



Sent by EMAIL ONLY to PlanningPolicy@cannockchasedc.gov.uk

18/3/2024

Dear Sir/ Madam

Response by the Home Builders Federation to the Cannock Chase Pre-Submission (Reg 19) Local Plan

1. Please find below the Home Builders Federation (HBF) response to the Cannock Chase Submission (Reg 19) Local Plan. HBF is the principal representative body of the house-building industry in England and Wales. Our representations reflect the views of our membership, which includes multi-national PLC's, regional developers and small, local builders. In any one year, our members account for over 80% of all new "for sale" market housing built in England and Wales as well as a large proportion of newly built affordable housing.
2. HBF have not commented on every policy, only those of relevant to HBF members.

General Comments and Legal Compliance

3. HBF welcomes the Council's efforts to ensure that they have an up to Local Plan. Plan-making is a fundamental part of a Local Authority's role and is essential to support the delivery new homes and jobs. HBF agree that there are many factors that support the need for a Cannock Chase Local Plan. HBF support welcome plan proactive welcome approach pro-growth.
4. HBF would request that the Council revisits the layout and format of policies. It would be helpful if the Council could include clause/paragraph numbers within all of the vision and objective sections and in all of the policies. The numbering of each clause/paragraph within a policy and the justification text will aid referencing for those making representations on the local plan as well as for applicants and decision makers following the adoption of the plan.
5. In its current format the Plan with create problems for plan users when seeking to refer to the policies and supporting text, particularly applicants and decision-takers. We note that all the policies are just written as long chunks of free text or a list of bullet points with no identifying numbering or lettering. This will make it very difficult for a developer, a planning officer, an elected member, or a member of the public to make specific reference to a particular part of the policy or text when preparing a planning application, writing a report, making a decision or making a representation on a planning application. This need to be resolved for the plan to be effective.

Format of Strategic Policies

6. HBF are concerned about the structure of the Plan. The NPPF (para 21) clearly states that: "Plans should make explicit which policies are strategic policies 12 . These should be limited to those necessary to address the strategic priorities of the area (and any relevant cross-boundary issues), to provide a clear starting point for any non-strategic policies that are needed. Strategic policies should not extend to detailed matters that are more appropriately dealt with through neighbourhood plans or other non-strategic policies."
7. It is unclear from the policy layout which policies the Council consider strategic, and which are not. They need to be clearly identified. HBF have not made an individual objection to every policy on the basis it needs to be clear if it strategic or not, but our comments on this matter do relate to every policy, and this issue needs addressing for every policy.
8. Similarly, there is no need for any planning policy, strategic or non-strategic, to include a list of other policies elsewhere and the Plan and require an applicant to comply with them. As the plan must be read as a whole, this adds nothing to the Plan and could be a source of confusion. As this is an error common in many policies HBF have no objected to every policy where this occurs individually but again request that this issue is addressed for every policy where this has occurred.

Housing Objective on Page 18

9. The first paragraph refers to the Government 'draft' standard method. This is not correct as the standard method is not in draft, the word draft should therefore be removed from this paragraph.
10. HBF welcomes the Council's intention to contribute to meeting the wider housing needs of the Birmingham and Black Country area.

Policy SO3.1 Provision of New Homes

Policy SO3.1 is not considered to be sound as it is not justified or effective or in compliance with national policy

11. HBF support the use of the Council's use of the standard method as the way of calculating the minimum housing requirement and welcome the Council's efforts to try and make a contribution to meeting the housing needs of the Greater Birmingham and Black Country Housing Market Area (GBBCHMA). We would however suggest that in light of the housing crisis and the level of housing need, a contribution of more than 500 dwellings to meet this wider need should be provided.
12. HBF strongly support the need for more housing in the Cannock Chase Local Plan for a variety of reasons including addressing the current housing crisis, meeting housing need, providing affordable housing, to support small and medium house builders and to support employment growth. HBF would request that the Council considers the proposed housing requirement fully considers all of the issues that may result in a need for a higher housing requirement, including the need to provide a range and choice of sites, the need for flexibility, viability considerations and whether

higher levels of open-market housing are required in order to secure increased delivery of affordable housing.

13. HBF are also very aware of the challenges facing the Local Planning Authorities in the West Midlands and the Black Country to meet their own housing requirements. The issue of unmet needs has proven problematic with many neighbouring West Midlands authorities all saying they cannot meet their own needs because they are constrained and then asking each other to take their unmet needs, without success. HBF welcomes the Councils' explicit consideration of this issue within the Plan and agree that the current lack of clarity in relation to the level of unmet need, and what, if anything other LPAs are doing to address it provides a difficult context for this Local Plan. However, HBF also agrees in the importance of plan-making and the need for all LPAs to have an up-to-date Local Plan. That being said HBF would suggest the housing requirement of Cannock Chase needs to be higher to reflect both a higher locally generated need for the reasons listed, and to make a larger contribution to the housing needs of the wider area.
14. The constrained nature of the supply of sites in the wider Birmingham and Black Country area, and within Cannock Chase itself, should be considered as a separate matter from the calculation of the housing requirements.

Policy SO3.2 Housing Choice

Policy SO3.2 is not considered to be sound as it is not justified or effective

15. Whole Plan viability testing is an important part of the plan-making process. However, as noted in PPG (ID: 10-003-20180724) assessing the viability of plans does not require individual testing of every site or assurance that individual sites are viable.
16. HBF would therefore request that additional flexibility should be included within this policy. This was needed because whole plan viability assessments use methodologies that test typologies of sites, and not the detailed circumstances of individual sites. As such there may be individual sites that are already not viable, for example if the costs or values of a specific site fall outside the parameters used of a typology that was tested. Some sites will be on the very margins of viability and other sites may already be unviable even without a change of circumstances. Therefore, additional flexibility is needed in the policy, and without this flexibility the plan is unsound because it was neither justified nor effective.
17. HBF suggest the policy wording should include the opportunity for negotiation around policy requirements for site specific reasons, as any sites whose circumstances fall outside the parameters of the typologies tested could already be unviable under the proposed Local Plan policies. The wording should be amended to allow for site specific viability considerations to be taken into account. Overage clauses may not be appropriate in all cases, particularly for single phased developments, even if they take more than two years to develop. This part of the policy seems unreasonable and should be deleted.

Policy SO3.3 Delivering High Quality Housing

Policy SO3.3 is not considered to be sound as it is not justified or effective or in compliance with national policy

18. HBF does not support the introduction of the optional Nationally Described Space Standards though policies in individual Local Plans. If the Council wanted to do this, they will need robust justifiable evidence to introduce the NDSS, as any policy which seeks to apply the optional nationally described space standards (NDSS) to all dwellings should only be done in accordance with the NPPF, which states that “policies may also make use of the NDSS where the need for an internal space standard can be justified”.
19. The NPPF requires that all policies should be underpinned by relevant and up to date evidence, which should be adequate, proportionate and focussed tightly on supporting and justifying the policies concerned. The PPG (ID: 56-020-20150327) identifies the type of evidence required to introduce such a policy. It states that ‘where a need for internal space standards is identified, local planning authorities should provide justification for requiring internal space policies. Local planning authorities should take account of the following areas:
 - Need – evidence should be provided on the size and type of dwellings currently being built in the area, to ensure the impacts of adopting space standards can be properly assessed, for example, to consider any potential impact on meeting demand for starter homes.
 - Viability – the impact of adopting the space standard should be considered as part of a plan’s viability assessment with account taken of the impact of potentially larger dwellings on land supply. Local planning authorities will also need to consider impacts on affordability where a space standard is to be adopted.
 - Timing – there may need to be a reasonable transitional period following adoption of a new policy on space standards to enable developers to factor the cost of space standards into future land acquisitions’.
20. HBF also remind the Council that there is a direct relationship between unit size, cost per square metre (sqm), selling price per sqm and affordability. The Council’s policy approach should recognise that customers have different budgets and aspirations. An inflexible policy approach to NDSS for all new dwellings will impact on affordability and effect customer choice. Well-designed dwellings below NDSS can provided a good, functional home. Smaller dwellings play a valuable role in meeting specific needs for both open market and affordable home ownership housing.
21. An inflexible policy approach imposing NDSS on all housing removes the most affordable homes and denies lower income households from being able to afford homeownership. The introduction of the NDSS for all dwellings may mean customers purchasing larger homes in floorspace but with bedrooms less suited to their housing needs with the unintended consequences of potentially increasing overcrowding and reducing the quality of their living environment. The Council should focus on good design and usable space to ensure that dwellings are fit for purpose rather than focusing on NDSS.
22. HBF considers that if the Government had expected all properties to be built to NDSS that they would have made these standards mandatory not optional.

23. If the proposed requirement for NDSS is carried forward, then the Council should put forward proposals for transitional arrangements. The land deals underpinning residential sites may have been secured prior to any proposed introduction of the NDSS. These sites should be allowed to move through the planning system before any proposed policy requirements are enforced. The NDSS should not be applied to any reserved matters applications or any outline or detailed approval prior to a specified date.
24. HBF note that the policy seeks all to require all new dwellings to M4(2) Building Regulations and require 5% of dwellings on major developments to meet part M4(3). There is a need for the policy needs to differentiate between Part a) and part b) of M4(3) technical standards. M4(3)a sets out standards for wheelchair adaptable housing, where M4(3)b relates to wheelchair accessible housing which can only be required on affordable housing where the Council has nomination rights.
25. The requirements to meet Part M4(2) will be superseded by changes to residential Building Regulations. The Government response to 'Raising accessibility standards for new homes' states that the Government proposes to mandate the current M4(2) requirement in Building Regulations as a minimum for all new homes, with M4(1) applying in exceptional circumstances. This will be subject to a further consultation on the technical details and will be implemented in due course through the Building Regulations. There is therefore no need for a policy on this issue within the Cannock Chase Local Plan.
26. questions if there is a need for a strategic policy on this issue. There is no need to provide any strategic policies that simply list other policies elsewhere and the Plan and require an applicant to comply with them. As the plan must be read as a whole, this adds nothing to the Plan and could be a source of confusion.

Policy SO7.1 Protecting, Conserving and Enhancing Biodiversity and Geodiversity

Policy SO7.1 is not considered to be sound as it is not justified or effective

27. HBF suggest there is not need for this policy to include a reference to policy SO7.2 below. As the plan must be read as a whole, this adds nothing to the Plan and could be a source of confusion.

Policy SO7.2 Biodiversity Net Gain

Policy SO7.3 is not considered to be sound as it is not justified or effective or in compliance with national policy

28. HBF request that this policy is reviewed and revised in light of the new DLUHC and DEFRA guidance to ensure it fully reflects all the new legislation, national policy and guidance.
29. HBF has been involved in a significant amount of work, being led by the Future Homes Hub, on BNG preparedness for some time and note the draft Planning Practice guidance from DLUHC and the Draft DEFRA BNG Guidance has been released during your consultation period.
30. HBF note that there is a lot of new information for the Council to work though and consider the implications of, in order to ensure that any policy on Biodiversity Net

Gain policy so that it complies with the latest policy and guidance now it has been finalised. It should also be noted that the PPG is clear that there is no need for individual Local Plans to repeat national BNG guidance.

31. It is the HBF's opinion that the Council should not deviate from the Government's requirement for 10% biodiversity net gain as set out in the Environment Act. The Plan should provide certainty for developers and a clear BNG policy with a fixed 10% figure, rather than the policy including the phrase "at least 10%" would help to provide this.
32. There are significant additional costs associated with biodiversity gain, which will need to be fully accounted for in the Council's viability assessment. It is important that BNG does not prevent, delay or reduce housing delivery. Although the national policies requiring 10% BNG cannot be subject to site specific viability discussions, any policy requirements over 10% can be. Any policy seeking more than 10% BNG needs to reflect this position.
33. It is also important to note that for large and complex sites where the development is phased, the guidance is clear that the 10% must be delivered at the end of the development, and this may not result in 10% BNG on each phase. Additional advice on phased development has been provided in the new BNG PPG.
34. HBF also suggest particular care is needed in terminology to ensure the BNG policy reflects the national policy and guidance. For example, on-site and off-site biodiversity is referred to as units, and the statutory national credit system of last resort is referred to as credit. Similarly, it will be important to differentiate between the mitigation hierarchy, which seeks to avoid harm and then mitigate it in relation to protected habitats and the BNG hierarchy which prioritises on-site BNG delivery, then off-site units and finally allows for statutory credits. National BNG policy allows for all three of these options, and therefore the Plan should also reference statutory credits.
35. The costs of BNG must also be considered as part of the whole plan viability assessment and should be specified as a single specific item, not combined into a generic s106 costs item. There are significant additional costs associated with biodiversity net gain, which should be fully accounted for in the Council's viability assessment, some of which are unknown at this time. It is important that BNG does not prevent, delay or reduce housing delivery. The costs relate both the financial costs and also land take- which will impact on densities achievable if BNG is provided on site.
36. As this is still an new policy area and the market for off-site provision, and statutory credits are not yet known, any figure used for BNG costs will need to be kept under review as BNG implementation progresses and a greater understanding of actual costs become available. The Whole Plan Viability Assessment should clearly set out how it considered the implications of mandatory BNG and how it was arrived at using the most up to date BNG costs information available.
37. HBF suggest that there is also a need for this policy and supporting text to say more about Local Nature Recovery Strategies. As the LNRS emerges it will be important for this Local Plan to be kept under review and further public consultation on the

interaction between the two documents and/or changes to Local Plan policy to reflect the LNRS may be needed.

38. HBF would also encourage the Council to ensure the Local Plan fully considers the new BNG requirements in relation to site allocations. This is likely to require undertaking an assessment of the baseline to support the allocation to enable an understanding the BNG requirements for a site to be allocated and the impact this may have on viability and other policy requirements and considerations. It will be important to understand the BNG costs of mandatory BNG as this is non-negotiable and as such may impact on the viability of the site and its ability to deliver against other policy requirements such as affordable housing or other s106 asks.
39. HBF also notes that there seems to be significant potential for confusion around environmental hierarchy, and suggest particular care is needed to avoid any confusion between the well-established mitigation hierarchy and the new BNG hierarchy. There is need for the policy wording and/or supporting text to be clearer about the differentiation between the mitigation hierarchy (which seeks to avoid harm in the first place, then mitigate and only then compensate it in relation to protected habitats) and the BNG delivery hierarchy (which prioritises on-site BNG delivery, then off-site units and finally allows for statutory credits). There seems to be significant potential for confusion between the two difference hierarchies. HBF therefore suggest that the should take particular care to explain how the requirements of the two part hierarchy work in different ways and that they seek to achieve different aims.
40. Reference could also usefully be made within the Plan to the small sites metric. This is intended to be a less complex statutory metric that can be used to set out how 10% BNG will be secured on small sites. It can only be used for on-site BNG delivery. The national mandatory 10% BNG policy will apply to small sites from April 2024.
41. The new DEFRA and DHLUC guidance is clear that going beyond the mandatory 10% requires evidence and there is a need to show that this will not impact viability. No such evidence exists to support a higher figure in Cannock Chase.

Policy SO7.7 Amendments to the Green Belt

Policy SO7.7 is not considered to be sound as it is not justified or effective

42. HBF would be supportive of additional green belt release for housing. HBF agree that the very special circumstances are needed to exist to justify such releases but HBF believe the current housing and scale of housing need in Cannock Chase and the wider area more than justify additional releases.

Policy SO8.2 Achieving Net Zero Carbon Development

Policy SO8.2 is not considered to be sound as it is not justified or effective or in compliance with national guidance

43. Although HBF supports the Council in seeking to minimise carbon emissions, adapt to the impacts of climate change and create resilient and healthy places. However, HBF does not consider that the Council setting its own standards is the appropriate method to achieve these outcomes. HBF is concerned that the Council is adding to

the complexity of policy, regulations and standards that housebuilders are already expected to comply with. The key to success is standardisation and avoidance of individual Councils specifying their own policy approach, which undermines economies of scale for product manufacturers, suppliers and developers.

Policy SO8.3 Sustainable Design

Policy SO8.3 is not considered to be sound as it is not justified or effective or in compliance with national guidance

44. HBF notes that the Building Regulations require all new dwellings to achieve a mandatory level of water efficiency of 125 litres per day per person, which is a higher standard than that achieved by much of the existing housing stock. This mandatory standard represents an effective demand management measure. The Optional Technical Housing Standard is 110 litres per day per person.
45. As set out in the NPPF¹, all policies should be underpinned by relevant and up to date evidence, which should be adequate, proportionate and focussed tightly on supporting and justifying the policies concerned. Therefore, a policy requirement for the optional water efficiency standard must be justified by credible and robust evidence. If the Council wishes to adopt the optional standard for water efficiency of 110 litres per person per day, then the Council should justify doing so by applying the criteria set out in the PPG. PPG² states that where there is a '*clear local need, Local Planning Authorities (LPA) can set out Local Plan Policies requiring new dwellings to meet tighter Building Regulations optional requirement of 110 litres per person per day*'. PPG³ also states the '*it will be for a LPA to establish a clear need based on existing sources of evidence, consultations with the local water and sewerage company, the Environment Agency and catchment partnerships and consideration of the impact on viability and housing supply of such a requirement*'. Therefore, HBF considers that a policy requirement for water efficiency in the Cannock Chase Local Plan is not justified nor consistent with national policy in relation to need or viability and should be deleted.
46. Again, there is need for the policy to list other policies elsewhere and the Plan and require an applicant to comply with them. As the plan must be read as a whole, this adds nothing to the Plan and could be a source of confusion.
47. HBF request that a clearer link and explanation is made between the spatial strategy, housing and employment allocations and the topic specific policies later in the Plan. Such matters may need to be considered on an area-by-area basis that fully recognises the links between housing policy and employment policy. Employment allocations and opportunities within a particular area could give rise to an additional housing need that should be accommodated within that area.

¹ NPPF Dec 2023 paragraph 31

² ID: 56-014-20150327

³ ID: 56-015-20150327

Site Allocations

48. HBF welcome the inclusion of a clear housing trajectory, but as detailed in our response to Policy SO3.1 Provision of New Homes request the housing requirement, and therefore the annualised figure is higher.
49. HBF do not comment on individual sites proposed for allocation, but it is noted that the Council will need to provide a site-by-site analysis to check of the deliverability of individual site allocations. HBF note that the new site allocations will be tested in due course at the Local Plan Examination. It is critical that the Council's assumptions on lapse rates, non-implementation allowances, lead in times and delivery rates contained within its overall Housing Land Supply, 5 Year Housing Land Supply and housing trajectory are correct and realistic. These assumptions should be supported by parties responsible for delivery of housing and sense checked by the Council.
50. Although HBF do not comment on specific site allocations, we are of the view, for the reasons details elsewhere in our representation, so not repeated here, there need to be more housing allocations.

The Need for Small Sites

51. The NPPF requires Local Plans to identify land to accommodate at least 10% of the housing requirement on sites no larger than one hectare, unless there are strong reasons why this cannot be achieved. The HBF has undertaken extensive consultation with its small developer members. One of the chief obstacles for small developers is that funding is extremely difficult to secure without a full, detailed, and implementable planning permission. Securing an implementable planning permission is extremely difficult if small sites are not allocated. Without implementable consents lenders are uneasy about making finance available or the repayment fees and interest rates they set will be very high. Small developers, consequently, need to invest a lot of money and time up-front in the risky business of trying to secure an allocation and a planning permission, and this is money that many small developers do not have.
52. The Council should set out in the Plan's policies and evidence base to set out how the plan will deliver 10% of homes on sites of less than one hectare, as required by paragraph 69 of the NPPF. Indeed, the HBF would advocate that a higher percentage of small sites are allocated if possible. Such sites are important for encouraging the growth in SME housebuilders who will tend to develop these sites but rarely see the benefits that arise from the allocation of sites in a local plan. Up until the 1980s, small developers once accounted for the construction of half of all homes built in this country resulting in greater variety of product, more competition, and faster build-out rates. Since then, the number of small companies has fallen by 80%.
53. HBF have been unable to find within the evidence base any analysis of how the small site requirement will be delivered within this Plan. This information needs to be provided and HBF may wish to comment on it once it has been.
54. HBF also note that support for small and medium builders need not be limited to only small sites of less than 1Ha. SMEs also deliver on other types of non-strategic sites (for example up to 100 units). The inclusion of additional non-strategic allocations would expand the range of choice in the market, and (possibly most importantly), be

of a scale that can come forward and making a contribution to housing numbers earlier in the plan period.

55. Although HBF do not comment on specific site allocations, we are of the view that the Cannock Chase Local Plan needs to include more housing allocations, including enough to meet the 10% small sites requirement.

Appendix One: Monitoring Framework

56. Although HBF is pleased to see a clear monitoring framework within the Local Plan itself we would request that the Council provide more details as to how the plan will be monitored, including identifying when, why and how actions will be taken to address any issues identified.
57. HBF do not support the inclusion of policies within a Local Plan that merely triggers a review of the Local Plan if monitoring shows housing delivery is not occurring as expected. Such a policy does nothing to address the housing crisis or undersupply of homes. There are other more effective and immediate measures that could be introduced into policy that would enable the Council to address housing under deliver, much more quickly than would be possible through the production of another plan, or plan review.

Participation at EIP and Future Engagement

58. HBF requests to participate in the Hearing Sessions for the Local Plan Examination, the HBF considers that their involvement is necessary to ensure that the home building industry is able to respond to any housing related issues raised during the hearing sessions.

Yours faithfully



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