

**Strategic Housing Availability Assessment (SHLAA)
and Five Years Supply Report 2018.**

February 7th 2019

Contents

- 1 Introduction**
- 2 Site identification**
- 3 Site Assessment**
- 4 Windfall Allowance**
- 5 Assessment Review / SHLAA Findings**
- 6 Sefton's five year supply position at 1st April 2018**

Appendix 1 Sites included in the supply:

1a Site Assessment Forms

1b Small Sites not individually assessed.

Appendix 2 2018 Call for Sites submissions

Appendix 3 Settlement breakdown

1. Introduction

The 'Strategic Housing Land Availability Assessment' (SHLAA) is an assessment of how much land is suitable and available for housing development in Sefton. As required by government guidance, the SHLAA looks forward over a period of 15 years from 1st April 2018 to 31st March 2033.

The 2018 SHLAA is base dated to 1st April 2018 and reflects the situation at that point in time. The study has been carried out 'in house' by officers from Sefton Planning Services.

The SHLAA will be updated annually to take account of new sites that emerge and changes in circumstance. Both the original 2008 SHLAA and subsequent 2010, 2011, 2012, 2013, 2014, 2015, 2016, 2017 and 2018 updates are available to view on Sefton's web pages.

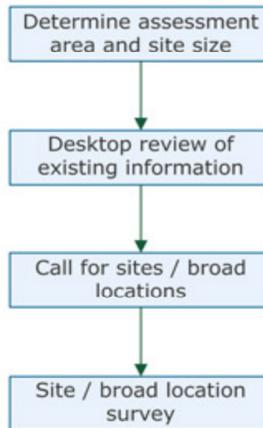
Importantly, whilst the SHLAA is a key piece of evidence, it does not in itself represent a statement of Council policy. Whilst the SHLAA will inform the decision making process it does not decide which sites will come forward or get permission. The inclusion of sites within this study does not necessarily mean that sites will be granted planning permission, although the principle of development is established. Planning applications will still need to demonstrate that important details, including for example, neighbouring amenity, traffic and highways, design, contaminated land, heritage and flooding are all addressed. Similarly, sites that are excluded from the housing supply at this stage are not necessarily unsuitable for housing development and may have not been included because there is some uncertainty over ownership intentions or viability at this stage.

This study has closely followed government guidance including both the National Planning Policy Framework (NPPF), and the National Planning Policy Guidance (NPPG).

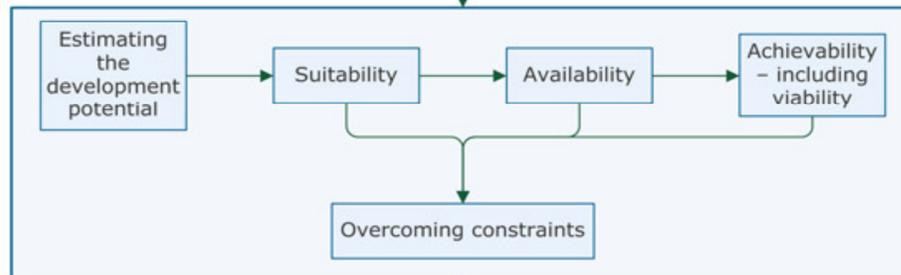
The Study is structured in accordance with the methodology flow chart specified in NPPG, which is set out overleaf:

SHLAA Methodology Flow Chart

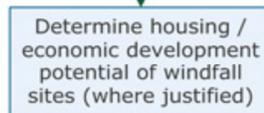
Stage 1- Site / broad location identification



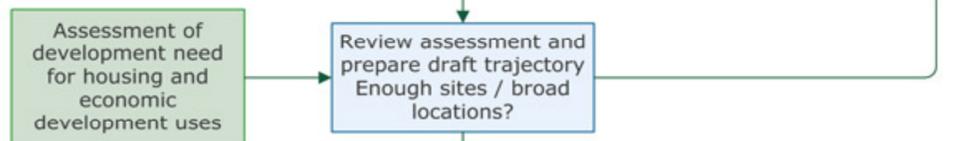
Stage 2 - Site / broad location assessment



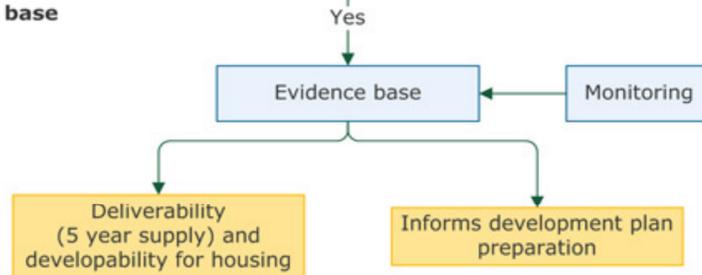
Stage 3 - Windfall assessment



Stage 4 - Assessment review



Stage 5 - Final evidence base



Settlement Areas

For the purposes of both the SHLAA Sefton is split into six settlement areas. These are comprised of the following electoral wards:

- **Bootle:** Linacre, Derby, Litherland
- **Netherton:** Ford, Netherton & Orrell, St Oswald
- **Crosby:** Church, Victoria, Blundellsands, Manor
- **Sefton East:** Park, Sudell, Molyneux
- **Formby:** Ravenmeols, Harrington
- **Southport:** Meols, Cambridge, Norwood, Kew, Dukes, Birkdale, Ainsdale

Housing Requirement and Plan Period

The Local Plan was adopted on April 20th 2017 and proposed a minimum housing requirement of 500 dwellings per annum during 2012-2017, and 694 per annum during 2017-2030. This equates to an average of 640 dwellings per annum over the years 2012-2030 (the 'Plan period'). This is supported by the Local Plan Inspector in his Local Plan Examination report.

Prior to the stepped requirement being supported by the Local Plan Inspector, the annual average of 640 dwellings per annum is used to calculate the Borough's 5 year supply. This approach is consistent with recent case law, including the 'Hunston' decision.

The Local Plan covers the years 2012-2030 (the 'Plan period'). The 2012-base date was chosen to reflect the 2012-based household projections. The SHLAA therefore includes all housing completions between 1st April 2012 and 1st April 2018 in the housing supply. The SHLAA covers 15 years up to 2033, two years after the Local Plan period. There is no official adopted housing requirement for the years beyond 2030. The SHLAA allows the Council to monitor how effective the Local Plan is at meeting the Local Plan housing requirements.

2. Site Identification

Potential housing sites were identified from the following sources:

- All sites with planning permission for housing at 1st April 2018
- Sites that previously had planning permission for housing (now expired)
- Sites subject to withdrawn or refused planning applications
- Sites that had been assessed in the 2017 SHLAA
- Sites promoted to the 'Call for Sites'
- Council owned sites that are surplus to requirements, or will become surplus to requirements in the short to medium term
- Other surplus public sector land
- Sites where significant demolitions were programmed
- Local Plan housing allocations

For sites without planning permission for housing only those likely to accommodate 5 or more dwellings were added to the assessment. This is consistent with the requirements in the National Planning Practice Guidance.

The Call for Sites

In order to identify additional potential sites Sefton has publicised a series of 'Call for Sites' since 2008. The most recent Call for Sites was publicised for 6 weeks up to 16th August 2018. This was advertised prominently in the Champion Group of local newspapers and on the Council's website. In addition, emails were sent to local agents, planning consultants, and developers asking if they wished to submit a site.

Public sector and other surplus land

No additional public sector land sites was identified.

Other Potential Sources of Supply

Vacant Homes

No contribution to the housing supply was assumed from bringing vacant homes back into use. This was for a number of reasons, including:

- No local authority has zero vacant homes, and the majority of vacant properties are temporarily vacant for legitimate reasons. For example, many properties become

temporarily vacant as people move home, as properties are renovated, where people go into care / work abroad / are in prison, or where the owner has recently passed away, etc.

- The Council has limited powers to address vacant homes unless they are causing significant environmental problems or are a statutory nuisance. Even then, the number of properties that can be brought back into use is small. The limited resources that the Council has to address this issue are focussed on the most problematic properties.
- The vast majority of vacant homes in Sefton are in private ownership, and not owned by the Council or Housing Associations.
- There has been a relatively stable vacancy rate over recent years. This trend has continued with the percentage of vacant dwellings in Sefton being 4.13% in 2016, 4.14% in 2017 and 4.22% in 2018, and the long term vacancy figure being 2.4% in both 2016 and 2017 and 2.35% in 2018. There is no evidence that this will significantly increase / decrease in the years ahead.

Empty spaces above shops and other commercial premises

This potential source of supply has previously been suggested to the Council by local campaign groups, campaigners, and some local politicians at various stages during the preparation of the Local Plan and beyond.

No contribution to the housing supply was assumed from converting empty spaces above shops and other commercial premises to housing in the 2018 SHLAA, for the reasons stated in the 2016 SHLAA:

- There have been few recent developments in Sefton to convert empty spaces above shops into new housing, despite this being encouraged in successive iterations of local and national planning guidance.
- When we have explored this issue with local Housing Associations and developers, the common response has been that there is very little interest in pursuing this type of development, which is seen as problematic. Reasons for this include: problems with multiple ownerships, safety issues associated with rear access, compliance with fire and building regulations when converting older properties, conflict between the length of lease typically offered for ground floor (retail) uses and those offered to residential uses (these are often incompatible), lack of demand, etc.
- Separately, we are not aware of any Local Authority who has sustained the argument that a significant part of their housing need could be met from this source at Local Plan Examination, despite the argument having widespread applicability.
- The extent to which such schemes have come forward historically will also be reflected in the windfall allowance (which is trend based).

Land in Green Belt

Sites have been submitted through the “call for sites” process in the Green Belt. Only sites where it is clear that they benefit from one of the exemptions in paras 145 and 146 in the NPPF could be included in the SHLAA supply. None of the 2018 call for sites submissions in the Green Belt have been included as being appropriate.

Monitoring and Review

It would be impossible to anticipate every site that will come forward for housing over the next 15 years. This particularly applies to smaller sites and conversion sites. The SHLAA will continue to be updated annually to take account of new sites, and other changes in circumstance. A ‘windfall allowance’ has also been included in SHLAA which makes an assessment of the contribution that unanticipated sites could make (see section 4).

3. Site Assessment

To be included in the SHLAA housing supply, the NPPF requires that sites are:

‘Deliverable’ (0-5 year supply) – “To be considered deliverable, sites for housing 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. Sites that are not major development, and sites with detailed planning permission, should be considered deliverable until permission expires, unless there is clear evidence that homes will not be delivered within five years (e.g. they are no longer viable, there is no longer a demand for the type of units or sites have long term phasing plans). Sites with outline planning permission, permission in principle, allocated in the development plan or identified on a brownfield register should only be considered deliverable where there is clear evidence that housing completions will begin on site within five years”. or

‘Developable’ (6-15 year supply) – “in a suitable location for housing development and there should be a reasonable prospect that to be considered developable, sites should be in a suitable location for housing development with a reasonable prospect that they will be available and could be viably developed at the point envisaged”. (NPPF 2018 - Glossary)

The SHLAA assessment has been structured to ensure that sites included within the identified housing supply meet these requirements.

Sites with Planning Permission for Housing

Sites with planning permission for housing at 1st April 2018 form a significant proportion of the SHLAA housing supply. In general, these sites are more certain to be delivered than sites without planning permission as they already have approved schemes in place and the owner / developer has gone to the time and expense of preparing and submitting a planning application.

In addition, sites with planning permission have already been determined as suitable for housing by the Council. The SHLAA assessment is therefore limited to gauging whether sites are ‘available’ and ‘achievable’, and if so the likely development timescales.

For larger sites with planning permission (20+ dwellings), the owner / developer were contacted to establish their development intentions. Annual build out rates were agreed with the developer, factoring in lead-in times and planned phasing. Larger sites were only removed from the SHLAA supply (either in whole or in part) where the owner / developer indicated that the site would not be developed for housing.

For smaller sites (less than 20 dwellings) the site owner / developer was not contacted. Instead, a discount of 10% was applied to the total capacity of all small sites. This was to reflect the fact that some of these permissions would likely not be developed or would expire.

In general, sites with planning permission were placed in the 0 – 5 year supply. Sites were only placed in 6 – 10 year supply where the owner / developer indicated they would likely

not develop the site in the short term. In addition, a number of larger sites are to be phased over a number of years and will therefore be only partially developed in the 0 – 5 year period. Delivery on smaller sites (less than 20 dwellings) was forecast based on historic delivery trends for sites of this size.

Sites without Planning Permission

Sites without planning permission for housing at 1st April 2017 were subject to a more detailed assessment, including an assessment of 'suitability'. This included a desktop assessment using mapping, accessibility mapping, aerial photographs, planning history, and other intelligence.

Site suitability, availability, and achievability were assessed as follows:

Site Suitability

Sites were assessed as 'suitable' where:

- The 2006 Unitary Development (UDP) designation and draft Local Plan was permissive of residential development; and
- The site was not subject to major constraints, including flood risk, heritage, ecology, inadequate access, etc.

Sites designated as **Open Space** in the Local Plan were generally excluded from the identified housing supply as not being "suitable", except where development would be possible on the footprint of existing buildings or hardstanding. Urban Greenspace/Open Space sites were not specifically re-assessed against NPPF para 97.

Sites designated as **Employment Areas** in the Local Plan were generally excluded from the identified housing supply as not being "suitable" in principle. This is based on the findings of the 'Employment Land & Premises Study' 2012 Refresh which recommended that Sefton should protect land that is currently allocated for employment purposes in order to meet the needs of local businesses and to attract investment.

Site Availability

Sites were assessed as 'available' where there was a clear (recent) owner commitment to developing the site for residential development. This included sites that:

- Had been submitted to a recent Call for Sites
- Were in a developer's or Housing Association's development programme
- Had been granted planning permission subject to the signing of a s106 agreement
- Were subject to a pending planning application for housing
- Had been subject to recent pre-application enquiries for housing development
- Public sector land that had been declared surplus

- Where the owner had confirmed in writing their intention to pursue residential development on the site.

All **Council-owned sites** in the SHLAA housing supply had either formally been declared surplus, or were subject to a Cabinet resolution stating that they were in principle suitable locations for housing development (subject to planning permission), and would be progressed for development at the appropriate time.

Site Achievability

Site viability was measured using the recent 'Local Plan & Community Infrastructure Levy Economic Viability Study' (December 2014), which was prepared on the Council's behalf by Keppie Massie. This study contains area-based viability assessments for different sizes/types of housing development. The only area of the Borough where residential viability was found to be marginal was Bootle and Seaforth (particularly in relation to smaller schemes). In order to reflect this in the SHLAA, smaller sites in Bootle and Seaforth without planning permission were generally placed outside of 0-5 year supply to allow for the recovery of the local market.

Site Assumptions

Of the sites that were included in the housing supply, the following broad assumptions were applied:

- **Site density:** the majority of sites were assessed against a standard site density of between 30 and 40 dwellings per hectare, depending on the shape of the site and the character of the surrounding area. A higher density was applied to a minority of sites that were considered most suited to apartment development. Lower densities were applied in areas that were characterised by low density housing or where other constraints, including site shape and where technical issues dictate otherwise.
- **Timescales:** an estimate was made of when each site was likely to be developed for housing. Sites without planning permission were placed in three periods: short term (0-5 years), medium term (6-10 years), and long-term (11-15 years). In line with national guidance, sites placed in the 0-5 year period had to be "suitable, available, and achievable" – usually evidenced by a clear indication that the owner is looking to progress the site for housing in the short term.
- **Net developable area:** this was assessed based on the size of the site, as set out below. A smaller net developable area is assumed for larger sites to reflect the need to provide access roads, open space, etc.

Total Site Area	Net Developable Area
Less than 0.4 ha	100% of developable area
0.4 ha to 2 ha	90% of developable area
Sites over 2 ha	75% of developable area

Assumed developable areas

- **Local Plan allocations:** The site capacity has been taken from the Local Plan unless other information has come from the developer. The timescales have come from the developer, whether in writing or through the submission of a pre-application or an application. In a number of examples developers have submitted development timescales that were challenging. In these instances the Council has made a judgement on whether to temper these a little in order to make the timescales more realistic.

- **Discounting:** discounting was applied to reflect the fact that some sites would not be developed for housing as anticipated for a variety of reasons. For sites without planning permission, an across-the-board discount of 20% was applied to reflect these issues.

Demolitions

The historic pattern of demolitions in the Borough (since 2003) is set out in the table below. Since the early 2000s, there have been relatively high numbers of demolitions in Sefton. However, the majority of these were accounted for by the former Housing Market Renewal (HMR) programme and legacy schemes. The clearance of Council-owned properties and properties owned by One Vision Housing (the largest Housing Association in the Borough) have also accounted for significant numbers of demolitions:

Demolitions 2003-2018	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	Totals
Allocated/other large sites	0	24	20	35	1	0	0	0	7	0	0	2	0	0	0	89
HMR and Legacy Programmes	0	21	59	150	110	167	130	159	59	41	0	141	333	0	0	1370
Council Owned Sites	19	4	0	67	167	160	0	0	0	0	0	0	0	0	0	417
One Vision Owned Sites	0	0	0	0	0	0	17	50	53	0	0	24	207	2	0	353
Small Sites	14	16	24	7	19	9	12	13	18	12	16	7	9	6	12	194
Sites for Older Persons Housing (C3)										1	0	0	0	13	0	14
Sites for Older Persons Housing (C2)										0	0	3	0	0	7	10
Grand Total	33	65	103	259	297	336	159	222	137	54	16	177	549	21	19	2447

Total demolitions by year

3.20 For the following reasons, this historic pattern of demolitions has reduced and is expected to continue to reduce significantly in the years ahead:

- **HMR and legacy programmes:** funding for the HMR programme has now been cancelled, and there are no plans or funding to pursue similar large-scale clearance programmes in the foreseeable future. The clearance of the final HMR legacy scheme (Klondyke phases 2/3) was completed in 2015/16

- **Council owned sites:** the Council transferred the vast majority of its housing stock to One Vision Housing in 2006. No further demolitions are anticipated.

- **One Vision owned sites:** One Vision Housing have undertaken a number of demolitions in recent years, and have demolished a number of tower blocks in 2015/16. It is not anticipated that there are further large scale demolitions to come.

The SHLAA therefore assumes that large scale unanticipated demolitions will not impact on Sefton's housing supply during the period 2018-2033. However, if such demolitions do occur then these will be more than offset by large windfall sites, for which no contribution is currently assumed (see section 4 below).

In addition to large demolition sites from the sources listed above, a number of demolitions have historically taken place on other small sites. The vast majority of these have been cleared as part of demolition / rebuild schemes that involve the creation of new dwellings. Such schemes usually involve a net increase in dwellings.

Sefton's windfall allowance has been calculated based on the 'net' contribution of historic windfall sites. Therefore an assumption about demolitions from small demolition/rebuild sites is already built into the future SHLAA housing supply.

Local Plan Housing Allocations

Local Plan allocations are a special category. They have all gone through rigorous assessment in the Local Plan which confirmed that they are suitable, available and deliverable and the Inspector agreed with this in his report. Therefore, whilst many of these sites do not yet have planning permission, the commitment to the sites has been demonstrated and often there are clear timescales for bringing the sites forward.

The developers/landowners have all been contacted and where they have responded, their delivery assumptions have been taken forward. Where these assumptions have seemed challenging, they have been scaled back in line with our own assumptions. We also have a number of applications pending decisions on large allocations.

We have ensured that there has been a cautious and robust approach taken. Therefore a number of allocations without planning permission are have partially or wholly been included in the five year supply and all allocations in the 6-15 years supply.

4. Windfall Allowance

'Windfalls' are unanticipated sites that come forward for housing development. NPPF allows for a windfall allowance to be included in the housing supply where this is justified:

"Where an allowance is to be made for windfall sites as part of anticipated supply, there should be compelling evidence that they will provide a reliable source of supply. Any allowance should be realistic having regard to the strategic housing land availability assessment, historic windfall delivery rates and expected future trends. Plans should consider the case for setting out policies to resist inappropriate development of residential gardens, for example where development would cause harm to the local area". (para 70)

It is considered that compelling evidence exists to justify a windfall allowance in Sefton, and this is set out in detail below.

Benchmarking historic windfall delivery

Sefton's first SHLAA was produced to a base-date of 1st April 2008, and annual updates have been published every year since 2010. These studies allow windfall planning permissions to be measured since 2008/09.

Windfall planning permissions were identified using the following approach:

- Each year, sites granted planning permission for housing were filtered to remove those that had been identified in the previous year's SHLAA. Permissions in financial years 2008/09 and 2009/10 were measured against the 2008 SHLAA, permissions in 2010/11 against the 2010 SHLAA, permissions in 2011/12 against the 2011 SHLAA, and so on until permissions in 2016/17 have been assessed against the 2016 SHLAA. Permissions on sites that had not been identified in the previous SHLAA were identified as 'windfalls'.
- Planning permissions for development on residential gardens were then removed.
- Unanticipated losses of housing stock were also included to produce a 'net' windfall figure, as follows:
 - o Unanticipated losses of dwellings were included in (deducted) from the windfall contribution. For example where a house was converted to an office, this resulted in a windfall contribution of -1.
 - o The windfall contribution related to the net additional dwellings created. For example, a scheme to demolish two existing dwellings and build 4 new dwellings would result in a net contribution of 2.

4.5 NPPF requires that local authorities must demonstrate *"compelling evidence that such sites [windfalls] have consistently become available in the local area and will continue to provide a reliable source of supply"*. With this requirement in mind, historic windfall permissions were sifted to remove larger sites (20+ dwellings) and exceptional sites that were unlikely to form part on any future trend. The following sites were removed in 2017/18 as following:

Settlement	Type	ApplicRef	Proposal	DwelGainedPP
Bootle	Conversion	DC/2017/01516	Prior notification for the COU from offices (B1a) to residential (C3)	49
Crosby & Hightown	New Build	DC/2017/00679	Prior notification for the COU from offices to residential block of 84 dwellings	84
Crosby & Hightown	New Build	DC/2014/01124	Erection of 30 new dwellings	30
Crosby & Hightown	Conversion	DC/2017/02144	Prior notification for the COU from offices to flats	48
Formby	New Build	DC/2017/00606	Construction of 99 dwellings comprising a mix of houses and apartments	99
Formby	New Build	DC/2017/00387	Erection of a block of 32 apartments (for the over 55s) following the demolition of existing buildings	32
Maghull & Aintree	New Build	DC/2017/00456	Layout of residential development of 39 dwellings	39

Tables of large windfalls excluded as exceptional windfalls 2017/18

Once these large and exceptional sites were removed, windfall permissions were as follows:

	Grand Total
2008/09	137
2009/10	122
2010/11	107
2011/12	136
2012/13	118
2013/14	178
2014/15	141
2015/16	163
2016/17	259
2017/18	155
Average	151.6

Total of non-exceptional windfalls by year

The majority of these permissions were for the conversion of an existing building to housing. In terms of their location, the majority of sites were in Southport, Crosby, and Bootle. The increases in 2016/17 in Sefton East and Netherton were not repeated in 2017/18. The last few years have seen a small increase in the number of non-exceptional windfalls in Formby, although the numbers in Formby remain low. This can be seen in the tables below:

	Conversion	New Build
2008/09	126	11
2009/10	71	51
2010/11	79	28
2011/12	89	47
2012/13	102	16
2013/14	108	70
2014/15	75	66
2015/16	118	45
2016/17	137	122
2017/18	99	56
Average	100.4	51.2

Non-Exceptional Windfalls by new builds / conversions

	Bootle	Crosby & Hightown	Formby	Maghull & Aintree	Netherton	Southport	Grand Total
2008/09	20	4	10	3	0	100	137
2009/10	22	28	15	3		54	122
2010/11	3	17	6	9	11	61	107
2011/12	17	39	11	7	2	60	136
2012/13	22	20	13	2	4	57	118
2013/14	29	30	4	4	1	110	178
2014/15	32	17	13	6	1	72	141
2015/16	18	25	20	6	1	93	163
2016/17	27	66	18	40	27	81	259
2017/18	19	38	22	12	-1	65	155
Grand Total	209	284	132	92	46	753	1516
Average	20.9	28.4	13.2	9.2	5.1	75.3	151.6

Non-Exceptional Windfalls by Settlement

The vast majority of (non-exceptional) windfall planning permissions were for small schemes of less than 10 dwellings.

Calculating a Future Windfall Allowance

The pattern of historic windfall delivery set out above has been used to project forward a windfall allowance. This has been calculated as follows:

- Between 2008 - 2016 the average windfall delivery from smaller non-exceptional sites was 151 per annum.

- Years 0 – 5: windfall completions are assumed in years 3 – 5 only. By definition, windfall sites do not have planning permission at the base-date of the study. Therefore, a 24 month lead in time has been assumed to allow for the first windfalls sites to gain permission, and site works to be undertaken, before new housing is completed. In addition, the historic rate of windfall delivery was discounted by 10% in years 0-5 (the same rate of discount applied to small sites with planning permission). This translated into an annual rate of windfall delivery of 136 per annum in years 3 – 5 (408 in total). However we also deduct 15 per year from years 2 to 5 for demolitions. These are often connected with demolitions of sites to create space for the new development. The vast majority of small sites (less than 20 dwellings) with a current planning permission are forecast to complete in years 1 and 2. There is therefore very little overlap between these sites, and windfall sites assumed to deliver in years 3-5.

- Years 6-10 and 11-15: a windfall contribution has been assumed in Southport, Bootle, Formby and Crosby only in years 6-15. Previously it has been just for Southport and Crosby, which are areas that have historically delivered the most windfall permissions. However Formby and Bootle have now been added as they consistently show a level of windfall delivery. Whilst their numbers are lower, they are consistent. This is consistent with NPPG, which states:

“Local planning authorities have the ability to identify broad locations in years 6-15, which could include a windfall allowance based on a geographical area (using the same criteria as set out in paragraph 70 of the National Planning Policy Framework)”.

It was not considered appropriate to assume a windfall allowance in Netherton and Maghull in years 6-15, as these areas have historically delivered few windfalls.

In years 6-15 a reduced rate of windfall delivery is assumed (75% of historic delivery). This is to reflect the uncertainty inherent in projecting this far ahead. The increasing in the number of windfalls in Sefton East and Netherton has increased this year but this does not constitute a consistent pattern of windfalls for those areas so we will continue to exclude those areas from contributing to the 6-15 years supply.

This approach is summarised in the table below:

Windfall delivery for one year by settlement							All areas annual fig
	Bootle	Crosby & Hightown	Formby	Maghull & Aintree	Netherton	Southport	Grand Total
Years 3-5 (90% historic delivery)	18.8	25.6	11.9	8.3	4.6	67.8	136.9
Years 6-15 (75% historic delivery):	15.7	21.3	9.9			56.5	77.8

2018 SHLAA Windfall Assumptions

Justifying a Windfall Allowance

NPPF paragraph 70 requires that local authorities demonstrate “compelling evidence” that windfall sites have formed, and will continue to form part, of the housing supply. A number of post-NPPF appeal decisions and Local Plan Inspector’s reports have confirmed that it is not sufficient to simply demonstrate past delivery, and that there must be clear reasons why windfalls will continue to be delivered.

Sefton’s justification for incorporating a windfall allowance is set out as follows:

There is a consist pattern of windfall permissions in Sefton:

- A consistent pattern of windfall permissions can be demonstrated in Sefton since 1st April 2008. Net windfalls have never dropped below 107, or exceeded 259 dwellings per annum over a 10 year period. The vast majority of these permissions were granted for less than 10 dwellings. Small sites, particularly those arising from conversions, are usually the most difficult sites to anticipate in advance.

The windfall allowance is based on cautious assumptions:

- This record of windfall delivery has taken place during a major housing market slowdown, when net completions have been below those experienced in previous years. Using the period 2008 - 2018 as a basis for projecting forward is in itself a cautious approach, as it the first part of this period reflects a period of historically low development activity.
- The assumptions used to project forward a windfall allowance are also cautious. Larger ‘exceptional’ historic windfalls have been excluded from the forward projection. In addition, a 10% has discount has been applied to the historic rate of delivery on smaller sites in years 3-5, rising to 25% in years 6-15.
- Sefton’s SHLAA has closely followed NPPF and NPPG and has only included sites in the housing supply where there is a known owner interest in development. Any sites where the owner’s intentions are currently unknown are therefore not included in the SHLAA housing supply.

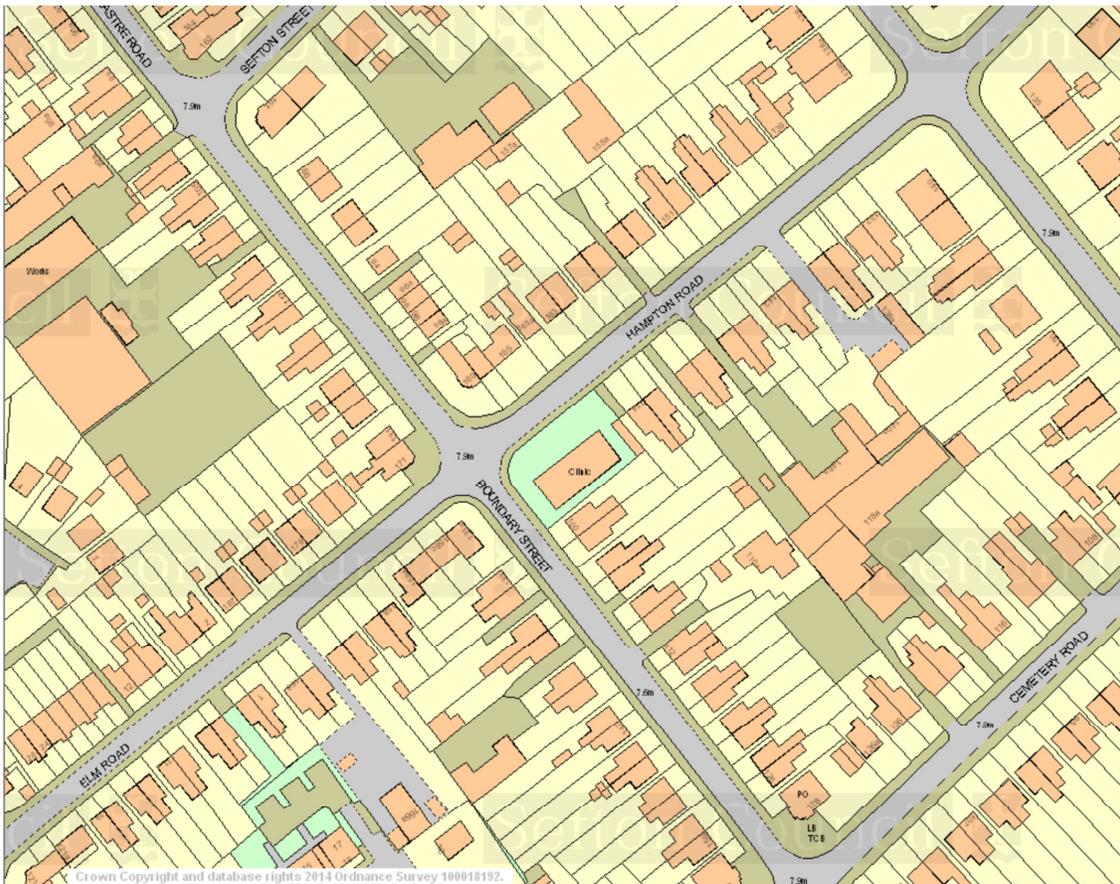
Potential sources of future windfall sites:

- Several of the Borough’s settlements are Victorian or Edwardian (e.g. Southport, Bootle, and Crosby), and largely pre-date the modern planning system. These settlements contain large numbers of small commercial premises in residential areas that are often suitable for small housing developments. These uses are uncommon in modern planned housing estates. In addition, large Victorian properties often lend themselves to sub-division to apartments and will contribute to delivery from conversion sites. The historic pattern of windfall delivery (see above) confirms that the largely Victorian/Edwardian settlements have delivered the majority of historic windfalls in Sefton. In contrast, settlements made up of largely post-war housing estates (e.g. Netherton and Maghull) have delivered few windfalls.

- Many of the historic windfall permissions have been granted in Southport. In addition to being a predominantly Victorian town, Southport contains the largest town centre in the Borough which will inevitably contribute windfalls from town centre apartment schemes, conversions, and mixed-use developments, etc. Southport Town Centre has delivered a

steady stream of completions from sites of less than 20 dwellings in recent years, as can be seen in the table below. The majority of these dwellings were delivered on conversion schemes:

- In addition, Southport contains a large number of small industrial/commercial ‘backland’ sites in Victorian residential areas that are potentially suitable for housing. The vast majority of these sites are in ‘Primarily Residential Areas’ on the adopted Local Plan map. Prior to the publication of NPPF, the Council sought to resist the loss of these sites to housing in order to support Southport’s economy. More recently however we have relaxed our position and are generally supportive of housing development on these sites. Mapping work for our 2003 Urban Housing Capacity Assessment identified more than 200 such sites in residential areas of Southport, although there are many sites that were not picked up in this analysis. An example of these backland sites is set out below:



Examples of ‘backland’ commercial / industrial sites in Southport

- It is anticipated that conversion schemes, and the redevelopment of ‘backland’ commercial sites in Southport will deliver a large number of windfalls in the years ahead.
- Since 2008, most windfalls have come from converting existing buildings to housing (usually to apartments). Recent changes to housing benefit (the “bedroom tax”) are likely to sustain this trend in the years ahead by increasing the demand for 1 and 2 bedroom

affordable homes. Historically, most conversions have been delivered in Southport. This is also the area with the highest total need for affordable housing.

- A windfall contribution could also come forward from the following types of sites: pub closures, redevelopment of previously developed land in Green Belt (under NPPF para 145), employment sites outside of designated 'Primarily Industrial Areas', etc.

The Council receives a large number of requests for pre-application advice. Whilst this advice is confidential, the Council continues to receive a significant number on brownfield sites and back land sites that are not included in the SHLAA. Historically many of these have ended up with planning applications and permissions. This pattern is likely to continue.

Taken together, the above is considered to represent "compelling evidence" that windfall sites have consistently become available in the local area and will continue to provide a reliable source of supply into the future, as required by NPPF para 70. The Local Plan Inspector assessed this approach in the 2015 SHLAA in the Local Plan examination and has accepted the approach.

5. Assessment Review / 2017 SHLAA Findings

The SHLAA findings are summarised in the table below. In total, the Study found that, after discounting, 10,942 dwellings could be accommodated in the urban area.

As set out above, this supply does not necessarily include every site that will come forward for housing over the years ahead. The SHLAA will be updated annually to ensure that new sites can be taken into account as they become available.

The level of completions fell from the previous year with 429 net completions against 621 the previous year but was up from the 2015/16 figure of -147. The change from 2016/17 can mainly be explained by the fact that 2016/17 figure was boosted by the exceptional windfall at Daniel House. The number of windfalls was also down from the record high of the previous year but was still above average. The figures were disappointing and lower than the requirement of 694 dwellings.

In relation to monitoring meeting the Local Plan targets, the gross number of completions from the start of the Local Plan period of April 1st 2012 to March 31st 2018 is 2,925. This measure up reasonably well against the Local Plan target for that period of 3,194 dwellings. However the net number of completions has been 2,089 and this leaves a shortfall of 1,105 dwellings. This is largely accounted for by the large number of demolitions due to housing market renewal and succession schemes which together amounted to 836 homes between 2012 and 2018.

The number of demolitions has fallen recently and is expected to stay low. Many Local Plan allocations either are on site, have permission, have been resolved to be approved subject to s106 agreements or have current planning applications or pre-apps in. It is expected that over the next two years that these sites will start to deliver a significant amount of new dwellings. The number of windfalls is expected to remain healthy.

The call for sites has not identified any suitable sites. This continues a recent pattern of few suitable sites coming through the 'call for sites'. However the high number of windfalls coming forward suggest that there are a good number of suitable sites and that developers do not like to submit sites for 'call for sites' for consideration.

At this point there is no reason to be overly concerned about housing supply in the borough over the next fifteen years with a healthy supply of housing land in the borough.

The five year supply position is set out in the next section.

2017 SHLAA Findings and total Local Plan housing supply

	YEAR 1-5	YEAR 6-10	YEAR 11-15	YEAR 1-15	
aa	Sites with Planning Permission – Large and	1572	612	129	2313

		YEAR 1-5	YEAR 6-10	YEAR 11-15	YEAR 1-15
	Strategic				
	Sites with Planning Permission – Small	512	0	0	512
	Sites with Planning Permission – Large Conversion sites	84	27	0	111
	Sites with Planning Permission – Small Conversion sites	337	0	0	337
	Demolitions on the above sites	-21			-21
	Assessed sites	69	491	0	560
	Allocated sites without Planning Permission	1401	3251	1294	5946
	TOTAL	3954	4381	1423	9758
discounts	Sites with Planning Permission – Large and Strategic NO DISCOUNT	0	0	0	0
	Sites with Planning Permission - Small 10% DISCOUNT	51	0	0	51
	Sites with Planning Permission –Large Conversion sites NO DISCOUNT	0	0	0	0
	Sites with Planning Permission –Conversion sites 10% DISCOUNT	34	0	0	34
	Demolitions on the above sites 10% DISCOUNT	-3			-3
	Assessed sites 20% DISCOUNT	14	98	0	112
	Allocated sites without Planning Permission NO DISCOUNT	0	0	0	0
	TOTAL DISCOUNT	96	98	0	194
discounted figs	Sites with Planning Permission – Large and Strategic	1572	612	129	2313
	Sites with Planning Permission – Small	461	0	0	461
	Sites with Planning Permission – Large Conversion sites	84	27	0	111
	Sites with Planning Permission – Small Conversion sites	303	0	0	303
	Demolitions on the above sites	-18	0	0	-18
	Assessed sites	55	393	0	448
	Allocated sites without Planning Permission	1401	3251	1294	5946
	TOTAL AFTER DISCOUNT IS APPLIED	3858	4283	1423	9564
	Windfalls *	348	515	515	1378
	TOTAL INCLUDING WINDFALLS	4206	4798	1938	10942

Summary table of the 2018 SHLAA position

6. Sefton's five year supply position at 1st April 2018

Introduction

The requirement to demonstrate a 5 year supply of housing land is set out in the Government's 'National Planning Policy Framework' (NPPF). This requires that local authorities:

"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." (para 47)

In addition, NPPF 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".

The Council's Local Plan has now been adopted. This includes a housing requirement of 640 dwellings per year. This requirement is broken down to 500 dwellings per annum between 2012-2017, and 694 per annum between 2017-2030. This requirement figure was derived from work produced on the Council's behalf by Nathaniel Lichfield & Partners in December 2014 and untimely through the Local Plan examination. The housing requirement is currently under review through an up to date SHMA. If there are any changes then this will be considered in future SHLAAs. The Local Plan housing requirement has been used to calculate the 5 year supply.

Calculating the 5 year requirement

The 5 year housing requirement is made up of the following parts. Further explanation regarding the 'Under-provision since 2012' and '20% buffer' is set out below:

Requirement for the next 5 yrs	5 years times the requirement for 694 dwellings per year.	3470
Under provision to date	Total; short of 1105 divided up over the plan period.	425
Buffer size		20%
Addition to req from buffer		694
Total 5 yr requirement		4589

Backlog against Housing Requirement since 2012

Since 2012, Sefton has under delivered against the draft Local Plan housing requirement. The extent of the under delivery has varied year on year and in 2016/17 the Council has exceeded the requirement figure. This under delivery is set out in the table below:

SIMPLE TABLE FOR CHART	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
New Build	374	286	516	278	324	402
Conversions	86	45	126	124	318	46
Demolitions	-54	-16	-177	-549	-21	-19
Net Additional Dwellings	406	315	465	-147	621	429

Cumulative completions table

The 'Liverpool' method has been used to apportion this historic under provision over the full 15 years of the Plan period. The Council is aware that many post-NPPF Planning Appeal decisions have required that local authorities include the entirety of the under-provision in the first 5 years (the 'Sedgefield' approach). However, the majority of post-NPPF Local Plan / Core Strategy Inspector's reports that the Council is aware of have favoured the 'Liverpool' Approach. The Sefton Local Plan Inspector has agreed with the approach taken by Sefton.

In addition, much of the this under provision is due to the major demolition programmes that have taken place in Sefton, including the completion of the former New Heartlands Housing Market Renewal (HMR) programme and successor programmes. This has had a significant effect on the housing supply position, as each demolished property is counted as a 'minus 1' to the housing supply. In [particular there were 726 demolitions in 2014-2016. The amount of demolitions has fallen sharply with the end of Housing Association and housing market renewal successor programmes.

Whilst in purely numerical terms these demolition and rebuild programmes have affected the housing land supply position, this ignores the significant regeneration benefits that have been secured. In addition, many of the demolished properties had been vacant for upwards of 5 years. Requiring the entirety of this numerical deficit to be made up in the 5 year period would be to penalise the Council for successfully delivering regeneration.

In addition, the Green Belt boundary is tightly drawn around the existing urban area and all countryside in the Borough is designated as Green Belt. Sefton's ability to make up the backlog of under-provision against the housing requirement is therefore contingent on the release of Green Belt sites for housing development through the Local Plan.

However, such sites have a significant lead in time and are not expected to deliver significant completions until 2019/20. This consideration supports the application of the 'Liverpool' method.

Buffer to the Supply - 5% or 20%

NPPF para 43 states that the 5 year supply requirement should include a 5% buffer "to ensure choice and competition in the market for land". Where there has been a record of "persistent under delivery", this buffer should be increased to 20%. However, For the first time, the NPPF sets out what persistent under delivery is. Persistent under delivery is set out in the new Housing delivery test. Authorities who fail to meet 85% of their housing

requirement over the previous three years will be seen as persistently under delivering and will have to apply a 20% buffer to their five year supply (NPPF para 73 and footnote 39).

	2015-16	2016-17	2017-18	Total
Requirement	500	500	694	1694
Net completions	-147	621	429	903
Percentage of delivery	-29.4%	124.2%	61.81%	53.3%

Housing delivery test 2015-2018

Sefton has delivered 53.3% and as such is persistently under delivering. Therefore a 20% buffer is added to the Council's five year supply calculations. This continues the trend from previous years but due to the housing delivery test, can be set more clearly.

Sefton's delivery record since 2003 is set out in the 2015 SHLAA. The Council under-delivered against the former RSS housing target in all but one of the years between 2003 and 2012, and has not achieved the draft Local Plan housing requirement since 2012. It is therefore accepted that Sefton has 'persistently under-delivered' and a 20% is warranted.

The Local Plan inspector accepted using both the 'Liverpool method' and the 20% buffer.

Sites that meet the '5 year supply' Criteria

NPPF places strict criteria for inclusion of sites in the 5 year supply, and requires that such sites are 'deliverable'. This is defined in the NPPF but can be summarised:

- Available now;
- Suitable now;
- Achievable, with a realistic prospect that housing will be delivered on the site within five years; and
- Viable.

Sites within the 5 year supply must meet all of these criteria.

The housing sites in Sefton that are considered to meet the 5 year supply criteria are made up of the following categories of site:

- Deliverable sites with planning permission for housing at 1st April 2018
- Deliverable sites without planning permission for housing at 1st April 2018
- Some proposed Local Plan housing allocations
- A windfall allowance

Sites with Planning Permission for Housing at 1st April 2018

For sites with a current planning permission for housing, The NPPF states "*Sites that are not major development, and sites with detailed planning permission, should be considered deliverable until permission expires, unless there is clear evidence that homes will not be delivered within five years (e.g. they are no longer viable, there is no longer a demand for the type of units or sites have long term phasing plans). Sites with outline planning permission, permission in principle, allocated in the development plan or identified on a brownfield register should only be considered deliverable where there is clear evidence that housing completions will begin on site within five years*".

For larger sites (20+ dwellings) with planning permission, the developer/land owner was contacted to confirm their development intentions. These sites were only removed from the 5 year supply where the developer/landowner indicated that they would not be implementing the development (in whole or in part) within 5 years or where there was a lack of evidence that the site would come forward.

Some larger sites will be phased over a longer time period than 5 years. In these instances, the assumed contribution related to the proportion of the site that will be developed within the 5 year period, factoring in lead in times and upfront infrastructural requirements.

For smaller sites (less than 20 units) with planning permission, the developer / land owner was not contacted. Instead, an across-the-board discount of 10% was applied to the total supply from these sites, to reflect likely non-implementation rates. This approach is consistent with appeal decisions elsewhere, and the historic rate of non-implementation in Sefton.

For smaller sites, the lead in time from grant of permission to the delivery of completions was based on historic trends for similar sized sites.

Sites without Planning Permission for Housing at 1st April 2018

The vast majority of sites in the 5 year supply benefitted from planning permission for housing at 1st April 2016. However, a number of sites without planning permission have also been included in the 5 year supply. These sites have been assessed as being 'deliverable' in the 2018 SHLAA. A 20% discount was applied to these sites to reflect the greater uncertainty associated with sites without planning permission. Assessments of each of these sites are set out at appendix 2 of the SHLAA.

Demolitions

In accordance with government guidance, known demolitions that will take place during the 5 year period have been subtracted from the projected completions. The 5 year supply is therefore based on 'net' housing stock change.

Demolitions are forecast to take place during the 5 year period to 2023. These demolitions relate to current planning permissions that propose to demolish or convert one or more dwellings as part of a redevelopment scheme (usually to provide new housing).

Housing Supply Overview

The following table provides an overview of Sefton's supply of housing sites that are considered to meet the 5 year supply criteria:

	2018/19	2019/20	2020/21	2021/22	2022/23	Total
Sites with Planning Permission – Large and Strategic	317	444	297	295	219	1572
Sites with Planning Permission – Small	93	92	92	92	92	461
Sites with Planning Permission – Large Conversion sites	0	0	84	0	0	84
Sites with Planning Permission – Small Conversion sites	60	60	60	61	62	303

Demolitions on the above sites	-18	0	0	0	0	-18
Assessed sites	0	0	11	25	19	55
Allocated sites without Planning Permission	0	15	212	582	592	1401
TOTAL AFTER DISCOUNT IS APPLIED	452	611	756	1055	984	3858
Windfalls *		-15	121	121	121	348
TOTAL INCLUDING WINDFALLS	452	596	877	1176	1105	4206

Housing supply overview

5 year housing requirement = 3,470

Under-provision since 2012 = 425

20% buffer = 694

Total 5 year requirement = 4,589 dwellings

Total supply = 4,206

= 4.6 year supply

Sefton is therefore unable to demonstrate a 5 year supply of 'deliverable' housing sites against the NPPF criteria. This requires that planning applications for housing should be considered against the 'presumption in favour of sustainable development'.

Conclusions and comparisons with 2017 5 year supply position

6.30 The five year supply position has improved from 4.5 to 4.6 years supply. However a five year supply has not been achieved. The main factors impacting upon the five year supply position from 2016 to 2017 are as follows:

- Under delivering in 2017/18 by 265 dwellings has meant that the backlog has gone up meaning that the 5 year requirement has gone up from 4,446 to 4,589 dwellings. Therefore whilst the number of homes within the five year supply has gone up from 4,024 to 4,206, the housing supply figure has only marginally improved.
- Notwithstanding the above, the housing supply has continued to rise and has done so over the last four years from 3.1 to 4.2, 4.5 and 4.6 years. This upward progression is expected to continue as a large number of large sites and Local Plan allocations are either:
 - On site and now completing
 - On site carrying out pre-commencement works
 - Have permission
 - Have permission subject to the signing of s106 agreements
 - Have current planning applications
 - Have submitted pre-apps and intend to submit applications
 - Are actively marketing their sites for development

It is therefore anticipated that the supply of dwellings will greatly increase and completions will be at higher levels than historically has been the case due to that lack of large sites available.

- It has taken longer to get the local plan sites on site than expected at the time of the Local Plan. This has been for a variety of reasons that will be discussed in the Housing Delivery

Test action plan. Whilst the speed of sites coming forward has been slightly disappointing, a large number of sites are now coming forward and the housing supply is expected to continue to climb towards a five year supply of homes. There is a very healthy supply of homes going forward (as can be seen in the SHLAA) and so whilst the Council will continue to work towards getting a five year supply, the small current shortfall is not a matter of great concern.