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Dear Sir / Madam

NORTH SOMERSET LOCAL PLAN – 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.

Local Housing Growth

The identification of non-strategic growth (residential developments of less than 500 dwellings) of 1,000 dwellings in North Somerset in the West of England (WoE) Joint Spatial Plan (JSP) is based on an under-estimation of housing need. The HBF is supportive of the WoE JSP in providing a strategic planning policy framework for 2016 – 2036 in Bristol City, Bath & North East Somerset (BANES), North Somerset and South Gloucestershire. However as set out in HBF representations to previous WoE JSP consultations there is profound disagreement about the objectively assessed housing need (OAHN) calculation. It is considered that the OAHN for the WoE Housing Market Area (HMA) and individual authorities have been under-estimated. It is considered that the OAHN is greater than 102,200 dwellings (5,110 dwellings per annum) for the HMA and 25,000 dwellings (1,250 dwellings per annum) for North Somerset. This under-estimation arises from overly conservative approaches to improving housing affordability, low economic growth assumptions so the lack of housing itself could become a constraint on economic growth and no "policy on" adjustment to the housing requirement to help deliver affordable housing despite a significant identified affordable housing need. For comparative purposes only between 2016 – 2036 the Government's proposed standardised methodology for the calculation of local housing need based on



household projections and housing affordability excluding any uplift to support economic growth results in 116,500 dwellings (5,825 dwellings per annum) for the HMA and 26,160 dwellings (1,308 dwellings per annum) for North Somerset. The establishment of a housing requirement figure based on a correctly calculated OAHN is the fundamental starting point for the new North Somerset Local Plan. The Government's objective of boosting the supply of homes remains (2018 NPPF para 59).

Q8. What are your views on the options for a revised settlement hierarchy?

The Council's spatial strategy, settlement hierarchy and distribution of development should be reviewed. The new Local Plan should provide sufficient opportunities to allow identified housing needs to be met in full by providing a clear framework that ensures policies in the Local Plan can be effectively applied. The Council should consider a revised settlement hierarchy that is as permissive as possible therefore the HBF consider a combination of the Council's 3 proposed options is the most flexible. It is important that the Council's settlement hierarchy and proposed housing distribution meet the housing needs of both urban and rural communities.

Q9. What are your views on the options for revised settlement boundaries?

The HBF preference is Option 1 which is the most flexible policy approach. For the Council to maximize housing supply 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 advocated in the Housing White Paper (HWP) "*Fixing the Broken Housing Market*" a mix of sites provides choice for consumers, allows places to grow in sustainable ways and creates opportunities to diversify the construction sector.

Garden Villages & New Communities

The WoE JSP identifies four Strategic Development Locations (SDL) in North Somerset namely two new garden villages at Churchill (2,675 dwellings to 2036) and Banwell (1,900 dwellings) and two new communities at Nailsea (2,575 dwellings to 2036) and Backwell (700 dwellings). The HBF make no comments on individual SDLs suffice to say that the overall proposed level of housing growth is based on an under-estimation of housing needs (see detailed comments under Local Housing Growth).

It is also noted that the Council's overall housing land supply (HLS) of 25,082 dwellings comprising of 13,932 dwellings in existing commitments to 2026, 7,850 dwellings on SDLs, 1,000 dwellings from urban living, 1,000 dwellings from non-strategic growth and 1,300 dwelling from windfall development (130 dwellings per annum between 2026 – 2036) has no contingency. The Council's HLS should include a flexibility contingency so that the new Local Plan 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.

Urban Living

Q27. What are your views on the proposed options for increasing urban living?

The HBF is supportive of the efficient use of land but the WoE JSP assumption for 1,000 additional dwellings from predominantly Weston Super Mare over and above opportunities identified in the adopted Site Allocations Plan should be fully justified by robust evidence. The setting of any density standards in the new Local Plan should be undertaken in accordance with the 2018 NPPF (para 123). In the circumstances of an existing or anticipated shortage of land for meeting 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 as proposed under Option 3. However blanket approaches to minimum densities across parts of the District (Option 1) and allocated sites (Option 2) may 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 (including any implications from the introduction of optional Nationally Described Space Standards and / or accessible / adaptable homes standards), mix and developable acreage on viability should also be carefully considered especially if Options 1, 2 and / or 4 are pursued by the Council.

If the Council wishes to adopt any of the higher optional technical standards for housing as policy requirements then this should only be done in accordance with the 2018 NPPF (para 127f & Footnote 42). The Written Ministerial Statement (WMS) 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*”. The Council should comply with the criteria set out in the NPPG.

Q36. What role do you think that residential developers should play in helping to deliver employment? Should the specific link between housing and employment be maintained?

The house building industry is a significant driver of the UK economy. Nationally last year as well as delivering much-needed new homes of all tenures across the country in villages, towns and cities the industry supported circa 700,000 jobs (including 239,000 directly employed workers / 18% of UK construction industry), generated £2.7 billion in tax revenues (via SDLT, Corporation tax, NI, PAYE etc), spent £11.7 billion with suppliers (90% of which stays in the UK) and provided £841 million (including £122 million for new / improved schools) for infrastructure (for more information see HBF publication “The Economic Footprint of UK Housebuilding” dated July 2018).

The Council's policy approach of specifically linking housing and employment in Weston Super Mare should be reviewed to ensure that it is robust, deliverable and effective. The 2018 NPPF sets out that planning policies should provide a clear economic vision and strategy which positively and proactively encourages sustainable economic growth having regard to local industrial strategies and other local policies for economic development and regeneration. This should be the starting point for reviewing the employment led policy in Weston Super Mare and its relationship with the new Local Plan strategy for growth and development in North Somerset including in the proposed SDLs.

Q40. Are there any other options for how the Local Plan can deliver self-build and custom housing schemes?

The HBF is supportive of both the allocation of sites and an exceptions policy approach for self / custom build housing schemes. The HBF is not supportive of a proportion of self / custom build plots on housing sites of a certain size. This policy 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 any such policy the Council should consider the practicalities of health & safety, working hours, length of build programme, etc. as well as viability assessing any adverse impacts. There is 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 housing sites of a certain size should be fully justified and supported by evidence of need. The Council should assess such housing needs in the SHMAA 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 housing sites of a certain size. The Register may not provide the justification for this policy approach.

Q41. Do you have any views on the review of affordable housing policies?

The new Local Plan should set out the level and type of affordable housing provision required together with other necessary infrastructure but such policies should not undermine the deliverability of the Local Plan (2018 NPPF 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 (2018 NPPF para 57). It is important that the Council understands and tests the influence of all inputs on viability as this

determines whether or not 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 HBF have objected to Policy 3 : Affordable Housing of the WoE JSP which proposes a minimum target of 35% affordable housing on sites of 5 or more dwellings. As set out in the HBF representation to the WoE JSP consultation the proposed site threshold of 5 or more dwellings is unjustified and inconsistent with national policy. Furthermore insufficient viability testing has been undertaken. The Council is reminded that if the new Local Plan is to be compliant with the NPPF then development should not be subject to such a scale of obligations and policy burdens that viability is threatened.

The Council’s definition of affordable housing should be aligned with the Government’s Affordable Housing definition set out in the 2018 NPPF.

Q43. Do you have any views on our intended approach to Health Impact Assessments (HIA)?

The NPPG (ID53-004) confirms that a HIA can serve a useful purpose at planning application stage and consultation with the Director of Public Health can establish whether a HIA would be a useful tool for understanding the potential impacts of development proposals will have on wellbeing and existing health services and facilities. However a full HIA should only be required if a significant impact upon the health and wellbeing of the local population from an individual residential development has been identified and evidenced.

Q44. Should a new policy aspire to net zero carbon new development?

A new policy should not aspire to net zero carbon new development. Under the 2018 NPPF new development should be planned to help reduce greenhouse gas emissions by its location, orientation and design. 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. The WMS published on 25 March 2015 sought to clarify the regulatory regime. At that time the Government decided to improve energy efficiency for residential buildings through Part L of the Building Regulations. 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 emphasis should be on a ‘fabric first’ approach which by improving fabric specification increases thermal efficiency and so reduces heating and electricity usage. Plans should identify opportunities for development to draw its energy supply from decentralised, renewable or low carbon energy supply systems and for co-locating potential heat customers and suppliers to help increase the use and supply of renewable and low carbon energy and heat (2018 NPPF para 151c). The 2018 NPPF does not stipulate that the Council should be seeking connection to such energy supply systems.

Indeed such a requirement is unfair to future consumers by restricting their ability to change energy supplier.

Q45. Should a new policy require a significant increase in the use of renewable and low carbon energy generation? (currently 10% for 1-9 dwellings and 15% for 10 and more dwellings)

No (see answer to Q44).

Q47. Where a new policy sets a % reduction in carbon emissions, if it is deemed this cannot be met on-site, should it introduce a mechanism to collect off-site carbon-emission payments?

No (see answer to Q44).

Q52. What are your views on our proposed policy approach to electric vehicle charging points?

It is premature for the Council to introduce a requirement for electric vehicle charging points in residential developments. Before pursuing such a policy requirement, the Council should engage with the main energy suppliers in order to determine network capacity to accommodate any adverse impacts if a proportion of dwellings are to 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. The cost of such infrastructure may adversely impact on housing delivery. If electric vehicles are to be encouraged by the Government, 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.

Conclusion

It is hoped that these responses will assist the Council in informing the next stages of the new North Somerset 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**



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