

Planning Policy
Richmondshire District Council
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SENT BY EMAIL localplan@richmondshire.gov.uk 15/02/2021

Dear Planning Policy Team,

RICHMONDSHIRE LOCAL PLAN: PREFERRED OPTIONS

- 1. Thank you for consulting with the Home Builders Federation (HBF) on the Richmondshire Local Plan Preferred Options 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 industry is keen to work with the Council to ensure a sound plan is produced which facilitates the delivery of an appropriate number of homes across the plan area. We would also welcome further engagement with the industry throughout the production of the plan.

Strategic Objectives

4. The HBF generally supports the proposed objectives in relation to an appropriate level of housing provision which will meet local social and economic needs, and in relation to meeting locally generated needs for both market and affordable housing to support rural sustainability.

Spatial Principle SP1 - Sub Areas

5. The HBF would expect the strategic approach to settlements to follow a logical hierarchy, provide an appropriate development pattern and support sustainable development within all market areas.

Policy SD3 - Access

6. Part 4e of this policy states that support will be given for development which encourages and enables the use of low emission vehicles, in residential developments it looks for every new dwelling to have safe and convenient access to an electric charging point.

7. The HBF recognises that electric vehicles will be part of the solution to transitioning to a low carbon future. However, the Council should acknowledge that this policy approach may be superseded by the Government's proposals to change Building Regulations and may not be needed. The Department of Transport consultation on Electric Vehicle Charging in Residential & Non-Residential Buildings (ended on 7th October 2019) set out the Government's preferred option to introduce a new requirement for EVCPs under Part S of the Building Regulations. The inclusion of EVCP requirements within the Building Regulations will introduce a standardised consistent approach to EVCPs in new buildings across the country.

Policy SD4 - Use of Land and Materials

- 8. This policy states that development will be expected to utilise previously developed land first, where that land is in a sustainable location and is not of importance for biodiversity, in preference to greenfield sites.
- 9. The HBF supports the Council in making as much use as possible of previously developed land (PDL) in accordance with NPPF. However, the HBF considers that it is important to ensure that the prioritisation of PDL does not compromise the delivery of homes in sustainable locations to meet local needs. The HBF also considers it will be important to consider the deliverability of PDL residential schemes.
- 10. It goes on to state that development will be expected to make efficient use of land and optimal use of the potential of the site by avoiding development being built at low densities taking account of the availability of land, desirability to maintain an area's character and setting, the areas capacity of change and ability to achieve well-designed and healthy places.
- 11. The setting of residential density standards should be undertaken in accordance with the NPPF¹ where policies should be set to optimise the use of land. The flexibility provided by this policy in relation to certain considerations is noted, this will allow developers to react to some site-specific issues. However, further amendments could be made to create greater flexibility to allow developers to take account of the evidence in relation to market aspirations, deliverability and viability and accessibility.
- 12. The Council will also need to consider its approach to density in relation to other policies in the plan. Policies such as open space provision, cycle and bin storage, housing mix, residential space standards, accessible and adaptable dwellings, energy efficiency and parking provision will all impact upon the density which can be delivered upon site.

Policy SD5 - Supporting High Quality Electronic Communications

- 13. Part 1a of this policy proposes to require all new housing development to enable fibre to premises broadband infrastructure capable of new generation access speeds.
- 14. The HBF generally considers that digital infrastructure is an important part of integrated development within an area. The house building industry is fully aware of the benefits of

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¹ Paragraph 123

having their homes connected to super-fast broadband and what their customers will demand. However, the HBF considers that the Council should not impose new electronic communications requirements beyond the provision of infrastructure as set out in statutory Building Regulations. In the March 2020 Budget, the Government confirmed future legislation to ensure that new build homes are built with gigabit-capable broadband. The Government proposes to amend Part R "Physical Infrastructure for High-Speed Electronic Communications Networks" of the Building Regulations to place obligations on housing developers to work with network operators to install gigabit broadband, where this can be done within a commercial cost cap. The Department for Culture, Media and Sport (DCMS) has outlined its intentions on the practical workings of this policy, which will apply to all to new builds. Any type of technology may be used, which is able to provide speeds of over 1000 Mbps. All new build developments will be equipped with the physical infrastructure to support gigabit-capable connections from more than one network operator. Furthermore, the delivery of broadband service connections is reliant on a third-party contractor over which a developer is unlikely to have any control.

Policy H1 - Scale and Distribution of Housing

- 15. This policy states that the Council, along with housing providers and developers will seek to achieve the completion of 160 homes per year, which equates to 3,360 dwellings over the plan period (2018 to 2039). The policy also sets out how the housing numbers will be distributed between the sub-areas and settlement hierarchy.
- 16. The current Core Strategy contains a housing requirement of 180 dwellings per annum (dpa). However, since this document was adopted the Government have introduced the Standard Method to calculate the local housing need (LHN). The Preferred Options document calculates the LHN for Richmondshire as 12dpa. It should be noted that the standard method identifies the minimum LHN and there may be circumstances, as set out in the PPG², when it is appropriate to plan for a higher housing need figure than the standard method identifies. These circumstances include where there are growth strategies, strategic infrastructure improvements, an unmet need from neighbouring authorities or where previous levels of housing delivery in the area or previous assessments of need are significantly greater than the outcome of the standard method. The Council identifies that the LHN is a particularly low figure due to the use of the 2014based household projections which have been impacted by military movements at Catterick Garrison. As a result, the Council undertook a Strategic Housing Market Assessment (SHMA) to provide a more appropriate consideration of the housing need in the area. The SHMA considers each of the circumstances identified in the PPG, it identifies growth strategies including the Strategic Economic Plan (SEP) for the York, North Yorkshire and East Riding Local Enterprise Partnership (LEP) and an Emerging Economic Action Plan for Richmondshire. It identifies strategic infrastructure including the completion of the A1 upgrade, the expansion of the Catterick Garrison and the development of a designer retail outlet at Scotch Corner. It also considers previous delivery levels in the five-year period from 2013/14 to 2017/18 which have averaged 175dpa, along with the affordable housing need at 29dpa and the levels of vacancy in

² ID: 2a-010-20201216

- the area at 3.7%. The SHMA then recommends that it would be appropriate to establish a housing requirement of around 160 dwellings each year.
- 17. The HBF supports the Council in deciding to include a housing requirement above the LHN. However, the HBF considers that it may have been appropriate to have increase the housing requirement further. For example, if the previous delivery is considered over the last five years (2015/16 to 2019/20) the average delivery has increased to 186dpa.

Policy H2 - Allocations and Location of Housing Development

- 18. This policy sets out the proposed allocations. The HBF does not wish to comment upon the acceptability or otherwise of individual sites. It is, however, important that all the sites contained within the plan are deliverable over the plan period and planned to an appropriate strategy. The HBF would expect the spatial distribution of sites to follow a logical hierarchy, provide an appropriate development pattern and support sustainable development within all market areas.
- 19. The Council's assumptions on sites in relation to delivery and capacity should be realistic based on evidence supported by the parties responsible for housing delivery and sense checked by the Council based on local knowledge and historical empirical data.
- 20. 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. The widest possible range of sites by both size and market location are required so that small, medium and large housebuilding companies have access to suitable land to offer the widest possible range of products. A mix of sites provides choice for consumers, allows places to grow in sustainable ways and creates opportunities to diversify the construction sector. Under the NPPF³, the Councils should identify at least 10% of the housing requirement on sites no larger than one hectare or else demonstrate strong reasons for not achieving this target. The HBF and our members can provide valuable advice on issues of housing delivery and would be keen to work proactively with the Council on this issue.
- 21. The Plan should ensure the availability of a sufficient supply of deliverable and developable land to deliver the Council's housing requirement. This sufficiency of housing land supply (HLS) should meet the housing requirement, ensure the maintenance of a 5 Year Housing Land Supply (YHLS), and achieve Housing Delivery Test (HDT) performance measurements. The HBF also strongly recommends that the plan allocates more sites than required to meet the housing requirement as a buffer. This buffer should be sufficient to deal with any under-delivery which is likely to occur from some sites. Such an approach would be consistent with the NPPF requirements for the plan to be positively prepared and flexible.

³ Paragraph 68

22. Part 5 of this policy states that all development in the first instance should be located within development limited. Where deliverable opportunities do not exist within development limits, development should be adjacent to development limits and within the identified direction of growth, where applicable. The HBF considers that this approach is likely to be beneficial in helping to deliver an appropriate number of homes. The HBF considers that the policy could be extended to consider sustainable sites outside of development limits.

Policy H3 - Affordable Housing

- 23. This policy proposals an affordable housing target of 35% where viable. However, it goes on to state that in the Catterick Garrison Lower Value Zone (LVZ) the Council will impose different targets of 15% for brownfield sites, 25% for greenfield sites and 35% for strategic sites. It also states that in the LVZ affordable housing will not be sought from developments for specialist older persons accommodation or sites of less than 10 dwellings.
- 24. The HBF considers that this policy is complicated to read and lacking in clarity and could potentially be improved by including a table that sets out the affordable housing requirements and the thresholds by area. The HBF considers that the clarity of part 6 of the policy in particular needs to be improved as it is not clear if affordable housing will be south where there is a net gain in dwellings or where the development is for 10 dwellings or more.
- 25. The HBF supports the need to address the affordable housing requirements of the borough. The NPPF⁴ is, however, clear that the derivation of affordable housing policies must not only take account of need but also viability and deliverability. The Council should be mindful that it is unrealistic to negotiate every site on a one-by-one basis because the base-line aspiration of a policy or combination of policies is set too high as this will jeopardise future housing delivery. The Whole Plan Viability Assessment highlights that all greenfield typologies in the lower value zone are marginal at 35% affordable housing and even with an amendment to the tenure mix of the affordable housing there are a number of sites that may still not be viable at 25%. It also shows that none of the brownfield sites in the lower value zone are viable at 35% affordable housing and again that even with an amendment to the tenure mix of the affordable housing some site typologies are not viable at 15%.
- 26. Part 10 of the policy states that on major developments a minimum of 10% of the affordable housing should be for affordable home ownership. The HBF notes that the NPPF⁵ states that where major development involving the provision of housing is proposed, planning policies should expect at least 10% of the homes to be available for affordable home ownership, unless this would exceed the level of affordable housing required in the area. The HBF are concerned this has been misinterpreted by the Council. The 10% affordable home ownership is a proportion of the overall number of

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⁴ Paragraph 34

⁵ Paragraph 64

- homes provided, not from the affordable housing contribution. The HBF recommends that the policy is updated to incorporate this requirement.
- 27. The Government introduced First Homes through a Written Ministerial Statement and PPG in May 2021. First Homes are considered to be part of the affordable housing offer, and according to the PPG a minimum of 25% of all affordable housing units should be First Homes. The HBF considers that this policy will need to be updated to include this requirement. It is also likely that the Viability Assessment will need to be updated to include this requirement.

Policy H4 - Housing Mix

- 28. This policy looks for all proposals for housing to take account of local housing requirements across all sectors of the community in terms of size, type and tenure. Tables 1 and 2 in the supporting text set out the most recent evidence in relation to housing mix.
- 29. The HBF understands the need for a mix of house types, sizes and tenures and is generally supportive of providing a range and choice of homes to meet the needs of the local area. The HBF recommends a flexible approach is taken regarding housing mix which recognises that needs and demand will vary from area to area and site to site; ensures that the scheme is viable; and provides an appropriate mix for the location and market.
- 30. The policy goes on to require all new housing to be built to the nationally described space standards (NDSS). The NDSS as introduced by Government, are intended to be optional and can only be introduced where there is a clear need and they retain development viability. As such they were introduced on a 'need to have' rather than a 'nice to have' basis.
- 31. PPG⁶ 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'.

⁶ ID: 56-020-20150327

- 32. The Council will need robust justifiable evidence to introduce the NDSS, based on the criteria set out above. The 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.
- 33. The policy also requires that developments of 5 or more dwellings to provide 20% of dwellings at M4(2) standards, and for developments of 100 or more dwellings to provide 1% of dwellings to M4(3) standards. The HBF is generally supportive of providing homes that are suitable to meet the needs of older people and disabled people. However, if the Council wishes to adopt the higher optional standards for accessible, adaptable and wheelchair homes the Council should only do so by applying the criteria set out in the PPG.
- 34. PPG⁷ identifies the type of evidence required to introduce such a policy, including the likely future need; the size, location, type and quality of dwellings needed; the accessibility and adaptability of the existing stock; how the needs vary across different housing tenures; and the overall viability. It is incumbent on the Council to provide a local assessment evidencing the specific case for Richmondshire which justifies the inclusion of optional higher standards for accessible and adaptable homes in its Local Plan policy. If the Council can provide the appropriate evidence and this policy is to be included, then the HBF recommends that an appropriate transition period is included within the policy.
- 35. The PPG also identifies other requirements for the policy including the need to consider site specific factors such as vulnerability to flooding, site topography and other circumstances, this is not just in relation to the ability to provide step-free access.
- 36. The policy states that the Council will work with developers, registered providers, landowners and relevant individuals and groups to address identified local demand for self and custom build homes. Many of our members will be able to assist the custom build sector either through the physical building of dwellings on behalf of the homeowner or through the provision of plots for sale to custom builders. The HBF are, therefore, not opposed to the idea of increasing the self-build and custom build sector for its potential contribution to the overall housing supply.

Policy CC1 - Sustainable Design

37. This policy states that all developments must be designed to reduce both the extent and impacts of climate change. It goes to state that all new residential development will be expected as a minimum to exceed the energy efficiency standards currently prevailing through Part L of the Building Regulations or any successor by achieving an additional 19% reduction in the dwelling emission rate compared to the target emission rate, or achieve the prevailing Future Homes Standard or equivalent successor where this requires a reduction of carbon emissions greater than 19% from the current target emissions rate in Part L of the Building Regulations.

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⁷ ID: 56-007-20150327

- 38. The HBF supports moving towards greater energy efficiency via a nationally consistent set of standards and a timetable for achieving any enhancements which is universally understood and technically implementable. The HBF acknowledges that the Government has not enacted its proposed amendments to the Planning & Energy Act 2008 to prevent the Council from stipulating energy performance standards that exceed the Building Regulations. However, the HBF considers that the key to success is standardisation and avoidance of every Council in the country specifying its own approach to energy efficiency, which would undermine economies of scale for both product manufacturers, suppliers and developers.
- 39. The Government has consulted (ended on 7th February 2020) on The Future Homes Standard. The UK has set in law a target to bring all its greenhouse gas emission to net zero by 2050. New and existing homes account for 20% of emissions. It is the Government's intention to future proof new homes with low carbon heating and world-leading levels of energy efficiency. The Government wants to create certainty and consistency. An uplift to Part L standards will improve the energy efficiency of new homes and prepare housebuilders and supply chains in readiness for the further uplift in 2025 to meet the Future Homes Standard. Therefore, the HBF does not consider that it is appropriate or necessary for the Plan to include this requirement in policy.
- 40. The policy goes on to require all new development of 10 or more dwellings to demonstrate that reasonable endeavours will be undertaken to actively contribute towards the development of a district heating network. The HBF consider that firstly, the Council should note that today's new homes are very energy efficient with lower heating bills for residents compared to existing older homes. Energy performance data has shown that around 8 out of 10 new build dwelling have an A or B energy efficiency rating, compared to just 3% of existing properties. A HBF report published in November 2019 found that, as a result, the average new build buyer in England and Wales saves £442.32 every year on heating costs compared to owners of existing dwellings.
- 41. Currently, the predominant technology for district-sized communal heating networks is gas combined heat and power (CHP) plants. Over 90% of district networks are gas fired. As 2050 approaches, meeting the Government's climate target of reducing greenhouse gas emissions to net zero will require a transition from gas-fired networks to renewable or low carbon alternatives such as large heat pumps, hydrogen or waste-heat recovery but at the moment one of the major reasons why heat network projects do not install such technologies is because of the up-front capital cost. The Council should be aware that for the foreseeable future it will remain uneconomic for most heat networks to install low-carbon technologies.
- 42. Furthermore, some heat network consumers do not have comparable levels of satisfaction as consumers on gas and electricity networks, and they pay a higher price. Currently, there are no sector specific protections for heat network consumers, unlike for people on other utilities such as gas, electricity or water. A consumer living in a building serviced by a heat network does not have the same opportunities to switch supplier as they would for most gas and electricity supplies. All heat network domestic consumers

should have ready access to information about their heat network, a good quality of service, fair and transparently priced heating and a redress option should things go wrong. Research by the Competition and Markets Authority (CMA) found that a significant proportion of suppliers and managing agents do not provide pre-transaction documents, or what is provided contains limited information, particularly on the on-going costs of heat networks and poor transparency regarding heating bills, including their calculation, limits consumers' ability to challenge their heat suppliers reinforcing a perception that prices are unjustified. The monopolistic nature of heat networks means that future price regulation is required to protect domestic consumers. The CMA have concluded that "a statutory framework should be set up that underpins the regulation of all heat networks." They recommended that "the regulatory framework should be designed to ensure that all heat network customers are adequately protected. At a minimum, they should be given a comparable level of protection to gas and electricity in the regulated energy sector." The Government's latest consultation on heating networks proposes a regulatory framework that would give Ofgem oversight and enforcement powers across quality of service, provision of information and pricing arrangements for all domestic heat network consumers. Therefore, the HBF recommends that the Council delete any references to the development of district heat networks.

- 43. The policy also requires all new developments to make efficient use of water with all new residential developments required to achieve the optional building regulation (Part G) of a water consumption rate of 110 litres per person per day.
- 44. 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.
- 45. As set out in the NPPF⁸, 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. PPG⁹ 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'. PPG¹⁰ 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'. The Housing Standards Review was explicit that reduced water consumption was solely applicable to water stressed areas. Yorkshire is not considered

⁸ Paragraph 31

to be an area of Water Stress as identified by the Environment Agency¹¹. Therefore, the HBF considers that requirement for optional water efficiency standard is not justified nor consistent with national policy in relation to need or viability and should be deleted.

Policy D1 - Design

46. This policy proposes support for proposals/developments that are designed to be adaptable to the populations need over the long-term, e.g. Lifetime Homes, Building for Life Standards. It is noted that the Lifetime Homes standard is no longer applicable following the Government's Housing Standards review, Lifetime Homes have now been replaced by the optional Building Regulations accessibility standards (M4(2) and M4(3)). These standards can be introduced via a plan but only where there is specific evidence to justify their inclusion, as set out above. The HBF consider that the Council should remove this reference. The Council will also be aware that the Building for Life Standards have also been updated and are now titled Building for a Healthy Life, it is recommended that this reference is updated.

Future Engagement

- 47. I trust that the Council will find these 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.
- 48. The HBF would like to be kept informed of all forthcoming consultations upon the Local Plan and associated documents. Please use the contact details provided below for future correspondence.

Yours sincerely,

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Mading

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¹¹ 2013 Assessment of Water Stress Areas (https://www.gov.uk/government/publications/water-stressed-areas-2013-classification)