



Sefton Council's

2024

Strategic Housing Land
Availability Assessment (SHLAA)

and

Five-year supply position

July 2024

Contents

1. Introduction
2. Methodology
3. SHLAA findings
4. Five year supply report

1. Introduction

1.1 The Strategic Housing Land Availability Assessment (from now on referred to as the 'SHLAA') sets how much land is suitable for development in Sefton over the next 15 years. The SHLAA covers the period from April 1st 2024 to March 31st 2039. The SHLAA is important for the long-term planning for housing in the borough as it identifies and estimates of the capacity for land for housing in Sefton for the next 15 years.

1.2 The five-year supply report sets out how much land for housing is available in the first five years of the SHLAA period. All Local Planning authorities are required to demonstrate a five-year supply of suitable, available, and deliverable land for housing. Having a five-year supply of housing helps ensure the Local Plan policies, in relation to housing supply policies, are considered up to date.

1.3 Neither the SHLAA nor the 5-year supply report are policy. They do not set how many homes are needed and simply show an estimate of the number of homes that could be accommodated in Sefton in the future.

1.4 Both the SHLAA and five-year supply position are reviewed annually.

1.5 The SHLAA helps to monitor the effectiveness of the Local Plan. The Local Plan covers the period from April 1st 2012 to March 31st 2030. The period for this SHLAA will therefore help inform the amount of housing supply for the remainder of the plan period and for a significant period beyond.

2. METHODOLOGY

Site Identification

2.1 Sites have been identified from a variety of sources. The list below contains the main source of sites for the SHLAA.

- Local Plan allocations
- All sites with planning permission on April 1st 2024 that haven't commenced or been fully completed.
- Suitable sites submitted during 'Call for sites exercises

2.2 For sites without planning permission for housing, only those likely to accommodate 5 or more dwellings were added to the assessment. This is consistent with the requirements in the National Planning Practice Guidance. No contribution to the housing supply was assumed from bringing vacant homes back into use.

2.3 It would be impossible to anticipate every site that will come forward for housing over the next 15 years. This particularly applies to smaller sites and conversion sites. The SHLAA will continue to be updated annually to take account of new sites, and other changes in circumstance. A 'windfall allowance' has also been included in SHLAA which assesses the contribution that unanticipated sites could make (see below).

Site Assessment

2.4 It is important that the housing supply is realistic. Therefore, for sites to be included within the supply, there needs to be an assessment of their suitability, availability and deliverability.

2.5 **Suitable** includes whether the site is indeed suitable for housing, or whether there is a policy restriction (e.g. being in the Green Belt or adversely impacting upon the setting of a listed building) or whether there is a natural constraint (e.g. high flood risk area, area of ecological value). Sites should also be viably developed at the point envisaged.

2.6 **Available** means that a landowner or developer has a willingness to bring a site forward.

2.7 The NPPF definition for **deliverable** is as follows:

To be considered deliverable, sites for housing should be available now, offer a suitable location for development now, and be achievable with a realistic prospect that housing will be delivered on the site within five years. In particular:

a) sites which do not involve major development and have planning permission, and all sites with detailed planning permission, should be considered deliverable until permission expires, unless there is clear evidence that homes will not be delivered within five years (for example because they are no longer viable, there is no longer a demand for the type of units or sites have long term phasing plans).

b) where a site has outline planning permission for major development, has been allocated in a development plan, has a grant of permission in principle, or is identified on a brownfield register, it should only be considered deliverable where there is clear evidence that housing completions will begin on site within five years.

Sites with Planning Permission for Housing

2.8 Sites with extant planning permission for housing form a significant proportion of the SHLAA housing supply. In general, these sites are more certain to be delivered than sites without planning permission as they already have approved schemes in place and the owner / developer has gone to the time and expense of preparing and submitting a planning application.

2.9 In addition, sites with planning permission have already been determined as suitable for housing by the Council through the planning application process. The SHLAA assessment is therefore limited to gauging whether sites are 'available' and 'achievable', and if so the likely development timescales.

2.10 For larger sites (20 homes or more), where development had yet to commence, the owner/developer was contacted to establish their development intentions. Suggested build out rates were suggested to the developer, factoring in lead-in times and planned phasing, and they were invited to agree or provide alternatives. Larger sites were only removed from the SHLAA supply (either in whole or in part) where the owner/developer indicated that the site would not be developed for housing.

2.11 For smaller sites the site owner / developer was not contacted. Instead, a discount of 10% was applied to the total capacity of all small sites. This was to reflect the fact that some of these permissions would likely not be developed and would expire.

2.12 In general, sites with planning permission were placed in the 0 – 5 year supply. Sites were only placed in 6 – 10 year supply where the owner / developer indicated they would likely not develop the site in the short term. In addition, a number of very large sites are to be phased over a number of years and will therefore be only partially developed within the next 5 years and will run into later years.

Sites without Planning Permission

2.13 Sites without planning permission for housing were subject to a more detailed assessment, including an assessment of 'suitability'. This included a desktop assessment using local plan designation, constraints mapping, accessibility mapping, aerial photographs, planning history, and other intelligence.

2.14 Sites were assessed as 'available' where there was a clear and recent owner commitment to developing the site for residential development. Sites were considered achievable if there were no known policy, environmental, viability or other constraints.

2.15 For sites without planning permission that were included in the housing supply, the following broad assumptions were applied:

- a density of between 30 and 40 dwellings per hectare on the net developable area (see below), depending on the shape of the site and the character of the surrounding area.
- sites were placed in three periods: short term (0-5 years), medium term (6-10 years), and long-term (11-15 years). In line with national guidance, sites placed in the 0-5 year period had to be "suitable, available, and achievable" – usually evidenced by a clear indication that the owner is looking to progress the site for housing in the short term.
- net developable area was assessed based on the size of the site, as set out below. A smaller net developable area is assumed for larger sites to reflect the need to provide access roads, open space, etc.

Total Site Area	Net Developable Area
Less than 0.4 ha	100% of developable area
0.4 ha to 2 ha	90% of developable area
Sites over 2 ha	75% of developable area

- for Local Plan allocations, the site capacity has been taken from the Local Plan unless other information has come from the developer. The timescales have come from the developer, whether in writing or through the submission of a pre-application or an application.
- discounting was applied to reflect the fact that some sites would not be developed for housing as anticipated for a variety of reasons. For sites without planning permission, an across-the-board discount of 20% was applied to reflect these issues.

Demolitions

2.16 Demolitions are taken account of each year. These tend to vary but have generally been lower since 2015, when there were fewer demolitions associated with the Housing Market Renewal Initiative (HMRI) and successor programs.

Windfall Allowance

2.17 'Windfalls' are sites that come forward for housing development that have not been previously identified in a Local Plan. NPPF allows for a windfall allowance to be included in the housing supply where this is justified:

'A windfall allowance may be justified in the anticipated supply if a local planning authority has compelling evidence as set out in paragraph 70 of the National Planning Policy Framework.'

2.18 It is considered that compelling evidence exists to justify a windfall allowance in Sefton, and this is set out in Appendix A.

Calculating a windfall allowance

2.19 The number of homes per year that will be included in a windfall allowance is based on the average number of windfall permissions that have occurred over the previous 10 years. i.e. since April 2014.

2.20 Windfall planning permissions were identified and 'filtered' using the following approach:

- Each year, sites granted planning permission for housing were filtered to remove those that had been identified in the previous year's SHLAA (i.e. already known to us). Permissions on sites that had not been identified in the previous SHLAA were identified as 'windfalls'.
- Planning permissions for development on residential gardens were then removed.
- Any demolitions were netted off (for example, if an existing dwelling was demolished to make way for 2 new dwellings(s) this would be a windfall of one dwelling).

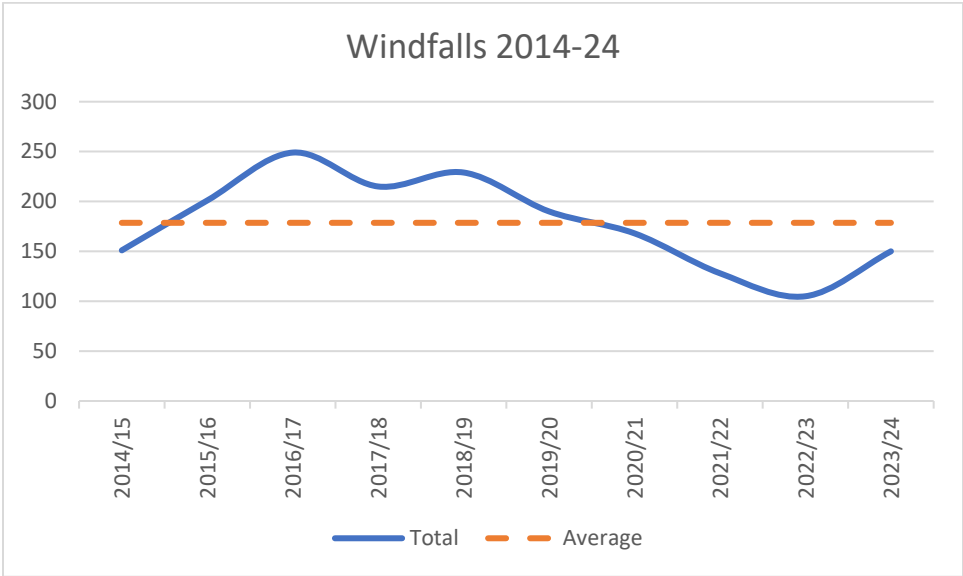
2.21 Any larger windfall sites (i.e. 20+ dwellings) were also removed as these are considered to be 'exceptional' and unlikely to be guaranteed to part of any future trend.

2.22 The total number of 'filtered' and 'non-exceptional' windfalls since 2014/15 are below:

	Conversions	New build	Total
2014/15	82	69	151
2015/16	146	55	201
2016/17	127	122	249
2017/18	160	55	215
2018/19	113	116	229
2019/20	111	79	190

2020/21	115	53	168
2021/22	76	52	128
2022/23	67	38	105
2023/24	125	25	150
Total	1,102	664	1,786
Average	110.2	66.4	178.6

Windfall figures 2014 -2024



2.23 Last year has seen an upturn in the number of non-exceptional windfalls, after a few years of decline. We will keep this under review to see if it is a return to normal or an anomalous year in an otherwise downward trend.

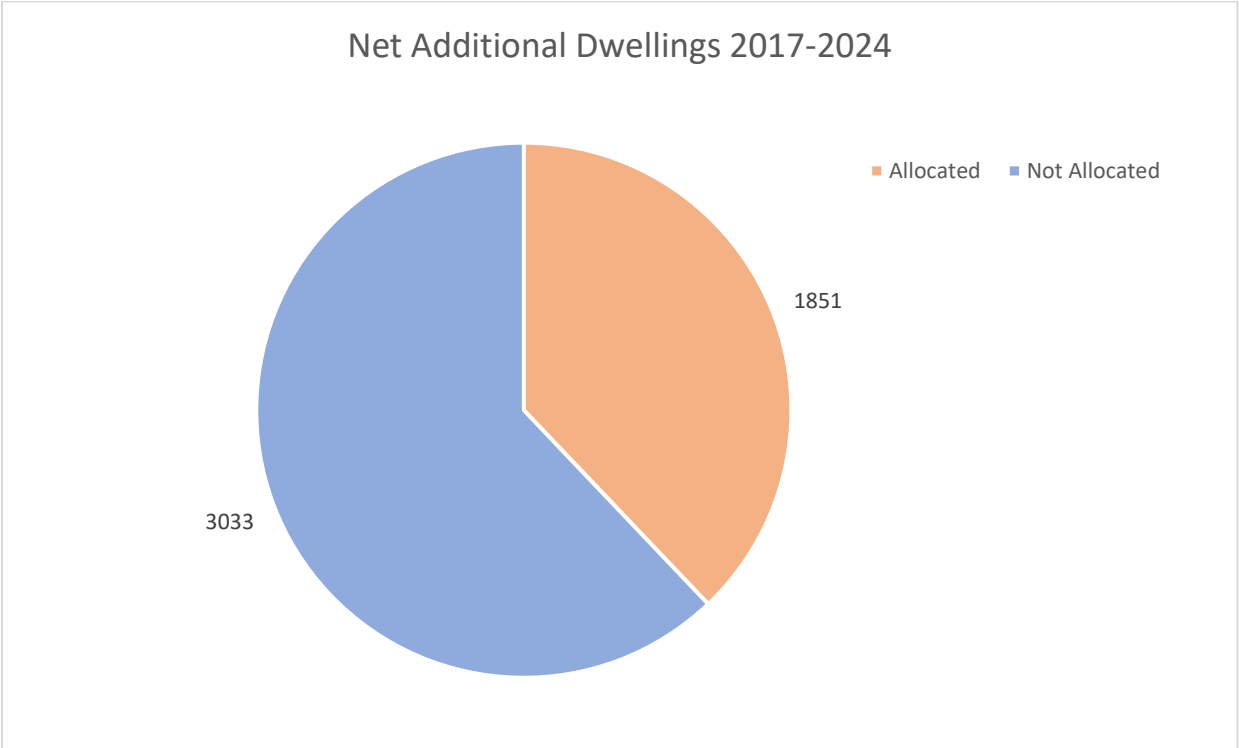
2.24 The average number of ‘filtered’ and ‘non-exceptional’ windfalls over the 10 years from 2014-24 is **178.6**. Most of the windfalls in Sefton occur in the older communities of Southport, Bootle and Crosby.

2.25 In accordance with the approach to small sites we will apply a 10% discount on the windfall allowance to account for some not being completed. **This brings the windfall allowance to 161 per year.** Furthermore, windfall completions are assumed from year 3 only. By definition, windfall sites do not have planning permission at the base-date of the study. Therefore, a 24-month lead in time has been assumed to allow for the first windfalls sites to gain permission, and site works to be undertaken, before new housing is completed.

2.26 Therefore, the windfall allowance to be applied to Sefton’s housing supply will be:

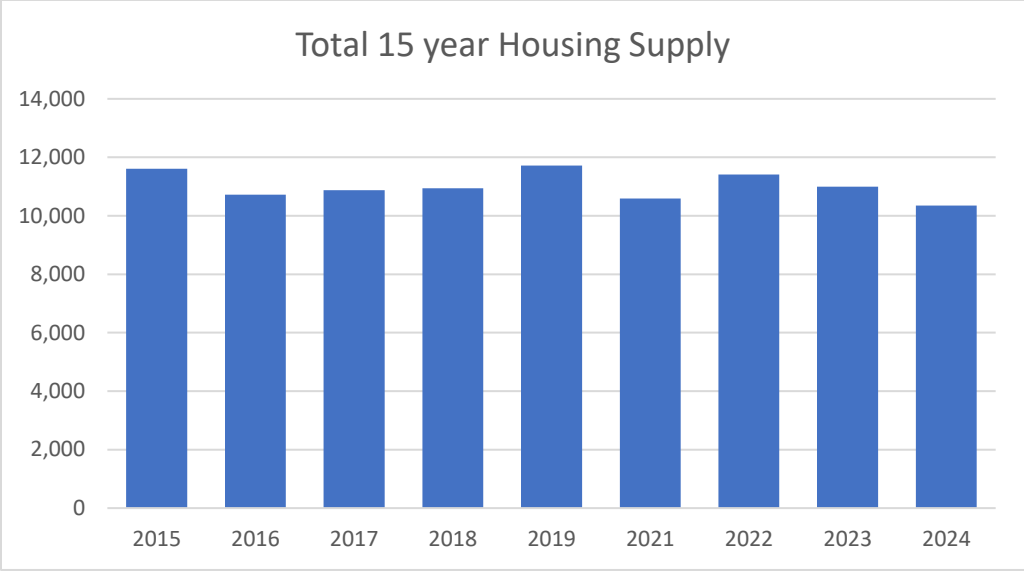
Years 1 and 2	Nil
Years 3 to 15	161 per year

2.27 Whilst we make an allowance for 161 windfalls for years 3 to 15, these are only non-exceptional windfalls and hides the fact that we have been very successful at securing permission and completions for new housing on exceptional windfalls (i.e. those over 20 homes). The chart below shows that over 60% of the homes completed in Sefton since the adoption of the Local Plan in April 2017 have been on sites not allocated in the Local Plan. This equates to 379 completions on non-allocated sites each year, much higher than could be provided on the non-exceptional windfalls. Whilst we expect completions on allocated sites to increase in coming years, there is no evidence that the number of completions on non-allocated sites will decrease. However, we will monitor this in future reports.



3. SHLAA Findings

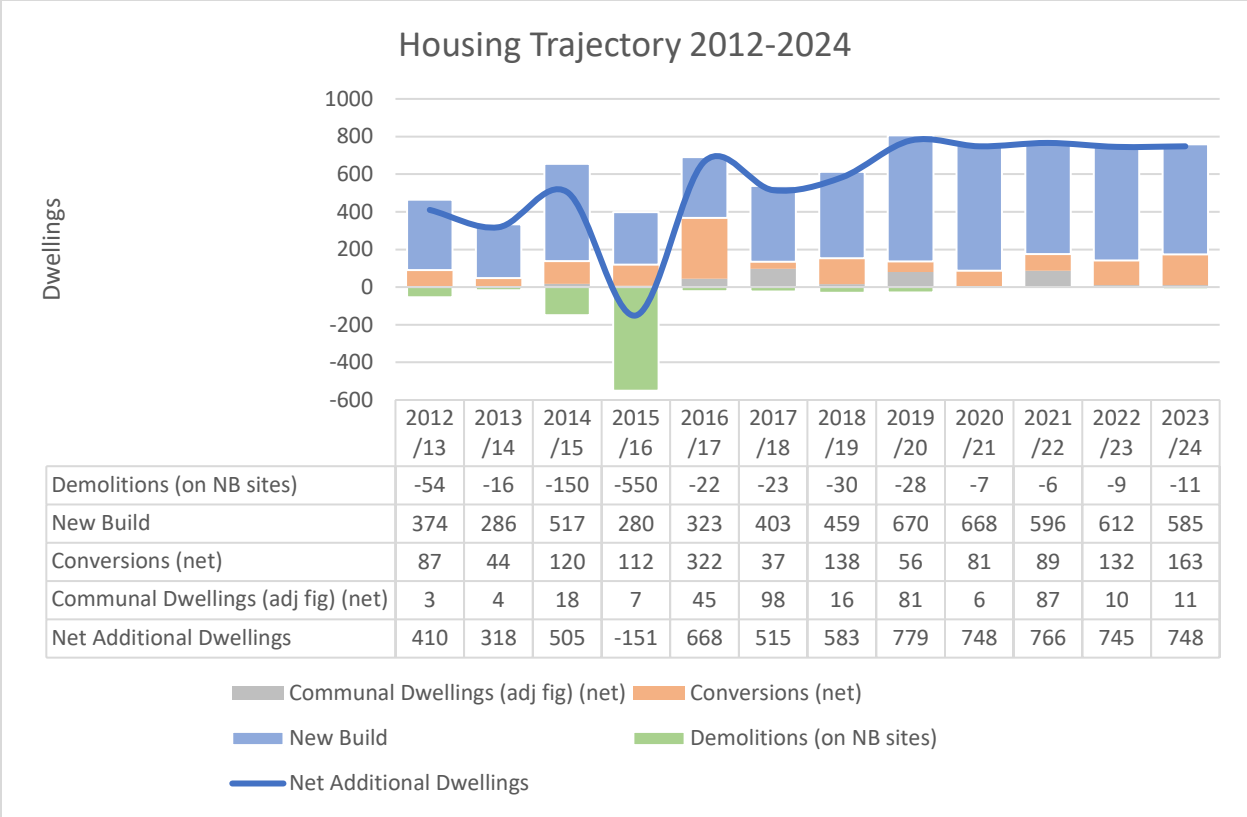
3.1 The SHLAA findings are summarised in the table on the following page. The SHLAA has found that there is a healthy supply of housing over the next 15 years with land available for 10,346 homes. The chart below shows the progress with housing supply since 2015 (note – a SHLAA wasn't completed in 2020).



3.2 As can be seen from the chart above, the 15-year supply of housing land has remained steady since 2015 (the first year Local Plan allocations were included). Although the 15-year housing supply in 2024 has slightly fallen from 2023, this can likely be attributed to completions on Local Plan allocated sites. However, the supply currently remains largely consistent, even though it would be expected that the supply of housing land would decrease much more as we have had a significant number of completions since 2015.

3.3 Given these completions figures, it should be expected that the supply of housing land would decrease by a similar amount. This has not occurred and demonstrates that we've had a healthy supply of homes completed on windfall sites. In fact, of the 4884 net completions since 2017, only 1,851 (37.8%) of those are on Local Plan allocated sites (as of 31 March 2024). Whilst we expect there to be a shift in coming years to more homes completed on allocated sites, we would still expect completions on windfalls to be well in excess of the windfalls we make an allowance for (161 per annum).

3.4 It is interesting to note, the Local Plan planned for a total housing requirement of 11,520 for the period 2012-30. Despite being 12 years on from the base date of the Local Plan, and 7 years from its adoption, we are still able to meet almost 90% of the total Local Plan housing requirement. This is in addition to comfortably meeting the housing delivery test requirements.



3.5 Furthermore, the total housing supply figure for the next 15 years, does not take account of any ‘exceptional’ windfall sites (i.e. those that secure 20 or more homes) that we may get in Sefton. For example, there are likely to be a number of large office to residential conversions which continues a recent pattern. There will also be some sites that unexpectedly fall out of our supply. This will be reviewed every year. However, Sefton’s total 15 year housing supply is strong and demonstrates that there is likely to be a strong long term supply of housing in the borough.

3.6 For context, in the two year period from 1st April 2022 to 31st March 2024 the following large windfall sites (i.e. 20+ homes) have been approved:

- Telegraph House, Crosby (DC/2022/1148) – 72 dwellings
- 326 Liverpool Road, Maghull (DC/2021/02499) – 44 dwellings
- Park House, Waterloo (DC/2022/01095) – 106 dwellings
- Deyes Lane, Maghull (DC/2021/00015) – 75 dwellings (awaiting signing of section 106 agreement)
- 26-32 Tulketh Street, Southport (DC/2023/01608)- 26 dwellings

These have been included in our supply, along with others that are likely to be approved in the future, and this will ensure that our total supply of housing land will remain healthy.

3.7 The table below shows a breakdown of the 15-year supply of housing land in Sefton by type and the period it is expected to be completed. A more detailed explanation of the Council's five-year supply position is set out in the next section.

	YEARS 1-5	YEARS 6-10	YEARS 11-15	YEARS 1-15
Large New Build	3607	845	330	4773
Small New Build	278	0	0	278
Large Conversions	94	272	0	366
Small Conversions	239	0	0	239
Assessed Site	40	249	0	289
Allocated Site without planning permission	202	1368	558	2128
Self-Contained care units	91	147	0	238
Communal unit	59	0	0	59
Windfall Supply	486	810	810	2106
TOTAL AFTER DISCOUNT IS APPLIED	5021	3627	1698	10,346

SHLAA summary table (please note that these figures are rounded to the nearest unit)

4. Sefton's five year supply position at 1st April 2023

Introduction

4.1 The requirement to demonstrate a 5 year supply of housing land is set out in the Government's 'National Planning Policy Framework' (NPPF). This requires that local authorities:

Strategic policy-making authorities should have a clear understanding of the land available in their area through the preparation of a strategic housing land availability assessment. From this, planning policies should identify a sufficient supply and mix of sites, taking into account their availability, suitability and likely economic viability. Planning policies should identify a supply of:

a) specific, deliverable sites for five years following the intended date of adoption (para 69)

Sefton's Annual Housing Requirement

4.2 Sefton's Local Plan is now more than five years' old, being adopted in April 2017. The Council have decided to delay a review of the Local Plan and to progress a new Local Plan under the emerging plan-making system in the Levelling Up and Regeneration Act 2023. NPPG on Housing Supply and Delivery (para 003) states

'Where strategic policies are more than 5 years old, or have been reviewed and found in need of updating, local housing need calculated using the standard method should be used in place of the housing requirement.'

4.3 Therefore, the basis for calculating the Council's 5-year supply position is the Government's Standard Methodology¹ rather than the housing requirement in the Local Plan. **The Standard Methodology for calculating housing needs gives Sefton an annual housing requirement of 578 homes per annum.** This is lower than the Local Plan housing requirement of 694 (post 2017). The calculation for the standard methodology for Sefton is set out in Appendix B.

4.4 Where the standard method for assessing local housing need is used as the starting point in forming the planned requirement for housing, the standard method factors in past under-delivery as part of the affordability ratio, so there is no requirement to specifically address under-delivery separately when establishing the minimum annual local housing need figure (paragraph 031 of NPPG- Housing supply and delivery). As set out in Appendix B, the standard methodology figure for Sefton includes an uplift of 754 dwellings in the housing requirement for the next 10 years to account for affordability caused by backlog. It is interesting to note this is reasonably similar to the shortfall of housing delivered to 2023 when measured against the housing requirement in the Sefton Local Plan (see below). Furthermore,

¹ [Housing and economic needs assessment - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/publications/housing-and-economic-needs-assessment)

even though the Council is shown to have a lower housing requirement through the standard methodology, it will continue to support appropriate housing proposals on suitable sites, including the Local Plan allocations still to secure planning approval.

Backlog against Housing Requirement 2012-2024

4.5 Since 2012, Sefton has under delivered against the Local Plan housing requirement, primarily due to a large number of demolitions linked to regeneration programmes (see 2015/16 below). However, since 2019/20 Sefton has exceeded the Local Plan housing requirement each year and the deficit has started to decrease. Now that the Sefton’s Local Plan is older than 5 years, and we are to use the standard methodology for calculating our housing requirement (see above), there is no need to add this backlog to the housing requirement. As the guidance sets out, the affordability ratio provides a mechanism for including backlog in the standard methodology figure. However, it is interesting to note how close the backlog against the Local Plan housing requirement (725) and that included in the standard methodology (754).

Year	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	Total
Annual requirement	500	500	500	500	500	694	694	694	694	694	694	694	7,358
Annual delivery	410	318	505	-152	668	515	583	779	748	766	745	748	6,633
Shortfall													725

Accumulated net completions against Local Plan figure.

Buffer to the Supply - 20%

4.6 The 2023 changes to the NPPF means there is no longer a requirement for a 5% buffer on top of the 5-year supply requirement. However, were there has been a record of under delivery a buffer of 20% should be added to the supply requirement. The NPPF outlines under-delivery should be determined by the housing delivery test. Authorities who fail to meet 85% of their housing requirement over the previous three years will be required to apply a 20% buffer to their five-year supply.

4.7 Sefton has passed the housing delivery test for the last three years and so the 20% buffer does not apply.

Calculating the 5 year requirement

4.8 Based on the information above, Sefton’s 5 year housing requirement is as follows-

Housing Requirement for next 5 years	5 years times the requirement of 578 dwellings per year.	2,890
--------------------------------------	--	-------

Identifying sites to meet the 5 year supply

4.9 NPPF places strict criteria for inclusion of sites in the 5 year supply and requires that such sites are ‘deliverable’. This is defined in the NPPF but can be summarised:

- Available now;
- Suitable now;
- Achievable, with a realistic prospect that housing will be delivered on the site within five years; and
- Viable.

4.10 Sites within the 5-year supply must meet all of these criteria.

4.11 The housing sites in Sefton that are considered to meet the 5-year supply criteria are made up of the following categories of site:

- Sites with planning permission for housing
- Local Plan housing allocations and other sites where it is known progress is being made towards an application
- A windfall allowance

Sites with Planning Permission for Housing at 1st April 2024

4.12 For sites with a current planning permission for housing, The NPPF states *“Sites which do not involve major development and have planning permission, and all sites with detailed planning permission, should be considered deliverable until permission expires, unless there is clear evidence that homes will not be delivered within five years (for example because they are no longer viable, there is no longer a demand for the type of units or sites have long term phasing plans). Where a site has outline planning permission for major development, has been allocated in a development plan, has a grant of permission in principle, or is identified on a brownfield register, it should only be considered deliverable where there is clear evidence that housing completions will begin on site within five years.”*

4.13 Sites of ten or more dwellings with full permission were assumed to be in the five year supply unless there was sound evidence that they couldn’t deliver. Where the sites had more units that likely to be delivered within the five year period, developers were asked about phasing. Where no response was provided assumptions were made that there would likely to be 35 dwellings per year delivered on the basis of past trends. This is a fairly cautious approach on the basis that often more can be delivered. A cautious approach was made on timescales for commencing developments and first completions. These sites were only removed from the 5-year supply where the developer/landowner indicated that they would not be implementing

the development (in whole or in part) within 5 years or where there was a lack of evidence that the site would come forward.

4.14 Some larger sites will be phased over a longer time period than 5 years. In these instances, the assumed contribution related to the proportion of the site that will be developed within the 5-year period, factoring in lead in times and upfront infrastructural requirements.

4.15 For smaller sites (less than 10 units) with planning permission, an across-the-board discount of 10% was applied to the total supply from these sites, to reflect likely non-implementation rates. This approach is consistent with appeal decisions elsewhere, and the historic rate of non-implementation in Sefton.

4.16 For smaller sites, the lead in time from grant of permission to the delivery of completions was based on historic trends for similar sized sites.

Sites without Planning Permission for Housing at 1st April 2024

4.17 The vast majority of sites in the 5-year supply benefitted from planning permission for housing at 1st April 2024. However, a number of sites without planning permission, predominantly Local Plan allocations, have also been included in the 5-year supply. A 20% discount was applied to these sites to reflect the greater uncertainty associated with sites without planning permission.

4.18 Assessments of each of these sites are set out at appendices of the SHLAA.

Calculating the 5 year-housing supply

4.19 The following table provides an overview of Sefton’s supply of housing sites that are considered to meet the 5-year supply criteria:

Housing 5 year-supply overview²

Large Sites (New Build)	3607
Small Sites (New Build)	250
Large Conversions	94
Small Conversions	215
Assessed site	32
Allocated Site without Planning Permission	202
Self-contained care units	82
Communal accommodation (adjusted)	53
Windfall Supply (years 3-5 only)	486
TOTAL	5021

² Note these figures have been discounted as set out in the report

A. Requirement for the next 5 years (from paragraph 4.9)	2,890
B. Total 5-year forecast supply (from table above)	5,021
C. 5-year supply proportion (B/A)	1.74
D. 5-year supply position (Cx5)	8.69

Conclusions

4.20 Sefton's 5-year housing supply position remains similar to last year and is much healthier than it has been in prior years. This due to two main reasons:

- The Local Plan is over 5 years old, and the housing supply position is now compared to the standard methodology approach rather than the Local Plan housing requirement.
- Many of large housing allocations in the Sefton Local Plan have now secured planning permission and are projected to deliver a large number of homes in the next few years.
- The removal of the previously required 5% buffer.

Appendix A

Justifying a windfall allowance

NPPF paragraph 72 requires that local authorities demonstrate “compelling evidence” that windfall sites have formed, and will continue to form part, of the housing supply. A number of post-NPPF appeal decisions and Local Plan Inspector’s reports have confirmed that it is not sufficient to simply demonstrate past delivery, and that there must be clear reasons why windfalls will continue to be delivered.

Sefton’s justification for incorporating a windfall allowance is set out as follows:

There is a consistent pattern of windfall permissions in Sefton:

- A consistent pattern of windfall permissions can be demonstrated in Sefton since 1st April 2009. Net windfalls on small sites have never dropped below 91 per annum over a 10 year period (and that was the past year). The vast majority of these permissions were granted for less than 10 dwellings. Small sites, particularly those arising from conversions, are usually the most difficult sites to anticipate in advance.

The windfall allowance is based on cautious assumptions:

- This record of windfall delivery has included a period of housing market slowdown, when net completions have been below those experienced in previous years. Using the period 2014 - 2024 as a basis for projecting forward is a balanced approach, as the first part of this period reflects a period of historically low development activity, the second part was a period of growth and the year 2020/21 was during Covid times with the issues of lockdowns, material and labour shortages but at the same time a housing boom.
- The assumptions used to project forward a windfall allowance are also cautious. Larger ‘exceptional’ historic windfalls have been excluded from the forward projection. In addition, a 10% discount has been applied to the historic rate of delivery of smaller windfall sites.

Potential sources of future windfall sites:

- Several of the Borough’s settlements are Victorian or Edwardian (e.g. Southport, Bootle, and Crosby), and largely pre-date the modern planning system. These settlements contain large numbers of small commercial premises in residential areas that are often suitable for small housing developments. These uses are uncommon in modern planned housing estates. In addition, large Victorian properties often lend themselves to sub-division to apartments and will contribute to delivery from conversion sites. The historic pattern of windfall delivery confirms that the largely Victorian/Edwardian settlements (Bootle, Crosby, Southport) have delivered the majority of historic windfalls in Sefton.

- Many of the historic windfall permissions have been granted in Southport. In addition to being a predominantly Victorian town, Southport contains the largest town centre in the Borough which will inevitably contribute windfalls from town centre apartment schemes,

conversions, and mixed-use developments, etc. Southport Town Centre has delivered a steady stream of completions from sites of less than 20 dwellings in recent years.

- In addition, Southport contains a large number of small industrial/commercial ‘backland’ sites in Victorian residential areas that are potentially suitable for housing. The vast majority of these sites are in ‘Primarily Residential Areas’ on the adopted Local Plan map.
- Since 2012, many smaller windfalls have come from converting existing buildings to housing (usually to apartments). Changes to housing benefit (the “bedroom tax”) are likely to sustain this trend in the years ahead by increasing the demand for 1 and 2 bedroom affordable homes.
- A windfall contribution could also come forward from the following types of sites: pub closures, redevelopment of previously developed land in Green Belt (under NPPF para 149), employment sites outside of designated ‘Primarily Industrial Areas’, former school sites, etc.

The Council receives a large number of requests for pre-application advice. Whilst this advice is confidential, the Council continues to receive a significant number on brownfield sites and back land sites that are not included in the SHLAA. Historically many of these have ended up with planning applications and permissions. This pattern is likely to continue.

Taken together, the above is considered to represent “compelling evidence” that windfall sites have consistently become available in the local area and will continue to provide a reliable source of supply into the future, as required by NPPF para 72. The Local Plan Inspector assessed our approach to windfalls in the Local Plan examination and, while this has evolved a little, accepted our broad approach.

Appendix B

Calculating the 'Standard Methodology Figure for Sefton'

The Government's national planning practice guidance explains that the standard method to calculate a minimum annual local housing need figure is as follows:

Step 1 Setting the baseline

Set the baseline using national household growth projections (2014-based household projections in England, table 406 unitary authorities and districts in England) for the area of the local authority. Using these projections, calculate the projected average annual household growth over a 10 year period (this should be 10 consecutive years, with the current year being used as the starting point from which to calculate growth over that period).

Step 2 - An adjustment to take account of affordability

Adjust the average annual projected household growth figure (as calculated in step 1) based on the affordability of the area. The most recent median workplace-based affordability ratios, published by the Office for National Statistics at a local authority level, should be used. No adjustment is applied where the ratio is 4 or below. For each 1% the ratio is above 4 (with a ratio of 8 representing a 100% increase), the average household growth should be increased by a quarter of a percent. An authority with a ratio of 8 will have a 25% increase on its annual average household growth baseline. Where an adjustment is to be made, the precise formula is as follows: Adjustment factor = $((\text{local affordability ratio} - 4)/4) * 0.25 + 1$.

Having regard to the guidance set out above, the baseline has been set using the projected annual household growth over a 10 year period using the 2024-2034 based household projections, with 2024 being the first of the ten years given that the five year supply period being considered within this report is for the period 2024 to 2029. The most recent ONS median workplace based affordability ratios for Sefton are for 2023.

Taking into account the above, the current local housing need figure for Sefton is 578 per annum. The steps showing how this is calculated are set out below:

Sefton 2024-2034 household increase (2014 based household projections)	5026 (130,121 – 125,095)
Sefton local affordability ratio (2023 median house price to median gross annual workplace-based earnings)	6.4
Adjustment factor = $((\text{local affordability ratio} - 4)/4) * 0.25 + 1$	1.15
Uplift to households for affordability	754

Sefton 2023-2033 household increase (with affordability uplift)	5,780
Sefton housing need per annum	578

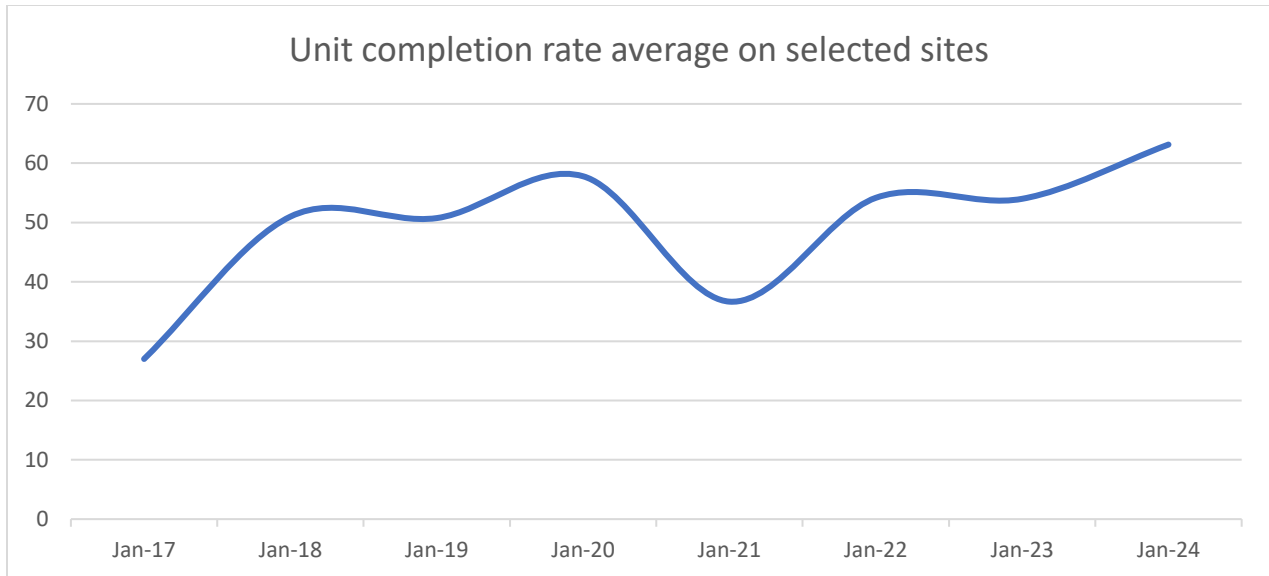
Appendix C

Site Delivery

As outlined within paragraph 4.14 in the main body, we assume based on past trends that where no phasing plan has been provided by the developer, 35 dwellings per year will be delivered. As part of this year's SHLAA, to check that the number of 35 is an accurate assumption for delivery on sites, we looked at the completion rate of 11 major schemes which have been completed or substantial constructed since 2017 (i.e. the adoption of the Local Plan).

The table below shows the number of completions per year on each of the case study sites.

Site	To March 2017	To March 2018	To March 2019	To March 2020	To March 2021	To March 2022	To March 2023	To March 2024
Waddicar Lane, Melling	-	-	-	32	32	39	46	-
Former St Wilfrid's school, Litherland	-	-	-	-	-	-	28	41
Poppy Fields, School Lane, Maghull	27	90	87	88	38	50	-	-
Land East of Maghull (South)	-	-	-	-	-	-	-	125
Runnells Lane, Thornton	-	-	-	-	22	53	40	17
Liverpool Road, Formby	-	-	-	-	-	57	97	84
Town Lane, Kew, Southport	-	50	18	79	80	104	111	63
Former Phillips Site, Southport	-	-	-	-	-	22	41	50
Goals Site, Park Lane, Netherton	-	-	-	-	-	-	15	62
Klondyke Phases 2&3, Bootle	-	13	48	41	40	-	-	-
Andrews Lane, Formby	-	-	50	49	8	-	-	-
Average	27	51	50.8	57.8	36.7	54.2	54	63.1



As can be seen from the table, the average completion rate in general is well above 35 units per year, indicating we have been taking a conservative approach in our delivery assumptions. What the produced averages don't consider is that the first year of delivery may not have been across the whole year, for example, construction may have started in June. Also, the final year of delivery may only have a minimal number of units remaining to be built.

Five of the seven years post local plan adoption had a completion rate average of over 50 units per year. The only year below our assumption of 35 units per year was 2017. This can be explained, as Poppy Fields on School Lane was the only site to commence building that year and had just started construction. The remaining units on Poppy Fields were constructed at a rate greater than 35 units per year. Therefore, this year is considered to be anomalous against the other six.

Following the review of some of the major sites which have been constructed post Local Plan, it can be considered that our delivery assumption of 35 units per year when not provided with a phasing plan is justified.