



TOWN AND COUNTRY PLANNING ACT 1990

**Appeal by: Accrue (Forum) 1 LLP
Site Address: Former B&Q Site, Great Stone Road,
Stretford, M32 0YP**

**LPA reference: 100400/OUT/20
PINS reference: APP/Q4245/W/20/3258552**

**SUMMARY PROOF OF EVIDENCE OF MS. REBECCA
COLEY
ON BEHALF OF THE LOCAL PLANNING AUTHORITY
REGARDING TRAFFORD'S HOUSING LAND SUPPLY**

S.0 SUMMARY

Introduction and Policy Overview

- S.1 The Council's most recently published 5 year housing land supply figure (March 2021) is 2.58 years. However, at November 2021, this stands at 4.41 years, following a comprehensive review of sites making up the supply. This is a much improved position, and has arisen as a result of the Council taking decisive action over the last two years in respect of housing supply and delivery, against the entrenched behaviour of landowners, including its own intervention in the market.
- S.2 Schemes are now coming forward rapidly into reserved matters and as full applications. However, some of the completions have not yet been replaced by new schemes coming forward, thus leading to the current deficit in housing land supply. The Council's current 5 year housing land supply is therefore an artificially deflated figure which represents a snapshot in time, but continues to rapidly improve and indeed accelerate.
- 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 The Council has made ample allocations of suitable sites in sustainable locations where it will grant planning permission consistent with its development management policies. When the Council has allocated sites, developers and landowners have made the case themselves that they are deliverable.
- S.5 The Council grants planning permission for a significant amount of residential development. It welcomes well designed schemes of appropriate scale which contribute positively to the area in which they are located and appropriately mitigate their impacts. In the years 2018 – 2021, 81% of major residential planning applications were granted permission.

S.6 The gross figure for residential permissions granted (including those on appeal) between 1 April 2018 and 31 March 2021 is 8,960. The net figure is 8,737. If three 'minded to grants' are added it would be 9,912 gross and 9,680 net. Therefore over the last three years the Council has granted permission for between c. 3200 and 3300 units per annum. The Council is therefore granting more than enough permissions to meet supply, even if one applies a substantial non-implementation allowance.

Land Transactions

S.7 However, inflated expectations on land value and escalating demands to set aside developer contributions and provide necessary supporting infrastructure from the public purse had led to a situation where without a fundamental shift in the land market in Trafford, supply and delivery was artificially constrained. It fell to the Council to set about taking assertive action to bring about this shift in the land market.

S.8 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.9 Planning applications, particularly 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.10 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.11 Developers and landowners have historically not carried out a PPG compliant analysis of BLV, using hope value or Red Book value rather than EUV+. 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.12 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. It also affects infrastructure provision as developers expect the public purse or others to deliver that infrastructure, and then eventually stalls development.

Resetting Expectations

- S.13 The Council has sought, over the last 12 – 18 months, to fundamentally reset developer expectations in respect of land value, developer contributions, and the quality expected of new development. Applications are now coming forward which meet the Council's aspirations. The Council sees the future as sustainable and inclusive growth for the benefit of everyone and is entirely committed to putting its own investment into this – as at Lumina Village and elsewhere – to make sure it comes forward and to give a clear message to the development industry that they must play their part.

- 1.1 The dismissal of the recent Warburton Lane appeal (ref. APP/Q4245/W/19/3243720) demonstrated the robustness of the Council's approach to seeking a policy compliant level of affordable housing. The appellant, Redrow Homes, offered zero affordable housing against a policy requirement of 45%. The Inspector did not find it necessary to consider every one of the disputed inputs, but on those she did, she agreed with the Council's evidence in these matters. She considered that costs had been inflated and values were too low, and preferred the Council's evidence on EUV, land value premium, sales values and costs.

Assertive Action

- S.14 The Council's assertive action to improve supply and accelerate delivery is as follows:
- Using its own landholdings and acquiring land for development, either through its own development programme or in joint ventures with private and public sector partners. Opportunities for approximately 2200 homes have been identified, with

several schemes significantly progressed and over 1300 units identified in the 5 year housing land supply.

- Setting realistic and reasonable expectations for developers. A permissive approach has not previously been successful and has led to a vicious cycle of overinflated land values, escalating demands to set aside infrastructure requirements (including affordable housing) and developers sitting on sites to take advantage of a rising market.
- Unlocking infrastructure to bring forward development which relies on it; such as at Trafford Waters (3000 units) and Carrington (1203 units).
- Progressing Area Action Plans for areas of significant change – at the Civic Quarter this will deliver up to 4000 homes, and following submission of the Plan in November 2021, the Examination is provisionally timetabled for February 2022.
- Using CPO powers more robustly – there is in principle agreement from the Executive to use CPO powers across the whole of the Civic Quarter AAP area.

S.15 Ironically, the Council's greatest power in forcing delivery is 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.

The Strategic Locations

S.16 The proof of evidence addresses each of the Strategic Locations in turn and demonstrates how the Council's new assertive approach is driving housing delivery:-

SL1 – Pomona – now coming forward at pace with 546 units about to commence construction, a full planning application submitted for a further 161 units and an outline application for the remaining land expected in March 2022.

SL2 – Wharfside – pre-application discussions have commenced on two major sites totalling c. 1200 units and another known scheme of c. 800 units. Progress on the Wharfside Masterplan has restarted and it will be completed by May 2022. It is expected that the masterplan will trigger further developer interest in this area.

SL3 – Civic Quarter – much developer interest now focused here. Numerous sites have come forward or are coming forward. The Council has a 50% stake in two JV interests at Lumina Village and the Chester Road police site.

SL4 – Trafford Centre Rectangle – reserved matters for infrastructure works now submitted and 350 units to be delivered by 2025 in accordance with HIF funding requirements. Reserved matters for residential expected in early 2022.

SL5 – Carrington – the Council has brought forward the Carrington Relief Road through a strategy to meet the funding gap, and with a more permissive approach to highways Grampian conditions, has enabled several sites to come forward in Carrington and Partington.

The Emerging Land Supply Position

- S.17 There are a number of significant schemes which have not been included in the land supply but that I am aware developers are very keen to bring forward and will likely come into the supply. The proof of evidence specifically identifies these schemes and shows that it is a 5 year housing land supply is achievable in the next 12 months.
- S.18 Thus the land supply does not yet give the true picture of a greatly improving situation as developers adopt more realistic land value and development potential expectations leading to a virtuous circle of more appropriate permissions being delivered with the infrastructure and affordable housing they require, together with the Council's own intervention in the market bringing forward significant numbers of new homes.

The Appeal Scheme

- S.19 The land value expectation on this site has driven an excessively large and intense development. Granting permission here would undermine rather than support delivery because it would entrench the wrong historic narrative that inappropriate development can come forward to maximise land value rather than a context and design led approach which optimises and makes intelligent, efficient and effective use of land and properly addresses its impacts in respect of infrastructure and affordable housing. It would undermine the basic and fundamental premise of the Civic Quarter AAP and the

Council's assertive and demonstrably successful approach to improving housing supply and delivery.

- S.20 Less weight should also be given to the appellant's assertion that the site would contribute to the Council's shortfall in housing land, given that they have themselves stated that the site should not be considered 'deliverable' in NPPF terms.

Conclusion

- S.21 The deficit in housing land supply should therefore be given less weight in the planning balance than if it had arisen as a result of the Council not allocating sites or not granting sufficient planning permissions. The appeal scheme would only exacerbate the problem and would undermine the Council's comprehensive approach to improve supply and delivery.