

Mr S Roberts Programme Officer Stafford Borough Council 1 Floor Civic Centre Riverside Stafford ST16 3AQ

> By email and post programmeofficer@staffordbc.gov.uk let.036.AJ.AJ.01920164

1 August 2016

Dear Mr Roberts

#### THE PLAN FOR STAFFORD BOROUGH PART TWO EXAMINATION – RESPONSE TO COUNCIL'S 'HOMEWORK' ON INSPECTOR'S QUESTIONS

We write on behalf of Commercial Estates Group (CEG) and further to your email (dated 27 July 2016) providing notification that the Council's response to the Inspector's questions is available for review and comment.

We welcome this opportunity and set out our comments below. We also request to be placed on the attendance list to participate in the hearing session on 2 August, where the responses to the Inspector's questions will be discussed.

#### Question 1 - What are the reasons for the significant increase in completions 2015/2016

There seems to be an inconsistent approach adopted by the Council in how C2 residential accommodation is considered with regards to these being included or excluded from housing supply calculations. According to footnote 1 on page 2 of the Five Year Housing Land Supply Report (P2-L1), C2 residential accommodation was not counted as contributing to the five year supply, until monitoring years 2014/15 onwards.

The C2 units delivered between 2011/12 and 2013/14 were included in the shortfall, however, as they are now included in the completions figures it looks like the Council now has better performing completion rates. For example, of the 688 completions for the period 2015/16, 60 are C2. Therefore, if the same approach to years 2011/12 - 2013/14 was adopted, i.e. C2 units not counted and addressed in the shortfall, the delivery rates for 2015/16 would be 628 dwellings.

Whilst the NPPG does allow for C2 residential accommodation to be counted in housing land supply calculations, this is only the case where it has been accounted for when setting the objectively assessed need (OAN). The Local

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Plan Part One has a specific policy (C3 Specialist Housing) to deal with housing for the elderly population and it is not explicit that the requirement for this type of accommodation has been included in the OAN set out in policy SP2.

If C2 residential accommodation is now to be included in the five year supply, then the Council should confirm that this has been taken into account when arriving at the OAN and housing targets. If it hasn't, then the C2 units should not be counted towards the supply.

### Question 2 - In the context of the trajectory for the rest of the Plan period, how accurate is the trajectory in the adopted Plan for Stafford Borough on page 162?

From a review of the trajectory, this difference in actual delivery rates is that more existing commitments have been delivered and less has come forward on the Strategic Development Locations (SDLs).

As can be seen from the Five Year Housing Land Supply Report (page 6) (P2-L1), regardless of the approach adopted (Liverpool or Sedgefield) the breakdown of the five year supply shows the greatest reliance on the SDLs in terms of contributions to the supply. Of the 4,295 dwellings considered by the Council to come forward in the five year supply, 1,988 are expected to come from SDLs, this is circa 46%. As set out previously, this is an over-reliance on large sites that have yet to secure planning permission and require significant investment in new infrastructure.

In terms of the figures for 2015/16 for the delivery of housing on the SDLs north and east of Stafford, the Council is correct that this is broadly in-line with the trajectory, being only 19 units different (with delivery being above the trajectory). However, if for example the delivery rates for Stafford West are taken this shows a very different picture. The trajectory set out that in years 2014/15 and 2015/16, 206 dwellings would be delivered on the SDL. However, looking at the Five Year Housing Land Supply Report (P2-L1) no dwellings were delivered in this period, resulting in a significant shortfall compared to the trajectory.

It is, therefore, incorrect for the Council to state that the trajectory is accurate, as one of the key sites that the Council is relying on to deliver housing over the plan period has already slipped significantly. This reinforces the importance of allowing flexibility and extending the settlement boundaries to allow other suitable sites to come forward.

### Question 3 (ii) 1 – The views of the lead developers themselves – the Council states that it has discussed the progress of the schemes with the lead developers for each SDL

The lead developers will want to positively promote their sites. However, as set out in previous representations and re-iterated here, there is already evidence that the timescales have slipped and that housing is taking longer to deliver at both Stafford North and Stafford West than previously anticipated.

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Large parts of these SDLs are yet to secure planning permission and will require complex S106 legal agreements to ensure the delivery of the significant levels of infrastructure required to support the new houses. This will all take time and there are a number of uncertainties in terms of how quickly masterplans will be agreed, planning permission secured and legal agreements finalised. In short, Stafford North and West are at the very early stages of the process and have a long way to go. Therefore, estimating short term timescales should be treated with caution and not overly relied upon by the Council.

Question 3 (ii) 2 – Critical infrastructure – this obviously includes the Western Access Route. (A) is the finance already committed, and if not, what is the likelihood that the finance will be available? (B) What is the most likely timescale for completion? It is noted in Doc P2-E13 Infrastructure Delivery Plan that 2017 is the Network Rail window of opportunity to cross the railway – is there any confirmed about this?

Although the Council acknowledges that the majority of the finance is already committed, there is still a shortfall that *"the Councils are considering how to address"*. It is, therefore, clear that there is currently no solution as to how the shortfall in funding will be met, with the Council pinning its hopes on land acquisition costs being less than expected.

This is not a solid solution and means that there could continue to be a shortfall in funding for a considerable time.

It is also important to note that whilst seeking funds from developer contributions might be an option, there is the matter of pooling contributions that will need to be taken into account.

As set out in NPPG, there is now a limit on the number of planning obligations that can be entered into to fund a specific infrastructure project or type of infrastructure through a Section 106 Agreement. If five or more obligations for a project or type of infrastructure have already been entered into since 6 April 2010 then no more may be collected towards that project from any other obligations (paragraph: 25-099-20140612).

There is, therefore, a limit as to how much of the funding gap can be met by developer contributions; meaning this cannot be the solution to generate all additional funds.

The argument isn't that the necessary infrastructure, in particular the Western Access Route, will never come forward, it is more highlighting the uncertainty that it will be forthcoming with the timeframes anticipated by the Council. These uncertainties should, therefore, lessen the reliance the Council is placing on the Stafford West SDL and its ability to contribute as greatly to the five year supply as anticipated. The re-iterates the need and importance of ensuring there is sufficient flexibility for other sites to come forward given the uncertain delivery timeframes.

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#### Question 3 (ii) 3 – Are there any other critical components of the infrastructure which will impact on the progress of any of the SDLs?

Delivering sites that require the provision of a significant level of new infrastructure, such as the SDLs at Stafford North and Stafford West, often require complex legal agreements and phasing plans which take time to prepare and get agreement from all parties on. Such complexities often delay the timings for agreeing Section 106 Agreements, therefore, delaying the timing of making a start on site. This re-enforces the concerns relating to the timings of when dwellings will be delivered at Stafford North and West and questions the Council's reliance on these sites to deliver housing in the short term.

Whilst is it acknowledged that work is progressing on the masterplans for Stafford North and Stafford West, the masterplan for Stafford North was only submitted to the Council on 15 July 2016, therefore, has not yet been agreed and is only in the very early stages of being discussed and negotiated with the Council.

As set out in response to the above question, the issue of pooling contributions will need to be considered and might impact upon how much the Council can rely on developer contributions to delivery all the necessary infrastructure.

# Question 3 (ii) 5 - The realism of the rates of delivery – these rates seem quite high in the adopted Plan's housing trajectory (page 162), and there seems to be some slippage – e.g. Stafford West is programmed to start in 2014/15

The Council has set unrealistic targets regarding the delivery of the SDLs at Stafford North and West. In particular, the start date for delivery of the Stafford West SDL has already slipped by a couple of years. This highlights the risky and extremely optimistic approach being adopted by the Council.

Preventing the extension of the settlement boundaries around Stafford Town based on the fact the three SDLs will all deliver housing within the Council's anticipated timeframe is not a positively prepared approach and it has already been proven that these timescales are not being met.

Please also see the response to question 2.

# Question 3 (ii) 6 – The Council needs to provide an SDL update (both the three Stafford SDLs and Stone SDL) which covers these points (i.e. views of lead developers; update on critical infrastructure; update on housing trajectory, including likely rates of delivery)

We disagree with the Council in that the SDLs will all come forward as anticipated and deliver the level of housing set out in the Local Plan Part One within the plan period for the reasons set out above and within our original hearing statement.

The approach being adopted is unsound and is not supportive of encouraging



and delivering an effective and positively prepared growth strategy.

We trust these comments will be taken into consideration. If you have any queries, or should wish to discuss, then please do not hesitate to contact me.

Yours sincerely

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Amy James

cc: CEG