

## WYCOMBE LOCAL PLAN EXAMINATION

**Matter 3 – Housing Provision, Supply, Affordability and Gypsy and Traveller accommodation.**

***Issue: Is the objectively-assessed need for housing soundly based, supported by robust and credible evidence and is it consistent with national policy? And will it be met during the Plan period?***

### ***Objectively-Assessed Need for Housing***

**1. Have the Housing and Economic Development Needs Assessments (HEDNA 2, HEDNA3, and HEDNA 5) been positively prepared and are their conclusions in respect of housing soundly based and justified?**

No. As we outlined in our regulation 19 representations there has been a constant process of reducing housing needs across the HMA and in particular with regard to Aylesbury Vale. During the course of these revisions to the HEDNA total need within the HMA has reduced from 49,953 to 46,042 for the plan period (2013 to 2033). This is a reduction in need despite the baseline household projections for the HMA increasing from 40,847 (2012 based projections) to 42,733 (2014 based projections) for the same period. The outcome of these significant reductions have been to provide significant headroom within Aylesbury Vale to meet the unmet needs arising from the other Buckinghamshire LPAs. We would suggest that the approach taken to assessing housing needs of AVDC in the HEDNA is not sound and as such there is a reduced ability of AVDC to meet the needs of Wycombe.

The HEDNA suggests that their key concern with the ONS projections in relation to AVDC is that they have overstated population in 2001 and that the 2011 Census data, which they suggest has had consequential implications for the assessment of household growth being present in the latest projections. Effectively the HEDNA suggests that there is substantial doubt as to the reliability of the Census data and that substantial adjustments must be made to take account of these discrepancies.

We would not disagree that there can be discrepancies within the ONS population projections. However, the approach taken by the Council has been to reject the ONS projections in preference to their own approach to assessing the population change within Buckinghamshire. The Council have looked to attribute “unattributable population change” to one or other of the projections leading to the differences in population growth as described in each of the HEDNAs when compared to the quality assured estimates of the ONS. This means that there is significant uncertainty with regard to the projections in the HEDNA. This leads us into the realm of ifs and buts and the inherent uncertainty that this implies.

We accept that the PPG allows for some adjustments but the proposed approach by the Council seemingly rejects the validity and robustness of the nationally prepared projections in favour of their own uncertain assumptions. The Government have clearly stated in PPG that these are the most robust assessments available, a statement that it has reiterated in the Housing White Paper and the latest drafts of the PPG. We would therefore suggest that in the face of such uncertainty as to what the baseline starting point for OAN that there is no choice other than to accept the ONS figures as required by PPG.

If the ONS figures are used and the assumptions made in the HEDNA are applied with regard to market signals, vacancies, second homes and suppressed household formation then the OAN for the HMA would be over 51,844 dwellings, around 5,800 homes more than the current OAN. Given that AVDC have stated that they will deliver 27,400 homes during their plan period this would leave 3,426 homes to meet the unmet needs of Chiltern, South Bucks and Wycombe. This is over 4,500 homes short of the 8,000 homes that are required to meet the unmet needs arising from the rest of the HMA.

LPA	Demographic Starting Point (2014 based ONS)	Allowance for transaction vacancy and 2nd homes	Adjust for suppressed h/holds	Adjust for market signals	OAN	SHMA 2016 OAN
Aylesbury Vale	21,028	799	135	2,196	24,158	19,385
Chiltern	4,719	179	39	987	5,925	6,654
S Bucks	6,035	272	201	1,302	7,809	6,895
Wycombe	10,991	385	284	2,332	13,992	13,108
HMA	42,773	1,635	659	6,817	51,884	46,042

### *Recommendation*

The current reliance on Aylesbury Vale to meet the unmet housing needs for Wycombe, South Bucks and Chiltern is not based on sound evidence. Further allocations will be needed across the HMA to address unmet needs for the Plan to be found sound.

## **2. Is the objectively-assessed need for housing (OAN) of 13,200 additional dwellings over the plan period (660 dwellings per annum) based on robust and up-to-date evidence?**

Unlike the assessment for Aylesbury Vale the demographic starting point for Wycombe's OAN does not stray significantly from the ONS 2014 based household projections. The adjusted demographic starting point in the HEDNA arrives at an OAN that is not substantially less than had the 2014 household projections remained unadjusted. Though it must be questioned why it was considered necessary to make any adjustment at all. If the sensitivity testing showed minimal departure this would indicate that the household projections are robust and should be applied. This would suggest a demographic starting point of 10,991 would have been the only sound approach to take.

It should be noted that since the publication of the SHMA there has been an update in the affordability ratios published by MHCLG. These show that the lower quartile income to house price affordability of Wycombe has worsened from 11.13 in 2016 to 12.03 in 2017 with lower quartile house prices increasing from £258,000 to £280,000. This is further evidence that the 20% uplift being proposed by the Council is the minimum uplift that should be implemented.

**3. In order to meet the OAN for housing Policy CP4 (Delivering Homes) indicates that land will be allocated for 10,925 dwellings (550 per annum) to be constructed in Wycombe over the Plan period. How and where will the remaining 2,275 dwellings be delivered?**

The Council have outlined within the Memorandum of Understanding with AVDC and the other Buckinghamshire LPAs that these homes will be delivered by Aylesbury Vale District Council. This agreement is also reflected within the Vale of Aylesbury Local Plan (VALP). Whilst we welcome the joint working we remain concerned, as highlighted above and in our statement on matter 1, that housing need is higher than is being suggested in AVDC and there is likely to be insufficient capacity within AVDC to meet both their own needs and the needs of the other authorities in the HMA.

**4. Will there be a 5 year supply of housing for the duration of the Plan period, how has this been calculated and is the delivery profile realistic?**

No comment

### ***Housing Supply***

**5. Is the make-up of the housing supply justified and supported by robust evidence?**

No comment

**6. Are the allocations supported by a robust and comprehensive site assessment methodology, free from significant development constraints and demonstrated to be economically viable?**

No comment

**7. Will the Plan be an effective mechanism for delivering the housing requirements contained in Policy CP4?**

**a) Are the site allocations available and deliverable within the anticipated timescales?**

The HBF does 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 housing land supply, the five-year housing land supply and housing trajectories. However, we want to stress the importance of having realistic delivery expectations within any allocations to ensure the deliverability of the plan across its lifetime. This is particularly important where there is a reliance on strategic sites to deliver the majority of new homes within the plan period.

Delays to the delivery of strategic sites for any number of reasons could lead to the LPA not being able to meet its housing requirement.

**b) Should the Plan include a policy for the phased release of land for housing?**

No. There is no justification for a phased release of land within policy. The need for housing within Wycombe and across the HMA is acute as can be seen from worsening affordability ratios and increasing house prices as evidence by the latest MHCLG statistics. Artificially phasing the release of sites will compound these issues. Where phasing is required to ensure sites come forward alongside the necessary infrastructure should be agreed on a site by site basis. Through such negotiations the Council can work with the development industry to both maintain its supply of housing land and ensure the delivery of new housing in line with the trajectory.

**8. Will Policy DM22 (Housing Mix) be an effective mechanism for delivering an appropriate mix of housing types, sizes and tenures?**

Part 1 of DM22 provides a reasonably flexible approach to delivering an appropriate mix of housing. However, we would suggest that the policy could be applied to rigidly even where it may be inappropriate to provide a mix of units on site. In particular there may be smaller sites where a mix of size and tenure may not be feasible or indeed viable. To ensure that the policy is consistent with paragraph 154 and 173 of the NPPF we would recommend that at the start of part 1 the phrase “Where feasible and viable ...” would ensure part 1 is sound.

With regard to Part 2 we do not consider the requirement for developments of more than 100 units to provide plots to be either justified or consistent with the approach set out in PPG. Whilst Government is seeking to support the delivery of self-build homes they have set out in 57-025 of PPG that this should be achieved by engagement with land owners and does not state that Councils should use prescriptive policies that require developers to provide plots.

We would also question the need to deliver 327 plots. This would seem excessive given the that paragraph 9.12 of the Housing Topic Paper (TP3) establishes that there are only “194 expressions of interest”. Whilst many may express an interest to self-build it is likely that many of these will not come forward. It must also be remembered that the self-build register shows the latent interest in self-build within the Borough’s existing population. There is no evidence to suggest that over time this number will change significantly. As such if this policy is to be considered sound then the proportion should be reduced.

Finally there is limited flexibility within the policy with regard to viability and the feasibility of delivery. It is important that the policy does not make developments unviable and as such we would recommend, as with DM24 affordable housing policy and part 1 of DM22, that considerations of viability and feasibility are included within this policy. We would also recommend that the policy include a modification to allow for plots that remain unsold within 6 months of tem being offered on the open market revert back to the developer.

*Recommendation*

Part 1 of DM22 to be amended to add flexibility with regard to viability and feasibility of meeting a mix of housing units on each site. That part 2 of the DM22 be deleted and rewritten to encourage developments of over 100 units to provide serviced plots for self-build homes.

**9. Will Policy DM21 (Location of New housing) and Policy DM27 (Housing for Rural workers) provide an appropriate framework for managing the location of new housing development?**

No comment

***Other Housing Policies***

**10. Will Policy DM23 (other residential uses) provide an effective mechanism for assessing proposals for hotels and houses in multiple occupation?**

No comment

**11. Do Policies DM36 (Extensions and alterations to existing dwellings), DM37 (Internal space standards) and DM41 (Optional technical standards for building regulation approval) provide an appropriate mechanism for the design of new, extended and altered dwellings.**

***DM40: Internal Space Standards***

In terms of assessing the soundness of the Council's approach, the PPG in paragraph 56-020 sets out the tests to be undertaken by Councils to assess whether there is a need and/or justification to apply the national space standards. These tests include whether there is a need and viability. With regard to the need for the adoption of these space standards we cannot find any evidence submitted by the Council to suggest that there is a need for the application of minimum space standards. Such standards should only be considered necessary where there is a significant concern with regard to the size of housing and should not be used without good reason. Had the Government considered it necessary for all homes to be built to these standards then it would have done so by making them a mandatory requirement of building regulations. The application of these standards will potentially reduce the flexibility of the plan in delivering a range of housing to meet the needs across the market including, if necessary, well designed homes that fall below the nationally described space standards. With regard to viability testing it is not clear as to how the impact on viability of requiring homes to be built to these space standards will impact on particular types of developments. For example developments of starter homes are likely to be particularly affected as larger units will reduce capacity and the overall viability on such sites. In addition to provision of larger dwellings will be an extra cost to the developer and subsequently the purchaser.

***Recommendation***

That DM40 be deleted

#### ***DM41: Optional Technical Standards***

In considering whether to implement the optional technical standards on accessibility PPG sets out in paragraph 56-007 that local planning authorities must take into account the likely future needs for such homes, the type of homes needed to meet evidenced need, the accessibility of existing stock, how needs vary and the overall impact on viability. The Council's Viability Assessment states that it has incorporated costs of building all new homes to the higher optional Building Regulations Standard M4(2) Accessible and Adaptable Dwellings which suggests this is achievable.

With regard to need it cannot be considered an appropriate interpretation of Government policy that all new homes should be built to their higher optional standard. Had this been the case then the Government would have made these standards mandatory. The Council evidence reflects national concerns regarding an ageing population and in its topic paper on housing correctly points out that many of the majority of these older people will already live in the Borough and are unlikely to move home. However, despite this the Council consider the evidence supports all new homes to be built to M4(2) to ensure that if they do move, and choose to move to a new home, that it will be adaptable. Therefore whilst we recognise that there may be a need for some new homes to be built to M4(2) there is not the need for all the new homes to be built to this standard.

Secondly the costs associated with step free access to all dwellings, including flatted blocks, does not seem to have been adequately considered. In the majority of such developments would be required to meet the optional standard. However, lifts are expensive and there needs to be several flats served by each lift in order to make its maintenance viable. For small blocks the service charges which would end up being imposed on occupants to support a lift would be punitive.

Paragraph 010 ID: 56-010-20150327 of the PPG addresses this issue outlining that in setting policies requiring M4(2) and M4(3) local planning authorities will need to assess whether this has an impact on non-lift serviced multi-storey development with the final sentence stating *"Where step-free access in this type of development is not viable, neither of the Optional Requirements in Part M should be applied."*

#### ***Recommendation***

We would suggest that the policy be reworded to encourage new development to be delivered to Part M4(2) where this is both feasible and viable.

#### **12. How will the need for specialist housing contained in Policy CP4 be met?**

No comment

#### ***Affordable Housing***

#### **13. Have the Housing and Economic Development Needs Assessments (HEDNA 2, HEDNA3, and HEDNA 5) been positively prepared and are their conclusions in respect of affordable housing soundly based and justified?**

**14. Are the affordable housing requirements identified in Policy DM24 (Affordable Housing) deliverable and justified by robust viability evidence? And how will the affordable housing need of 3,100 dwellings be met?**

The approach to delivery taken by DM24 will not provide the necessary certainty for developers or decision makers with regard to its implementation. The use of Gross Internal Areas does not provide a clear indication as to how many units may be required making it difficult for an applicant to undertake the appropriate viability assessments required when bring land forward for development. This divergence from the norm will also slow down applications and require far more negotiation between the applicant and Council.

We would also suggest that the recognition that flexibility may be required on some sites due to viability that is already established in paragraph 6.36 of the Local Plan is set out in policy DM24. At present the policy cannot be considered sound as it does not provide the clarity for either the decision maker or applicant that is a key part of paragraph 17 and 154 of the NPPF.

Whilst we have no comments on the overall level of housing needs as calculated by the HEDNA on reading the Housing Topic Paper and the HELAA there seems to be a discrepancy between the level of affordable housing needed and what is being required. The OAN for Wycombe District has been assessed at 13,200 dwellings. Policy CP4 makes provision for a total of 10,925 dwellings, relying upon AVDC to accommodate unmet housing needs totalling 2,275 dwellings. Paragraph 5.4 of the Housing Topic Paper establishes that the affordable housing need for Wycombe District is 23% of the 13,200 total housing need for the District. This equates to an overall affordable housing need totalling 3,100 dwellings.

However, of the 2,275 dwellings being delivered by AVDC 25% will be required to be affordable and will thus contribute to meeting Wycombe's affordable need. This would mean 569 dwellings are provided to meet Wycombe's needs leaving a residual need for affordable housing of 2,531 homes. The anticipated supply of affordable housing is set out in detail in Appendix 10 of the HELAA and summarised in paragraph 154 of the main document. It totals 3,065 dwellings which is 534 dwellings (21%) in excess of the residual affordable housing requirement to be met within Wycombe District. In carrying out the detailed site assessment in Appendix 10, the Council applies an indicative % to the qualifying sites with the majority of qualifying development showing an indicative delivery for affordable housing of 40%. This would suggest that the current affordable housing requirement is excessive and should be reduced to reflect what needs to be provided.

*Recommendation*

- That the affordable housing requirement be reduced to reflect the Council's evidence.
- The policy be amended to apply thresholds to the number of units on a site and that reference is made in DM24 to applying the policy flexibly on the basis of viability.

**15. Does Policy DM25 (Rural Exceptions Affordable Housing) provide a clear and consistent framework for securing affordable housing on rural exception sites?**

No comment

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