

WARRINGTON

Housing Delivery Test Action Plan

2022 Measurement

(Issued by Government 19 December 2023)

September 2024

Contents

Section 1	Introduction
Section 2	Housing Delivery Test Performance
Section 3	Housing Delivery
Section 4	Delivery Challenges
Section 5	Action Plan

1 Introduction

- 1.1 The Government introduced a Housing Delivery Test (HDT) as the mechanism to monitor housing delivery at a Local Authority level. The HDT measures net additional dwellings delivered against the new homes required per year, over three-year rolling periods; the first of which commenced in 2015/16. The Government aims to issue results on performance for each Local Planning Authority (LPA) in England on an annual basis.
- 1.2 The HDT has three requirements:
1. where delivery falls below 95% of the required housing target over the previous three years, the LPA should prepare an Action Plan to assess the causes of under-delivery and identify actions to increase delivery in future years.
 2. Where delivery falls below 85% of the housing requirement over the previous three years, the LPA should include a 20% buffer to their identified supply of specific deliverable sites, in addition to the requirement for an action plan.
 3. Where delivery falls below 75% of the requirement over the previous three years, the presumption in favour of sustainable development applies, in addition to the requirement for an action plan and 20% buffer.
- 1.3 This HDT Action Plan has been produced in response to the Government's 2022 measurement for Warrington that was published in December 2023. It covers the three year period of 2019/20, 2020/21 and 2021/22. This is the Council's third Action Plan, with the first Action Plan being published in January 2020 and the second one being published in October 2020.
- 1.4 Housing completions over the 2022 three year measurement period compared to the number of homes that the Council is required to deliver, shows that the Council fell below 85% of its requirement. The Council has therefore produced this further action plan.
- 1.5 The publication of the 2022 measurement by Government was significantly delayed and does not reflect the up-to-date position of the Council in terms of housing land supply. The Council now has an adopted up to date Local Plan (adopted at a meeting of Full Council on 04th December 2023) in place that is less than 5 years old, post adoption. The Council has also continued to improve its housing delivery rates as demonstrated in Table 2 below. This shows the Council will comfortably pass the 2023 measurement test, having delivered 141% of its housing requirement for the respective 3 year rolling period.
- 1.6 It should be noted that whilst the Council has a key role in housing delivery, it is dependent on private sector landowners and developers to deliver the majority of new homes in Warrington.

2 Housing Delivery Test Performance

Housing Requirement

- 2.1 The Housing Delivery Test 2018 Measurement Technical Note from MHCLG describes how the housing requirements for individual councils are calculated. The calculation is dependent on whether a council has an up to date Local Plan. The Technical Note defines an up-to-date development plan for the purposes of the Housing Delivery Test as one that is less than five years old, post adoption.
- 2.2 Although the Council failed the 2022 measurement, at a meeting of Full Council on 04th December 2023, Warrington adopted the new Warrington Local Plan 2021/22 – 2038/39. As such, for the purposes of the HDT, Warrington is now considered to have an up-to-date Local Plan in place.
- 2.3 Where an authority is not required to demonstrate a 5 year housing land supply as set out in paragraph 76 of the National Planning Policy Framework (2023) (as is the case for Warrington as it now has an up to date Local Plan less than 5 years old, and the Plan identified at least a five year supply of deliverable sites at the conclusion of the examination), the HDT 20% buffer consequence cannot be applied.
- 2.4 Therefore, the HDT 20% buffer is not applicable to Warrington.
- 2.5 In demonstrating a five year housing land supply, the Local Plan adopts a ‘stepped approach’ to housing delivery, with the housing requirement over the first five years of the Plan period being reduced to 678 dwellings per annum. This is because of the release of Green Belt land and the lead in times for the infrastructure required to support the larger allocation sites means that there will be a relatively lower level of housing delivery in the early years of the Plan period, with housing delivery increasing over time.
- 2.6 For context, the new Local Plan Housing Trajectory and step is shown below. The step is shown through the green line on the graph with forecast housing completions shown by year through the blue columns.

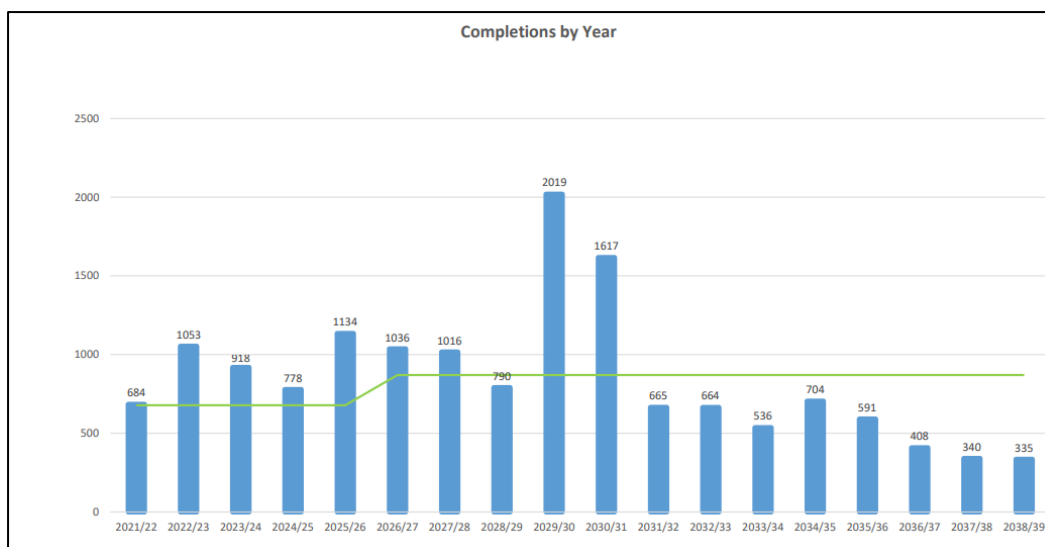


Figure 1: Local Plan Housing Trajectory and step

HDT Assessment

2.7 Whilst the HDT is now considered to be academic for WBC, for the purposes of this HDT Action Plan, post adoption of the Local Plan 2021/22 – 2038/39, the results of the 2022 HDT are set out in Table 1.

Table 1: WBC HDT 2022 Results

Number of Homes Required			Total Required	Number of Homes Delivered			Total Delivered	HDT%
2019/20	2020/21	2021/22		2019/20	2020/21	2021/22		
786	569	816	2171	541	575	684	1800	83%

2.8 As can be seen from Table 1, delivery for the 2022 HDT period was at 83% of the required number of homes. This shows that the Council has taken steps to increase delivery, given the previous HDT completion rates were 55% (January 2020) and 53% (October 2020) respectively.

Table 2: WBC HDT 2023 Results

Number of Homes Required			Total Required	Number of Homes Delivered			Total Delivered	HDT%
2020/21	2021/22	2022/23		2020/21	2021/22	2022/23		
569	678	678	1,925	575	684	1,472	2,731	141%

2.9 Table 2 demonstrates that delivery rates have continue to improve considerably, with 1,472 new dwellings being completed in the 2022/23 period. This will give the Council a HDT result of 141% for the 2023 measurement. As such, no further action will be needed by the Council in respect of the Housing Delivery Test.

3 Housing Delivery

3.1 This section of the Action Plan deals with the housing market delivery analysis, first by reviewing past performance and then looking forward to projected delivery.

Past Delivery

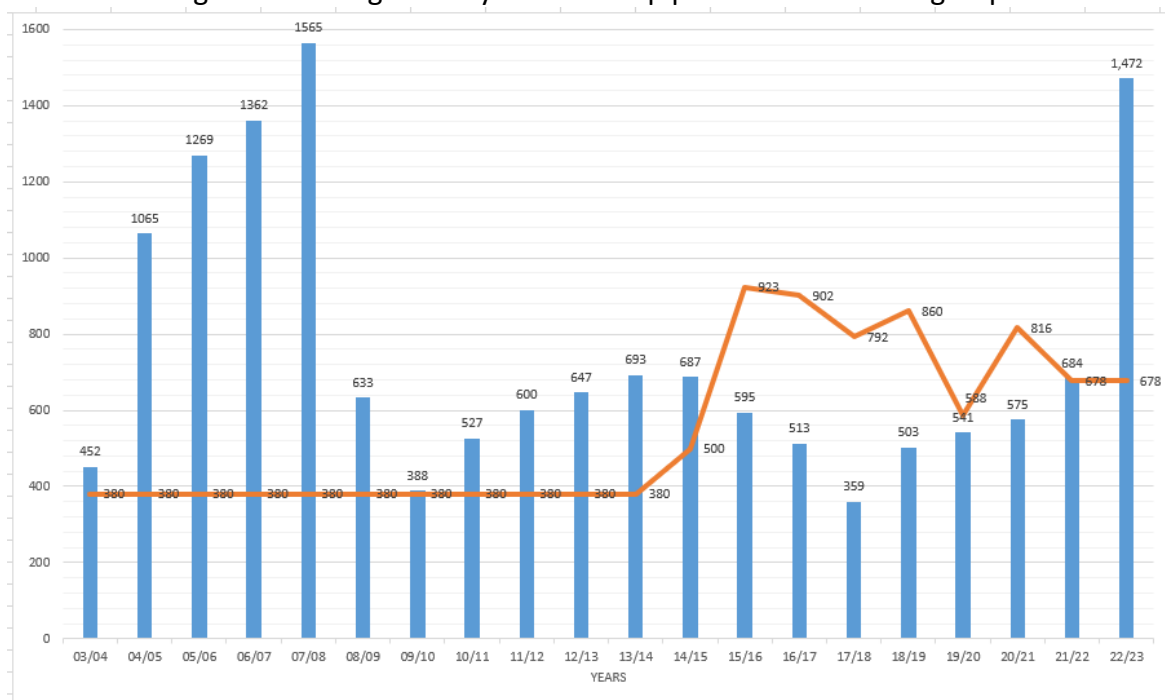
3.2 In understanding why Warrington has not met its housing requirement over the last 3 years (2022 HDT monitoring period), it is helpful to consider housing delivery in Warrington over a longer period, taking into account ‘development cycles’ and changing national planning policy requirements.

3.3 In accordance with national planning requirements, Warrington monitors the delivery of new housing across the Borough on an annual basis and produces its findings in the Strategic Housing Land Availability Assessment (SHLAA) and Annual Monitoring Report (AMR).

3.4 Figure 2 shows the number of housing completions in the Borough from 2004 to 2023 using the blue columns. The graph in Figure 2 also shows the Local Plan target at the time to put the historic housing delivery rate into context. This is shown through the orange line.

3.5 The graph shows that in the mid 2000s the rate of delivery was substantially exceeding the Local Plan requirement. Whilst delivery rates dropped significantly at the start of the recession in 2008/09, Warrington continued to deliver housing through the recession at a rate in excess of the Local Plan requirement at that time.

3.6 Following the removal of the housing target from the Local Plan Core Strategy, Warrington’s housing delivery did not keep pace with its housing requirement.



**Figure 2: Housing Delivery 2004 - 2023 v Plan Requirement
Future Delivery**

- 3.7 At a meeting of Full Council on 04th December 2023 the Council adopted the Warrington Local Plan 2021/22 – 2038/39 as the new Local Plan for the Borough, replacing in its entirety the 2014 Local Plan Core Strategy.
- 3.8 Using the Government’s Standard Housing Methodology, the target of an average 816 homes (including the need for 433 affordable homes) per annum over the 18 year Plan period (14,688 in total) has been established and represents the minimum number of homes required to be delivered by the Plan.
- 3.9 Given the challenges in delivering the number of homes required and the supporting infrastructure needed to support development, the Local Plan utilises a ‘stepped’ housing requirement. This requires 678 homes per annum to be delivered in the first 5 years of the Plan, and 870 homes per annum to be delivered over the remaining 13 years of the Plan.
- 3.10 The Local Plan maximises the development of brownfield land, with the existing urban area capable of accommodating around 10,900 new homes. However, the Plan acknowledges that there is insufficient brownfield land to meet the identified housing requirements and therefore released some Green Belt land in order to meet the additional 4,000 new homes identified in the Plan; as detailed in the Local Plan spatial strategy below (Figure. 3).

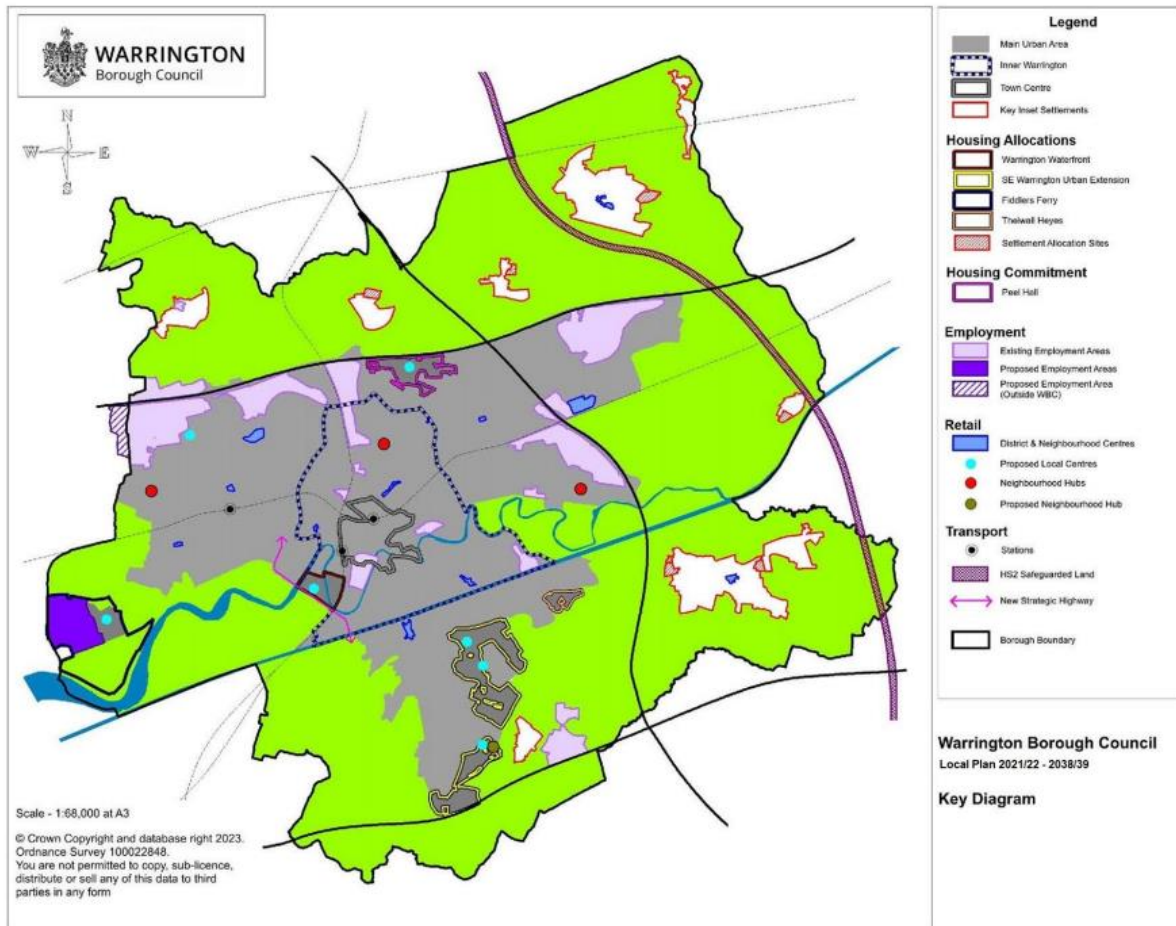


Figure 3: Adopted Local Plan 2021/22 – 2038/39 – Key Diagram (Spatial Strategy)

Progress made

- 3.11 Housing completions have increased and are forecast to continue to do so in Warrington over the coming years, reflecting the number of permissions that have been granted for residential development and the adoption of the Local Plan 2021/22 – 2038/39.
- 3.12 A large number of these homes will come forward in suburban areas of the Borough, generally in higher value areas where there is already infrastructure or where additional infrastructure capacity can be provided relatively easily. The Town Centre and Inner Warrington will also deliver a significant number of new homes.
- 3.13 Given the Council’s focus on regeneration of the Town Centre via the Town Centre Masterplan and the Council’s investment into the Times Square development, there has been a recent surge of interest in Build-to-Rent schemes over 6 storeys. The first two of which have now been completed, delivering 144 and 362 apartments respectively, with other schemes now under construction and nearing completion.
- 3.14 Set up and owned by Warrington Borough Council, Incrementum is a housing company that develops low carbon market rented and affordable rented homes. The

rents generated provide a long-term income stream that supports the company's financial model and delivers a financial return for the Council. Incrementum has developed 161 units to date with plans for up to 500 more.

- 3.15 The Council is also working with Registered Providers to bring forward lower value sites and has set up a forum focussing on issues and solutions for housing delivery. In particular, the Council is actively engaging with Registered Providers to offer 'gap funding' from commuted s106 payments where viability concerns would otherwise delay or stop new affordable schemes coming forward.
- 3.16 Few residential planning consents remain un-completed in the Borough with only 2 identified sites where planning permissions have been implemented but not fully built out. Warrington & Co continue to make efforts with the owners to bring these forward.
- 3.17 The Council has also undertaken the following to increase housing delivery:
- Adopted the Local Plan 2021/22 – 2038/39 with a 5 year housing land supply.
 - Adopted the Warrington Design Guide and Planning Obligations Supplementary Planning Documents (July 2024).
 - Embedded housing delivery within the Corporate Vision of the Council, 2020 - 2024.
 - Updated the Warrington Means Business' suite of growth and master-planning documents, led by Warrington & Co (approved by the Council's Cabinet in May 2024).
 - Prepared the Warrington Borough Council Housing Strategy 2023 to 2028 and accompanying Delivery Plan (approved by the Council's Cabinet in February 2024).
- 3.18 The updated Housing Strategy focuses on a range of possible delivery mechanisms for new housing in the Borough, including increased partnership working with the private sector and Registered Providers, and the possible use of financial incentives to encourage the building-out and occupation of new Town Centre accommodation.
- 3.19 The five year capital programme for the delivery of specialist accommodation has also commenced. This seeks to address the Borough's deficiencies in homelessness accommodation, sheltered housing, care leavers' accommodation and domestic abuse refuges in partnership with Homes England, the DLUHC and NHS England. The first two projects, involving the repurposing of former offices, commenced in the autumn of 2022.

4 Responding to Delivery Challenges

Addressing Underperformance

- 4.1 There are numerous reasons for past underperformance on housing delivery numbers. They are often interrelated and complex and evident in varying degrees across the country and are considered in more detail below.
- 4.2 The significant changes in national planning policy has added to this which means that Warrington needs to plan for a higher housing requirement than previously. The new Local Plan addresses this higher requirement. Given the time taken to prepare a new Local Plan and the lead in time for large scale developments, there has been a lag between the efforts to increase delivery and the delivery itself, but now the Plan has been adopted, completions rates are steadily increasing.
- 4.3 A number of previous HDT Action Plan actions have also now been completed and are also working to support increasing delivery rates.

Need for Interventions

- 4.4 The Council has identified 58 sites, including Local Plan Allocations that are projected to deliver more than 50 units each. Many of these sites require intervention work bringing them forward.
- 4.5 Warrington is one of the most successful towns in the UK today in terms of economic development, investment, employment rates and growth, and over the last ten years has repeatedly been recognised as such in national research and league tables such as the Centre for Cities ‘Cities Outlook’.
- 4.6 Delivering new homes is important to provide for the Borough’s growing population and will support the Council’s aim of promoting social inclusion. It will ensure people have genuine choice over the location in which they live and enable households to remain within their local communities over time. The delivery of new homes also supports the town’s regeneration and renewal efforts. These have revived and revitalised much of the older core of Warrington, acting as a catalyst for physical change and often well needed investment in social and environmental infrastructure as a means of countering deprivation.
- 4.7 WBC are serious about accelerating housing growth and during the lifetime of the Housing Strategy (2023-2038), we will be testing new tools, such as the potential to offer short-term low interest development loans for policy-compliant or affordable housing schemes, that will speed up delivery, deliver the housing that the Borough needs, maximise our land assets, and make it easier for people to access those homes.

Viability

- 4.8 The 2021 Local Plan Viability Assessment identified that low sales values affect the viability of new housing schemes within the town centre, the inner wards and large parts of northern Warrington.
- 4.9 The viability gap has been exacerbated notably, and now affects broader areas of the Borough, as a result of hyperinflation within the construction market. The impact of Brexit, the pandemic and more recently the Ukraine Crisis' impact upon fuel costs and material supply has seen construction costs increase by c.30% over the past 12 months. Recent increases in lending rates have compounded this situation. Accordingly, in many areas, the cost of building now far exceeds the value for which the property can be sold.

Infrastructure

- 4.10 The Council has a successful track record of infrastructure delivery, and the Government has recently announced that £1.5bn from the shelved Birmingham-Manchester leg of the high speed rail line will go towards Local Transport Fund schemes, with Warrington set to receive around £121m from this fund.
- 4.11 There are also significant infrastructure requirements for the strategic development sites allocated in the Local Plan. These requirements include new roads, services, schools, health centres, leisure facilities, parks and green spaces. The Council is working closely with the developers on these sites, and with Government agencies including Homes England and Highways England, to ensure infrastructure can be delivered in a timely manner to support these sites.

Flood Resilience

- 4.12 The River Mersey flows through the town centre and across the Borough. A number of tributaries run across the wider urban area and whilst the Council, in partnership with the Environment Agency have carried out and continue to plan for significant flood defence works, many of the sites require further work to make them flood resilient, particularly given the potential impact of climate change.

Contamination

- 4.13 Land contamination needs to be addressed to bring forward many of Warrington's brown field sites. This can raise issues of development viability.

Ownership

- 4.14 The majority of the sites identified for housing are not owned by the Council and therefore the Council is reliant on-site owners and private developers to bring these forward.

- 4.15 The sites in Council ownership are a mixture of high and low value sites. The Council has prepared a number of masterplans for areas, particularly in an around the Town Centre. These masterplans enable the Council to identify and deliver infrastructure requirements and to engage with other landowners in order to promote comprehensive regeneration schemes.
- 4.16 The Council is also working with Homes England to access Accelerated Construction Funding to enable lower value sites and bring them forward for development, many in partnership with Registered Providers. Some of these sites are of such low value that they need additional affordable housing funding to ensure viability.

Empty Properties

- 4.17 In 2021 there were 1,115 empty homes in the Borough and the Council will develop a plan to reduce this number significantly in the next few years, though its vacant property strategy. Like many parts of England, the issue of empty homes is to be found in Warrington. These empty homes exist at the time when 7,000 households are in need of affordable housing. Returning empty homes back into use is a sustainable way of increasing the overall housing supply, meeting housing need, and reducing the negative impact that empty homes can have on communities.

Funding

- 4.18 The Council continues to seek and secure Government funding to support housing delivery and whilst there is some success, the process to achieve funding can often be complex and lengthy. The Council does not have housing revenue account (HRA) having transferred its stock to a housing association.

Diversification

- 4.19 In common with much of the country, smaller housebuilders and Private Registered Providers often find it difficult to compete with the large housebuilders for the larger more profitable sites.
- 4.20 In order to support diversification, small and medium sized sites comprise significantly in excess of the NPPF's 10% requirement for Warrington's housing land supply. The Local Plan also establishes a baseline housing mix requirement for the borough, which will further support diversification. This is shown in the table below and represents an appropriate mix between smaller and larger properties and reflects Warrington's needs as set out in the latest Local Housing Need Assessment (2021).

Table 3: Suggested Mix of Housing by Size and Tenure

Tenure	1-bedroom	2-bedrooms	3-bedrooms	4+-bedrooms
Market	5%	30%	50%	15%
Affordable home ownership	20%	40%	30%	10%
Affordable housing (rented)	40%	30%	25%	5%

- 4.21 Warrington’s Housing Needs Assessment emphasises the need to address the choice of housing available to younger households.
- 4.22 Actions to increase the diversity of housing supply (such as the adoption of the new Warrington Local Plan and Housing Strategy) provide the opportunity to better meet the needs of Warrington’s residents and to increase the overall rate of housing delivery.
- 4.23 The Council has established a Self-Build register but the number of permissions it has granted for self-build homes to date is significantly lower than the number of people wanting to build their own home. As such the Council’s Local Plan 2021/22 – 2038/39 requires the allocated sites to make provision for custom and self-build plots, and the Council is actively engaging with developers to ensure delivery on the allocated sites.
- 4.24 Changes in the role of housing associations, in particular the need to diversify commercially has also reduced the amount of social and affordable housing provision each year. For both local authorities and housing associations, this has also been related to the reduction in housing subsidies and a switch in government policy from 2012 onwards to assume that social and affordable housing would be a residual function of the private housing market.
- 4.25 To address these changes Policy DEV2 – Meeting Housing Needs of the adopted Local Plan 2021/22 – 2038/39 provides the basis to ensure that the full range of Warrington’s housing needs are met. This means ensuring homes are provided for those who require affordable housing (including in high value housing areas of the Borough), for families with children, older people, students, those with disabilities, service families, people who rent their homes.

5 Action Plan

- 5.1 This section summarises key actions that are already being undertaken by the Council or need to be progressed in order to support the continued increase in delivery of housing in Warrington and the monitoring arrangements to be implemented.
- 5.2 The key actions in this Housing Delivery Test Action Plan are set out under the following themes:
- Embedding housing delivery and growth as a key priority of the Council;
 - Updating the Local Plan and associated planning policies and guidance;
 - Monitoring and reviewing housing market information;
 - Proactively pursuing housing delivery, promoting diversification of delivery models; accessing funding to assemble and de-risk sites and;
 - Ensuring an effective Development Management process.
- 5.3 For each action, responsibilities and timescales have been clearly identified. This provides the basis for the Council to monitor the progress of actions to improve housing delivery.
- 5.4 The Actions were established in the original Action Plan. In this version of the Action Plan, actions are identified as:
'Green' – completed or on target;
'Amber' – original target not met but new target in place for completion; or
'Red' – target not met and revised date yet to be confirmed.
- 5.5 In 2021 the Council reviewed its strategic housing function and, following from that review, has established a specialist Housing Team within its Growth Directorate. The principal purpose of the Housing Team is to facilitate the delivery of new housing within the Borough, in line with Local Plan requirements, by working with private housebuilders and Registered Providers to overcome hurdles to delivery. It will also oversee the direct delivery of specialist accommodation where this cannot be provided by external agents.

Monitoring Arrangements

- 5.6 Progress on the individual actions and initiatives will continue to be reported to the Council's Housing Delivery Group on a monthly basis.

The Action Plan

The measures and programmes that Warrington Borough Council and its partners are undertaking to accelerate housing delivery in the Borough are outlined below.

Responsibility Key:

HDG - Housing Delivery Group

PP - Planning Policy Team

DM - Development Management Team

PEM - Property & Estates Management

PH - Public Health

Programme 1 - Embedding housing delivery and growth as a key priority of the Council

Action	Responsibility	Timescale/deadline
Approve updated Housing Delivery Test Action Plan and promote it to relevant staff, councillors, partners and other stakeholders	HDG	September 2024
Produce a Housing Strategy which addresses other delivery challenges than supply of numbers and promote it to relevant staff, councillors, partners and other stakeholders	HDG	Housing Strategy 2024 completed and approved by Cabinet on 12 February 2024.
Ensure all relevant wider Corporate strategies, reflect the Housing Delivery Strategy and contribute to its objectives	HDG	On-going
Business intelligence data - such as ward profiles, equality agendas – to be updated to ensure they include housing data	HDG	Ongoing
Set up cross departmental Housing Delivery Group including membership, terms of reference, decision making process	HDG	Established and on-going
Restructure Housing and Regeneration team to support effective housing delivery which optimises and can adapt to delivery options now and in the future, maximising options to fund posts	HDG	New structure in place and currently recruiting
Compile housing development programme register of all sites and sites above 100 units. Use register to monitor progress from pre-app to completion on a quarterly basis and to identify delivery barriers and interventions required	HDG	Established and on-going

Programme 2 - Updating the Local Plan and associated planning guidance

Action	Responsibility	Timescale/deadline
Publication of the Updated Proposed Submission Version (Draft) Local Plan 2021/22 – 2038/39	PP	Completed – Sept 2021
Regulation 19 Draft Local Plan Consultation	PP	Completed – Nov 2021
Submission to SoS for independent examination	PP	Completed - April 2022
Examination in Public (EIP)	PP	Completed – Sep 2022- Oct 2023
Adoption of Local Plan with a 5-year housing land supply	PP	Completed – Adopted at a meeting of full Council - Dec 2023
Liaise with developers and landowners to produce Development Frameworks to include an Infrastructure Delivery Strategy to guide and ensure the timely delivery of housing and the required supporting infrastructure for the Local Plan site allocations; MD2- South East Warrington Urban Extension and MD3-Fiddlers Ferry	PP	Fiddlers Ferry Completed – September 2024 SEWUE ongoing
Use the adopted Town Centre SPD to facilitate housing delivery in the Town Centre Master Planning areas	PP/DM/HDG	On-going
Prepare, consult and adopt a Planning Obligations SPD	PP	Adopted July 2024
Prepare, consult and adopt a Design Guide SPD	PP	Adopted July 2024
Support the delivery of Neighbourhood Plans across the Borough	PP	On-going

Programme 3 - Monitoring and reviewing housing market information

Action	Responsibility	Timescale/deadline
Monitor Market Housing and Affordable Housing completions and the efficiency of Local Plan Policies through the publication of the Council's annual Authority Monitoring Report (AMR)	PP	Annually
Maintain Brownfield Land Register	PP	Annually
Maintain Custom & Self-Build Register, identifying opportunities for delivery. Refresh website and accessibility.	PP	Annually
Publish details of Council-owned land for housing in line with the Transparency Code	PEM	Annually
Review constrained sites in housing land supply (SHLAA) to identify any potential sites that could be unlocked	PP/HDG	Annually
Review stalled sites in housing land supply (SHLAA) to identify any potential sites that could be unlocked	PP/HDG	Annually
Identify locations to assist businesses to relocate to in order to unlock land for housing development	HDG	On-going
Establish number of empty homes and actions to bring them back into use	PH	On-going
Review the system of developer viability assessments, monitoring progress and considering a range of initiatives to better appraise Viability Assessments	DM/HDG	On-going

Programme 4 - Proactively pursuing housing delivery and diversification

Action	Responsibility	Timescale/deadline
Establish Local Housing Company	HDG	Completed
Establish RP development forum	HDG	Completed
Develop partnership approach with RPs and developers with pension funds to invest	HDG	On -going via HDG
Support SMEs to develop in Warrington	HDG	On -going via HDG
Develop other partnership routes including JV companies; in addition to those already established (such as PSP) to support delivery	HDG	On-going
Develop partnership approaches with custom build developers to improve housing offer	HDG	On-going
Identify opportunities and develop approaches for self- build/ serviced plots	HDG/PP	On-going
Continue to work with external partners and experts to improve housing delivery	HDG	On-going
Consider MMC/off site/modular delivery embracing the new Design Code for housing	HDG	On-going
Ensure land disposals have conditions of delivery	PEM	On-going
Acquire more land for future housing development	HDG	On-going
Became an Investment Partner with Homes England in 2022. Started to deliver homes under the Single Homelessness Accommodation Programme (SHAP) and Affordable Homes (AF) Programme To deliver more specialist accommodation in partnership with funding partners, including HE, the DfE and NHSE	HDG	On-going
Maximise Government funding to assemble, de-risk land and provide infrastructure to unlock land for housing	HDG	On-going

Programme 5 - Ensuring an effective Development Management process

Action	Responsibility	Timescale/deadline
Update the standard planning application checklists	DM	Completed
Introduce Development Team approach to pre-application process	DM	On-going
Introduce a standard S106 Agreement Template to facilitate faster determination of planning applications, facilitated by increased use of Planning Performance Agreements.	DM	Completed
Expand use of Planning Performance Agreements	DM	On-going
Review and update standard planning conditions and review their use	DM	On-going