

SENT BY EMAIL
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23 June 2026

Dear Sir/ Madam

SOUTH DOWNS LOCAL PLAN

1. Thank you for consulting with the Home Builders Federation (HBF) on the South Downs Local Plan.
2. HBF is the principal representative body of the house-building industry in England and Wales. Our representations reflect the views of our membership, which include 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.

SDC3: Regenerative and Ecosystem Services

Policy is unsound as it is not justified

3. Regenerative design may be considered by the National Park Authority (NPA) to be a helpful principle on which to base the delivery of development. However, as is noted in paragraph 4.14 of the local plan it is an emerging and evolving concept. It is also one that is not recognised in planning policy. Given that it is an evolving rather than proven concept, to state that development proposals will only be permitted where they use regenerative design is premature. A more appropriate approach would be to encourage its use as a means having an overall positive effect on biodiversity and the environment but not, as the South Downs National Park Authority (NPA) require its use. We also note that the Whole Plan Viability Assessment (WPVA) makes no adjustment to build costs to take account of this policy. While HBF appreciate it is difficult to price this policy it will increase build costs and some adjustment should be made if this policy is to remain in the local plan. If it cannot be accurately costed, then the policy should not be included.

SDN1: Nature Recovery

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

4. This policy requires all development to achieve a minimum of 20% Biodiversity Net Gain (BNG) with Strategic Greenfield Sites required to deliver 33% BNG. HBF do not agree that BNG should be more than the 10% minimum required by the Environment Act 2021 and could not find any reasonable justification as to why net gains should be higher than the statutory minimum. There is no evidence presented that development in the National Park is likely to have a more significant impact on biodiversity than development anywhere else in the country.

5. As the NPA will no doubt be aware the most significant impact on biodiversity is agricultural practices and not new development. This was outlined in the State of Nature Report 2023 (State of Nature Partnership, 2023), which noted “*Intensive management of agricultural land, largely driven by policies and incentives since World War II, has been identified as the most significant factor driving species’ population change in the UK*”. While HBF recognises that it necessary for development to ensure net gains are delivered it should not be required go further than that required by legislation in an attempt to address the negative impacts to nature arising from other industries such as farming. If the NPA are to justify going well beyond the statutory minimum evidence will need to be provided as to why new development will have a greater impact on biodiversity in the National Park compared to other areas.
6. It should also be noted that the Draft NPPF states in policy N1 that development plans should only set local standards for biodiversity net gain which are in excess of the statutory requirements where this is for a specific site allocation and that it is fully justified and deliverable. This provides clear signal from the Government that they do not expect planning authorities to set requirements beyond statutory minimums. It should also be noted once it is adopted the transitional provisions in Annex A of the new NPPF will apply. At present Annex A outlines that development plan policies adopted that have not been examined under the new Framework and are in any way inconsistent with it, such as is the case with SDN1, should be given very limited weight. HBF would therefore suggest that the higher requirements for BNG are deleted.
7. The WPVA estimates the cost of delivering 20% BNG is 150% of cost of delivering the statutory minimum of 10% and 33% BNG is 250%. It is not clear what the actual per dwelling cost used is, but paragraph 10.24 indicates that the 20% BNG is around £2,000 per ha on greenfield sites and £20,000 per ha on PDL. The cost of 33% would be £6,000 greenfield and £35,000 per ha on PDL. These costs are too low. Firstly, for Greenfield sites as it is based on the assumption that on these sites BNG will be delivered wholly on site. This may not always be the case – especially where BNG above 10% is required. In such case it should be assumed that the additional BNG over the statutory minimum will be delivered offsite unless there is specific evidence to the contrary. Secondly, HBF have estimated that based on an inflation adjusted the per dwelling costs¹ in the 2019 Impact Assessment on the introduction of BNG produced by DEFRA the cost of BNG would be over £5,000 per dwelling². HBF recognise that the cost of delivering BNG will vary significantly between development. However, unless the baseline is known HBF would recommend a more cautious approach than is currently being proposed in the WPVA.
8. Finally, if a higher level of BNG is considered to be justified the HBF would recommend that a clause is included stating that where BNG above the 10% legal requirement is impacting on the viability of development then any requirement above that level will be removed or reduced.

SDN9: Sustainable Construction

¹ Using the Central Estimate in Table 16 which includes 25% of net gain being delivered offsite.

² Viability Crunch (HBF, May 2026).

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

9. Part 1 of this this policy will require new development to achieve net zero operation carbon. In achieving this the expectation is that each home will be required to achieve a maximum space heating standard of 20kwh/m²/yr and energy consumption of no more than 40kwh/m²/yr. This will need to be demonstrated using a nationally recognised predicative energy model. HBF recognises that local planning authorities are currently able to set performance standards on the basis of the Planning and Energy Act 2008. This is recognised in the Written Ministerial Statement on Local Energy Efficiency Standards published in December 2023 which states that these standard should be rejected unless they are robustly justified, do not impact on the viability of development and the supply of new homes and are based on Target Emissions Rate calculated using the Standard Assessment Procedure (SAP).
10. Firstly, the requirement to achieve a specific space heating standard or energy use standard is not consistent with the WMS in that it is not based on TER nor assessed using SAP. On this basis the policy is unsound. While it is recognised that a net zero target would be consistent with current policy nowhere in national planning policy are standards relating to space heating and overall energy use specifically supported. Indeed, NPPF itself states in paragraph 164b that any requirements for the sustainability of buildings should reflect Government's policy for national technical standards. However, HBF recognises that inspectors have, where these are viable, allowed such standards to be adopted in local plans.
11. When considering the approach set out in paragraph 1 of this policy consideration will need to be given to the new NPPF, which is expected to be adopted before the summer recess. The current draft expressly states in policy PM13 that local plans should "*Not cover matters which are already addressed by Building Regulations ...*" and not cover "*Not cover matters relating to the construction or internal layout of buildings unless they are to implement the nationally described space standard*". While this plan would be examined under the 2024 NPPF the transitional arrangements would mean that policies that are inconsistent with the new Framework will be given very limited weight. Given that this policy would be inconsistent with PM13, if it is retained in the new NPPF, we would recommend SDN9 is deleted.
12. In terms of viability the cost of meeting these standards is set out in the Council's Technical Evidence Base on operational energy. This evidence indicates in the executive summary costs increase above the 2021 Part L standard of between 5.6% for a detached house and 7.4% for a low rise block. However, this contrasts with evidence in the Whole Plan Viability Assessment (WPVA), taken from a report published by Surrey County Council, which suggests that costs above current standard for a detached house achieving the proposed standard will be 9.31% and 8.56% for a low rise flatted development. HBF welcome the decision to use the higher cost assumptions in the WPVA. However, we remain concerned that in practice these costs could be higher than is estimated and that there is limited evidence on the true cost.

13. It is notable that the viability study states in paragraph 10.21 that meeting this standard is the equivalent of delivering an additional 5% affordable housing and reduces the residual land value by about £175,000 per hectare and that in order to ensure development remains viable the NPA has decided to reduce its affordable housing requirements and amend the tenure split of those homes rather than reduce requirements such as those in this policy. The outcome of these amendments to what was proposed at regulation 18 is that on the whole the residual value of greenfield sites is now in excess of the benchmark land value. However, across the previously developed typologies development remains unviable and that for four of the seven strategic allocations the residual land value is lower than the benchmark land value. Therefore, on these sites it would appear that requiring development to meet these very high energy efficiency standard is not viable and therefore should not be applied. While it is acknowledged that there is a clause in paragraph 1 stating that this policy will only be applied where it does not make development unviable or where it is not technically feasible, the expectation from paragraph 59 of NPPF is that a decision maker can assume development is viable with all policy costs being applied. Therefore, in relation to PDL this policy has not been justified.
14. Finally, in part one reference is made to Passivhaus Performance Package (PHPP). HBF would recommend that specific reference to PHPP is removed from the policy if the policy is retained. It is sufficient to reference the need for a recognised predictive energy model with reference to a specific commercial model.
15. Turning to part 2 of SDN9 the Council are requiring new residential development below 11m in height to achieve an embodied carbon standard of 500 kg/CO₂/m²GIA and those over 11m to achieve a 700 kg/CO₂/m²GIA standard. As with the standard in paragraph 1 of this policy there is no specific policy support for such an approach to be taken in the NPPF and the Government's consultation draft expressly stating that policies that relate to the construction or internal layout of buildings should not be included in local plans. If the new NPPF maintains PM13 as currently drafted, then paragraph 2 of SDN9 should also be deleted.
16. As for the cost of meeting these standards, the WPVA notes that no additional cost is expected to arise from meeting this level of embodied carbon. Detailed evidence needed as to show that this will be the case with modeled examples showing how a home built to current standards will cost no more than one built to these standards. The Embodied Carbon Policy Paper notes on page 28 that the policy would have little or no material impact on cost despite recognising that specification changes may result in additional costs. There would also appear to be the presumption that over time the costs will reduce as the market changes and adapts to the requirements of this policy. This might be the case, but viability consideration must be made on the basis of the cost of building to this standard at present compared to current practices. However, the statement that there are limited additional costs in meeting this standard does not appear to be consistent with the costs in the Policy Paper. The table on page 33 for example states the cost of building a detached or terraced housing that meets the 500 kgCO₂/m²GIA target is around £2,300/m² which compares to a baseline cost from BCIS of between

£1,500m² and £1,700m²³. This is a significant discrepancy and further clarification and detail of the costs of meeting this specific standard is necessary.

17. Finally, if the embodied carbon standards in part 2 are included in the local plan it will be necessary for a viability clause to be included within the policy. This will ensure that where this level of embodied carbon cannot be achieved then there is scope amending this requirement as part of securing planning permission.
18. The requirement in part 3 of the policy for development to achieve water consumption of no more than 90 litres per person per day (lpppd) it is not consistent with national policy as this is lower than the optional technical standard for water consumption of 110 lpppd set out in Planning Practice Guidance. The Council's justification for going below policy is that the south east is an area under serious water stress. While this is justification for meeting the optional standard of 110 lpppd it is not a justification for going below that standard. The only reason for going below 110 lpppd is where development would be prevented from being built without a lower water use standard (for example where it would impact on a protected habitat). This is not the case here and as such the lower standard allowed for in national policy should be used.
19. In seeking to achieve this lower standard the NPA note in paragraph 4.127 that this might need some form of grey water recycling. The NPA will need to be aware that there are potentially legal implications of using reclaimed water for domestic purposes in relation to S68 of the Water Industry Act 1991 and Regulation 4 of the Water Supply Regulations which seek to ensure the quality of water supply. and this is the reason why a lower water standard must be achievable through a fixtures led approach and not through water recycling. These concerns are set out in the 'Water Ready' report⁴ which notes in relation to water reuse systems that: "... *if they are not well designed and identified, they do increase the risk of cross contamination. There is therefore a need for a clearly defined standard approach to cover items such as layout options, differing pipework sizes or other mechanisms to readily identify these and prevent cross connections and materials; before any such systems can be mandated.*" HBF suggests that until there is clarity as to the legal position on such matters and that there are clear national standards and guidance for installation on going stewardship/ maintenance the Council should not be suggesting lower standards that might require water recycling.

SDH1: Housing Supply

The policy is unsound as it is unjustified

Housing needs

20. In determining the minimum number of homes that are needed across the NPA, the Council have used a locally derived approach to assessing housing needs. The approach used by the NPA is a bottom up approach that looks at household growth across the National Park and projects growth of 323 dwellings per annum (dpa). As stated

³ Table 7.1 of the WPVA

⁴ [Water Ready](#), Future Homes Hub (2024)

in paragraph 3.38 of the HEDNA Addendum, this assessment of need is based solely on household growth, with an allowance for vacancy rates. However, no allowance has been made for affordability as was the case in the 2023 HEDNA which used bespoke household formation rates and then used the standard method relevant at that time to assess housing needs. This resulted in a housing need for 350 dpa. If the same affordability adjustment, which was clearly considered to be necessary in that assessment, was applied to base level of household growth of 314 households per annum, the assessed housing needs would be 440 dpa⁵.

21. The NPA has also dismissed using the current standard method despite there being reliable evidence on housing stock within the national park which can be obtained accurate unlike the household data which is an estimate. As set out in the local plan, using the standard method results in a housing need of 1,048 dpa.
22. The reason for not using the current standard method or applying an affordability uplift as was the case in the HEDNA 2023, is based on the assumption that the inherent constraints on development capacity in the national park mean that it is not possible to build at the volume required to impact on affordability without irreparable damage. However, this approach to assessing housing needs, whether it is based on the standard method or an alternative method, is incorrect. The assessment of housing needs should not be based on the inherent constraints of an area. As was noted in paragraph 3.12 of the AECOM study from October 2025 ‘*Applying the Standard Method to the SDNPA and over lapping local authorities*’ the assessment of housing needs is a policy off figure “*unconstrained by the limits of the available land*”.
23. Also, in deciding to use an alternative method the NPA should still, as set out in 2a-014 of PPG, take into consideration housing stock, local house prices and affordability. As is noted in the various housing needs assessment affordability in the NPA is poor ranging from 9.13 to 13.76 with the majority of the NPA having an affordability ratio in excess of 11.5. The worsening affordability will be reflective of the fact that the area is in a national park which will place a premium on the value of homes in the NPA. But worsening affordability is a problem across the south east not only in the NPA and in part is reflective of a lack of supply. As such the assessment of housing needs should include an adjustment for affordability.
24. HBF therefore considers the approach to assessing housing needs to be unsound as it is inconsistent with national policy and unjustified. While we recognise that development will be constrained in a national park, that assessment is applied after housing needs have been established and should not have been a factor in deciding the minimum level of housing need to be planned for.
25. As to what is the most appropriate method for assessing housing need, HBF would suggest that the most logical approach is to use the standard method for the following reasons. Firstly, it is possible to more accurately identify the housing stock in the national park from robust data sets as mentioned in paragraph 4.10 of the AECOM study which also goes on to note in paragraph 4.12 “*An important factor to note about this data is that it aligns with the exact boundaries of the SDNP, which is not possible to recreate with many other datasets*”. The reason why

⁵ 314 x capped affordability adjustment of 1.4.

an alternative method was required in previous iterations of the standard method was the difficulty in accurately identifying household growth across the NPA as the datasets did not align with national park boundaries. With the latest standard method using a stock based approach this is less of a concern as accurate data is more easily obtainable.

26. Secondly, it ensures that assessments of housing need across the NPA are consistent with the assessments of housing need undertaken to support plan making for those parts of the LPAs covered by the national park, but which are outside its boundary in order to ensure unmet needs can be considered and addressed. For example, Lewes DC have assessed their housing needs on the basis of the standard method for the area outside of the national park. This results in a need of 682 dpa out of a total need across the whole of Lewes of 855 dpa. If the delivery in the area of Lewes District Council (LC) covered by the national park is 107 dpa this would suggest that there is an unmet need of 66 dpa to be delivered in those parts of LDC outside of the national park. The approach proposed by the NPA will only lead to further shortfalls in supply across Sussex and Hampshire.

Co-operation with neighbouring authorities on unmet housing needs.

27. No evidence appears to have been provided as to how the NPA has co-operated on strategic cross boundary issues with neighbouring areas and the outcomes of any co-operation. In the NPA's evidence base the only document we could find with regard to co-operation was the Co-operation Alignment Strategy that was published in November 2024 which provides no detail as to the ongoing joint working required by the NPPF.
28. It is essential that evidence is provided to show how the NPA has worked with neighbouring areas in establishing housing needs but also with regard to the unmet needs in neighbouring areas – in particular those coastal authorities such as Brighton and Hove, Adur and Worthing which are significantly constrained by the national park. In Worthing the local plan adopted in 2025 indicates a shortfall of over 10,000 homes and the last local plan for Brighton and Hove identified an unmet need of 16,000 homes that was never addressed. A broad figure for unmet needs of 30,000 homes across the Coast West Sussex and Brighton area was included in the Mid Sussex evidence base as part of their submitted local plan⁶.
29. These are significant shortfalls in housing and given the key constraining factor for LPAs across Sussex and Hampshire is the national park HBF would have expected close engagement with these authorities as to the potential for development in the national park adjacent to these areas to address some of their needs. While it is appreciated that the scale and extent of development national parks should be limited there is also a need to recognise the significant constraint the park places on other areas to deliver the development needs of their growing populations and to then properly engage with their neighbouring areas on this issue. Without any up to date evidence on such matters the only conclusion that can be reached is that the local plan is unsound as it is not based on effective joint working on cross boundary issues.

⁶ [H5 - Housing Need and Requirement Topic Paper](#) July 2024 (Mid Sussex DC)

Housing supply and Trajectory

30. The NPA expects this plan to support the delivery of 6,735 new homes over the plan period. This provides a contingency of around 10% above the NPAs assessed need for new homes. As required by paragraph 78 of the NPPF a trajectory is included in Figure 4.5. However, this does not actually state how many homes are expected to be delivered each year and HBF could not find in the evidence base a detailed trajectory. The LAA notes that the Site Selection Background Paper includes a trajectory however this is simply the same trajectory as that included in the local plan it does not provide the necessary clarity to enable interested parties to scrutinise the assumptions made by the NPA. A detailed trajectory must be included alongside the submitted local plan that sets out for each year when each site that contributes to meeting housing need will commence and the rate at which it will deliver.

SDH2: Mix of Homes.

This policy is unsound as it is unjustified.

31. Part 2 of the policy states that an alternative mix will be granted provided their robust evidence for a different mix of dwellings to meet local need or to ensure National Park purpose 1 is met. In addition to this HBF would suggest that viability is also included as a consideration.
32. Part 3 of the policy requires plots of 50 or more dwellings to provide 10% of plots for self-build. This is on the basis that on average 44 entries have been made to the NPA's self-build register each base period since August 2015. However, it is notable that in the last three years the NPAs AMR notes that 44 permission granted with a self-build relief in 2025/26, 26 in 2024/25 and 28 2023/24. This would suggest that significant number of self-build plots are coming forward in the national park without the need for a specific policy. HBF would therefore question whether the 10% policy is justified.

SDH3 – Accessible and Adaptable Homes

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

33. This policy requires all homes to be built to part M4(2) and 10% of homes on sites over 20 units to be built to part M4(3). HBF had expected Part M4(2) to be made mandatory, but policy HO5 in draft NPPF potentially indicates that this will remain an issue to be considered in local plans. The suggestion in HO5 is that at least 40% should be built to part M4(2) and M4(3). As such anything above will need to be robustly justified. It is not clear from the HEDNA what the justification for all new homes to be built to part M4(2). Table 7.4 indicates that between 2023 and 2033 there is likely to be an increase in population with a disability of around 1,880 people. However, no allowance is made in these assumptions that a significant number of these individuals already live within the SDNP and will be in a home that meets their needs. If the Council are to require all new homes to be built to part M4(3) then it must be based on needs.

34. HBF would also question the statement in the WPVA that part M4(2) would cost an additional £780 per dwelling. The most recent consultation on part M4(2) in 2020 indicates the cost would be on average £1,400 per unit⁷. However, with inflation HBF estimates the cost to be in the region of £1,800 per unit⁸.
35. HBF does not consider the level of flexibility within the policy to be consistent with national policy. Part 3 of the policy states that requirements relating to part 4(3)a will not be required if it can be demonstrated that it is not practical to deliver. However, paragraph 56-008 states “*Local Plan policies should also take into account site specific factors such as vulnerability to flooding, site topography, and other circumstances which may make a specific site less suitable for M4(2) and M4(3) compliant dwellings, particularly where step free access cannot be achieved or is not viable. Where step-free access is not viable, neither of the Optional Requirements in Part M should be applied*”. The plan should be amended to allow for requirements relating to Part M4(2) to also be amended where this is neither practical nor viable to deliver.

SDH5 – Affordable Homes

The policy is unsound as it is not justified and inconsistent with national policy.

36. As we mention in our representations on SDN9, the NPA have reduced their affordable housing requirements suggested in the regulation 18 consultation in response to the WPVA which showed that the local plan would be undeliverable with a 50% affordable housing requirement on all sites. While HBF welcomes the decision to amend policy on the basis of this evidence it is surprising that the NPA have not gone further with regard to previously developed land. Even with the additional value created by reducing affordable housing requirements and amending the tenure mix as set out in paragraph 10.13 and 10.16 it would appear very few of the PDL typologies across each of the value areas can demonstrate a residual value in excess of the benchmark land value (BLV). The only sites that would appear to be viable in the majority of cases are PDL sites which deliver fewer than 8 homes (typologies 15 to 17). Given that the expectation from paragraph 59 of NPPF is that a decision maker can assume development is viable will all policy costs being applied HBF would suggest that the policy requirements on PDL should be reduced further.
37. As with PDL sites, the WPVA also states in paragraph 10.75 the residual values for older peoples housing are well below BLV even without affordable housing. HBF would suggest that this is an indicator that a zero rate should be applied rather than require a negotiation on a site by site basis when such development comes forward.
38. HBF does not consider part 2 of the policy to be consistent with national policy. Firstly paragraph 59 does not state that the circumstances as to when viability will be a factor in reducing policy requirements need to be exceptional. Paragraph 59 simply refers to changing circumstances. The NPA acknowledge that development viability in the national park is increasingly challenging. HBF would agree, recent work undertaken by the HBF⁹

⁷ Raising accessibility standards for new homes A consultation paper (MHCLG, September 2020) <https://www.gov.uk/government/consultations/raising-accessibility-standards-for-new-homes>

⁸ The Viability Crunch HBF, May 2026)

⁹ Viability Crunch (HBF, March 2026) <https://www.hbf.co.uk/research-insight/viability-crunch/>

shows that compared to 2020 it costs, on average, £76,000 more to build a new home. This is a result of, for example, inflation on materials and labour, application of new taxes such as the building safety levy and higher existing taxes such as the increased land fill tax. Given that the evidence indicates few PDL sites will be viable and that development is facing *increasing* costs it is essential that there is sufficient flexibility in this policy, and indeed across policies to ensure that development can continue to come forward should costs increase. HBF would suggest the following changes:

“Insufficient affordable housing provision which does not meet the requirements of Part 1 will need to be robustly justified. ~~will be a significant factor weighing against approval, irrespective of any viability barriers. Robust independent financial appraisal will be required alongside any application not complying with Part 1.~~ Where, ~~exceptionally~~ a reduction in the level of affordable housing provision is agreed, the Authority will use review mechanisms to ensure that any future improvement in viability, helps to deliver additional affordable homes. Priority will also be given to achieving the target number of on-site affordable homes over other requirements set out in this policy”

Conclusion

39. At present we do not consider the plan to be sound, as measured against the tests of soundness set out in the NPPF. I can therefore confirm that the HBF would like to participate in any hearing sessions held at the examination in public on the matters raised in our representations and that we would like to be kept informed of the submission and examination of the local plan.

Yours sincerely,



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