

South Worcestershire Development Plan
Civic Centre
Queen Elizabeth Drive
Persore
Worcestershire
WR10 1PT

SENT BY EMAIL ONLY TO
contact@swdevelopmentplan.org

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Dear Sir / Madam

SOUTH WORCESTERSHIRE DEVELOPMENT PLAN REVIEW (SWDPR) – 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 Councils consultation document.

Evidence Base

Question 1 : Do you agree that the above list of technical studies is appropriate and sufficient to inform the SWDPR? If not, what is missing, and why are these additional studies necessary?

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). Housing needs for different groups should be assessed to justify any policies on the size, type and tenure of housing including the need for affordable housing (paras 60 - 62). If the Councils propose to introduce any optional higher technical standards for housing then such policy requirements should be fully justified by supporting evidence in accordance with the National Planning Practice Guidance (NPPG). 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 Councils understand and test the influence of all inputs on viability as this determines if land is released for development.

Vision

Question 2 : The vision set out above is that which is set out in the adopted SWDP. Is it appropriate to continue with this vision?



It is agreed that the Vision set out in the adopted SWDP is appropriate.

Objectives

Question 3 : Are the existing SWDP objectives, as set out above, still appropriate?

It is agreed that the objectives set out in the adopted SWDP are appropriate.

Housing Need

Question 4 : The NPPF states that the output of the standard methodology for calculating housing need should be seen as the minimum growth requirement for a Local Planning Authority. Is there a case for the south Worcestershire councils to plan for more new dwellings than the standard methodology suggests? If so, why? Please provide evidence to support your answer.

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 + adjustment factor) x projected household growth.

The Councils are 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 are additional to the local housing need figure. The Government's objective of significantly boosting the supply of homes remains (para 59). It is important that housing need is not underestimated.

As set out in the 2018 NPPF the SWDPR 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 South Worcestershire authorities should engage on a constructive, active and on-going basis with neighbouring authorities to maximise the effectiveness of plan making. The SWDPR 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 SWDPR 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 certainty through formal agreements that an effective strategy will be in place to deal with strategic matters such as unmet housing needs when Plans are adopted.

Option 1 : The Overall Development Strategy

As set out in the 2018 NPPF the SWDPR should include strategic policies which address the Councils 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). It is agreed that Option 1c increasing densities through regeneration will not meet all development needs of South Worcestershire. Option 1c should be combined with Options 1a, 1b and 1d (also see answer under Option 3).

Option 2 : Development Boundaries Review

The Development Boundaries Review should provide enough development opportunities to meet identified housing needs in full.

Option 3 : Where should the new housing growth be located

As set out in the 2018 NPPF the strategic policies of the SWDPR should provide a clear strategy to bring 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 SWDPR should identify a sufficient supply and mix of housing sites after taking into account availability, suitability and economic viability. The SWDPR 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. The Councils 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 SWDPR 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).

A combination of Options 3a to 3e is considered the most appropriate and sustainable approach to meeting housing needs in the SWDPR. The proposed distribution of housing should meet the housing needs of both urban and rural communities.

The HBF recommends that a flexibility contingency should be applied to the overall housing land supply (HLS) in order that the SWDPR 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 acknowledges that there can be no numerical formula to determine the appropriate quantum for a flexibility contingency but if the SWDPR 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. For the Councils to maximize housing delivery the widest possible range of sites by size and market location is 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. The HBF always suggests as large a contingency as possible (at least 20%) because as any proposed contingency becomes smaller so any built-in flexibility reduces. If during the SWDPR Examination any of the Councils assumptions on lapse rates, windfall allowances and delivery rates become adjusted or any proposed housing site allocations are found unsound so any proposed contingency erodes.

Option 4 : Neighbourhood Area Housing Numbers

As set out in the 2018 NPPF the strategic policies of the SWDPR should determine the housing requirement for designated Neighbourhood Areas which reflects the overall strategy for the pattern and scale of development and any relevant allocations (para 65).

Option 6 : Density

The adopted SWDP Policy 13 should be reviewed for its compatibility with the 2018 NPPF. As set out in the 2018 NPPF planning policies should support development that makes efficient use of land (para 122). Where there is an existing or anticipated shortage of land to meet identified housing needs then development should optimise the potential use of each site. In these circumstances a minimum density in suitable locations such as town centres and those benefiting from good public transport connections should be included and a minimum density in other parts of the plan area should be considered (para 123). A range of densities reflecting the potential of different areas is preferable to a blanket minimum density approach across the plan area which is unlikely to provide a variety of typologies to meet the housing needs of different groups. Under Options 6a and 6b any proposals for higher density development in Worcester City and / or on other specific sites should be consistent with the 2018 NPPF. In setting a minimum density requirement the Councils 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.

Option 7 : Brownfield Land

As set out in the 2018 NPPF planning policies should promote the effective use of land in meeting the need for homes and support development that makes as much use as possible of previously developed or brownfield land (para 117). Any brownfield land allocated for housing development and included in the HLS should pass the 2018 NPPF definitions of deliverable and developable.

Option 9 : Market Housing Mix

The 2018 NPPF sets out that 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). These housing policies should be underpinned by relevant and up to date evidence which supports and justifies the policies concerned (para 31). In its evidence the Councils should recognise that market signals are important in determining the mix of housing needed. 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 focus should ensure that appropriate sites are allocated to meet the needs of specifically identified groups of households such as families, older people and self / custom build. The SWDPR should ensure that suitable sites are available for a wide range of types of development across a wide choice of appropriate locations rather than setting a specific housing mix on individual sites. Options 9b and 9c are preferred.

Option 10 : Affordable Housing

The 2018 NPPF sets out that 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). These housing policies should be underpinned by relevant and up to date evidence which supports and justifies the policies concerned (para 31). The Councils proposed affordable housing tenure mix should be derived from its supporting evidence.

The level and type of affordable housing provision required should be set out together with any other necessary infrastructure however such policy requirements should not undermine the deliverability of the SWDPR (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 Councils understand and test the influence of all inputs on viability as this determines if land is released for development. An updated viability assessment should be undertaken. 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"*.

Option 11 : Providing Housing for Older Residents

The 2018 NPPF sets out that 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). These housing policies should be underpinned by relevant and up to date evidence which supports and justifies the policies concerned (para 31). In its evidence the Councils should recognise that market signals are important in determining the mix of housing needed. 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 focus should ensure that appropriate sites are allocated to meet the needs of specifically identified groups of households such as families, older people and self / custom build therefore Option 11a is supported. The SWDPR should ensure that suitable sites are available for a wide range of types of development across a wide choice of appropriate locations rather than setting a specific housing mix on individual sites as proposed under Option 11b. If the Councils pursue Option 11b then the requirement to deliver more accommodation for older residents on strategic sites should only be applied in appropriate locations where there is satisfactory access to public transport, services and facilities.

Option 12 : Self and Custom Build Housing

Self and custom build housing should be supported for its potential additional contribution to housing supply. Option 12b for the allocation of sites for self and custom build housing is supported. The Councils should also consider a rural exceptions policy approach for self and custom build housing.

Option 12a for a proportion of self / custom build serviced plots on larger housing allocations is not supported. Option 12a only changes housing delivery from one form of house building to another without any consequential additional contribution to boosting housing supply. If plots are not developed by self / custom builders then these undeveloped plots are effectively removed from the HLS unless the Councils provide a mechanism by which these plots may be developed by the original non self / custom builder in a timely manner. Before introducing Option 12a the Councils should also 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 larger housing sites should be fully justified and supported by evidence of need. As set out in the NPPG (ID 2a-021) the Councils should fully assess the demand from people wishing to build their own homes by collating data from reliable local information (including the number of validated registrations on the Councils Self / Custom Build Registers). The Councils should also analyse the preferences of entries as 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 12a.

Option 13 : Access Standards

Option 13b is preferred. If however the Councils wish to adopt the higher optional technical standards for accessible and adaptable homes as policy

requirements under Option 13a 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”*. In seeking to apply any higher accessible and adaptable standards to new dwellings the Councils should comply with the criteria set out in the NPPG (ID 56-005 to 56-011). All new homes are built to Building Regulation Part M Category 1 standards which include level approach routes, accessible front door thresholds, wider internal doorway and corridor widths, switches / sockets at accessible heights and downstairs toilet facilities usable by wheelchair users. These standards are not usually available in the older existing housing stock (if built more than circa 10 years ago) and benefit less able-bodied occupants. If the Government had intended that evidence of an ageing population alone justified adoption of the higher Part M Category 2 and / or 3 optional standard then such standards would have been incorporated as mandatory in the Building Regulations which the Government has not done. It is incumbent on the Councils to produce local assessments evidencing the specific case for South Worcestershire which justifies the inclusion of optional higher standards and the quantum thereof.

Option 14 : Residential Space Standards

Option 14c is preferred. If the Councils wish to adopt the Nationally Described Space Standard (NDSS) as a policy requirement under Options 14a or 14b then this should only be done in accordance with the 2018 NPPF (para 127f & Footnote 42). The 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 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 (LPA) should take account of the following areas need, viability and timing”* (ID: 56-020). The Councils should consider the impacts on need, viability and timing before introducing the NDSS.

Option 15 : Water Consumption

Option 15b is preferred. 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. If the Councils wishes to continue with the adopted SWDP policy requirement for the higher optional standard for water efficiency of 110 litres per person per day as set out in Option 15a then the Councils should justify doing so by applying the criteria set out in the NPPG (ID 56-013 to 56-017). The WMS dated 25th 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". The Housing Standards Review was explicit that reduced water consumption was solely applicable to water stressed areas.

Option 24 : Transport

Before promoting the use of electric vehicles by requiring all new residential development to have electric charging points for all properties as set out in Option 24b the Councils should engage with the main energy suppliers to determine network capacity to accommodate any adverse impacts if all 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. Such costs should be included in the Councils updated viability testing otherwise there may be an adverse impact on housing delivery. It is the HBF's opinion that the promotion of electric vehicles should be undertaken nationally in a standardised way implemented via Building Regulations after the Government's proposed future consultation to be undertaken by the Department of Transport. The HBF is wary of Councils seeking to impose locally derived policy requirements for provision of electric vehicle charging points.

Option 25 : Design Policy

The HBF is supportive of the use of Building for Life 12 as best practice guidance to assist LPAs, local communities and developers assess new housing schemes but it should not be included as a policy requirement in the SWDPR as proposed under Option 25b which obliges developers to use this tool. The use of Building for Life 12 should remain voluntary.

Option 35 Energy Requirements in New Developments

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 revised 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. Option 35c of not requiring renewable energy generation and relying on carbon reduction measures delivered through Building Regulations is preferred.

Viability

Question 13 : Site Viability. We intend to publish a policy that sets out the circumstances in which a viability assessment at the decision-making stage is required. Which circumstances do you think we should include?

The circumstances requiring viability assessment at the decision-making stage should accord with the 2018 NPPF (para 57) and the revised NPPG.

Conclusion

It is hoped that these responses will assist the Councils in informing the next stages of the SWDPR. 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 'SE Green', is positioned above the printed name.

Susan E Green MRTPI
Planning Manager – Local Plans