

Housing Delivery Action Plan

1. Introduction

This Action Plan has been prepared to set out how Sefton Council will meet its housing needs. The action plans is required because the Council did not meet 95% housing delivery over the years April 1st 2015 to March 31st 2018.

The Action Plan complements the adoption of the Sefton Local Plan in 2017. This was a key milestone in helping to identify the area's housing needs and allocation of new sites for housing development. It is important that the Council and its partners, including the development industry, focuses on delivering the housing growth that is set out in the Local Plan.

The Housing Delivery Test was brought in by the Government to test Council's delivery. This differs from the 5 year supply test that tests supply. Different thresholds have been set for the Housing Delivery Test. The Council's official Housing Delivery Test figures are as follows:

Number of homes required			Total number of homes required	Number of homes delivered			Total number of homes delivered	Housing deliver test 2018 measurement
2015-16	2016-17	2017-18		2015-16	2016-17	2017-18		
501	501	563	1,564	-181	644	532	995	64%

The Council has fallen short of the 95% threshold that means a housing action plan is required.

The need for housing

Britain continues to face a housing crisis. Most experts agree that the country needs more housing and the Government is focussed on increasing the delivery of new homes across the country. In *Fixing our broken housing market* – the Government's White Paper of February 2017 – the Prime Minister refers to the country's broken housing market as 'one of the greatest barriers to progress in Britain today.'

In the last 10 years or so, the Government and development industry has sought to define how many houses are needed in England. The White Paper identifies an annual range of between 225,000 to 275,000 new homes are now needed, with the current ambition set at building 1 million new homes between 2015 and 2020. More recently the Government has indicated, through the 2017 Autumn Budget that 300,000 homes need to be built each year.

Access to a decent, safe and secure home is seen as a basic right, but for many, houses are too expensive and the choices of high quality homes are limited. On a simple measure of affordability, most parts of the country experience house prices well in excess of the 'affordable' ratio of 4:1, where local average house prices are four times local average

income levels. In Sefton this varies across the borough with some areas being more affordable than others.

Sefton’s draft Housing Market Assessment Update (2019) shows some variation in affordability across the borough. The lower quartile incomes and the lower quartile rent and purchasing levels in Sefton’s different areas identify real issues of affordability issues in many parts of the borough, particularly in the north and east of the borough.

Figure 4.5: Estimated average (mean) household income by sub-area (mid-2018 estimate)

	Mean	Median	Lower quartile
Southport	£38,300	£29,100	£16,900
Formby	£48,700	£37,000	£21,400
Maghull/Aintree	£42,600	£32,400	£18,700
Crosby	£41,700	£31,700	£18,300
Bootle	£29,800	£22,600	£13,100
Netherton	£33,000	£25,100	£14,500
All households	£38,400	£29,000	£16,800

Figure 4.23: Estimated income required for different market tenures by sub-area

	Lower quartile price	Lower Quartile rent
Southport	£28,600	£21,200
Formby	£46,900	£27,700
Maghull/Aintree	£33,900	£22,500
Crosby	£32,600	£21,800
Bootle	£11,500	£17,900
Netherton	£18,500	£20,500
All properties	£24,800	£19,600

At its most basic, the Government considers that increasing the supply of housing is key to improving the affordability of housing. Whilst this simplifies a very complex issue, the Government is focusing efforts on introducing measures that will deliver more housing and remove barriers to development.

Building more houses – to the level envisaged in the Local Plan – also has significant economic benefits. Development creates construction job and training opportunities, as well as jobs in other related sectors.

It should be noted that whilst this Action Plan seeks to support an increase in housing delivery – with a range of pro-active interventions set out later– it cannot guarantee it. Local Planning Authorities do not control the operation of the housing market. This is recognised by the NPPF and recent legal judgements that highlight the role and limitations of the planning system. The NPPF, for example, focuses on providing a supply of deliverable sites to meet the need for new housing. There may be other factors why sites do not come forward at a particular time, which are beyond the control of the Council (e.g. financial/commercial decisions).

2. Reasons for under delivery

Reasons for under delivery

Lack of sites

The first two years within the housing delivery test were prior to the adoption of the Sefton Local Plan. The Local Plan was a long and complex process and one of the main reasons was that insufficient land in the urban area to meet Sefton’s housing requirements. The Council had to undertake a detailed review of its Green Belt to identify additional sites for new homes. As these needed to be thoroughly examined, it meant that few of the allocations could come forward prior to the Local Plan being adopted. The result was that few housing sites were available and delivery was therefore quite low during those years. The action that was required to address this was that a Local Plan needed to be adopted that allocated sufficient sites.

Impact of Local Plan adoption

The final year of the housing delivery period was post adoption of the Local Plan. Whilst many of the allocated sites have now secured planning permission, it is inevitable with large sites that there will be a delay in delivery. The number of completions fell a little short of what we hoped in the Local Plan trajectory, however a considerable number of sites did progress through the planning process.

Demolitions

In the first year of the housing delivery period, there were a significant number of demolitions, most of these were planned demolitions from a Registered Provider (One Vision Housing (OVH)) and as the last part of the legacy programmes of the Housing Market Renewal Initiative. In total 333 homes were demolished under the successor programmes for the HMRI and 207 were demolished as part of OVH planned demolitions. Without those demolitions, the Council would have not required an action plan as the Housing Delivery Test figure would be over 98%. There were in total 1,370 demolitions as part of the HMRI programme and its successors between 2004 and 2016. These programmes are now complete. The OVH demolitions were of pre-fabricated post-war tower blocks that were no

longer fit for purpose. These were planned in advance and there are no plans for large scale demolitions envisaged. Indeed, some of these sites are planned for new housing.

3. Barriers to delivery

Building houses is often a complex process. Many of these barriers are macro-economic in nature, for example access to finance for both developers and potential house buyers, whilst others may be more site specific such as land contamination. These barriers affect both the supply and demand side of housing delivery. The following provides a brief summary of the key challenges associated with bringing housing development forward in general. It should be noted that the barriers will range from site to site and are dependent, to an extent on the size or nature of a developer.

The main issues impacting upon Sefton for housing delivery during the three years of the housing delivery test were:

1. Lack of large development sites. As set out earlier, a big issue has been the lack of sites due to the borough being split roughly 50-50 between urban area and Green Belt. Sefton has been very successful over the years for developing urban brownfield sites. However, it became apparent from the early Local Plan work and the SHLAA in 2008 that there were insufficient sites available to meet long term needs. The Council therefore produced a Local Plan that would meet needs. This included Green Space and Green Belt reviews and a number of these sites were allocated for Housing in the Local Plan. The first two years of the Housing Delivery test were pre-Local Plan and as the Council generally were not supporting developments in the Green Belt until the Inspector had produced his report, these were not then available. The third year of the Housing Delivery Test was the first-year post adoption of the Local Plan. Typically, most of the sites were starting out in the pre-application stage with some sites submitting planning applications. However due to the long lead in times for many of these sites, few contributed to the supply at that point in time.
2. Flood Risk. Sefton as a borough is mostly very low lying and large areas are dependent upon water being pumped out of watercourses. Significant parts of the borough are therefore at risk of flooding through being in Flood Zones 2 and 3 or being subject to surface or groundwater issues.
3. The Green Belt. As discussed above, most of the countryside, outside of Sefton's settlements are in the Green Belt. This is highly valued by Sefton's residents and as such the policy position of the Council is not supportive of development in the Green Belt.
4. Coastal Protection. Much of the coastal area of Sefton from Crosby northwards through Hightown, Formby and through the length of Southport, are covered by international, national and locally protected sites. Development opportunities are therefore very limited in those areas.
5. Contaminated Land. Large areas of Bootle near to the dock, alongside the canal and on or near railway lines were heavy industrialised during the nineteenth century and up until the second half of the twentieth century. This has led to a legacy of a lot of land having a variety of contamination issues. This can prove to be very costly to

remediate and impact upon development costs. When combined with some low development values in some parts of Bootle, this can make development unviable in some areas. Contamination can be an issue in other parts of the borough but is mainly confined to South Sefton.

There are also a number of other factors that can delay large development sites progressing. The following lists are not exclusive and a number of factors can apply to any site:

Site specific constraints

- Complexity of land ownerships and 'ransom' situations
- Access arrangements
- Landscape
- Archaeology
- Wildlife and nature
- Heritage assets (e.g. listed buildings)
- Local opposition to development
- Legal (e.g. covenants)
- Size and shape of sites

Finance

- Land value expectations for landowners
- Access to finance for developers/registered providers
- Access to finance for potential home owners
- Cash flow and interest payments
- Grant funding from Homes England
- Strength of market – investor confidence

Resources

- Skills and labour availability
- Shortage of materials
- Availability of sites
- Availability of developers and registered providers to deliver housing

Planning obligations

- Affordable housing
- Open space
- Drainage schemes
- Housing mix
- Education contributions
- Highway improvements
- Other infrastructure requirements

4. Action Points for bringing forward new development

The Council have taken a wide variety of courses of action to address housing delivery and are starting to commence other actions. For reasons set out above, the main course of

action is that the Council will continue to implement and monitor the Local Plan. This is expected to be the main factor in boosting housing delivery in Sefton. Appendix 1 shows progress on each of the sites.

The Local Plan includes 47 housing allocations. Some of these have already commenced delivering homes. Many more are going through various stages of the planning system and will continue to do so.

Other actions to help bring these allocations and other large sites forward include:

Continued dialogue with landowners/developers

As part of the ongoing monitoring of the Local Plan, and in order to help assess the Council's housing supply position, officers are in a continuing dialogue with all of the Local Plan site owners. This is to ascertain when the sites will come forward for development and any issues can be identified and addressed.

Pre-Application process

The Council invested in a pre-app officer to manage the pre-apps recognising the role that effective pre-application advice can have in bringing forward good quality planning applications and in simplifying the planning application process. The Council has continued to make improvements to the process to help minimise issues before an application is submitted and the response times for pre-app responses has continued to improve. The Council will continue to work to improve the quality of its pre-application service.

S106 templates

A recurring issue with major applications is the delay between a resolution to approve and the signing of a Section 106 agreement. To assist the Council have commissioned solicitors to draft a 'template' section 106 agreement to enable the Council's legal team to agree an agreement in a much shorter time period.

Review of standard conditions

The Council are undergoing a review of standard conditions. Whilst all conditions need to be bespoke to each individual planning application, it is very helpful to have basic proformas for the regularly used conditions. This will help improve decision making.

Planning Obligations SPD

The Council has a number of areas where planning obligations are sometimes sought. These are set out in a variety of policy documents. It is recognised that this is not always easy to navigate and so the Council are going to produce a Planning Obligations SPD, that will help bring those obligations into one place and make them more transparent for developers and the public. This should help speed up decision making.

Planning Performance Agreements

The Council have recognised the challenges that there can be bring forward larger allocations and large sites through the planning process. The Council have therefore introduced Planning performance agreements (PPAs) in order to prioritise bringing those schemes forward as smoothly as is reasonably possible. The money from the PPAs has been

invested in additional experienced Development Management Senior Planners to manage those applications. This has allowed a prioritising of applications and maximised commitment to take them forward.

Council Sites

A number of sites in the Local Plan are Council owned. It is important that they come forward for housing at some point during the plan period. The Council have also set up their own housing company to try and build out homes on some of the Council's own sites. This will help guarantee that the sites come forward and add to the variety of housebuilders in the area.

Two schemes have, to date, have been submitted by the Council on its own sites. It is expected that a steady pipeline of development will follow through the housing company and that these will

Identifying new sites

All of the above measures are intended to assist the delivery of homes on large sites and allocations. However small sites have always played an important role in the Borough's housing supply, particularly in Southport, Bootle and Crosby. Smaller housing schemes often do not have the long lead in times to getting on site and typically have shorter planning and development processes. Therefore, schemes can often go from a pre-application discussion to completion in two years.

It is expected that many of these small sites will continue to come forward at a steady rate. However, the Council are continuing to be proactive in bringing them forward.

For example, the Council have carried out another 'Call for Sites'. This is intended to allow landowners, developers and the public to bring forward and suggest new housing sites. Most small windfalls come through applications for 1 or more new dwellings and conversions to flats and HMOs.

The Council are currently carrying out an urban capacity study. This is a proactive piece of work where the Council is looking to identify suitable sites for housing across the borough. The study is being carried out at a street by street basis and incorporates the whole of Sefton. It is possible that where new sites are identified, that they can be put onto the brownfield land register and in some cases could go on part 2 with permission in principle.

The Council is working positively to make guidance clearer for smaller sites and particularly conversions and has recently updated that HMOs and Flats SPD.

Sefton Council is also being proactive in working with Registered Providers and Homes England to identify sites that meet their needs so that they can come forward. These schemes are often wholly or predominantly affordable housing and can be a on a wide variety of types and sizes of sites.

5. Next steps

As there are no plans for the large-scale demolitions that has previously affected housing delivery figures in Sefton and as Local Plan allocations start to be delivered, housing delivery is expected to improve significantly by next year. Therefore, at this point in time, significant measures beyond those currently proposed are not considered necessary.

Notwithstanding the above, the Council will publish an action plan next year regardless of whether the Council reach the targets in the Housing Delivery Test in 2019. This is for three reasons:

- Firstly, it is recognised that it is good practice to continually monitor housing delivery as part of the ongoing monitoring of the effectiveness of the Local Plan.
- Secondly, it is also worth reviewing the measures set out in this action plan and assess whether some of these measures can be refined or whether new measures are needed.
- Thirdly, the factors impacting upon the housing market may have altered. It is important that this is considered.