



'Land' at
Birkenhead
town centre

August
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Affordable Housing Statement

Barton Willmore
Prepared on
behalf of Wirral
Growth Company



A joint venture between



Affordable Housing Statement

Birkenhead Town Centre Masterplan Area

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1.0 INTRODUCTION

1.1 This Affordable Housing Statement has been prepared by Barton Willmore on behalf of the Wirral Growth Company ('WGC') to support the submission of a major hybrid planning application for the multi-phase mixed-use masterplan to deliver the comprehensive regeneration at Birkenhead town centre (the "Site").

1.2 The description of the development is as follows:

'Hybrid Planning Application for the phased redevelopment of land within Birkenhead Town Centre comprising:

Full planning application for the construction of:

- i) two five storey office buildings on Plot A comprising flexible office, retail or leisure (including food and beverage, hot food takeaway or drinking establishment) floorspace at ground floor level, and office floorspace at first to fourth floor level and a plant area at fifth floor level with associated landscaping; highways and infrastructure works including the creation of new junction from Claughton Road/Hemingford Street; and*
- ii) an electricity substation on Plot H along with the necessary amendments to the arrangement of the Europa Pool surface car park to relocate coach parking spaces and the associated infrastructure and landscaping works and access/servicing arrangements.*

Outline planning application (with all matters reserved for future consideration) for the development of a car park on Plot B; office, retail and leisure floorspace (including food and beverage, hot food takeaway or drinking establishment) on Plot C which will include a new market hall/leisure building; infrastructure works on Plot D that will create a substation but no new publicly accessible floorspace; office, retail, hotel, leisure (including food and beverage, hot food takeaway or drinking establishment) and residential floorspace on Plot E; infrastructure works to provide a 'super-crossing' at Conway Street and improvements to the existing bus station on Plot F; residential floorspace or a hotel or a car park on Plot G; residential floorspace on Plots I and J; and ancillary residential car and cycle parking, servicing arrangements and infrastructure and all associated works on land to the west of Europa Boulevard and land south of Conway Street and alterations and improvement works to the public highway.'

- 1.3 Full details of the Site and the proposed development are provided within the Planning Statement and the Design and Access Statement, which have also been submitted to support this application. The purpose of this Statement is to highlight the opportunities offered by the proposed development for the delivery of affordable housing.
- 1.4 Section 2 of this Statement will set out the relevant affordable housing policy context for the hybrid planning application submission.
- 1.5 Section 3 sets out appropriate options of how affordable housing needs could be met through WGC's hybrid planning application to respond and adequately address relevant planning policy and guidance.
- 1.6 Section 4 provides a conclusion to the report. It draws out key points and suggestions as to the basis for affordable housing provision as part of the multi-phased regeneration of the Site.
- 1.7 In bringing forward the comprehensive regeneration scheme for the Site, an extensive programme of consultation and engagement has taken place (as set out in detail in the Statement of Community Involvement which is part of the planning application submission). This work has included pre-application meetings and discussions with planning officer's from Wirral Council. The pre-application discussions have informed understanding of local housing need and aided the process of exploring potential options for the provision of affordable housing via WGC's proposals for the Site.
- 1.8 It is intended that this Statement, along with other supporting documents to the planning application, can further inform discussions as part of the determination process to allow an agreement to be reached on affordable housing provision as part of the hybrid planning permission for development of the Site.

2.0 PLANNING POLICY CONTEXT

2.1 This Section of the Affordable Housing Statement identifies key policy and guidance relevant to the consideration of affordable housing provision as part of the proposed development. A more thorough, full review of planning policy and guidance relevant to the consideration of all aspects of the proposed development is contained in the Planning Statement submitted with the application.

2.2 In summary, the following documents have informed the preparation of this Statement:

- Wirral’s Unitary Development Plan (2000).
- Wirral’s Housing Strategy (2016).
- Affordable Housing Viability Study (2010).
- National Planning Policy Framework (NPPF) (2019).
- Emerging Wirral Local Plan (2020).

Wirral Unitary Development Plan (UDP) (2000)

2.3 The Wirral UDP was adopted by the Council in February 2000 and provides a framework for development across the Borough. The strategy seeks to focus investment for achieving sustainable development through maximising the use of previously developed land and supporting regeneration and re-development of older areas.

2.4 ***Part One Policy HSG2 – Affordable Housing*** states that, where appropriate, the local planning authority will negotiate with developers and housing associations, to encourage the provision of an element of affordable housing. The local planning authority will also seek to ensure that such negotiated affordable housing is reserved for those most in need through the use of legal agreements.

2.5 ***Part Two Policy HS6 – Principles for Affordable Housing*** states that the local planning authority will seek to negotiate the provision of an element of affordable housing on suitable sites of over 1.0 hectare:

- (i) ***"for the purpose of Policy HS6, affordable housing is defined as being that available to those whose incomes are insufficient for them to enter the local housing market;***
- (ii) ***the affordable dwellings so developed shall be provided through partnership arrangements between the developer and a Housing Association or other suitable housing trust, or by***

the construction of low-cost units for sale or part-sale, part-rent;

(iii) depending on the suitability of the site and the local need, dwellings should be provided for one or more of the following groups:

- ***young single people;***
- ***the elderly;***
- ***young couples and newly forming households;***
- ***those with special needs, including disability, mental illness/handicap.”***

Affordable Housing Viability Study (2010)

- 2.6 Wirral’s Affordable Housing Viability Study was produced with the intention to inform ongoing work on the preparation of the Local Development Framework. The Study found that, at current market values and costs, it would be possible to sustain a target of 10% for the Inner Area and 20% for the Outer and Rural Sub Areas.
- 2.7 Pre-application meetings with officers has confirmed that these thresholds have been applied by the Council as the starting point in negotiations relating to the delivery of affordable housing on major development sites (i.e. >10 new homes).

Wirral’s Housing Strategy (2016)

- 2.8 The Housing Strategy should be read in conjunction with the Wirral Plan 2020 strategies and sets out the Council’s long-term strategic housing direction for Wirral. The Strategy states how the Council intends to work in partnerships to improve the quality, quantity and access to housing, and deliver on what matters to local people.
- 2.9 In relation to housing, the Wirral Plan 2020 Pledge 18 seeks to provide good quality housing that meets the needs of residents. Priority 01: Building more houses in Wirral to meet our economic growth ambitions seeks to deliver in partnership with Registered Providers, Wirral’s 2016-2021 Shared Ownership and Affordable Housing Programme which will deliver 283 new affordable homes by 2021.
- 2.10 The Strategy states that the importance of high-quality, affordable homes cannot be underestimated, and aims to ensure that housing in Wirral is affordable for households in the owner-occupied, social and private rented sectors, and will therefore explore housing

development opportunities for a range of different housing tenures and requirements, including affordable and starter homes.

National Planning Policy Framework (NPPF) (2019)

- 2.11 The NPPF (2019) sets out the Government’s planning policies for England and how these should be applied. The document must be taken into account in preparing the development plan and is a material consideration in planning decisions.
- 2.12 The NPPF establishes the core principle of linking housing with wider economic development and sets out the presumption in favour of sustainable development.
- 2.13 In relation to delivering a sufficient supply of homes, Paragraph 61 states that the size, type and tenure of housing need for different groups in the community should be assessed and reflected in planning policies (including, but not limited to, those who require affordable housing, families with children, older people, students, people with disabilities, service families, travellers, people who rent their homes and people wishing to commission or build their own homes).
- 2.14 Where a need for affordable housing is identified, planning policies should specify the type of affordable housing required, and expect it to be met on-site unless (Para 62):
- a) "an off-site provision or an appropriate financial contribution in lieu can be robustly justified; and**
 - b) the agreed approach contributes to the objective of creating mixed and balanced communities."**
- 2.15 Paragraph 63 states that provision of affordable housing should not be sought for residential development which are not major developments. To support the re-use of brownfield land, where vacant buildings are being reused or redevelopment, and affordable housing contribution should be reduced by a proportionate amount, equivalent to the existing gross floorspace of the existing buildings.
- 2.16 Paragraph 64 of the NPPF states that, where major development involving the provision of housing is proposed, planning policies should expect at least 10% of the homes to be available for affordable housing ownership, unless this prejudice the ability to meet the identified affordable housing needs of specific groups.

Emerging Wirral Local Plan

- 2.17 Wirral Council is in the process of preparing a new Local Plan to shape the future of the Borough for the 15-year period between 2020 and 2035. The most recent consultation was the publication of a Local Plan Issues and Options document for public consultation in January 2020. WGC are actively supportive of the Council's preparation of the Local Plan. However, it is not yet adopted, therefore, the emerging policies can only be given limited weight in the determination of planning applications.
- 2.18 The Issues and Options Consultation identifies Birkenhead Town Centre and Central Business District as a strategic location for regeneration, investment and transformation to maximise its potential to accommodate a significant proportion of the borough's development needs.
- 2.19 The Consultation Paper also sets out the Council's preferred approach to affordable housing. Based on the findings of the 2019 Strategic Housing Market Assessment (SHMA), it sets out that the preferred approach will be to seek to achieve up to 30% affordable housing on all schemes of 10 or more dwellings. The SHMA proposes that an appropriate affordable tenure split for the Wirral would be around 60% rented and 40% intermediate tenure, unless a high-level viability assessment shows that this would not be viable within a certain type of location or development:
- ***"17% of new affordable dwellings should have one-bedroom;***
 - ***47% of new affordable dwellings should have two-bedrooms;***
 - ***30% of new affordable dwellings should have three-bedrooms;***
 - ***and***
 - ***6% of new affordable dwellings should have four or more bedrooms."***
- 2.20 The Council's Viability Study (2018) tested the market for housing in the lowest value areas (including Birkenhead) and this confirmed that the prospect for new market housing development was finely balanced (with margin returns at best). For development to come forward in these areas, the study acknowledges that landowner and/or developer will need to accept a reduction in the level of return (against that which is traditionally sought). It is also accepted that the delivery of affordable housing (in areas such as Birkenhead) will be challenging from a viability and delivery perspective.

- 2.21 The emerging draft Local Plan acknowledges that the final affordable housing policy will be subject to a high-level viability appraisal before being included in the draft final Local Plan and will be secured through site allocations and through conditions and obligations attached to planning permissions.

3.0 ANALYSIS AND SUGGESTED APPROACH

- 3.1 This section details key issues derived from analysis of the previous sections of this Statement and provides initial suggestions as to how it may be most appropriate to provide affordable housing through the delivery of the proposed development.

Adopted and Emerging Policy Position

- 3.2 In summary, Policy HSG2 of the adopted UDP makes provision for the Council to negotiate with developers and housing associations to encourage the provision of affordable housing as part of development schemes.
- 3.3 Based on the evidence set out in the 2010 Viability Study, the Council set an affordable housing target of 10% for sites in Inner Areas of the Wirral, such as Birkenhead. This threshold is normally applied as the starting point for negotiations on urban sites.
- 3.4 As set out in Section 2, WGC has engaged with and had regard to the emerging evidence and policy that is being progressed to inform the Wirral Local Plan. The NPPF confirms that weight may be given to the relevant policies in emerging plans according to their stage of preparation (with greater weight given to plans that are more advanced). At the time of writing, the emerging Local Plan is at an early stage of preparation and little weight can be applied to the draft policies and guidance.
- 3.5 In summary, the adopted UDP confirms that the percentage of affordable homes is negotiable – with viability and other factors (such as providing wider regeneration benefits) are relevant when determining the scale of affordable housing provision. Further, the place shaping objective to regenerate Birkenhead town centre through the Birkenhead Regeneration Zone and establishment of an Urban Regeneration Company (URC) is set out in emerging planning policy.
- 3.6 In addition, as the delivery of the proposals at the Site will be multi-phased, it proposed that the quantum of affordable housing that is deliverable should be assessed as each phase of residential development is brought forward.

The Borough Wide Housing Need

- 3.7 It is evident from adopted and emerging local planning policy that there is a need to provide a significant quantum of housing in the Borough. National planning policy also

makes clear that there is a need to boost the supply of housing in communities across the Country.

- 3.8 The emerging Local Plan acknowledges that Birkenhead Town Centre Masterplan Area could deliver a significant number of new homes in a sustainable neighbourhood situated around Conway Park Station. A proportion of this could help meet the identified affordable housing need. However as demonstrated by the Council's Viability Study, it is clear that the viability of such an approach needs to be tested (on a site by site / phase by phase basis) to ensure the masterplan is viable and deliverable.

Proposed Implementation Strategy

- 3.9 Pre-application discussions with planning officers have confirmed that 10% provision is the Council's starting point in negotiating the proportion of affordable housing on sites in Inner Areas (such as Birkenhead).
- 3.10 The Indicative Masterplan for the Site proposes up to 651 new homes over the next 15 years. On this basis, the scheme could generate up to 66 new affordable homes, subject to viability, other development factors and future economic conditions.
- 3.11 Based on the anticipated 15 year construction programme, it is proposed that affordable housing provision be determined on an individual phase basis. In phases where affordable housing is less viable, a reduced offering would be agreed without impacting on the commitment of future phases to deliver the shortfall.
- 3.12 Given that the proposed housing development forms part of the outline element of the planning application, the mix and type of affordable housing that could be provided is not yet defined. This will be the subject of further discussion with housing and planning officers at Wirral Council. In order to optimise the delivery of affordable housing and mixed communities, WGC will seek (where viable) to provide a sustainable mix of rental and intermediate homes in line with strategic objectives of the emerging Local Plan and long term sustainability of the scheme.

4.0 CONCLUSION

- 4.1 This Statement has set out the relevant planning policy framework, pre-application discussions and key issues relating to the delivery of affordable housing as part of WGC's proposals for the Site. It has suggested appropriate options in relation to the potential delivery of affordable housing to meet the identified need of the local area and to contribute to meeting the affordable housing needs of the Borough.
- 4.2 It is clear that the affordable housing needs of Birkenhead have to be balanced against the wider strategic ambitions of Wirral Council and WGC which include as a strategic priority the revitalisation of Birkenhead town centre through the provision of a new market and leisure, food and drink offer to enhance the vitality of the town centre including into the evening, delivery of high quality 'Grade A' office space for Wirral Council as part of a new central business district that local residents can be proud of together with new and improved public spaces and flexible outdoor space for activities and events as well as infrastructure improvements.
- 4.3 The Birkenhead Town Centre Masterplan Area is seen by Wirral Council as a strategic development site that can deliver a step change and be the catalyst for a rolling programme of regeneration and investment activity. WGC has responded to this ambition through the preparation of an Indicative Masterplan and hybrid planning application which is focused on the delivery of high quality and deliverable commercial development and the creation of a new residential quarter adjacent to Conway Park Station.
- 4.4 Without prejudice to the outcome of detailed negotiations as part of the determination of the planning application, WGC proposes that the following could form the basis for affordable housing provision at the Site:
- Ambition to provide 10% affordable housing on-site and, if considered either necessary or viable, provide off-site by way of a financial contribution to help the Wirral Council deliver affordable housing in other areas of Birkenhead.
 - All provision is subject to viability testing, including the examination, as may be required, of assumptions made in financial models within adopted planning policy.
 - Provision of affordable housing to be phased.

- There will be an opportunity to re-examine the viability of affordable housing provision as phased development of the Site progresses.

4.5 WGC continues to be committed to working with Wirral Council as the LPA during the application process to determine the most appropriate method of delivering affordable housing on-site and off-site if needs be.

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