

Home Builders Federation

Matter 3

WINDSOR AND MAIDENEHEAD BOROUGH LOCAL PLAN EXAMINATION

Matter 3: Housing

Issue 1 - Is the housing requirement based on a robust assessment of the Objectively Assessed Need (OAN) for housing within the Housing Market Area (HMA)? Is it otherwise justified?

OAN

When considering this issue, it is important to remember that this plan was submitted for examination in 2018 and benefits from the transitional arrangements included in the 2019 National Planning Policy Framework (NPPF). This transitional period was included in the NPPF to allow LPAs that had submitted plans, or were close to submission, to continue with their existing evidence base. The transitional period reflects the Government's desire for a plan led system and the drive to ensure all LPAs had adopted local plans in place. What the transitional period was not meant to lead to was a continued updating of the evidence of supporting local plans submitted prior to January 2019.

Indeed the continued reliance on the submitted evidence for transitional plans is supported in the November 2018 letter to Chief Planning Officers which states in its update on the use of the 2016-based household projections in the standard method that plans submitted on or before the 24 January 2019 can be based on existing assessments of housing need at the time of submission. This would suggest that the Government were not endorsing the use of the later household projections within transitional plans in the same way that they have not endorsed their use in the standard method. As such any assessment as to the appropriate projections of household growth should only be in relation to the use of either the 2012-based or 2014-based household projections which, unlike the 2016-based and 2018-based projections, were available at the time of submission. Given the Government's current position with regard to the use of the 2014-based household projections in the standard method these would seem to be the most appropriate projections against which to consider housing needs.

Therefore, whether or not the 712 dpa OAN as established using 2016 SHMA remains the most appropriate basis on which to plan for housing needs in the Borough depends



on the degree of uplift applied to take account of market signals and the number of homes required to support economic growth. The Council outline in paragraph 2.27 the outcomes from various uplifts ranging from 8.3% to 30%. As set out in our representations we did not consider the uplift of 8.3% to be sufficient on the basis of the acute affordability concerns present within Windsor and Maidenhead. As the Council note median affordability ratios have continued to worsen and lower quartile affordability is currently 14.05 an increase of nearly 4 points since 2011. Such affordability concerns would suggest that an uplift of at least 25% would be applicable in Windsor and Maidenhead in order to address this worsening position. Such an uplift when applied to household growth using the 2014-based household projections (with an adjustment for vacancies of 4.4%) results in an OAN of 711 dpa. This is in line with the outcomes of the 2016 SHMA.

The Council have also indicated that the level of growth being planned for within the Borough Local Plan is also required to ensure there are sufficient homes to support the labour supply required for the Borough to meet its economic potential. This is a key element of establishing the OAN for the Borough and must be given significant weight.

Impact of London's failure to meet its housing needs

For some time now the HBF has been raising concerns regarding the ability of London to meet its own housing needs and the capital has consistently failed to meet its targets with regard to housing supply. As such we have asked LPAs across the wider South East to either adjust their housing needs assessments to take account of likely increase in migration or include an increase to take account of unmet needs in the capital. Some authorities, such as Ashford in Kent, have adjusted and we would suggest that Windsor and Maidenhead given the excellent transport links to the capital are in a similar position.

As we outline in our representations, the examination report on new London Plan outlined that the GLA had failed to justify its estimates of supply. In particular they noted that there was no justification to support the level of supply expected from small sites in outer London Boroughs. This means that there is a shortfall of some 140,000 homes between 2018 and 2028 in the capital. It is inevitable that such shortfalls will drive increased out-migration from the capital to areas with strong transportation links and it is essential that the assessment of need does not ignore this situation.

Housing Requirement

Having regard to paragraph 47 of the NPPF, should the housing requirement be raised to 16,435 to contribute towards addressing Slough's likely unmet need of 6,000 – 11,000 dwellings?

Given that a considerable shortfall in housing delivery has been identified within Slough it is essential that its neighbours in the housing market area look to increase supply and for this supply to be included in their housing requirements. As such, there is a strong argument that RBWMs housing requirement is increased. The consequences

of this are that whilst some of Slough's unmet needs would be met it would remove the flexibility that was available within the Council's land supply to ensure their own needs are met. This will place the delivery of the overall housing requirement in the plan at greater risk as there will not be the necessary flexibility should there be a delay in any of the strategic sites required to meet needs in full.

Issue 2: Will the Plan provide a land supply sufficient to deliver the housing requirement of at least 14,250 dwellings from 2013-2033?

Is it justified for the total predicted supply to exceed the requirement in the context of the proposal to release Green Belt land?

Yes. Firstly, as set out above, there are unmet housing needs in the HMA due to Slough's inability to meet its own development needs. Unlike its neighbours, and indeed the majority of planning authorities in the South East, the issue facing Slough is one of its tight administrative boundaries to its urban area. This inevitably means it has less scope for identifying sites for new development. This is an absolute constraint that it cannot address on its own, unlike the policy constraint faced by Windsor and Maidenhead who can amend Green Belt boundaries in exceptional circumstances in order to meet housing needs. Slough is dependent on other authorities in order to meet its needs.

Secondly, it is important to consider the plan as a whole. This was an issue considered by the inspector examining the Guildford Local Plan who noted that local plans contain integrated proposals that work together and in concert to deliver a sound integrated approach to planning. The approach taken was subsequently considered a robust in the legal challenge brought by Compton Parish Council and others¹. The judgement in this case recognised at paragraph 101, 104 and 105 the importance of considering the plan as a whole and the fact that the benefits of planning in excess of OAN, such as improved affordability and the delivery of additional affordable housing, can contribute to exceptional circumstances.

Finally, the plan needs to be capable of ensuring that needs are met in full if it is to be considered sufficiently robust. By planning for a level of delivery beyond identified needs will ensure the necessary robustness and provide confidence that needs will be met. This issue was also considered in *Compton Parish v Guildford BC*. Paragraph 96 of the high court decision outlines that there is nothing illogical in requiring a buffer of some significance and that this would provide assurance that the requirement would be met.

Is it reasonable to assume that all of the 3,193 dwellings expected to come forward on sites with planning permission will be delivered or should a lapse rate be applied?

¹ *Compton Parish Council & Ors v Guildford Borough Council & Ors*. [Case Number: CO/2173/2019]

It is inevitable that some existing permission will not be delivered, come forward later in the plan period or will come forward at lower levels of delivery. To ensure that its housing land supply estimates are robust we would suggest that a lapse rate is applied.

Issue 3: What is the five-year housing requirement upon adoption of the Plan? Will the Plan ensure that there is a reasonable prospect of a five-year housing land supply being achieved upon adoption and throughout its lifetime as required by paragraph 47 of the NPPF?

What is the relevant starting date for consideration of the five-year supply upon adoption?

Given that hearing dates are still to be agreed, the earliest year of adoption, and the starting point for any assessment of the five-year land supply, is likely to be 2021/22.

What is the five-year requirement upon adoption? Is this justified in respect of the following:

- **Table 8, page 72 of the Plan indicates that if measured against an annual average housing requirement of 712dpa, there has been a shortfall in delivery each year since the start of the Plan period. Is it justified to measure delivery against a stepped requirement instead, as is done for the first six years of the Plan in Table 8, and suggested for the rest of the Plan period in Table 9?**
- **Is it justified to apply a 5% buffer to the five-year requirement having regard to paragraph 47 (bullet point 2) of the NPPF?**
- **If a stepped requirement is justified, should the year-on-year requirement be stated in policy for the purpose of measuring the five-year supply?**

It is difficult to provide any accurate assessment of the Council's five-year land supply on adoption or throughout the plan period given that no detailed assessment of annual delivery has been provided. The only trajectory providing this information is set out in the chart at Appendix B of the modified Local Plan, which does not include any data. As such any comments can only be made once the Council has provided the inspector with the information requested. In addition to these we also consider it essential that the Council provide a detailed trajectory for all the sites that will contribute to overall supply to ensure that the deliverability of each of these sites can be easily and properly considered through the EIP.

With regard to the use of stepped trajectory that significantly reduce delivery below housing needs for the period 2013/14 to 2017/18. This has been done to remove the backlog in housing delivery on adoption and spread it across the remaining plan period. Paragraph 3-035 of the guidance supporting the 2012 NPPF states the any undersupply should be addressed in the first five years of the plan where possible. Rather than adjusting its requirement in the early years of the plan to fit delivery the Council should have instead looked to implement a strategy that addressed the

shortfall in the first five years by allocating smaller sites that would come forward relatively quickly. However, the Council instead have adopted an approach from the initial regulation 18 consultation in 2016 that would push back any shortfall across the plan period.

Against paragraph 47 of the NPPF we would argue that a 20% buffer is required. However, the plan if adopted decision making at appeal will be based on the outcomes of the Housing Delivery Test. The latest published test indicates that the Council has an HDT of 97% and on the basis of paragraph 73c of the 2019 NPPF would need to apply a 5% buffer and that estimates of the Council's supply in 2019/20 would suggest the same position moving forward with an HDT of 90%.

Year	Requirement	Delivery	% delivery against requirement
2017/18	558	581	104
2018/19	768	705	91
2019/20	768	600 ²	78
3-year total	2,094	1,886	90

Will the Plan be likely to deliver a rolling five-year supply for the remaining plan period?

As outlined above the Council will need to provide an annualised assessment of delivery across the plan period in order for interested parties to comment on the five-year rolling land supply across the plan period.

Issue 4: Will Policy HO2 Housing Mix and Type be effective in securing an appropriate mix of housing?

Is the requirement for 5% of units on sites of 20+ dwellings to meet the M4(2) standard justified? Is it high enough having regard to the evidence of need? Is it sufficient to simply “encourage” developers to meet the M4(3) standard, having regard to evidence of need? Has the right/most up to date evidence been used to establish the need for housing to meet these standards? Would the viability evidence support greater provision if this were required?

The requirement for the number of units required to be built part M4(2) of the building regulations does not need to be increased. The HBF recognises that there is a need for some homes to be built to higher accessibility standards and that 5% represent a reasonable number of homes to be provided.

When considering the implementation of the optional standards it is important to note that footnote 46 in paragraph 147 in the NPPF states that policies on adaptable and accessible housing should be used “... where this would address an identified need

² Estimate based on Appendix B of BLP

...”. Like many areas Windsor and Maidenhead is forecast to experience an increase in the age of its population and as such the number of people with physical mobility difficulties will increase. However, what has not been considered by the Council is that all new homes are now built to much higher accessibility standards (part M4(1)) than the majority of the existing stock and as such will provide a sufficiently accessible home for the vast majority of the population throughout their lifetime. This standard, according to Part M of the Building Regulations, will ensure reasonable provision for most people, including wheelchair users, to approach and enter the dwelling and to access habitable rooms and sanitary facilities on the entrance storey. As such these standards are likely to be suitable for the significant majority of people as they get older and including many those with long term health problems or disabilities.

It is also the case that many people with a long-term health problem or disability will be able to adapt their current home to meet their needs. Given that many of those who will need to adapt their homes in future will already live in the Borough this will reduce the number of people moving to meet their housing needs. Some evidence related to this is provided in the English Homes Survey. Whilst we recognise that this is a nationally study it provides an indication as to the proportion of more adaptable homes that are required. The study examined the need for adaptations in 2014/15³ and noted that just 9% of all households in England had one or more people with a long-term limiting illness or disability that required adaptations to their home and that this had not changed since 2011-12. So, despite an increasing proportion of older people in the general populace the proportion of the population requiring adaptations had not changed. The survey also found that in 2014-15, 81% of households that required adaptations in their home, due to their long-term limiting disability, felt their current home was suitable for their needs and that 10% of those households whose home required an adaptation were trying to move somewhere more suitable.

So, whilst there is an ageing population this does not directly lead to the need for all new homes built to higher accessibility standards. An ageing population will lead to more people who are likely to have a mobility problem but not necessarily more people who need a new home built to M4(2). Many older people, and indeed those of all ages with a long-term limiting illness or disability, will be able to adapt their existing homes to meet their needs and do not need to find alternative accommodation. For many people a new home built to the mandatory M4(1) standard will offer sufficient accessibility and adaptability throughout their life.

On the basis of the results of English Homes Survey it is possible to consider the number of households that may need a more adaptable home over the plan period by applying the proportion of people who required an adaptation but considered their home to be suitable to the number of households in Windsor and Maidenhead at the end of the plan period. The Council expect to deliver 16,435 homes between 2013 and 2033 and on the basis of the number of households in 2013 of circa 59,000 households it can be reasonably expected that there will be circa 75,500 households by 2033. If

³https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/539541/Adaptations_and_Accessibility_Report.pdf

9% of these households contain a person with a long term limiting illness or disability that required an adaptation to their home due to their disability, and 19% of these households considered their home to be unsuitable to meet their need there would be around 1,300 households in need of a more accessible home in 2033 – roughly 8% of the homes proposed to be delivered over the plan period. As mentioned earlier we recognise that applying national data to local circumstances will not give a precise figure for those needing a more accessible home, but it does suggest that 5% is broadly correct.

Is the proposed modification to Clause 4, concerning self/custom build plots necessary for soundness? Is it the best method for securing such plots? Are the requirements/thresholds proposed to be set justified by evidence of need/viability?

No, the proposed change is not necessary for soundness. Whilst Councils are required to maintain a self-build register and identify sufficient plots to meet the needs of those wanting to build their own homes it does not require the provision of such plots on sites for residential development. In fact, the NPPG is clear in paragraph 57-025 that Council's should engage with landowners who own sites and to encourage them to consider self-build and custom housebuilding. Engaging and encouraging landowners to make provision is different from requiring such provision. As such planning policies that support self-building on appropriate sites, but which do not require such provision, must be considered to be sound. It should also be noted that planning policy is just one approach highlighted by PPG which also identifies the need for Council's to use their own land to support self-builders and to consider how they could meet demand through local housing and regeneration strategies. It is not clear that other such mechanisms have been considered by the Council in seeking to meet the demand for self-build plots in Windsor and Maidenhead.

Issue 5: Will Policy H03 Affordable Housing be effective in securing the delivery of sufficient affordable housing of an appropriate type and size?

Are the proposed changes to HO3 changes required to address issues of soundness?

No. When the Council submits a plan for examination it is a plan that they consider to be sound. Plans can only be modified on the basis of soundness as directed by the inspector examining that plan. The changes to HOU2 have been made without any indication from the inspector or others that the 30% affordable housing requirement was unsound. To use the hiatus in the examination to amend policies where soundness has not been raised is wholly inappropriate and on this basis alone the modification cannot be taken forward.

Are the proposed changes justified by the viability evidence in the Viability Update Note of 2019? In particular, are the model inputs in respect of developer contributions (£2,500 per unit), developer return (17.5%) and CIL indexing robust?

With regard to the updated viability evidence we are concerned, as outlined in our representations that the update note makes certain assumptions, we do not consider to be correct. Firstly, the developer contributions in relation infrastructure charges has been set at £2,500 per unit across all typologies. For larger sites this would appear to be low. We note that for the Desborough site a much higher per unit contribution of £12,300 per unit has been used and we would suggest that for all larger schemes a similar figure be used. It is worth noting that the Harman Review on the viability testing on local plan highlights that strategic infrastructure costs as being typically in order of £17,000 and £23,000 per plot. We recognise that costs will vary between sites but it essential that these costs are not underestimated.

The viability update states that the Council are currently updating their Infrastructure Delivery Plan in order to update costs. However, we could not find any updates and as such we would suggest far more cautious approach should have been taken to such costs and the decision to amend HOU3 in the manner suggested.

Does the viability evidence justify a lower threshold, below 10 dwellings, in urban areas? (See reps Wokingham BC).

No. National policy is clear that contributions for affordable housing should only be required on major development. The only exception to this is for rural areas where contributions can be required on development of 5 or more units. The Council's approach is consistent with national policy and as such must be considered sound.

Paragraphs 7.79-7.7.10 explain the circumstances in which a lower level of affordable housing might be considered on viability grounds but there is no such reference within the policy itself. Is this needed for effectiveness? Should such a clause refer to other measures to improve viability – such as altering the tenure mix or varying the level of other developer contributions as an alternative to reducing the affordable housing requirement?

Yes. It is important to ensure that the policies in the plan provide sufficient flexibility to enable development made unviable by the Council's policies to vary their affordable housing contributions to ensure their delivery.

Mark Behrendt MRTPI
Planning Manager – Local Plans SE and E