

Socio-Economic Statement for Harlex (RLP Timperley) LLP

# PLANNING APPLICATION FOR A PROPOSED RESIDENTIAL DEVELOPMENT AT THORLEY LANE, TIMPERLEY, WA15 7PJ

September 2021

Our Ref: 18-01961

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# QUALITY ASSURANCE

This report has been prepared within the quality system operated at Rapleys LLP according to British Standard ISO 9001:2008.			
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# 1 INTORDUCTION

- 1.1 This Statement has been prepared by Rapleys LLP (Rapleys), on behalf of Harlex (RLP Timperley) LLP in support of an outline planning application for up to 116no. residential dwellings with all matters reserved aside from access, for which detailed consent is sought, at Thorley Lane, Timperley, Altrincham, WA15 7PJ.
- 1.2 This Statement identifies and addresses the potential socio-economic benefits which will arise from the proposed development.
- 1.3 The Statement should be read in conjunction with the suite of documentation submitted in support of this application submission.
- 1.4 Against this background, the structure of this Statement has been set out as follows:
  - 1. Introduction;
  - 2. Context;
  - 3. Socio-Economic Status Of The Area
  - 4. The Proposed Development; and
  - 5. Summary and Conclusions.

# 2 CONTEXT

- 2.1 Housing development is a key component of economic growth which is fully recognised by national policy through the NPPF.
- 2.2 The redevelopment of the planning application site, will deliver a significant amount of investment through the construction process and the associated spend through the construction period.
- 2.3 The construction industry and house building make an important contribution to both the local and national economy and through job creation.
- 2.4 The economic role is one of the three dimensions for achieving sustainable development. In these terms, the economic role of sustainable development contributes to building a strong, responsive and competitive economy.
- 2.5 The economic benefits of the planning application site coming forward for residential development should be recognised accordingly.

#### GOVERNMENT WHITE PAPER: FIXING OUR BROKEN HOUSING MARKET

- 2.6 The Government published the White Paper in February 2017 setting out the government's plans to reform the housing market and boost the supply of new homes in England.
- 2.7 The White Paper emphasises the impact of housebuilding on economic growth and the economy:

"Britain's broken housing market hurts all of us. Skyhigh property prices stop people moving to where the jobs are. That's bad news for people who can't find work, and bad news for successful companies that can't attract the skilled workforce they need to grow, which is bad news for the whole economy.

Low levels of house building means less work for everyone involved in the construction industry - architects, builders, decorators and manufacturers of everything from bricks to kitchen sinks. If people must spend more and more to keep a roof over their head they'll inevitably cut back elsewhere - meaning less money gets spent in the wider economy."<sup>1</sup>

"If we fail to build more homes, it will get ever harder for ordinary working people to afford a roof over their head, and the damage to the wider economy will get worse."<sup>2</sup>

#### NATIONAL PLANNING POLICY FRAMEWORK

- 2.8 The NPPF provides explanation of the importance of sustainable development.
- 2.9 Paragraph 8, states that the planning system has three overarching objectives, one of which is an economic objective:

"an economic objective - to help build a strong, responsive and competitive economy, by ensuring that sufficient land of the right types is available in the right places and at the

<sup>&</sup>lt;sup>1</sup> Department for Communities and Local Government (2017), 'Fixing our broken housing market - page 11' https://www.gov.uk/government/uploads/system/uploads/attachment\_data/file/590464/Fixing\_our\_broken\_housing\_market\_\_ \_print\_ready\_version.pdf [11/05/21] <sup>2</sup> Department for Communities and Local Government (2017), 'Fixing our broken housing market - page 15',

<sup>&</sup>lt;sup>2</sup> Department for Communities and Local Government (2017), 'Fixing our broken housing market - page 15', https://www.gov.uk/government/uploads/system/uploads/attachment\_data/file/590464/Fixing\_our\_broken\_housing\_market\_-\_\_print\_ready\_version.pdf [11/05/21]

right time to support growth, innovation, and improved productivity; and by identifying and coordinating the provision of infrastructure"

2.10 Within Section 6 (Building a Strong, Competitive Economy) of the NPPF, it is stated that significant weight should be placed on the need to support economic growth (paragraph 81):

"Planning policies and decisions should help create the conditions in which businesses can invest, expand and adapt. Significant weight should be placed on the need to support economic growth and productivity, taking into account both local business needs and wider opportunities for development."

2.11 It is therefore clear that the NPPF confirms that the economic benefits of development are key to achieving sustainable development and that the economic benefits a scheme brings can carry significant weight in the decision making process.

#### LOCAL PLANNING POLICY

- 2.12 The relevant Development Plan documents relating to this statement for Trafford Borough Council comprises the following:
  - Core Strategy (Adopted January 2012);
  - Revised Unitary Development Plan (UDP) (Adopted June 2006);
- 2.13 The Core Strategy sets out an overarching strategy and development principles for Trafford to guide development until at least 2026. It was adopted on 26 January 2012.
- 2.14 Within the Core Strategy, the importance of economic growth and the role Trafford plays in the wider sub region is set out;

"The Trafford LDF will contribute to and support the vision of the Manchester City Region becoming a world class city. Trafford is one of the main economic drivers in the City Region's economy. Given Trafford's role in the City Region, we must ensure, through the implementation of this Plan, that growth benefits not only Trafford's residents but also that it contributes to the wider aspiration for Greater Manchester."

#### **RELEVANT APPEAL DECISIONS**

2.15 The importance of economic growth and the economic benefits of residential development have been given considerable weight by appeal inspectors.

#### Cringle Road, Levenshulme (APP/B4215/W/18/3196113)

2.16 The Inspector, in paragraph 44 of their decision notice, attached significant weight to the important economic benefits generated by the proposed development;

"The investment and employment generated by the construction works would be positive economic benefits of the proposal and the development would have the potential to increase consumer expenditure by some £1.2m each year. There can be no guarantee that all of the construction workers would live locally or that all of the additional consumer expenditure would be spent with local businesses but these are important economic benefits to which I attach significant weight. "

#### Old Red Lion, Great Missenden (APP/X0415/W/18/3202026)

2.17 The Inspector recognised, at paragraphs 120 and 121 of their decision, the benefits to the local economy through direct and indirect jobs and through the increased local population which would maintain and enhance local services. Whilst acknowledging that the economic benefits can come from any housing development, the Inspector attached significant weight to the benefits.

"there would be benefits to the local economy as a result of direct and indirect jobs generated during the construction period, and as a result of increased population, which could increase demand for and use of local services and businesses in the High Street and the wider District, once the housing is occupied. This would help to maintain and enhance these services and businesses, thereby increasing their viability."

"I acknowledge that these benefits would not be unique to this development, but would flow from any new housing development of this size within the District. However, this does not detract from the fact that the appeal proposal would give rise to these real benefits to which I attach significant weight, in accordance with NPPF paragraph 80."

# 3 SOCIO-ECONOMIC STATUS OF THE AREA

3.1 This section sets out the socio-economic characteristics of the area, and Trafford Borough, using the regional North West and England benchmarks as a comparator.

#### POPULATION

- 3.2 The population of Altrincham was 46,460, according to the Census in 2001. By the Census 2011, the population had increased 12.8% to 52,419.
- 3.3 The population of Trafford Borough in 2001 was 210,200 and increased by 8% to 227,091 in the 2011 Census. The 2018 Sub-Based National Population Projections indicate an increase of a further 14.6% by 2043.

#### HOUSING SUPPLY

- 3.4 Paragraph 74 of the NPPF requires that Local Planning Authorities identify and update annually a supply of deliverable sites sufficient to provide a minimum of 5 years housing supply against their adopted housing requirement or against Local Housing Need where the strategic policies are more than 5 years old.
- 3.5 The Housing Delivery Test requires that where the Test indicates that delivery has fallen below 95% of the local planning authority's housing requirement over the previous three years an action plan is required. Where delivery has fallen below 85%, a 20% buffer applies, and from 2020, the presumption in favour of sustainable development will be engaged where delivery is less than 75%.
- 3.6 The Housing Delivery Test results published in January 2021 indicated Trafford Borough Council achieved a score of 61%, only delivering 61% of the new houses needed over the past 3 years. Therefore a 20% buffer is applied to Trafford's 5-year housing land supply, and an action plan must be produced. As the Development Plan is more than 5 years old, the Housing Delivery Test is calculated on the Local Housing Needs figure of 1,377 dwellings per annum.
- 3.7 In the Housing Delivery Test Action Plan published July 2021, as a result of the 2020 Housing Delivery Test results, the Council acknowledge that the five-year requirement increases from 6,885 to 8,262 as a result of the 20% buffer and that the NPPF presumption in favour of sustainable development applies, as the Council cannot demonstrate a five-year housing land supply.
- 3.8 Using the Council's figures in Appendix B (Trafford's land supply as at 31st March 2021) of the Housing Delivery Test Action Plan and the definition of deliverable in Annex 2 of the NPPF, Trafford Council can only demonstrate a housing land supply of 1.94 years which represent a significant housing land supply shortfall.

# AFFORDABILITY

- 3.9 The undersupply of housing to meet the local demand can lead to affordability issues. This increases the impacts on social mobility and economic growth. There is also the risk that there will be a skills shortage in the local area as residents choose to locate elsewhere where the area can provide suitable and sufficient affordable housing.
- 3.10 There were 6,150,264 single person households in England according to the 2001 Census. By the time of the 2011 Census, this had risen to 6,666,493. This is defined as one person living alone, but this could also include people living in the same address sharing facilities such as those house sharing in private rented accommodation. In addition, the Office for National Statistics published data in 2014 which showed 26% of young adults aged 20-34 lived with

their parents in 2013 which equated to 3.3m people. This was an increase from 21% in 1996  $^3$ .

- 3.11 The key marker as to whether housing is affordable within the market is considered to be 3.5 times gross income. This means that the ability to purchase is based on a mortgage being 3.5 times gross income. According to the ONS<sup>4</sup>, the ratio of average house prices to average earnings in Trafford Borough is 9.7. This compares to 5.8 for the North West Region and 7.7 for England as a whole as of 2020.
- 3.12 The NPPF refers to market signals at Paragraph 61 to determine the number of homes needed,

"To determine the minimum number of homes needed, strategic policies should be informed by a local housing need assessment, conducted using the standard method in national planning guidance - unless exceptional circumstances justify an alternative approach which also reflects current and future demographic trends and market signals. In addition to the local housing need figure, any needs that cannot be met within neighbouring areas should also be taken into account in establishing the amount of housing to be planned for."

- 3.13 House prices have increased (in part) due to a lack of supply, and therefore the affordability imbalance can be addressed through the provision of a greater number of affordable housing, which takes into account the market signals referred to in paragraph 61 of the NPPF.
- 3.14 Addressing the affordability imbalance by proving a greater number of affordable homes and a range of house types could increase the disposable income which could be spent locally, rather than a large percentage of income being spent on mortgage payments or private rent.

 $<sup>^{\</sup>scriptscriptstyle 3}$  ONS (2014) 'Young adults living with parents in the UK'

https://webarchive.nationalarchives.gov.uk/20160105214203/http://www.ons.gov.uk/ons/rel/family-demography/young-adults-living-with-parents/2013/info-young-adults.html [12/05/21]

<sup>&</sup>lt;sup>4</sup> ONS (2020), 'House price to workplace-based earnings ratio',

https://www.ons.gov.uk/peoplepopulationandcommunity/housing/datasets/ratioofhousepricetoworkplacebasedearningslowerq uartileandmedian [27/04/21]

#### 4 THE PROPOSED DEVELOPMENT

4.1 The submitted planning application seek outline planning application for the following development:

"Outline planning application for the demolition of existing buildings and the erection of up to 116 dwellings with associated infrastructure and landscaping and vehicular access point from Thorley Road and Wood Lane. All matters reserved except for access."

- 4.2 The proposed development will provide a policy compliant 45% affordable housing.
- 4.3 In addition to affordable housing, there are other economic benefits which would arise from the proposed development. These are outlined below.
- 4.4 This section of the statement has been structured to cover the lifecycle of the proposed development, including the economic and social benefits created through the construction process, increased expenditure and an active labour force from new residents occupying the new development, and the additional Council Tax revenues the Council could receive on completion of the development.

#### CONSTRUCTION

- 4.5 Construction of 116 units could be built out at a rate of at least 35 units per annum, meaning a construction period of circa. 3 years.
- 4.6 During this time, there will be additional benefits arising from the construction. The construction cost alone of the 116 units would generate a significant regional spend.
- 4.7 There would also be the benefit of direct employment during the construction period.
- 4.8 The construction industry is an important employer both locally and nationally, with the 2011 Census stating that within Trafford Borough 6.5% of residents aged over 16 and in employment were employed in the construction industry<sup>5</sup>.
- 4.9 It is expected that a construction firm would employ a mix of permanent workers in addition to local construction workers or contactors. The Office for National Statistics indicates that in March 2021 there were approximately 1,195 people within Trafford Borough claiming Jobseeker's Allowance and actively searching for employment in the construction industry<sup>6</sup>.
- 4.10 Given that there are available workers within the industry, the proposed development has local labour to utilise. The development will reduce unemployment in the construction industry and sustain employment for local people. Trafford Borough generally has a low unemployment rate of 3.5%, compared to the national average of 4.6%<sup>7</sup>.
- 4.11 The Home Builders Federation (HBF) online Housing Calculator estimates that for 116 units in Trafford Borough, this could lead to 359 total jobs, direct employment of 124 workers, and 93 employees in indirect employment<sup>8</sup>.

- https://www.nomisweb.co.uk/query/construct/summary.asp?mode=construct&version=0&dataset=64 [29/04/21]
- <sup>7</sup> https://www.nomisweb.co.uk/reports/lmp/la/1946157089/report.aspx#tabempunemp [10/05/21]

 <sup>&</sup>lt;sup>5</sup> Nomis (2013), 'Census 2011 Industry by sex by age', https://www.nomisweb.co.uk/census/2011/dc6110ew [10/05/21]
<sup>6</sup> Nomis, 'Jobseeker's Allowance by occupation',

<sup>&</sup>lt;sup>8</sup> HBF, 'Housing Calculator'

https://www.hbf.co.uk/policy/policy-and-wider-work-program/hbf-housing-calculator/#tab-profile [06/05/21]

- 4.12 Increased construction activity will benefit a range of businesses in various disciplines such as architecture, planning and surveying, real estate, manufacturing, and logistics.
- 4.13 In addition, the HBF calculator estimates a potential of 98 induced jobs leading to positive benefits in the overall economy. Increases in expenditure could arise as construction works utilise the local shops and other local facilities.
- 4.14 According to the ONS Construction Statistics, the total number of construction employees in the North West region in 2019 was 155,900<sup>9</sup>. The total construction output in the North West in 2019 was £19,314,000<sup>10</sup>. Therefore, from these figures, it can be estimated the gross average output per employee in the North West can be estimated at £123,887.

#### OCCUPATION

- 4.15 According to the 2011, the average estimated household size for Trafford Borough is 2.4 persons per household<sup>11</sup>. Therefore, a development of 116 units could be home to 278 residents bringing increased expenditure to the local economy.
- 4.16 The new homes within the proposed development could be occupied by a mix of residents who already live in the local area, new residents to the area, or newly forming households. Consequently, a number of the vacated properties, and properties within the new development will be occupied by residents from outside the local area or Borough.
- 4.17 The provision of new housing in an area can provide attractive accommodation to attract skilled workers into the area or provide increased choice to the people already living in the local area and ensure the competitiveness of the local area in the long term. It is reasonable to expect that households would be occupied with households with adults of working age and who are economically active.
- 4.18 Using the nomis official labour market statistics for Trafford Borough<sup>12</sup>, 61.3% of the population of Trafford is of working age, the delivery of 116 new dwellings could result in 170 additional people of working age in the area. As the percentage of economically active people aged 16 and over is 82.2% in Trafford, at least 140 residents could be expected to be in employment and economically active.
- 4.19 New residents will bring an increased retail and service spend into the local economy. With the range of services available locally to the site at Thorley Lane, some of this additional spend could be retained locally and retained by other key centres within Trafford
- 4.20 The Office for National Statistics provides 'Average weekly household expenditure by Output Area Classification' which expresses weekly household expenditure by socio-economic Output Area Classification supergroup. There are 8 supergroups<sup>13</sup>.

<sup>12</sup> Nomis , Official labour market statistics, Labour Market Profile for Trafford

<sup>&</sup>lt;sup>9</sup> ONS (2021), Construction statistics annual tables.

https://www.ons.gov.uk/businessindustryandtrade/constructionindustry/datasets/constructionstatisticsannualtables

<sup>&</sup>lt;sup>10</sup> ONS (2021) Output in the construction industry: sub-national and sub-sector

https://www.ons.gov.uk/business industry and trade/construction industry/datasets/output in the construction industry subnational and subsector

<sup>&</sup>lt;sup>11</sup> 2011 Census: Households with at least one usual resident, household size and average household size, local authorities in the United Kingdom - Table H01UK

https://www.nomisweb.co.uk/reports/lmp/la/1946157089/report.aspx#tabrespop

<sup>&</sup>lt;sup>13</sup> ONS (2019), 'Average weekly household expenditure by Output Area Classification (OAC) supergroup, UK: Table A51' https://www.ons.gov.uk/peoplepopulationandcommunity/personalandhouseholdfinances/expenditure/datasets/averageweekly householdexpenditurebyoutputareaclassificationoacsupergroupuktablea51 [13/05/21]

- 4.21 The surrounding area predominantly falls within the 'Suburbanites' socio-economic classification group<sup>14</sup>. Therefore, it is assumed the new residents of market housing would fall into this group, with the affordable housing occupied by the 'Hard Pressed Living' group. The spending of each group per week is:
  - £659.30 per week for households in the Suburbanites (Super-group 6); and
  - £482.10 per week for households in the Hard Pressed Living (Super-group 8).
- 4.22 The HBF Housing Calculator estimates the total potential local spending in Trafford from the proposed development would equate to £3,055,347 per annum.

#### COMPLETION

- 4.23 New residential development contributes to Council Tax revenues and S106 contributions and Community Infrastructure Levy (CIL payments. It is anticipated that the scheme will provide over £500,000 in CIL payment to Trafford Council.
- 4.24 The HBF Housing Calculator estimates that the provision of 116 new residential properties would generate Council Tax payment of £131,017 per year. This will provide additional funding for the Council to continue to deliver services and invest in the local area.

<sup>14</sup> CDRC Maps (2018) https://maps.cdrc.ac.uk/#/geodemographics/oac11/default/BTTTFTT/10/-0.1500/51.5200/ [13/05/21]

# 5 SUMMARY AND CONCLUSIONS

- 5.1 This Statement has been prepared by Rapleys, on behalf of Harlex (RLP Timperley) LLP in support of an outline planning application for up to 116no. residential dwellings with all matters reserved aside from access, for which detailed consent is sought, at Thorley Lane, Timperley, Altrincham, WA15 7PJ.This Statement identifies and addresses the potential socio-economic benefits which will arise from the proposed development. The population of Trafford is projected to grow further in the coming years and it is clearly a very sought-after location in which to live with an affordability ratio of 9.7, which is higher than both the ratio for the north west and England as a whole.
- 5.2 The proposed development will assist in improving affordability by providing new market and affordable homes.
- 5.3 The NPPF places significant weight on the planning system supporting economic growth. It can be seen through the information set out within this report that the economic benefits which the scheme will deliver will be substantial.
- 5.4 As such, this should be given significant weight in the decision making process.