

County Durham Plan

SENT BY EMAIL  
cdp@durham.gov.uk  
03/08/2018

Dear Sir / Madam,

### **COUNTY DURHAM PLAN: PREFERRED OPTIONS 2018**

Thank you for consulting with the Home Builders Federation on the Durham Plan Preferred Options document.

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.

The industry is keen to work with the Council to ensure a sound plan is produced which facilitates the delivery of an appropriate number of homes across the County. Within this regard we would also welcome further engagement with the industry throughout the production of the plan.

#### **Spatial Vision for County Durham**

The HBF generally supports the introductory statement which states that *'by 2035 County Durham will have a thriving economy, reducing levels of deprivation, social exclusion and joblessness with the associated health and quality of life improvements'* and the line that states there will be a *'well designed range and choice of good quality housing, services and community facilities, complementing the area's thriving economy and meeting the needs of all existing and future residents'*. It is, however, considered that the vision could be improved by greater reference to the different spatial elements of the county and how they are anticipated to develop to meet particular issues and aspirations. The objectives do begin to pick up such issues, but these should be augmented to ensure the plan is locally specific and provides a true vision for Durham.

#### **Objectives**

The HBF generally consider that objective 1 in relation to economic ambition and 3 in relation to housing need are appropriate and would highlight the importance balancing this economic ambition with appropriate housing provision and the need to

deliver new, high quality housing that meets the needs and aspirations of County Durham's residents.

### **Sustainable Development Statement**

The HBF considers that the principle to secure balanced communities through economic growth supported by an appropriate scale and mix of housing is generally appropriate for Durham.

### **Policy 1: General Development Principles**

This policy requires development to minimise greenhouse gas emissions by seeking to achieve zero carbon and providing renewable and low carbon energy generation.

The HBF does not generally object to encouragement for the need to minimise the greenhouse gas emissions, or the inclusion of renewable energy sources, or the inclusion of low carbon energy, however, it is important that this is not interpreted as a mandatory requirement. The HBF consider that any mandatory requirements would be contrary to the Government's intentions, as set out in Fixing the Foundations and the Housing Standards Review, which specifically identified energy requirements for new housing development to be a matter solely for Building Regulations with no optional standards. The Deregulation Act 2015 was the legislative tool used to put in place the changes of the Housing Standards Review. This included an amendment to the Planning and Energy Act 2008 to remove the ability of local authorities to require higher than Building Regulations energy efficiency standards for new homes. Transitional arrangements were set out in a Written Ministerial Statement in March 2015. The HBF recommend that the Council ensure that this policy is justified and consistent with national policy. The potential cost of the requirements of this policy needs to be taken into consideration. There are concerns that requirements such as these could lead to the non-delivery of homes in areas where development is intended to be focused. The HBF considers that this requirement should be removed.

It also requires all development proposals to promote mixed use development and encourage the effective use of previously developed land. It is not clear to the HBF how 'all' development will be able to do this, and request that the Council reconsider this element of the policy.

### **Policy 2: Quantity of New Development**

This policy sets out the level of development proposed up to 2035. It suggests 25,992 homes should be provided, this equates to 1,368 homes each year. The justification to this policy sets out that the Council consider that the CLG standard methodology has superseded the evidence set out in the 2016 SHMA. The 25,992 homes is based on the CLG standard methodology.

However, the Planning Practice Guidance (PPG) draws attention to the wording of the Government's response to the revised NPPF which states that *'the Government was clear that reforms set out (which included the introduction of a standard method for assessing housing need) should lead to more homes being built. In order to ensure that the outputs associated with the method are consistent with this, we will consider adjusting the method after the household projections are released in*

*September*'. Therefore, the Council should be aware that the housing figures provided by the CLG standard methodology are likely to change.

The figure generated by the standard method is considered as the minimum starting point, it is noted that it relies on past growth trends, which in the case of Durham may have been affected by the lack of appropriate site allocations and poor housing delivery. It goes on to highlight circumstances where an uplift will be appropriate such as where growth strategies are in place (for example the Northern Powerhouse) or where funding is in place to facilitate growth such as the Housing Infrastructure Fund. It is therefore clear that in the case of Durham an uplift would be considered appropriate.

The CLG figure is significantly below any of the options previously consulted upon at the Issues and Options stages (Population Growth Short Term: 1,533 dpa, Population Growth Combination: 1,629 dpa and Population Growth Long Term: 1,717 dpa). The demographic forecasts paper explored a number of scenarios including those in relation to migration and household formation, these issues will not have been considered within the CLG methodology, and will presumably remain issues not to be addressed through the new housing requirement. The HBF consider that this raises concerns with the use of the CLG methodology without any further consideration. The HBF also have concerns that the proposed housing requirement does not represent an appropriate figure once consideration is given to the potential for economic growth and job formation. The HBF continue to consider that an appropriate balance should be sought between employment growth aspirations and the provision of homes.

It is also noted that there has been a precedent in recent years of Inspectors agreeing with appellants at appeals in relation to the OAN for Durham, for example the appeal at land at the former Sedgefield Community Hospital<sup>1</sup> where the Inspector favoured the 1,629dpa figure or Land to the east of Woodham Burn and west of the A167<sup>2</sup> where the Inspector considered that the housing numbers may well need to be uplifted above the 1,368 dpa figure in order to align with the EAR aspiration.

Whilst the justification (para. 4.15) does suggest that this is a target and not a ceiling and that housing completions could exceed this, this is not set out in the policy itself. The policy may benefit from greater clarity in relation to the figure being a net figure and a minimum for example *'the following levels of development are proposed up to 2035: . . . **a minimum of xx,xxx net** new homes of mixed type, size and tenure.*

#### Delivering the New Housing Required

The justification identifies that a proportion of this housing target is already committed, although it does highlight that not all of these commitments will come forward during the Plan period. Paragraph 4.18 states that based on their assessment an average of 17% of developments between 2011/12 and 2014/15 lapsed, however, it then goes on to consider a 10% lapse rate appropriate. The HBF

---

<sup>1</sup> Land at the former Sedgefield Community Hospital, Salters Lane, Sedgefield (App/X1355/W/16/3163598)

<sup>2</sup> Land to the east of Woodham Burn and west of the A167, Newton Aycliffe (APP/X1355/W/17/3180108)

consider that given the evidence provided a higher lapse rate would be more appropriate.

The Council also intend to make an allowance of 130 dwellings a year for windfall development. It is noted, that paragraph 4.20 states that historically small sites (under 0.4ha / 12 houses) have delivered an average of 126 houses each year, and that this has been rounded up to the 130 dwellings. However, the HBF would expect the level of housing delivery from windfall development to decrease following the adoption of the Local Plan as more sites (including those of less than 0.4ha or 12 dwellings) will have been identified and adopted in the plan, thereby reducing the reliance on smaller windfall sites. The HBF recommend that the windfall allowance should be removed and instead accepted as an additional flexibility in the supply, if it is to be retained it is suggested that it is significantly reduced. It is noted that there is no allowance for larger windfall developments.

The Council also intend to make an allowance of 50 dwellings a year to allow for the bringing back into use of empty homes. The HBF consider that due to the lack of robust evidence that empty homes will be brought back in to use that this should only provide flexibility to the supply and should not be included within the supply at this stage. The PPG is clear (ID 3-039) that *'any approach to bringing empty homes back into use and counting these against housing need would have to be robustly evidenced by the local planning authority at the independent examination of the draft Local Plan, for example to test the deliverability of the strategy and to avoid double counting (local planning authorities would need to demonstrate that empty homes had not been counted within their existing stock of dwellings when calculating their overall need for additional dwellings in their local plans)'*.

Paragraph 4.24 highlights that there have been on average 75 demolitions each year, however, the Council only intends to make an allowance for around 50 homes each year, this appears inconsistent.

Table 2 sets out how the Council have taken these allowances into account in order to identify the number of dwellings to be allocated (6,272 dwellings).

### **Policy 5: Housing Allocations**

The HBF does not wish to comment upon the acceptability or otherwise of individual sites. It is, however, important that all the sites contained within the plan are deliverable over the plan period and planned to an appropriate strategy. The HBF would expect the spatial distribution of sites to follow a logical hierarchy, provide an appropriate development pattern and support sustainable development within all market areas.

The Council's assumptions on sites in relation to delivery and capacity should be realistic based on evidence supported by the parties responsible for housing delivery and sense checked by the Council based on local knowledge and historical empirical data.

It is important that the plan should seek not only to provide sufficient development opportunities to meet the housing requirement but also to provide a buffer over and

above this requirement. The reasons for the inclusion of such a buffer are two-fold. Firstly, the NPPF is clear that plans should be positively prepared, aspirational and significantly boost housing supply. In this regard the housing requirements set within the plan should be viewed as a minimum requirement, this interpretation is consistent with numerous inspectors' decisions following local plan examination. Therefore, if the plan is to achieve its housing requirement as a minimum, it stands to reason that additional sites are required to enable the plan requirements to be surpassed. Secondly, to provide flexibility. A buffer of sites will therefore provide greater opportunities for the plan to deliver its housing requirement. The HBF recommend a 20% buffer of sites be included within the plan.

## **Policy 16: Addressing Housing Need**

### Affordable Housing Provision

This policy seeks affordable housing on sites of over 10 dwellings, or over 5 dwellings in rural areas, with the proportion required varying by area from 10% to 25%. The HBF does not dispute the need for affordable housing within Durham and indeed supports the need to address the affordable housing requirements of the borough. The NPPF is, however, clear that the derivation of affordable housing policies must not only take account of need but also viability. Paragraph 34 of the NPPF established the importance of viability to ensure that development identified in the Plan should not be subject to such scale of obligations and policy burden that their ability to be delivered might be threatened.

The Viability Report 2018 concludes that development across the region is viable and able to deliver some level of policy contribution. However, tables showing the impact of the policy options within Appendix D identify significant issues with sites in the low value areas for both brownfield and greenfield sites, and for some sites within the medium areas. It is also evident from these tables that the more policy requirements considered the more sites that start to have viability issues. The Council should be mindful that it is unrealistic to negotiate every site on a one by one basis because the base-line aspiration of a policy or combination of policies is set too high as this will jeopardise future housing delivery. Therefore, site by site negotiations on these sites should occur occasionally rather than routinely.

The Council should note that PPG states that *'in a rural area where the lower 5-unit or less threshold is applied, affordable housing and tariff style contributions should be sought from developments of between 6 and 10-units in the form of cash payments which are commuted until after completion of units within the development'*. This is in line with the Written Ministerial Statement (WMS) (Nov 2014), which also stated that for 5 units or less affordable housing contributions should not be sought and that for 6 to 10 units contributions should be sought as cash payments to be commuted until after completion of units.

The Council may also want to take into consideration the potential amendments to the definition of affordable homes and their provision, as set out in the NPPF.

### Meeting the Needs of Older People

This policy also requires a minimum of 10% of private or intermediate housing on sites of over 10 dwellings to increase the housing options of older people. It states

that these dwellings must be built to M4(2) standards. The HBF is supportive of the provision of housing for older people. It is, however, important that this compliments rather than burdens the mainstream market supply. It is therefore recommended that the Council provide a supportive framework for such provision rather than placing burdens on all housing sites. The HBF also recommend that if this policy is to be taken forward that an appropriate transition period is included within the policy.

The National Planning Practice Guidance (NPPG) states that where a local planning authority adopts a policy to provide enhanced accessibility or adaptability they should do so only by reference to Requirement M4(2) and / or M4(3) of the optional requirements in the Building Regulations and should not impose any additional information requirements (for instance provision of furnished layouts) or seek to determine compliance with these requirements, which is the role of the Building Control Body. This is to ensure that all parties have the clarity and certainty of knowing which standards they have to deal with and can factor these into their plans. For developers, this ensures that the design and procurement complications that previously arose from a series of different standards in different areas are avoided. It was recognised that it was not appropriate to apply Category 2 or 3 standards to all new homes as not all people who buy or move in to new homes need or wish to have such provision. Category 2 and 3 standards were therefore made “optional” with the position being that the case for requiring such standards in future new homes should be made through the adoption of local plan policies that have properly assessed the level of requirement for these standards in the local area, also taking into account other relevant factors including the impact on project viability.

PPG (ID 56-07) identifies the type of evidence required to introduce such a policy, including the likely future need; the size, location, type and quality of dwellings needed; the accessibility and adaptability of the existing stock; how the needs vary across different housing tenures; and the overall viability.

#### **Policy 20: Type and Mix of Housing**

The HBF understands the need for a mix of house types, sizes and tenures. It is, however, important that any policy is workable and ensures that housing delivery will not be compromised or stalled due to overly prescriptive requirements or the need to provide significant amounts of additional evidence.

The HBF would also continue to highlight the need for creating a housing market that will attract investors to the Durham area, and to provide an element of aspiration to ensure working families are retained within the area.

#### **Policy 29: Utilities, Telecommunications and Other Broadcast Infrastructure**

This policy requires developers to ensure that all new build developments are served by a high speed and reliable broadband connection. The HBF generally consider that digital infrastructure is an important part of integrated development within an area. However, the inclusion of digital infrastructure such as high-speed broadband and fibre is not within the direct control of the development industry, and as such it is considered that this policy could create deliverability issues for development and developers. Service providers are the only ones who can confirm access to infrastructure. Whilst, paragraph 112 of the NPPF establishes that local planning

authorities should seek support the expansion of electronic communications networks it does not seek to prevent development that does not have access to such networks. The house building industry is fully aware of the benefits of having their homes connected to super-fast broadband and what their customers will demand.

The HBF consider that in seeking to provide broadband the Council should work proactively with telecommunications providers to extend provision and not rely on the development industry to provide for such infrastructure. The Council should also note that Part R of the Building Regulations clearly sets the appropriate standards for high speed electronic communication networks. It is not considered appropriate for Durham to seek additional local technical standards over and above this requirement.

### **Future Engagement**

I trust that the Council will find these comments useful as it continues to progress its Local Plan. I would be happy to discuss these issues in greater detail or assist in facilitating discussions with the wider house building industry.

The HBF would like to be kept informed of the progress of the Local Plan and associated documents. Please use the contact details provided below for future correspondence.

Yours sincerely,



**Joanne Harding**

**Local Plans Manager – North**

Email: [joanne.harding@hbf.co.uk](mailto:joanne.harding@hbf.co.uk)

Phone: 07972 774 229