

Forward Planning
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Dear Sir / Madam

STAFFORD NEW LOCAL PLAN SCOPING THE ISSUES 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 responses to specific questions set out in the consultation document.

Developing a Vision & Key Objectives

Q2. What do you think should be the key economic, housing, environmental, social, community and health outcomes that the Local Plan should help to deliver?

The new Stafford 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. 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 neighbouring authorities to maximise the effectiveness of plan making. One key outcome from co-operation should be the meeting of objectively assessed housing needs (OAHN) in full. 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 new Local Plan should be accompanied by a Statement of Common Ground (SoCG) as set out in the revised National Planning Policy Framework (NPPF) (paras 24, 26 & 27).



The Local Plan Part 1 adopted in June 2014 and the Local Plan Part 2 adopted in January 2017 make provision for a minimum housing requirement for 10,000 dwellings (500 dwellings per annum) between 2011 – 2031 focussing development on the basis of a sustainable settlement hierarchy of Stafford, Stone and Key Service Villages. The HBF agree that the Council should revisit its previous goals considering both past and future successes and challenges. The spatial distribution of housing and the 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.

The proposed timeframe of the new Local Plan of 2020 – 2040 should provide a period of at least 15 years after the adoption date of the new Local Plan as set out in the revised NPPF (para 22).

By the time of the submission of the new Stafford 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 Stafford is 423 dwellings per annum (based on 2014 data) which is lower than the adopted Local Plan housing requirement. However it should 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.

Deciding Where Homes Should Go

Q4. How could the new Local Plan support local villages and their communities to grow and thrive?

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.

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).

Making Effective Use of Land

Q5. Do you consider that the new Local Plan should set out a range of densities for the Borough and if so are there any specific locations?

The adopted Local Plan Policy states that development proposals should take account of local character, context and density which remain appropriate and relevant criteria. 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) in the circumstances of an existing or anticipated shortage of land for meeting identified housing needs. In such circumstances 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 Borough 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.

Prioritising Brownfield Land

Q6. National policy states that the Council should prioritise the development of redundant brownfield sites that have good access to existing services for new housing. What should the Council look to do if it cannot find enough suitable brownfield sites to meet its housing and employment needs?

National policy does not state that the Council should prioritise brownfield sites. The revised NPPF states that the Council should make as much use as possible of previously developed land (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.

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 Borough 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.

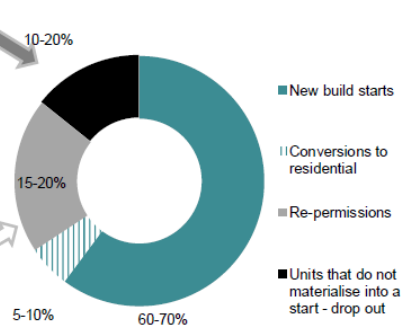
The Council should also apply a flexibility contingency to its overall housing land supply (HLS) in order that the new Local Plan is responsive to changing circumstances and the housing requirement is treated as a minimum rather than a maximum ceiling. The HBF acknowledge that there can be no numerical 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*”.



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

Deciding What Types of Homes to Build

Q7. National policy encourages Local Plan to plan positively for a mix of housing based on the demographic of people that live in the Borough both now and the expected future population. What types of housing do you think will be most needed in the Borough over the coming years?

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).

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 any of the higher optional standards for accessible

& adaptable homes and / or the Nationally Described Space Standard (NDSS) then 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 and justifying its case of the inclusion of such policy requirements and the quantum thereof. The Borough's ageing population is not unusual and is not a phenomenon specific to Stafford. 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.

Q8. The new Local Plan could seek that a percentage of large sites (e.g. over 20 dwellings or more) should be made available for self-build. What are your thoughts on this and if you are supportive what percentage should be made available for dwelling plots?

The HBF is supportive of proposals to encourage self / custom build for its potential additional contribution to the overall housing supply. 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 not supportive of restrictive policy requirements for the inclusion of self / custom build housing on other residential development sites such as sites with a threshold greater than 20 dwellings under consideration by the Council. This 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. Before introducing any such policy the Council should also give consideration to the practicalities of health & safety, working hours, length of build programme, etc. as well as viability assessing any adverse impacts. 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 loss of Community Infrastructure Levy (CIL) contributions as self / custom build properties are exempt. Any policy requirement for self / custom build serviced plots on residential development sites should be fully justified and supported by evidence. 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 demand from people wishing to build their own homes. The Council should also analyse the preferences of entries on the Self Build Register often only individual plots in specific usually rural locations are sought as opposed to plots

on larger housing sites. The Register may not provide the justification for the Council's proposed policy approach for a percentage on other housing sites. Perhaps the Council should consider an alternative policy approach such as self / custom build plot exception sites in rural areas.

Conclusion

It is hoped that these responses will assist the Council in informing the next stages of the new Stafford 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', written in a cursive style.

Susan E Green MRTPI
Planning Manager – Local Plans