



Cornwall Council
Local Plan Team
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SENT BY E-MAIL AND POST

7 August 2017

Dear Sir / Madam

CORNWALL SITE ALLOCATIONS PLAN (SAP) PRE SUBMISSION 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 in due course appear at the Examination Hearing Sessions to discuss these matters in greater detail.

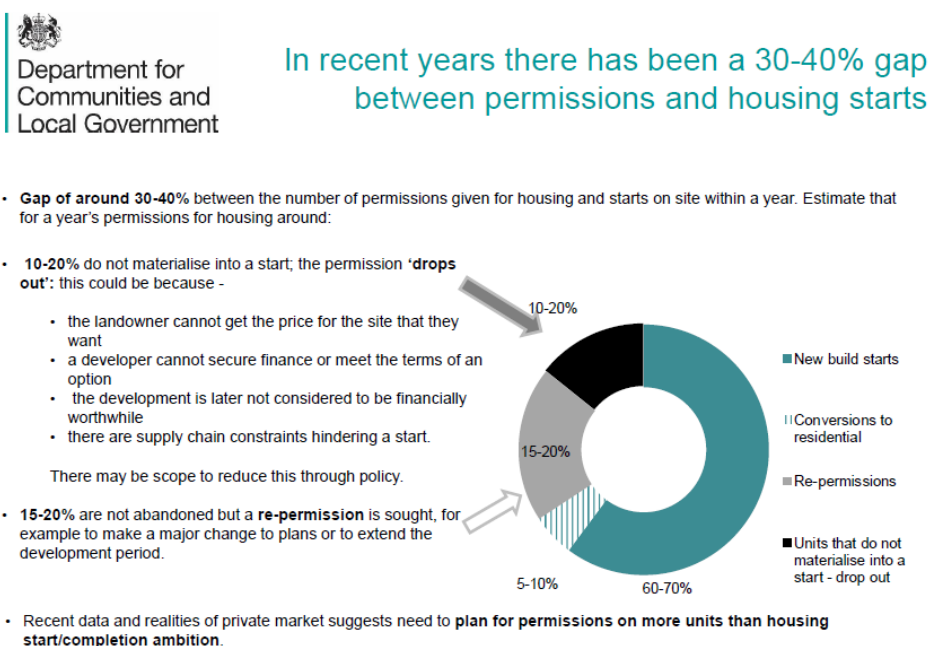
Housing Land Supply (HLS)

The adopted Cornwall Strategic Policies Plan establishes the minimum housing requirement of 52,500 dwellings and where it will be delivered. The purpose of the SAP is to allocate land for housing development. The SAP sets out the strategy for ten Community Network Areas (CNAs) together with policies to deliver two eco-communities. Six other CNAs are excluded because Neighbourhood Plans will allocate housing sites.

The HBF do not comment on the merits or otherwise of individual sites therefore our representations are submitted without prejudice to any comments made by other parties on the deliverability of specific sites included in the overall HLS, 5 YHLS and housing trajectories. Therefore the following commentary addresses matters of principle only.

The Council’s assumptions on lead-in times, lapse rates and delivery rates for sites should be realistic. These assumptions should be supported by parties responsible for delivery of housing and sense checked by the Council using historical empirical data and local knowledge.

Since the proposed housing requirement is a minimum figure it should not be treated as a maximum ceiling to restrict overall HLS and prevent sustainable development from coming forward. From the Council’s evidence it is unclear if there is sufficient contingency in the overall HLS. The Council should provide a comprehensive HLS assessment including full details of housing site allocations in Neighbourhood Plans. The Council is referred to the DCLG presentation slide from the HBF Planning Conference September 2015 (see below). This slide illustrates 10 – 20% non-implementation gap together with 15 – 20% lapse rate. The slide also suggests “*the need to plan for permissions on more units than the housing start / completions ambition*”. It is acknowledged that this presentation slide shows generic percentages across England but it provides an indication of the level of flexibility within the overall HLS that the Council should be providing.



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

The Council should also consider the allocation of developable reserve sites together with an appropriate release mechanism as recommended by the Local Plans Expert Group (LPEG). The LPEG Report dated March 2016 proposed 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*” (LPEG Report para 11.4).

5 YHLS

The Cornwall Strategic Policies Plan sets out that the 5 YHLS is calculated for Cornwall as a whole. Whilst 5 YHLS exists any deficiency in supply in an individual CNA is met within the CNA where it arises and not elsewhere.

At the time of the Strategic Policies Plan *“it was agreed at the Hearing in May 2016 that it is neither necessary nor appropriate to review further the current status of the 5 YHLS position. Whether or not there is a 5 YHLS (or would be at adoption of this Plan) does not directly affect the soundness of the Plan and no changes could be made to this Plan to alter the position. It will be for the SAP and NPs to determine the appropriate scale and mix of allocations that, along with planning permissions, collectively ensure a rolling supply of housing to meet the on-going 5 year requirement”* (Inspector’s Final Report dated 23rd September para 149).

It was also agreed that *“because that trajectory is based on the Council’s expected delivery rates at various sites which have not been examined in detail in this examination, the trajectory should be labelled as illustrative only”* (para 144 of Inspector’s Final Report). So as the housing trajectory in the Strategic Policies Plan is for illustrative purposes only the Council should provide an up to date and detailed housing trajectory in the SAP.

The 5 YHLS calculation is a snap shot in time which can change very quickly. The Council’s 5 YHLS assumes that all of the allocations in the SAP will be found sound. However the soundness of individual allocations will be discussed throughout the course of the SAP examination. If any are found to be unsound these will need to be deleted from the deliverable supply accordingly. If further site allocations are needed to provide contingency to overall HLS and / or demonstration of 5 YHLS on adoption then 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. 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. This approach is also advocated in the Housing White Paper because a good mix of sites provides choice for consumers, allows places to grow in sustainable ways and creates opportunities to diversify the construction sector.

At the time of Strategic Policies Plan Examination it was agreed that the Council’s 5 YHLS calculation should meet any shortfalls in the next 5 years as per the Government’s preference for Sedgefield set out in the NPPG (ID 3-035). Indeed the Inspector’s Final Report dated 23rd September 2016 states that *“The Plan now requires an annual average rate of housing delivery of 2,625 dwellings. This was not delivered in any of the first 4 years of the plan-period, but was achieved in 2014/2015 (MCC.HS.1, Table 1). The Council accepts that the accumulated shortfall can and should be made up in the next*

5 years. This should be made clear in the Plan (MM42)” (para 144). However it is noted that under the proposed monitoring section of the SAP the Liverpool approach to shortfalls is assumed with no justification for doing so.

It is also noted that the Council is proposing only 5% buffer in its 5 YHLS calculation. There is an argument that the 5 YHLS should be calculated on the basis of a 20% buffer because the annualised requirement has not been achieved since the start of the plan period in 2010. Therefore the Council has been under-performing for over 7 years as illustrated in the Council’s latest annual monitoring report.

The Council’s alternative 5 YHLS calculation based on Sedgefield approach to recouping shortfalls together with 20% buffer applied to both the annualised housing requirement and shortfall is 5.3 years. Since the Council has demonstrated that the Sedgefield approach with a 20% buffer is possible there should be no deviation from the Government’s preferred position to do so would potentially constrain sustainable development on sites identified as available, deliverable and viable contrary to national policy objectives. This is not just a mathematical exercise but represents households in need of housing and to delay meeting housing needs until later in the plan period has adverse impacts on these households who are already in housing need.

Open Space Requirements

The HBF questions the open space requirements proposed in the SAP which have not been viability tested. The impacts of these open space requirement should be assessed to test if these standards reduce site yields or the number of units on a site. If so the amount of land needed to achieve the same number of units should be increased. The efficient use of land is less because development densities have been decreased. At the same time the infrastructure and regulatory burden on fewer units per site intensifies the challenge of meeting residual land values which determines whether or not land is released for development by a willing landowner especially in lower value areas and on brownfield sites. The land deals underpinning identified sites in the housing trajectory may have been secured prior to any proposed introduction of these open space requirements as a consequence the Council should put forward proposals for transitional arrangements to allow these sites to move through the planning system before any proposed policy requirements are enforced.

Conclusions

For the Cornwall SAP to be found sound under the four tests of soundness as defined by paragraph 182 of the NPPF, the Plan should be positively prepared, justified, effective and consistent with national policy. It is suggested that the Council re- considers the above mentioned matters in order to produce a sound SAP. Of particular concern are :-

- Lack of flexibility in overall HLS ;
- Proposed 5 YHLS (calculated on Liverpool & 5% buffer) even though 5 YHLS (calculated on Sedgefield & 20% buffer) is achievable ;

- No viability testing of proposed open space standards.

It is hoped that these representations are of assistance to the Council in informing the next stages of the Cornwall SAP. In the meantime if any further information or assistance is required please contact the undersigned.

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



Susan E Green MRTPI
Planning Manager – Local Plans