

Liverpool City Council STRATEGIC HOUSING LAND AVAILABILITY ASSESSMENT



ROGER TYM & PARTNERS
Planners and Development Economists

**Main Report - Draft
November 2009**

ROGER TYM & PARTNERS

61 Oxford Street
Manchester
M1 6EQ

t (0161) 245 8900
f (0161) 245 8901
e manchester@tymconsult.com
w www.tymconsult.com

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Foreword

This document is the first Strategic Housing Land Availability Assessment (SHLAA) for Liverpool. The SHLAA considers the potential supply of housing across the City up to 2026 from a base date of April 2008. The SHLAA is a technical study of housing potential, working on the best available information at a point in time; this means it is not necessarily fully inclusive.

Between April 2008 and the publication of this report, it is likely that some circumstances will have changed such as, for instance, resolutions to grant planning permission on particular sites. The SHLAA will be updated to ensure that the assumptions within it and the estimates of supply are as up to date as possible.

The SHLAA forms part of the Local Development Framework (LDF) evidence base, along with a range of other technical studies. It does not in any way prejudice decisions to be taken by the City Council in relation to preferred directions of growth, site identification in Development Plan Documents (DPDs) or the determination of planning applications.

The City Council will use the SHLAA as a starting point for its consideration of which sites to bring forward as allocations in the Land Allocations and City Wide Policies DPD. Considerable further work will be required in order to ensure that the identification of sites in the Land Allocations and City Wide Policies DPD is based on sound and up to date information.

If you have more up to date information that you feel will be relevant to the first SHLAA update, and would help in analysing the full potential of any site, please contact the Council's Development Plans Team on (tel) 0151 233 3021.

Liverpool City Council

Glossary

Abbreviation	Full Title/Definition
AAP	Area Action Plan
AONB	Area of Outstanding Natural Beauty
APS	A.P. Sheehan & Co
CLG	Communities and Local Government
CSH	Code for Sustainable Homes
DETR	Department of the Environment, Transport and the Regions (former Government Department which no longer exists)
DPA	Dwellings Per Annum
DPH	Dwellings Per Hectare
DPD	Development Plan Document
HMR	Housing Market Renewal
LDD	Local Development Document
LDF	Local Development Framework
LPA	Local Planning Authority
NGP	New Growth Point
NLUD	National Land Use Database
PAS	Planning Advisory Service
PDL	Previously Developed Land
PP	Planning Permission
PPG	Planning Policy Guidance
PPS	Planning Policy Statement
RDF	Regional Development Framework
ROCE	Return on Capital Employed
RTP	Roger Tym & Partners
RSS	Regional Spatial Strategy
SHLAA	Strategic Housing Land Availability Assessment
SPD	Supplementary Planning Document
UDP	Unitary Development Plan
VAT	Value Added Tax

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1 INTRODUCTION

Purpose of the Study

- 1.1 Roger Tym & Partners, supported by A.P. Sheehan & Co, was jointly commissioned by Liverpool City Council and Wirral Council in May 2009 to undertake a Strategic Housing Land Availability Assessment (SHLAA) across Liverpool and Wirral. We are working to slightly different timescales for the Liverpool and Wirral elements and will produce separate SHLAA reports for each district. We will also produce a New Growth Point SHLAA Statement, which will establish whether the housing targets under the Mersey Heartlands New Growth Point as a whole - and for the Liverpool and Wirral parts of it - can be met.
- 1.2 In this report, we provide the findings from our assessment of housing potential in Liverpool only. As required by PPS3, the essential purpose of the Liverpool SHLAA is to identify sufficient 'deliverable' sites to meet the 5-year dwelling targets for Liverpool, and to identify further 'developable' sites to meet the 10, 15 and 18-year dwelling targets¹.
- 1.3 As well as sites which already had planning permission for housing at the study base date (1 April 2008), we have assessed more than 1,100 additional sites (both urban greenfield and brownfield) in accordance with the CLG's SHLAA Practice Guidance of July 2007².
- 1.4 **It is important to emphasise that the SHLAA is a technical study which forms part of the LDF evidence base, along with a range of other technical studies. It does not in any way prejudice decisions to be taken by the City Council in relation to preferred directions of growth, site identification in Development Plan Documents (DPDs) or the determination of planning applications.**

Stakeholder Involvement

- 1.5 Reflecting advice in the Guidance that stakeholders should be engaged in the SHLAA process from the outset, we have undertaken a range of consultation exercises to inform the study, as listed below:
 - an initial meeting on Thursday 7 May 2009 at the City Council's offices with the Steering Group, which comprises representatives from a range of housebuilders, RSLs, regeneration agencies, adjacent local authorities and NewHeartlands (the Housing Market Renewal body for inner Merseyside);
 - consultation with strategic public sector bodies including Natural England and the Environment Agency, as well as utilities providers such as National Grid and United Utilities (none of which identified any strategic constraints to development);

¹ Paragraphs 34, 53 and 55 of PPS3 require LPAs to identify a supply of deliverable sites for the first 5 years, and a further supply of developable sites for years 6-10 and, where possible, for years 11-15. The Core Strategy will run until 2026, however, and so we have also considered a fourth period, which means the study covers the period 2008-26.

² Hereafter referred to as 'the Guidance'.

- consultations with local property market agents, developers and housebuilders; and
- we also considered the sites that were submitted through the call for sites exercise which the City Council conducted earlier this year. All relevant information that was gathered from the call for sites submissions has been fed into our database and used to inform the site assessments.

1.6 All of the very useful and informative dialogue described above - as well as close liaison with Council officers throughout the study - has informed our work and has helped to ensure that the study outputs are as robust as possible.

Structure of Our Report

1.7 The remainder of our report is structured as follows:

- Section 2 contains a review of the national, regional and local planning policy contexts, as well as the requirements of the SHLAA Practice Guidance;
- Section 3 describes the methodology that we employed for the study;
- Section 4 provides the results from the study and assesses whether the RSS-based dwelling targets, as well as the higher Growth Point based targets, can be achieved; and
- Section 5 considers whether there is a need to identify 'broad locations', and/or to make a windfall allowance.

1.8 Our overall study outputs are as follows:

- Volume 1 - 'Main Report';
- Volume 2 - 'Appendices to the Main Report'³;
- the Microsoft Access Sites Database, which contains details of the 1,117 sites that we have assessed⁴; and
- a MapInfo GIS layer which contains digitised polygons for the 1,117 sites in our Sites Database.

1.9 A.P. Sheehan & Co has also completed a total of 120 development appraisals. Each appraisal consists of a number of very wide Excel spreadsheets and so it is not possible to reproduce them as a discrete report; instead, the 120 completed appraisals have been provided to the Council as free-standing outputs. The purpose of the appraisals is explained in Section 3 of our report, together with details of how they were undertaken.

³ Any references in our report to 'Appendices' relate to the Appendices that are contained in Volume 2.

⁴ The database does not contain details of the 460 sites which had planning permission for residential use at the study base date, which were assessed through separate analysis.

2 NATIONAL, REGIONAL AND LOCAL PLANNING POLICY

National Planning Policy

Planning Policy Statement 3: Housing (November 2006)

- 2.1 PPS3 establishes the requirement for LPAs to undertake SHLAAs, which replace the housing capacity studies required under PPG3 (the precursor to PPS3). The fundamental requirement placed upon LPAs by paragraphs 54 and 55 of PPS3 is to *'identify specific, deliverable sites for the first five years of a plan that are ready for development'*. Furthermore, Annex C of PPS3 states that a SHLAA should:
- Assess the likely level of housing that could be provided if unimplemented planning permissions were brought into development.
 - Assess land availability by identifying buildings or areas of land (including previously developed and greenfield land) that have development potential for housing, including within mixed use developments.
 - Assess the potential level of housing that can be provided on identified land.
 - Where appropriate, evaluate past trends in windfall land coming forward for development and estimate the likely future implementation rate.
 - Identify constraints that might make a particular site unavailable and/or unviable for development.
 - Identify sustainability issues and physical constraints that might make a site unsuitable for development.
 - Identify what action could be taken to overcome constraints on particular sites.
- 2.2 PPS3 states that LPAs should set out in Local Development Documents (LDDs) their policies and strategies for delivering housing, and that they should identify sufficient land to enable continuous delivery of housing for at least 15 years from the date of adoption, taking account of the level of housing provision set out in the RSS.
- 2.3 One of the key differences between PPS3 and PPG3 is that windfall allowances should no longer be included in the first 10 years of land supply in LDFs, unless there are *'genuine local circumstances that prevent specific sites being identified. In these circumstances, an allowance should be included but should be realistic having regard to...historic windfall delivery rates and expected future trends'*. This places greater emphasis on the need to identify sites which can be confidently allocated for housing in LDFs.
- 2.4 PPS3 reiterates the previous PPG3 policy that the priority for development should be PDL - in particular, vacant and derelict sites and buildings - and it requires LPAs to ensure that sufficient, suitable land is available to achieve their PDL delivery objectives. However, unlike housing capacity studies under PPG3, SHLAAs are required to consider the potential of greenfield sites to deliver housing, as well as PDL.
- 2.5 PPS3 states that LDDs should contain a local PDL target and trajectory, and strategies for bringing PDL into housing use. Where appropriate, the trajectory could be divided up to

reflect the contribution expected from different categories of PDL - for example, vacant and derelict sites - in order to deliver the spatial vision for the area in the most sustainable way. In developing their PDL strategies, LPAs are advised (in paragraph 44) that they:

'should consider a range of incentives or interventions that could help to ensure that previously developed land is developed in line with the trajectory/ies. This should include:

- *planning to address obstacles to the development of vacant and derelict sites and buildings, for example, use of compulsory purchase powers where that would help resolve land ownership or assembly issues.*
- *considering whether sites that are currently allocated for industrial or commercial use could be more appropriately re-allocated for housing development.*
- *encouraging innovative housing schemes that make effective use of public sector previously-developed land.'*

2.6 The content of PPS3, as summarised above, has clear implications for the information to be included and assessed in a SHLAA.

SHLAA Practice Guidance (July 2007)

2.7 The CLG's Practice Guidance for undertaking SHLAAs supersedes the advice in the previous guidance entitled 'Tapping the Potential'⁵, which related to housing capacity studies.

2.8 In paragraph 1, the Guidance states that SHLAAs are 'a key component of the evidence base to support the delivery of sufficient land for housing to meet the community's need for more homes'. The Guidance emphasises that a SHLAA is significantly different from a housing capacity study, and if a recent capacity study has been carried out, further work will be needed to fulfill the requirements of the SHLAA.

2.9 The Guidance states that the primary role of the SHLAA is to:

- identify sites with potential for housing;
- assess their housing potential; and
- assess when they are likely to be developed.

2.10 A SHLAA should aim to identify as many sites with housing potential in and around as many settlements as possible in the study area. The study area should preferably be a sub-regional housing market area, but may be an LPA area, where necessary. As a minimum, the SHLAA should aim to identify sufficient specific sites for at least the first 10 years of a plan, from the anticipated date of its adoption, and ideally for longer than the whole 15 year plan period. Where it is not possible to identify sufficient sites, the SHLAA should provide the evidence base to support judgements around whether broad locations should be identified and/or whether there are 'genuine local circumstances' that mean a windfall allowance may be justified in the first 10 years of the plan.

2.11 Paragraphs 7 and 50 of the Guidance refer to 'genuine local circumstances', but neither paragraph defines what these circumstances might be. However, paragraph 52 does

⁵ DETR (2000).

state that '*Coming to an informed view on a windfall allowance means reflecting how comprehensive and intensive the survey has been in identifying sites.*'

- 2.12 Paragraph 8 makes it clear that whilst the assessment is an important evidence source to inform plan-making, it does not in itself determine whether a site should be allocated for housing development. The Guidance also states that the SHLAA should be kept up to date as part of the Annual Monitoring Report exercise, so as to support the updating of the housing trajectory and the five-year supply of specific deliverable sites.
- 2.13 The Guidance provides details on the methodology for a SHLAA, which has eight main stages and two further optional stages covering broad locations and windfalls. The stages are as follows:
- Stage 1: Planning the Assessment;
 - Stage 2: Determining which sources of sites will be included in the Assessment;
 - Stage 3: Desktop review of existing information;
 - Stage 4: Determining which sites and areas will be surveyed;
 - Stage 5: Carrying out the survey;
 - Stage 6: Estimating the housing potential of each site;
 - Stage 7: Assessing when and whether sites are likely to be developed;
 - Stage 8: Review of the Assessment;
 - Stage 9: Identifying and assessing the housing potential of broad locations (when necessary); and
 - Stage 10: Determining the housing potential of windfalls (where justified).
- 2.14 Stage 2 identifies the sources of sites with potential for housing, which consist of sites currently in the planning process as well as those that are not in the planning process, namely:
- allocated employment or other land uses which are no longer required for those uses;
 - existing housing allocations, which have not yet been implemented;
 - unimplemented/outstanding planning permissions for housing; and
 - planning permissions for housing that are under construction.
- 2.15 Stage 7 assesses when and whether sites are likely to be developed. Central to this is the consideration of whether sites are suitable, deliverable and developable for housing. 'Suitability' embraces policy restrictions, physical problems/limitations (for instance access, infrastructure, flood risk, ground conditions and contamination), potential impacts (upon the landscape and conservation) and the environmental conditions which would be experienced by prospective residents.
- 2.16 'Availability' considers, '*on best information available*' (paragraph 39 of the Guidance), whether there are any legal or ownership problems, such as multiple ownerships, ransom strips, tenancies or operational requirements of landowners. 'Achievability' is essentially a judgment about the economic viability of a site. It will be affected by market factors, cost factors (including site preparation costs relating to any physical constraints) and delivery factors (including phasing and build-out rates, which mostly concerns larger sites).

Regional and Local Planning Policy

The North West of England Plan - Regional Spatial Strategy (September 2008)

- 2.17 The RSS for the North West sets out the broad development strategy for the region in the period to 2021. The RSS replaces Regional Planning Guidance for the North West (RPG13) and the Joint Lancashire Structure Plan.
- 2.18 Policy RDF1 ('Spatial Priorities') states that the first priority for growth and development should be the Regional Centres of Liverpool and Manchester. Policy L3 ('Existing Housing Stock and Housing Renewal') asserts that plans and strategies in the NewHeartlands (which includes parts of Liverpool, Sefton and Wirral), and other urban areas in the Liverpool City Region (LCR), should respond to the need to restructure housing markets, manage the delivery of new build, reduce vacancy rates to 3 per cent, and make best use of the existing housing stock.
- 2.19 Paragraph 7.18(a) further explains that sufficient new residential development should be delivered to support the role of the Regional Centres and inner city areas. Outside these areas, development should be complementary to the regeneration of the inner core, and be focused on regenerating existing housing areas which suffer from high levels of deprivation.
- 2.20 Policy LCR1 ('Liverpool City Region Priorities') states that plans and strategies for the LCR should 'focus a sufficient proportion of new housing development and renewal (and related social and environmental infrastructure) within the inner areas to meet the objectives of the Housing Market Renewal Initiative and, consistent with this, make provision for an increase in the supply of affordable and market housing required to address demographic needs and to support economic growth and regeneration'.
- 2.21 Policy LCR2 goes on to explain that residential development should be focussed '*in the Inner Areas adjacent to the Regional Centre in order to secure a significant increase in population and to support major regeneration activity*', with emphasis on '*providing a good range of quality housing in the inner areas in terms of size, type, tenure and affordability with a high quality environment and accessible local facilities and employment opportunities*'. In the outer part of the LCR, Policy LCR3 advocates '*significant intervention in areas where housing market restructuring is required*' and expanding '*the quality and choice of housing*'.
- 2.22 Table 7.1 of the RSS sets out the regional housing targets for the period 2003 to 2021, and makes provision for 35,100 dwellings in Liverpool (net of clearance replacement) over this period. This equates to an average net gain per annum of 1,950 dwellings in Liverpool, of which at least 90 per cent should be delivered on PDL.
- 2.23 Importantly, paragraph 7.19 explains that the housing provision figures set out in the RSS should no longer represent maximum thresholds or 'absolute targets'. Thus, in line with the 'plan, monitor, manage' approach which underpins PPS3, the RSS lays the foundations for a more flexible approach to housing provision at the local level, explaining that local authorities can introduce phasing policies and that the annual housing figures may be exceeded, '*where justified by evidence of need, demand, affordability and sustainability issues and fit with relevant local and sub-regional strategies*'. Conversely,

the RSS also states that ‘*some areas will achieve lower levels [of housing provision] in the early years, for example during major housing renewal, which will be compensated later.*’

- 2.24 The flexibility described above has important implications for Liverpool’s dwelling targets. There is a need to take account of any under-provision against the RSS targets since the 2003 base date of the RSS. We return to these issues in Section 4, although Table 2.1 shows what the 5, 10, 15 and 18-year dwelling targets would be if the RSS rate of 1,950 dwellings per annum (dpa) was applied as an average rate across each of the periods.

Table 2.1 Liverpool 5, 10, 15 and 18-Year Dwelling Targets (Based on the RSS Figures as an Average Across Each Five-Year Period)

Average Dwellings/year (same average across each study period) ^a	5-Year Dwelling Target	10-Year Dwelling Target	15-Year Dwelling Target	18-Year Dwelling Target
1,950	9,750	19,500	29,250	35,100

a The 15 and 18-year targets assume that the RSS target of 1,950 dpa will continue for a limited period beyond 2021, in accordance with the final sentence of Policy L4.

Liverpool Unitary Development Plan (November 2002)

- 2.25 The Liverpool UDP was adopted in November 2002. The main policy of relevance, the ‘Provision of Land for Housing’ Policy H1, is out of date because it referred to the provision required for the 1986-2001 period. As such, we do not consider it necessary to provide a detailed account of the UDP’s housing policies in this report.

Liverpool City Region Housing Strategy (May 2007)

- 2.26 The Liverpool City Region Housing Strategy seeks to provide a framework for housing investment to support regeneration and economic growth in the City Region. Paragraph 2.7 sets out five objectives, which are to:
- support the economic growth and regeneration of the City Region;
 - identify sustainable locations for growth, linked to economic development prospects, sustainable levels of infrastructure, service provision and housing land availability;
 - maximise the contribution that regeneration areas can make in supporting the economic development of the City Region;
 - provide for a range of affordable housing products across the City Region in recognition of the growing mismatch between income levels and lowest quartile house prices; and
 - secure investment in the quality of neighbourhoods as a major economic asset of the City Region in attracting and retaining population.
- 2.27 The Housing Strategy places Liverpool within the ‘Functional Northern Housing Market’ area (together with Knowsley, Sefton, West Lancashire and Wirral). Section 5 of the Strategy explains that the Northern Housing Market area is characterised by:
- an historical trend of population decline (although there is evidence that this trend is beginning to reverse, with several authorities reporting positive growth figures);
 - the prevalence of stigmatised markets and low demand (leading to the formation of the NewHeartlands Pathfinder);

- high levels of social rented housing;
- the prevalence of smaller terraced properties and comparatively low levels of larger family housing; and
- a lack of affordable housing (particularly in south Liverpool).

2.28 However, the Housing Strategy concludes that there is latent potential within the Northern Market Area, which due to its infrastructure, proximity to employment, and quality of service provision, makes it a sustainable location for residential growth.

2.29 Section 8 of the Housing Strategy sets out seven 'Strategic Enablers' and associated policy recommendations, which are intended to support and maximise the contribution that housing can make to the economic growth, regeneration and social inclusion agendas of the City Region. The headline policy recommendations in respect of the Northern Housing Market area can be summarised as follows:

- prioritise housing development on land surrounding the Regional Centre to support the recovery and growth of the NewHeartlands area and the contribution that it can make to the economic regeneration of the City Region;
- local authorities within the Northern Housing Market area should work together to support delivery of the Pathfinder programme and the regeneration of the most vulnerable neighbourhoods outside the Pathfinder;
- prioritise development of a range of larger 'aspirational' house types within the Northern Housing Market to meet requirements linked to economic growth and to address stock deficits; and
- within functional markets, local authorities should develop complementary LDF policies in order to jointly deliver appropriate levels of affordable housing (social and intermediate) based on housing needs survey evidence.

Liverpool Housing Strategy Statement 2009-2011 (April 2009)

2.30 The Liverpool Housing Strategy Statement sets out the main strategic priorities that underpin the City Council's intervention in the housing market. These key priorities are similar to those contained in the Liverpool City Region Housing Strategy and can be summarised as follows:

- restructure the housing market in vulnerable areas, particularly the Inner Core, to ensure choice and a balanced and stable market;
- increase the supply of appropriate housing to support economic growth;
- facilitate a balance of tenure and property types to sustain mixed income communities and support inclusive economic growth;
- improve the quality of Liverpool's housing (both existing and future);
- ensure good use of property of all tenures and reduce the level of vacant properties; and
- meet the housing needs of a diverse community ensuring fair access to good quality homes.

2.31 The Housing Strategy Statement points out that the housing market in Liverpool is currently polarised, with a strong housing market in the suburbs and the City Centre, while other neighbourhoods suffer from market failure. The Strategy identifies a number of housing sub-areas within Liverpool, each with different characteristics and policy approaches, as follows:

- **Inner Core** (excluding the City Centre and Waterfront) - main focus of regeneration activity, including a programme of clearing unsustainable stock, new development to provide a better quality and mix of housing, improved social housing, and infrastructure and public realm enhancements.
- **City Centre** - the aim is to facilitate an appropriate supply of well managed apartment accommodation to meet demands for city centre living, and the continued monitoring of vacancy levels.
- **Waterfront** - main area of focus for the delivery of housing growth, alongside the Inner Core. Need for new housing development to support economic growth and complement the wider regeneration of the Inner Core.
- **Suburban Core** - large concentration of affluent communities with a high level of owner occupation, strong house price growth and a low vacancy rate. Need to provide more affordable housing, and support for vulnerable persons;
- **Central Buffer** - need to improve existing social housing, bring vacant stock back into use, and stem the decline of some neighbourhoods.
- **Southern Fringe** - transitional area with high levels of social housing, and some recent economic development activity. Policy approach will improve social housing, restructure Garston through the Renewal Area programme, and support owner occupation.
- **Eastern Fringes** - characterised by a number of former council estates. Need to provide a more balanced mix of tenure, selectively redevelop council estates, and improve social rented housing.

Core Strategy Preferred Options Report (February 2008)

2.32 The Liverpool Core Strategy Preferred Options Report, which was published for the purpose of public consultation in February 2008, sets out details of various options which could be taken forward in the Core Strategy. A revised version of the Preferred Options is due to be published for consultation later in 2009, although in advance of that our commentary below is based on the February 2008 version.

2.33 Paragraph 2.35 identifies housing market failure - such as unfit housing stock, high levels of vacancy, and an oversupply of social housing and small terraced properties - as a key issue that will need to be addressed through the Core Strategy.

2.34 One of the five strategic objectives set out under paragraph 4.2 is to build and support strong and inclusive communities. This is to be achieved by addressing *'problems of polarised housing markets by restructuring these markets, which will make a significant contribution to the creation of sustainable communities. Existing and potential future residents of the City should have access to a range of housing types, including family homes, across all parts of the City'*.

2.35 Preferred Option 5 deals with the location and phasing of new housing, and states that:

'The development of new housing will be managed to ensure the delivery of the Housing Market Renewal Pathfinder programme in Liverpool Inner Areas, along with housing regeneration initiatives in the City's Regeneration Fringe Housing Zones, whilst recognising the important role which new residential development can make to the regeneration of the City Centre.

The approach will focus maximum new housing growth on the HMR's Zones of Opportunity in the early phases of the Core Strategy period, but allowing for an increasing focus on priorities and development opportunities elsewhere in later phases.'

2.36 The approach to housing delivery described above would have the following spatial implications:

- **City Centre** - high priority for housing growth in the short term in recognition of the positive role that residential development can play in supporting ongoing City Centre regeneration and subject to impact on overall Housing Market Renewal (HMR) objectives and the Zones of Opportunity. The level of further growth will be dependent on the continuing availability of appropriate development opportunities, impacts on HMR and Zones of Opportunity and competing land uses and policy priorities.
- **HMR Zones of Opportunity** - highest priority for housing growth within the HMR area through the early and middle phases of the plan period. Strategic Housing Sites will be designated in Area Action Plans for North Liverpool and South and East Inner Liverpool.
- **Other HMR residential neighbourhoods** - next priority for housing growth, subject to impact of new development on overall HMR objectives and the Zones of Opportunity. This priority will increase over the middle and latter parts of the plan period as proposals for the Zones of Opportunity are delivered.
- **Non-residential parts of HMR area** - not an immediate priority for housing growth. Development to be allowed only in exceptional circumstances, and subject to impact on HMR and Zones of Opportunity. Scope for increased housing growth in later plan phases, depending on successful delivery of HMR and Zones of Opportunity and the City's economic development objectives.
- **Regeneration Fringes** - not an immediate priority for housing growth, but new housing delivery to be supported where it meets the objectives of the City Council's Housing Strategy in restructuring housing markets and diversifying the local housing offer. Possible scope for increased housing growth in later plan phases.
- **Rest of City** - possible scope for housing development in later plan phases, depending on successful delivery of HMR and Zones of Opportunity and the disposition and availability of development opportunities elsewhere in City.

2.37 As stated above, the RSS sets a target of 1,950 net additional dpa in Liverpool. The February 2008 version of the Preferred Options included a table under Preferred Option 5 ('The location and phasing of housing') which identified a potential pattern of housing growth in the period 2006 to 2024. The table showed that, in each 5-year period,

- approximately 85 per cent of the housing growth would be directed to the Inner Area (i.e. the HMR area), about half of which would be in the City Centre. The remaining 15 per cent would therefore be directed to the Outer Area (i.e. everywhere outwith the HMR area) under Preferred Option 5 of February 2008.
- 2.38 The 85/15 split under Preferred Option 5 of February 2008 was, however, only one of several possible distributions, and it is possible that the Council might identify alternative distributions in the revised version of the Preferred Options. Through discussions with Council officers, it was therefore agreed that we would work to the City-wide dwelling targets for the purposes of the SHLAA, rather than attempting to apportion the growth to the various sub-areas on the basis of distributions that have not yet been agreed.
- 2.39 In July 2008, the Government confirmed 'Mersey Heartlands' as one of 21 second-round New Growth Points (NGP). Under the NGP, accelerated housing supply will be pursued alongside housing market renewal in the wider context to provide quality and choice at all levels of the market. The ambition for the Mersey Heartlands NGP is to achieve a level of housing growth that is 20 per cent greater than the dwelling targets set by the RSS⁶.
- 2.40 It is important to note that the 20 per cent uplift is not a formal target; the CLG's website confirms that '*A Growth Point is not a statutory designation*'. However, although the RSS dwelling targets remain the same and have not been increased, the CLG's website also advises that '*Growth Point proposals will be subject to robust testing...through the regional and local planning processes*.' Accordingly, as well as testing whether the RSS target for Liverpool of 1,950 dpa can be achieved, there is also a need to consider whether 2,340 dpa could be achieved over the period 2008-17, this being 20 per cent higher than the RSS targets (equating to an increase of 390 dpa).
- 2.41 The geographical focus of the NGP in Liverpool is the four wards of Everton, Kirkdale, County and Anfield, all of which are wholly within the Inner Area. It therefore follows that the additional 390 dpa under the NGP scenario should be delivered in the Inner Area. Nevertheless, for the reasons given above, we have agreed with Council officers that we will not seek to identify dwelling targets for sub-areas of the City. The City-wide dwelling targets for each study period are set out in Tables 4.3 ('RSS Scenario') and 4.4 ('RSS+NGP Scenario') later in our report.
- 2.42 The February 2008 version of the Preferred Options states (paragraph 5.54) that a lack of housing mix and choice has contributed to the weaknesses in Liverpool's housing market, and therefore where new development comes forwards, emphasis will be placed on achieving a range of house types and sizes. As such, Preferred Option 6 ('The mix of Housing Provision') sets out the proposed mix of new housing to be brought forward in different parts of the City⁷, as follows:

⁶ As shown on the first page of the CLG document entitled 'Second Round Growth Points - Partnerships for Growth', which is available here: <http://www.communities.gov.uk/publications/housing/partnershipsforgrowth>

⁷ The geographical extent of the City Centre, the Inner Area and the Outer Area is defined in Section 4 of our report.

- **City Centre** - emphasis to be on private sector flatted developments for single and two-person households.
- **Inner Areas** - emphasis to be on delivering more private sector family houses, particularly semi-detached and detached houses with gardens within a range of values.
- **Outer Areas** - emphasis to be on delivering mixed-value, private sector family housing - especially semi-detached and detached houses - to help achieve the diversification of the stock required to meet the City's Housing Strategy objectives.

NewHeartlands Housing Market Renewal Pathfinder

2.43 NewHeartlands was one of the nine HMR Pathfinders announced by the Government in February 2003, and covers parts of Liverpool, Wirral and Sefton. The HMR initiative involves a 10 to 15 year programme of refurbishment, redevelopment and improved area management to address housing market failure, and the associated problems of poor quality housing and a lack of choice and tenure.

2.44 Liverpool's HMR programme covers all residential neighbourhoods in inner Liverpool. The Zones of Opportunity have been identified as the areas where the problems are most intense and therefore require the earliest action; they are as follows:

- **City Centre North** - this zone has experienced significant out-migration over the past 50 years, and contains a large amount of underused and vacant land. The strategy for City Centre North includes a programme of clearance, new build and refurbishment.
- **Stanley Park** - the Stanley Park zone comprises the Anfield and Breckfield renewal area, and has the largest clearance programme within the NewHeartlands area. The zone is characterised by a large number of terraced properties, high levels of vacancy, low demand, and a high occurrence of crime.
- **Wavertree** - the Wavertree zone has a large number of pre-1919 terraced houses, with many privately rented homes and empty properties. The area sits alongside the Edge Lane Regeneration Corridor, one of the most important gateways into Liverpool, and includes both the Kensington and Picton renewal areas.
- **City Centre South** - the housing market in the City Centre South zone suffers from problems of low demand private housing, high vacancy rates, and concentrations of sub-standard privately rented houses. The Zone encompasses the Granby, Lodge Lane and Princes Park renewal areas.

Summary

2.45 The key points to note from the above review can be summarised as follows:

- The RSS makes provision for 35,100 dwellings in Liverpool (net of clearance replacement) over the period 2003 to 2021, equating to an average net gain per annum of 1,950 dwellings.
- In July 2008 the Government confirmed 'Mersey Heartlands' as one of 21 second-round New Growth Points. The ambition for the Mersey Heartlands NGP is to achieve

a level of housing growth that is 20 per cent greater than the dwelling targets set by the RSS; this equates to a level of housing growth in Liverpool of 2,340 dpa over the period 2008-17, an increase of 390 dpa in relation to the RSS target of 1,950 dpa.

- Whereas the housing market in the City Centre and the suburbs is strong, other parts of Liverpool - particularly the inner core - suffer from market failure. Accordingly, it is important that the housing market in these vulnerable areas is restructured, to ensure choice and a balanced and stable market.
- Housing development should be prioritised on land surrounding the Regional Centre to support the recovery and growth of the NewHeartlands area and the contribution that it can make to the economic regeneration of the City Region.
- The Council has an aspiration of delivering more private sector family housing across the City, especially semi-detached and detached houses.

3 STUDY METHODOLOGY

Introduction

- 3.1 Our remit in this study differs from our role in other SHLAAs, which we have invariably undertaken from start to finish, because in this case the Council has already undertaken Stages 1 to 7b as set out in the Draft Methodology which it consulted on earlier this year⁸. Thus, our specific role has been to:
- critically appraise the Council's work (i.e. Stages 1 to 7b) to enable us to establish and address any issues with the methodology and any gaps in the evidence;
 - assess the 'achievability' of identified sites and identify the actions required to overcome constraints to their delivery (i.e. Stages 7c and 7d), and then to review the entirety of the SHLAA (Stage 8); and
 - depending on the outcome of Stages 1-8, advise on whether there is a need to identify broad locations, and consider the need for a 'windfall' or 'small sites' allowance (i.e. Stages 9 and 10).
- 3.2 In this section of our report we therefore describe the work that the Council undertook in Stages 1-7b, highlighting any refinements to the Council's approach that we suggested, and any additional work that we undertook. We then explain our approach to Stages 7c and 7d of the study. We cover Stages 8-10 in Section 5 of our report, after we have considered whether the assessment sites, together with outstanding planning commitments, are capable of meeting the City's dwelling targets.

Stage 1 - Planning the Assessment

- 3.3 As noted above, the Council consulted on its Draft Methodology (dated March 2009) earlier this year. Only one response of any substance was received (from Peel Holdings). Peel's comments were generally supportive of the proposed methodology and did not suggest any significant revisions to it, which reflects the fact that the methodology is consistent with Figure 3 of the Practice Guidance.
- 3.4 Paragraph 18 of the Practice Guidance states that the study stages should generally be carried out in order, although Stages 3, 4, 6 and 7, and Stages 9 and 10, may be carried out in parallel. In our view, some key tasks - such as identifying the area of search for potential housing sites - should be undertaken at the outset of the study, rather than waiting until later study stages, as recommended by the Guidance and carried through into the agreed methodology. Accordingly, we summarise these key study parameters here under our Stage 1 commentary.

Study Area

- 3.5 Paragraph 7 of the Guidance states that a SHLAA study should '*aim to identify as many sites with housing potential in and around as many settlements as possible in the study*

⁸ The Draft Methodology is reproduced in Appendix 1.

area. Accordingly, the Council decided that the study should not be limited to certain areas and that sites would be considered anywhere in the City. We endorse the Council's extensive approach to the initial search for sites, which was necessary in order to fully assess the potential to achieve the Council's challenging dwelling targets.

- 3.6 The plans in Appendix 2 show that there are some significant areas of open space on the periphery of the City - at Croxteth Country Park, Netherley/Belle Vale and Speke - which are designated as Green Belt. These areas are in addition to the City's various municipal parks, but even so the City is almost entirely urbanised. No parts of the City are covered by AONB, and although part of the Mersey Estuary is a SSSI, the land-based part of the City is not covered by that designation.

Study Base Date and Time Horizon

- 3.7 LPAs are required, by paragraph 53 of PPS3, to set out in LDDs their policies and strategies for delivering the level of housing provision prescribed by the approved RSS, or the emerging RSS if the approved RSS is being reviewed. Paragraph 54 of PPS3 states that LPAs should '*identify sufficient specific deliverable sites to deliver housing in the first five years*' from adoption of the relevant LDD. Paragraph 55 further states that LPAs should also '*identify a further supply of specific, developable sites for years 6-10 and, where possible, for years 11-15. Where it is not possible to identify specific sites for years 11-15, broad locations for future growth should be indicated.*'
- 3.8 The requirements of paragraphs 53 to 55 of PPS3 are carried through into the Guidance, paragraph 5 of which requires LPAs to '*identify specific, deliverable sites for the first five years of a plan that are ready for development.*' Paragraph 7 of the Guidance further states that a SHLAA should '*as a minimum...aim to identify sufficient specific sites for at least the first 10 years of a plan, from the anticipated date of its adoption.*'
- 3.9 Thus, both PPS3 and the Guidance require LPAs to identify sites from the date of adoption of the relevant DPD. However, adoption of the Council's Land Allocations and City Wide Policies DPD is not scheduled to happen until November 2012⁹. The Council therefore decided to set the base date for the SHLAA study as 1 April 2008.
- 3.10 At the inception meeting, we agreed that 1 April 2008 represents an appropriate study base date. Accordingly, we have used that date as the starting point in assessing the 5 year land supply, rather than the adoption date of the Land Allocations and City Wide Policies DPD, and have assessed housing potential for each of the forthcoming periods 2008-13, 2013-18, and 2018-23. To coincide with the lifetime of the emerging Core Strategy, we have also included a fourth period which runs from 2023-26.
- 3.11 In accordance with the Guidance, the SHLAA should be regularly kept up-to-date as part of the Annual Monitoring Report exercise, so as to support the updating of the housing trajectory and the rolling 5-year supply of specific deliverable sites.

⁹ As set out in the Council's Local Development Scheme, which can be viewed online via the Council's website.

Minimum Site Size Threshold

- 3.12 The Council decided not to use a minimum site size threshold for the SHLAA study. Although we have used a minimum site size threshold in most of the other SHLAA studies that we have undertaken - usually of 0.25ha or 0.4ha - we endorse the Council's approach in this instance, given the scale of the dwelling targets and the consequent need to identify as many specific sites as possible.

Stage 2 - Sources of Potential Housing Sites

- 3.13 PPS3 sets a clear expectation that the supply of land for housing should be based upon specific sites and, where necessary, broad locations. Figures 4 and 5 of the Guidance provide a list of possible sources for identifying potential housing sites. The list includes sites that are already in the planning process as well as sites that are not currently in the planning process. In compiling its initial list of potential housing sites, the Council drew upon the sources listed in Figures 4 and 5, broadening it slightly to include low quality/low value open space sites (utilising the findings of the Liverpool Open Space Study).

Stage 3 - Desktop Review of Existing Information

- 3.14 Having compiled an initial list of potential housing sites using the sources referred to above, Council officers removed all duplicates (that is, sites which had been identified from multiple sources), which left 2,070 sites. The vast majority of these sites were then visited by officers and any that were considered to have no realistic prospects for housing were stripped out; the main reasons for excluding sites are as follows:
- i) the site's shape or size precludes development for housing;
 - ii) the site had been developed for non-residential uses since it was identified, or was under construction or committed for non-residential use;
 - iii) the site is wholly within an industrial or commercial area;
 - iv) access to the site can only be achieved through a wholly industrial or commercial area;
 - v) the site is landlocked, with no apparent means of achieving a suitable access;
 - vi) bad neighbour uses (for instance, gas works) represent a severe/insurmountable constraint;
 - vii) the site is ancillary to an adjoining use (for instance a car park, storage or amenity space), where there appears to be no prospect of the main use ceasing;
 - viii) there is a strong case for retaining the site as a green space (taking account of the site's classification in the Open Space Study);
 - ix) the site is located within the Green Belt; and
 - x) the site's development would result in highway safety issues.
- 3.15 The effect of including any sites which are affected by one or more of the constraints listed above would be to artificially inflate the theoretical dwelling potential identified by the study. In our assessment, the criteria applied by the Council for the purposes of excluding unrealistic sites are comprehensive and reasonable.

- 3.16 After applying the filters described above, the initial list of potential housing sites was reduced to 1,129. We were supplied with this list upon appointment and reviewed the sites using information from various sources and our own follow-up site visits in July and August 2009. As a result of that exercise we suggested the removal of approximately 50 sites which we considered to have no realistic prospects for housing use, and we split up some large sites into several smaller parcels. We also added a small number of sites to the list which had planning permission for residential use at the study base date, where intelligence suggests that the permission will not be implemented¹⁰.
- 3.17 The final, agreed list of potential housing sites - after undertaking the various exercises described above - contains 1,117 sites. Detailed information in relation to the 1,117 sites is contained in our Microsoft Access sites database, which is described in Appendix 11, and each of the sites is represented as a 'polygon' (i.e. an area with boundaries) on an OS base map in our associated MapInfo GIS. Only about 10 per cent of the sites in the list are greenfield¹¹.
- 3.18 As noted above, the agreed list does not include any sites that are within the Green Belt. This is because Green Belt is a nationally important policy designation, and should only be deleted where there is very strong justification. If sufficient housing supply can be achieved from other sources, then there would be limited (or no) realistic prospect of sites in the Green Belt being released.
- 3.19 Annex C to PPG2 does allow the redevelopment of PDL in the Green Belt, but only in the case of 'major developed sites', and redevelopment is limited to an area equivalent to the existing built footprint¹². Paragraph C1 of Annex C provides a range of examples of major developed sites, including factories, collieries and power stations. However, only three Green Belt sites were suggested in the call for sites exercise, none of which are 'major developed sites'; two are large areas of vacant greenfield land (agriculture, woodland and open space), and the other site is also greenfield (a golf driving range). We are not aware of any other available, major developed sites in the Liverpool Green Belt.
- 3.20 The contribution to the housing supply of sites with planning permission for residential use at the study base date is assessed through separate analysis, as detailed in Section 4 of our report. These 'committed' sites therefore do not feature in our database, although it is important to note that some of the sites in the database might have been granted planning permission for residential use since the study base date of 1 April 2008. This issue will be addressed through the first annual update of the study.

¹⁰ Details of this exercise are provided in Section 4. For the avoidance of doubt, we can confirm that there is no double-counting because the aforementioned sites were removed from the planning commitments schedule.

¹¹ Officers classified sites either as brownfield or greenfield. It is of course possible that some sites will contain a mix of previously developed and greenfield land, but the Council's assessment is sufficient for the purposes of this strategic study because it is based on the sites' predominant characteristics.

¹² See paragraphs C4 and C5 of Annex C to PPG2.

Stage 4 - Determining Which Sites and Areas Will Be Surveyed

- 3.21 As we explained above, the area of search for potential housing sites was agreed in Stage 1 of the study, which is more logical than waiting until Stage 4 as recommended by the Guidance.

Stage 5 - Carrying Out the Assessment

- 3.22 The Council recorded site characteristics and various other information for each of the 1,117 assessment sites through a combination of desk-based research and site visits. We reviewed the Council's data early in the study and suggested ways in which a few small information gaps could be filled. Council officers duly addressed these issues; the final information provided by the Council includes:
- site size in hectares and basic identifier information such as site name/address, ward, and sources/references;
 - current land uses both at the site and in the surrounding area;
 - the surveyor's assessment of what proportion of the site is available for development, taking account of any on-site permanent features;
 - details of any obvious physical constraints in relation to site access, drainage, ground conditions, and so on;
 - bad neighbour uses, and the surveyor's assessment of the severity of the constraint;
 - details of anything that might affect availability;
 - the surveyor's initial assessment of the site's suitability for housing; and
 - the surveyor's assessment of the most appropriate housing type (houses or flats).
- 3.23 It is important to emphasise that in a strategic study like this, it is not possible to assess physical constraints, availability and deliverability/viability in particular detail. In assessing sites we have therefore necessarily focused on obvious constraints, taking account of the information supplied by the Council.
- 3.24 Using the information described above, we subjected all of the sites in the database to a comprehensive assessment against various 'suitability', 'availability' and 'achievability' criteria, as detailed in Appendix 4. The assessment criteria are closely related to the criteria referred to on pages 16 and 17 of the Practice Guidance. Our assessments thus provide a good indication of each site's performance against a broad number of important measures.
- 3.25 As we explain more fully in Appendix 4, we took account of 'core' suitability constraints in the assessment exercise relating to biodiversity/nature conservation and flood risk¹³. This is not to say that the constraint could not be overcome, but the core constraints are likely

¹³ We have reflected the clear sequential approach in PPS25 in our categorisation of sites, and any land within Zone 3b ('the Functional Floodplain', which is not suitable for housing) was excluded from the study on that basis. Furthermore, although we have not considered any sites in the Green Belt, we have retained this assessment criterion in the database in case the Council chooses to add in Green Belt sites at a future date.

to delay the site coming forward until such time as it is possible, or worthwhile, to overcome the constraint.

- 3.26 In assessing the availability of sites, we also took account of anything that might affect availability, using known information. Sites held by a developer/willing owner/public sector - for instance, call for sites submissions, and sites being actively marketed - and sites where it is known that pre-application discussions are underway, fared better in the assessment than sites with established multiple uses or where there is thought to be particularly complex/multiple ownership.
- 3.27 Our approach to assessing the 'achievability' of each site is detailed below under Stage 7. Through our assessments of suitability, availability and achievability, each site was placed into one of three 'Category' bands¹⁴. The overall categorisation of a site therefore depends on the particular combination of constraints affecting it. The database provides a summary of the reasons explaining why each site has been assigned to a particular Category band. Thus, it is immediately apparent from looking at the database whether a site is affected by particular constraints and, hence, what sort of intervention will be required in order to make the sites deliverable.
- 3.28 PPS3 gives clear priority to housing on PDL rather than on greenfield sites¹⁵. However, greenfield and brownfield development can be regarded as complementary and the contribution of both will be required in order to meet projected demand in the long-term. We have therefore not made PDL/greenfield status a criterion for categorising sites, but have separately identified the theoretical dwelling yield from each land type to allow us to examine their respective roles in meeting overall dwelling targets.
- 3.29 It will be for the City Council to determine the relative merits of the various sites for housing development through preparation of its LDF, in the context of its wider strategic and policy priorities.

Stage 6 - Estimating the Housing Potential of Each Site

- 3.30 In order to assess the number of dwellings that could theoretically be provided at each site, we took account of permanent features, appropriate gross to net ratios¹⁶ and a 'mixed use ratio' to reflect any non-residential uses that the site is likely to accommodate. Our approach is detailed more fully in Appendix 11, which provides a comprehensive overview of our sites database.
- 3.31 As a matter of course in SHLAA studies we also reduce the gross area of any sites that are partially covered by SSSIs or Flood Zone 3b, although very little of the City is covered by these designations and so we only had to reduce the developable area of a limited number of sites in the Liverpool SHLAA as a result.

¹⁴ Our definitions match those specified in paragraphs 54 and 55 of PPS3, which are carried through into paragraphs 5 and 33 of the SHLAA Practice Guidance.

¹⁵ See para 36 of PPS3.

¹⁶ The gross to net ratios are derived from 'Tapping the Potential' (DETR 2000), adapted by RTP to reflect our experience around the country, and the particular characteristics of Liverpool.

- 3.32 Having identified the net developable area of each site, we then applied the densities specified in Table 3.1 below. Appendix 5 provides full details of the justification for the specific densities, but we would make the point here that the densities assumed in this study are conservative in comparison to recent densities that have been achieved in the City. With the looming Code for Sustainable Homes (CSH) Level 3 & 4 implications on build cost, and an inability to project much further than 5 years in housing market terms, it may be that higher densities will be achieved in the future, after the market has recovered. However, our view - which is shared by most commentators - is that the current market will not change materially for 4-5 years and that any assumptions on a greater achievable density therefore amount to speculation and cannot be relied upon. We would strongly urge the Council to regularly monitor market conditions, which will provide an updated view of the housebuilding industry and potential rises in densities, both in the core areas and in more suburban locations.

Table 3.1 Density Rates Used in the Liverpool SHLAA

Site Location Characteristics	Density (dph net)
Identified as appropriate for flats and located in Liverpool City Centre	165
Identified as appropriate for flats and located outside of the City Centre	100
Identified as appropriate for a mix of houses and flats	53
Identified as appropriate for houses	36

- 3.33 For traditional housing sites, the database allows the user to apply various other density rates (from 30 to 70 dph). Whilst we have not applied any of these alternative rates to any of the sites in the database, we have incorporated this functionality to enable the Council to undertake sensitivity testing, or to update the study using different assumptions.
- 3.34 The housing capacity of the sites in our database was therefore calculated on the following basis:
- $$\text{Gross site area} \times \text{permanent features factor} \times \text{gross to net factor} \times \text{mixed use factor} \times \text{density}$$
- 3.35 It should be emphasised that in many cases we have specific information with regard to likely yield figures (for example, from masterplans and call for sites submissions). Where this is the case we have reviewed the number of dwellings proposed for the development and - provided the resultant density seems reasonable in the local context - we have used this as the expected site yield, rather than applying the standard density rates described above.
- 3.36 The dwelling yields specified in the database are theoretical and the Council would have to undertake more detailed work on the densities that are achievable at any given site, as and when it is brought forward for development. Nevertheless, we consider that the consistent approach described above is sufficient for the purposes of this strategic study.

Stage 7 - Assessing the Deliverability and Developability of Sites

- 3.37 Predicting when each site is likely to come forward for development is not an exact science. The placing of a site into one of the three Category bands is therefore intended to give a useful indication of the deliverability and potential timing of a site's development and, hence, its suitability for inclusion as an allocation in the LDF.
- 3.38 The inclusion of a site in a higher Category band should not be taken to represent a recommendation that it should be allocated in the LDF, as our categorisation process does not take account of all the policy considerations that are relevant in selecting sites for allocation. Equally, it should not be concluded that a site assigned to a lower Category band cannot come forward, or that it cannot be allocated for development. Rather, it would need to be demonstrated that the site's constraints could be overcome in order to secure its deliverability.
- 3.39 Under Stage 5 above, we explained how we assessed suitability and availability. Below, we describe the two-phase approach to assessing the 'achievability' of the 1,117 assessment sites¹⁷ that we devised for this study. The achievability assessments were led by A.P. Sheehan & Co ('APS') and were informed by our review of the local and national housing market, which is summarised in the Residential Market Commentary Paper (see Appendix 3). The Paper draws upon key themes arising from existing, valuable data sources, our own primary research, and information on the local property market obtained through consultations with local estate agents, developers and housebuilders.

First Phase Achievability Assessments

- 3.40 In the first phase, APS carried out a 'high-level' achievability assessment for all of the 304 sites in the SHLAA that are over 0.4ha in size (and some sites in the City Centre over 0.2ha), as well as a sample of 117 small sites below 0.4ha¹⁸. In total APS therefore assessed 421 sites. In order to ensure good geographical coverage of the entire City, the sample of 117 small sites included approximately 10 sites in each of the following sub-areas (which are depicted graphically on the second plan in Appendix 2):
- i) City Centre
 - ii) Inner Areas - Zones of Opportunity:
 - City Centre South
 - City Centre North
 - Wavertree
 - Stanley Park
 - iii) Remainder of the Inner Area:
 - Established residential neighbourhoods

¹⁷ These 1,117 assessment sites are over and above planning permission sites, which have been assessed through separate analysis, as described in Section 4 of our report.

¹⁸ In the City Centre, the threshold was 0.2ha.

- Other (waterfront or industrial areas)
 - iv) Outer Area - Regeneration Fringe Housing Zones:
 - Eastern Fringe North
 - Eastern Fringe Central
 - Eastern Fringe South
 - Southern Fringe
 - v) Elsewhere in the Outer Area
- 3.41 The first-phase assessments do not constitute detailed development appraisals, but they did involve consideration of the following:
- housing market issues at both the macro and micro levels; and
 - other factors which are likely to influence/affect achievability, including known information relating to land values, geo-environmental factors and physical constraints, the effect of varying affordable housing requirements, and so on.
- 3.42 We used the outputs from the achievability assessments - together with our assessments of 'suitability' and 'availability', described above under Stage 5 - to place each of the 421 main assessment sites into one of the three Category bands, as follows:
- Sites which perform well against the suitability, availability and achievability assessments, and are therefore affected by the fewest constraints, are considered to be 'deliverable' and were therefore placed into Category band 1. It is important to emphasise that for a site to achieve a Category 1 rating, it would need to be suitable, and available (or capable of being made available) within 5 years, and achievable.
 - Sites with a limited level of constraints such that they are likely to be available for delivery after the first five years were placed into Category band 2. These 'developable' sites may be suitable for development, depending on their individual circumstances and on specific measures being proposed to overcome their constraints.
 - Sites allocated to Category band 3 ('not currently developable') have more significant constraints. For these sites to be considered appropriate for development it would have to be clearly demonstrated that the significant constraints affecting these sites - which could relate to suitability, availability or achievability factors, or a combination thereof - can be mitigated or overcome to make them deliverable¹⁹.
- 3.43 For budget reasons it was not possible to undertake achievability assessments for the remaining 696 sites. The findings from the 421 achievability assessments were therefore used to extrapolate the theoretical dwelling potential of the remaining sites in each sub-area. For instance, if the achievability assessments showed that 60 per cent of the sites in a particular sub-area achieved an overall Category 1 rating, then we assumed that 60

¹⁹ The exception to this general rule is some large sites, where the likely build-out rates means that a proportion of the expected dwellings will not occur until the third (and in some cases, the fourth) study periods. In these cases the Category 3 rating is a reflection of phasing, rather than 'constraints' in the usual sense, although on the basis of current information we would still not expect these dwellings to come forward within the first 10 years.

per cent of the remaining sites in that same sub-area would also be likely to achieve a Category 1 rating. If those sites are collectively capable of accommodating 500 dwellings, then the extrapolation exercise would enable us to identify a theoretical potential of 300 dwellings from the small sites in that sub-area for which an achievability assessment was not undertaken.

- 3.44 APS assessed the achievability of each site under five affordable housing scenarios, in order to demonstrate how different approaches to affordable housing requirements could potentially affect the achievability of sites, and therefore the theoretical dwelling supply. The five 'achievability' scenarios that we considered in this study are listed below; it should be noted that the range of scenarios we tested is not exhaustive, and that in practice other permutations may arise:
- i) Scenario 1: 0 per cent of dwellings to be provided as affordable.
 - ii) Scenario 2: 5 per cent to be provided as affordable.
 - iii) Scenario 3: 15 per cent to be provided as affordable.
 - iv) Scenario 4: 25 per cent to be provided as affordable.
 - v) Scenario 5: 40 per cent to be provided as affordable.
- 3.45 The purpose of appraising achievability against various levels of affordable housing delivery is to help the City Council to meet the obligations placed upon it by PPS3, namely to assess the proportion of affordable housing that is likely to be economically viable.
- 3.46 There are a number of sites in the Zones of Opportunity which perform well in the assessments even when providing high levels of affordable housing. This is because APS assumed that if a site falls within an HMR Pathfinder area, it is subject to cleared Government funding which will allow developers to bring the site forward (in all probability to deliver them to RSLs) even at levels of 40 per cent and higher. This is not to say that APS would expect these sites to be deliverable without Pathfinder subsidy.

Second Phase Achievability Assessments

- 3.47 The second phase involved APS undertaking detailed development appraisals for a representative sample of 120 sites²⁰, this time focusing mainly on the sites that performed best in the first phase assessments. The two purposes of the second phase development appraisals are to demonstrate that APS's assumptions in the 'first phase' achievability assessments are robust, and to provide the Council with a set of representative 'templates' which can then be used as the basis for detailed assessment of any site as and when required.
- 3.48 Table 3.2 specifies the 120 sites for which a development appraisal was undertaken. The table shows, for instance, that 15 sites in sub-area 1 were appraised, including nine sites in Category band 1, three in Category band 2 and three in Category band 3.

²⁰ The 120 second-phase development appraisals should not be confused with the first-phase achievability assessments that were undertaken for a sample of 117 small sites, as described above in para 3.40.

Table 3.2 The 120 Sites for Which a Development Appraisal was Undertaken

	Sub-area												Count Across All Sub-areas		
	1	2	3	4	5	6	7	8	9	10	11	12			
Category band and SHLAA Ref.	1	2469	2467	2462	69	2396	797		958	1340	319	5	2477	11	
	1	175	1224	2466	2468	1057	2398	2406	969	1347	284	3	2478	12	
	1	531	734				1010	2290	2410	2087	308	51	2390	9	
	1	579	838	2465			1098	725	2381	122	2423	2051	2345	10	
	1	17	1213	49				1013	791	870	1549	4	2401	9	
	1		314	1078				1015	843	774	1552	65	2432	8	
	1	13	1195	994				47	776	2413	317	2082	1511	9	
	1	229	327	140				1022	1284	939		446	2378	8	
	1	171	1167	1035								170	1601	5	
	1	727		828										7	
	1													1122	1
	1													1406	1
	1													1250	1
	1													2411	1
	2	2476												307	2
	2	2450	1193	78					399	761		814	304	755	8
	2	626		387					992	968	1321	316	30		7
	2													899	1
	3	381	2416	1070		2454						1553	63	71	7
	3	1067								137			866	2481	4
3	38							2304					309	3	
Count	15	11	12	2	3	4	10	11	9	10	13	20	120		

3.49 Each of APS's development appraisals consists of a number of very wide Excel spreadsheets and so it is not possible to reproduce them as a discrete report; instead, the 120 completed appraisals have been provided to the Council as free-standing outputs. The content of the appraisals is summarised below together with details of the various inputs and assumptions.

Key assumptions/parameters

3.50 The APS appraisal model assumes that:

- i) there will be a six month lead in period before construction starts;
- ii) planning permission for residential use is already in place, or will be granted;
- iii) sites are serviced, cleared and ready for development;
- iv) construction will proceed at a rate which will enable the sale of two residential dwellings per month; and that
- v) residential sales will commence four months from the construction start date.

3.51 The appraisal model comprises three distinct parts, namely revenue, costs and the return. We describe each part in turn, below.

Revenue

3.52 All revenue figures have been calculated using average comparable evidence for the area based on current conditions, with a certain degree of flexibility for price increases in 1-2 years' time of approximately 5 per cent year on year. We consider that these conditions now can be termed 'normal', as we are no longer exposed to the credit bubble responsible for pushing land and house prices to unsustainable levels. Sales rates have been estimated under 'normal' market conditions, as have investment yields. Such figures

have been derived from discussions with developers, housebuilders, estate agents and, where required, investment agents. Affordable housing purchase rates have also been based upon current industry knowledge and have been verified through discussions with various RSLs and housebuilders. For the purposes of this exercise, we have initially assumed an equal split of one third Social Rented, one third Shared Equity and one third Discounted Market Value. Variations around this central theme are investigated and the appraisals demonstrate the effect on land value of changing the proportions of tenure type.

- 3.53 We have included a notional figure for apartment and house ground rents. In reality these ground rents vary from scheme to scheme, but we have kept ours constant for the purposes of uniformity. Commercial rents have been taken from market evidence.
- 3.54 With regard to house types, we have assumed standard 650 sq.ft for 2-bed apartments, the most common size developed in the recent past in our experience. We have also taken a standard 450 sq.ft for 1-bed apartments. On the basis of market evidence, we have not assumed any 3-storey town houses, as they will be avoided by most housebuilders for the foreseeable future. We have taken a standard 3-bed house at 950 sq.ft and a 4-bed at 1,150 sq.ft. In reality, these sizes will be altered on a site by site basis, dependant on developer and market demand. Unit densities are based upon current industry acceptance; as the industry has shunned high-density schemes, the vast majority of housebuilders are determined to revert to the production of lower density semi-detached and detached schemes at an average of 14.5 units per acre (approximately 36 dwellings per hectare).
- 3.55 For private/market dwellings, sales values have been imputed at a rate of £175.00 per sq.ft (£1,883.37 per sq.m) for 3-bed dwellings and £170 per sq.ft (£1,829.88 per sq.m), unless otherwise stated.

Costs

- 3.56 The following development costs and professional fees have been assumed, based on wide-ranging market knowledge and first-hand experience, as well as consultation with both agents and developers:
- i) a residential all-in build cost of £73.00 per sq.ft (£785.77 per sq.m). Such costs reflect a traditional mode of construction (i.e. non timber framed method). Said construction costs are based upon traditional strip foundations 1m down with ground bearing slabs and no gas precaution measures incorporated;
 - ii) a commercial build cost (typically ground floor retail to shell and core) of £65.00 per sq.ft; and
 - iii) the cost associated with Level 3 of the Code for Sustainable Homes is calculated at £7 per sq.ft over and above the standard build cost. This is also applied to apartments and is based on direct evidence from housebuilders, using recent QS quantum measure across a sample size of various units.

3.57 Fees are based upon the accepted current industry norm, as follows:

- i) stamp duty at 4 per cent;
- ii) agent's fees at 1 per cent, legal fees at 0.5 per cent;
- iii) VAT on stamp duty - usually associated with brownfield land (15 per cent);
- iv) Section 106 costs, based on Liverpool City Council requirements;
- v) an assumed gross-to-net ratio of 15 per cent on 3-4 storey apartment schemes and 20 per cent for larger apartment schemes/refurbishments;
- vi) geo-environmental abnormals estimated based on industry experience and some knowledge of an individual site's former use. Such costs are only estimates and will undoubtedly be subject to considerable change, upon production of a phase 2 environmental report;
- vii) at this point no account has been taken of greenfield run off rates for surface water storage, required on the basis that quantum requirements are now being sought irrespective of existing run off;
- viii) a developer's contingency of 5 per cent on construction costs has been assumed on every site;
- ix) professional fees as a percentage of construction costs and based on current housebuilding industry norms; and
- x) all sale agents' promotion/marketing fees and so on are set to industry norms throughout the appraisals and do not change.

Financial returns

3.58 The financial return assumes an interest rate of 7 per cent, a figure which is of a punitive nature and current industry standard. As the economy recovers and interest rates rise, banks will once again be tempted to lend and will become more competitive with their rates. We therefore believe that, because of the two equalising forces, a rate of 7 per cent will remain fairly constant during the short-medium term period.

3.59 The appraisals have been calculated to provide a return of 24-25 per cent as a gross margin on revenue. This is seen as the generally accepted industry standard in this part of the economic cycle, but will be one of the inputs which will require updating annually. Gross margin on cost figures are also automatically calculated, as some smaller housebuilders occasionally utilise this figure. Return on capital employed (ROCE) is also used by certain housebuilders and is also featured in the appraisals, in order to provide a thorough picture.

3.60 The APS development appraisal model enables the user to vary the proportion of affordable housing included within any given scheme and, together with adjustments to the land value, allows a margin of 24-25 per cent to be created. The level of residual land value in relation to alternative use values determines the overall viability of a scheme at differing affordable housing levels and tenures.

How we have used the appraisals

- 3.61 In the vast majority of cases, APS's development appraisals verify the high-level achievability assessments undertaken in the first-phase. In a small number of instances, the development appraisals have resulted in the reclassification of sites between Category band. Usually, although not exclusively, the direction of travel was downwards. For instance, some sites were assessed as being borderline Category 1 in the first-phase achievability assessments, but the more detailed appraisals showed that the site cannot be considered 'achievable' within the first 5 years, and so these sites have been reclassified as Category 2. Note, however, that such changes were in the minority, and do not warrant a general downgrading of sites; the most common position was that the initial work was robust and so the default action following the development appraisals was no change to the initial assessment.
- 3.62 One pattern that did emerge from the development appraisals was that city centre flats have been shown to be less deliverable than first thought; for this reason, these sites were re-examined in more detail and many have been downgraded to lower Category bands.
- 3.63 The development appraisals have also been valuable in establishing the densities which are likely to be achievable, and assumed yields on some sites have been changed in the light of the findings from the appraisals. A particularly important finding that emerged from the appraisals was that, in most cases, development at over 36dph on traditional housing sites is not achievable. This reflects the fact that most housebuilders are looking to develop traditional family homes and the reality that finance for high-density development has all but dried up.

Assessing When Sites are Likely to be Developed

- 3.64 As explained above, our assessments of suitability, availability and achievability enabled us to categorise each of the 421 main assessment sites as 'deliverable', 'developable' or 'not currently developable'²¹. This information is displayed clearly on the main screen in the sites database.
- 3.65 There are ten sites in the database which have a theoretical yield of 300+ units (some of which have been divided into more than one parcel for the purposes of our assessment). At present, the maximum achievable build-out rate for traditional housing sites is around 60 dpa and so for most of the sites we have assumed that it will not be possible to deliver more than 60 units per year. In some cases - such as Liverpool Waters and other sites earmarked to provide an element of apartments, which can be built at a faster rate than traditional housing - the expected rate of delivery is greater and so we have made appropriate allowances.
- 3.66 Table 3.3 below provides an indication of when the ten large SHLAA sites might be delivered. It should be noted that the information in the table is essentially just a measure

²¹ We are not able to place the remaining 696 assessment sites into one of the three Category bands, because they were not subjected to an achievability assessment.

of the sites' availability; it is possible that a site may be listed in the table as appropriate for the first five year phase but under some achievability scenarios will not be rated as Category 1 owing to suitability and/or achievability criteria.

Table 3.3 Phasing of Large SHLAA Sites

Site	SHLAA Ref.	SHLAA Study Period			TOTAL
		First Five Years (2008-13)	Second Five Years (2013-18)	Final Eight Years (2018-26)	
Liverpool Waters	2450, 38, 626, 2451, 2452, 83	0	0	4,150	4,150
Liverpool Garden Festival Site	444, 2513, 2514	400	400	574	1,374
Garston Dock Estate	2473, 2520	0	300	466	766
Norris Green Boot Estate	958, 2515, 2524	300	300	91	691
Buildings at St. Anne's Street	2466, 2517	250	250	0	500
Islington Regeneration Framework Area	2469, 2516	250	250	0	500
Blackstock Street	78, 2518	241	241	0	482
Everton FC	2454, 2519	0	210	210	420
Leeds Street / Vauxhall Road, L3	2288	0	0	356	356
Heaps Rice Mill	2491, 2523	180	175	0	355
Easby Estate	421, 423, 740, 1064, 1066, 1067	200	150	0	350
Welsh Streets	2467, 2526	110	225	0	335
TOTAL		1,931	2,501	5,847	10,279

4 STUDY FINDINGS

Introduction

4.1 In this section we provide the results from the study and assess whether, and how, the RSS dwelling targets can be achieved. We also assess whether the ambition for a higher level of growth under the Growth Point initiative can be achieved. In summary, our approach is to:

- identify the 5, 10, 15 and 18-year dwelling targets, taking account of any under-provision against the RSS dwelling targets since the RSS base date of 1 April 2003, and allowing for planned future demolitions;
- identify the supply from housing commitments;
- establish the potential supply from Category 1 ('deliverable'), Category 2 ('developable') and Category 3 ('not currently developable') sites; and
- assess whether the identified supply from outstanding planning commitments and the 1,117 further, specific sites that we have assessed in the SHLAA is sufficient to meet the 5, 10, 15 and 18-year dwelling targets.

Dwelling Targets

Consideration of Under-Provision Against the RSS Dwelling Targets Since 1 April 2003 (the RSS Base Date)

- 4.2 It is necessary to take account of any under-provision against the RSS dwelling targets since the RSS base date of 1 April 2003. This is because paragraph 5(i) of the CLG's advice note entitled 'Demonstrating a 5 Year Supply of Deliverable Sites' (12 April 2007)²² states that in order to identify the level of housing provision to be delivered over the following 5 years, LPAs should use provision figures in adopted development plans, '*adjusted to reflect the level of housing that has already been delivered*'.
- 4.3 Table 7.1 of the adopted RSS sets a target for Liverpool of 35,100 dwellings (net of clearance replacement) for the period 2003 to 2021, equating to an average net gain per annum of 1,950 dwellings. Completions data and clearance figures supplied by the Council show that 7,880 net additional dwellings were delivered across Liverpool between 1 April 2003 and 31 March 2008. This translates to a shortfall of 1,870 dwellings compared to the RSS target, as shown in Table 4.1 below.

²² http://www.planning-inspectorate.gov.uk/pins/advice_for_insp/advice_produced_by_dclg.htm

Table 4.1 Under-provision Against the RSS Dwelling Targets Between the Base Date of the Adopted RSS (1 April 2003) and the SHLAA Base Date (1 April 2008)

Year	Gross Dwg Completions	Total Demolitions	Net Dwg Completions	RSS Dwgs/Yr Target	Shortfall Against the RSS Dwgs/yr Target
2003-04	3,110	1,562	1,548	1,950	-402
2004-05	2,054	829	1,225	1,950	-725
2005-06	2,999	1,482	1,517	1,950	-433
2006-07	3,041	937	2,104	1,950	154
2007-08	2,234	748	1,486	1,950	-464
Total	13,438	5,558	7,880	9,750	-1,870

Note: Negative figures in the right-hand column indicate a shortfall against the RSS targets, whereas positive figures denote that the target was achieved.

4.4 Given prevailing market conditions, we do not consider it appropriate or realistic to apportion the shortfall of 1,870 dwellings wholly to the first five-year study period. Through discussion with Council officers it was therefore agreed that we would apportion the shortfall equally across the remaining 13 years of the RSS plan period, as follows:

- 719 dwellings allocated to the 2008-13 period: $(1,870/13)*5$
- 719 dwellings allocated to the 2013-18 period: $(1,870/13)*5$
- 432 dwellings allocated to the 2018-21 period: $(1,870/13)*3$
- TOTAL: 1,870 dwellings allocated to the 2008-21 period

Planned Future Demolitions

4.5 The City Council advised that the following demolitions are planned²³ for the 5, 10, 15 and 18-year SHLAA study periods:

Table 4.2 Planned Demolitions

Study Period	Planned Demolitions
2008-2013	2,936
2013-2018	1,190
2018-2023	414
2023-2026	0
Overall 2008-26 Study Timeframe	4,540

4.6 It is possible that further, as yet unplanned demolitions could take place, although we have necessarily allowed only for the planned demolitions when establishing the 5, 10, 15 and 18-year dwelling targets.

²³ By 'planned' we mean those demolitions which are in known programmes.

Dwelling Targets, Reflecting Under-Provision Since 2003 and Allowing for Likely Future Demolitions

- 4.7 The RSS sets a target of 1,950 net additional dpa in Liverpool. The ambition for the Mersey Heartlands New Growth Point (NGP) is to achieve a level of housing growth that is 20 per cent greater than the dwelling targets set by the RSS; this equates to a level of housing growth in Liverpool of 2,340 dpa over the period 2008-17, an increase of 390 dpa in relation to the RSS target of 1,950 dpa.
- 4.8 As we explained in Section 2, it was agreed that we would work to the City-wide dwelling targets for the purposes of the SHLAA, rather than attempting to apportion the growth to the various sub-areas on the basis of distributions that have not yet been agreed. Instead, our work has identified the potential from the various sub-areas (City Centre, Inner Area and Outer Area); this evidence can be used to establish appropriate distributions.
- 4.9 The City-wide dwelling targets for each study period - taking account of under-provision between 2003 and 2008 as well as planned demolitions, apportioned equally across the remaining 13 years of the RSS plan period - are therefore set out in Tables 4.3 ('RSS Scenario') and 4.4 ('RSS+NGP Scenario') below.

Table 4.3 Dwelling Targets ('RSS Scenario')

2008-13				
Raw Dwg Target	Allowance for Under-Provision Since 2003	Allowance for Demolitions	Adjusted 5-Year Dwg Target	Cumulative 5-year Dwg Target
9,750	719	2,936	13,405	13,405
2013-18				
Raw Dwg Target	Allowance for Under-Provision Since 2003	Allowance for Demolitions	Adjusted 5-Year Dwg Target	Cumulative 10-year Dwg Target
9,750	719	1,190	11,659	25,064
2018-23				
Raw Dwg Target	Allowance for Under-Provision Since 2003	Allowance for Demolitions	Adjusted 5-Year Dwg Target	Cumulative 15-year Dwg Target
9,750	432	414	10,596	35,660
2023-26				
Raw Dwg Target	Allowance for Under-Provision Since 2003	Allowance for Demolitions	Adjusted 5-Year Dwg Target	Cumulative 18-year Dwg Target
5,850	0	0	5,850	41,510

* The figures in the table are based on the target set by the approved RSS of 1,950 net additional dwellings in Liverpool over the period 2003-21; we have assumed that the annual target will continue until the end of the Core Strategy (i.e. 2026).

Table 4.4 Dwelling Targets ('RSS+NGP Scenario')

2008-13				
Raw Dwg Target	Allowance for Under-Provision Since 2003	Allowance for Demolitions	Adjusted 5-Year Dwg Target	Cumulative 5-year Dwg Target
11,700	719	2,936	15,355	15,355
2013-18				
Raw Dwg Target	Allowance for Under-Provision Since 2003	Allowance for Demolitions	Adjusted 5-Year Dwg Target	Cumulative 10-year Dwg Target
11,310	719	1,190	13,219	28,574
2018-23				
Raw Dwg Target	Allowance for Under-Provision Since 2003	Allowance for Demolitions	Adjusted 5-Year Dwg Target	Cumulative 15-year Dwg Target
9,750	342	414	10,506	39,080
2023-26				
Raw Dwg Target	Allowance for Under-Provision Since 2003	Allowance for Demolitions	Adjusted 5-Year Dwg Target	Cumulative 15-year Dwg Target
5,850	0	0	5,850	44,930
* The figures in the table are based on the New Growth Point target for Liverpool of 2,340 dpa in the period 2008-17, and the target set by the approved RSS of 1,950 dpa in the remaining years (we have assumed that the annual RSS target will continue until the end of the Core Strategy i.e. 2026).				

- 4.10 The figures contained in the fourth column of Tables 4.3 and 4.4 are those that we work to when assessing whether there are sufficient deliverable and developable sites to meet the City's dwelling targets. In summary, under the 'RSS Scenario', 41,510 additional dwellings will have to be provided across the City over the next 18 years, after allowing for the under-provision against the RSS dwelling targets between 2003 and 2008, and for planned demolitions. The 18-year target rises to 44,930 dwellings under the 'RSS+NGP Scenario'.

Supply from Housing Commitments

What Are Housing Commitments?

- 4.11 Housing 'commitments' comprise dwellings with full or outline planning permission. Because the latest comprehensive data on residential commitments supplied by the Council relate to a base date of 1 April 2008, it should be noted that some of the permissions at the study's base date may now be partly or fully completed. This is unavoidable, however, and can be dealt with when the study is updated.
- 4.12 It is reasonable to assume that not all of the commitments in the schedule will be implemented and so we consider that there is a need to apply a non-implementation rate (any failure of specific commitments to be taken up can be dealt with through routine monitoring and supply management). Furthermore, if there are any large permissions where a substantial number of dwellings have not been started or completed (for example, over 300), then care would have to be taken because implementation of these

permissions may potentially extend beyond five years. Housing production on such sites would need to be carefully monitored and sufficient appropriate allocations would need to be included in the LDF to allow for the possibility that they may not generate their full supply within the first five years. We cover both of these issues, below.

All Housing Commitments at the Study Base Date

- 4.13 The Council's schedule of outstanding commitments showed that in total there was extant permission for 22,558 dwellings on 460 sites across the City at the study base date. These dwellings were either un-commenced or started but not completed at the study base date, and could therefore potentially form part of the City's future housing supply.
- 4.14 Earlier this year, the Council undertook an extensive consultation exercise with land owners, developers and other interested parties, in order to ascertain the realistic supply from outstanding housing commitments (i.e. those which are likely to be implemented in accordance with the planning permission). The information gathered through this consultation was then supplemented by the Council's own knowledge and intelligence, providing a more accurate picture of the number of outstanding commitments that should be taken into account as part of the SHLAA assessment. This analysis enabled each commitment to be placed into one of five 'groups', as follows:
- **'Known' Commitments (12,797 dwellings)** - this group comprises commitments which, according to the latest intelligence, are likely to be implemented (for example, the developer has made clear its intention to implement the planning permission).
 - **'Part' Commitment (96 dwellings)** - it is known that the commitment for 1,800 dwellings at Queens Dock/Kings Dock will not be implemented in full, and instead will only deliver 96 dwellings. This is the only commitment that fell within this group.
 - **'Presumed' Commitments (4,687 dwellings)** - this group comprises commitments where there is no evidence to suggest that they will not be developed in accordance with the planning permission. Although we still treat these as commitments for the purpose of the SHLAA, we consider that there is a need to make an allowance for non-implementation of a proportion of these dwellings (as discussed further, below).
 - **'Unlikely' Commitments (2,154 dwellings)** - the analysis of outstanding commitments described above identified 22 sites (yielding 2,154 dwellings) which are 'unlikely' to be implemented in accordance with the planning permission. However, these 22 sites may still be suitable for some form of residential development, and so they have been removed from the list of commitments, and assessed in the same manner as all other sites in the SHLAA (i.e. those without planning permission).
 - **Sites which are no longer available for residential development (959 dwellings)** - our analysis of outstanding commitments showed that there were 959 dwellings on 15 sites which will definitely not be delivered. These sites are no longer available for residential development because they are known to now have permission for non-residential uses.
- 4.15 We assume that the number of dwellings built will be as given in the latest permission, although it is possible that these will be superseded by further approvals on the same sites.

Allowance for Non-Implementation of 'Presumed Commitments'

- 4.16 It is reasonable to assume that not all of the 'presumed' commitments (i.e. those where the Council was unable to verify the likelihood of implementation) will be delivered, particularly given the current downturn in the market. This has been acknowledged by Council officers, and so to ensure a robust approach we consider that there is a need to make an allowance for non-implementation of a proportion of the 4,687 dwellings in this group. Applying a 'non-implementation rate' will ensure that the City's housing supply is not over-reliant on extant planning permissions, which may not all progress in practice.
- 4.17 We therefore applied a 20 per cent non-implementation rate to the 4,687 'presumed' commitments. Although this is higher than past levels of non-implementation, we consider this to be appropriate given the severity of the current downturn in the housing market. We potentially could have applied a more severe non-implementation rate although, as explained above, our analysis has identified a number of permissions from the other categories which will not be (or are unlikely to be) delivered. After applying the 20 per cent non-implementation rate, the total realistic housing supply from the 'presumed commitments' stands at 3,750 dwellings.

Total Realistic Housing Supply from Commitments at the Study Base Date

- 4.18 Taking into account all of the above, the total realistic housing supply from outstanding commitments across Liverpool at the study base date stands at **16,643 dwellings**. This is the figure that we have used for our analysis; for the avoidance of doubt, it comprises the following:
- **12,797 'known' commitments** (where the Council's research suggests that these dwellings are likely to be delivered), of which 3,165 dwellings are in the City Centre, 7,274 dwellings are in the Rest of the Inner Area, and 2,354 dwellings are in the Outer Area (the geographical extent of the Inner and Outer Areas is defined below);
 - **96 'part' commitment** at Queens Dock/Kings Dock in the City Centre (the Council is aware that only 96 dwellings out of the 1,800 committed will be delivered); and
 - **3,750 'presumed' commitments** (after making an allowance for non-implementation), of which 1,694 dwellings are in the City Centre, 1,607 dwellings are in the Rest of the Inner Area, and 577 dwellings are in the Outer Area.
- 4.19 The figure of 16,643 dwellings equates to approximately 74 per cent of the original 'commitments' figure of 22,558 dwellings.
- 4.20 For the tables in the remainder of this section, we have identified the likely timescales for delivery of the 16,643 committed dwellings. At present, the maximum achievable build-out rate for traditional housing sites is around 60 dpa and so we have assumed that any commitments with 300 or more units outstanding at the study base date will not be fully built-out within five years. After stripping out the 'unlikely' commitments and updating the details of the Queens Dock/Kings Dock scheme, the commitments schedule contains 14 sites with 300+ units outstanding at the base date.
- 4.21 In most cases we do not have detailed phasing information for the 13 large commitments and so we have apportioned the outstanding dwellings equally between the first 5-year

period (2008-13) and the second 5-year period (2013-18)²⁴. We do have more detailed phasing information for two of the sites, as follows:

- Phases 1, 2 and 3 The Boot Estate Regeneration, Norris Green: 572 dwellings outstanding at the study base date. Information supplied by the Council indicates that 400 of the outstanding dwellings will be completed within the first 5-year study period, meaning that the remaining 172 dwellings should be apportioned to the second 5-year period.
- Central Docks: permission for 1,850 apartments, uncommenced at the base date. This site is the part of Liverpool Waters which already had planning permission at the study base date. The latest information supplied by Peel's planning consultant is that delivery of Liverpool Waters will not commence until 2014. The 1,850 dwellings at Central Docks could all theoretically be delivered in the second 5-year study period because Peel anticipates an average annual provision of around 500 dpa. Our understanding is that Peel's delivery rate of 500 dpa is for all of its sites combined and so, in reality, full delivery of the 1,850 dwellings at Central Docks may extend into the third 5-year period; however, this issue can be monitored over time. The 500 dpa rate is significantly higher than the 60 dpa maximum delivery rate currently achievable on traditional housing sites, but this is reasonable given that the Central Docks permission consists exclusively of flats, which can be built at a faster rate than traditional housing.

4.22 The assumed phasing for the 13 planning permission sites with 300+ units outstanding at the study base date is summarised in Table 4.5. The table shows that the 13 sites collectively account for just under half of the total supply from commitments (that is, 7,742 dwellings from 16,643).

²⁴ For the Anfield/Breckfield Road HMRI Regeneration Area, we have taken a slightly different approach, assuming a delivery rate of 80 dpa. This is slightly higher than the 60 dpa rate that we have assumed for other housing sites, reflecting its status as a large HMRI site where funding is more secure than with privately funded schemes. This approach gives 400 dwellings for each of the first and second 5-year periods, and 500 dwellings for the third 5-year period.

Table 4.5 Assumed Phasing for Commitments with 300+ Units Outstanding at the Study Base Date

Commitment	Sub-Area	SHLAA Study Period			TOTAL DWGS
		First 5-Years (2008-13)	Second 5-Years (2013-18)	Third 5-Years (2018-23)	
Paradise Street Development Area	City Centre	600	-	-	600
Land to South of Newington BTW, Back Bold Street and Rear of Renshaw Street	City Centre	189	189	-	378
Area South of Mann Island	City Centre	376	-	-	376
Princes Dock/Site 7	City Centre	181	181	-	362
Great George Street Development Area		158	158	-	316
Central Docks	Rest of Inner Area	-	1,850	-	1,850
Anfield/Breckfield HMRI Regeneration Area	Rest of Inner Area	400	400	500	1,300
Great Homer Street Shopping Centre (Jennifer Project)	Rest of Inner Area	241	240	-	481
Land Bounded by Smithdown Road/Webster Road/Spekeland Road	Rest of Inner Area	225	225	-	450
Land and Buildings at Edge Lane	Rest of Inner Area	192	192	-	383
Land Bounded by Sefton Street/Parliament Street/Stanhope Street/Caryl Street	Rest of Inner Area	187	187	-	374
Wavertree HMRI Regeneration Area	Rest of Inner Area	150	150	-	300
Phases 1, 2 and 3 The Boot Estate Regeneration, Norris Green	Outer Area	400	172	-	572
TOTAL		3,299	3,944	500	7,742

4.23 In summary, our phasing work indicates that:

- there is a realistic, outstanding supply from planning commitments of 16,643 dwellings;
- some 12,199 of the 16,643 outstanding dwellings are expected to come forward within the first five years (2008-13);
- a further 3,944 units are likely to follow in the second five years (2013-18); and
- the remaining 500 dwellings from outstanding permissions are expected to come forward in the third five years (2018-23).

Theoretical Dwelling Supply from the 1,117 SHLAA Sites

4.24 We have identified the theoretical dwelling supply from the 1,117 SHLAA sites, under each of the five achievability scenarios described in Section 3. Below, we provide three tables for each achievability scenario, containing the following information:

- The first table details the number of sites assigned to Category bands 1-3 and their potential combined dwelling yield, focusing on the 421 sites for which an achievability assessment was undertaken. The yield from each Category band is further classified as PDL or greenfield²⁵.
- The second table identifies the dwelling supply from sites in the following parts of the City:
 - The 'City Centre', which is a subset of the Inner Area (described below).
 - The 'Inner Area', which equates to the part of the NewHeartlands HMR Pathfinder in Liverpool, as defined by the RSS. It therefore encompasses all four of the HMRI 'Zones of Opportunity' in Liverpool (City Centre North, City Centre South, Stanley Park, and Wavertree), as well as the North Liverpool AAP area.
 - The 'Outer Area', which is the rest of the City outside of the Inner Area. It covers the four Housing SPD 'Fringe Areas' - Eastern Fringe (North), Eastern Fringe (Central), Eastern Fringe (South) and Southern Fringe - as well as the more suburban areas between the Inner Area and the Fringe Areas.
- The third table identifies the dwelling yield from the 696 small sites for which an achievability assessment was not undertaken, again broken down by Category band²⁶ and with the supply from the three sub-areas of the City identified separately.

4.25 The 15 tables contain a lot of information, but in summary they show that:

- The 421 sites for which an achievability assessment was undertaken could potentially yield around 25,400 dwellings (about 85 per cent of the total from the 1,117 assessment sites).
- The remaining 696 small sites could potentially yield around 4,600 dwellings (15 per cent of the total from the 1,117 assessment sites).
- The 1,117 assessment sites could therefore potentially provide around 30,000 dwellings. Of these, just under two-thirds (approximately 19,500 dwellings) are within the Inner Area.
- Just under 90 per cent of the yield from the 1,117 assessment sites is on PDL.
- The proportion of sites rated as Category 1 is around 43 per cent under Achievability Scenario 1 ('0 per cent affordable'). This decreases to a low of approximately 25 per cent under the more onerous Achievability Scenario 5 ('40 per cent affordable').
- Similarly, the proportion of sites rated as Category 3 is around 34 per cent under Achievability Scenario 1, rising to a high of approximately 54 per cent under Achievability Scenario 5.

²⁵ Some sites contain a mix of greenfield and previously developed land. In these cases we have classified the site according to its predominant characteristic.

²⁶ Because an achievability assessment was not undertaken for these sites, we are not able to place them into one of the three Category bands. However, the extrapolation exercise described in Section 3 enables us to identify the theoretical dwelling potential from sites in each sub-area.

Achievability Scenario 1 - Affordable Housing at 0%

Table 4.6a Yield of Categorised Sites in Liverpool - Achievability Scenario 1

	Total		PDL		GF	
	Dwgs	No. Sites	Dwgs	No. Sites	Dwgs	No. Sites
Category 1 sites	10,963	261	8,706	217	2,257	44
Category 2 sites	5,942	81	5,575	71	367	10
Category 3 sites	8,523	79	7,980	69	543	10
TOTAL	25,428	421	22,261	357	3,167	64

Table 4.6b Yield of Categorised Sites in Liverpool by Area - Achievability Scenario 1

	City Centre		Rest of Inner Area		Outer Area		Total	
	Dwgs	No. Sites	Dwgs	No. Sites	Dwgs	No. Sites	Dwgs	No. Sites
Category 1 sites	1,503	25	4,352	111	5,108	125	10,963	261
Category 2 sites	1,590	17	2,755	35	1,597	29	5,942	81
Category 3 sites	2,918	8	3,245	29	2,360	42	8,523	79
TOTAL	6,011	50	10,352	175	9,065	196	25,428	421

Table 4.6c Yield from the Remaining 696 Small Sites in Liverpool by Area - Achievability Scenario 1

	City Centre	Rest of Inner Area	Outer Area	Total
	Dwgs	Dwgs	Dwgs	Dwgs
Category 1 sites	958	965	870	2,793
Category 2 sites	331	374	161	866
Category 3 sites	119	385	444	948
TOTAL	1,408	1,724	1,475	4,607

Achievability Scenario 2 - Affordable Housing at 5%

Table 4.7a Yield of Categorised Sites in Liverpool - Achievability Scenario 2

	Total		PDL		GF	
	Dwgs	No. Sites	Dwgs	No. Sites	Dwgs	No. Sites
Category 1 sites	10,115	219	8,013	182	2,102	37
Category 2 sites	5,699	79	5,268	68	431	11
Category 3 sites	9,614	123	8,980	107	634	16
TOTAL	25,428	421	22,261	357	3,167	64

Table 4.7b Yield of Categorised Sites in Liverpool by Area - Achievability Scenario 2

	City Centre		Rest of Inner Area		Outer Area		Total	
	Dwgs	No. Sites	Dwgs	No. Sites	Dwgs	No. Sites	Dwgs	No. Sites
Category 1 sites	1,157	20	4,055	90	4,903	109	10,115	219
Category 2 sites	1,685	19	2,382	32	1,632	28	5,699	79
Category 3 sites	3,169	11	3,915	53	2,530	59	9,614	123
TOTAL	6,011	50	10,352	175	9,065	196	25,428	421

Table 4.7c Yield from the Remaining 696 Small Sites in Liverpool by Area - Achievability Scenario 2

	City Centre	Rest of Inner Area	Outer Area	Total
	Dwgs	Dwgs	Dwgs	Dwgs
Category 1 sites	958	507	558	2,023
Category 2 sites	331	427	156	914
Category 3 sites	119	790	761	1,670
TOTAL	1,408	1,724	1,475	4,607

Achievability Scenario 3 - Affordable Housing at 15%

Table 4.8a Yield of Categorised Sites in Liverpool - Achievability Scenario 3

	Total		PDL		GF	
	Dwgs	No. Sites	Dwgs	No. Sites	Dwgs	No. Sites
Category 1 sites	9,227	210	7,125	173	2,102	37
Category 2 sites	5,331	80	4,883	67	448	13
Category 3 sites	10,870	131	10,253	117	617	14
TOTAL	25,428	421	22,261	357	3,167	64

Table 4.8b Yield of Categorised Sites in Liverpool by Area - Achievability Scenario 3

	City Centre		Rest of Inner Area		Outer Area		Total	
	Dwgs	No. Sites	Dwgs	No. Sites	Dwgs	No. Sites	Dwgs	No. Sites
Category 1 sites	850	16	3,484	86	4,893	108	9,227	210
Category 2 sites	912	14	2,742	34	1,677	32	5,331	80
Category 3 sites	4,249	20	4,126	55	2,495	56	10,870	131
TOTAL	6,011	50	10,352	175	9,065	196	25,428	421

Table 4.8c Yield from the Remaining 696 Small Sites in Liverpool by Area - Achievability Scenario 3

	City Centre	Rest of Inner Area	Outer Area	Total
	Dwgs	Dwgs	Dwgs	Dwgs
Category 1 sites	958	419	535	1,912
Category 2 sites	331	515	191	1,037
Category 3 sites	119	790	749	1,658
TOTAL	1,408	1,724	1,475	4,607

Achievability Scenario 4 - Affordable Housing at 25%

Table 4.9a Yield of Categorised Sites in Liverpool - Achievability Scenario 4

	Total		PDL		GF	
	Dwgs	No. Sites	Dwgs	No. Sites	Dwgs	No. Sites
Category 1 sites	7,888	179	5,854	144	2,034	35
Category 2 sites	5,976	96	5,506	82	470	14
Category 3 sites	11,564	146	10,901	131	663	15
TOTAL	25,428	421	22,261	357	3,167	64

Table 4.9b Yield of Categorised Sites in Liverpool by Area - Achievability Scenario 4

	City Centre		Rest of Inner		Outer Area		Total	
	Dwgs	No. Sites	Dwgs	No. Sites	Dwgs	No. Sites	Dwgs	No. Sites
Category 1 sites	410	8	3,125	71	4,353	100	7,888	179
Category 2 sites	1,041	19	2,947	40	1,988	37	5,976	96
Category 3 sites	4,560	23	4,280	64	2,724	59	11,564	146
TOTAL	6,011	50	10,352	175	9,065	196	25,428	421

Table 4.9c Yield from the Remaining 696 Small Sites in Liverpool by Area - Achievability Scenario 4

	City Centre	Rest of Inner Area	Outer Area	Total
	Dwgs	Dwgs	Dwgs	Dwgs
Category 1 sites	958	384	535	1,877
Category 2 sites	331	515	168	1,014
Category 3 sites	119	825	772	1,716
TOTAL	1,408	1,724	1,475	4,607

Achievability Scenario 5 - Affordable Housing at 40%

Table 4.10a Yield of Categorised Sites in Liverpool - Achievability Scenario 5

	Total		PDL		GF	
	Dwgs	No. Sites	Dwgs	No. Sites	Dwgs	No. Sites
Category 1 sites	6,376	143	4,398	111	1,978	32
Category 2 sites	5,258	94	4,800	79	458	15
Category 3 sites	13,794	184	13,063	167	731	17
TOTAL	25,428	421	22,261	357	3,167	64

Table 4.10b Yield of Categorised Sites in Liverpool by Area - Achievability Scenario 5

	City Centre		Rest of Inner Area		Outer Area		Total	
	Dwgs	No. Sites	Dwgs	No. Sites	Dwgs	No. Sites	Dwgs	No. Sites
Category 1 sites	301	4	2,047	51	4,028	88	6,376	143
Category 2 sites	968	14	2,498	44	1,792	36	5,258	94
Category 3 sites	4,742	32	5,807	80	3,245	72	13,794	184
TOTAL	6,011	50	10,352	175	9,065	196	25,428	421

Table 4.10c Yield from the Remaining 696 Small Sites in Liverpool by Area - Achievability Scenario 5

	City Centre	Rest of Inner Area	Outer Area	Total
	Dwgs	Dwgs	Dwgs	Dwgs
Category 1 sites	348	349	535	1,232
Category 2 sites	763	259	168	1,190
Category 3 sites	297	1,116	772	2,185
TOTAL	1,408	1,724	1,475	4,607

Categorisation Schedules and Plans

- 4.26 Categorisation schedules are set out in Appendices 5, 6 and 7, which for each of the achievability scenarios identify the Category rating (1, 2 or 3) for all of the sites that were subjected to an achievability assessment. The schedules also provide for each site: brief address details; the gross site area; and the theoretical dwelling yield (after allowance has been made for any site-specific permanent features).
- 4.27 Appendix 8 contains schedules for the 696 remaining small sites. Although we are not able to place these 696 sites into one of the three Category bands (because they were not subjected to an achievability assessment), we are still able to identify their location, the gross site area, and the theoretical dwelling yield (after allowance for any site-specific permanent features).
- 4.28 The plans in Appendix 9 show, in schematic terms, the spatial distribution of the 421 Category 1, Category 2 and Category 3 sites under the five achievability scenarios. The main finding illustrated by the plans is the significant effect that increasing the affordable housing requirements has on sites located within the Inner Area. Under Achievability

Scenario 1 ('0 per cent affordable'), most of the sites within the Inner Area achieve a Category 1 rating (highlighted green on the plan) whereas under Achievability Scenario 5 ('40 per cent affordable'), most of the Inner Area sites are rated as Category 3 (shown red on the plan). The variation across the various Achievability Scenarios is less pronounced in the Outer Area. This finding reflects the fact that sites in the Inner Area are typically more heavily constrained than sites in suburban areas, meaning they are less able to withstand increases to affordable housing requirements.

Adequacy of Housing Provision

Introduction

- 4.29 The tables above show the theoretical dwelling yields under each of the five achievability scenarios. In the ten tables below we assess whether the City-wide dwelling targets can be achieved through a combination of the 1,117 sites that have been assessed in the SHLAA together with outstanding planning commitments.
- 4.30 There are two tables for each achievability scenario. The first table shows whether the RSS-based dwelling targets can be achieved, and the second assesses whether the higher 'RSS+NGP' based targets can be achieved. For the reasons given in Section 2, it was agreed that we would work to the City-wide dwelling targets for the purposes of the SHLAA, rather than attempting to apportion the growth to the various sub-areas.

Approach

- 4.31 The components of potential housing supply, as set out in the tables below, are referenced as follows:
- PP = dwellings still to be completed at 1 April 2008 with outstanding planning permission at that date (having stripped out those commitments which are not likely to be implemented, as described earlier in this section);
 - C1, C2, C3 = potential from the 421 main assessment sites in Category bands 1, 2 and 3 respectively; and
 - SS1, SS2, SS3 and SS4 = potential from the remaining 696 small sites, labelled 'SS1' for the supply which we would expect to come forward in the first five years (2008-13), 'SS2' for the supply which we would expect to come forward in the first 10 years (2008-18), 'SS3' for the supply which we would expect to come forward in the first 15 years (2008-23), and 'SS4' for the supply which we would expect to come forward in the overall 2008-26 study period.
- 4.32 There is no definitive 'answer' and so, within each period, the yield from a combination of components is compared with the dwelling target for the period. Where a combination is sufficient to meet the target, the yield and the number of additional identified sites which make up the yield is highlighted in green. Otherwise the yield and number of sites are left without colour. It is therefore immediately apparent to what extent the potential housing supply for a period is sufficient to meet the target. This approach is adopted for both the total yield and the yield on PDL.

4.33 Our site categorisation does not take account of all the policy considerations that are relevant in selecting sites for allocation, which are likely to include the broad sustainability of the total development pattern, impact on biodiversity and landscape, and strategic transport and other infrastructure capacity issues. Thus, we have not undertaken any analysis to consider whether the Category 1 supply is in the right place to meet strategic policy objectives. Similarly, we have not considered whether it would be better to remove the obstacles affecting Category 2 PDL and bring these sites forward in advance of Category 1 greenfield sites. These issues are beyond the scope of a SHLAA and will need to be considered through the LDF preparation process.

Summary of Findings

4.34 The ten tables contain a lot of information, but the headline findings can be summarised as follows:

- Under all ten scenarios, there will be a need to rely on the more significantly constrained Category 3 sites in order to achieve the 18-year dwelling targets. Even when the lower RSS dwelling targets are being worked towards under the least demanding Achievability Scenario 1, all planning permission sites together with all of the Category 1 and Category 2 sites would not be sufficient to meet the 18-year dwelling target.
- Indeed, some Category 3 sites will be required in order to meet even the 15-year 'RSS+NGP' targets under all five achievability scenarios. The same is true when the RSS-based dwelling targets are being worked towards under Achievability Scenarios 4 and 5.
- The potential supply from the 1,117 SHLAA sites, together with outstanding planning permissions, is around 46,700 dwellings. Whilst the 'headroom' is less than 2,000 dwellings, this is nevertheless sufficient to meet the 18-year 'RSS+NGP' based target - which at 44,930 net additional dwellings is substantial - and the headroom in relation to the 18-year RSS-based target of 41,510 dwellings is just over 5,000 dwellings.

Table 4.11a Adequacy of Cumulative Housing Potential in Liverpool, Forthcoming 5, 10, 15 and 18-Year Periods (Achievability Scenario 1), RSS-BASED TARGETS

Period	Component	Total		PDL	
		Yield	Additional Sites	Yield	Additional Sites
First 5 years	PP	12,199	0	12,199	0
	PP+SS1	15,008	0	15,008	0
	PP+SS1+C1	25,971	261	23,714	217
	PP+SS1+C1+C2	31,913	342	29,289	288
	PP+SS1+C1+C2+C3	40,436	421	37,269	357
	Dwelling Requirement	13,405		13,405	
First 10 years	PP	16,143	0	16,143	0
	PP+SS2	19,821	0	19,821	0
	PP+SS2+C1	30,784	261	28,527	217
	PP+SS2+C1+C2	36,726	342	34,102	288
	PP+SS2+ C1+C2+C3	45,249	421	42,082	357
	Dwelling Requirement	25,064		25,064	
First 15 years	PP	16,643	0	16,643	0
	PP+SS3	21,278	0	21,278	0
	PP+SS3+C1	32,241	261	29,984	217
	PP+SS3+C1+C2	38,183	342	35,559	288
	PP+SS3+C1+C2+C3	46,706	421	43,539	357
	Dwelling Requirement	35,660		35,660	
First 18 years	PP	16,643	0	16,643	0
	PP+SS4	21,278	0	21,278	0
	PP+SS4+C1	32,241	261	29,984	217
	PP+SS4+C1+C2	38,183	342	35,559	288
	PP+SS4+C1+C2+C3	46,706	421	43,539	357
	Dwelling Requirement	41,510		41,510	

Notes:

* 'Additional' = sites additional to those with planning permission

** PDL yield includes dwellings from planning permissions on greenfield land as well as PDL sites, as these greenfield sites will also contribute to the dwelling requirements even if all other future development were to be on PDL sites.

*** The planning permission (PP) figure for the First 5-Years is lower than in the subsequent study periods to reflect that fact that some larger schemes (i.e. those able to deliver >300 dwellings) are likely to be phased over a longer period.

**** The 'Dwelling Requirement' figures in the table are based on the target set by the approved RSS of 1,950 net additional dwellings in Liverpool over the period 2003-21; we have assumed that the annual target will continue until the end of the emerging Core Strategy (2026). This figure also incorporates an allowance for under-provision against the RSS requirements which arose between the base date of the RSS (1 April 2004) and the SHLAA study base date (1 April 2008), and takes account of planned demolitions - please refer to Tables 4.2 to 4.4 for further details.

Table 4.11b Adequacy of Cumulative Housing Potential in Liverpool, Forthcoming 5, 10, 15 and 18-Year Periods (Achievability Scenario 1), RSS+NGP BASED TARGETS

Period	Component	Total		PDL	
		Yield	Additional Sites	Yield	Additional Sites
First 5 years	PP	12,199	0	12,199	0
	PP+SS1	14,244	0	14,244	0
	PP+SS1+C1	25,207	261	22,950	217
	PP+SS1+C1+C2	31,149	342	28,525	288
	PP+SS1+C1+C2+C3	39,672	421	36,505	357
	Dwelling Requirement	15,355		15,355	
First 10 years	PP	16,143	0	16,143	0
	PP+SS2	19,087	0	19,087	0
	PP+SS2+C1	30,050	261	27,793	217
	PP+SS2+C1+C2	35,992	342	33,368	288
	PP+SS2+ C1+C2+C3	44,515	421	41,348	357
	Dwelling Requirement	28,574		28,574	
First 15 years	PP	16,643	0	16,643	0
	PP+SS3	21,278	0	21,278	0
	PP+SS3+C1	32,241	261	29,984	217
	PP+SS3+C1+C2	38,183	342	35,559	288
	PP+SS3+C1+C2+C3	46,706	421	43,539	357
	Dwelling Requirement	39,080		39,080	
First 18 years	PP	16,643	0	16,643	0
	PP+SS4	21,278	0	21,278	0
	PP+SS4+C1	32,241	261	29,984	217
	PP+SS4+C1+C2	38,183	342	35,559	288
	PP+SS4+C1+C2+C3	46,706	421	43,539	357
	Dwelling Requirement	44,930		44,930	

Notes:

* 'Additional' = sites additional to those with planning permission

** PDL yield includes dwellings from planning permissions on greenfield land as well as PDL sites, as these greenfield sites will also contribute to the dwelling requirements even if all other future development were to be on PDL sites.

*** The planning permission (PP) figure for the First 5-Years is lower than in the subsequent study periods to reflect that fact that some larger schemes (i.e. those able to deliver >300 dwellings) are likely to be phased over a longer period.

**** The 'Dwelling Requirement' figures in the table are based on the target set by the approved RSS of 1,950 net additional dwellings in Liverpool over the period 2003-21; we have assumed that the annual target will continue until the end of the emerging Core Strategy (2026). This figure also incorporates an allowance for under-provision against the RSS requirements which arose between the base date of the RSS (1 April 2004) and the SHLAA study base date (1 April 2008), and takes account of planned demolitions - please refer to Tables 4.2 to 4.4 for further details.

Table 4.12a Adequacy of Cumulative Housing Potential in Liverpool, Forthcoming 5, 10, 15 and 18-Year Periods (Achievability Scenario 2), RSS-BASED TARGETS

Period	Component	Total		PDL	
		Yield	Additional Sites	Yield	Additional Sites
First 5 years	PP	12,199	0	12,199	0
	PP+SS1	14,244	0	14,244	0
	PP+SS1+C1	24,359	219	22,257	182
	PP+SS1+C1+C2	30,058	298	27,525	250
	PP+SS1+C1+C2+C3	39,672	421	36,505	357
	Dwelling Requirement	13,405		13,405	
First 10 years	PP	16,143	0	16,143	0
	PP+SS2	19,087	0	19,087	0
	PP+SS2+C1	29,202	219	27,100	182
	PP+SS2+C1+C2	34,901	298	32,368	250
	PP+SS2+ C1+C2+C3	44,515	421	41,348	357
	Dwelling Requirement	25,064		25,064	
First 15 years	PP	16,643	0	16,643	0
	PP+SS3	21,278	0	21,278	0
	PP+SS3+C1	31,393	219	29,291	182
	PP+SS3+C1+C2	37,092	298	34,559	250
	PP+SS3+C1+C2+C3	46,706	421	43,539	357
	Dwelling Requirement	35,660		35,660	
First 18 years	PP	16,643	0	16,643	0
	PP+SS4	21,278	0	21,278	0
	PP+SS4+C1	31,393	219	29,291	182
	PP+SS4+C1+C2	37,092	298	34,559	250
	PP+SS4+C1+C2+C3	46,706	421	43,539	357
	Dwelling Requirement	41,510		41,510	

Notes:

* 'Additional' = sites additional to those with planning permission

**PDL yield includes dwellings from planning permissions on greenfield land as well as PDL sites, as these greenfield sites will also contribute to the dwelling requirements even if all other future development were to be on PDL sites.

*** The planning permission (PP) figure for the First 5-Years is lower than in the subsequent study periods to reflect that fact that some larger schemes (i.e. those able to deliver >300 dwellings) are likely to be phased over a longer period.

**** The 'Dwelling Requirement' figures in the table are based on the target set by the approved RSS of 1,950 net additional dwellings in Liverpool over the period 2003-21; we have assumed that the annual target will continue until the end of the emerging Core Strategy (2026). This figure also incorporates an allowance for under-provision against the RSS requirements which arose between the base date of the RSS (1 April 2004) and the SHLAA study base date (1 April 2008), and takes account of planned demolitions - please refer to Tables 4.2 to 4.4 for further details.

Table 4.12b Adequacy of Cumulative Housing Potential in Liverpool, Forthcoming 5, 10, 15 and 18-Year Periods (Achievability Scenario 2), RSS+NGP BASED TARGETS

Period	Component	Total		PDL	
		Yield	Additional Sites	Yield	Additional Sites
First 5 years	PP	12,199	0	12,199	0
	PP+SS1	14,244	0	14,244	0
	PP+SS1+C1	24,359	219	22,257	182
	PP+SS1+C1+C2	30,058	298	27,525	250
	PP+SS1+C1+C2+C3	39,672	421	36,505	357
	Dwelling Requirement	15,355		15,355	
First 10 years	PP	16,143	0	16,143	0
	PP+SS2	19,087	0	19,087	0
	PP+SS2+C1	29,202	219	27,100	182
	PP+SS2+C1+C2	34,901	298	32,368	250
	PP+SS2+ C1+C2+C3	44,515	421	41,348	357
	Dwelling Requirement	28,574		28,574	
First 15 years	PP	16,643	0	16,643	0
	PP+SS3	21,278	0	21,278	0
	PP+SS3+C1	31,393	219	29,291	182
	PP+SS3+C1+C2	37,092	298	34,559	250
	PP+SS3+C1+C2+C3	46,706	421	43,539	357
	Dwelling Requirement	39,080		39,080	
First 18 years	PP	16,643	0	16,643	0
	PP+SS4	21,278	0	21,278	0
	PP+SS4+C1	31,393	219	29,291	182
	PP+SS4+C1+C2	37,092	298	34,559	250
	PP+SS4+C1+C2+C3	46,706	421	43,539	357
	Dwelling Requirement	44,930		44,930	

Notes:

* 'Additional' = sites additional to those with planning permission

** PDL yield includes dwellings from planning permissions on greenfield land as well as PDL sites, as these greenfield sites will also contribute to the dwelling requirements even if all other future development were to be on PDL sites.

*** The planning permission (PP) figure for the First 5-Years is lower than in the subsequent study periods to reflect that fact that some larger schemes (i.e. those able to deliver >300 dwellings) are likely to be phased over a longer period.

**** The 'Dwelling Requirement' figures in the table are based on the target set by the approved RSS of 1,950 net additional dwellings in Liverpool over the period 2003-21; we have assumed that the annual target will continue until the end of the emerging Core Strategy (2026). This figure also incorporates an allowance for under-provision against the RSS requirements which arose between the base date of the RSS (1 April 2004) and the SHLAA study base date (1 April 2008), and takes account of planned demolitions - please refer to Tables 4.2 to 4.4 for further details.

Table 4.13a Adequacy of Cumulative Housing Potential in Liverpool, Forthcoming 5, 10, 15 and 18-Year Periods (Achievability Scenario 3), RSS-BASED TARGETS

Period	Component	Total		PDL	
		Yield	Additional Sites	Yield	Additional Sites
First 5 years	PP	12,199	0	12,199	0
	PP+SS1	14,112	0	14,112	0
	PP+SS1+C1	23,339	210	21,237	173
	PP+SS1+C1+C2	28,670	290	26,120	240
	PP+SS1+C1+C2+C3	39,540	421	36,373	357
	Dwelling Requirement	13,405		13,405	
First 10 years	PP	16,143	0	16,143	0
	PP+SS2	19,099	0	19,099	0
	PP+SS2+C1	28,326	210	26,224	173
	PP+SS2+C1+C2	33,657	290	31,107	240
	PP+SS2+ C1+C2+C3	44,527	421	41,360	357
	Dwelling Requirement	25,064		25,064	
First 15 years	PP	16,643	0	16,643	0
	PP+SS3	21,278	0	21,278	0
	PP+SS3+C1	30,505	210	28,403	173
	PP+SS3+C1+C2	35,836	290	33,286	240
	PP+SS3+C1+C2+C3	46,706	421	43,539	357
	Dwelling Requirement	35,660		35,660	
First 18 years	PP	16,643	0	16,643	0
	PP+SS4	21,278	0	21,278	0
	PP+SS4+C1	30,505	210	28,403	173
	PP+SS4+C1+C2	35,836	290	33,286	240
	PP+SS4+C1+C2+C3	46,706	421	43,539	357
	Dwelling Requirement	41,510		41,510	

Notes:

* 'Additional' = sites additional to those with planning permission

** PDL yield includes dwellings from planning permissions on greenfield land as well as PDL sites, as these greenfield sites will also contribute to the dwelling requirements even if all other future development were to be on PDL sites.

*** The planning permission (PP) figure for the First 5-Years is lower than in the subsequent study periods to reflect that fact that some larger schemes (i.e. those able to deliver >300 dwellings) are likely to be phased over a longer period.

**** The 'Dwelling Requirement' figures in the table are based on the target set by the approved RSS of 1,950 net additional dwellings in Liverpool over the period 2003-21; we have assumed that the annual target will continue until the end of the emerging Core Strategy (2026). This figure also incorporates an allowance for under-provision against the RSS requirements which arose between the base date of the RSS (1 April 2004) and the SHLAA study base date (1 April 2008), and takes account of planned demolitions - please refer to Tables 4.2 to 4.4 for further details.

Table 4.13b Adequacy of Cumulative Housing Potential in Liverpool, Forthcoming 5, 10, 15 and 18-Year Periods (Achievability Scenario 3), RSS+NGP BASED TARGETS

Period	Component	Total		PDL	
		Yield	Additional Sites	Yield	Additional Sites
First 5 years	PP	12,199	0	12,199	0
	PP+SS1	14,112	0	14,112	0
	PP+SS1+C1	23,339	210	21,237	173
	PP+SS1+C1+C2	28,670	290	26,120	240
	PP+SS1+C1+C2+C3	39,540	421	36,373	357
	Dwelling Requirement	15,355		15,355	
First 10 years	PP	16,143	0	16,143	0
	PP+SS2	19,099	0	19,099	0
	PP+SS2+C1	28,326	210	26,224	173
	PP+SS2+C1+C2	33,657	290	31,107	240
	PP+SS2+ C1+C2+C3	44,527	421	41,360	357
	Dwelling Requirement	28,574		28,574	
First 15 years	PP	16,643	0	16,643	0
	PP+SS3	21,278	0	21,278	0
	PP+SS3+C1	30,505	210	28,403	173
	PP+SS3+C1+C2	35,836	290	33,286	240
	PP+SS3+C1+C2+C3	46,706	421	43,539	357
	Dwelling Requirement	39,080		39,080	
First 18 years	PP	16,643	0	16,643	0
	PP+SS4	21,278	0	21,278	0
	PP+SS4+C1	30,505	210	28,403	173
	PP+SS4+C1+C2	35,836	290	33,286	240
	PP+SS4+C1+C2+C3	46,706	421	43,539	357
	Dwelling Requirement	44,930		44,930	

Notes:

* 'Additional' = sites additional to those with planning permission

** PDL yield includes dwellings from planning permissions on greenfield land as well as PDL sites, as these greenfield sites will also contribute to the dwelling requirements even if all other future development were to be on PDL sites.

*** The planning permission (PP) figure for the First 5-Years is lower than in the subsequent study periods to reflect that fact that some larger schemes (i.e. those able to deliver >300 dwellings) are likely to be phased over a longer period.

**** The 'Dwelling Requirement' figures in the table are based on the target set by the approved RSS of 1,950 net additional dwellings in Liverpool over the period 2003-21; we have assumed that the annual target will continue until the end of the emerging Core Strategy (2026). This figure also incorporates an allowance for under-provision against the RSS requirements which arose between the base date of the RSS (1 April 2004) and the SHLAA study base date (1 April 2008), and takes account of planned demolitions - please refer to Tables 4.2 to 4.4 for further details.

Table 4.14a Adequacy of Cumulative Housing Potential in Liverpool, Forthcoming 5, 10, 15 and 18-Year Periods (Achievability Scenario 4), RSS-BASED TARGETS

Period	Component	Total		PDL	
		Yield	Additional Sites	Yield	Additional Sites
First 5 years	PP	12,199	0	12,199	0
	PP+SS1	14,067	0	14,067	0
	PP+SS1+C1	21,955	179	19,921	144
	PP+SS1+C1+C2	27,931	275	25,427	226
	PP+SS1+C1+C2+C3	39,495	421	36,328	357
	Dwelling Requirement	13,405		13,405	
First 10 years	PP	16,143	0	16,143	0
	PP+SS2	19,031	0	19,031	0
	PP+SS2+C1	26,919	179	24,885	144
	PP+SS2+C1+C2	32,895	275	30,391	226
	PP+SS2+ C1+C2+C3	44,459	421	41,292	357
	Dwelling Requirement	25,064		25,064	
First 15 years	PP	16,643	0	16,643	0
	PP+SS3	21,278	0	21,278	0
	PP+SS3+C1	29,166	179	27,132	144
	PP+SS3+C1+C2	35,142	275	32,638	226
	PP+SS3+C1+C2+C3	46,706	421	43,539	357
	Dwelling Requirement	35,660		35,660	
First 18 years	PP	16,643	0	16,643	0
	PP+SS4	21,278	0	21,278	0
	PP+SS4+C1	29,166	179	27,132	144
	PP+SS4+C1+C2	35,142	275	32,638	226
	PP+SS4+C1+C2+C3	46,706	421	43,539	357
	Dwelling Requirement	41,510		41,510	

Notes:

* 'Additional' = sites additional to those with planning permission

** PDL yield includes dwellings from planning permissions on greenfield land as well as PDL sites, as these greenfield sites will also contribute to the dwelling requirements even if all other future development were to be on PDL sites.

*** The planning permission (PP) figure for the First 5-Years is lower than in the subsequent study periods to reflect that fact that some larger schemes (i.e. those able to deliver >300 dwellings) are likely to be phased over a longer period.

**** The 'Dwelling Requirement' figures in the table are based on the target set by the approved RSS of 1,950 net additional dwellings in Liverpool over the period 2003-21; we have assumed that the annual target will continue until the end of the emerging Core Strategy (2026). This figure also incorporates an allowance for under-provision against the RSS requirements which arose between the base date of the RSS (1 April 2004) and the SHLAA study base date (1 April 2008), and takes account of planned demolitions - please refer to Tables 4.2 to 4.4 for further details.

Table 4.14b Adequacy of Cumulative Housing Potential in Liverpool, Forthcoming 5, 10, 15 and 18-Year Periods (Achievability Scenario 4), RSS+NGP BASED TARGETS

Period	Component	Total		PDL	
		Yield	Additional Sites	Yield	Additional Sites
First 5 years	PP	12,199	0	12,199	0
	PP+SS1	14,067	0	14,067	0
	PP+SS1+C1	21,955	179	19,921	144
	PP+SS1+C1+C2	27,931	275	25,427	226
	PP+SS1+C1+C2+C3	39,495	421	36,328	357
	Dwelling Requirement	15,355		15,355	
First 10 years	PP	16,143	0	16,143	0
	PP+SS2	19,031	0	19,031	0
	PP+SS2+C1	26,919	179	24,885	144
	PP+SS2+C1+C2	32,895	275	30,391	226
	PP+SS2+ C1+C2+C3	44,459	421	41,292	357
	Dwelling Requirement	28,574		28,574	
First 15 years	PP	16,643	0	16,643	0
	PP+SS3	21,278	0	21,278	0
	PP+SS3+C1	29,166	179	27,132	144
	PP+SS3+C1+C2	35,142	275	32,638	226
	PP+SS3+C1+C2+C3	46,706	421	43,539	357
	Dwelling Requirement	39,080		39,080	
First 18 years	PP	16,643	0	16,643	0
	PP+SS4	21,278	0	21,278	0
	PP+SS4+C1	29,166	179	27,132	144
	PP+SS4+C1+C2	35,142	275	32,638	226
	PP+SS4+C1+C2+C3	46,706	421	43,539	357
	Dwelling Requirement	44,930		44,930	

Notes:

* 'Additional' = sites additional to those with planning permission

** PDL yield includes dwellings from planning permissions on greenfield land as well as PDL sites, as these greenfield sites will also contribute to the dwelling requirements even if all other future development were to be on PDL sites.

*** The planning permission (PP) figure for the First 5-Years is lower than in the subsequent study periods to reflect that fact that some larger schemes (i.e. those able to deliver >300 dwellings) are likely to be phased over a longer period.

**** The 'Dwelling Requirement' figures in the table are based on the target set by the approved RSS of 1,950 net additional dwellings in Liverpool over the period 2003-21; we have assumed that the annual target will continue until the end of the emerging Core Strategy (2026). This figure also incorporates an allowance for under-provision against the RSS requirements which arose between the base date of the RSS (1 April 2004) and the SHLAA study base date (1 April 2008), and takes account of planned demolitions - please refer to Tables 4.2 to 4.4 for further details.

Table 4.15a Adequacy of Cumulative Housing Potential in Liverpool, Forthcoming 5, 10, 15 and 18-Year Periods (Achievability Scenario 5), RSS-BASED TARGETS

Period	Component	Total		PDL	
		Yield	Additional Sites	Yield	Additional Sites
First 5 years	PP	12,199	0	12,199	0
	PP+SS1	13,423	0	13,423	0
	PP+SS1+C1	19,799	143	17,821	111
	PP+SS1+C1+C2	25,057	237	22,621	190
	PP+SS1+C1+C2+C3	38,851	421	35,684	357
	Dwelling Requirement	13,405		13,405	
First 10 years	PP	16,143	0	16,143	0
	PP+SS2	18,541	0	18,541	0
	PP+SS2+C1	24,917	143	22,939	111
	PP+SS2+C1+C2	30,175	237	27,739	190
	PP+SS2+ C1+C2+C3	43,969	421	40,802	357
	Dwelling Requirement	25,064		25,064	
First 15 years	PP	16,643	0	16,643	0
	PP+SS3	21,278	0	21,278	0
	PP+SS3+C1	27,654	143	25,676	111
	PP+SS3+C1+C2	32,912	237	30,476	190
	PP+SS3+C1+C2+C3	46,706	421	43,539	357
	Dwelling Requirement	35,660		35,660	
First 18 years	PP	16,643	0	16,643	0
	PP+SS4	21,278	0	21,278	0
	PP+SS4+C1	27,654	143	25,676	111
	PP+SS4+C1+C2	32,912	237	30,476	190
	PP+SS4+C1+C2+C3	46,706	421	43,539	357
	Dwelling Requirement	41,510		41,510	

Notes:

* 'Additional' = sites additional to those with planning permission

** PDL yield includes dwellings from planning permissions on greenfield land as well as PDL sites, as these greenfield sites will also contribute to the dwelling requirements even if all other future development were to be on PDL sites.

*** The planning permission (PP) figure for the First 5-Years is lower than in the subsequent study periods to reflect that fact that some larger schemes (i.e. those able to deliver >300 dwellings) are likely to be phased over a longer period.

**** The 'Dwelling Requirement' figures in the table are based on the target set by the approved RSS of 1,950 net additional dwellings in Liverpool over the period 2003-21; we have assumed that the annual target will continue until the end of the emerging Core Strategy (2026). This figure also incorporates an allowance for under-provision against the RSS requirements which arose between the base date of the RSS (1 April 2004) and the SHLAA study base date (1 April 2008), and takes account of planned demolitions - please refer to Tables 4.2 to 4.4 for further details.

Table 4.15b Adequacy of Cumulative Housing Potential in Liverpool, Forthcoming 5, 10, 15 and 18-Year Periods (Achievability Scenario 5), RSS+NGP BASED TARGETS

Period	Component	Total		PDL	
		Yield	Additional Sites	Yield	Additional Sites
First 5 years	PP	12,199	0	12,199	0
	PP+SS1	13,423	0	13,423	0
	PP+SS1+C1	19,799	143	17,821	111
	PP+SS1+C1+C2	25,057	237	22,621	190
	PP+SS1+C1+C2+C3	38,851	421	35,684	357
	Dwelling Requirement	15,355		15,355	
First 10 years	PP	16,143	0	16,143	0
	PP+SS2	18,541	0	18,541	0
	PP+SS2+C1	24,917	143	22,939	111
	PP+SS2+C1+C2	30,175	237	27,739	190
	PP+SS2+ C1+C2+C3	43,969	421	40,802	357
	Dwelling Requirement	28,574		28,574	
First 15 years	PP	16,643	0	16,643	0
	PP+SS3	21,278	0	21,278	0
	PP+SS3+C1	27,654	143	25,676	111
	PP+SS3+C1+C2	32,912	237	30,476	190
	PP+SS3+C1+C2+C3	46,706	421	43,539	357
	Dwelling Requirement	39,080		39,080	
First 18 years	PP	16,643	0	16,643	0
	PP+SS4	21,278	0	21,278	0
	PP+SS4+C1	27,654	143	25,676	111
	PP+SS4+C1+C2	32,912	237	30,476	190
	PP+SS4+C1+C2+C3	46,706	421	43,539	357
	Dwelling Requirement	44,930		44,930	

Notes:

* 'Additional' = sites additional to those with planning permission

** PDL yield includes dwellings from planning permissions on greenfield land as well as PDL sites, as these greenfield sites will also contribute to the dwelling requirements even if all other future development were to be on PDL sites.

*** The planning permission (PP) figure for the First 5-Years is lower than in the subsequent study periods to reflect that fact that some larger schemes (i.e. those able to deliver >300 dwellings) are likely to be phased over a longer period.

**** The 'Dwelling Requirement' figures in the table are based on the target set by the approved RSS of 1,950 net additional dwellings in Liverpool over the period 2003-21; we have assumed that the annual target will continue until the end of the emerging Core Strategy (2026). This figure also incorporates an allowance for under-provision against the RSS requirements which arose between the base date of the RSS (1 April 2004) and the SHLAA study base date (1 April 2008), and takes account of planned demolitions - please refer to Tables 4.2 to 4.4 for further details.

5 REVIEW OF THE SHLAA, AND CONSIDERATION OF BROAD LOCATIONS AND WINDFALLS

Introduction

- 5.1 In Section 3 we explained how we assessed the deliverability/developability of the 1,117 sites, which enabled us to establish how much housing could be provided over 5, 10, 15 and 18-year periods from April 2008 from the 1,117 assessment sites together with outstanding planning commitments. We then compared the capacity identified by the study with the City's dwelling targets to ascertain whether there is any shortfall in housing land supply.
- 5.2 The findings from the study process are set out fully in Section 4, which shows that the 1,117 specific sites which we assessed in the study, when considered together with outstanding planning commitments, are capable of providing sufficient dwellings to meet the long-term dwelling targets set by the RSS. Indeed, the potential supply is sufficient to meet the higher 'RSS+NGP' based target, which for the 18-year study timeframe is substantial at just under 45,000 dwellings.
- 5.3 In effect, the work described above constitutes our Stage 8 review of the assessment²⁷. The Guidance advises that if the Stage 8 review indicates a shortfall against the dwelling targets, then this should be planned for either by identifying 'broad locations' (Stage 9), and/or by using a windfall allowance (Stage 10).
- 5.4 Whilst our work has demonstrated that the 18-year dwelling targets can be achieved from the 1,117 specific sites together with commitments, we nevertheless consider it helpful to consider the potential supply from as yet unidentified small sites. We do this below, before commenting briefly on broad locations.

Determining the Potential Contribution from Unidentified Small Sites

- 5.5 Paragraph 54 of the SHLAA preparation guidance - published by the PAS in July 2008 - refers to footnote 31 on page 19 of PPS3, which states: *'Windfall sites are those which have not been specifically identified as available in the local plan process. They comprise previously-developed sites that have unexpectedly become available. These could include, for example, a factory closure or small sites such as a residential conversion or a new flat over a shop'*.
- 5.6 Where there is evidence of a high and consistent proportion of new dwellings generated on small sites that were not expected to come forward for development, there is a strong case for adopting a small site allowance as an element of the total housing requirement for the district. There is a clearly recognised risk that, if unexpected developments on

²⁷ The City Council and the Steering Group will also consider the emerging study outputs, which will constitute a further review of our findings.

small sites (such as changes of use or subdivisions of large houses) - which are likely to occur, regardless of how thorough the SHLAA is - are not taken into account, then this could lead to over-allocation of greenfield or other sensitive land, which would be counter to PPS3.

- 5.7 It is reasonable to assume that most of the large potential housing sites have been included in the SHLAA. However, although a comprehensive approach to site identification has been taken, and a site size threshold has not been used, it is inevitable that further dwellings will come forward from development which by definition would not be covered as part of the SHLAA site assessment, such as conversions, changes of use and small infill schemes.
- 5.8 The number of completions from changes of use and conversions (residential sub-division) is shown in Table 5.1. The table covers the seven-year period 2002-09, which is long enough not to be unduly affected by unusual circumstances in particular years.

Table 5.1 Recent Dwelling Completions in Liverpool from Changes of Use and Conversions

	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2002-09	Annual Average
COU from non-Residential	308	337	245	786	299	260	254	2,489	356
Conversions (Residential Sub-division)	40	100	57	114	126	107	43	587	84
TOTALS (CITY-WIDE)	348	437	302	900	425	367	297	3,076	440

- 5.9 The table shows that, across the City as a whole, an average of 3,076 dwellings were completed in change of use and conversion schemes over the seven-year analysis period, which equates to an average of 440 dpa. The supply has remained relatively constant over the period, indicating that these potential sources are not yet close to depletion.
- 5.10 The average over the past seven years of 440 dpa is significant; furthermore, the table does not include new-build development on small infill sites²⁸, which are also very difficult to identify comprehensively in advance. A significant number of the permissions which have been granted in recent years have been on this type of site.
- 5.11 Paragraph 54 of PPS3 states that the supply for the first five years should be based on 'specific deliverable sites'. Accordingly, we would not recommend making a small site allowance for the first 5-year period, although we consider that it would be appropriate for the Council to make a small site allowance for the subsequent study periods. The use of

²⁸ Because the Council's data in relation to new-build cover all sizes of sites and so it was not possible to distinguish the supply from small infill sites.

small site allowances in the post 5-year study periods will help to ensure that the SHLAA is as realistic and robust as possible.

- 5.12 The seven-year average annual completion rate in Table 5.1 would translate to small site allowances of 2,200, 4,400 and 5,720 dwellings, respectively, for the 2013-18, 2013-23 and 2013-26 study periods. However, the supply from unexpected small sites cannot carry on at the same rate indefinitely, even in somewhere as heavily urbanised as Liverpool. Furthermore, a number of the identified smaller SHLAA sites will be vacant or vacant-looking buildings which Council officers considered to be potentially convertible. Such sites are relatively few in number, not least because of the relative difficulty in identifying genuine vacancy in existing buildings. Even so, the allowance should be reduced avoid the potential for double-counting.
- 5.13 Accordingly, we consider the following small site allowances to be appropriate; these are based on an annual rate of 150 dpa, which is significantly lower than recent trends:
- 2013-18: allowance of 750 dwellings (i.e. 5 x 150).
 - 2013-23: allowance of 1,500 dwellings (i.e. 10 x 440).
 - 2013-26: allowance of 1,950 dwellings (i.e. 13 x 440).

Broad Locations

- 5.14 On the conservative basis set out above, as yet unidentified small sites could be expected to deliver a further 1,950 dwellings over the period 2013 to 2026. Taken together with the supply of around 46,700 dwellings from the SHLAA sites and outstanding planning commitments, this gives an overall supply of 48,650 dwellings, which is approximately 3,700 dwellings in excess of the 18-year 'RSS+NGP' dwelling target of 44,930 dwellings, or 7,140 dwellings above the 18-year RSS-based target of 41,510 dwellings.
- 5.15 It is also worth noting that, on the basis of an assumed average delivery rate of 500 units per annum starting from 2014, only 6,000 of the 16,000 dwellings planned at Liverpool Waters are expected to be delivered by 2026 (and therefore only 6,000 units from this scheme have been included in the theoretical supply identified in the SHLAA). Thus, Liverpool Waters offers considerable further potential over and above the theoretical supply of 48,650 dwellings that we have identified through this study.
- 5.16 Accordingly, whilst the Council might still wish to consider whether any employment areas or other parts of the City could benefit from rationalisation - in order to improve the quality of the area for employment uses, and free up land for high-quality new housing - there is no overwhelming need to identify any 'broad locations' in the SHLAA. It is worth mentioning that the geography of the City means there are no real candidate areas on or outside its fringe which constitute discrete and wholly new broad locations or urban extensions.