



THE HOME BUILDERS FEDERATION

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Sent by Email only

Dear Sir / Madam,

Draft Housing and Economic Land Availability Assessment Methodology

The HBF is the principal representative body of the house building industry in England and Wales and our representations reflect the views of our membership of multinational PLCs, through regional developers to small, local builders. Our members account for over 80% of all new housing built in England and Wales in any one year including a large proportion of the new affordable housing stock.

The HBF welcome this initial opportunity to comment on the Housing and Economic Land Availability Assessment methodology (HELAA). The following comments are provided in order to assist the Council in producing a robust and defensible evidence base to inform the production of the Local Plan (Part Two). If the Council wish to discuss any of the comments made in these representations further, please do not hesitate to get in touch.

The following comments relate to the identified section or paragraph number within the HELAA.

2. Methodology

Stage One: Site Identification Table 2.1

Table 2.1 identifies the types and sources of data Cheshire West and Chester will use in compiling their assessment. In relation to planning applications that have been refused or withdrawn it is stated that;

‘These will not be subject to the assessment at the current time, unless the refusal was on the grounds that the release of a site should first be determined through the Local Plan process.’

The refusal of a planning application can occur for a variety of reasons. This does not mean that the site is undevelopable. Indeed refusals often relate to issues such as previous planning designations or policies which may no longer be relevant, highway impacts, design, etc. The previous reasons may, therefore, either no longer be relevant or overcome. In these instances a previous refusal should not rule out a site from the HELAA. The Council must ensure the HELAA considers all opportunities equally to enable the delivery and sustainability credentials of each site to be fairly assessed. Failure to do this could lead to issues of soundness within the plan. The inspectors interim conclusions upon the Doncaster Sites and Policies DPD bears testament to this.

Likewise applications are often withdrawn for a number of reasons including commercial decisions, undertaking further technical work or to address other concerns. This should not automatically mean that they are discounted from the HELAA as they may provide a sustainable source of deliverable housing land.

The HBF strongly recommend that sites should be judged upon their own merits and should only be discounted at this stage if there is no possibility of the site being developed. The fact that a site has been previously refused or withdrawn should not on its own be a reasons to sieve a site from the assessment process.

Stage 1a: Survey Areas

Paragraph 2.12

This paragraph outlines a number of initial policy sieves that will be applied to the identification of sites. The first bullet references Green Belt. This bullet should be amended to clarify that some areas of Green Belt will need to be considered as referenced within the Local Plan (Part 1).

The second bullet refers to the settlement hierarchy set out within policies STRAT 2-9 noting that only sites which are within or adjacent to a main urban area or key service centre will be included in the process. Paragraph 2.15 further notes additional evidence base work is being undertaken to identify local service centres through the Local Plan (Part 2). The HBF recognise that these settlements will not be the subject of significant growth. It is, however, considered that the HELAA and plan should recognise that these smaller settlements will have local needs which should be met, where possible. It is therefore recommended that sites within these smaller settlements should not be sieved at this early stage.

Paragraph 2.13

The consultation document at paragraph 2.13 states that:

'...the requirement in some settlements may have already exceeded the Local Plan housing requirement and on this basis new sites within or adjacent to these locations will be discounted'.

This statement is contrary to the plan. Following the Inspector's modifications to Part 1 of the Local Plan the settlement requirements are now expressed as minima, not maxima. This implies that the identified housing requirements can

be exceeded. It is, therefore, inappropriate to sieve the sites at this stage. Furthermore this arbitrary discounting of sites, without due consideration of the sustainability credentials of individual sites, and how they compare to others will mean that the HELAA is an incomplete assessment of all available opportunities. The choice of sites taken forward is a matter for the Local Plan (Part 2), which will be subject to consultation and examination. The HBF consider it inappropriate to remove these sites at this stage.

Stage two: Assessment of Sites

The use of standard assumptions for developable area ratio, build rates, lead-in times and density are in principle acceptable. The HBF does, however, advocate discussion with the relevant site developer / promoter and the Housing and Economic Partnership Group so that the implications of infrastructure provision, site constraints and construction start-up can be properly assessed and built into the trajectory for site completion. This will ensure that a better reflection of individual site characteristics are taken into account.

Where standardised assumptions are utilised it is important that these are supported by robust up to date evidence (PPG paragraph 3-031). This could include analysis of the patterns and timescales of sites recently approved or evidence gathered via discussions with developers at section 78 appeals. The evidence used in the derivation of the Council's assumptions should be made publicly available to enable independent analysis of the Council's proposed assumptions. The HELAA should also set out how the assumptions have been applied, particularly where a range is used. The provision of this data will provide clarity, consistency and transparency to the key assumptions.

Table 2.3 Density Assumptions

The draft HELAA identifies that a simple density per hectare calculation should be applied which varies between localities ranging from 30dph in rural areas to 50dph in Chester City Centre. The HBF agree that it is a reasonable assumption that densities will be higher within urban areas compared to their rural counterparts. It is, however, important that the Council does not attempt to overinflate densities as this will inevitably lead to an inaccurate picture of the land requirements for the plan.

The recently published Land Use Change Statistics identify that nationally densities are, on average, 32dph (net) across all sites including high density town / city centre schemes. On previously developed land the average density was 37dph and on greenfield land the average density was 26dph. The use of 35dph for the urban areas of Northwich, Chester, Ellesmere Port and Winsford, which will undoubtedly include both previously developed and greenfield sites, is therefore likely to be on the high side and as such a more conservative approach of 30dph is considered appropriate. It is also likely that in rural settings development densities closer to 26dph will be more appropriate.

The HBF also consider that densities should be based upon local characteristics, housing mix requirements and market potential. In this regard it is important that wherever possible discussions with site promoters and

developers as well as the Housing and Economic Partnership Group are held to assess the likely development potential of individual sites and amendments made as necessary.

Table 2.4 Developable Area

The HBF agrees the net developable area will vary with larger sites tending to have a lower ratio, due to the need to take account of infrastructure and other facility requirements. Rather than using a percentage ratio for larger sites the HBF recommend that additional work is undertaken which considers site characteristics and known infrastructure requirements. The Council may be able to attain such information from the site developer / promoter as well as its own evidence and site surveys. The developable area should include the likelihood of constraints such as flood risk, the need for infrastructure and site topography.

Similar to the density assumptions the HBF recommend the net developable area of sites, particularly larger sites, be tested with the Housing and Economic Partnership Group.

Timescales and Rates of Development

Paragraph 2.47 identifies build rates of 2 to 3 per month per developer, this variation of between 24 and 36 units per annum will have a significant bearing upon the five year housing land supply. The application of a specific build rate must be justified by evidence, including local conditions. The HBF consider that the following factors should be taken into account when determining the build-rate to be applied to a site;

- Size of the development;
- Local delivery rates based upon the strength of the market;
- Other competing sites;
- Site constraints such as topography, flood risk etc; and
- Discussions with the relevant housebuilder / Housing and Economic Partnership Group.

In considering local delivery rates across the plan area the Council will need to take into account any exceptionally high rates which were due either to the completion of apartment / extra care schemes as well as the impact of funding contracts on delivery rates and discount these from its calculations. It is noted that a high proportion of units delivered in 2014/15 were subject to HCA contracts.

Paragraph 2.47 also identifies that a multiplier factor will be utilised where there is more than one developer on site. Whilst it is reasonable to make such an assumption this should only be used where the Council has clear evidence that more than one developer will operate on a site. It should not be simply assumed that because a site is above a certain size threshold more than one developer will be present. It also should not be assumed that two developers would necessarily double build rates as demand factors will have a limiting effect.

Table 2.7 Estimating Delivery on Sites

The HBF notes the assumptions within table 2.7 against the various types of application, and we make specific comments in the table below. In addition to

these specific comments it should also be noted that where the site is not in the control of a housebuilder it will need to be marketed and sold. This will inevitably lengthen the lead-in times. This needs to be included in the consideration of individual sites. In addition due to the time and resources required for site preparation and start-up a discount upon completions should be applied to the first year of completions.

Type of permission	Council assumption	HBF comment
Sites with extant outline planning permission	Full permission / reserved matters granted in year 1, preparation of site, construction and delivery of units to start in year 2.	Unrealistic, it is likely to take longer than 1 year to gain reserved matters and discharge all relevant pre-commencement conditions.
Sites with extant full planning permission (not started)	Preparation of site and delivery of units to start within year 1.	Agreed, although for larger sites a longer period for site preparation may be required.
Sites with full planning permission (units under construction)	Units under construction in the last monitoring period are forecast to complete in year 1. For units not currently started on site, a phased completion is assumed, and build rates agreed with the HPG are applied.	Agreed. However, if site preparation is still on-going a discount may be required upon the units under construction.
Sites awaiting the signing of a S106 legal agreement (full permission)	Legal agreement signed within year 1, preparation of site, construction and delivery of units to start in year 2.	Agreed, providing there is a realistic chance the S106 will be signed within the timescales.
Sites awaiting the signing of a S106 legal agreement (outline permission)	Legal agreement signed within year 1, full permission granted and preparation of site in year 2, delivery of units to start in year 3.	Agreed, providing that there is a realistic chance that the S106 will be signed within the timescales.
Pending residential applications	Decision received within year 1, preparation of site year 2, construction and delivery of units to start in year 3.	Unrealistic, this is same timescale as outline approvals awaiting a S106. As a minimum this should be extended to year 4 start. The Council would also need to justify the inclusion of such sites, given permission cannot be guaranteed.
Allocated sites (no current permission)	Generally larger sites that may require longer period to prepare and decide planning application. Some units may be delivered within first 5 years.	A lead-in time should only be provided where there is clear developer interest and an application is anticipated imminently. Even then caution is required due to the uncertainties of gaining permission. Any completions are likely to be minimal.
Sites without planning permission	Generally larger sites that may require longer period to prepare and decide planning application. Some units may be delivered within first 5 years.	The inclusion of this category requires further substantiation. A lead-in time should only be provided where there is clear developer interest and an application is anticipated imminently. Even then caution is required due to the uncertainties of gaining permission. The HBF recommend this category be removed from the five year supply.

Stage Three: Assessment of Windfall Sites

Paragraphs 2.58 & 2.59

The HBF supports the non-inclusion of a windfall allowance as identified in paragraph 2.58 of the draft report. The subsequent paragraph does, however, indicate that a small sites allowance, which is technically a windfall allowance, will be included. The Council should provide greater clarity upon its position. If a small sites allowance is to be included the scale of such an allowance must be based upon robust evidence. The HBF agree that any allowance should only be included in the latter part of the initial five year period to ensure double counting does not occur.

Appendix A

The HBF welcome the continuation of the Housing and Economic Partnership Group and confirm that we are happy to be a member. Engagement with the wider development industry is an essential element of plan making and will assist the Council in providing a robust evidence base for the Local Plan (Part 2) and any subsequent planning documents.

Yours sincerely,

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