



TOWN AND COUNTRY PLANNING ACT 1990

**Appeal by: Redrow Homes Ltd
Site Address: Land to east and west of Warburton Lane,
Trafford, Greater Manchester.
WA13 9TT**

**LPA reference: 98031/OUT/19
PINS reference: APP/Q4245/W/19/3243720**

**PROOF OF EVIDENCE OF MS. REBECCA COLEY
ON BEHALF OF THE LOCAL PLANNING AUTHORITY**

**REGARDING THE QUALITY OF TRAFFORD'S HOUSING
LAND SUPPLY**

My name is Rebecca Coley and I am the Head of Planning and Development at Trafford Council. I have eighteen years' experience in the field of town and country planning in the public sector, with previous experience at three other Local Planning Authorities. During the course of my professional career I have been involved in many aspects of the planning process, including the processing of planning applications and appeals, conservation and heritage; viability assessment and review; the drafting and production of development plan policy and Supplementary Planning Guidance, and now the strategic leadership of the Council's planning function.

I have been in my present role, and employed by Trafford Council, since February 2016. I am the Council's lead authority on matters of town and country planning, advising the Corporate Leadership Team, Members, including the Executive and the Planning Committee, and senior officers on the Council's Place Shaping Board. I lead and manage the Planning and Development Service, the remit of which includes the processing of all planning applications submitted to the Council, including large scale major applications; a large part of the Council's development plan and other planning policy work, including the adoption of Area Action Plans for the Civic Quarter and Stretford; and the monitoring of development on the ground.

I have had oversight of all the large scale development proposals coming forward in the approaching five years I have been in post as Head of Planning and Development. In the years 2005-2008, I was a Senior Planning Officer for the Council and case officer for a number of large scale major applications in the Borough. I am involved in a large number of corporate projects providing planning advice for the Council's own investment and development portfolio. I therefore have an extensive knowledge of the factors underpinning development decisions across the Borough. I am involved in proposals to unlock the Carrington Relief Road and I am the Senior Responsible Officer for both the Civic Quarter and Stretford Area Action Plans.

I hold a Bachelor of Arts Honours degree in Geography from the University of Manchester and a postgraduate Master of Arts degree in Town and Regional Planning from the University of Sheffield. I am a chartered member of the Royal Town Planning Institute.

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1.0 PRELIMINARY MATTERS

- 1.1 There is no dispute as to the Council's housing land supply figures. It is agreed that the Council has a housing land supply of 2.4 years and the breakdown of the figures is contained in the Statement of Common Ground. However, it is confirmed in Paragraph 19 of the Inspector's case conference note of the 29 February 2020 that the Appellant would give evidence on the quality of the supply of housing. The Council also wishes to give evidence on this matter.
- 1.2 This proof of evidence therefore draws on my experience of leading Trafford's Planning and Development Service for now approaching five years and the Council's own planning permissions and completions data, to demonstrate that the problem of a lack of housing land supply lies not with anything the Council may or may not do, but with land speculation by developers and landowners.
- 1.3 This problem is so entrenched, and impossible to resolve without a substantive adjustment in land values in the Borough, that the weight to be given to the Council's housing land supply position in the planning balance should be significantly adjusted. A grant of outline planning permission for the outline appeal scheme will simply further exacerbate the problem, with delivery at pace far from assured.
- 1.4 This proof of evidence is based on the facts of the cases discussed and my experience in dealing with them and I do not therefore produce all the documents. All supporting information for any planning application referred to is on the Council's Public Access website.
- 1.5 After I have laid out the facts I make reasonable inference from them, backed up by my experience in these matters and the manner in which development proposals in Trafford have played out in practice.

2.0 PLANNING POLICY BACKGROUND

2.1 The adopted Core Strategy (2012) has at its forefront a 'vision' for the Borough. It focuses economic and housing growth within the urban area, primarily in the north east of the Borough. It identifies immediately five Strategic Locations as areas for change.

2.2 The Core Strategy then goes on to explain how this vision will be achieved (inter alia):

'Attractive, sustainable communities, with good access to jobs, services and green infrastructure / multi-functional green space will be established across Trafford with a range of housing types and tenures (including affordable housing).'

2.3 The potential for significant, strategic change in the Borough underpinned the identification of the five Strategic Locations, which are an important element in the achievement of the Core Strategy. These are:-

- Pomona Island (SL1)
- Trafford Wharfside (SL2)
- Lancashire County Cricket Club Quarter (SL3)
- Trafford Centre Rectangle (SL4) and
- Carrington (SL5).

2.4 Each of the Strategic Locations has its own individual Core Strategy policy (SL1 to SL5 respectively – see Appendix A for SL1 to SL4 and Core Documents CD-E2-P1 for SL5) which sets out what will be delivered and the essential requirements (e.g. infrastructure) to ensure development can be delivered in a sustainable way. Substantial housing and employment development, supported by the requisite infrastructure, is proposed for each of the Strategic Locations.

- 2.5 Core Strategy Policy L1 – Land for New Homes (Core Documents CD-E2-P1) sets out the proposed scale and distribution of housing in the Borough during the plan period, and in the written justification, how the Strategic Locations will contribute to this.
- 2.6 Core Strategy Policy L3 – Regeneration and Reducing Inequalities (Core Documents CD-E2-P1) seeks to bring forward appropriate development within Regeneration Areas and that the Council will support appropriate development which will reduce inequalities; secure regeneration benefits; create truly sustainable communities and make positive contributions to achieving the Plan’s Strategic and Place objectives.
- 2.7 The contribution (or otherwise) of the Strategic Locations to the Council’s housing land supply and delivery will be returned to later in this proof of evidence.
- 2.8 Policy L3.4 relates to the Partington Priority Regeneration Area and states that development will be supported which will provide or contribute to the provision of approximately 850 units of accommodation, part of which will be provided on a substantially vacant / unused 16 hectare greenfield site abutting the Manchester Ship Canal. That site is the Lock Lane site referred to later in this proof of evidence.
- 2.9 Policy L8 – Planning Obligations of the adopted Core Strategy (Core Documents CD-E2-P1) sets out the Council’s approach to obtaining planning obligations and developer contributions where planning conditions cannot reasonably be used to mitigate an impact and an obligation meets the CIL Regulation 122 tests.

3.0 PERMISSIONS, COMPLETIONS AND SUPPLY

- 3.1 The Council grants planning permission for a significant amount of residential development. It welcomes well designed schemes in appropriate locations which contribute positively to the area in which they are located and

appropriately mitigate their impacts. In the years 2017 – 2020, 87% of major residential planning applications in Trafford were granted planning permission.

3.2 The gross figure for residential permissions granted (including those on appeal) between 1 April 2017 and 31 March 2020 is **5,617**. The net figure is **5,449**. If three ‘minded to grants’ are added, it would be **6,342** gross and **6,175** net. Therefore over the last three years the Council has granted permission for between c.1800 and c.2100 units per annum. The current, upward adjusted housing requirement per annum (based on OAN, and higher than the Core Strategy requirement) is 1,369, and with a 20% buffer for under delivery is 1,642. The Council is therefore granting more than enough permissions to meet supply (even if one applies a non-implementation allowance).

3.3 However, the Council’s housing land supply (at only 2.4 years) and completions (2,304 gross between April 2017 and March 2020) do not reflect the number of permissions being granted. Indeed, less than half the units being granted permission are built. I will now examine why this is, and why the Council, unless it set aside all its development plan policy requirements and accepted development at any cost without the necessary social and transport infrastructure (and even that would not guarantee delivery at anything like the pace required), is unable to address this issue with the powers available to it.

4.0 LAND TRANSACTIONS AND PLANNING PERMISSION IN PRACTICE

Land ownership and land speculation in Trafford

4.1 Much of the land available in Trafford is under the control of only a few major land owners, particularly in the Strategic Locations. This leaves the authority vulnerable to the investment decisions of relatively few companies, and indeed, where the decision making power in that company is invested in a particular individual, the whim of that individual.

- 4.2 This problem is particularly acute where those companies have landholdings in a variety of locations across the UK, or are absentee landlords. In the former case, these companies will often concentrate their efforts on one particular location for commercial or other reasons which although are logical to the landowner involved, are not based on planning or other constraints. Absentee landlords are often holding out for a particular land value to move a site on, and based on inflated expectation of land value. Where these companies are based in London or the South East, their expectation of land value is aligned to the value they might get in that area, and do not reflect land values in the North West.
- 4.3 Additionally, landowners seek (normally outline) permissions, not with any intention of building them out, but to increase the book value of their asset, so that they can borrow against this value; so as to invest elsewhere. However, there is also an expectation that the value will increase again, with future planning permissions further reducing obligations, increasing density and thus delivering higher land values.
- 4.4 Consequently, planning permissions are used as a speculative land valuation exercise – or to maintain a particular land value if permission has been granted previously – and not for their actual purpose, which is the delivery of sustainable development in accordance with the development plan for the area, and the homes that people need.
- 4.5 Landowners submit outline applications, as they are generally cheaper to put together, and allow a greater level of flexibility. Some larger schemes have only landscaping as a reserved matter – in effect obtaining a full permission for the price of an outline. However, the methodology for calculating five year housing land supply does not enable these permissions to be included in the first five years of supply.
- 4.6 These outline applications are also submitted by landowners or land promoters with the intention to then ‘flip’ sites to a land promoter (if the

landowner is making the application) or a developer or to sell off land parcels to housebuilders or other developers. This often leads to a new planning application, from the new owner of the site (often to value engineer a scheme or reduce developer contributions) and a subsequent delay in bringing the site forward.

- 4.7 Frequently, Planning Committee has made a resolution to grant planning permission, but this is all the landowner or developer needs in order to obtain an enhanced asset value for the land. They are not particularly interested in completing a S106 agreement, especially where this includes overage provisions, and negotiations take months or even years with significant delay and prevarication from the developer side. There is further negotiation on the detail of heads of terms, particularly around overage provisions, and an expectation that obligations can be negotiated away over time.
- 4.8 Thus the work of the Local Planning Authority in granting planning permissions for schemes does not translate into a five year housing land supply or delivery on the ground.

Land valuation and developer contributions

- 4.9 In order to obtain the highest possible land value, landowners try and remove any constraints or obligations required by planning policy, particularly developer contributions. The starting point with planning applications submitted in Trafford has until very recently invariably been that no developer contributions, of any type, are viable.
- 4.10 Prior to 2016, this approach was successful, partly due to a lack of detailed scrutiny of viability assessments by the Council's Estates Team, and partly due to a different approach from the administration in respect of the importance of the delivery of affordable housing. Since 2016 it has been an objective of the Planning Service, and latterly a corporate objective of the Council, to increase the level of affordable housing delivered in the Borough.

This has led to the Council's appointment of an independent viability consultant and a more robust interrogation of developer's viability assessments. It has also stood up to those who seek to avoid existing obligations – successfully resisting judicial reviews and forcing developers to open infrastructure which they had threatened to not make available.

- 4.11 When landowners and developers value land, Benchmark Land Value and / or asset value is based on a hope value or Red Book value rather than a proper National Planning Practice Guidance compliant assessment of EUV+. High density sites in the Regional Centre are now transacted at a 'price per plot', with no reference to planning obligations and with the plus in EUV+ as much as 300%. Rarely if ever do these transactions leave any room for planning obligations, with the uplift in land value accruing entirely to the landowner. If any obligations are negotiated, these come from the developer's profit. This is often the case where a site has been given a particular asset value and is on that developer's books at the price paid for the land. A reduction in this value would be classed as an operating loss, when in actual fact the asset has been overvalued in the first place.
- 4.12 Where sites are flipped, the new owner or developer then tries again to further reduce constraints or obligations by negotiating away S106 obligations or requirements of conditions. Each subsequent owner of a site seeks to take more of the 'plus' from EUV+, until such a point when there is none left and all planning obligations have been negotiated away.
- 4.13 This is a risky strategy, but as property values are relatively high in Trafford, when compared to the North West as a whole, the amount of profit to be made – as a gross monetary figure, rather than as a percentage of GDV or cost – is very high. This means that a developer will still overpay for a site as a return of 13% profit on cost, for example, is sufficient return in purely monetary terms. However, it leaves nothing left for developer contributions and developers buy sites at inflated prices knowing that they will attempt to negotiate these away, citing viability concerns.

- 4.14 A landowner will also accept the highest bid for a site and that is invariably one which does not propose any developer contributions; as otherwise a developer will be outbid by another which is willing to take the risk on negotiating away contributions.
- 4.15 Where developers have overpaid for sites or where the Local Planning Authority has obtained some developer contributions, the reduction in profit to be made means that developers benefit from banking sites until the market rises, in order to improve profitability. Often developers sit on sites and do not build out until land values rise or public monies meet the cost of the contributions.
- 4.16 This overall process is what I experience day to day throughout my working life at Trafford. Allocated land suitable for housing is being used and manipulated as a financial instrument with successive attempts to force down obligations and increase land value rather than as a development site to deliver the housing. There is no practical means available to the Council to remedy this patent market failure. It is prevalent in Trafford because of firstly, a few large landowners; and secondly high property values and thus unrealistic assumptions and expectations as to high land values.
- 4.17 I am not aware of any market, policy or planning reason why multiple sites cannot properly come forward save for what I have set out above. The result is that land speculation makes it extremely challenging for Trafford to deliver a five year housing land supply no matter how proactive it is in granting permissions and allocating land.

The impact on infrastructure provision

- 4.18 This approach to land value and land speculation also means that developers and landowners expect the public purse to pick up the cost of infrastructure, or to meet the viability gap – effectively requiring public monies to subsidise inflated land values.

- 4.19 Where there is no commercial imperative to deliver quickly, developers are willing to sit back with an extant planning permission whilst the infrastructure is delivered by others.
- 4.20 This also stalls development where infrastructure is required to bring it forward – and where there are restrictive Grampian or phasing conditions – but there is insufficient public funding to deliver this infrastructure.
- 4.21 Developers do not meet their affordable housing obligations and therefore the majority of schemes that bring forward affordable housing in Trafford are Homes England grant funded, as can be seen in the table below.

Year	2017-18	2018-19	2019-20
Percentage of affordable housing grant funded by Homes England	100%	86%	73%

Table 1: Affordable housing grant funded by Homes England

The impact on housing land supply

- 4.22 This begs the question as to whether the Council should relax its policies in relation to developer contributions in order to bring sites forward more quickly. This is not a solution however. It means that necessary infrastructure and mitigation to make development acceptable in planning terms is not provided, and eventually stalls delivery once existing infrastructure is at capacity. Development needs infrastructure to proceed in a sustainable way – to build at any cost causes issues down the line.
- 4.23 It would be a disservice to our residents and businesses to support private landowner interests at the expense of the infrastructure they require. Indeed, it would eventually be counterproductive as the qualities that make Trafford such a popular place to live – excellent schools, good transport links – would

be at capacity. Additionally, given the amount of land tied up in single ownerships, it may kick start delivery but will not enable delivery at pace.

4.24 In any event, the evidence would suggest that this approach would not assist in bringing sites forward. Prior to 2017 a less robust approach to seeking a policy compliant level of developer contributions did not lead to an increased number of completions and simply inflated land values.

4.25 As the table below show completions were significantly higher in the years April 2017 – March 2020 (**2,304**) – in fact two and a half times as high – when the Council was applying a far more robust approach to seeking affordable housing and other developer contributions versus the three years prior to that April 2014 – March 2017 (**902**).

Year	Gross Completions	Net Completions
2014-15	245	215
2015-16	377	361
2016-17	280	250
Total	902	826
2017-18	515	468
2018-19	1001	953
2019-20	788	689
Total	2304	2110

Table 2: Gross and Net Housing Completions 2014-2020

5.0 THE STRATEGIC LOCATIONS

5.1 It was anticipated in Policy L1 of the Core Strategy (Table L1 – Core Documents CD-E2-P1) that the Strategic Locations would cumulatively deliver 38% of Trafford’s Core Strategy overall housing target. This is described in Paragraph 10.11 of the written justification to that policy as ‘a significant proportion’. Following a review of housing land supply in March 2020, figures

relating to the residential allowance for each of the Strategic Locations have been adjusted in light of work on masterplans and Area Action Plans in these areas. The uplifted residential capacity is needed to deliver Trafford's LHN and development plan and masterplanning work confirms the sites have the capacity to bring this level of development forward. The Strategic Locations now account for 13,352 units of the overall supply. These sites have the ability to deliver these numbers but have not, thus far, been doing so.

5.2 The position in relation to each of the Strategic Locations in terms of permissions, supply and completions is as follows:-

Strategic Location	Core Strategy Target (from Policy L1)	Residential Allowance (revised March 2020)	Permissions (Gross)	Number of units in 5yr housing land supply	Completions
SL1 – Pomona	800	3,456	906	556	164
SL2 – Trafford Wharfside	900	2,900	354	275	0
SL3 – LCC Quarter (now Civic Quarter AAP)	400	2,800	338	331	7
SL4 – Trafford Centre Rectangle	1,050	3,000	3,000	0	0
SL5 – Carrington	1,560	1,203	610	494	7
Total	4,710	13,359	5,208	1,656	178

Table 3: Housing Supply and Delivery in the Strategic Locations at March 2020

5.3 This demonstrates that delivery in most of the Strategic Locations has been slow or practically non-existent, but this is not as a result of planning permissions not being granted. The Council has granted planning permission

for more than 10% more units than the Core Strategy target for the Strategic Locations – a total of 500 units. It has then uplifted residential capacity in the Strategic Locations which is appropriate, secures the housing need and should provide the incentive and financial wherewithal to bring the sites forward. Sites can only be more viable with this uplift in housing numbers. Other than at Trafford Waters this uplift it has not yet been consented, but it would be unreasonable to expect it to be in the six months since March.

- 5.4 In stark contrast, only 3% of the overall Core Strategy target and 1.3% of the March 2020 residential allowance for the Strategic Locations has been delivered however, mainly at Pomona. No units at all have been delivered at Wharfside or the Trafford Centre Rectangle and only 7 at Carrington. [N.B. The delivery position in the table is at March 2020; it is improved at the date of this proof by a further 279 units – to 456 units, at Pomona and the LCC Quarter – approximately 10% of Core Strategy target].
- 5.5 Both SL4 – Trafford Centre Rectangle and SL5 – Carrington need substantive infrastructure provision to make that development acceptable in planning terms. Most substantially, SL4 requires the Western Gateway Infrastructure Scheme (WGIS) and Metrolink. SL5 requires the Carrington Relief Road (CRR) and enhanced public transport infrastructure. The relevant Core Strategy policies require that infrastructure if development is to proceed.
- 5.6 Both Carrington and Trafford Waters have some public funding secured, but it is not enough to deliver all required infrastructure, and the developers will not meet the entirety of the funding gap, if at all, as it would affect their residual land value.
- 5.7 This position has not previously been assisted by the Council's CIL regime – which became immediately undeliverable once, against all expectation, much development was zero CIL rated by the Inspector at £0. This made the delivery of the numerous items on the Regulation 123 list a practical impossibility. Again, this has had the effect of raising land values.

- 5.8 CIL has assisted in the delivery of Metrolink – funding the Council’s contribution of £20m. However, given the requirement to fund Metrolink there have not previously been any CIL monies available for other infrastructure. Additionally, because of the regulations in place at the time, only CIL could be sought for items on the Regulation 123 list until September 2019 – postdating many of the major planning applications which could have contributed. The Council is now positively addressing this issue through a strategy which seeks S106 contributions as well as CIL monies for the CRR in the first instance.
- 5.9 I will now address each of the Strategic Locations in turn and explain why delivery has generally been so poor, and why the Council does not have, within the powers available to it, the means to rectify this.

SL1 - Pomona

- 5.10 This Strategic Location in the far north eastern end of the Borough, on the boundary with both Manchester and Salford, is in a single landownership – Peel. This Strategic Location now has permissions (906) exceeding its Core Strategy allocation (800); albeit these have come forward in such a way that enable a far greater quantum of development across the allocation than was envisaged by the Core Strategy. Peel’s revised Pomona Island Masterplan (approved by the Council in March 2020) includes an indicative number of up to 2,714 units. This excludes those which have already been granted permission or have been built, so the overall total across the site would be up to 3,620 – four and a half times as many as the Core Strategy target. The Council expects an outline application to be submitted for the quantum of development contained in the Masterplan.
- 5.11 There are 556 units at Pomona in the Council’s five year housing land supply, more than any other Strategic Location. This reflects the fact that the schemes coming forward have planning permission and are high density apartment blocks, delivered in a single phase.

- 5.12 Nevertheless, it has taken a long time for any development to get underway. The first planning application on Pomona was for a site at the western end and was granted in 2007. Thirteen years later this site is now being built out and is not yet complete. A trench was dug in 2012 to secure a lawful implementation to maintain the 2007 permission in perpetuity. It was not until further planning applications in 2018 and 2019, delivering more units and highly value engineered, that the site came forward. Viability evidence demonstrated that the price sought for the land by Peel did not take into account any developer contributions, and a £1.3m affordable housing contribution came from developer profit. Only one other development parcel – at the eastern end of the site - has come forward. This received public monies through grant funding and provided no developer contributions.
- 5.13 Equally, there is no real certainty about delivery of any of the Masterplan units. If a planning application comes forward for the remainder of the site it will be in outline, with perhaps small development parcels coming forward as and when funding materialises or a commercial opportunity arises. At the current rate of delivery it will take until 2077 to complete the development at Pomona. Peel would not include any specific provision for affordable housing in the Masterplan.

SL2 – Trafford Wharfside

- 5.14 Much of the immediately available land in this Strategic Location is owned by Peel and Manchester United. Neither has shown any particular interest in bringing any of their sites forward for development in the near future. Most other sites are in active and continuing employment use. A number have options on them but again there is no indication that these might come forward imminently. No sites are specifically identified in the SHLAA as it is considered a 'broad location' for growth in years 6 – 10 and 11 – 15 of the plan.

- 5.15 Only one residential site has so far come forward, promoted by Cole Waterhouse. This is the No. 1 Old Trafford scheme, containing 354 units and granted permission in 2017. It is currently under construction, and in the Council's five year supply.
- 5.16 There have been no realistic or meaningful discussions about any other sites in this Strategic Location and no scheme has progressed as far as a planning application. The schemes that have been put forward have been of unrealistic ultra-high densities (c. 1000 dph) and my sense has been that these have been valuation exercises rather than with any real intention of bringing a site forward.
- 5.17 A Masterplan for this area was to be produced but work on this was suspended due to competing resource pressures as a result of the Covid pandemic.

SL3 – Lancashire County Cricket Club Quarter

- 5.18 Much of the land within this Strategic Location is in stable civic, sporting or retail use. Outside of this there are several small sites in disparate land ownerships and not held by any of the major landowners in the Borough. Not coincidentally it is the only Strategic Location delivering anywhere near the target and in the manner envisaged by the Core Strategy. There have also been opportunities for units to be delivered through permitted development office to residential conversions which, without any requirement for developer contributions, and with the age of the office stock, have been attractive to the market. As well as the 338 permissions already granted, there is a full planning application approaching determination which will add another 149 units to the supply.
- 5.19 This Strategic Location and the wider surrounding area is where much of the Trafford's development activity and interest is currently focused. The Council is taking advantage of the increased likelihood of delivery in this location – and the schemes that it is already seeing coming forward – through the

adoption of a Civic Quarter Area Action Plan, which it is intended will go out for Regulation 19 consultation in the autumn. [Hyperlink to Civic Quarter AAP](#)
This development plan proposes up to 4000 units in the Civic Quarter Area and would replace the SL3 Core Strategy policy.

SL4 – Trafford Centre Rectangle

- 5.20 Like Pomona, this Strategic Location is also in Peel's single ownership. Trafford Quays as it is known in the Core Strategy – now Trafford Waters – is a small part of the overall Trafford Centre Rectangle, which also contains the Trafford Centre, and the Core Strategy identifies the site for a total of 1050 homes. However, outline permission has been granted for nearly three times this, 3000 units, in 2018. The permission secured is in outline only and with several restrictive but necessary highways phasing conditions – requiring various parts of the extremely substantial Western Gateway Infrastructure Scheme (WGIS) to be in place prior to commencement, occupation of 250 units and occupation of 1050 units. The first phase, prior to commencement requires the adoption and dedication of the WGIS Bridge – which has been built but not yet adopted. There is no affordable housing up front in the Trafford Waters scheme, but a complex system of overage through a S106. The scheme has been awarded HIF monies which need to be spent by March 2021. As the permission is in outline, and phased over 20 years, the site is not in our five year housing land supply.
- 5.21 The Trafford Waters site has also taken a long time to come forward, with no delivery on the site still. The first planning application for the site was submitted in 2010, for 250 homes, but the S106 was not completed and it was finally disposed of in 2019. This minded to grant application was however used as a lever to get the first 250 units of Trafford Waters unconstrained by highways infrastructure requirements. No reserved matters have yet been submitted despite permission being granted in December 2018. Peel have indicated that if development is to come forward they either need the

highways phasing conditions to be relaxed, or for the WGIS Bridge issue to be resolved.

- 5.22 One of the highways phasing conditions for Trafford Waters requires the WGIS Bridge to be adopted and dedicated before any development can take place. The WGIS Bridge has been constructed, but not adopted or dedicated. It remains in Peel's ownership albeit it is being used as public highway. This was deemed necessary after the bridge was closed unexpectedly by Peel with significant detrimental impacts on traffic flow, and the Council needed to de-risk the likelihood of this happening again with the Trafford Waters development in place.
- 5.23 Consequently for development to come forward at Trafford Waters, Peel are seeking a tripartite agreement with Trafford and Salford City Council to adopt the existing bridge and with Trafford and Salford sharing the maintenance liability. There is a willingness to do so, provided Peel pay a commuted sum for this maintenance. There is a significant gap in expectation of the maintenance liability between the parties. Negotiations have been going on for approximately 3 years with no resolution as yet.

SL5 – Carrington

- 5.24 The Carrington Strategic Location is substantively owned by Himor, a subsidiary of the Ainscough Group. To bring forward any further development this Strategic Location needs significant road infrastructure – the Carrington Relief Road – which currently has a funding gap of £15.6m.
- 5.25 Planning permission has been granted (across several applications) at Carrington Village for either up to 725 / or 597 units – depending on the alignment of the Carrington Relief Road – with reserved matters secured for 277 of those units. However highways works at the Flixton Road junction are needed to bring the reserved matters forward – albeit these are funded (by Himor) and a start on site is fairly imminent. [N.B. This is not the more substantive Flixton Road junction improvement required as a result of the

appeal scheme]. The first development plot subject to the reserved matters was sold to WainHomes in an internal transaction. Carrington has been awarded HIF and Growth Deal 3 funding which needs to be spent by March 2021; albeit the Council and Himor are looking to extend this deadline as the funding has been identified for the Carrington Relief Road, which will not be delivered within this timescale.

- 5.26 Heath Farm Lane (Vistry) is a hybrid permission for up to 600 units (148 subject of the 'full' element of the hybrid) with a 'minded to grant' resolution. This is a highly contaminated former gas works site and the £8.75m paid to National Grid for the site did not take into account any developer contributions. There are Grampian / phasing conditions on Heath Farm Lane which require substantial highway works, requiring third party land, or the Carrington Relief Road, at 250 units. There is consequently no certainty about the delivery of the final 350 units.
- 5.27 There is also an employment scheme – Voltage Park – which also requires highway improvements.
- 5.28 All developers have their own scheme for highways improvements to make their own development acceptable, but are in discussions which will shortly be informed by the new CRR strategy. Alternatively, developers (with the notable exception of Himor – who cannot deliver the CRR on their own – but have offered the land required for the road to the Council for £1) expect the Local Authority to deliver the infrastructure improvement and put the congestion on the highway (severe in NPPF terms) in the planning balance offset by the public benefits of the scheme.

6.0 LANDOWNER CASE STUDY: PEEL HOLDINGS

- 6.1 Peel control a very substantial amount of the landholdings in the Borough, particularly in the Strategic Locations. They also have major landholdings

outside of Trafford, and tend to concentrate on delivering one major residential scheme at a time. They have built out Salford Quays and have now moved onto delivering Wirral Waters. Trafford is not necessarily next in their strategy for delivery. Even if it is it would be unexpected for them to deliver both Trafford Waters and Pomona at the same time and in a comprehensive way. This decision will be an entirely commercial one for Peel, understandably, but it does not assist the Council in bringing forward its Strategic Locations.

- 6.2 Peel are very long term strategists and will wait – for however long it takes – until the conditions suit them precisely, maximising revenue, before implementing a planning permission, as they have sufficient landholdings and permissions banked to have options to generate cashflow. Although not a residential scheme the retail development at Barton Square (described in their literature as ‘future-proofed’) is a prime example of this. It is evident Peel have wanted an open A1 retail consent at Barton Square since the mid-1980s and the construction of the Trafford Centre – and waited 35 years to obtain it, permission being granted in 2019. There were numerous planning applications incrementally moving from an outline bulky goods consent to an effective extension to the Trafford Centre. None of these incremental schemes could reasonably be resisted.
- 6.3 Peel will also negotiate every minor detail of a permission – including a word by word analysis of planning conditions – to ensure it is to their maximum benefit. If they do not obtain the maximum benefit they make it clear that they will not deliver the scheme.
- 6.4 The consequence is that the Council either has to concede and set aside development plan policy (with all the harm inherent in that) – and with no guarantee of delivery anyway – or maintains its position (for example on WGIS) and has to accept the impact on housing land supply.

Lock Lane, Partington

- 6.5 Until recently Peel owned the site at Lock Lane / Hall Lane which is otherwise known as Partington Canalside. It is identified in Policy L3 of the Core Strategy as a major development opportunity – albeit outside the Strategic Locations, but in the Partington Priority Regeneration Area. An outline application for 550 dwellings was submitted in December 2007, went to Committee in May 2008 and the S106 was signed over 2 years later in July 2010. Three days before that permission expired in July 2015, an application was submitted to extend the time limit of the permission. This application went to Planning Committee in March 2017 and was eventually granted, again over 2 years later, in September 2019 and with no urgency over completion of the S106 – officers would chase, there would be a bit of activity, then progress would pause again for months. It became evident that Peel did not want to sign the S106 until they had a land deal. Officers considered refusing the application to force the issue but ultimately concluded that this would only set delivery back.
- 6.6 It was also evident that negotiations with developers over the land fell away as a reasonable land price could not be agreed. A funding bid was unsuccessful in 2019 as the scheme was found to be viable without public monies. Previous loan funding had been returned several years ago as it was not required as Peel determined the scheme was viable.
- 6.7 The land was eventually sold to Countryside Properties who are working in partnership with Sigma and Great Places and an application for reserved matters is currently under consideration. Much of the housing is affordable and being grant funded by Homes England. The only way Peel could obtain the value they required was for a developer to come forward who had access to public funds – and they were willing to wait 13 years to do so. If the site had been delivered at a reasonable pace at the outset delivery would be well

advanced by now - probably at least 300 units. Instead the site is not in the Council's five year housing land supply.

7.0 THE APPEAL SCHEME: EXACERBATING THE PROBLEM

7.1 On first glance, it would appear that granting planning permission for the appeal scheme would improve the Council's housing land supply position. It is a site outside the Strategic Locations, and not in the control of the major landowners. However, this is not the case. A grant of permission would exacerbate the issues the Council already has with delivery.

7.2 I have explained earlier in this proof why development should not proceed at any cost and the various serious and significant harms which would arise from this scheme have been compellingly made out in the evidence of other Council witnesses. Additionally, a grant of planning permission would not make the infrastructure requirements associated with this development disappear – they would just have to be provided by others, increasing the burden on those developers or on the public purse.

7.3 The appellant offers no affordable housing. This is not because Council policy does not require any, quite the opposite. The requirement is 45% provision in this part of the Borough, found to be viable by the Inspector for the Core Strategy. Nothing has changed in that respect - if anything the market in Trafford's rural areas and in Bowdon Ward is all the more buoyant than it was at the beginning of the 2010s.

7.4 Instead, the appellant wishes us to be convinced that instead, a landowner will not release their land unless they receive twenty times its agricultural value. They also vastly exaggerate the costs associated with bringing forward this site for development.

7.5 If this position is accepted, the prospect of the Council being able to reasonably reset land values to obtain developer contributions from schemes

to put towards infrastructure which is so obviously required, becomes all the more difficult. No infrastructure provision eventually stalls development.

- 7.6 Additionally, this site will do nothing in the short to medium term to contribute to the Council's five year housing land supply and even less to housing delivery. Even if permission is granted - it is in outline, and the full applications were withdrawn by the appellant. Thus the site makes no contribution at all to the Council's five year housing land supply with a grant of outline planning permission.
- 7.7 Then, reserved matters have to be submitted, and given the significant archaeological constraints associated with the site, at the very least substantial trial trenching will need to take place, under the supervision of GMAAS, to understand where development may and may not go. The appellant has elected not to carry out this work ahead of the appeal inquiry, despite being invited to do so.
- 7.8 The issue of integration with Partington will also need to be resolved. The bridges proposed over the Red Brook (and accepted as necessary by the appellant) have met with substantive objection from the Environment Agency and the Local Highway Authority. There are significant and substantiated flood risk, accessibility and heritage concerns. Council officers had written reports to Planning Committee recommending them for refusal, before the applications were withdrawn. There is no likelihood of these objections being resolved quickly, if at all, as they are fundamental to the principle of the bridge links. Development cannot proceed without the bridge links in place.
- 7.9 Furthermore, Council officers objected strongly to the standard volume housebuilder layout and design proposed by the appellant in respect of the full applications as they are completely inappropriate in this sensitive rural location. Significant work will need to be done to discharge the design framework condition and agree an appropriate form of development for the site.

7.10 Then, once reserved matters are approved, the appellant's delivery model assumes the completion of an average of 40 dwellings per year – the supporting documentation with the application stating that the development would be built out over a ten year period (and that assuming the whole 400 units are able to be accommodated give site constraints). The Council's standard assumption for schemes of this nature is 35 dwellings per year. The appellant has backtracked on their assertion that they will deliver more quickly by seeking amendments to the proposed conditions to allow the development to be phased over a considerable period of time. Originally it was claimed that they would build both sides of Warburton Lane out concurrently, but the changes to the conditions have proven that now not necessarily to be the intention.

7.11 Even if, generously, it is assumed that a start on site could be achieved within 18 months of the permission, and at 35 dwellings per year - this will add just 113 units into the five year supply (2021 – 2026). Delivery of the whole scheme would not be until 2032. In the meantime others will be expected to provide the infrastructure associated with the GMSF New Carrington allocation, to which this development makes no contribution at all. Indeed it stymies the provision of some of this infrastructure by making no proper provision for the Southern Relief Road.

8.0 THE COUNCIL'S RESPONSE: ASSERTIVE ACTION

8.1 The Council is taking assertive action to address its issues in delivery. An updated 2020 Housing Delivery Test action plan will be published shortly and includes a step change in the approach to unlocking delivery across the Borough. As can be seen in Table 2 earlier in this proof, delivery has been much improved since 2017, but this has been successful predominantly at small and medium sites. The Strategic Locations are still not bringing forward anywhere near the number of units required, at anything like the pace required.

Setting realistic and reasonable expectations

- 8.2 Ironically, the Council's greatest power in forcing delivery is to refuse – or to threaten to refuse – planning applications. Only then will developers and landowners realise that the Council is absolutely serious about the need for them to meet their obligations, and to adjust their expectations accordingly. A permissive approach, allocating sites and granting planning permission – even where (or perhaps because) those permissions have a great deal of flexibility – has not been effective. The Council cannot allocate more land outside of the development plan process, and thus the GMSF – it has tightly drawn Green Belt boundaries and its available land is brownfield and already allocated.
- 8.3 The Council required, as an obligation in the S106 agreement pursuant to the 2019 planning application at Pomona, Peel to produce a masterplan for the remainder of the site, within a 12 month period of the grant of that permission. This was born out of concern that individual development plots on Pomona would come forward in a piecemeal and unplanned way, with each scheme claiming it was unviable, to a point where it was impossible and / or disproportionate to meet infrastructure requirements. The Council had sought a Masterplan with the 2018 application but had been told that this was not possible as Peel would not be a party to the S106. That turned out not to be true, following Planning Committee making a resolution to grant planning permission. The Council did not accept this assertion a second time. I am told that an outline application to formalise the Masterplan will be submitted later in 2020.
- 8.4 There has, since 2017, been a more robust approach to the scrutiny of viability assessments and although it has taken some time for the message to trickle through, some planning applications are now being submitted with

policy compliant affordable housing offers – particularly in the cold market locations where the requirement is 10%.

- 8.5 The Council has stoutly defended itself against Court action when other landowners have sought to prevent perfectly acceptable development proceeding. In 2017 / 2018 Peel sought permission to bring judicial review proceedings against the Common Lane, Carrington application (and would have rolled up a JR against the Carrington Village application as well had permission to proceed been granted). Both the High Court and the Court of Appeal robustly rejected these applications for JR. The case was found to be entirely without merit and refused in the most robust terms.
- 8.6 The Council has also used its own legal powers to force Peel to re-open the WGIS Bridge, which is necessary for development at Trafford Waters to proceed, and which had been closed just prior to Christmas 2017, causing significant issues on the highway network. The basis of that legal action was that £30m of public funding for the bridge could only have been given on the understanding that the bridge would be opened to the public and not used as a ransom. The Council would also not issue the Trafford Waters permission until Peel accepted a Grampian condition requiring the WGIS Bridge to be dedicated and adopted.
- 8.7 The Council is working with the Greater Manchester Combined Authority on the delivery of the former Chester House site, owned by the Police and Crime Commissioner, for approximately 600 dwellings. There are cross-organisation strategic and operational boards, and I sit on the latter. A realistic appraisal of land value is a key element of successfully delivering the scheme, including in adjusting expectations about how many units are deliverable on the site.

Unlocking infrastructure

- 8.8 Where Grampian conditions have been necessary to restrict development ahead of infrastructure being provided, the Council is taking steps to unlock that infrastructure. It is supporting developers in their bids for HIF and other

funding. It remains committed to supporting the dedication of the WGIS Bridge and is involved in the relevant discussions with Salford and Peel.

- 8.9 In particular the Council is taking steps to unlock the Carrington Relief Road. Until September 2019, the Council could not take developer contributions and CIL monies to the same piece of infrastructure. Proactively, ahead of that in 2018, Council officers were considering whether the Regulation 123 list could be withdrawn and reissued with the CRR removed, to enable the collection of developer contributions, without a wholesale review of the Council's CIL regime. This work was paused and then ultimately abandoned when the government announced its intention to review the CIL Regulations as it became unnecessary.
- 8.10 The Council is now pursuing a strategy to unlock the CRR through a combination of developer contributions and CIL monies, in order to enable development to come forward in the SL5 allocation more quickly and to pave the way for the GMSF New Carrington allocation of a further 4000+ homes.

Area Action Plans

- 8.11 The Council has acted quickly to take advantage of the developer interest in the Civic Quarter, drawing up an Area Action Plan which has gone through Regulation 18 stage and will go out to Regulation 19 later in the autumn. This proposes up to 4000 new homes with the infrastructure and facilities to support it (including a new primary school). The AAP does not specifically allocate sites, but is a capacity led, bottom up plan to deliver medium to high density development in an area of disparate landownerships. The Council is well placed to do this as it has substantive landholdings of its own and has already brought that site forward to a planning application, due for determination at the end of September 2020.
- 8.12 Equally, the Stretford Area Action Plan, which is at options stage, is centred on the Council's landholdings at Stretford Mall and Lacy Street Car Park, and which has significant potential for residential redevelopment. The Council is

pursuing an AAP rather than Supplementary Planning Guidance or incorporating the proposals into its Local Plan to enable the plan – and thus development – to come forward more quickly and to have the ability, backed up by a statutory development plan, to use CPO powers where necessary.

Compulsory Purchase powers

- 8.13 The Council is also using its CPO powers more robustly. Presently, Council officers have agreement from the Executive to bring forward CPO proceedings at the former B&Q site, Old Trafford, and Charlton House, Old Trafford. There is also in principle agreement from Executive for CPO powers to be utilised across the whole of the Civic Quarter AAP area, but with further authority required for CPO action to proceed on individual sites.
- 8.14 The Council will not hesitate to use its CPO powers elsewhere to force delivery on other sites where development is not proceeding or is not proceeding at pace.

The Council as developer

- 8.15 Finally, the Council is leading the way itself and demonstrating to the market that planning policy compliant schemes can be delivered. Through its property and investment portfolio the Council is delivering its own schemes through JVs or with development partners offering a policy compliant level of affordable housing and other developer contributions. Procurement briefs going out to the market make it clear that developers engaging with the Council in bringing these sites forward must satisfy development plan policy, and deliver a scheme the Council's Planning Service are satisfied with. I have been involved in the tender process for private sector partners – both in drafting the brief and later in scoring bids – to ensure that planning policy compliance is knitted into successful tenders.
- 8.16 As such, the Council as developer is delivering 55% affordable housing on a site on Brown Street in Hale, against a policy requirement of 45%. This

scheme is consented and under construction. At the former Kellogg's site, Old Trafford, a scheme for up to 750 homes, a policy compliant 10% affordable housing is being provided, alongside a suite of other policy compliant developer contributions. Additionally, there is an 'in kind' contribution of land for a new primary school with a value of c. £3m. On land value, that scheme is based on a far more reasonable PPG compliant EUV + 15%. A planning application is currently being drawn up for the former Sale Magistrates Court site which will include a policy compliant 25% affordable housing.

9.0 CONCLUSION

- 9.1 Land in Trafford is subject to endemic issues of overvaluation and land banking. Almost without exception, developers are paying too much for land, and expecting to negotiate developer contributions away. Significant amounts of land, particularly in the Strategic Locations, are held by single landowners, who are in no hurry to deliver development, without the maximum benefit accruing to them. These are not issues which the Council can reasonably address, within the powers that it has.
- 9.2 Together, these issues lead to a substantial impact on housing land supply and delivery. As the Council is not able to address them, as it would require a fundamental shift in the land market in the Borough, the weight to be given to a lack of housing land supply in the planning balance should be much reduced.
- 9.3 This appeal demonstrates the consequences of this approach – with zero affordable housing offered because of unrealistic land value expectations and exaggerated costs. The Council has set out in detail why the developer's approach is wrong in principle. It may be that this case therefore provides an opportunity to reset the market failure I have set out above.
- 9.4 Outline planning consent for the appeal scheme will not feed into the Council's five year housing land supply until such a time as reserved matters

applications are submitted and approved. There is no guarantee of delivery at pace at these sites. Phasing conditions suggested by the applicant seek to enable delivery over a longer period of time.

9.5 Granting planning permission for the appeal scheme would therefore exacerbate the existing problem and would not address the five year housing land supply issue.

9.6 A grant of planning permission also would undermine the comprehensive action the Council is taking to improve delivery in the Borough, by perpetuating the myth that schemes are not viable and cannot provide the infrastructure requirements that they generate. The Council's own development activity proves this is not the case.