



Planning Policy
South Kesteven District Council
Council Offices
St Peter's Hill
Grantham
Lincolnshire
NG31 6PZ

SENT BY E-MAIL ONLY TO
planningpolicy@southkesteven.gov.uk

23rd July 2018

Dear Sir / Madam

SOUTH KESTEVEN LOCAL PLAN 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 comments and in due course attend the Examination Hearings Sessions for the Local Plan to discuss these matters in greater detail.

Duty to Co-operate

The Duty to Co-operate (S110 of the Localism Act 2011 which introduced S33A into the 2004 Act) requires the Council to co-operate with other prescribed bodies to maximise the effectiveness of plan making by constructive, active and on-going engagement. The high level principles associated with the Duty are set out in the National Planning Policy Framework (NPPF) (paras 156, 178 – 181) and in twenty three separate paragraphs of the National Planning Practice Guidance (NPPG). In determining if the Duty has been satisfactorily discharged it is important to consider the outcomes arising from the process of co-operation and the influence of these outcomes on the Local Plan. One of the required outcomes is the delivery of full objectively assessed housing needs (OAHN) for market and affordable housing in the housing market area (HMA) as set out in the NPPF (para 47) including the unmet needs of neighbouring authorities where

it is reasonable to do so and consistent with sustainable development (NPPF para 182).

South Kesteven District Council is bordered by six neighbouring authorities of North Kesteven, South Holland, Rutland, Melton, Newark & Sherwood and the City of Peterborough. The NPPG defines a HMA as a geographical area reflecting the key functional linkages between places where people live and work (ID 2a-008). It has been determined that South Kesteven forms part of the Peterborough sub region HMA together with Peterborough, Rutland and South Holland Councils.

It is understood that the Peterborough sub region HMA authorities have signed a Memorandum of Understanding (MoU) setting out an agreed position on OAHN as calculated in the Peterborough sub regional SHMA Update Report dated October 2017 by GL Hearn. The Peterborough HMA OAHN is agreed as 2,209 dwellings per annum sub divided as 981 dwellings per annum in Peterborough, 159 dwellings per annum in Rutland, 445 dwellings per annum in South Holland and 624 dwellings per annum in South Kesteven which will be met by each individual authority respectively within its own administrative area. However the version of the MoU in the Council's evidence base documents is not signed. The HBF suggests that when the South Kesteven Local Plan is submitted for examination a signed MoU is available.

The Council should also confirm that the neighbouring authorities of North Kesteven (part of Central Lincolnshire HMA & Joint Local Plan), Melton (part of Leicester & Leicestershire HMA) and Newark & Sherwood (part of Outer Nottinghamshire HMA) will meet their own OAHN in full without recourse to any assistance to meet unmet needs in South Kesteven. It is understood that there is a Memorandum of Co-operation but this document was not included in the Council's evidence base documents. The HBF suggests that when the South Kesteven Local Plan is submitted for examination a signed version of the Memorandum of Co-operation is also made publicly available.

By the time of the South Kesteven Local Plan Examination a Statement of Common Ground explaining cross boundary working as proposed in the recently published Housing White Paper (HWP) "*Fixing The Broken Housing Market*" may be required. If a Statement of Common Ground is prepared the HBF may wish to submit further comments on the Council's legal compliance with the Duty and any implications for the soundness of the Local Plan in written Examination Hearing Statements and during oral discussion at the Examination Hearing Sessions.

Objectively Assessed Housing Needs (OAHN) & Housing Requirement

Under the NPPF the Council should be proactively supporting sustainable development to deliver the homes needed by identifying and then meeting housing needs (para 17). The Council should also be significantly boosting the supply of housing (para 47). The Council should use its evidence base to ensure that the Plan meets in full OAHN as far as consistent with the NPPF including identifying key sites critical to the delivery of the housing strategy

over the plan period (para 47). The Council should ensure that the assessment of and strategies for housing, employment and other uses are integrated taking full account of market and economic signals (para 158).

A figure of 15,625 dwellings (625 dwellings per annum) between 2011 – 2036 is set out as the District's minimum OAHN in **Policy SP1 – Spatial Strategy**.

The NPPG advises that OAHN should be unconstrained (ID 2a-004) and assessed in relation to the relevant functional area known as the HMA (ID 2a-008). The NPPG methodology is a three stage process comprising :-

- Demographic (based on past population change and Household Formation Rates (HFR)) (ID 2a-015 – 017) ;
- Economic (in order to accommodate and not jeopardise future job growth) (ID 2a-018) ;
- Market signals (to counter-act worsening affordability caused by undersupply relative to demand) (ID 2a-019 & 020).
- Affordable housing need is separately assessed (ID 2a-022 – 028) but the delivery of affordable housing can be a consideration for increasing planned housing provision (ID 2a-029).

The original OAHN for South Kesteven was set out in the Peterborough Sub-Regional SHMA 2015 Update Report by G L Hearn. The OAHN calculation was :-

- Demographic Need (based on 2012 Sub National Population Projections (SNPP) & Household Projections (SNHP) and a conversion rate for vacant / 2nd homes) of 583 dwellings per annum ;
- plus 43 dwellings per annum to support economic growth (68,700 jobs) and counter-act low projected workforce growth in the District ;
- plus 10 dwellings per annum to improve affordability ;
- resulting in a Baseline OAHN of 636 dwellings per annum ;
- Or an Aspirational Scenario (70,618 jobs / 20% uplift above Demographic Need) of 698 dwellings per annum.

At the time of the Sites & Settlements consultation ended on 5th August 2016 the HBF submitted the following criticisms of the OAHN calculation :-

- the relationship between the Peterborough sub regional HMA and its overlap with the adjoining Cambridgeshire HMA should have been considered ;
- the sensitivity testing of the 10 year (constant) and 10 years (variable) migration trend scenarios for South Kesteven are higher and therefore the higher longer term migration trends are more appropriate than the short term trend in the assessment of housing needs of the District ;
- the derivation of the 3.9% vacant / 2nd home conversion rate is unclear;
- the demographic projections and economic forecasting should be fully integrated so that jobs and housing are properly aligned ;
- the appropriateness of using an adjustment to suppressed HFR in 25 – 34 age group as the mechanism to uplift for worsening market signals

which results in only a very modest uplift of 2% (10 dwellings per annum) in the District ;

- the proposed housing requirement of the Local Plan is less than the adopted Core Strategy figure of 680 dwellings per annum. The Local Plan 2011 – 2031 should account for any deficit in the adopted Core Strategy planned housing target for the plan period 2006 – 2011. The Council should not ignore any unmet needs from the preceding period by attempting to re-set the position in 2011.

The original OAHN was then refreshed at the time of the Draft Local Plan consultation (11 August 2017) and set out in the Peterborough HMA & Boston BC SHMA Update Final Report dated March 2017 by J G Consulting. The updated Report identified an OAHN of 15,625 dwellings (625 dwellings per annum) for South Kesteven for the plan period 2011 – 2036 which represents a decrease from the housing requirement figures set out in the Sites & Settlements consultation. This OAHN is also lower than the housing requirement of 680 dwellings per annum (13,600 dwellings between 2006 – 2026) set out in the adopted Core Strategy. This OAHN calculation is summarised as :-

- 601 dwellings per annum resulting from 2014 Sub National Household Projections (SNHP) multiplied by a vacancy rate ;
- 569 dwellings per annum resulting from 10 year migration trend adjustment of -32 dwellings per annum ;
- 616 dwellings per annum resulting from jobs growth adjustment of +47 dwellings per annum (applied after the 10 year migration deduction) ;
- 624 dwellings per annum resulting from a market signal adjustment of +8 dwellings per annum to compensate for an increase in concealed households ;
- No adjustment to deliver affordable housing needs identified as 343 dwellings per annum.

The HBF's representations to the Draft Local Plan noted that :-

- the original criticisms remained concerning the limited uplift for market signals and worsening affordability ;
- concern that the economic growth led adjustment is added after the negative adjustment for 10 year migration trends which now appear to have declined in comparison to the original SHMA. This is of particular concern as it is noted that if anticipated economic forecasts are realised then the baseline demographic population is not sufficient to meet arising workforce demands and businesses could leave (see Appendix 1 of Draft Local Plan) ;
- no consideration of increasing affordable housing delivery via a higher housing requirement despite significant identified affordable housing needs. Affordable housing need is calculated as 343 dwellings per annum representing 55% of the overall annual OAHN for the District.

The Government's HWP criticised Councils who did not undertake an honest assessment of housing needs. As a consequence the Government is

proposing a standard methodology for the OAHN. This standardised methodology comprises of :-

- Demographic baseline based on annual average household growth over a 10 year period ;
- Workplace-based median house price to median earnings ratio ;
- Adjustment factor = $\frac{\text{Local affordability ratio} - 4}{4} \times 0.25$;
- Local Housing Need = (1 + adjustment factor) x projected household growth.

Under the standard methodology the OAHN for South Kesteven is 785 dwellings per annum (using 2014 based data). Whilst acknowledging that the standard methodology is not yet national policy it is a useful comparable figure to indicate a possible under-estimation of OAHN. The standard methodology figure is significantly higher than the Council's OAHN. Furthermore it should be noted that the standard methodology is only a minimum starting point and any ambitions to support economic growth, to deliver affordable housing and to meet unmet housing needs from elsewhere are additional.

For the reasons set out above it is evident that 625 dwellings per annum may under-estimate OAHN which is yet to be tested at Local Plan Examination. It is imperative that the Council does not under-estimate the housing needs of the District as the Government's objective of significantly boosting the supply of homes remains. If a re-assessment of housing needs is undertaken the HBF may wish to submit further comments on OAHN and the Council's housing requirement in written Examination Hearing Statements and during oral discussion at the Examination Hearing Sessions.

Spatial Strategy & Settlement Hierarchy

Policy SP1 – Spatial Strategy and **Policy SP2 – Settlement Hierarchy** set out a spatial strategy focussed on a tiered structure comprising of Grantham, Stamford, Bourne, Deepings and fifteen large named villages. In accordance with this strategy twenty five housing sites are allocated in **Policy H1 – Housing Allocations** of which :-

- five housing sites are allocated in Grantham for circa 4,684 dwellings (**Policies GR3 H1 – H5**) ;
- two housing sites are allocated in Stamford for circa 1,462 dwellings (**Policies STM1 H1 & H2**) ;
- no housing sites are allocated in Bourne ;
- three housing sites are allocated in The Deepings for circa 763 dwellings (**Policies DEP1 H1 – H3**) ;
- in twelve out of fifteen of the larger villages fifteen sites for circa 1,023 dwellings are allocated (**Policies LVH1 – LVH15**).

The distribution of housing provision across this settlement hierarchy is proposed as follows :-

Settlement	Proposed distribution
Grantham	50.3%
Stamford	19.9%
Bourne	7.8%
Deeping	7.6%
Larger Villages	9.7%
Smaller Villages	4.7%

The NPPF states “to promote sustainable development in rural areas, housing should be located where it will enhance or maintain the vitality of rural communities” (para 55) and “take account of the different roles and character of different areas ... recognising the intrinsic character and beauty of the countryside and supporting thriving rural communities within it” (para 17). The apportionment of the housing requirement to the towns and villages and future directions of growth should give due consideration to meeting the housing needs of rural areas. The NPPG also emphasises that all settlements can play a role in delivering sustainable development in rural areas so blanket policies restricting housing development in some settlements and preventing other settlements from expanding should be avoided. **Policy SP3 – Infill Development, Policy SP4 – Development on the edge of settlements and Policy SP5 – Development on open countryside** set out the Council’s approach to development within and on the edge of settlements and in the open countryside.

Housing Land Supply (HLS)

As set out in the NPPF the Council should be proactively supporting sustainable development to deliver a significant boost to the supply of housing to meet identified housing needs (paras 17 & 47). The Council should use its evidence base to ensure that its Local Plan meets OAHN in full as far as is consistent with the NPPF including identifying key sites critical to the delivery of the housing strategy over the plan period (para 47). As set out in the HWP the Council should be planning for the right homes in the right places by making enough land available to meet assessed housing requirements.

Policy SP1 sets out a HLS 13% in excess of the District’s minimum OAHN. The Council is proposing an overall HLS of 17,662 dwellings. After the deduction of completions (3,875 dwellings between April 2011 to March 2018) the Council’s residual HLS is a minimum of 3,400 dwellings as the housing requirement is a minimum figure it should not be seen as a ceiling to prevent bringing forward sustainable development.

The HBF agrees that a flexibility contingency should be applied to the overall HLS in order that the Plan is responsive to changing circumstances and the adopted housing requirement is treated as a minimum rather than a maximum ceiling. The Department of Communities & Local Government (DCLG) presentation slide from the HBF Planning Conference in September 2015 illustrated a 10 – 20% non-implementation gap together with a 15 – 20%

lapse rate. The slide emphasised “*the need to plan for permissions on more units than the housing start / completions ambition*”.



Department for
Communities and
Local Government

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:

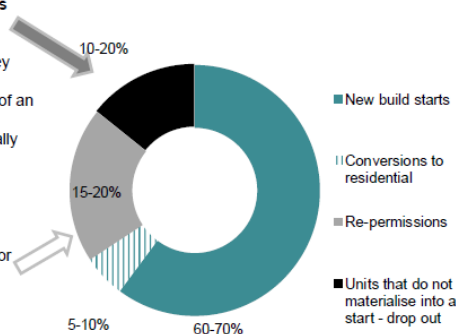
- **10-20%** do not materialise into a start; the permission ‘**drops out**’: this could be because -

- 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

The HBF would recommend as large a contingency as possible (at least 20%) especially given the Council’s past record of housing delivery. The Council’s proposed contingency of 13% is below this recommendation. It is acknowledged there can be no numerical formula to determine the appropriate quantum of such a flexibility contingency however where a Local Plan or a particular settlement or locality is highly dependent upon one or relatively few large strategic sites greater numerical flexibility is necessary than in cases where supply is more diversified. As identified in Sir Oliver Letwin’s interim findings large housing sites may be held back by numerous constraints including discharge of pre-commencement planning conditions, limited availability of skilled labour, limited supplies of building materials, limited availability of capital, constrained logistics of sites, slow speed of installation by utility companies, difficulties of land remediation, provision of local transport infrastructure, absorption sales rates of open market housing and limitations on open market housing receipts to cross subsidise affordable housing. The 13% figure should be fully justified by the Council.

The Council’s HLS assumes that all of the allocations will be found sound. However the soundness of individual allocations will be discussed throughout the course of the Local Plan Examination. If any are found to be unsound these will need to be deleted from the deliverable supply accordingly. Further alternative site allocations may be needed. If further site allocations are needed 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 HWP 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.

Furthermore if any of the Council's assumptions on lapse rates, windfall allowances and delivery rates were to be adjusted then the Council's contingency would be eroded. Therefore the Council's assumptions on lead-in times, lapse rates and delivery rates for sites should be realistic with support from parties responsible for housing delivery but sense checked by the Council using historical empirical data and local knowledge. Similarly if the Bourne Neighbourhood Plan does not come forward (currently only Designated status) or does not allocate 200 dwellings then the Council's contingency would reduce. The smaller the contingency becomes so any in built flexibility of the Local Plan reduces.

The LPEG Report 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). It is noted that the Council is not proposing any reserve sites. The HBF suggests that the Council considers the allocation of reserve sites as a means of providing greater flexibility.

5 YHLS

The 5 YHLS calculation is a snap shot in time which can change very quickly. As commented on above the Council's 5 YHLS assumes that all of the allocations in the Local Plan will be found sound. However the soundness of individual allocations will be discussed throughout the course of the Local Plan Examination. If any are found to be unsound these will need to be deleted from the deliverable supply accordingly. 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 5 YHLS and housing trajectories.

In the 5 YHLS calculation the HBF's preference is 20% buffer applied to both the annualised housing requirement and any shortfall together with a Sedgefield approach to any accrued shortfalls as set out in the NPPG (ID 3-035).

The Council's latest 5 YHLS calculation is set out in 5 YHLS Assessment 2016 – 2021 using the adopted Local Plan figure of 680 dwellings per annum, 5% buffer and no shortfall adjustment there is a 5.3 years supply. However the Council should provide an updated 5 YHLS calculation bearing in mind that without a 5 YHLS on adoption of the Local Plan would fail the NPPF soundness tests of positively prepared, effective and consistent with national policy (para 182). Unless there is a 5 YHLS under the NPPF (para 49) the

policies for the supply of housing including policies restricting housing development would be instantly out of date on adoption of the Local Plan.

After the Council's 5 YHLS re-calculation the HBF may wish to submit further comments on 5 YHLS in written Examination Hearing Statements and during oral discussion at the Examination Hearing Sessions.

Affordable Housing & Viability

Policy H2 – Affordable Housing Contributions proposes on sites of 11 or more dwellings 30% affordable housing provision. The Council expects this requirement to be met in all cases only in circumstances of unforeseen abnormal costs or exceptionally low completed development values will a lower provision be considered.

If the Local Plan is to be compliant with the NPPF development should not be subject to such a scale of obligations and policy burdens that viability is threatened (paras 173 & 174). 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”*. The Council should be mindful that the cumulative burden of policy requirements are not set so high that the majority of sites are only deliverable if these sites are routinely rather than occasionally negotiated because of viability.

The Council's latest viability evidence is set out in Whole Plan Viability Assessment dated February 2018 by AECOM & HDH Planning & Development consultants. The Council's evidence does not support the proposed approach as set out in **Policy H2**. The evidence identifies significant differences in the financial viability of development in the Northern part (a lower value area) and the Southern part (a higher value area) of the District as well as between brownfield / greenfield sites and non-strategic / strategic sites. The Council's own viability evidence suggests that the affordable housing contributions should be set out on a differential basis by sub-market, site size and / or site typologies which would be more appropriate than the currently proposed “blanket” approach. There is no evidence that all developments are viable on a policy compliant basis. The Council should clarify the proportion of sites with the benefit of planning permission and signed Section 106 Agreements in order to assess the extent to which delivery of the Local Plan is threatened by an unviable affordable housing policy.

It is noted that the Council is proposing to update its Affordable Housing Supplementary Planning Document (SPD). The Council is reminded that the NPPF is explicit that an SPD should not add to the financial burden of development so the Council should not be seeking to impose any housing mixes or standards that have not been subject to viability testing. The

Regulations are equally explicit in limiting the remit of an SPD so that policies dealing with development management cannot be hidden. In this context the Council is referred to the recent High Court Judgement between William Davis Ltd, Bloor Homes Ltd, Jelson Homes Ltd, Davidson Homes Ltd & Barwood Homes Ltd and Charnwood Borough Council Neutral Citation Number : [2017] EWHC 3006 (Admin) Case No. CO/2920/2017 which deals with a policy within a document that should have been issued in the form of a Development Plan Document (DPD) and not in the form of an SPD because DPDs must, if objection is taken to them, be subject to independent examination whereas SPDs are not.

Other Housing Policies

Policy H2 Bullet Point (c) states that all affordable housing will be expected to be of an appropriate size. It is unclear if the Council is or is not intending to adopt the nationally described space standards (NDSS) for affordable housing. The Written Ministerial Statement (WMS) dated 25th March 2015 confirms 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 NDSS for affordable housing then the Council should only do so by applying the criteria set out in the NPPG. The NPPG sets out that *“Where a need for internal space standards is identified, local planning authorities should provide justification for requiring internal space policies. Local Planning Authorities should take account of the following areas need, viability and timing”* (ID: 56-020) :-

- **Need** - It is incumbent on the Council to provide a local assessment evidencing the specific case for South Kesteven which justifies the inclusion of the NDSS for affordable housing as a Local Plan policy. If it had been the Government's intention that generic statements justified adoption of the NDSS then the logical solution would have been to incorporate the standards as mandatory via the Building Regulations which the Government has not done. The NDSS should only be introduced on a “need to have” rather than a “nice to have” basis. The identification of a need for the NDSS must be more than simply stating that in some cases the standard has not been met it should identify the harm caused or may be caused in the future.
- **Viability** - The impact on viability should be considered in particular an assessment of the cumulative impact of policy burdens. There is a direct relationship between unit size, cost per square metre, selling price per metre and affordability. The Council cannot simply expect developers to absorb extra costs. There is also an impact of larger dwellings on land supply. The requirement for the NDSS would reduce site yields or the number of units on a site. Therefore the amount of land needed to achieve the same number of units must 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. It may also undermine delivery of affordable housing. The Council should undertake an assessment of these impacts.

- **Timing** - The Council should take into consideration any adverse effects on delivery rates of sites included in the housing trajectory. The Council should put forward proposals for transitional arrangements. The land deals underpinning the majority of identified sites will have been secured prior to any proposed introduction of NDSS for affordable housing. These sites should be allowed to move through the planning system before any proposed policy requirements are enforced. The NDSS should not be applied to any outline or detailed approval prior to the specified date and any reserved matters applications should not be subject to the NDSS.

It is recommended that **Bullet Point (c)** is deleted.

Policy H2 Bullet Point (d) also states that all affordable housing will be expected to meet the accessible homes standard applicable to that location. Again the WMS is applicable. 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. It is incumbent on the Council to provide a local assessment evidencing the specific case for South Kesteven which justifies the inclusion of optional higher standards for accessible / adaptable homes in its Local Plan policy. It is recommended that **Bullet Point (d)** is deleted.

Under **Policy H3 – Self & Custom Build** the Council proposes that on strategic sites of 400+ dwellings 2% should be self / custom build. It is noted that the Council has not provided a definition of self / custom build in the Glossary. The HBF is supportive of self / custom build for its potential contribution to overall housing supply in particular supporting development on windfall sites and the allocation of more small sites. Therefore the HBF is supportive of proposals to encourage self / custom build. It is noted that policies which encourage self / custom build have been endorsed in a number of recently published Inspector's Final Reports for East Devon Local Plan, Warwick Local Plan, Bath & North East Somerset Place-making Plan and Derbyshire Dales Local Plan. The HBF is also supportive of the allocation of specific sites for self / custom build.

However the HBF is not supportive of proposals to seek a proportion of self build plots on large residential development sites as set out in **Policy H3**. If the Council wishes to promote self / custom build it should do so on the basis of evidence of need. The Council should assess such housing needs in its SHMA work as set out in the NPPG (ID 2a-021) collating from reliable local information (including the number of validated registrations on the Council's Self / Custom Build Register) the local demand from people wishing to build their own homes. Any requirement for self / custom build serviced plots on residential development sites proposed under **Policy H3** should be fully

justified and supported by evidence. The HBF do not know the number and requirements of people currently registered on the Council's Self Build Register and whether or not this evidence justifies the Council's proposed policy approach of requiring self / custom build plots on strategic housing sites of 400+ dwellings. The Council's proposed approach only changes housing delivery from one form of house building company to another without any consequential additional contribution to boosting housing supply. If these plots are not developed by self / custom builders then these undeveloped plots are effectively removed from the HLS unless the Council provides a mechanism by which these dwellings may be developed by the original non self / custom builder in a timely manner. The Council should give consideration to the practicalities of health & safety, working hours, length of build programme, etc. of implementing any such policy. The Council should also viability assess any impacts of such a policy approach. 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). The Council should also consider the impact of no Community Infrastructure Levy (CIL) contributions as self / custom build properties are exempt. It is recommended that **Policy H3** is deleted.

Under **Policy H4 – Meeting All Housing Needs** the HBF recognise that all households should have access to different types of dwellings to meet their housing needs. Therefore planning for a mix of housing needs should focus on ensuring that there are appropriate sites allocated to meet the needs of specifically identified groups of households such as the elderly without seeking a specific housing mix on individual sites. Indeed the housing needs of older people is a diverse sector so the Local Plan should be ensuring that suitable sites are available for a wide range of developments across a wide choice of appropriate locations.

Other Policies

Under **Policy DE1 – Promoting Good Quality Design** all major developments must comply with Building for Life 12, Lifetime Homes (where the Lifetime Homes requirement is stricter than Category 2) and Manual for Streets. It is noted that the definition of major development is missing from the supporting text of **Policy DE1** and / or the Glossary. If the Council's definition of major developments is the same as the NPPF definition then residential schemes of more than 10 dwellings would be compelled to meet these policy requirements which may be particularly onerous for small / medium sized developers. The definition of "major" should be re-considered and clearly set out in the Local Plan.

Since the Housing Standards Review it has been the Government's intention to avoid individual Council's setting their own arbitrary housing standards but instead to achieve standardisation via mandatory requirements of the Building Regulations and adoption of optional higher technical standards in Local Plan policies. The inference of this standardisation is that Lifetime Homes is now superseded having been subsumed into Part M4 of the Building Regulations. Therefore the Council should not be referring to such housing standards in

planning policy nor setting standards which exceed the optional higher M4(2) standards of the Building Regulations. The reference to Lifetime Homes should be deleted from **Policy DE1** (also see comments on **Policy H2 Bullet Point (d)**).

The reference to Building for Life 12 in **Policy DE1** should be removed to the supporting text. The HBF is supportive of the use of Building for Life 12 as best practice guidance to assist the Council, local communities and developers assess new housing schemes but it should not be included as a Local Plan policy requirement which obliges developers to use this tool. The use of Building for Life 12 should remain voluntary. The HBF has played a fundamental role in establishing Building for Life 12 but it was never intended to become enshrined as a mandatory policy requirement in Local Plans. If the Council wishes to refer to Building for Life 12 it should be in supporting text only.

Policy SB1 – Sustainable Building Bullet Point (1b) proposes connection to heating networks. The Council should not expect new developments to connect to or be designed to connect in the future to district or community heating networks thereby limiting future consumer choice to that particular provider of heat. This expectation should be deleted.

Policy SB1 – Sustainable Building Bullet Point (2d) proposes the optional higher water efficiency standard of 110 litres per person per day. The Written Ministerial Statement dated 25th March 2015 confirms 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 standard for water efficiency the Council should only do so by applying the criteria set out in the NPPG. The Housing Standards Review was explicit that reduced water consumption was solely applicable to water stressed areas. The NPPG (ID 56-013 to 56-017) refers to *“helping to use natural resources prudently ... to adopt proactive strategies to ... take full account of water supply and demand considerations ... whether a tighter water efficiency requirement for new homes is justified to help manage demand”*. The Water Cycle Study 2016 demonstrates a “water neutral position” therefore it is contended that South Kesteven is not an area of water stress and the higher optional water efficiency standard should be deleted as a requirement in **Policy SB1**.

Policy SB1 – Sustainable Building Bullet Point (3g) proposes electric vehicle charging points however it may be premature for the Council to introduce a specific policy for electric vehicle charging points in residential developments. Before pursuing such a policy requirement the Council should engage with the main energy suppliers in order to determine network capacity to accommodate any adverse impacts if a proportion of dwellings are to have a re-charge facility. If re-charging demand became excessive there may be constraints to increasing the electric loading in an area because of the limited size and capacity of existing cables and new sub-station infrastructure may be necessary. The cost of such infrastructure may adversely impact on housing delivery. If electric vehicles are to be encouraged by the Government then a

national standardised approach implemented through the Building Regulations would be more appropriate. The Council should be wary of developing its own policy and await the outcome of the Government's recently announced Department of Transport consultation to be undertaken later this year. It is recommended that **Bullet Point (3g)** is deleted.

Policy ID3 – Broadband Infrastructure should be deleted as it is inappropriate as a Local Plan policy. Developers should be able to determine which infrastructure provider to work with in the provision of fixed fibre superfast broadband which is controlled under Building Regulations. The WMS of 25 March 2015 announced that in preparing Local Plans Councils *“should not set any additional standards or requirements relating to the construction, internal layout or performance of new dwellings”*. It is not appropriate for the Council to stipulate standards that are higher than current Part R1 of the Building Regulations.

Conclusion

For the South Kesteven Local Plan to be found sound under the four tests of soundness as defined by the NPPF (para 182), the Plan should be positively prepared, justified, effective and consistent with national policy. The pre submission Local Plan is unsound due to :-

- an under-estimation of OAHN and the proposed housing requirement ;
- a lack of flexibility in the HLS and 5 YHLS on adoption ;
- no justification for the introduction of space and accessible / adaptable standards for affordable housing, provision of self & custom build plots on strategic sites, mandatory compliance with voluntary design guidance, connection to heating networks, higher water efficiency standards, installation of electric vehicle charging points and super-fast broadband infrastructure ;
- an unviable affordable housing policy.

It is hoped that these comments are of assistance to the Council in preparing the final stage of the South Kesteven Local Plan. If the 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