Sefton's Housing Land Availability Assessment and Five year supply report

February 2020

Non-technical Summary

The latest SHLAA and five-year supply report is dated to March 31st 2019. The report sets out the position relating to the total Council supply

The SHLAA shows a total supply of 11,714 homes available up to 2034. This represents an increase from the 10,942 homes from the previous year.

There continues to be a high number of windfalls and an increase in the number of homes on large sites coming forward for development.

There continues to be a pattern of increasing numbers of homes being delivered on Local Plan allocations.

The five-year supply position is 6.0 years.

This has increased from the 2018 figure of 4.6 years supply. This is due to an increase in the number of large sites and Local Plan allocations progressing forward and because only a 5% buffer is required on the five-year requirement compared with 20% in 2018.

It is expected that the five year supply position will continue to improve over the next year as further Local Plan housing allocations come forward.

Contents

1. Introduction

The Strategic Housing Land Availability Assessment (from now on referred to as the 'SHLAA') sets how much land is suitable for development in Sefton over the next 15 years. The SHLAA is set over the period starting from April 1st 2019 and runs to March 31st 2034.

The SHLAA is very important for the long-term planning in the borough for meeting housing needs as it identifies and estimates of the capacity for housing in Sefton for the next 15 years. The SHLAA helps the Local Authority to be able to monitor whether there is still enough housing needed for the Local Plan

The five-year supply report is important because all Local Planning authorities are supposed to show how they can achieve a five-year supply of suitable, available and deliverable land. Having a five-year supply also helps when determining planning applications.

The SHLAA is itself not policy. It does not set how many homes are needed and simply shows the evidence base and helps to inform decisions and policy rather than make them.

Both the SHLAA and five-year supply position are reviewed annually.

This report is available on online at https://www.sefton.gov.uk/planning-building-control/planning-policy-including-local-plan-and-neighbourhood-planning/evidence-and-studies/housing.aspx. The previous SHLAA reports from 2014, 2015, 2016, 2017 and 2018 can also be viewed in the same location.

The SHLAA does help to monitor the effectiveness of the Local Plan. The Local Plan covers the period from April 1st 2012 to March 31st 2030. The period for this SHLAA will therefore help inform the amount of housing supply for the rest of the plan period and beyond.

2. METHODOLOGY

Site Identification

Identification of Settlement Areas

For the purposes of the SHLAA Sefton is split into six settlement areas to order the assessment and to allow a picture of local patterns in the housing market. 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

Sites have been identified from a variety of sources. The list below contains the main source of sites for the SHLAA.

- Local Plan allocations
- Sites submitted through the annual 'Call for sites' (see below)
- All sites with planning permission on April 1st 2019 that haven't been completed.
- Sites that had planning permission but that had expired in the previous year.
- Sites assessed in the 2018 SHLAA.
- 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
- 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.

'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 2nd August 2019. 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.

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 focused 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, 4.22% in 2018 and 4.17% in 2019, and the long-term vacancy figure being 2.4% in both 2016 and 2017, 2.35% in 2018 and 2.2% in 2019. There is no evidence available that this will significantly increase/decrease in the years ahead.

Empty spaces above shops

The potential for spaces above shops as well as vacant units in shopping parades to be used to meet housing supply has been identified by local campaign groups and some local politicians as a potential source of housing supply.

This issue was investigated for the 2015 SHLAA but it was found that there was little potential for large scale conversions for accommodation above shops for a variety of reasons set out in that SHLAA. These include the following reasons:

• 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.

There have been few conversions in the borough of shops. In the period of April 1st 2013 to March 31st 2019 just 57 upper floors have been converted and 45 units from shops or restaurants. This is in the scheme of things a very small number, especially as planning policies at both the national level and local are generally quite supportive. The SHLAA therefore makes no specific assumptions in relation to conversions and the extent to which such schemes have come forward historically will also be reflected in the windfall allowance (which is trend based). The windfall allowance is set out in detail later in the report.

Land in Green Belt

Sites have been submitted through the "call for sites" process that are 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 2019 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.

Site Assessment

It is important that the housing supply is realistic. Therefore for sites to be included within the supply, there needs to be an assessment of their suitability, availability and deliverability. Suitable includes whether the site is indeed suitable for housing, or whether there is a planning policy restriction (i.e being in the Green Belt or adversely impacting upon the setting of a Listed building) or whether there is a natural constraint for example, high flood risk.

Available means that a landowner or developer has a willingness to bring a site forward.

The NPPF definition for deliverable is as follows:

Deliverable: 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. In particular:

a) sites which do not involve major development and have planning permission, and all 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 (for example because they are no longer viable, there is no longer a demand for the type of units or sites have long term phasing plans).

b) where a site has outline planning permission for major development, has been allocated in a development plan, has a grant of permission in principle, or is identified on a brownfield register, it should only be considered deliverable where there is clear evidence that housing completions will begin on site within five years.

Developable: 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.

Sites with Planning Permission for Housing

Sites with planning permission for housing at 1st April 2019 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 (all with 10+ dwellings (the standard for a major planning application where the number of dwellings is known, including allocated sites) with planning permission, in most instances where as clear pictures wasn’t already apparent, the owner / developer was 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. The discounted delivery on smaller sites (less than 20 dwellings) was forecast based on averaging the remaining capacity on all sites in this category over years 0-5.

Sites without Planning Permission

Sites without planning permission for housing at 1st April 2019 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 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

Table 3.1 - 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 2003-2019	*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*	*2018/19*	*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 and by source.

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.

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.

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 2018/19 as exceptional windfalls:

Settlement	Type	ApplicRef	Proposal	DwelGainedPP
Bootle	New Build	DC/2014/01312	Erection of 119 dwellings and a 2,323m^2 food store.	119
Netherton	New Build	DC/2018/00813	Erection of 30 flats after demolition of existing public house	30

The total number of non-exceptional windfalls since 2009/10 are below:

	Conv	NB	Grand Total
2009/10	71	62	133
2010/11	79	28	107
2011/12	89	47	136
2012/13	100	17	117
2013/14	108	77	185
2014/15	74	66	140
2015/16	120	45	165
2016/17	133	122	255
2017/18	100	65	165
2018/19	112	109	221
Grand Total	986	638	1624
Average	**98.6**	**63.8**	**162.4**

Windfall figures 2009 -2019

Windfall Analysis and future assumptions

2018/2019 has been another strong year for delivering windfalls and continues the long term trend of the different urban areas within Sefton having capacity to deliver a good percentage of housing. The figure of 221 windfalls is second only to 2016/17, where 255 windfalls were achieved.

In traditional pattern of most of the windfalls occurring in Southport, Bootle and Crosby has continued although a more recent uplift in windfalls in the Maghull are has also continued.

The number of conversions and new builds were very similar with 112 and 109 respectively. This has continued a pattern of there being more conversions than new builds. However the proportion of new builds has gone up significantly in recent years.

Year	Bootle	Crosby & Hightown	Formby	Maghull & Aintree	Netherton	Southport	Grand Total
2009/10	22	28	15	3		65	133
2010/11	3	17	6	9	11	61	107
2011/12	17	39	11	7	2	60	136
2012/13	21	20	13	2	4	57	117
2013/14	29	30	4	4	1	117	185
2014/15	32	17	13	6	1	71	140
2015/16	18	25	20	6	1	95	165
2016/17	27	62	18	40	27	81	255
2017/18	19	38	31	12	-1	66	165
2018/19	37	47	12	27	6	92	221
Grand Total	225	323	143	116	52	765	1624

Average	22.5	32.3	14.3	11.6	5.8	76.5	162.4

• 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 increase in the number of windfalls in Sefton East and Netherton in 2016/17 did not constitute a consistent pattern of windfalls for those areas and this has been evidenced by low levels since and so we will continue to exclude those areas from contributing to the 6-15 years supply.

This approach is summarised in the table below:

	Bootle	**Crosby & Hightown**	**Formby**	**Maghull & Aintree**	**Netherton**	**Southport**	**Grand Total**
Years 3-5 (90% historic delivery)	20.3	29.1	12.9	10.4	5.2	68.9	146.7
Years 6-15 (75% historic delivery):	16.9	24.2	10.7			57.4	109.2

Windfall delivery for one year by settlement

Justifying a windfall

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:

<u>There is a consist pattern of windfall permissions in Sefton:</u>

• 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.

<u>The windfall allowance is based on cautious assumptions:</u>
• 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 - 2019 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.

<u>Potential sources of future windfall sites:</u>
• 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.

• 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.

<u>Demolitions</u>
There has been a long historic pattern of demolitions in the borough connected with the old Housing Market Renewal Initiative (HMRI) and successor initiatives. There have also been so tower block clearances of poor quality post war prefabricated tower blocks.

This has largely stopped as the programmed clearances finished in 2015/16. The last three years have brought in 22, 19 and 23 demolitions in 2016/17, 2017/18 and 2018/19 respectively. This has brought a more recent trend of low demolition rates (often through conversions or

demolition of one unit for the creation of one of more new units). This low rates of demolition are expected to continue.

Demolitions 2003-2019	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	2018/19	Totals
Allocated/other large sites	0	24	20	35	1	0	0	0	7	0	0	2	0	0	0	2	91
HMR and Legacy Programmes	0	21	59	150	110	167	130	159	59	41	0	141	333	0	0	0	1370
Council Owned Sites	19	4	0	67	167	160	0	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	0	353
Small Sites	14	16	24	7	19	9	12	13	18	12	16	7	10	7	12	20	216
Sites for Older Persons Housing (C3)										1	0	0	0	13	0	0	14
Sites for Older Persons Housing (C2)										0	0	3	0	0	7	1	11
Grand Total	33	65	103	259	297	336	159	222	137	54	16	177	550	22	19	23	2449

Demolitions in Sefton April 1st 2003 to March 31st 2019

SHLAA Findings

The SHLAA findings are summarised in the table on the following page. The SHLAA has found that there is a healthy supply of housing over the next 15 years with land available for 11,714 homes. This represents an increase on the previous year where the capacity was 10,942 homes.

This does not of course take into account every site that will come forward over the next 15 years and there will always be some sites that unexpectedly fall out. However this will be reviewed every year. However this is a strong figure and demonstrates that there is a healthy long term supply in the borough.

A real encouragement has been the continued strong performance of non-exceptional windfalls. This has enabled a strengthening of the windfall figures projections despite the Council taking a very cautious approach to windfall delivery. This has been particularly strengthened by having over 100 new build non-exceptional windfalls. The continued strength of windfall delivery suggest that the availability of large greenfield sites through the Local Plan process has not at this stage had an impact on small urban sites. This will continue to be monitored.

The total number of completions has gone up and this is projected to continue to improve with the high number of large sites, (including Local Plan allocations) that are now on site and moving forward. It is noticeable how the number of completions on allocations has continued to go up and this is a pattern that is expected to continue. 2018/19 was the first year of the Local Plan Period where the number

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 2019 is 3,498. This measure up reasonably well against the Local Plan target for that period of 3,888 dwellings. However the net number of completions has been much lower due to the significant number of demolitions early in the Local Plan period due to the HMRI and successor programmes and RP planned demolitions of obsolete housing stock. The demolitions have now largely stopped and now the main impact on the net number of completions is how quickly Local Plan allocations get built out.

The Southport area has the most potential supply followed by Maghull and Aintree. Bootle, Crosby and Formby all have potential for a good number of completions over the next 15 years.

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. For some reasons developers do not seem to wish to submit these sites during the ‘call for sites’ outside of Local Plan preparation time.

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.

		YEAR 1-5	YEAR 6-10	YEAR 11-15	YEAR 1-15
gross figs	Sites with Planning Permission – Large and Strategic	2508	916	30	3454
	Sites with Planning Permission – Small	324	0	0	324
	Sites with Planning Permission – Large Conversion sites	194	10	0	204
	Sites with Planning Permission – Small Conversion sites	409	0	0	409
	Demolitions on the above sites	-11			-11
	Assessed sites	7	454	0	461
	Allocated sites without Planning Permission	1252	2814	1443	5509
	TOTAL	4683	4194	1473	10350
discounts	Sites with Planning Permission – Large and Strategic NO DISCOUNT	0	0	0	0
	Sites with Planning Permission - Small 10% DISCOUNT	32	0	0	32
	Sites with Planning Permission –Large Conversion sites NO DISCOUNT	0	0	0	0
	Sites with Planning Permission –Conversion sites 10% DISCOUNT	41	0	0	41
	Demolitions on the above sites 10% DISCOUNT	-1			-1
	Assessed sites 20% DISCOUNT	1	91	0	92
	Allocated sites without Planning Permission NO DISCOUNT	0	0	0	0
	TOTAL DISCOUNT	74	91	0	164
discounted figs	Sites with Planning Permission – Large and Strategic	2508	916	30	3454
	Sites with Planning Permission – Small	292	0	0	292
	Sites with Planning Permission – Large Conversion sites	194	10	0	204
	Sites with Planning Permission – Small Conversion sites	368	0	0	368
	Demolitions on the above sites	-10	0	0	-10
	Assessed sites	6	363	0	369
	Allocated sites without Planning Permission	1252	2814	1443	5509
	TOTAL AFTER DISCOUNT IS APPLIED	4609	4103	1473	10186
	Windfalls	438	545	545	1528

		YEAR 1-5	YEAR 6-10	YEAR 11-15	YEAR 1-15
	TOTAL INCLUDING WINDFALLS	5047	4648	2018	11714

SHLAA summary table (please note that these figures are rounded to the nearest unit)

SHLAA 2019 Settlement breakdown (UNDISCOUNTED)					
		YEAR 1-5	YEAR 6-10	YEAR 11-15	YEAR 1-15
Bootle	With PP	144	332	30	506
	Conv with PP	133	0	0	133
	Without PP	147	372	110	629
	Demolitions	0	0	0	0
	Total	424	704	140	1268
Crosby & Hightown	With PP	163	0	0	163
	Conv with PP	160	0	0	160
	Without PP	214	574	93	881
	Demolitions	0	0	0	0
	Total	537	574	93	1204
Formby	With PP	464	102	0	566
	Conv with PP	15	0	0	15
	Without PP	240	272	26	538
	Demolitions	0	0	0	0
	Total	719	374	26	1119
Maghull & Aintree	With PP	705	12	0	717
	Conv with PP	27	0	0	27
	Without PP	464	999	721	2184
	Demolitions	1	0	0	1
	Total	1195	1011	721	2927
Netherton	With PP	102	39	0	141
	Conv with PP	16	0	0	16
	Without PP	41	203	0	244
	Demolitions	0	0	0	0
	Total	159	242	0	401
Southport	With PP	1023	378	0	1401

	Conv with PP	252	10	0	262
	Without PP	384	901	493	1778
	Demolitions	10	0	0	10
	Total	1649	1289	493	3431
All areas	With PP	2601	863	30	3494
	Conv with PP	603	10	0	613
	Without PP	1490	3321	1443	6254
	Demolitions	11	0	0	11
	Total	4683	4194	1473	10350

Settlement breakdown (undiscounted and minus windfalls.

Completions

	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19
Demolitions	-54	-16	-177	-550	-22	-19	-23
Conversions	85	45	125	113	318	44	141
New Build	374	286	516	278	324	403	446
New build on allocated sites	0	0	0	18	23	162	224
Total net completions	405	315	464	-159	620	428	564

Number of completions

Sefton's five year supply position at 1st April 2019

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:

Strategic policy-making authorities should have a clear understanding of the land available in their area through the preparation of a strategic housing land availability assessment. From this, planning policies should identify a sufficient supply and mix of sites, taking into account their availability, suitability and likely economic viability. Planning policies should identify a supply of:
a) specific, deliverable sites for years one to five of the plan period32 (para 67)

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 ultimately through the Local Plan examination.

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:

Local Plan Requirement for the next 5 yrs	5 years times the requirement for 694 dwellings per year.	3470
Increase to the 5 year requirement due to under provision to date	1235 divided up over the remaining years of the plan period.	561
Buffer size		5%
Addition to req from buffer		174
Total 5 yr requirement		**4205**

<u>Backlog against Housing Requirement since 2012</u>

Since 2012, Sefton has under delivered against the draft Local Plan housing requirement. The extent of the under delivery has varied year on year. However the general trend is an upward

improvement in delivery and a decrease in demolitions. This under delivery is set out in the table below:

	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	Totals
New Build	374	286	516	278	324	403	446	2627
Conversions	85	45	125	113	318	44	141	871
Demolitions	-54	-16	-177	-550	-22	-19	-23	-861
Net Additional Dwellings	406	315	465	-147	621	429	564	2653
Annual requirement	500	500	500	500	500	694	694	3888
Under/over provision	-94	-185	-35	-647	121	-265	-130	-1235

Accumulated net completions against Local Plan figure.

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 727 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%. Previously it was for Local Planning Authorities to assess whether they have undelivered. However in 2018, persistent under-delivery was set by the 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).

Sefton has delivered 102% in the latest housing delivery test which is set from the three years from 1st April 2016 to March 31st 2019 and so ties in with the base date of this SHLAA. Therefore a 5% buffer is appropriate for the first time in over a decade and reflects the improving housing delivery in Sefton.

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 2019
• Deliverable sites without planning permission for housing at 1st April 2019
• Some proposed Local Plan housing allocations
• A windfall allowance

Sites with Planning Permission for Housing at 1st April 2019

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 (10+ dwellings) with planning permission, the developer/land owner was contacted to confirm their development intensions. 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 10 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 2019

The vast majority of sites in the 5-year supply benefitted from planning permission for housing at 1st April 2019. 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 2019 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 2024. 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).

Calculating the Housing Supply

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

	2019/20	2020/21	2021/22	2022/23	2023/24	Total
Sites with Planning Permission – Large and Strategic	586	528	563	452	379	2508
Sites with Planning Permission – Small	80	212	0	0	0	292
Sites with Planning Permission – Large Conversion sites	87	107	0	0	0	194
Sites with Planning Permission – Small Conversion sites	68	300	0	0	0	368
Demolitions on the above sites						-10
Assessed sites	0	0	6	0	0	6
Allocated sites without Planning Permission	0	58	151	428	615	1252
TOTAL AFTER DISCOUNT IS APPLIED	822	1204	720	880	994	4609
Windfalls *			146	146	146	438
TOTAL INCLUDING WINDFALLS	822	1204	866	1026	1140	5047

Housing Supply Overview

Requirement for the next 5 yrs	3470
Under provision to date	1235
Under provision divided by yrs remaining x 5 for next 5 yrs (Liverpool method)	561
Rounded under provision figure	561
Buffer size	5
Addition to req from buffer	174
Total 5 yr requirement	4205
Total 5 yr forecast supply	5047
5 yr supply proportion	120
5 yr supply position	6.0

Five-year supply position with persistent under-delivery and 5% buffer

Conclusions

The five-year supply position has improved this year due to a number of factors. Firstly there has been an increase in the number of large sites granted permission and a number of those sites starting to be built out. The pattern has increased an upward trend of recent years with the 5 year supply position going from 4.2 years in 2016, 4.5 in 2017, 4.6 in 2018 and now 6.0 in 2019.

The second reason is that the Council has passed the housing delivery test *(Ministry of Housing, Communities and Local Government (MHCLG), February 2020)*. This makes a significant difference to the five-year supply position as it means that when assessing the five year requirement, there only needs to be a 5% buffer and not a 20% buffer. If the Council had not met the housing delivery test and applied a 20% buffer, then the supply would have been 5.3 years.

Another factor has been the continued strength of windfall delivery and this has allowed a small increase in windfall assumptions.

A number of large sites are in the process of coming forward and could potentially add 300-500 homes to the five-year supply. However due to the strict test in the NPPF for deliverable within five years, these have not been included within the supply. However as more Local Plan housing allocations come forward, it is confidently predicted that the five years supply position will continue on an upward trajectory for at least the next three years, subject to no major fall in the housing market. However the SHLAA will continue to be carried out on an annual basis and the Council will continue to work with developers to ensure that the Council's supply and delivery is maintained and improved. In summary, the Council does have a five-year supply.