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Dear Sir / Madam

### **SOUTH STAFFORDSHIRE LOCAL PLAN REVIEW (LPR) – ISSUES & OPTIONS 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 in the Council's consultation document.

#### **Evidence Base**

**Question 4: Do you think that the key evidence set out in Table 3 is sufficient to support the preparation of the LPR? If not, what additional evidence is required?**

The 2018 National Planning Policy Framework (NPPF) sets out that housing policies should be underpinned by relevant and up to date evidence which supports and justifies the policies concerned (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 (paras 61 & 62). If the Council wishes to introduce any optional higher technical standards for housing development then such policy requirements should be fully justified by supporting evidence in accordance with the National Planning Practice Guidance (NPPG).

#### **Council's preferred level of future housing growth**

**Question 6: Do you agree that Option C represents an appropriate and proportionate housing target for the LPR, having regard to the Council's own needs and the needs of the wider Greater Birmingham Housing Market Area?**



As set out in the 2018 NPPF the South Staffordshire LPR should be positively prepared and provide a strategy which as a minimum seeks to meet local housing needs and is informed by agreements with other authorities so that unmet need from neighbouring areas is accommodated (para 35a). 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 its neighbouring authorities to maximise the effectiveness of plan making. The LPR should be prepared through joint working on cross boundary issues such as where housing needs cannot be wholly met within administrative areas of individual authorities. The meeting of unmet needs should be set out in a Statement of Common Ground (SoCG) signed by all respective authorities in accordance with the 2018 NPPF (paras 24, 26 & 27). If the LPR is to be deliverable over the plan period it should be based on effective joint working on cross boundary strategic matters that have been dealt with rather than deferred as evidenced by a SoCG (para 35c). One key outcome from co-operation between the authorities should be the meeting of housing needs in full. 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.

The LPR for South Staffordshire should be prepared in the context of resolving the meeting of unmet housing needs arising in the wider Greater Birmingham Housing Market (HMA). The Birmingham Development Plan adopted in January 2017 identifies an unmet need of 37,900 dwellings for the plan period 2011 – 2031. The meeting of this unmet housing need is a strategic cross boundary matter which should be addressed by the Greater Birmingham HMA authorities. The meeting of unmet needs should be set out in a SoCG signed by all respective Greater Birmingham HMA authorities. The Council should not sign any bilateral agreements concerning contributions towards meeting unmet needs because there is no certainty that the overall combined sum of bilateral agreements will meet the unmet needs in full of the HMA. As identified by the Stratford upon Avon Local Plan Inspector's Final Report a "holistic approach" is required. Under the 2018 NPPF tests of soundness the LPR should only be found effective if cross boundary strategic matters have been dealt with and not deferred (para 35c). The Greater Birmingham & Black Country HMA Strategic Growth Study (SGS) published in February 2018 should be taken into consideration by the Council during the preparation of the LPR. The Greater Birmingham & Black Country HMA SGS identifies an updated housing need of 256,000 – 310,000 dwellings between 2011 – 2036 for the HMA including a potential unmet need of 22,000 dwellings from the Black Country authorities. The inter relationship between the LPR and the Greater Birmingham & Black Country HMA SGS should be clearly stated and transparent.

As set out in the 2018 NPPF the determination of the minimum number of homes needed should be informed by a local housing need assessment using the Government's standard methodology unless exceptional circumstances

justify an alternative approach (para 60). In summary the standard methodology comprises (revised NPPG ID 2a-004) :-

- 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 =  $(1 + \text{adjustment factor}) \times \text{projected household growth}$ .

Using this standard methodology the Council has calculated a local housing need of 5,130 dwellings (270 dwellings per annum) over the proposed plan period of 2018 - 2037. This calculation is mathematically correct using the 2014-based household projections and 2017-based affordability data.

Currently the revised NPPG published in July 2018 confirms that during plan preparation local housing need figures should be kept under review and revised where appropriate. The local housing need figure calculated using the standard methodology may change when the Office of National Statistics (ONS) updates household projections (usually every 2 years) and affordability ratios (annually) which should be taken into consideration by the Council (ID 2a-008 & 009). After submission for examination the local housing need figure calculated using the standard methodology may be relied upon for 2 years (ID 2a-016). If for South Staffordshire the more recently published 2016-based household projections are used the resultant local housing need figure is fractionally higher at 281 dwellings per annum. It is noted that this guidance may change on completion of the Government's latest consultation concerning the standard methodology which ends on 7<sup>th</sup> December 2018.

Whatever local housing need figure is used the Council is reminded that this is only the minimum starting point. Any ambitions to support economic growth, to deliver affordable housing and to meet unmet housing needs from elsewhere in the wider Greater Birmingham HMA are additional to the local housing need figure. The Government's objective of significantly boosting the supply of homes remains (2018 NPPF para 59). It is important that housing need is not under-estimated. Option C representing the meeting of South Staffordshire's own local housing need plus 4,000 dwellings contribution to unmet needs from the wider Greater Birmingham HMA should be fully justified as set out in the 2018 NPPF and the Duty to Co-operate.

**Question 8: Is the plan period of 2018 – 2037 an appropriate response to the Government's guidance on meeting housing needs? Should we consider an alternative plan period?**

The 2018 NPPF states that strategic policies should look ahead over a minimum 15 year period from adoption to anticipate and respond to long term requirements (para 22). The Council's proposed plan period of 2018 – 2037 should provide an adequate timescale.

**Question 9: The NPPF requires us to approach all neighbouring authorities before releasing Green Belt for unmet housing needs and to plan for cross-boundary needs over the most appropriate functional geography. In light of this, is the Greater Birmingham HMA the most appropriate geography?**

The Greater Birmingham HMA is an appropriate geographical area (also see answer to Q6).

### **Safeguarded land / reserve sites**

**Question 10: Should the Council identify additional safeguarded land through the new Local Plan?**

The Council should identify safeguarded land in the LPR.

### **Densities**

**Question 17: Should the Council introduce a minimum density standard of 35 dwellings per hectare on all housing sites? If not, what factors should the Council consider when considering setting minimum density standards?**

The HBF is supportive of the efficient use of land. The setting of any density standards in the LPR should be undertaken in accordance with the 2018 NPPF (para 123) whereby in the circumstances of an existing or anticipated shortage of land to meet identified housing needs then a minimum density in suitable locations such as town centres and those benefiting from good public transport connections may be appropriate. A blanket approach to a minimum density across all the District as proposed is inappropriate and unlikely to provide a variety of typologies to meet the housing needs of different groups. If a minimum density requirement is set out then the Council should carefully consider 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 especially if future development is located in less financially viable areas.

### **Spatial Distribution**

**Question 19: Which of the following Spatial Distribution Policy Options do you think should be pursued?**

As set out in the 2018 NPPF the LPR should include strategic policies which address the Council's identified strategic priorities for the development and use of land in the plan area (para 17). These strategic policies should set out an overall strategy for the pattern, scale and quality of development (para 20). Such strategic policies should be clearly written and unambiguous (para 16d). The LPR should provide enough opportunities to allow identified housing needs to be met in full by providing a clear framework that ensures policies in the LPR

can be effectively applied. It is important that the Council's settlement hierarchy and proposed housing distribution recognises the needs of both urban and rural communities. In South Staffordshire the median household income to house price ratio has almost doubled from 4.1 in 1997 to 7.72 in 2017. The 2018 NPPF asserts that *"in rural areas, planning policies and decisions should be responsive to local circumstances and support housing developments that reflect local needs"* (para 77) and concludes that *"to promote sustainable development in rural areas, housing should be located where it will enhance or maintain the vitality of rural communities. Planning policies should identify opportunities for villages to grow and thrive, especially where this will support local services"* (para 78). This approach should be reflected in the spatial strategy, distribution of development and settlement hierarchy proposed by the Council. Therefore the Council should pursue a combination of Options A – F.

### **Selecting preferred sites**

#### **Question 23: Do you agree that the factors above represent the key considerations for selecting the preferred sites?**

The HBF submit no comments on the merits or otherwise in the selection of individual preferred sites. For the Council to maximize housing delivery the widest possible range of sites by size and market location are required so that small local, medium regional and large national house building companies have access to suitable land in order to offer the widest possible range of products.

As set out in the 2018 NPPF the strategic policies of the LPR should provide a clear strategy for bringing sufficient land forward and at a sufficient rate to address housing needs over the plan period by planning for and allocating sufficient sites to deliver strategic priorities (para 23). The Council should have a clear understanding of land availability in the plan area by preparing a Strategic Housing Land Availability Assessment (SHLAA) which should be used to identify a sufficient supply and mix of housing sites taking into account availability, suitability and economic viability. The policies of the LPR 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 (para 67). The identification of deliverable and developable sites should accord with the definitions set out in the 2018 NPPF Glossary. As well as strategic sites (to be defined as sites of more than 150 dwellings or 5 hectares) 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 LPR 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).

The Council's overall housing land supply (HLS) should also include a flexibility contingency in order that the LPR is responsive to changing circumstances, treats the housing requirement as a minimum rather than a maximum and provides choice as well as competition in the land market. The HBF

acknowledge that there can be no numerical formula to determine the appropriate quantum for a flexibility contingency but if the LPR is highly dependent upon one or relatively few large strategic sites, settlements or localities then greater numerical flexibility is necessary than if the HLS is more diversified. The HBF always 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 LPR Examination any of the Council's assumptions on lapse rates, windfall allowances and delivery rates become adjusted or any proposed housing site allocations are found unsound then so any proposed contingency erodes.

### **Housing Mix**

The 2018 NPPF sets out that housing policies should be underpinned by relevant and up to date evidence which supports and justifies the policies concerned (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 (paras 61 & 62). 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 rather than setting a specific housing mix on individual sites. The LPR should ensure that suitable sites are available for a wide range of types of developments across a wide choice of appropriate locations.

**Question 28: Which of the above option(s) do you think should be pursued?**

The HBF preference is Option A which recognises that both the SHMA and market forces are important in determining the size and type of homes needed.

### **Homes for older people and specialist housing**

**Question 29: Which of the above option(s) do you think should be pursued?**

The HBF preference is a combination of Option A and Option C. Option D is considered inappropriate.

### **Affordable Housing**

**Question 30: Which of the above option(s) do you think should be pursued?**

As set out in the 2018 NPPF the LPR should set out the level and type of affordable housing provision required together with other necessary infrastructure but such requirements should not undermine the deliverability of the LPR (para 34). Viability assessment is highly sensitive to changes in its inputs whereby an adjustment or an error in any one assumption can have a

significant impact on the viability or otherwise of development. The cumulative burden of policy requirements should be set so that most sites are deliverable without further viability assessment negotiations (para 57). It is important that the Council understands and tests the influence of all inputs on viability as this determines if 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 undertake an updated viability assessment to determine the percentage level of affordable housing provision that is viable and deliverable after taking into account the cumulative burden of other policy requirements and necessary infrastructure provision.

**Question 31: Which of the above option(s) do you think should be pursued?**

As set out in the 2018 NPPF the appropriate affordable housing tenure split should be underpinned by relevant and up to date evidence which supports and justifies the policy (para 31).

**Question 32: Which of the above option(s) do you think should be pursued?**

Option G should not elevate a Supplementary Planning Document (SPD) to Development Plan Document (DPD) status. This is not compliant with the Regulations DPD status should not be conferred because an SPD does not have statutory force and has not been subject to the same process of preparation, consultation and examination. 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.

### **Rural Exception sites**

**Question 33: Which of the above option(s) do you think should be pursued?**

The HBF preference is Options B and C.

### **Entry level exception sites**

**Question 34: Which of the above option(s) do you think should be pursued?**

Entry level exception sites should accord with the 2018 NPPF.

### **Self build and Custom Build**

**Question 35: Which of the above option(s) do you think should be pursued?**

The HBF supports the encouragement of self / custom build for its potential additional contribution to the overall housing supply. Option A is considered as the most appropriate approach. The Council may also wish to consider a form of exceptions policy for self / custom build homes.

Option B is inappropriate as this approach only changes housing delivery from one form of house building 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 Option B the Council should consider the practicalities of health & safety, working hours, length of build programme, etc. as well as viability assessing any adverse impacts including the loss of Community Infrastructure Levy (CIL) contributions as self / custom build properties are exempt. Any policy requirement for self / custom build serviced plots on larger housing sites should be fully justified and supported by evidence of need. The Council should assess such housing needs in the SHMA as set out in the NPPG (ID 2a-021) collating from reliable local information (including the number of validated registrations on the Councils Self / Custom Build Registers) the demand from people wishing to build their own homes. The Council should analyse the preferences of entries on the Self Build Registers often only individual plots in rural locations are sought as opposed to plots on larger housing sites. The Register may not provide the justification for Option B.

**Question 36: If a threshold was set as per Option B, what would be an appropriate threshold where plots should be provided?**

Option B should not be chosen.

**Design and residential amenity**

**Question 41: Which of the above option(s) do you think should be pursued?**

The HBF preference is Option A. The Council should continue with its existing positive policy approach that provides design parameters applied on a case by case basis.

**Parking provision**

**Question 42: Which of the above option(s) do you think should be pursued?**



For residential parking the Council should continue with existing car parking standards provided that these standards are not setting maximum provisions which would be contrary to national policy.

Under Option F before introducing any requirements for the provision of electric vehicle charging points on residential developments the Council should engage with the main energy suppliers to determine network capacity exists to accommodate any adverse impacts if such a proportion of dwellings 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. Any such costs should be viability tested by the Council so that there is no adverse impact on housing delivery. If the Government wishes to encourage electric vehicles then a national standardised approach implemented through the Building Regulations is more appropriate. The Council should be wary of developing its own policy and await the outcome of the Government's proposed future consultation to be undertaken by the Department of Transport later this year.

### **Internal space standards**

**Question 45: Which of the above option(s) do you think should be pursued?**

If the Council wishes to adopt the higher optional technical standards as policy requirements as proposed under Options B and C then this should only be done by applying the criteria set out in the 2018 NPPF (para 127f & Footnote 42). The Written Ministerial Statement (WMS) dated 25<sup>th</sup> 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"*. The optional higher standards should only be introduced on a "need to have" rather than "nice to have" basis. 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). The Council should consider the impacts on need, viability and timing before introducing the Nationally Described Space Standards (NDSS).

### **Health and wellbeing**

**Question 46: Which of the above option(s) do you think should be pursued?**

The HBF preference is Option A for the Council to continue with its existing policy approach of promoting measures that contribute to health and wellbeing.

### **Inclusive growth**

**Question 56: Which of the above option(s) do you think should be pursued?**

Under Options A, B and C the Council should re-consider if the requirement to submit an Employment & Skill Plan secured through a Section 106 Agreement or via a planning condition is appropriate and consistent with the 2018 NPPF (paras 54 – 56).

**Adapting to a changing environment**

**Question 78: Which of the above option(s) do you think should be pursued?**

The HBF preference is Option A which proposes that new dwellings comply with existing Building Regulations. Any local requirements for the sustainability of buildings should reflect the Government's policy for national technical standards (para 150b). The Government has sought to set standards for energy efficiency through the national Building Regulations and to maintain this for the time being at the level of Part L 2013. Under the 2018 NPPF new development should be planned to help reduce greenhouse gas emissions by its location, orientation and design. The starting point for the reduction of energy consumption should be an energy hierarchy of energy reduction, energy efficiency, renewable energy and then finally low carbon energy. From the start a 'fabric first' approach should be emphasised which by improving fabric specification increases thermal efficiency and so reduces heating and electricity usage.

**Question 79: Do you support higher water efficiency standards over and above those required through Building Regulations?**

All new dwellings achieve a mandatory level of water efficiency of 120 litres per day per person under Building Regulations which is higher than that achieved by much of the existing housing stock. The WMS dated 25<sup>th</sup> March 2015 confirmed 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 (ID 56-013 to 56-017). The Housing Standards Review was explicit that reduced water consumption was solely applicable to water stressed areas.

**Question 80: Is a Water Cycle Study needed to inform the LPR, or would engagement with the appropriate agencies throughout plan preparation be sufficient to ensure that proposals don't have an adverse effect on the water environment?**

If the Council proposes to adopt higher water efficiency standard of 110 litres per day per person then a Water Cycle Study is needed.

## **Strategic Policies**

### **Question 82: Do you agree with policy themes above that have been identified as requiring a strategic policy?**

As set out in the 2018 NPPF the LPR should include strategic policies which address the Council's identified strategic priorities for the development and use of land in the plan area (para 17). These strategic policies should set out an overall strategy for the pattern, scale and quality of development (para 20). Such strategic policies should be clearly written and unambiguous (para 16d). The identified policy themes are appropriate.

### **Question 84. Do you agree with the proposed thresholds for identifying strategic site allocations?**

The HBF do not agree with the proposed threshold. The LPR should bring sufficient land forward at a sufficient rate to address housing needs over the plan period. If by setting the strategic site threshold as 150 or more dwellings it is intended that the allocation of non-strategic sites (less than 150 dwellings) is delegated to an as yet unwritten Local Plan Part 2 or Neighbourhood Plans then the Council will not be ensuring the sufficiency of its HLS.

## **Conclusion**

It is hoped that these responses will assist the Council in informing the next stages of the South Staffordshire LPR. In the meantime if any further information or assistance is required please contact the undersigned.

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



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