

Sent by email to: localplan@epsom-ewell.gov.uk

05/02/2025

Dear Sir/ Madam

## **Epsom and Ewell Local Plan**

1. Thank you for consulting the Home Builders Federation (HBF) on the Epsom and Ewel Local Plan. The HBF is the principal representative body of the housebuilding industry in England and Wales and our representations reflect the views of discussions with our membership of national and multinational corporations through to regional developers and small local housebuilders. Our members account for over 80% of all new housing built in England and Wales in any one year.

## **NPPF Transitionary arrangements**

- 2. It is understood that Council will seek to submit this local plan prior to the 12<sup>th</sup> of March 2025 in order for this plan to examined under the 2023 National Planning Policy Framework (NPPF23). HBF are therefore concerned that the Council will not give due regard to the outcomes of the regulation 19 consultation prior to submission in the rush to submit the plan prior to this deadline. It is important that the Council has all the necessary submission documents and evidence base in place and it does not seek to try and address any short comings in the plan raised during this consultation after it has been submitted.
- 3. As the Council will be aware the Government has told the Planning Inspectorate that "Any pauses to undertake additional work should usually take no more than six months overall. Pragmatism should not be used to address fundamental issues with the soundness of a plan, which would be likely to require pausing or delaying the examination process for more than six months overall". As such if there is any risk of delay in the examination then the Council must not submit this local plan and delay the reparation of a local plan that meets

the needs of the Borough in full is required by the latest iteration of the NPPF and the standard method for housing needs it promotes.

#### **Review policy**

- 4. If the plan is submitted prior to the 12<sup>th</sup> of March and examined under NPPF23 then HBF consider it essential that there is a review policy in the local plan that commits the Council to an immediate review. At present the only commitment to review the plan is in paragraph 9.8 which states that the council has a requirement to review every five years, and that annual monitoring will help identify whether there is a need to review policies in advance to this period. HBF consider this to be an ineffective approach given the expectation in paragraph 236 of NPPF24 which states that where plans are adopted which meet less than 80% of local housing need the local planning authority " ... will be expected to begin work on a new plan, under the revised plan-making system provided for under the Levelling Up and Regeneration Act 2023 (as soon as the relevant provisions are brought into force in 2025), in order to address the shortfall in housing need".
- 5. Therefore, what is being proposed in paragraph 9.8 is clearly insufficient. HBF considers that the local plan needs to include a specific review policy setting out clearly that the council will start preparing a plan immediately on the adoption if this plan (if it is found sound). In order to ensure that this policy is effective it will need to have consequences. HBF suggest a policy similar to that adopted in the Bedford Local Plan 2030, which was examined under the transition arrangements in the 2019 NPPF. This policy required the Council to submit a new plan within three years of adopting the local plan 2030 and in the event that this submission date is not adhered to, the policies in the local plan which are most important for determining planning applications for new dwellings will be deemed to be 'out of date'. Such a policy would ensure that the plan is consistent with paragraph 236 of the implementation arrangements in the NPPF24.

#### **Duty to Co-operate**

6. HBF note that the Council have only agreed two Statements of Common Ground - Elmbridge BC, dated 2023, and Mole Valley DC, dated 2021. HBF consider it necessary that prior to submission the Council agrees SoCG with all neighbouring areas. This should establish key cross boundary issues between the Councils including the likely level of unmet housing need. This is important in order to ensure that any decision that are being taken by

the Council are made in relation to the scale of the shortfalls elsewhere and the urgency of delivering more homes through this local plan.

#### Policy S1 - Spatial Strategy

#### Plan period

7. It is not clear why the Council have decided to commence the plan period in 2022. The assessment of housing need is a forward looking assessment of housing need with the year in which it is calculated being the base date for the variables used. HBF therefore consider the most appropriate start date for the plan is the year which the assessment of local housing needs was under taken, in the case of this local plan 2024. In addition, paragraph 22 of the NPPF23 requires plans to look ahead for at least 15 years from adoption. Our experience suggests that from submission to adoption takes no less than 12 months. Therefore, the plan is likely to be adopted, if it submitted before the 12<sup>th</sup> of March 2025, in the 2026/27 monitoring period. This will mean that the plan will look forward less than 15 years and as such is inconsistent with national policy. HBF therefore recommend that the plan period is amended to 2024 to 2041. This will also require consequential amendments to the housing supply estimates set out in the policy and supporting text.

## Housing requirement

- 8. If the plan is submitted prior to the 12<sup>th</sup> of March, the HBF recognise that the plan will be examined under NPPF23. However, in considering the number of homes that should be delivered through this local plan necessary to have regard to the Government's policy to deliver 1.5 million new homes over the next 5 years. The Government have attached great weight to delivering more homes and have written to all Council's in England to take tough choices in planning for the homes the Country needs<sup>1</sup> and HBF consider this to be one of the material considerations in determining whether this policy is sound.
- 9. This policy sets the housing requirement for the plan period 2022 to 2040 as being 4,700 new homes an annual requirement of 261 dwellings per annum (dpa). This is a shortfall over that plan period of over 5,500 homes based on the standard method for calculating housing need required by the NPPF23. The Council justification for not meeting housing

<sup>&</sup>lt;sup>1</sup> SoS letter to local authority Leaders and Chief Executives July 2024.

needs in full is centred on the Green Belt and their conclusion that it is not possible to meet housing needs in full without causing fundamental harm to the purposes of the Green Belt stating that the maximum number of homes that can be delivered over the proposed plan period is 4,914 homes.

- 10. NPPF23 outlines in paragraph 145 that there is no requirement to amend Green Belt boundaries but that authorities may choose to review and alter Green Belt boundaries where there are exceptional circumstances. The Council has chosen to review Green Belt boundaries and has concluded that there are exceptional circumstances that support the decision to amend those boundaries. As part of this decision the Council has considered and addressed the requirements in paragraph 146 of the NPPF. It is evident from paragraph 3.6 and 3.12 of the Green Belt Topic Paper that there are insufficient brownfield sites, even at optimised densities, to meet housing needs in full and that no neighbouring authorities is willing to increase their own supply in order accommodate some of the identified needs of EEBC, and as such the decision to amend Green Belt boundaries is justified.
- 11. Turing to the exceptional circumstances for amending Green Belt boundaries. On the basis that these are not set out in policy or guidance the Council refer to Calverton as the foundation for their assessment of exceptional circumstances. HBF agree that this is a reasonable starting given that NPPF23 is silent on this matter. However, it is also worth noting the NPPF24 does provide guidance with regard to exceptional circumstances stating that "Exceptional circumstances in this context include, but are not limited to, instances where an authority cannot meet its identified need for homes, commercial or other development through other means". HBF recognise that this plan is being examined under NPPF23, but given that version of Framework's silence on exceptional circumstances we do consider some weight can be given to the Government's statement on what can be considered an exceptional circumstance.
- 12. The issues the Council's consider providing the exceptional circumstances to amend Green Belt boundaries are set out in both the Green Belt Technical Topic Paper and the Green Belt Topic Paper. Both of these papers identify a range of circumstances including, historic under delivery of market and affordable housing, the lack of a five year housing land supply, increasing levels of homelessness and over 600 households in high housing needs. HBF would agree that the evidence set out by the Council is sufficient to justify amending Green Belt boundaries and establishes that the need for more market and affordable housing is acute. On average the Council have delivered only 191 homes per annum over the last 10

years, significantly below the estimated need for homes in the area on the basis of the Council's Strategic Housing Market Assessment published in 2016 (417 dpa) or the standard method (circa 570 dpa). The acute need for housing in general is also reflected in the need the for more affordable housing where delivery has averaged just 39 homes per year over the last ten years.

- 13. It is also notable the Borough is one of the least affordable in the Country The latest data on affordability shows that the median house price of £543,000 is 16.8 times the median income for someone working in Epsom and Ewell. Whilst this is in larger part a factor of its location close to London the lack of housing being built in the Borough, and indeed its neighbours, have exacerbated this issue by limiting the availability of new market and affordable housing.
- 14. The acuteness of housing need is also exacerbated by the shortfalls in housing delivery against need in neighbouring areas. This is set out in paragraph 3.20 of the Green Belt Topic Paper and indicates a sub region where housing need is acute but with local authorities unwilling to prepare plans that aim to meet needs in full. What is also clear from the council's evidence is that there is no strategic framework in place to ensure that unmet needs are met in areas that are less constrained. It is therefore up to each authority to maximise delivery on their own areas in the knowledge that others are unwilling to help.
- 15. To conclude, HBF agree with the Council that there are exceptional circumstances warranting the amendment of Green Belt boundaries in order to help meet the identified needs of the Borough. However, where HBF disagree is the extent of the amendments that should be made in this local plan. While HBF does not promote sites on examining some of the sites that have been omitted from the local plan there is clearly scope and justification for further amendments to Green Belt boundaries in order facilitate additional site allocations.
- 16. The rationale behind the decision to amend green belt boundaries as proposed in the local plan is that the selected sites result in the least harm for the most benefit with section 4 providing the sites specific considerations as to the potential harm and opportunities from each site submitted for allocation and the Council's conclusions regarding allocation. Of the sites that are proposed to be removed from the Green Belt three are currently green field sites, Horton Farm (HOR009), Chantilly Way (HOR010) and Hook Road Arena (COU026).
  Of these three both Horton Farm and Hook Road are in parcels of land that scored 8 and 7

respectively, out of a possible 9, with regard to the overall impact on the Green Belt. Therefore, it is clear that the Council consider the acute need for housing in the Borough is sufficiently concerning to support the amendment of Green Belt boundaries on land that is performing strongly against at least two Green Belt purpose. Therefore, surprising that it is unwilling to do so elsewhere in the Borough.

- 17. For example, Land at Priest Hill (NON013) which was initially proposed for allocation in the regulation 18 consultation is in a parcel which has an overall score of 8 with regard to its impact on the purposes of Green Belt but was rejected despite it having the potential to deliver up to 350 homes (40% of which would be affordable), being in a sustainable location close to East Ewell Station and having clear defensible boundaries. Given that the Council accept that exceptional circumstances are sufficient to support the allocation of sites with a similar level of harm to the Green Belt purposes HBF do not see why this site, or indeed others, were rejected. Very little justification is provided in the Green Belt Topic Paper as to why this site, and indeed others, has been rejected with the Council only stating that they have weighed up the issues but then providing no indication as to the relative weight it has attached to those issues, with no consideration given to the potential to the potential benefits a key consideration with regard to the site specific exceptional circumstances.
- 18. As set out earlier the HBF does not promote sites, and the example above is used to show the dichotomy in Council's approach to the allocation of sites in the Green Belt. There are other sites which are also considered by the Council to be strongly performing but which offer sustainable sites for housing. In fact, it would appear from paragraph 7.2.1 of the SA that a key reason for rejecting options that would deliver higher growth strategy are the significant local objections. While this may seem pragmatic it is not a sound justification. Indeed, the letter from the Secretary of State mentioned earlier highlights the need to take tough choices in planning for the homes the country needs. It is HBF's position that in order for this plan to be found sound, and having regard to the national objective of delivering 1.5 million homes over the next 5 years, the Council must revisit all submitted sites with a view to increasing the delivery of housing.

10% of supply on small sites

19. In addition to bolstering the five year land supply the allocation of smaller sites in larger villages would also have the potential to increase the supply of small sites – a particular aim of the NPPF as articulated in paragraph 70. As the council will be aware the NPPF sets out

a paragraph 70a that the Council must identify through the development plan and brownfield register land to accommodate at least 10% of their housing requirement. However, HBF could not find any evidence to show that this requirement of national policy had been met, and if it has not been met why not. In meeting this requirement, the Council will need to ensure that these are identified with as an allocation in the local plan or in the Brownfield Register and does not consider small site windfalls as contributing to the 10% requirement.

- 20. Whilst it will be important to promote more small sites to come forward over the plan period as windfall, as mentioned in part d of paragraph 70 of the NPPF, this is distinct from the 10% requirement set out in part a of paragraph 70 of the NPPF. Further clarification that the the glossary where windfall is defined as "Sites not specifically identified in the development plan". (our emphasis)
- 21. It is necessary to recognise that the allocation of small sites is a priority and stems from the need to support small house builders by ensuring that they benefit from having their sites identified for development either through the local plan or brownfield register. The effect of an allocation is to take some of the risk out of that development and provide greater certainty that those sites come forward. This in turn will allow the SME sector to grow, deliver homes that will increase the diversity of the new homes that are available as well as bring those homes forward earlier in the plan period.
- 22. The Council should also be aware that allocating small sites and supporting SME house builders not only ensures a stronger supply in the short term but also improves the diversity of choice within local housing markets, support local and regional supply chains and are often pivotal in bring forward innovation and supporting jobs growth locally, with 1 in 5 of the SME work force comprising of apprentices. A failure to allocate small sites will contribute to the continued decline in small and medium sized house builders. Recent research by the HBF has found that there are 85% fewer small house builders today than there was 20 years ago and that of a survey of SME house builders 93% said that planning was a major barrier to SME growth. Whilst this decline is due to a range of factors more allocations of small sites would ease the burden on many SME developers and provide more certainty that their scheme will be permitted, allowing them to secure the necessary finance that is often unavailable to SMEs until permission is granted.

23. Therefore, in order for the plan to be consistent with national policy the Council should not just seek to maximise delivery from the small sites that do come forward but to actively promote these through allocations in the local plan.

## **DM10 – Building Emissions Standard**

# Policy is unsound as it is inconsistent with national policy and unjustified.

- 24. The proposed policy position would require all new development to demonstrate net zero operational carbon onsite by ensuring total energy use intensity standard for all new dwellings of 40kwh/m²/annum and space heating demand of less than 30 kwh/m²/annum. In addition, new buildings would need to generate at least the same amount of energy as that demanded over a year. Where this cannot be achieved the Councils will expect any energy use to be offset through payments to local projects that save the equivalent amount of carbon.
- 25. Whilst the HBF would agree with the Councils that there is a need to act to reduce carbon emissions we would disagree that this needs to be undertaken through the local plan given that there is already a national approach, the Future Homes Standard (FHS), being taken forward to achieve the same goal. Delivering these improvements through building regulations has a distinct advantage over delivering a variety of different approaches across the county, in that it provides a single approach that all developers understand and can be rolled out at scale. This allows supply chains and skills to be improved prior to implementation and ensure that improvements to building standards are actually deliverable from the point at which they are introduced.
- 26. However, if the Councils chooses to go beyond current or future standards it must be done in a way that is consistent with national policy and robustly assesses its consequences and gives consideration as to how the requirements are consistent with the written ministerial statement (WMS) published on the 13th of December 2023. Before considering the content of the WMS itself it is important to note the High Court judgement from the 2nd of July 2024 ([2024]EWHC 1693 Admin). This judgement was on the challenge to the WMS made by Rights Community Action on three grounds, including that the WMS restricted exercise by local authorities of powers conferred on them.

27. The judgment made by Justice Lieven was that the claim failed on all three grounds. In coming to these judgements Justice Lieven importantly notes the intention of the Government at the time with respect to section 1(1)c of the Planning and Energy Act 2008, which allowed Local Authorities to set standards above those in building regulations. Paragraph 65 states:

"With respect to the current section 1(1)(c) specifically, the Minister confirmed councils "can go further and faster than building regulations, but within the national framework". The Minister also addressed the overall intention of clause 1(2) in the following terms:

"The intention was for local authorities, in setting energy efficiency standards, to choose only those standards that have been set out or referred to in regulations made by the Secretary of State, or which are set out or endorsed in national policies or guidance issued by the Secretary of State. That approach was taken with a view to avoiding the fragmentation of building standards, which could lead to different standards applying in different areas of the country. Although supportive of the hon. Gentleman's Bill, that was not an outcome that we wanted to achieve.""

- 28. It is therefore clear that the intention of the original legislation was to ensure that energy efficiency standards within local plans were to be set within the scope of building regulation to avoid a multiplicity of standard coming forward. The judgment goes on to note in paragraph 66 that the WMS does not stray from this purpose.
- 29. It is therefore clear that that not only is the WMS compliant with legislation but also the intention of Planning and Environment Act 2008 was to ensure that any policies seeking improved standards on those set out in Building Regulations must be set within the framework of those regulations. Local plan policies which seek to apply an alternative standard would not only be inconsistent with the WMS but also with the intentions of the legislation.
- 30. Moving to the WMS itself, the housing minister notes that "Compared to varied local standards nationally applied standards provide much-needed clarity and consistency for businesses, large and small, to invest and prepare to build net-zero ready homes" and that local standards can "add further costs to building new homes by adding complexity and undermining economies of scale". After noting these concerns, the 2023 WMS goes on to

state that any standard that goes beyond building regulations should be rejected at examination if the LPA does not have a well-reasoned and robustly costed rationale that ensures:

- That development remains viable, and the impact on housing supply and affordability is considered in accordance with the National Planning Policy Framework.
- The additional requirement is expressed as a percentage uplift of a dwelling's Target Emissions Rate (TER) calculated using a specified version of the Standard Assessment Procedure (SAP).
- 31. HBF do not consider the approach set out in DM10 to be consistent with the WMS nor that the implications of such a policy have been properly assessed in the supporting evidence base. Our detailed points are set out below.
- 32. The approach proposed by the Councils based on energy use is inconsistent with the approach set out in the WMS and as such is unsound. It should be noted that the Government have considered whether it was appropriate to use a delivered energy metric such as the one being proposed in the policy position paper and have concluded that these do not offer any additional benefits to those being taken forward by Government. Therefore, if the Council are to require standards above those set out in building regulations they must be expressed as a percentage of the target emission rate and not as an energy use target in order to avoid fragmentation of the standards with different requirements being set in different areas which it must be recognised was not only an expectation of the WMS but also of the legislation that permits council to adopt higher standards in local plan in the first place. As such the HBF do not consider the council to be justified in departing from either the WMS or the Planning and Energy Act (2008) and the policy as written should be deleted.
- 33. With regard to viability and deliverability it is noted in paragraph 5.19 of the Viability Note (VN) that the specifications and costs are based on the Surrey Net Zero Viability Assessment 2024. Whilst the VN states that this has been published we could not find this on the Council's website. Given that it contains information to support the local plan this will need to be rectified and HBF reserve the right to comment on this in our statements for the hearings. Alongside this evidence the Council will need to provide detailed evidence to support the costs being proposed.

- 34. With regard to deliverability of zero carbon homes HBF would not disagree that the proposed standards are technically feasible. However, HBF are concerned as to the impact these requirements will have on the rates at which sites can deliver new homes on all types of sites. Given that the standards proposed are higher than those proposed by Government in the Future Homes Standard and will require higher levels of fabric efficiency, which in turn will require new skills and materials that may not be readily available, HBF are concerned this could slow delivery in the short to medium term as supply chains are developed.
- 35. It has been recognised by the FHH that to deliver higher standards will require phased transitional arrangements to enable a steady build-up of skills and ensure quality. The FHH also notes in its report Ready for Zero that even if a short transition period between current standards and those similar to the Councils are proposing that this would "... create a high risk of quality problems, inflated costs and, potentially, stalled build programmes." However, HBF could find no evidence that the Council has considered whether its proposed standard will impact on the rate at which new homes can be built. The Council will need to speak directly to a range of housebuilders operating in Epsom and Ewell to understand the impact of its policy on the rate at which homes will be delivered on its allocated sites. Without any consideration of delivery then the Council's decision to go beyond what is required by building regulations is clearly unjustified
- 36. While HBF understands the desire for LPAs to go further current policy recognises that even where development can viably implement higher standards this must be within a consistent technical framework and approach to assessing building performance against those technical standards. Indeed, this has long been the case in planning policy with paragraph 159b of the NPPF stating that; "Any local requirements for the sustainability of buildings should reflect the Government's policy for national technical standards".
- 37. If the Council has the evidence to show that the policy is deliverable, it will need to ensure that all other policies in the local plan are consistent with delivering the levels of embodied carbon being proposed. The most energy efficient design will inevitably lead to less variety in the built form in order to reduce the surface area of the building. This will need to be reflected in design policies and any design codes that are produced to ensure that development is not refused for seeking to meet energy efficiency standards but, for example, not being designed in the character of the local area.

38. HBF would also recommend that that if a net zero policy is to be included in the local plan it should require a development to be net zero rather than for individual homes. As the council will be aware some homes, such as terrace houses and flats, are more intrinsically energy efficient and emit less carbon compared to detached homes and bungalows. As such it may be difficult for some individual homes to be net zero but where there is a mix of development the site as a whole to achieve the required standard.

#### DM15: Green Belt

## Policy is unsound as it repeats national policy

39. HBF is not clear what purpose policy DM15 serves given that it merely summarises national policy and as such is unnecessary and should be deleted.

## **S15: Biodiversity Net Gain.**

The policy is unsound as it is inconsistent with national policy and unjustified.

40. Part 1 of the policy states that sites will be permitted where it can be demonstrated that at least 10% biodiversity net gain can be achieved, unless a higher requirement has been specified in a site allocation policy. Firstly, it is not necessary for development to demonstrate it can deliver 10% net gain in order to be permitted as it is a statutory requirement. This is noted in paragraph 74-019-20240214 of PPG which states:

"The statutory framework for biodiversity net gain involves the discharge of the biodiversity gain condition following the grant of planning permission to ensure the objective of at least 10% net gain will be met for a development. The determination of the Biodiversity Gain Plan under this condition is the mechanism to confirm whether the development meets the biodiversity gain objective. Development may not be begun until the Biodiversity Gain Plan is approved.

Given this, it would generally be inappropriate for decision makers, when determining a planning application for a development subject to biodiversity net gain, to refuse an application on the grounds that the biodiversity gain objective will not be met."

- 41. However, it is recognised in PPG that decision makers may want to consider issues such as the balance between onsite and offsite gains or the appropriate ness of the onsite habitats being proposed. These considerations are referred to in part 2 of the policy which sets out a hierarchy with regard to on site and then offsite delivery of net gains. However, HBF does not consider the proposed hierarchy to be consistent with the BNG hierarchy set out in PPG. Part 2c of the policy states that offsite delivery will only be considered "As a last resort, if it can be demonstrated that neither of these options are either available or economically feasible, net gain should be secured on land within the borough boundary. BNG offsets should align with and deliver the LNRS and preferably within BOAs". However, 74-008-20240214 of PPG recognises that there will be circumstances where off site delivery may need to be outside of the locations identified in part b or c of this policy. It might be preferable for delivery to be as suggested in the policy but if this is not possible then the policy must clearly state that other solutions are acceptable, as set out in PPG.
- 42. Turning to the higher requirements that are proposed within site allocations that is indicated in part 1 of the policy. HBF do not consider it sound for a higher requirement to be placed on these sites. In considering the soundness of this policy it is necessary to consider paragraph 74-006-20240214 of PPG which states that:
  - "... plan-makers should not seek a higher percentage than the statutory objective of 10% biodiversity net gain, either on an area-wide basis or for specific allocations for development unless justified. To justify such policies, they will need to be evidenced including as to local need for a higher percentage, local opportunities for a higher percentage and any impacts on viability for development. Consideration will also need to be given to how the policy will be implemented".
- 43. It is important to note that the starting point is that local plan should not seek a higher requirement. This is different to a permissive policy allowing local plans to seek a higher level of BNG where justified, and the HBF would argue that it should be considered a high bar with regard to the evidence required to justify such a policy. There must be a very clear and robust justification that the area is significantly worse than the country as whole and that this decline is directly related to the new development rather than, for example, the result of changes in agricultural practices or industrial pollution. It is not sufficiently robust

- to highlight declines in species that whilst an important issue is not necessarily as a result of new homes being built.
- 44. However, the HBF could find no evidence as to why it is necessary for those sites that are required to deliver 20% BNG to do so. There is no evidence presented showing that the harm arising from these sites is significantly greater than elsewhere, or that the harm from new residential development has had such a significant impact biodiversity in the Borough so as to require some sites to go beyond 10%.
- 45. Turning to the delivery of a 20% net gain requirement it is necessary for the Council to recognise that BNG is site specific depending on both the existing site characteristics and the ability of development to both mitigate and provide additional gain without an understanding of the baseline level of biodiversity it is difficult to gauge the cost of meeting the higher requirements in this local plan. Whilst broad assumption can be used it must be remembered that the level of BNG required could be significantly higher than expected increasing costs or substantially reducing developable area of a site.
- 46. The Council must also be able to show that the 20% net gain is viable and will not compromise the deliverability of sites or the local plan as a whole. The Viability Note (VN) bases the cost assumptions for BNG on research commissioned by Kent County Council which suggests that the cost of delivering 20% will not be significantly more than the statutory 10% minimum. However, in considering the cost of delivering BNG it must be recognised this will depend significantly on the type and extent of the different habitats found on site. Some sites will find it relatively simple to deliver 10% onsite others will find it more difficult and require significantly higher levels of site delivery which increases costs significantly. Therefore, it is concerning that in referring to the research by Kent County Council the VN does not outline that the cost of offsite credits used in that study are based on the 2019 DEFRA Impact Assessment which assumed costs of these at £11,000. However, our members are experiencing costs of over £30,000 per unit with the cost varying based on the habitat type and the where the offsetting units is being delivered. Given that any BNG required in addition to the statutory minimum is likely to require more offsetting, then the VA could be underestimating the cost of this policy.
- 47. In addition, the Council's evidence does not appear to consider the impact on the number of homes that could be delivered if BNG is delivered entirely onsite the preferred approach of the Biodiversity Net Gain hierarchy set out national guidance. In achieving this objective,

the number of homes that would be delivered on site may be significantly reduced,

especially as this must be delivered in addition to other open space provisions where these

cannot be stacked. As outlined above it is not possible to know how many homes may be

lost on each site as a result of the 20% requirement until a baseline assessment is

undertaken. Without this baseline and a proper understanding of the impacts of the 20%

net gain requirement is wholly unjustified and should be deleted from each of the site

allocation policies to which it is applied.

48. If the 20% requirement is considered to be sound it will be necessary for soundness that

flexibility is included in the local plan with regard to the percentage of net gain required

above the statutory minimum. The policy should clearly state that where this is impacting

the viability and deliverability of a development that any BNG requirement will be reduced

to the 10% statutory minimum.

**Future Engagement** 

49. 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. 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. We can also confirm our

intention to participate in any hearing sessions associated with the examination of the

Epsom and Ewell Local Plan, this will allow the HBF to represent the industry and to address

any relevant points raised at the examination.

Yours faithfully

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Home Builders Federation

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