

Sent by email to: Policy.Consultation@IOW.GOV.UK

24/02/2019

Dear Sir/ Madam

Response by the House Builders Federation to the Draft Island Strategy

Thank you for consulting the Home Builders Federation (HBF) on the draft development plan for the Isle of Wight (IoW). The HBF is the principal representative body of the housebuilding industry in England and Wales and our representations reflect the views of discussions with our membership of national and multinational corporations through to regional developers and small local housebuilders. Our members account for over 80% of all new housing built in England and Wales in any one year.

It is important that local planning authorities maintain up to date local plans and it will be important for Isle of Wight Council to progress quickly to submission and adoption of a new local plan that meets housing needs in full. We would welcome the opportunity to discuss the Council's progress with the plan and the approach taken with regard to improving the supply of land for housing development. Outlined below are some general comments with regard to the preparation of the plan and the key aspects we consider are necessary to ensure it can be found sound.

PSDG 2: Presumption in favour of sustainable development

When the NPPF was first published Councils were advised by the Planning Inspectorate to include some 'model' wording in local plans with regard to the presumption in favour of sustainable development. However, it is our understanding that this advice has since been rescinded and that such statements are no longer a requirement of local plans. Given this position and the fact that S1 repeats national policy it should be deleted.

PSDG 6: Ensuring Planning Permission are delivered

Whilst we recognise the Government has set out in national policy that planning conditions which reduce the implementation period for a planning application can be used to help ensure timely implementation, we do not consider it appropriate to judge a scheme on the basis of the track record of an applicant or agent. Whilst paragraph 76 of the NPPF allows for the implementation of shorter timeframes for the commencement of an application it does not mention the consideration of past delivery



when making that decision. A wide range of factors can impact on delivery and we would suggest that the Council consider the reasons why a permission did not start. In particular we suggest examining how its own policies affect build out rates, recognising that the requirements in the local plans and any pre-commencement planning conditions will delay the start of development.

We would consider a more effective approach would be to work with developers to understand the reasons why a site has not come forward as expected and agree an appropriate strategy with the applicant to ensure it can come forward in a timely manner. Only as a last resort should the Council seek to reduce the implementation period on any application. We would therefore suggest the following wording for policy PSDG 6 is more appropriate and consistent with Government policy:

“PSDG 6: Ensuring Planning Permission are delivered

The council expects to see development starting as soon as possible, once planning permission has been granted. When dealing with major applications where planning permission has previously been granted but has expired, or is soon to expire, the council will work with applicants to identify the barriers to delivery and seek to agree the most appropriate way forward.

Where appropriate the Council will consider whether it is necessary to impose shorter timescales than the relevant default period.

Where all reasonable efforts have been made to ensure the build-out on stalled sites, the council will actively use its compulsory purchase powers to support delivery.”

DHWN1: Planning for Housing Delivery

Housing needs

We have welcomed the introduction of the standard method for assessing housing needs which will considerably reduce the time spent at examination debating assessments of housing need. Therefore, whilst we recognise that the NPPF allows in exceptional circumstances for an alternative approach to be used we would suggest that these circumstances do not exist within the IoW. It is therefore essential that this plan meets, as a minimum, the housing needs as calculated using the standard methodology. However, it would appear that the Council has incorrectly applied the standard method in setting its housing requirement.

Firstly, Council have used the figure of 642 dpa from the consultation on the standard methodology. This was based on the 2016 affordability ratios and household growth over the 2016 to 2026 period. Paragraph step 1 of paragraph 2a 004 states that councils should “...calculate the projected average annual household growth over a 10-year period (this should be 10 consecutive years with the current year being the first year)”. The period over which the Council should consider household growth is

2019 to 2029. Step 2 then outlines that the most recent median workplace-based affordability ratios published by the ONS should be used to calculate the relevant uplift. The Council should therefore plan for a minimum 673 dpa with 2019 as the base date for the plan period.

Housing trajectory

Planning Practice Guidance outlines that stepped trajectories may be required where there is to be a significant level of change in the level of housing requirement between emerging and previous policies. Given that the increase housing delivery required on the IoW is relatively modest, around 100 dwellings each year we do not see the need for a stepped trajectory.

In addition, the Council sets out in paragraph 5.8 its decision to apply the Liverpool methodology when assessing its 5-year housing land supply. The Government state in paragraph 3-044 of PPG that any shortfall will need to be added to the plan requirements for the next five years but that a case may be made by the Council to delay with past delivery in a different way. The Council seeks to justify this position in paragraph 5.8 of the Local Plan outlining their concern that it could lead to unrealistic short-term housing targets. This would suggest the Council is expecting to under deliver against its housing target from the start. If this is the case it should seek to allocate sites that will deliver homes when expected and reduce its policy requirements to ensure development viability is not compromised. As such we can see no relevant justification for the IoW dealing with backlog in a different way to that proposed by national guidance.

Whilst the HBF does not generally comment on the deliverability of specific sites within a trajectory we are concerned that the Council have included the New Garden Communities as delivering 300 homes in the last five years of the plan. The NPPF allows for the inclusion of broad locations, however the Council are still to identify the broad location as to where these communities will be located on the IoW. Therefore, whilst we support the decision to plan for new communities, we would suggest that they are not included within the housing trajectory at present.

Delivery on small sites

The Council will need to identify sufficient small sites to ensure that 10% of housing needs is delivered on sites of no more than one hectare as required by paragraph 68 of the NPPF. It is not evident in this current plan as to whether this key aspect of national policy will be addressed by the Council.

DHWN 6: Delivering affordable housing

The publication of the 2018 NPPF and its associate guidance places far greater emphasis on testing the viability of development through the local plan rather than on a site by site basis. This is clearly stated in paragraph 10-002 of PPG and in paragraph 57 of the NPPF indicates that decision makers can assume that a development will be

viable with all a local plan's policies being met. This means that policies for affordable housing will need to be less aspirational than in the past and recognise the differences in viability across an area and between development scenarios.

The Council's viability study indicates that development in lower values areas is unlikely to be viable at 35% and in higher value areas only green field sites would appear to be consistently viable. However, the Council's approach in this policy is to set a flat policy for all major development of 35%. We would consider this evidence sufficient to suggest that a 35% affordable housing requirement, alongside all the other policy costs being placed on development, is likely to be a barrier to the delivery of a significant proportion of development in the LoW, but in addition to this the past delivery of affordable housing using the Council's current policy would support this assessment.

There has been a steady decline in the Council's delivery of such homes since the adoption of the Core Strategy. Paragraph 5.57 of the draft plan states that in the last 3 years the Council delivered 87 affordable homes against a target of 724 for the same period. We would suggest that the Council carefully examine the reasons for the failure of this policy and whether it sets the affordable housing requirement at a level that is preventing development from coming forward. Given that the Council have also identified 2,000 unimplemented planning applications consideration must be given to reducing the requirement for affordable housing contributions.

DHWN 8: Ensuring the right mix of housing

The HBF understands the need for a mix of house types, sizes and tenures and is generally supportive of providing a range and choice of homes to meet the needs of the local area. It is, however, important that any policy is effective and ensures that housing delivery will not be compromised or stalled due to overly prescriptive requirements or the need to provide significant amounts of additional evidence. Paragraph 11 of the NPPF recognises this need for flexibility stating that plans should be "*sufficiently flexible to adapt to rapid change*". Policies identifying a precise mix do not offer that flexibility and as such cannot be considered sound.

It is important to remember that whilst Strategic Housing Market Assessments (SHMA) can provide a broad snapshot in time of what is needed across an LPA or HMA they do not provide a definitive picture as to the demand for different types of homes in specific locations. So, whilst we support Council's in seeking to achieve a broad mix across the plan period this should not be translated directly into policy. It should be left for developers to supply the homes they consider are necessary to meet demand. The development industry understands what types of homes are needed to meet the demands of its customers, if it did not then the homes would not sell.

We would therefore suggest that the policy requires applications for housing development to have regard to the evidence on housing mix but that the final mix is left to agreement between the applicant and developer on a site by site basis. This would establish a flexible approach to housing mix which: recognises that needs and

demand will vary from area to area and site to site; ensures that the scheme is viable; and provides an appropriate mix for the location.

DHWN 9: Self and Custom Build

Whilst the Council have based this policy on the evidence within the self-build register it is important that the Council revisit this evidence to test whether those individuals currently on the list are still interested in a plot on which to build their own home. This has been the case at the EIP for both the Hart and Runnymede Local Plans. In Runnymede for example more stringent registration requirements were applied in line with national policy and saw the register fall from 155 to just 3.

Our concern is that Councils across the country are over-estimating the number of households wanting to build their own homes and that this will leave plots vacant. For this reason, we would consider the most acceptable and policy compliant approach would be for the Council to use their own land or liaise with landowners, as set out in PPG, in order to identify sites that would be suitable to provide self-builders. If the Council still, consider it necessary to require the provision of such plots on residential applications it is important there is a mechanism to ensure that where such plots are not sold, they revert to the developer.

BCI 5: Electric Vehicle Charging Points

The policy is vague as to the level of provision that the Council expects with regard charging points on major developments. Whilst it is important to have flexibility there needs to be sufficient detail to allow applicants and decision makers to understand what a policy compliant scheme is expected to provide.

CSSHC 3: Improving our health and wellbeing

We recognise the importance of ensuring new development supports the wider aims of local authorities and their partners to improve the health and well-being of their residents and workforce. However, the requirement for all applications of 25 dwellings or more to undertake a Health Impact Assessment (HIA) is unnecessary and an additional burden on applicants. The PPG sets out that HIAs *“may be a useful tool to use where there is expected to be significant impacts”* but it also outlines the importance of the local plan in considering the wider health issues in an area and ensuring policies respond to these. We would also suggest that this policy is not consistent with paragraph 154 of the NPPF as it does not give an indication as to how a decision maker should react to the HIA.

We consider that the Local Plan should already have considered the impact of development on the health and well-being of their communities and set out policies to address any concerns. Where a development is in line with policies in the local plan an HIA should not be necessary. Only where there is a departure from the plan should the Council consider requiring an HIA.

We hope these representations are of assistance in taking the plan forward to the next stage of plan preparation and examination. Should you require any further clarification on the issues raised in this representation please contact me.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Mark Behrendt', with a stylized flourish at the end.

Mark Behrendt MRTPI
Planning Manager – Local Plans
Home Builders Federation
Email: mark.behrendt@hbf.co.uk
Tel: 020 7960 1616