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25/02/2019

Dear Sir/ Madam

Response by the House Builders Federation to the Suffolk Coastal Final Draft Local Plan consultation

Thank you for consulting the Home Builders Federation (HBF) on the updating of the Suffolk Coastal Local Plan. 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.

We would like to submit the following representations on the Local Plan and we would welcome, in due course, participating in hearings of the Examination in Public.

Duty to co-operate

It would appear from the Council evidence that the need within the housing market area and in its neighbouring Waveney will be met in full. The joint working to deliver key sites around Ipswich is welcomed and it will be important to maintain this level of co-operation and ensure it is embedded in the plan being prepared by Ipswich Borough Council and the joint plan being developed for Babergh and Mid Suffolk.

Housing needs and delivery

Housing needs

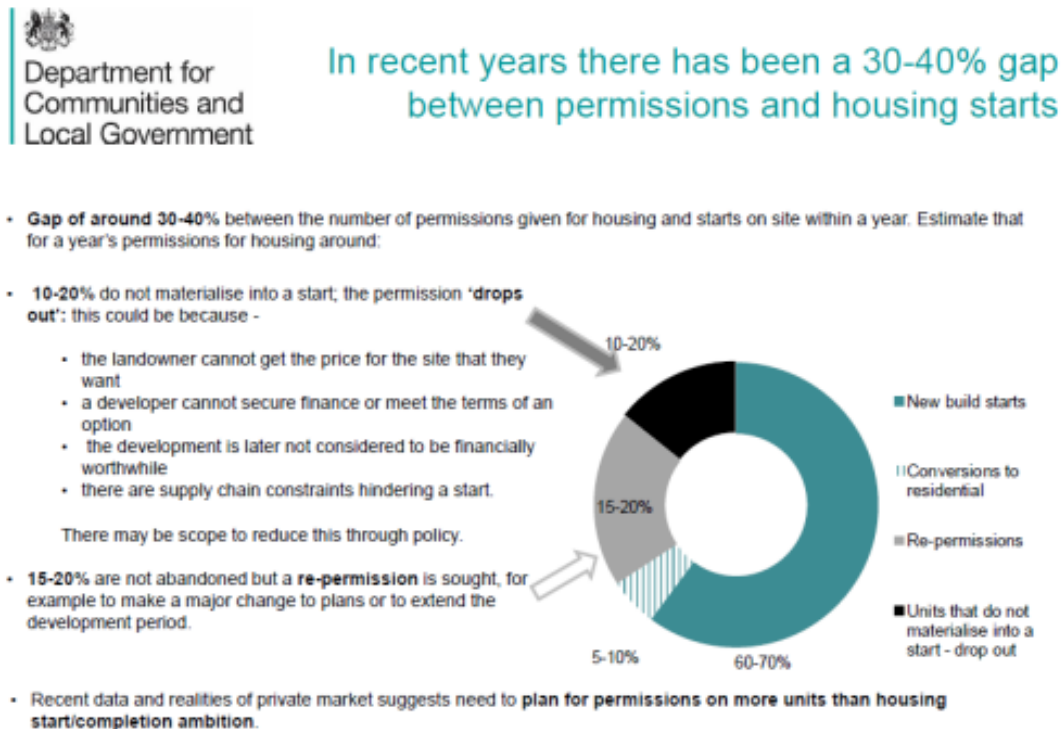
The Council have set a housing requirement in policy SCLP3.1 of 582 dwellings per annum between 2018 and 2036. This has been calculated using the standard methodology. The HBF have welcomed the introduction of the standard method for assessing housing needs which will considerably reduce the time spent at examination debating assessments of housing need. We therefore support the Council's decision to use the standard methodology to calculate the minimum number for which they intend to plan.



Housing supply

Strong delivery expectations in the early part of the plan period mean that the Council can show it has a five-year housing land supply. Whilst, the HBF cannot comment on individual sites within the Council trajectory we do advise that the expectation on sites are thoroughly assessed and reasonable. It is important that Council's are not overly ambitious with delivery on strategic sites recognising the complexity of delivering such schemes. Most recently this concern was identified in Sir Oliver Letwin's independent review of build out, delivery on large housing sites may be held back by numerous constraints including discharge of pre-commencement condition, limited availability of skilled labour and building materials, a lack of capital, constrained logistics of sites, slow delivery of utilities and absorption rates of open market sales.

It is therefore important that the Council provides sufficient contingency within their land supply across the plan period. This is to ensure that there is flexibility to take account of any changing circumstances, as required by paragraph 11 of the NPPF, and the potential for slow delivery. This is especially the case where a Council is relying on a few large-scale sites or a specific area to meet the majority of the area's needs. At present the Council has identified additional supply of 1,244 homes across the whole plan period. Whilst this is welcomed, we would advise that more flexibility is required – we suggest at least 20% applied to the Council's land supply. This level of flexibility has been recognised as an important aspect of plan making and was highlighted by DCLG in a presentation to the HBF Planning Conference in September 2015.



This slide illustrates that work by the Government suggests 10-20% of residential development with permission will not be implemented and that there is a 15-20% lapse rate on permissions. This does not mean to such sites will not come forward but that delays in delivery, changing ownership or financial considerations can lead to sites not coming forward as expected. For this reason, DCLG emphasised in this slide “*the need to plan for permissions on more units than the housing start/completions ambition*”.

The inclusion of more housing in sustainable village locations would help to provide the flexibility required and provide the opportunity for a greater number of small and medium size sites to come forward. In addition, there should be larger allocations in Market Towns, which have existing facilities and infrastructure that can be swiftly reinforced and enhanced.

Small sites

Paragraph 68 of the NPPF requires 10% of an areas housing requirement to be delivered on sites identified in either the development plan or brownfield register that are no larger than 1 hectare. We could not find the necessary evidence showing that the Council will deliver against this important target in the NPPF. The Council must show that it has formally identified sufficient small sites to deliver at least 1,048 homes.

SCLP5.8: Housing Mix

The policy is unsound as it not effective or justified

Housing mix

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 and the nature of the site being developed. We also consider the threshold for consideration of mix at 5 units to be too low and it is not effective for small sites to deliver a mix based on table 5.1 and could compromise the delivery of smaller sites which is contrary to Government's desire to increase the number of such sites coming forward.

Accessible housing

Whilst we recognise that some homes may need to be built to higher accessibility standards, the Government have been clear with PPG that the application of the optional technical standards must be based on the need for such homes and the cumulative impact they have, in combination with other policies, on the viability of development.

Policy SCLP5.8 requires 50% of all homes on sites of 10 or more dwellings to be built to part M4(2) of the Building Regulations. The justification for this policy is that the SHMA identifies that there will be an increase in the number of older people with a limiting long-term illness and the general scale of the increase in older people. However, this justification does not seem to have considered the needs beyond these two statistics or, as required by PPG, the needs within different tenures or how many of those in need of more accessible homes will actually want to move to a new home. In fact, the number of older people moving to a new house is far lower than the general population and as such the need for more accessible new build homes will be considerably less than the growth in the population of older people.

It also fails to consider the fact that all new homes will be built to part M4(1) which will mean they are already considerably more accessible than the existing housing stock and will meet the needs of the vast majority of older people. We would also disagree with the Council assertion in paragraph 5.43 of the Local Plan that it will help meet the needs of families with young children. As outlined above all new homes are built to much higher accessibility standards than is the case for the existing housing stock. These standards are considered appropriate for meeting the needs of virtually all home owners – including those with young children. We would suggest that there is insufficient evidence at present to support this current policy and as such it should either be deleted, or the requirement significantly reduced.

Meeting the needs of older people

Whilst we welcome the support for sheltered and extra care accommodation in this policy, we would suggest that a more effective approach to meeting the needs of older people is the identification and allocation of specific sites that support the delivery of specialist accommodation for older people alongside positive decision making on those applications on windfall sites. We would recommend that the Council sets this out in a separate policy to ensure that there is sufficient choice as required by paragraph 61 of the NPPF.

Policy SCLP5.9: Self Build and Custom Build Housing

The policy is unsound as its not effective or justified

This policy proposes that sites delivering 100 or more homes will be required to deliver at least 5% of the dwellings as self or custom build housing. The HBF is supportive of self / custom build for its potential additional contribution to the overall supply of housing. But the Council's approach is only changing housing delivery from one form of house builder to another without any boost to housing supply. For this policy to provide any boost to housing the Council should identify new sites that it can use to deliver self-build housing rather than place this burden on the house building industry.

A policy requirement for at least 5% self / custom build serviced plots on housing sites of 100+ dwellings should be fully justified and supported by evidence of need. The Council should assess the demand from people wishing to build their own homes from data on its Self-build & Custom Housebuilding Register and other secondary sources (PPG ID 2a-020). The Council should also analyse the preferences of entries to be certain that those wish to build their own homes would want to do this as part of a much larger development. This will give the Council a better understanding of how they should approach their legal duties with regard to those wish to build their own home.

We are also concerned that the level of need outlined on self-build registers is inflated and does not reflect demand locally. The Council have indicated that there are about 400 people on their self-build register at present. However, we have noted that when Councils have revisited their registers in order to confirm whether individuals wish to remain on the register numbers have fallen significantly. 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.

Before introducing this policy, the Council should consider the practicalities of health & safety, working hours, length of build programme, etc. We would suggest that the Council amend its policy to state that this policy will only be applied where it is both feasible or viable due to provide such homes.

Policy SCLP5.10: Affordable housing on residential development

Policy is not sound as it is unjustified and inconsistent with national policy

When considering the proportion of new homes required to be provided as affordable housing on each site it is important to ensure that this policy is based on both the need for such homes and the impact on viability of its policy. The approach taken to assessing the need for affordable housing is set out in SHMA Partial Part 2 update and this document identifies that 21% of the Council's housing needs should be built as affordable homes. In seeking to meet this needs the Council states in paragraph 5.60 that due to paragraph 61 of the NPPF the proportion of homes required on major sites

will need to be higher to offset the fact that small sites will not contribute to affordable housing delivery. Given that needs have been established as a proportion of the housing requirement it will be important to ensure that the proposed adjustment does not over provide affordable housing. It is not established in the Council's evidence base how many homes are likely to be delivered through this policy and we would suggest that the Council consider whether this will go beyond the level of need identified.

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 polices for affordable housing will need to be less aspirational than in the past and recognise the variability of viability across an area and between development scenarios.

With regard to the viability of the Council's affordable housing policy it would seem from the conclusions on page 52 of the Viability Study that in the mid to low value areas some development may struggle to be policy compliant whilst also delivering a reasonable return to both the developer as required by national policy and the level of S106 required to meet other policy costs. The result of the viability testing indicates that on greenfield sites in these value areas delivery can account for CIL of £90 per sqm or £7,000 per unit. However, there is likely to be some S106 costs not covered by CIL and there will need to be sufficient headroom to support these. We would suggest that development is potentially more marginal than is suggested in the viability study and would suggest that some variation is required within the affordable housing policy relating to the value areas.

Policy SCLP7.2 Parking Proposals and Standards

Policy is not consistent with national policy

We do not consider the policy to comply with legislation that prevents the Council from setting policy in supplementary planning documents, which cannot be challenged through an Examination in Public. The Council state in this policy that separate guidance on parking must be complied with and as such could be used to refuse an application for planning permission. This principal was most recently tackled in [William Davis Ltd & Ors v Charnwood Borough Council \[2017\] EWHC 3006 \(Admin\)](#) (23 November 2017) where supplementary planning document strayed into an area that should be considered by a development plan document. This decision quashed an SPD that contained policies that clearly encouraged and imposed development management policies against which a development could be refused. Policy can only be established through the Local Plan and a such this policy should be amended to state that proposals will be expected to consider parking standards set out in supplementary guidance not to meet these standards.

Conclusions

At present we do not consider the plan to be sound, as measured against the tests of soundness set out in paragraph 35 of the NPPF, for the following reasons:

- Insufficient flexibility within the housing land supply;
- No evidence to support the need for 10% of all homes to be provided on sites of no more than 1 ha.
- Insufficient justification of the optional technical standards for accessibility;
- Evidence on self-build register has not been revisited to ensure those on the register are still interested in building their own home;
- Affordable housing evidence indicates the need for a variable approach to affordable housing requirements based on value areas in order to be consistent with national policy; and
- Parking policy must not require adherence to supplementary guidance.

Yours faithfully



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