing Land Supply**

- 64 Previous reports have explained the importance of the Council being able to demonstrate that an ongoing five-year housing land supply is in place for the whole of the plan period before the Core Strategy is submitted to the Secretary of State, based on the number of new homes that are needed and the likelihood that they will be delivered on the sites identified.
- 65 In many cases, these issues have been the single most important factors which have led to the delay, postponement, rejection and withdrawal of significant numbers of other Local Plans across the country.
- 66 National planning policy, in particular, requires local planning authorities to:
- use their evidence base to ensure that their Local Plan meets the full, objectively assessed needs for market and affordable housing in the housing market area, as far as is consistent with the policies set out in the National Planning Policy Framework, including identifying key sites which are critical to the delivery of the housing strategy over the plan period;
  - identify and update annually a supply of specific deliverable sites sufficient to provide five years' worth of housing against their housing requirements with an additional buffer of 5% (moved forward from later in the plan period) to ensure choice and competition in the market for land. Where there has been a record of persistent under delivery of housing, local planning authorities should increase the buffer to 20% (moved forward from later in the plan period) to provide a realistic prospect of achieving the planned supply and to ensure choice and competition in the market for land; and
  - identify a supply of specific, developable sites or broad locations for growth, for years 6-10 and, where possible, for years 11-15 (NPPF, paragraph 47);
- 67 To be considered deliverable, sites should be available now, offer a suitable location for development now, and be achievable with a realistic prospect that housing will be delivered on the site within five years and, in particular, that development of the site is viable. Sites with planning permission should be considered deliverable until permission expires, unless there is clear evidence that schemes will not be implemented within five years, for example they will not be viable, there is no longer a demand for the type of units or sites have longer term phasing plans (NPPF, footnote 11 refers).
- 68 To be considered developable, sites should be in a suitable location for housing development and there should be a reasonable prospect that the site is available and could be viably developed at the point envisaged (NPPF, footnote 12 refers).
- 69 The Council has updated its Strategic Housing Land Availability Assessment (SHLAA), to April 2016, to identify sites without a current planning status that could

potentially be brought forward for housing, in addition to sites that already have planning permission or are allocated for development in the Unitary Development Plan.

- 70 The SHLAA has considered vacant brownfield sites in the Borough (irrespective of their current designation); previous planning permissions for housing which have expired; urban greenfield sites not otherwise identified for protection in the Unitary Development Plan; and sites identified and submitted for consideration by landowners and developers. The assessment is updated on an annual basis.
- 71 The SHLAA places each site into one of three categories, depending on when they could deliver housing, based on their suitability, availability and economic viability:
- **Category 1** - sites considered to be suitable for housing and which could be delivered within five years;
  - **Category 2** - sites considered to be developable but which may have some additional constraints which mean that they are more likely to be delivered within a 6-10 year period;
  - **Category 3** - sites considered not currently developable and subject to constraints which may only make them deliverable within an 11-15 year period, if at all.
- 72 All the sites put forward in the Green Belt by developers and landowners have been placed in Category 3 and have been excluded from the calculation of the future housing land supply, as their delivery would currently be reliant upon an appropriate future Local Plan review.
- 73 The Council's previous SHLAAs have identified a diminishing supply of suitable, viable and deliverable urban sites. The most recent update shows a total potential capacity of up to 5,651 new homes without planning permission but this includes employment sites, open spaces and other sites subject to constraints such as flood risk and contamination.
- 74 The SHLAA April 2016 identifies that 1,249 of the total potential new homes could be delivered within the next five years. In addition to the sites identified in the SHLAA, there is currently planning permission in place for over 2,200 homes in Wirral. Taken together, this would currently be equivalent to a 2.8-year supply calculated against the lower range OAN or a 1.9-year supply calculated against the higher range need.
- 75 These figures do not include the potential for housing delivery at Wirral Waters. The Council has granted outline planning consent for up to 13,521 dwellings at Wirral Waters, subject to a section 106 agreement signed in May 2012. A further outline planning application for 1,531 units and a full planning application for 141 units have also been approved but the relevant section 106 agreements have not yet been signed.

- 76 The information submitted with the planning applications at Wirral Waters highlighted that a high proportion of prospective residents (up to 90%) were expected to move into the Borough from elsewhere, with 70% moving from outside the City Region. The Council continues to hold discussions with Peel to support the acceleration of residential development within the Wirral Waters scheme and the latest projection by the developer is for 1,000 units to be delivered within the next five years.
- 77 NLP advise monitoring the progress of major employment-related development schemes, such as Wirral Waters, which if developed over the course of the Core Strategy plan period could require the assessment of economic aspirations to be significantly revised.
- 78 Any shortfall against the housing requirement would normally need to be met by bringing sites forward from Category 2 and Category 3 – sites which may be subject to alternative designations or which may currently prove to be considered unacceptable or be subject to constraints which render them unviable, particularly in the short-term, which could impact on housing delivery. In Wirral's case, additional sites, which are not currently identified in the SHLAA, would also need to be identified.
- 79 Table 1 shows the total potential number of dwelling units within each Category in the SHLAA at April 2016 (excluding previously undeveloped sites in the Green Belt), against the recommended lower range OAN:

**Table 1**

Status	Estimated Number of Units	Cumulative Capacity	Lower Range OAN	Shortfall Against OAN
Commitments (with planning permission)	2,221			
Category 1 (deliverable in years 0 – 5)	1,249	3,470	4,375	905
Category 2 (deliverable in years 6 – 10)	1,443	4,913	8,750	3,837
Category 3 (not currently deliverable until years 11 – 15)	2,959	7,872	13,125	5,253
Potential capacity at Wirral Waters	1,000	8,872	13,125	4,253
<b>Total potential supply</b>	<b>8,872</b>			

- 80 The OAN is, however, based at 2014 and any shortfall in housing delivery in 2014/15 and 2015/16 would normally be expected to be met within the first five years of the plan period. Table 2 therefore sets out the current housing land supply position measured against both the lower and upper range of the recommended OAN.

**Table 2**

		<b>Lower Range OAN (875 per year)</b>	<b>Upper Range OAN (1235 per year)</b>
A	Objectively Assessed Need (OAN) 2014-2016	1,750	2,470
B	Net Completions 2014 - 2016 (new build plus net gain from conversions minus demolitions)	1,035	1,035
C	Shortfall of completions against target 2014-2016 (A - B)	715	1,435
D	15 year projected demolitions 2016-2031 (currently assumed at 50 each year)	750	750
E	15 year gross housing target 2016- 2031 including shortfall and projected demolitions (OAN x 15) + C + D	14,590	20,710
F	Total housing land supply at April 2016 (Including all SHLAA sites, units with planning permission and estimated delivery at Wirral Waters)	8,872	8,872
<b>G</b>	<b>Shortfall in Supply (D - E)</b>	<b>5,718</b>	<b>11,838</b>

- 81 Table 1 and Table 2 both demonstrate that even if all of the potential capacity identified in the SHLAA 2016, including a modest level of development at Wirral Waters, can be delivered, there would still be a significant shortfall in the supply of future housing land in the Borough against the calculated OAN under both scenarios.

### **Land Supply Options**

- 82 There are seven main options for providing an appropriate future land supply, which could be pursued together or apart:

Employment sites – the Council’s existing Employment Land and Premises Study currently shows a shortfall of employment land, subject to the delivery of high density employment development at Wirral Waters.

The Borough’s future employment land needs will be re-considered as part of the Liverpool City Region SHELMA and a review of employment sites is currently being undertaken by the Council’s Investment Team. While some sites may come forward for housing, they are unlikely to be of sufficient scale to address the full extent of the overall shortfall over the plan period.

Town centres - the Council could seek to promote a greater element of mixed-use as part of a wider range of commercial-led developments but it is currently unclear

whether it would be realistic or possible to deliver any significant additional housing capacity.

Open spaces – the Council would need to actively reconsider the re-designation of currently protected sites and/or significantly lower the existing standard of recreation and open space provision to generate any significant additional housing capacity.

Increased densities – the Council could promote a higher density of housing development to maximise the potential capacity of available sites but this could have a significant impact on the character of the existing urban area, some of which are already protected by existing density controls or heritage-related designations.

Wirral Waters – to be included, the Council would need to be able to demonstrate that there was a reasonable prospect of the site actually coming forward, in terms of completed new dwellings, to meet the Boroughs identified housing needs.

On the basis of the Local Plan Viability Study Baseline Report, the SHLAA currently assumes a maximum build-out rate of around 50 homes per year on larger sites. Recent consultation also indicates that house-builders would currently seek to build no more than 100 houses each year in any one location, to avoid market saturation.

Other local authorities – the key districts of Liverpool and Cheshire West and Chester have already indicated that they are unlikely to be able to accommodate any of Wirral's housing needs.

- 83 The only other potential remaining source of supply is land in the existing Green Belt.