

Planning Policy
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Dear Sir / Madam

CANNOCK CHASE NEW LOCAL PLAN - ISSUES & SCOPE CONSULTATION

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 responses to specific questions set out in the Council's consultation document.

The Wider Context

Q3. Which strategies and plans do you think our New Local Plan needs to align to and what issues should we be addressing locally to help with the delivery of these?

The new Cannock Chase Local Plan should be prepared on the basis of joint working on cross boundary issues such as where housing needs cannot be wholly met within individual authorities. As Cannock Chase is part of the Greater Birmingham Housing Market Area (GBHMA) the meeting of unmet housing needs in the GBHMA is a cross boundary matter. To fully meet the legal requirements of the Duty to Co-operate the Council should engage on a constructive, active and on-going basis with the other GBHMA authorities to maximise the effectiveness of plan making. One key outcome from co-operation between the GBHMA authorities should be the meeting of Objectively Assessed Housing Needs (OAHN) in full across the GBHMA. The Birmingham Development Plan adopted in January 2017 identifies an unmet need of 37,900



dwellings for the plan period 2011 – 2031 which to date the GBHMA authorities have failed to re-distribute. The Greater Birmingham & Black Country HMA Strategic Growth Study published in February 2018 identifies an updated housing need of 256,000 – 310,000 dwellings between 2011 – 2036 for the HMA. This latest assessment also identifies the potential for circa 22,000 dwellings of unmet need from the Black Country authorities by 2036.

The National Planning Practice Guidance (NPPG) states that a key element of examination is ensuring that there is sufficient certainty through formal agreements that an effective strategy will be in place to deal with strategic matters such as unmet housing needs when Local Plans are adopted (ID 9-017). The meeting of unmet needs should be set out in a Statement of Common Ground (SoCG) signed by all respective GBHMA authorities (paras 24, 26 & 27 of revised National Planning Policy Framework (NPPF)). The Council should not sign any non-multilateral SoCG for contributions towards meeting unmet needs which provides no certainty that the overall combined sum of such non-multilateral agreements will meet the unmet needs in full of the GBHMA. As identified by the Stratford upon Avon Local Plan Inspector's Final Report a "holistic approach" is required.

Policy CP1 : Strategy

Q7. What "reasonable alternatives" do you think we should be considering for the spatial distribution of development across the District?

The current spatial distribution of development should be reviewed in the context of the GBHMA including its unmet housing needs (see HBF answer to Q3) and the meeting of a higher housing requirement for the District of 295 dwellings per annum compared to 241 dwellings per annum (see HBF answer to Q24). The Council's spatial distribution of housing and settlement hierarchy should provide sufficient opportunities to allow identified housing needs to be met in full by providing a clear framework to ensure that policies in the new Local Plan can be effectively applied. It is important that the Council's proposed housing distribution re-considers the permitting of development adjacent to as well as within settlement boundaries which addresses the recognised difficulties facing rural communities in particular housing supply and affordability issues. The proposed distribution of housing should meet the housing needs of both urban and rural communities.

Q9. Do you have any comments on the time period for the Plan?

The timeframe of the new Local Plan should provide a period of at least 15 years after its adoption date set out in the revised NPPF (para 22). The NPPG also advises that plan dates should be co-ordinated therefore the new Local Plan timeframe should be aligned with the plan periods of other GBHMA authorities.

Policy CP3 : Design

Q15. Should we now set minimum density standards as discussed in the section on Policy CP3? If so, should these be set in strategic policy or in an updated SPD?

The HBF is supportive of the efficient use of land. The setting of any density standards in the new Local Plan should only be undertaken in accordance with the revised NPPF (para 123) whereby in the circumstances of an existing or anticipated shortage of land for meeting identified housing needs a minimum density in suitable locations such as town centres and those benefiting from good public transport connections may be appropriate. However a blanket approach to a minimum density across all the District would be inappropriate and unlikely to provide a variety of typologies to meet the housing needs of different groups. The inter-relationship between density, house size (any implications from the introduction of optional space and accessible / adaptable homes standards), house mix and developable acreage on viability should also be carefully considered especially if future development is located in less financially viable areas.

The setting of any minimum density standards should be specified in a strategic policy rather than in a Supplementary Planning Document (SPD). An SPD should not add to the financial burden of development so the Council should not be seeking to impose any housing 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.

Q17. Should we consider setting minimum/maximum off-street parking standards for different types of development or locations? What would the justification for this be and how would it be evidenced?

The setting of any minimum or maximum car parking standards for residential development should be undertaken in accordance with the revised NPPF (paras 105 & 106).

Policy CP4 : Neighbourhood Led Planning

Q19. Do we still need a specific Local Plan policy on Neighbourhood Plans given that they are already extensively covered by national policy and legislation? If so, what issues should the policy be dealing with which avoids duplication?

The relationship between the new Local Plan and Neighbourhood Plans should be clearly set out in accordance with the revised NPPF (paras 13, 29 & 30 and Footnote 16).

Policy CP6 : Housing Land

Q24. Do you have any comments on what issues in relation to housing requirements and land supply need to be addressed and what policy options may need to be considered?

By the time of the submission of the new Cannock Chase Local Plan for Examination the Government's standard methodology for the calculation of OAHN will have been implemented. The Government's proposed methodology is summarised as :-

- 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.

Using this standardised methodology the OAHN for Cannock Chase is 295 dwellings per annum (based on 2014 data) which is more than the adopted Local Plan housing requirement of 241 dwellings per annum. It should also be remembered that the standard methodology is only a minimum starting point. Any ambitions to support economic growth, to deliver affordable housing and to meet unmet housing needs from elsewhere are additional to this figure. The Government's objective of significantly boosting the supply of homes remains. It is important that future housing needs are not under-estimated.

Q25. Do you have any comments on the evidence base required including housing growth requirements and housing site options?

As set out in the revised NPPF (para 60) the housing requirement should be based on the standard methodology (see HBF answer to Q24) and account for unmet housing needs in the GBHMA (see HBF answer to Q3). The preparation and review of housing policies should be underpinned by relevant and up to date evidence which supports and justifies the policies concerned (revised NPPF para 31). The housing needs for different groups should be assessed to justify any policies on the size, type and tenure of housing including a need for affordable housing (revised NPPF paras 61 & 62).

Q26. In what type of locations would it be appropriate to increase housing densities? Can you suggest any ideas for how this could be done while retaining space for soft planting, car parking, etc?

The appropriate types of location for increased housing densities are identified in the HBF answers to Q15 and Q17.

Q27. How can the Council ensure that it has considered all the potential brownfield site opportunities as far as possible? Are there any sites you can suggest which may be underused?

The Council should make as much use as possible of previously developed land known as brownfield land (revised NPPF para 117). However there are associated risks with an over reliance on brownfield sites because as a finite resource the availability of such sites will decline over time. Furthermore the artificial constraint of housing on greenfield sites will not ensure delivery of unviable brownfield sites and it may inhibit the delivery of affordable housing.

Q28. What key locations or sites within the District or cross boundary sites should be considered reasonable options for future housing land supply?

The strategic policies of the new Local Plan should provide a clear strategy for bringing sufficient land forward and at a sufficient rate to address housing needs over the plan period including planning for and allocating sufficient sites to deliver strategic priorities (revised NPPF para 23). The Council should have a clear understanding of land availability in the District by preparing a strategic housing land availability assessment which should be used to identify sufficient supply and mix of sites taking account of availability, suitability and economic viability. The policies of the new Local plan should identify a supply of specific deliverable sites for years 1 – 5 of the plan period and specific developable sites or broad locations for growth for years 6 – 10 and where possible years 11 – 15 (revised NPPF para 67). The Council should also identify at least 10% of the housing requirement on sites no larger than one hectare or else demonstrate strong reasons for not achieving this target (para 68). The new Local Plan should include a trajectory illustrating the expected rate of housing delivery over the plan period. A minimum 5 years supply of specific deliverable sites including a buffer should be maintained (paras 73 & 74).

For the Council 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 increasing housing supply is increasing the number of sales outlets whilst large strategic sites may have multiple outlets usually increasing the number of sales outlets available inevitably means increasing the number of housing site allocations. Large strategic sites should be complimented by smaller scale non-strategic sites. This approach is also advocated in the Housing White Paper "*Fixing the Broken Housing Market*" 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.

The Council should also apply a flexibility contingency to its overall housing land supply (HLS) in order that the new Local Plan is responsive to changing circumstances and the housing requirement is treated as a minimum rather than a maximum ceiling. The HBF acknowledge that there can be no numerical formula to determine the appropriate quantum for a flexibility contingency but 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. Therefore, the HBF suggests as large a contingency as possible (at least 20%) because as any proposed contingency becomes smaller so any in built flexibility reduces. If during the new Local Plan Examination any of the Council's assumptions on lapse rates, windfall allowances and delivery rates were to be adjusted or any proposed housing site allocations were to be found unsound then any proposed contingency would be eroded. The DCLG presentation slide from the HBF Planning Conference September 2015 (see below) which illustrates a 10 – 20% non-implementation gap together with 15 – 20% lapse rate. The slide also suggests *“the need to plan for permissions on more units than the housing start / completions ambition”*.

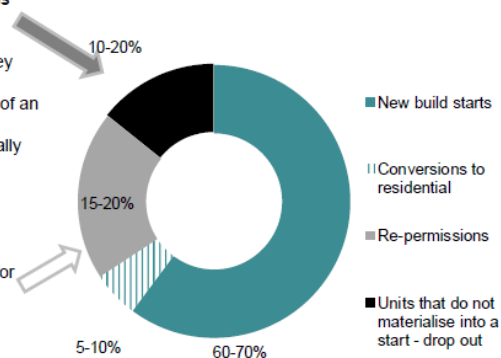


Department for
Communities and
Local Government

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

Policy CP7 : Housing Choice

Q30. Do you have any comments on what issues in relation to housing needs need to be addressed and what policy options may need to be considered taking account of key local issues including affordable housing needs and an ageing population?

The new Local Plan should deliver housing to meet the full range of local needs including affordable housing and specialist housing. The HBF recognise that all households should have access to different types of dwellings to meet their housing needs. When planning for an acceptable mix of dwellings types to meet people's housing needs the Council 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 new Local Plan should be ensuring that suitable sites are available for a wide range of developments across a wide choice of appropriate locations.

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 NPPG*". 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. All new homes are built to Building Regulation Part M standards. So it is incumbent on the Council to provide a local assessment evidencing the specific case for Cannock Chase which justifies the inclusion of optional higher standards for accessible / adaptable homes and the quantum thereof. The District's ageing population is not unusual and is not a phenomenon specific to Cannock Chase. If it had been the Government's intention that generic statements about an ageing population justified adoption of higher optional accessible / adaptable standards then the logical solution would have been to incorporate the standard as mandatory via the Building Regulations which the Government has not done. The optional higher standards should only be introduced on a "need to have" rather than "nice to have" basis. The Council should also consider the potential unintended consequence of encouraging the under-occupation of its housing stock by discouraging older households from moving.

Q31. Do you have any comments on the evidence base updates required?

The supporting evidence should be renewed and updated. Any updating of evidence should be undertaken in accordance with the revised NPPF including the preparation of Statements of Common Ground, the standardised methodology for the calculation of housing needs, the housing delivery test and whole plan viability assessment (see HBF answers to Q3, Q24 & Q25). The Council's supporting evidence should also align with the proposed new Local Plan timeframe of 2020 – 2036 (see HBF answer to Q9).

Conclusion

It is hoped that these responses will assist the Council in informing the next stages of the Cannock Chase new Local Plan. In the meantime if any further information or assistance is required please contact the undersigned.

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

A handwritten signature in blue ink, appearing to read 'Susan E Green'.

Susan E Green MRTPI
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