



The Planning Policy Team
Bolsover District Council
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SENT BY E-MAIL AND POST

12th December 2016

Dear Sir / Madam

BOLSOVER DRAFT LOCAL PLAN CONSULTATION

Introduction

Thank you for consulting with the Home Builders Federation (HBF) on the above mentioned consultation. 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. We would like to submit the following representations and appear at future Examination Hearing Sessions to discuss these matters in greater detail.

Duty to Co-operate

Under S110 of the Localism Act 2011 which introduced S33A into the 2004 Act the Council must co-operate with other prescribed bodies to maximise the effectiveness of plan making. The Duty to Co-operate requires the Council to "*engage constructively, actively and on an on-going basis*". The high level principles associated with the Duty are set out in the National Planning Policy Framework (NPPF) (paras 156, 178 – 181) and twenty three paragraphs of the National Planning Practice Guidance (NPPG) provide more detail about the Duty. In considering if the Duty has been satisfied it is important to consider the outcomes arising from the process and the influence of these outcomes on the Plan. A fundamental outcome is the delivery of full objectively assessed housing needs (OAHN) for market and affordable housing in a Housing Market Area (HMA) as set out by the NPPF (para 47) including the unmet needs of neighbouring authorities where it is reasonable to do so and consistent with sustainable development (para 182).

It has been determined that Bolsover District Council is a constituent part of the North Derbyshire / North Nottinghamshire HMA together with North East Derbyshire, Chesterfield and Bassetlaw District Councils. However there is also an identified overlap between the North Derbyshire / North Nottinghamshire HMA and the Sheffield City HMA. At this time it is not known if Sheffield can fully meet the city's OAHN within its own boundaries and therefore whether or not unmet needs will have to be accommodated elsewhere. Whilst the linkages between Sheffield and Bolsover are the weakest of the North Derbyshire / North Nottinghamshire HMA authorities Bolsover may encounter a ripple effect as authorities closest to the city such as Bassetlaw assist in meeting unmet needs. This unresolved strategic matter should be addressed sooner rather than later.

It is also understood that Bolsover is a member of the D2N2 Local Enterprise Partnership (LEP) and its proposals for North Midlands Combined Authority which in the future may prepare a strategic spatial plan.

When the pre submission Bolsover Local Plan is published for consultation a Statement of Co-operation should explain these complex relationships and the impact of overlapping HMAs and any future sub regional spatial plan prepared by the Combined Authority on the Local Plan.

Plan Period

At this time it is noted that the plan period is not explicitly stated in the Plan. It is recommended that the plan period is specified.

OAHN and the Housing Requirement

Policy SS2 – Scale of Development proposes a housing requirement of 3,600 dwellings (240 dwellings per annum). It is recommended that this housing requirement is expressed as a minimum figure.

In November 2013 the Council estimated its OAHN as 235 – 240 dwellings per annum (North Derbyshire / North Nottinghamshire SHMA). In March 2014 an updated estimate of OAHN was 222 – 251 dwellings per annum (Report on further sensitivity testing of Household Formation Rates (HFR), migration trends and employment assumptions).

It is suggested that the Council's current evidence on OAHN will be somewhat dated by the anticipated time of the Local Plan Examination. Therefore it is recommended that the Council undertakes a comprehensive up date of the OAHN for the HMA before the pre submission Local Plan consultation expected in mid-2017 especially given that the 2014 Sub National Household Projections (SNHP) have recently been published. The Council should confirm whether or not any meaningful change has been identified by the publication of the 2014 SNHP as set out in the NPPG (ID 2a-016-20140306).

In the HBF response to the Identified Strategic Options consultation (ended on 11th December 2015) concerns about the Councils approach to assessing affordable housing needs in particular the role of the private sector were set

out. Whilst these concerns are not repeated in detail in this representation it is suggested that any up dated OAHN work undertaken addressed these concerns.

The HBF will provide more detailed comments on OAHN and the housing requirement at the pre submission consultation stage when more up to date evidence is available.

Housing Land Supply (HLS)

Policy SS3 – Spatial Strategy & Distribution sets out the spatial distribution across the District based on a four tiered settlement hierarchy comprising of small urban towns of Bolsover & Shirebrook, emerging towns of Clowne & South Normanton, five named large rural villages and fifteen named small rural villages. The Local Plan proposes four strategic site allocations at Bolsover North for circa 900 dwellings (**Policy SS4**), Clowne Garden Village for circa 1,000 dwellings (**Policy SS5**), Former Whitwell Colliery site for circa 200 dwellings (**Policy SS6**) and Former Coalite Chemical Works Site (**Policy SS7**). **Policy LC1 – Housing Allocations** sets out non-strategic site allocations on twenty six sites listed a to z.

The Council should allocate sufficient housing sites to meet its housing requirement during the plan period including sufficient headroom over and above this requirement as a contingency to provide sufficient flexibility to enable the Council to respond efficiently to changing circumstances. Moreover the housing requirement should not be seen as a maximum and therefore not treated as a ceiling to overall housing land supply. The HBF would always recommend as large a contingency as possible preferably at least 20%. The DCLG presentation slide from the HBF Planning Conference in September 2015 illustrates a 10 – 20% non-implementation gap together with a 15 – 20% lapse rate (see below). This slide suggests “*the need to plan for permissions on more units than the housing start / completions ambition*”.

The Local Plans Expert Group (LPEG) Report March 2016 also recommends that “*the NPPF makes clear that local plans should be required not only to demonstrate a five year land supply but also focus on ensuring a more effective supply of developable land for the medium to long term (over the whole plan period), plus make provision for, and provide a mechanism for the release of, developable Reserve Sites equivalent to 20% of their housing requirement, as far as is consistent with the policies set out in the NPPF*” (para 11.4 of the LPEG Report).

The Council should provide a robust justification for its current position for a contingency of much less than 20% even after taking account of windfalls (not included in the HLS) and the exclusion of existing planning permissions which are not in accordance with the Local Plan strategy.



In recent years there has been a 30-40% gap between permissions and housing starts

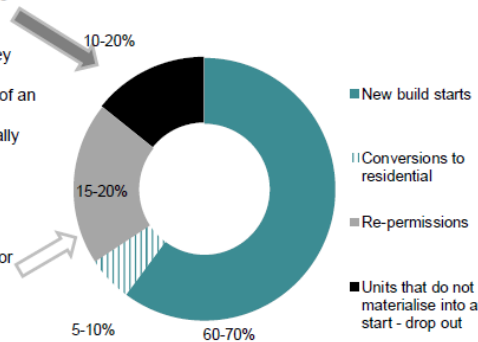
- **Gap of around 30-40%** between the number of permissions given for housing and starts on site within a year. Estimate that for a year's permissions for housing around:

- **10-20%** do not materialise into a start; the permission 'drops out': this could be because -

- the landowner cannot get the price for the site that they want
- a developer cannot secure finance or meet the terms of an option
- the development is later not considered to be financially worthwhile
- there are supply chain constraints hindering a start.

There may be scope to reduce this through policy.

- **15-20%** are not abandoned but a **re-permission** is sought, for example to make a major change to plans or to extend the development period.



- Recent data and realities of private market suggests need to **plan for permissions on more units than housing start/completion ambition.**

Extract from slide presentation "DCLG Planning Update" by Ruth Stanier Director of Planning - HBF Planning Conference Sept 2015

Previously it was noted that large proportions of the Council's overall HLS and 5 Years Housing Land Supply (YHLS) are dependent on allocations currently without planning permissions and sites with only outline planning permission consents. Therefore it is especially critical that in the Council's housing trajectory any assumptions on lead-in times and delivery rates should be realistic. These assumptions should be supported by parties responsible for the delivery of housing but also sense checked by the Council based on local knowledge and historical empirical data. As the HBF do not comment on the merits or otherwise of individual sites our representation is submitted without prejudice to any further comments made by other parties on the deliverability of specific sites included in the Council's housing trajectory. However if other parties are able to demonstrate that the Council's assumptions about its HLS are not robust the Council's 5 YHLS may reduce below 5 years on adoption. Without reasonable certainty that the Council has a 5 YHLS the Local Plan cannot be sound as it would be neither effective nor consistent with national policy and by virtue of the NPPF (para 49) the housing policies of the Plan would be instantly out of date on adoption.

Furthermore if it is determined that the Council's housing requirement should be increased because of an under-estimation of OAHN then a corresponding increase in site allocations will also be necessary. When allocating additional sites the Council should be mindful that to maximize housing supply the widest possible range of sites, by size and market location are required so that house builders of all types and sizes have access to suitable land in order to offer the widest possible range of products. The key to increased housing supply is the number of sales outlets. Whilst some SUEs may have multiple outlets, in general increasing the number of sales outlets available means increasing the number of housing sites. The maximum delivery is achieved not just because there are more sales outlets but because the widest possible

range of products and locations are available to meet the widest possible range of demand.

Whole Plan Viability

It is noted that **Policy LC2 – Affordable Housing** proposes 10% affordable housing provision on sites of 25+ dwellings. If the Bolsover Local Plan is to be compliant with the national policy, the Council must satisfy the requirements of the NPPF (para 173 & 174) whereby development should not be subject to such a scale of obligations and policy burdens that viability is threatened. The Council acknowledges that viability across the District is marginal so it is essential that the Council's assessment of viability is kept up to date. The Council's viability study originating from 2012 is considerably out of date. It is recommended that the Council undertakes an up dated whole plan viability assessment before the pre submission Local Plan consultation. The residual land value model is highly sensitive to changes in its inputs whereby an adjustment or an error in any one assumption can have a significant impact on viability. Therefore it is important that the Council understands and tests the influence of all inputs on the residual land value as this determines whether or not land is released for development. The Harman Report highlighted that "*what ultimately matters for housing delivery is whether the value received by land owners is sufficient to persuade him or her to sell their land for development*". As viability is marginal the Council is cautioned against setting unrealistic targets in any Climate Change and / or Housing Standards Policies.

Housing Standards & Mix

Policy LC4 – Type & Mix refers to Lifetime Homes which is an out of date reference. It is suggested that this reference is amended.

Policy LC5 – Specialist Housing proposes 10% M4(2) or M4(3) on sites of 10+ dwellings. The Written Ministerial Statement dated 25th March 2015 stated that "*the optional new national technical standards should only be required through any new Local Plan policies if they address a clearly evidenced need, and where their impact on viability has been considered, in accordance with the NPPG*". If the Council wishes to adopt the higher optional standards for accessible & adaptable homes the Council should only do so by applying the criteria set out in the NPPG. The Council's evidence should be specific to Bolsover rather than generic. If it had been the Government's intention that generic arguments justified adoption of the higher optional standards for adaptable / accessible dwellings then the logical solution would have been to incorporate the standards as mandatory via the Building Regulations which the Government has not done. Therefore it is incumbent on the Council to provide a local assessment evidencing the specific case for Bolsover which justifies the inclusion of the higher optional standard in its Local Plan policy. The NPPG also confirms that "*Local Plan policies for wheelchair accessible homes should be applied only to those dwellings where the local authority is responsible for allocating or nominating a person to live in that dwelling*" (ID 56-009-20150327).

Policy LC6 – Custom & Self Build Dwellings proposes at least 5% self build dwellings on sites of more than 10 dwellings. The HBF supports self-build / custom build in principle for its potential additional contribution to the overall housing supply where this is based on a positive policy approach by the Council to increase the total amount of new housing development and meet an identified and quantified self-build / custom build housing need. However the HBF is not supportive of a restrictive policy requirement approach for the inclusion of such housing on sites of more than 10 dwellings as proposed by the Council. The Council should refer to the East Devon Inspector’s Final Report which expresses reservations about the implementation difficulties associated with this sort of policy. In para 46 the Inspector states “*However, I don’t see how the planning system can make developers sell land to potential rivals (and at a reasonable price)*”. This approach provides no additionality to land supply but merely changes production from one to another type of builder.

If the Council wishes to promote self build / custom build it should do so on the basis of evidence of such need. It is not evident that the Council has assessed such housing needs in its SHMA work as set out in the NPPG (ID 2a-021-20140306) the Council should collate from reliable local information the local demand for people wishing to build their own homes. Furthermore it should be viability tested the NPPG confirms that “*different types of residential development such as those wanting to build their own homes ... are funded and delivered in different ways. This should be reflected in viability assessments*” (ID 10-009-20140306). The Council should also give consideration to the practicalities of implementing any such policy. Such considerations should consider the health & safety implications, working hours, length of build programmes, etc. It is doubtful if the Council’s proposed cascade mechanism in the event of self builder not coming forward is workable. Therefore it is suggested that any policy on self build should be encouragement rather than a mandatory requirement subject to viability considerations, specific site circumstances and it is based on evidence of an identified demand for such housing.

Conclusions

For the Bolsover Local Plan to be found sound under the four tests of soundness as defined by the NPPF it should be positively prepared, justified, effective and consistent with national policy (para 182). It is suggested that the Council gives due consideration to the above mentioned matters in order to avoid producing an unsound Local Plan. It is hoped that these representations are of assistance to the Council in informing the next stages of the Bolsover Local Plan. In the meantime if any further information or assistance is required please contact the undersigned.

Yours faithfully
for and on behalf of **HBF**



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