



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**

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

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

S.0 SUMMARY

Introduction and Policy Overview

- S.1 The Council's housing land supply figures – at 2.4 years, is not in dispute. My evidence is on the quality of that supply. I have been Head of Planning and Development at Trafford Council for approaching five years and in that time it has become obvious that the Council's housing land supply position does not arise as a result of not granting sufficient planning permissions, but due to the behaviour of landowners, in particular those with substantial landholdings in the Borough.
- S.2 This problem is so entrenched, and out of the control of the Council to fix without a significant adjustment in land values that the weight given to housing land supply in the planning balance should be much reduced. A grant of planning permission for the appeal site would simply exacerbate the problem.
- S.3 The adopted Core Strategy policies most relevant to my proof are those relating to the Strategic Locations – Policies SL1 – SL5, and Policies L1 – Land for New Homes, L3 – Regeneration and Reducing Inequalities and L8 – Planning Obligations. The overarching vision for the Core Strategy is also relevant.

Permissions and Supply

- S.4 Trafford grants planning permission for a significant amount of residential development and welcomes sustainable development in appropriate locations in the Borough. It grants permission for between c.1800 and c.2100 residential units per annum, against a LHN requirement of 1,642 (including a 20% buffer for historic under delivery). However, less than half those units are then built.

Land Transactions

- S.5 Much land in Trafford is under the control of a few major landowners, particularly in the Strategic Locations, and is therefore vulnerable to their investment decisions. Landowners with a variety of landholdings across the UK will make commercial decisions about which sites to bring forward and absentee landowners often expect inflated land values more akin to those in London and the South East.
- S.6 Planning applications, particular outline permissions are used as a speculative land valuation exercise and to increase book values of an asset, against which a developer or landowner can borrow to invest elsewhere. They are not used, as they should be, to deliver housing, and thus do not translate into a five year housing land supply or delivery on the ground.
- S.7 Developers also attempt to remove any constraints or obligations required by planning policy, particularly in relation to affordable housing. This was successful prior to 2017, but subsequently there has been more robust interrogation of viability assessments.
- S.8 Developers and landowners do not carry out a PPG compliant analysis of BLV, using hope value or Red Book value rather than EUV+. There is no room for planning obligations in land value and if these are negotiated these come from developer profit. If sites are 'flipped' the new owner tries to further reduce obligations or sits on sites until the market rises.
- S.9 Developers are willing to take a risk on profit levels and will develop at as little as 13% profit. Invariably a developer bidding on a site on a planning policy compliant basis will be outbid by one which is not.
- S.10 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.

- S.11 It also affects infrastructure provision as developers expect the public purse or others to deliver that infrastructure, and then eventually stalls development.
- S.12 A relaxation of the Council's policies in respect of developer contributions would not solve the problem as development needs infrastructure to proceed in a sustainable way. It may kick start delivery but not enable delivery at pace given the amount of land tied up in single ownerships. In any event, the evidence shows that delivery of housing numbers accelerated after 2017 and a more robust approach from the Council in seeking a policy compliant level of developer contributions.

The Strategic Locations

- S.13 The Council's Strategic Locations have always been intended to deliver a significant proportion of the Council's housing requirement. The target housing figure across the Strategic Locations was uplifted from the adopted Core Strategy target of 4,710 to a new 'residential allowance' of 13,359 in March 2020. This uplift secures the housing need and should provide both the incentive and viability to bring forward these sites quickly.
- S.14 In stark contrast delivery across the Strategic Locations has been slow to non-existent, with only 3% of the Core Strategy target and 1.3% of the March 2020 residential allowance delivered at March 2020.
- S.15 SL4 – Trafford Centre Rectangle and SL5 – Carrington need substantial infrastructure provision to make development acceptable in planning terms. There is some public funding secured, but a significant funding gap. This has not been assisted by the Council's CIL regime which against expectation rated much development at £0.
- S.16 The proof of evidence addresses each of the Strategic Locations in turn and explains why delivery has been so poor:-
- SL1 – Pomona – a site in a single landownership (Peel) which has taken very many years to come forward – the first planning application on the site being

submitted in 2007 and only being built out now. The Masterplan produced by Peel does not guarantee delivery. Land values have been inflated.

SL2 – Trafford Wharfside – only one site has come forward and no realistic or meaningful discussions have taken place about other sites, with none progressing as far as a planning application.

SL3 – LCC Quarter – in disparate ownerships and is starting to deliver close to the Core Strategy target. Much developer interest and activity is currently focused here and the Council has taken advantage of this to bring forward the Civic Quarter Area Action Plan, which proposes up to 4000 units and would replace the SL3 policy.

SL4 – Trafford Centre Rectangle – another site in Peel’s single ownership. An outline planning permission for 3000 units has been granted but no delivery yet. It requires significant transport infrastructure (WGIS) to bring it forward, and the adoption of the WGIS Bridge prior to commencement. 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.

SL5 – Carrington – substantively owned by Himor. The Carrington Relief Road is required to bring forward further development with a funding gap of £15.6m. Several planning permissions have been issued with Grampian / phasing conditions and there are unrealistic expectations as to land value on highly contaminated sites. There are ad hoc approaches to highway improvements which the Council is attempting to consolidate in its new strategy for the CRR.

Landowner case study

S.17 The proof of evidence then considers the case of Peel Holdings, who own a very substantial amount of the landholdings in the Borough, particularly in the Strategic Locations. They own substantial landholdings elsewhere and will

make entirely commercial decisions about which sites to bring forward next, which may not be in Trafford. They are long term strategists and will only act when the maximum benefit accrues to them. The Council either sets aside development plan policy with no guarantee of delivery or accepts the impact on housing land supply. The proof then takes a specific allocated residential site owned by Peel – Lock Lane, Partington, and describes how it has taken until now for the site to be even close to coming forward and that with public subsidy.

The Appeal Scheme

- S.18 The appeal scheme will simply exacerbate the issues the Council already has with delivery. No affordable housing is offered, on the basis of vastly exaggerated land values and costs. Acceptance of this position will undermine the Council's ability to reset land values and obtain developer contributions towards infrastructure.
- S.19 Equally the nature of the permission sought in outline, and the constraints of the site mean that the site will not contribute to the Council's five year housing land supply on a grant of permission. The delivery model put forward by the appellant is for delivery over a ten year period, which means, generously, the site might contribute 100 or so units in the first five years but expects others to pick up its infrastructure requirements.

The Council's response

- S.20 The Council is addressing issues in housing delivery assertively. Delivery on small and medium sites is much improved since 2017. The Council's greatest power in forcing delivery is to refuse, or threaten to refuse planning applications to reset developer expectations.
- S.21 Specifically, to bring forward delivery the Council:
- required a Masterplan to be produced for Pomona as a requirement of a S106 agreement;

- introduced a more robust approach to the scrutiny of developer's viability appraisals;
- defended itself against Court action seeking to prevent perfectly acceptable development coming forward;
- used legal powers to secure infrastructure provision and prevent a ransom;
- is unlocking the Carrington Relief Road;
- is using CPO powers proactively;
- is bringing forward Area Action Plans for the Civic Quarter and Stretford; and
- is developing its own land in a planning policy compliant way.

Conclusion

S.22 Thus issues inherent in the land market can only be addressed by robustly challenging developer assumptions, the appeal scheme would exacerbate the problem and would not address the five year housing land supply issue and would undermine the Council's comprehensive action to improve delivery.