

The logo for RPC Planning, featuring the text "RPC Planning" in a bold, black, sans-serif font. The text is centered within a solid green circle. This circle is surrounded by three concentric, semi-transparent grey circles. A vertical green bar extends downwards from the bottom of the green circle, passing through the center of the page.

**RPC
Planning**

Hearing Position Statement - Matter 2

Planning for Growth

Tesni Properties Ltd - ID 1255343



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Introduction

- 1.1 This Hearing Position Statement is prepared to primarily in response to Questions 11, 12 and 13. We also make reference to Questions 15, 19, 26, 27 and 28 toward the end of the statement. The statement supplements representations made drawing those points as we see it to the questions posed. Tesni Properties Ltd is aware of the approach of the scope of the Examination. Although we raise matters of specific strategic site housing supply as reason, in our view, to reopen the issue of allocations in the SADPD, we do not advance any evidence or case related to five year housing land supply or overall housing requirement.
- 1.2 Finally one part of our statement has relevance to Matter 3 (Policy HOU1 Housing Mix, Questions 47 & 48) but we do not see need to be involved in discussion and expect our point will be aired in our representations and the Inspector’s questions.

Statement

- 1.3 **Question 11** – Our answer is No. Policy PG8 is inconsistent with the LPS growth and spatial strategy in that it fails to provide allocations to LSCs as Policy PG7 and in doing so denies opportunity to allocate small & medium scale housing sites in line with NPPF 69 to deliver choice into the housing market and greater stability over delivery. There is an underlying assumption that the following 10-years of the plan will see uninterrupted growth. Except there is no reason not to suppose that a further period of recession or sporadic growth may not take place either. The importance of allocations is that it provides a lever to pull in such circumstances, enabling a council to direct assistance to site delivery which is unavailable to windfall sites that will simply fall away unimplemented or cannot be identified.
- 1.4 **Question 11(c)** – It follows, and has been our consistent view, that the SADPD has not been positively prepared and its justification for reliance on windfall and commitments is misplaced. And there is a further point, made in our representations RPD549, that this is not confined to LSCs, but also to KSCs and the two Principal Towns. The SADPD has a role to allocate non-strategic scale housing sites (<150 units) which were scoped out of the LPS process. Yet, with a handful of exceptions to Crewe, Congleton, Middlewich and Poynton (referenced in Question 19) the Council has at all opportunities sought to exclude such consideration; content that the strategic allocations and windfall will provide all housing needs to 2030 with just a handful of additional allocations. We firmly disagree.

- 1.5 Our view is that a sound plan meets not just the numerical housing requirement but the affordable housing needs, mix and type expressed within that number and has been central to our representations RPD549.
- 1.6 Evidence in the *Authority Monitoring Report* [BD 04] provides only borough wide consideration of delivery of affordable housing [BD 04, Table 12.31] which it deems broadly on track numerically or as a percent to annual completions, but its monitoring is hazier on forecast and absent on detail of housing tenure / type either completed or consented. This is despite LPS [BD 01] Policy SC5, para.12.48 setting a specific split 65% / 35% between social rented and intermediate housing which could have been monitored within Indicator MF4 [BD 01, p384] but it is not.
- 1.7 *Residential Mix Assessment Report* [ED 49, para.2.30 & Figure 17] evidences an 80% / 20% split between social rented and intermediate housing. This marks a strengthening of needs to social rented accommodation to the evidence base to the LPS preparation. We are content for the examination to separately debate what the mix should be and how draft Policy HOU1 & Table 8.1 expresses this, (Matter 3, Questions 47 & 48). But whatever drops out is central to plan-making and allocations to ensure those needs can be met.
- 1.8 In absence of evidence and monitoring of what has been completed and consented (commitments) we consider an additional question must be asked within **Questions 11 & 13** of the council of how it plans to meet its affordable housing needs – as expressed in ED49 - by the plan end in 2030? And this should not be simply framed to delivery at LSCs (Question 13) as this applies to all settlements.
- 1.9 We see no data or analysis to assist such an answer and in absence it is difficult to see the plan as justified or soundly based. There is no understanding if commitments meet overall affordable housing needs as a number / percent by tenure / type split. Small site windfalls, upon which great reliance is made, will deliver no affordable housing by definition under NPPF 64 within settlements (**Question 13** - and again we see this should be framed wider than just consideration of LSCs).
- 1.10 *Residential Mix Assessment Report* [ED 49, para.2.28] also expresses the need to maximise affordable housing from market housing to meet needs. This is reflected in *Provision of Housing etc* [ED 05 para.6.56] which repeats the Inspector’s comment on allocation land to settlements within the North Cheshire Green Belt must be *‘based on the need for sufficient land to meet market and affordable housing needs ... combined with the adverse consequences for patterns of sustainable development of not doing so’* (our emphasis). We see no evidence the Council has

considered affordable housing needs in its plan-making and consideration of allocations to the northern settlements, (**Questions 11 & 13**).

- 1.11 It is our view the council will fail to meet affordable housing needs if it does not allocate more sustainable, deliverable housing sites in the SADPD. Windfall is no substitute to the improved certainty allocations can bring.
- 1.12 **Question 12** - It therefore follows that the other policies of the LPS and SADPD are not sufficiently flexible to enable the housing requirement to LSCs, or other non-strategic allocations which could be made at KSCs and Principal Towns. Though Question 12 continues to consider evidence available for windfall opportunities the question, respectfully, misses the point. Windfall will not provide affordable housing needs unless over 10 units in scale or over 5 units in rural areas (which are by definition less sustainable locations and may not be located where needs arise). And even if substantive windfalls of 10 units or more arise there is no certainty they will do so viably to provide policy compliant affordable housing levels, particularly as many brownfield sites are urban and require varying forms of site clearance, remediation and infrastructure improvements at greater costs than greenfield development.
- 1.13 We strongly urge that this aspect of non-strategic allocations to LSCs and to other KSCs and to the two Principal Towns is reconsidered on the grounds that the plan as presented is unsound, unjustified and has an incomplete evidence base on key matters central to this matter. As such we feel it will not be possible to reach any positive conclusion to Questions 11, 12 and 13 without remitting the plan to the council to fully review its evidence base and approach to allocations in the SADPD – matters we have placed in representations RPD549, RPD 550 and RPD551.
- 1.14 To supplement points on **Question 13** made above, there is an elephant in the room in the shape of the Handforth Garden Village ('HGV') (LPS 33) allocation.
- 1.15 As set out in our representation RPD549 the HGV (LPS 33) allocation purposefully provides housing capacity to deliver the housing needs, including affordable needs, for the towns of Macclesfield, Wilmslow, Knutsford and Poynton – the LPS evidence is explicit on this point. It also follows the housing requirements set for said settlements is reduced because of this. This means the monitoring that shows housing completions / commitments / allocations exceeding the need in all four towns bar Poynton (marginally below) is predicated on HGV coming forward in full and within the plan period. We say this will not happen.
- 1.16 *Handforth Settlement Report* [ED 31, Table 2 & para.4.8] sets out the council's view that the combined amount of additional housing identified in the four referenced settlements, (1,045

units), means that no further allocations are due in Handforth to meet its residual 65 unit requirement. But it makes no analysis of the deliverability of the excess identified or the HGV allocation itself in reaching this conclusion.

1.17 Looking at the excess we can observe that commitments are not completions, that permissions can and do lapse for a variety of reasons; and allocations without planning applications / permissions create uncertainty as each year passes. The AMR [BD 04] provides a snapshot and circumstances which we accept will have changed in the 18-months since its base-date. But using a consistent 31/3/20 base date across the available evidence to the Examination the combined 7,707 unit delivery identified in the four towns in Table 2 [ED 31]¹ is shown in the AMR [BD 05, Indicators Table 12.54] to include a total of 4,150 units (54%) that relates to 18 separate LPS Strategic Allocations. Of these 18 sites only 1,173 of those units or 28% benefit from detailed consent. That means over two-thirds of the available capacity is without an implementable consent and that includes two sites without any active application (combined delivery of 525 units / 13%) which given the strength of the local market is surprising and demonstrative that timing does not also run to expectations.

1.18 Turning to HGV (LPS 33) allocation for 1,500 homes we learn from Lichfield's publication *Start to Finish, 2nd Edition* (February 2020)² – a document commonly referenced in appeals and EIPs as evidence on lead-in and build-out rates on large scale housing sites – that lead-in times and build-out rates for sites between 1,500 and 1,999 units are:

- Lead-in time to first completion is typically in the order of 3 years from gaining outline permission (Figure 3).
- Lead-in time from application validation is in the order of 6.9 years (Figure 4)
- Build-out rates average 120 dpa (mean) and 104 dpa (median) (Table 3)
- Build out rates minimum just under 50 dpa and maximum just over 200 dpa (Figure 8)

1.19 Applied to HGV (LPS 33) and its hybrid application (reference 19/0623M) made in May 2019 we might expect potential first completions in 2026 (6.9 years following application validation) and an average build-out rate around 120 dpa for the project duration. This would suggest delivery in the order of 480 units by plan end in 2030. A shortfall in the order of 1,000 units on the allocation capacity within the plan period.

¹ ED 05 Table A.1 provides the same information for all settlements

² <https://lichfields.uk/content/insights/start-to-finish> - accessed 22/9/21

1.20 However, the Council and the applicant *Engine of the North*, which should be mentioned is owned by the Council and its functions formerly at arms’ length brought in-house in 2019³, consider the delivery will be 1,275 or 1,500 units by 2030. We have two contradictory figures because 1,500 is referenced in Examination documents ED 05, ED 31 and BD 04. But in the council’s *Housing Monitoring Update 2019/20*, which has the same 31/3/20 evidence base-date but is not in EIP evidence at this time, Appendix 5: Forecast gives a lower figure of 1,275⁴.

1.21 When we compare the applicant’s / council’s positions with the Lichfield’s evidence we see that both the start on site and build-out rates are wildly optimistic and lack credibility.

	Application made	First completions (monitor year)	Build out rate	Construction years to end Plan period	Completions to end Plan period	Residual supply post Plan period
EotN / Council position [ED05, ED 31, BD04]	May 2019	2024/25	250 dpa average	6	1500	0
Housing Monitoring Update 2019/20	May 2019	2024/25	150 dpa Year 1 225 dpa Years 2+	6	1275	225
Lichfield	May 2019	2026/27	120 dpa average	4	480	1020

1.22 The Lichfield’s figure is an average drawn from evidence of delivered sites. The applicant and council figures are based in its own homework on delivery, a position that has repeatedly slipped and changed. As example at the LPS Examination first completions were forecast from 2019 over 11 years (136 dpa average), at submission of the application completions were forecast from 2021 over 9 years (166 dpa average) and now it forecasts completions from 2024 over 6 years (250 dpa average). There is a clear pattern of fitting the figures to plan period rather than to evidence of delivery.

1.23 The application position in late September 2021 is that there is still no permission, no scheduled committee date (numerous dates have come and gone), multiple matters outstanding including detail infrastructure design. Its own programme on the infrastructure (detailed part

³ - Full Accounts filed 17th April 2021 confirm EotN functions brought in-house 1st August 2019 and all shares held by council - Companies House accessed 23/9/21 <https://find-and-update.company-information.service.gov.uk/company/08549888/filing-history>

⁴ <https://www.cheshireeast.gov.uk/pdf/planning/spatial-planning/researchand-evidence/hmu-2019-20-report/appendix-5-forecast.pdf> - accessed 22/9/21

of the hybrid application) is slated for 3-years in opening delivery meaning its own position of first completions in 2024/25 will not happen as this required a start in 2021 which has not happened. And this programme assumes the application is not recovered by the secretary of state, no legal challenge is made, the CPO proceeds without incident (as a minimum unregistered land must be acquired) and numerous environmental and design matters through conditions and reserved matters run smoothly through future planning processes. The Lichfield's figure is an average delivery rate and could in theory be bettered, but we see nothing in the circumstances of the site to indicate this, and every likelihood the timescale will lengthen. We made this point in representations (RPD549) but nothing in council evidence or response has engaged this point which is central to question of need for further allocations in the SADPD.

- 1.24 In absence of the council meaningfully engaging in our representations we have sought to exemplify through the available evidence the shortcomings of the council's approach and lack of analysis to demonstrate there is very real uncertainty the HGV (LPS 33) will significantly undershoot the 1,500 by 2030 in the order of 1,000 units.
- 1.25 We acknowledge that for the 18 LPS sites in the four settlements linked to the HGV delivery that circumstances will have changed since the AMR base date and its evidence, and we do not suggest the 18 allocations may not deliver development. But we do say the HGV (LPS 33) will significantly undershoot the 1,500 unit capacity and the analysis in ED 05 and ED 31, and associated settlement evidence (ED 34, ED 35, ED 39 & ED 43) is flawed in the needs of the settlements in the SADPD.
- 1.26 Therefore, in answer to **Question 13** there is a clear need for further site allocations because of the looming failure of delivery at HGV, and because of the nature of the allocation's links to the four settlements, that this must be addressed in the SADPD by appropriate allocations to those locations, not simply reapplied to other LSCs in the North Cheshire Green Belt. This matter should be remitted to the council for full consideration and recommendations on main modifications to make the plan justified and sound.
- 1.27 And to return to **Questions 11 and 12** if there is significant failure at HGV (LPS 33) as the evidence in our view plainly shows, it will lead to a significant shortfall in potential affordable housing provision (300 homes – 30% of 1,000 unit shortfall) given that recovery through windfall in the North Cheshire Green Belt area are most likely to be small sites.
- 1.28 We have no additional representations to **Question 15** Safeguarded Land identification at LSCs than set out in our representations RPD551 which we consider succinctly set out the problems in the amount of land identified and potential adverse impacts for the subsequent plan and permanency of green belt boundaries in line with NPPF policy.

- 1.29 We have no specific comments on related **Questions 16, 17 and 18** which does not change the thrust of our representation RPD551.
- 1.30 In relation to **Question 19** our above comments and associated representations will have a bearing on whether sufficient additional sites have been allocated, including toward Poynton. However, we express no specific position on the proposed allocations within the question or Question 20 that follows. We consider that the spatial distribution of development will not be addressed unless and until full and proper engagement is undertaken on housing needs, i.e. market and affordable housing. This encompasses the LSCs subject to Question 11 (sequence) and in our view the other KSCs and Principal Towns of Macclesfield and Crewe too.
- 1.31 **Questions 26 & 27** on settlement boundaries are inconsequential to our representations given they relate to settlements already tightly defined by green belt. The future boundary will be a function of decisions on allocations and safeguard land.
- 1.32 Linked to our representations and issues surrounding HGV (LPS 33) the effectiveness of the settlement boundaries enabling sufficient windfall sites coming forward that will be capable of delivering affordable needs is questionable (your **Question 28**). If our position on the lack of suitable analysis and understanding of affordable housing is accepted then it will be the case the answer must be the boundaries as currently proposed are ineffective. It will be for the council to consult and revise if directed to do so.