

Local Plan
City of York Council
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SENT BY EMAIL localplan@york.gov.uk 06/07/2021

Dear Local Plan Team,

YORK LOCAL PLAN: PROPOSED MODIFICATIONS AND EVIDENCE BASE CONSULTATION

- 1. Thank you for consulting with the Home Builders Federation (HBF) on the York Local Plan: Proposed Modifications and Evidence Base Consultation.
- 2. The 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.
- 3. The HBF is keen to work with the City of York to ensure that a sound Local Plan can be provided in a timely manner. This would be to the benefit of all concerned with the development and future economic success of the city.

Housing Needs Update (September 2020) & Modifications Schedule April 2021 PM50: Policy SS1, PM53: Policy SS1, PM54: Policy SS1, PM63a: Policy H1 Housing Allocations, PM63b: Policy H1 Housing Allocations

- 4. Each of these Proposed Modifications (PM) follows from the modification to Policy SS1 to deliver a minimum average annual net provision of 822dwellings per annum over the plan period, and 13,152 new homes over the whole period.
- 5. The proposed modification is based on the Housing Needs Update 2020; the Update was produced to take into consideration the 2018-based sub-national population and household projections from ONS and CLG. The Update highlights that there are issues with the household formation rates, same as there had been with the 2016-based projections, as they potentially lock-in recessionary trends during the period 2001 to 2011, the Update proposes a partial return to trend for the formation rates for certain age groups.
- 6. The major concern with regard to the latest household projections is that they will continue the trend of younger people forming households much later in life than in previous years. This posed a serious question for the Government as to whether it wants

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to see these trends continue or whether housing delivery needs to be at a level that will improve affordability and deliver homes that will improve the trend in household formation amongst younger people. It is clear from the initiatives that the Government has introduced such as Help to Buy and First Homes that this issue is to be addressed. The Government also continues to state that its aspiration is to increase housing delivery to 300,00 dwellings per annum by the mid-2020s, and it has recognised that this will not be achieved if the Government uses the 2018 projections.

- PPG sets out guidance on how to undertake a housing needs assessment, in relation to the Standard Method it states that 'any method which relies on using household projections more recently published that the 2014-based household projections will not be considered to be following the standard method as set out in paragraph 60 of the NPPF'. As explained above, it is not considered that these projections provide an appropriate basis for use in the standard method. The PPG requires the continued use of the 2014-based household projections, as it states that this will provide stability for planning authorities and communities, ensure that historic under-delivery and declining affordability are reflected and will be consistent with the Government's objective of significantly boosting the supply of homes. Whilst we recognise that the principles set out in the PPG have been made in relation to the standard method, they provide a clear statement from Government that the 2016 and 2018 based projections should not be used for assessing housing needs. The impact of these lower household projections if applied using the approach to assessing housing need required by the 2012 NPPF and its associated guidance is no different to their application under the standard methodology. Indeed, the impact could be considered to be even more significant given that Councils have generally under-estimated the degree of uplift required to improve affordability in relation to market signals. What is clear from the PPG is that significant caution should be given to the use of the 2016 and 2018-based household projections.
- 8. The Update continues to use an economic growth of 650 jobs, the Update identifies that there is a need to increase the housing requirement to meet this economic growth. It proposes a figure of between 777and 788dpa.
- 9. The Update also considers the Standard Method and identifies a total local housing need of 1,026dpa. It also considers the potential changes to the Standard Method that were consulted on in August 2020, however, these changes were not taken forward, and instead the original standard method was retained with an additional 35% uplift for the top 20 cities and urban centres.
- 10. The HBF does not consider these modifications to be sound, as they are not positively prepared, justified or consistent with national policy. The HBF continues to recommend that the policy is modified as follows: 'Deliver a minimum annual provision of 1,026 822 new dwellings over the plan period to 2032/33 and post plan period to 2037/38. This will enable the building of strong, sustainable communities through addressing the housing and community needs of York's current and future population'.

Modifications Schedule April 2021
PM55: Policy SS1 – Explanation

- 11. This amendment updates the sources of supply over the plan period 2017 to 2032/33 and sets out the distribution of housing allocations. Table 1a identifies a housing requirement of 13,152 dwellings and a housing land supply of 18,294 dwellings including 3,578 commitments, 11,067 dwellings on strategic housing allocations, 1,452 allocations and 2,197 dwellings from windfall development. Table 1b provides the spatial strategy identifying the number of allocations in urban areas, in urban extensions, in village extensions and in new settlements.
- 12. The HBF is keen that the Council produces a plan which can deliver against its housing requirement. To do this it is important that a strategy is put in place which provides a sufficient range of sites to provide enough sales outlets to enable delivery to be maintained at the required levels throughout the plan period.
- 13. The HBF supports the Council in ensuring there is a supply of housing land over the housing requirement to provide a buffer. This buffer should be sufficient to deal with any under-delivery which is likely to occur from some sites and to deal flexibly with any unforeseen circumstances. Such an approach would be consistent with the NPPF requirements for the plan to be positively prepared and flexible.
- 14. The HBF does not comment on the merits or otherwise of individual sites therefore our representations are submitted without prejudice to any comments made by other parties on the deliverability of specific sites included in the overall HLS, 5 YHLS and housing trajectories.
- 15. The housing supply makes an allowance for windfall sites of 169 dwellings per annum from 2020/21. This was evidenced by the Windfall Technical Paper. The HBF considers that the use of historic windfall in an area where there has been no adopted Plan may not provide the most appropriate basis for windfall development going forward, and recommends that this should be removed from the supply and instead used to provide flexibility.

PM 66: Policy H5

- 16. The proposed amendment requires applications for larger development sites of 5ha or more to provide a number of pitches within the site or to provide alternative land, it goes on to state that commuted sum payments will only be considered where on/off site delivery is proven unviable.
- 17. The HBF has concerns in relation to this policy and the proposed amendment, particularly in relation to the need for larger development sites to meet the needs of those Gypsies and Travellers households that do not meet the planning definition set out in Planning Policy for Traveller Sites. Further clarity is needed in relation to why provision is needed for those household no longer meeting the definition; whether a pitch on a strategic allocation is an appropriate location for these households particularly at the numbers proposed; what will happen to these pitches if no gypsy or traveller wishes to utilise them; and the management of these pitches.

18. The HBF does not consider this modification to be sound, as it is not justified or positively prepared and the HBF continues to recommend that part b of this policy relating to the requirements for larger development sites in providing gypsy and traveller sites should be deleted.

<u>City of York Annual Housing Monitoring and MHCLG Housing Flow Reconciliation</u> Return

19. The HBF notes the Council's paper in relation to the Council's housing monitoring and that reported as part of the Housing Flow Reconciliation (HFR). Given the significant difference (1,834 dwellings) between the two forms of reporting the HBF considers it may have been beneficial to have considered other forms of monitoring in the area that could have provided a comparator. The HBF considers it may have been useful for example to have noted the number of properties that had been added to the Council Tax list for each year, this would likely have been an over estimation as this would include temporary properties but may have provided more support for the housing completions identified by the Council.

Affordable Housing Note (February 2020)

20. The HBF notes the content of the Affordable Housing Note. It highlights the potential supply of affordable housing from Policy H10 and from the Council's Housing Delivery Programme. The Council project that a total of 3,539 affordable homes will be provided with an average of 221 affordable dwellings per annum provided up to 2032/33. The 2016 SHMA identified a need for 573 affordable dwellings per annum. The Note highlights that the supply is only around 38.6% of the affordable housing need, and that historically affordable housing completions have been less than 10% of the total completions. The HBF is concerned that the evidence provided by the Council continues to identify that the affordable housing need will not be met. The HBF considers that it may be appropriate for the Council to consider a further uplift in the housing requirement to help to contribute to the delivery of affordable homes.

Future Engagement

- 21. I trust that the Council will find the foregoing comments useful as it continues to progress its Local Plan. I would be happy to discuss these issues in greater detail or assist in facilitating discussions with the wider house building industry.
- 22. The HBF would like to be kept informed of all forthcoming consultations upon the Local Plan, the examination and associated documents. Please use the contact details provided below for future correspondence.

Yours sincerely,

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