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Dear Kerry Trueman,

CHESHIRE WEST AND CHESTER LOCAL PLAN PART TWO – LAND ALLOCATIONS AND DETAILED POLICIES: INSPECTOR'S MAIN ISSUES AND QUESTIONS

Thank you for consulting with the Home Builders Federation on the Inspector's Main Issues and Questions for the Cheshire West Local Plan Part Two: Land Allocations and Detailed Policies Examination.

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 multinational 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 on selected questions posed within the Inspector's Main Issues and Questions.

Yours sincerely,

Joanne Harding

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Matter 3: The supply and delivery of housing land

5) The Council suggests that it can demonstrate a five-year supply of deliverable housing sites in accordance with paragraph 47 of the Framework⁵. What contribution does the submitted plan make to that supply?

Issue 1: The Five-Year Housing Land Requirement

- Q1. What is the basic five-year housing land requirement, what is this based on and how has it been calculated?
- Q2. How does the five-year housing land requirement compare to previous rates of delivery in the Borough?

The Cheshire West and Chester Local Plan Part 1 identifies a housing requirement of 22,000 new dwellings over the period 2010 to 2030, equivalent to a housing requirement of 1,100 dwellings each year.

Table 1 below identifies the delivery of homes against the Part 1 Housing Requirement.

Table 1: Housing Delivery								
Year	Net Dwelling Completions ¹	Part 1 Housing Requirement	Over / Under Supply	Cumulative				
2010/11	654	1,100	-446	-446				
2011/12	796	1,100	-304	-750				
2012/13	673	1,100	-427	-1,177				
2013/14	970	1,100	-130	-1,307				
2014/15	1,571	1,100	471	-836				
2015/16	1,769	1,100	669	-167				
2016/17	2,017	1,100	917	750				
2017/18	2,542	1,100	1,442	2,192				
Total	10,992	8,800	2,192					

Given the plan period, there is currently an over-supply of housing identified as set out in table 1.

Table	Table 2: Calculating the 5 Year Requirement					
Α	Proposed Housing Requirement	22,000				
	(2010 – 2030)					
В	Annual Housing Requirement	1,100				
	(A/Plan Period) (22,000/20 = 1,100)					
С	Five Year housing rate	5,500				
	(= B x 5) (= 1,100 x 5)					

¹ Taken from Table 4.2 of the Housing Land Monitor for the year 1st April 2017 – 31st March 2018

D	Actual completions (Plan period)	10,992		
Ε	Proposed Housing Requirement expected			
	Completions	8,800		
	(= B x 8) (= 1,100 x 8)			
F	Surplus / Shortfall in housing delivery	2,192		
	(= D - E) (= 10,992 - 8,800)			
G ^L	Five Year Requirement (Liverpool)	4,586.67		
	(incorporating surplus / shortfall)			
	(= C – ((F/remaining plan period)x5))			
	(= 5,500 – ((2,192/12)*5))			
G ^S	Five Year Requirement (Sedgefield)			
	(incorporating surplus / shortfall)	3,308		
	(= C - F) (= 5,500 - 2,192)			
		Liverpool	Sedgefield	
H ^{5%}	Buffer (5%)		 -	
	(= Ga x 5%) (= 4,586.67 x 5%)	229.33	165.4	
	(= Gb x 5%) (= 3,308 x 5%)			
I ^{5%}	Five Year Requirement			
	(incorporating surplus / shortfall and buffer)	4,816	3,473.4	
	(= G + Ha)			
J ^{5%}	Annual target for next 5 years	963.2	694.68	
	(= la / 5)	903.2	094.00	
H ^{20%}	Buffer (20%)			
	(= Ga x 20%) (= 4,586.67 x 20%)	917.33	661.6	
	(= Gb x 20%) (= 3,308 x 20%)			
 20%	Five Year Requirement			
 ^{20%}	Five Year Requirement (incorporating surplus / shortfall and buffer)	5,504	3,969.6	
•	Five Year Requirement (incorporating surplus / shortfall and buffer) (= G + Hb)	5,504	3,969.6	
J ^{20%}	Five Year Requirement (incorporating surplus / shortfall and buffer)	5,504	3,969.6 793.92	

The HBF consider that if a 5% buffer is applied with the Sedgefield method then the 5-year housing requirement is 3,473.4 dwellings or if the Liverpool method is used it is 4,816 dwellings. If a 20% buffer is applied with the Sedgefield method then the 5-year housing requirement is 3,969.6 dwellings or if the Liverpool method is used it is 5,504 dwellings. All of these figures are below the levels of delivery over the last five years.

6) Paragraph 47 of the Framework states that to boost significantly the supply of housing, local planning authorities should identify and update annually a deliverable five-year supply of housing, with an additional buffer of 5% (moved forward from later in the plan period) to ensure choice and competition in the market for land. Where there has been a record of persistent under delivery this should be increased to 20%

to provide a realistic prospect of achieving the planned supply and also to ensure choice and competition in the market for land.

Q3. Taking a longer-term view, how has the Council performed against previous annual housing requirements? Does this represent the 'persistent undersupply' defined by the Framework? In this context, should the buffer be 5% or 20%? Q4. If a 20% buffer applies, should this be applied to the basic five-year requirement, or the five-year requirement and any undersupply? Q5. If there has been an undersupply, should this be addressed within the next five years (the 'Sedgefield' method), or over the remainder of the plan period (the 'Liverpool' method)? Is the Council's approach consistent with the PPG which advises that local planning authorities should aim to deal with any undersupply within the first 5 years of the plan period where possible?6 Q6. Taking the above into account, what is the five year housing land requirement?

For the last four years the Council has delivered over the housing requirement set out in the Local Plan part 1. However, for the four years prior to that the Council under-delivered against the housing requirement. Suggesting that over the longer term the delivery of homes against previous annual housing requirements has been mixed. Assuming the Council are looking to plan positively and boost significantly the supply of housing the HBF would recommend the utilisation of the 20% buffer.

The current level of completions suggest that the Council does not have an undersupply. However, the HBF would normally recommend that the buffer is applied to the five-year requirement incorporating any under or over supply. Whilst the HBF would normally recommend the use of the Sedgefield methodology in line with the PPG and to help to boost housing supply. It is noted that the Local Plan part 1 is clear in paragraph 5.21 that the backlog should be made up over the lifetime of the Plan (the Liverpool method) therefore in this instance it seems appropriate to retain this approach.

Utilising the 20% buffer and the Liverpool method the five-year housing requirement is 5,504 dwellings, as set out above.

Issue 2: Components of Supply

- 7) The PPG⁷ states that planning permission or allocation in a development plan is not a prerequisite for a site being deliverable in terms of the five year supply. Local planning authorities will need to provide clear evidence to support the deliverability of sites, ensuring that judgements on deliverability are clearly and transparently set out. The PPG⁸ also states that the size of sites will be an important factor in identifying whether a housing site is deliverable within the first five years. It advises that plan makers will need to consider the time it will take to commence development on site and build out rates to ensure a robust five-year housing supply.
 - Q1. What are the potential sources of supply for new housing? What are the assumptions about the scale and timing of supply and rates of delivery from these sources? Are they realistic and supported by evidence?
 - Q2. What reliance would there be on sites coming through the submitted plan?

Q3. Having regard to the answers provided to questions above, will there be a five year supply of deliverable housing sites on adoption of the submitted plan?

Q4. In overall terms, would the Local Plan Part Two realistically deliver the number of dwellings required over the plan period and how would that contribute to the Council's five year housing land supply position?

The HBF do not wish to comment on the deliverability, lead in times and build out rates of individual sites. However, the Council's assumptions on deliverability, lead-in times and delivery rates 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.

Where standardised lead-in times and build out rates are applied the HBF would expect the Council to be transparent as to how these rates have been determined and to provide the evidence that this has been based on, for example evidence of historic trends. Without this information it can be difficult to determine if the rates applied are realistic, reasonable and justified.

The HBF would also normally expect a lapse rate to be applied to the sites that currently have planning permission and have not yet commenced, and to sites that do not currently have permission. This lapse rate would allow for changing circumstances which may lead to some sites not being brought forward.

Sites in the Planning Process

The Housing Land Monitor for the year 1 April 2017 – 31 March 2018 suggests that this source of supply includes all extant permissions (outline, full or reserved matters) for residential units. It also includes sites that have a resolution to grant permission subject to the signing of a S106 agreement. Regardless of whether the sites have planning permission the HBF would still expect the Council to undertake an assessment of whether the sites are deliverable, and sites that are not considered deliverable should not be included. This is in line with NPPF (2012) which states that local planning authorities should identify a supply of specific deliverable sites. The HBF would expect particular consideration to be given to sites that have a history of repeat applications and non-delivery and to sites that are still awaiting the signing of a S106 agreement.

Small Sites Windfall Allowance

The Housing Land Monitor suggests that the average delivery of net homes in the period 2010 to 2018 was 122 net dwellings and suggests that a 115 net dwelling allowance will be applied to the land supply. The HBF recommend that this figure should be reduced as it is expected that the level of housing delivery from windfall development will decrease following the adoption of the Local Plan as more sites have been identified and adopted in the plan. The HBF would expect the Council to provide compelling evidence, as set out in the PPG and NPPF (2012), that these sites will continue to provide a reliable source of supply. It is considered that the Council will need to monitor the provision that windfall development is making to the delivery of homes in the Borough to ensure that the supply

remains and is continuing to provide additional flexibility and the opportunity to boost housing supply.

The HBF support the decision not to include the windfall allowance within the first three years of the five-year supply to avoid double counting of small sites with planning permission.

Issue 3: Future Supply

- 8) Paragraph 47 of the Framework also states that local planning authorities should identify a supply of specific, developable sites or broad locations for growth, for years 6-10 and, where possible, years 11-15.
 - Q1. Has the Council identified a supply of developable sites or broad locations for growth throughout years 6-10 and 11-15 of the plan? What contribution would the submitted plan make to this?
 - Q2. Is there likely to be a sufficient supply of housing land throughout the lifetime of Local Plan Part One? What contribution would the submitted plan make to this? What flexibility would there be if some of the allocated sites in the Local Plan Part Two were not to come forward in the timescales envisaged?

The HBF consider that the supply should be more than the housing requirement, to allow for flexibility and respond to changes in circumstances. 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.

Matter 16: Development management policies

Policy DM4: Sustainable construction

See comments on Policy DM20 in relation to the optional Technical Standards Q1. Does the requirement accord with Local Plan Part One Policy ENV6, which states that 'development should meet applicable nationally described standards for design and construction'?

Q2. Is the requirement justified for, 'where appropriate, all major development proposals should be designed and incorporate measures to enable connection to a district heat network to be made now or in the future'? Has the impact on viability been fully considered?

Q3. What is the justification for the BREEAM rating of excellent and has viability been adequately taken into account?

Q4. Generally, do these criteria accord with paragraph 95 of the Framework, which states that 'when setting any local requirements for a building's sustainability do so in a way that is consistent with the Government's zero carbon buildings policy and adopt nationally described standards?'

The HBF is generally supportive of encouraging sustainable construction. However, whilst Local Plan Part 1 Policy ENV 6 states that development should meet applicable nationally described standards for design and construction. Policy ENV6 makes no requirement for the 'highest levels' or for the use of additional optional standards, therefore, these requirements are not considered to accord with the Policy. The HBF also continue to have concerns in relation to the lack of evidence to support these additional requirements.

All new homes already have to meet the mandatory national standard set out in the Building Regulations (of 125 litres/person/day). PPG (ID: 56-010) states that where there is a clear local need, local planning authorities can set out Local Plan policies requiring new dwellings to meet the tighter Building Regulations optional requirement of 110 litres/person/day. In order to introduce the policy, the local planning authority must establish a clear need based on: existing sources of evidence; consultations with the local water and sewerage company, the Environment Agency and catchment partnerships; and consideration of the impact on viability and housing supply of such a requirement. The PPG goes on to suggest the types of evidence which might support a tighter water efficiency standard including the identification of areas of serious water stress, or a river basin management plan which highlights the pressure that the water environment faces. The HBF is unaware of any evidence to support the introduction of the optional standards.

The HBF consider that any mandatory requirements in relation to energy efficiency 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 potential cost of the requirements of this policy needs to be taken into consideration.

The HBF do not consider that the requirement for all major development proposals to be designed to enable connections to a district heat network is justified or that the impact on viability has been fully considered.

The HBF consider that the cost for enabling or safeguarding the space for such connections is likely to be significant and could have implications for the viability of development. The HBF also have concerns that given the availability of district heating networks that even if buildings are designed to allow for future connections they may never be utilised leading to unnecessary costs to the developer and purchaser.

The HBF continue to recommend that this policy is amended to remove reference to the highest levels of energy and water efficiency, to remove the optional water standard and to remove the need for major developments to include measures to enable connections to district heating networks.

Policy DM18: ICT and telecommunications

Q1. Is the requirement for 'developers to make provision for the installation and maintenance of information connection networks ... within new development' justified and effective?

The HBF generally consider that digital infrastructure is an important part of integrated development within an area. However, the HBF do not consider that the requirement for developers to make provision for the installation and maintenance of information connection networks within new development is justified and effective. 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, paragraphs 43 to 46 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.

Government has made clear its intentions in a number of documents such as set out in Fixing the Foundations, the Housing Standards Review, planning practice guidance and the Written Ministerial Statement of 2015 that they are looking to reduce red tape associated with planning. The Written Ministerial Statement is clear that local planning authorities should not set in their emerging Local plan any additional local technical standards or requirements relating the construction, internal layout or performance of new

dwellings, as these issues will be dealt with more appropriately by Building Regulations. Part R of the Building Regulations clearly sets the appropriate standards for high speed electronic communication networks. It is not considered appropriate for Cheshire West and Chester to seek additional local technical standards over and above this requirement.

The HBF consider that in seeking to provide broadband and fibre to homes the Council should work proactively with telecommunications providers to extend provision and not rely on the development industry to provide for such infrastructure.

Policy DM20: Mix and type of new housing development

Q1. Is the requirement for all new dwellings to meet 'the optional higher Buildings Regulations standard for accessible and adaptable dwellings' justified, in light of paragraphs 003 and 008 of the PPG Housing-Optional technical standards, which sets out the requirement for evidence to determine the need for additional standards and the need to clearly state what proportion of new dwellings should comply with the requirements?

Q2. Does this adequately take viability into account?

Q3. Does paragraph 12.17 of the policy justification accord with paragraph 008 of the PPG Housing- Optional technical standards?

The HBF do not consider that the requirement for all new dwellings to meet the optional higher building regulations standard for accessible and adaptable dwellings is justified.

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 PPG'. PPG 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. 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.

The optional Building Regulations standards relating to accessibility can only be imposed through Local Plan policies where they are supported by appropriate evidence. 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. It is incumbent on the Council to provide a local assessment evidencing the specific case for Cheshire West and Chester which justifies the inclusion of optional higher standards for accessible and adaptable homes. Whilst the SHMA may provide some of evidence, large elements such as the likely future need, impact on viability and adaptability of the existing stock need to be provided. Evidence of an ageing population does not in itself justify the requirements of this policy, if it had been

the Government's intention that generic statements identifying an ageing population justified adoption of the accessible & adaptable homes standards then the logical solution would have been to incorporate the M4(2) as mandatory via the Building Regulations which the Government has not done. The optional higher M4(2) standard should only be introduced on a "need to have" rather than a "nice to have" basis. Although there is evidence of an ageing population having regard to the PPG this does not amount to the justification required for the Council to include the optional standard, without appropriate evidence the HBF would not support the introduction of this policy.

Due to the inadequacies of the evidence contained within the SHMA it is not clear how accessible and adaptable the existing stock is, and therefore it has not been possible to consider the contribution it could make to meeting need. However, a proportion of the existing stock will inevitably be suitable for adaptation and, given the desire for a large proportion of residents to remain in their own home, the HBF consider that the requirement for all new build dwellings to meet the higher standards is not justified.

No further information is provided in relation to the size, location, type and quality of dwellings needed based on future demand. The HBF may have expected to see information in relation to how the need is consistent across the Borough rather than in particular locations, and that the need is required across all house types rather than a need for a particular sizes or types of home for example will it be single people, older couples or will it be family homes with facilities for older or disabled members. It is considered that the policy lacks finesse with no regard to the type or location of the housing being provided.

Paragraph 173 of the NPPF (2012) established the importance of viability testing to ensure that the sites and scale of development identified in the Plan should not be subject to such scale of obligations and policy burden that their ability to be developed might be threatened. However, it is evident from the Viability Study 2017 that once the policy requirements are taken into consideration a number of site typologies are not viable, particularly brownfield low and medium value sites. The cumulative surplus also show that even for greenfield sites there is not a lot of headroom and that a small change in some of the assumptions, for example a small proportional increase in build cost, could have detrimental impacts on the viability of these sites. The HBF are keen to see homes delivered and consider that providing for genuine accessibility requirements needs to be balanced against other requirements from building standards, the wider aspirations of consumers for their homes (including affordability) and the other contributions which are sought from new housing towards community benefit. The Council will also need to 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.

PPG is clear that 'Local Plan policies should also take into account site specific factors such as vulnerability to flooding, site topography, and other circumstances which may make a specific site less suitable for M4(2) and M4(3) compliant dwellings, particularly where step free access cannot be achieved or is not viable. Where step-free access is

not viable, neither of the Optional Requirements in Part M should be applied' (ID: 56-008). This does not seem to have been taken into account within this policy.

PPG (ID56-009) is clear 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. Therefore, this policy can only be applied to any affordable housing element, where the local authority may have nomination rights and have the support of the appropriate housing association. It is not clear how this element of the policy will be implemented, for example how will the cost implications of this requirement will be taken into account, or the site suitability. It is also not clear how the 'identified need' will be evidenced, as previously set out in relation to the requirement for accessible and adaptable dwellings the Council does not appear at present to have an appropriate evidence base to make these requirements. Therefore, it is not considered that this policy is effective or consistent with national policy, and should be deleted.

The HBF do not consider that paragraph 12.17 of the policy justification accords with paragraph 008 of the PPG Housing Optional technical standards, which states that 'where a local planning authority adopts a policy to provide enhanced accessibility or adaptability they should do so only be 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'.

The HBF does not consider that the elements of this policy in relation to the M4(2) and M4(3) homes are required, it is considered that local needs can be met without the introduction of the optional housing standards. However, if the Council wish to pursue this policy the HBF recommends the Council ensure that an appropriate evidence base is available to support this policy in line with that set out in the PPG and that appropriate viability and feasibility clauses are maintained within the policy.

Policy DM 23: Delivering affordable housing

Q1. Would the detailed wording of this policy be clear and effective?

The HBF do not consider that the policy will be effective as currently worded. It is considered that the requirement for off-site provision to be located within the same spatial areas is not likely to be effective and may lead to issues with the delivery of affordable homes.

The HBF also consider that the final sentence of the policy could be amended to improve clarity and effectiveness, to ensure that appropriate affordable homes are delivered. 'The Council will work with the developer and the affordable housing provider to agree must be satisfied that the proposed size and design of any affordable housing, will to meet the specific identified need for that type of affordable housing, in that area taking account of the characteristics of the area and viability considerations'.

Policy DM26: Specialist accommodation

Q1. What is the justification for the criteria? Please see comments on Policy DM20 in this regard.

Q2. Is sufficient account taken of viability in relation to the affordable housing requirements of this policy?

As set out in our response to Policy DM20, the HBF does not consider that the elements of this policy in relation to the M4(2) and M4(3) homes are required, it is considered that local needs can be met without the introduction of the optional housing standards.

The HBF does not consider that sufficient account has been taken of viability in relation to the affordable housing requirements of this policy. The HBF has concerns that the requirement for affordable housing for all elements of a proposal that are self-contained dwellings, particularly where the housing provided is to meet other specialist needs or requirements could hamper viability and prevent schemes that are intended to provide accommodation to meet other specialist needs from coming forward.

Matter 17: Monitoring

Issue 1: General Questions

- Q1. What are the intended mechanisms and timescales for monitoring the implementation and effectiveness of the policies in the submitted plan? How does it relate to the monitoring of the Local Plan Part One? Is it sufficiently clear how the Local Plan Part Two would be monitored? If not, how could it be made clearer? Q2. Where no target is established for a primary indicator, how would effective monitoring take place?
- Q3. In relation to industrial sand proposals, should the target refer to the permitted reserve of silica (industrial) sand?
- Q4. How was the spatial distribution of employment allocations determined? How does this relate to STRAT3-8 of the Local Plan Part One?
- Q5. Will the allocations ensure that the submitted plan provides an appropriate mix of allocated sites in accordance with the objectives set out in Local Plan Part One

The HBF suggests that whilst appropriate targets are generally utilised, that specific, time measurable monitoring triggers should be included along with actions with appropriate timescales for what will happen if targets are not met. This will help to ensure that action will be taken when a target is not met, and a policy or allocation needs reviewing.

The HBF wants to ensure that homes are delivered and as such has not noted any identified mechanisms for assisting in the delivery of development sites. The HBF consider that there may be measures that could assist in the delivery of housing, for example more resources could be provided to speed up planning decisions or section 106 provision, or it may be that a masterplan is needed, or it may be that some land could be compulsory purchased, or that some infrastructure could be provided, or it could be that the negotiation and mediation skills of the Council or others need to be used.