

Planning Policy Northumberland County Council County Hall Morpeth Northumberland NE61 2EF

> SENT BY EMAIL planningstrategy@northumberland.gov.uk 13/03/19

Dear Sir / Madam,

NORTHUMBERLAND LOCAL PLAN: PUBLICATION DRAFT PLAN (REGULATION 19) CONSULTATION

Thank you for consulting with the Home Builders Federation on the Northumberland Local Plan: Publication Draft Plan Regulation 19 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.

The HBF are supportive of the work being done to prepare a single Plan to cover the whole of Northumberland and are keen to work with the Council to ensure an appropriate plan can be put in place as efficiently as possible.

Strategic Objectives

The HBF are generally supportive of the objective 'to extend housing choice across Northumberland by delivering homes for existing and future communities and to support the Northumberland economy'.

Policy HOU 2: Provision of new Residential Development

The HBF does not consider that Policy HOU 2 is sound, as it is not positively prepared or justified for the following reasons:

This policy states that the net additional dwellings requirement for Northumberland over the period 2016-2036 is for at least 17,700 dwellings equivalent to 885 dwellings per annum. This is in line with the 'ambitious jobs-led scenario' as set out in the Council's Housing and Economic Growth Options Findings Report (PBA, 2018).

Home Builders Federation HBF House, 27 Broadwall, London, SE1 9PL T: 0207 960 1600 E: info@hbf.co.uk The Voice of the home building industry www.hbf.co.uk follow us on twitter @homebuildersfed However, it is a significant decrease from the housing requirement in the previous plan documents of 1,216 dwellings each year, which leads to queries as to why the sudden change in housing requirement. The HBF have concerns that this change in housing requirement mean that the housing figure does not reflect the level of housing that is currently being delivered within the area¹, and instead of boosting supply it could reduce future delivery of homes. The HBF also have concerns that the assumptions used to create the 'ambitious jobs-led scenario' are not always appropriate for example those in relation to the share of jobs expected, the commuting ratios and the economic activity rates.

The MHCLG methodology identifies an indicative housing figure of 707 dwellings each year as the minimum starting point for Northumberland. The HBF are supportive of Northumberland's decision to utilise a figure over and above this level to support sustainable development, to boost housing supply and to support economic growth aspirations for the area. It is noted that the Government has updated national planning policy and guidance in relation to revising the standard method for assessing housing need to be consistent with increasing housing supply. The Government proposes that the 2014-based data will provide the demographic baseline, with the intention to ensuring the 300,000 homes are built each year.

The HBF would expect the provision of new residential development of sites to be in line with the spatial strategy as set out in Policy HOU 2, we would also expect the spatial distribution of sites to follow a logical hierarchy, provide an appropriate development pattern and support sustainable development within all market areas.

The policy also seeks to make the best and most efficient use of land encouraging higher densities in the most accessible locations and prioritising the redevelopment of suitable previously-developed 'brownfield' sites wherever possible and viable to do so. The HBF would recommend that the Council look to retain the flexibility provided in relation to density within this policy, as this can allow developers to take account of local site characteristics, market aspirations and viability. However, it is not clear how brownfield sites would be prioritised and as such, this raises concerns for the HBF. Whilst the HBF consider that the re-use of previously developed land is generally a positive way to contribute to sustainability, it should not limit the development of other sustainable sites. The HBF also considers that it is important that the prioritisation of previously developed land does not compromise the delivery of housing to meet local needs or the delivery of other sustainable greenfield sites. It is therefore recommended that the policy text be amended to 'support for the redevelopment of suitable previously developed 'brownfield' sites wherever possible and viable to do so'.

The HBF considers that the policy should be modified as follows in order to make the document sound:

- Further consideration should be given to the housing requirement.
- Part 1c is amended to '<u>support for prioritising</u> the redevelopment of suitable previously developed 'brownfield' sites wherever possible and viable to do so'.

 $^{^1}$ Net additional dwellings in Northumberland: 2014/15 - 1,447, 2015/16 - 991, 2016/17 - 1,531 and 2017/18 - 1,376

Policy HOU 4: Housing development site allocations

The HBF does not consider that Policy HOU 4 is sound, as it is not positively prepared, effective or consistent with national policy for the following reasons:

The HBF does not wish to comment upon the acceptability or otherwise of individual sites. It is, however, important that all the sites contained within the plan are deliverable over the plan period and provide a range of development opportunities. The HBF do have some concerns about the limited sizes of the sites provided and whether they will provide an appropriate range of opportunities for development. The HBF would be looking for allocations that could maximise delivery from the whole industry and this means small, medium and large allocations should be incorporated into the Local Plan.

The Council's assumptions on sites in relation to delivery and capacity should be realistic based on evidence supported by the parties responsible for housing delivery and sense checked by the Council based on local knowledge and historical empirical data.

It is important that the plan should seek not only to provide sufficient development opportunities to meet the housing requirement but also to provide a buffer over and above this requirement. The reasons for the inclusion of such a buffer are two-fold. Firstly, the NPPF is clear that plans should be positively prepared, aspirational and significantly boost housing supply. In this regard the housing requirements set within the plan should be viewed as a minimum requirement, this interpretation is consistent with numerous inspectors' decisions following local plan examination. Therefore, if the plan is to achieve its housing requirement as a minimum, it stands to reason that additional sites are required to enable the plan requirements to be surpassed. Secondly, to provide flexibility. A buffer of sites will therefore provide greater opportunities for the plan to deliver its housing requirement. The HBF recommend a 20% buffer of sites be included within the plan.

Part 2c of the policy looks for housing development on the allocated sites to reflect the identified housing needs and market consideration as identified in the most recent SHMA. The HBF consider that the Council need to be aware that a SHMA will only ever identify current deficits and reflects a snap-shot in time. The HBF would like to ensure flexibility within this policy as it goes forward to acknowledge that the housing need and market can vary both geographically and over the plan period. It is also considered that the reference to affordable housing is unnecessary given that this is covered by policy HOU6.

The HBF considers that the policy should be modified as follows in order to make the document sound:

- A 20% buffer of sites be included within the plan.
- 'Reflect <u>Give consideration to</u> the identified housing needs and market considerations as identified in the most up-to-date Strategic Housing Market Assessment or local housing needs assessment, including the requirement to provide integrated affordable housing'.

Policy HOU 5: Housing types and mix

The HBF does not consider that Policy HOU 5 is sound, as it is not justified or effective for the following reasons:

This policy suggests that development proposals will be assessed according to how well they meet the needs and aspirations of those living in and seeking to move to Northumberland, as identified in the most recent Strategic Housing Market Assessment. As with the previous comment the Council need to be aware that a SHMA will only ever identify current deficits and reflects a snap-shot in time. The HBF would like to ensure flexibility within this policy as it goes forward to acknowledge that the housing need and aspirations can vary both geographically and over the plan period.

The HBF considers that the policy should be modified as follows in order to make the document sound:

 'Development proposals will be assessed according to how well they meet the needs and aspirations of those living in and seeking to move to Northumberland, as identified in the most up-to-date Strategic Housing Market Assessment, or local housing needs assessment or other evidence'.

Policy HOU 6: Affordable housing provision

The HBF does not consider that Policy HOU 6 is sound, as it is not justified or consistent with national policy for the following reasons:

This policy states that to deliver affordable homes to meet the needs of those not met by the market, all major development proposals of 10 or more units or 0.5ha or more (5 units or more in the AONB) will be expected to provide affordable housing: 10% in low value areas; 15% in medium value areas; 25% in high value; and 30% in the highest value.

The Council will be aware that Planning Practice Guidance (PPG) (ID: 23b-031) states that *'in designated rural areas, local planning authorities may choose to apply a lower threshold of 5-units or less. No affordable housing or tariff-style contributions should then be sought from these developments. In addition, in a rural area where the lower 5-unit or less threshold is applied, affordable housing and tariff style contributions should be sought from developments of between 6 and 10-units in the form of cash payments which are commuted until after completion of units within the development. This applies to rural areas described under section 157(1) of the Housing Act 1985, which includes National Parks and Areas of Outstanding Natural Beauty'. This is in line with the Written Ministerial Statement (WMS) (Nov 2014), which also stated that for 5 units or less affordable housing contributions should not be sought and that for 6 to 10 units contributions should be sought as cash payments to be commuted until after completion of units.*

In general, the HBF supports the need to address the affordable housing requirements of the borough. The 2018 SHMA suggests that there is a shortfall of 151 affordable dwellings each year, which the Council identify as equivalent to 17% of the overall annual housing requirement, it is not evident why the figure of 20% has been chosen. The 2015 SHMA had suggested a net imbalance of 191 each year, and assuming that the 1,050 affordable dwellings forecast to be delivered are built, it had suggested an affordable housing target of 15%. The 2018 SHMA does not

appear to have suggested an affordable housing target, suggesting that the current target is not justified.

The Local Plan and CIL Viability Assessment 2018 shows that there are viability constraints. Within the typologies that would require affordable homes, none appear to show that they are viable in low value areas even with a 5% affordable housing target, whilst in typology 4 development in the medium value area isn't viable at 5% either. It is therefore questionable whether a 20% requirement is justified. This situation will also be exacerbated by other policy requirements across the Local Plan. Paragraph 34 of the NPPF (2018) established the importance of viability to ensure that development identified in the Plan should not be subject to such scale of obligations and policy burden that their ability to be delivered might be threatened. The Council will need to confirm that this policy is viable, through its evidence.

The HBF considers that the policy should be modified as follows in order to make the document sound:

• Further consideration is given to the viability of the affordable housing requirements.

Policy HOU 10: Second and Holiday Homes

The HBF does not consider that Policy HOU 10 is sound, as it is not positively prepared or justified for the following reasons:

This policy seeks to introduce a restriction on occupancy to ensure that the new dwellings created remain as a principal residence. The HBF seek assurances from the Council that this requirement will not be an impediment to the effective delivery of homes. The HBF have concerns in relation to these restrictions and the potential implications they could have on the delivery of homes, including the potential to deliver infrastructure and other policy requirements set out in the plan and the impacts on future financing and rights of occupants.

The HBF considers that the policy should be modified as follows in order to make the document sound:

• The HBF consider that this policy should be deleted.

Policy ICT 2: New developments & Infrastructure alignment

The HBF does not consider that Policy ICT 2 is sound, as it is not positively prepared, justified, effective or consistent with national policy for the following reasons:

These policies look for all new dwellings and business premises to be provided with the infrastructure necessary to allow the development to be served by high quality communications infrastructure, providing access to services from a range of suppliers.

Government has made clear its intentions in a number of documents such as set out in Fixing the Foundations, the Housing Standards Review, planning practice guidance and the Written Ministerial Statement of 2015 that they are looking to reduce red tape associated with planning. The Written Ministerial Statement is clear that local planning authorities should not set in their emerging Local plan any additional local technical standards or requirements relating the construction, internal layout or performance of new dwellings, as these issues will be dealt with more appropriately by Building Regulations. Part R of the Building Regulations clearly sets the appropriate standards for high speed electronic communication networks. It is not considered appropriate for Northumberland to seek additional local technical standards over and above this requirement.

The HBF generally consider that digital infrastructure is an important part of integrated development within an area. However, the inclusion of digital infrastructure such as high-speed broadband and fibre is not within the direct control of the development industry, and as such it is considered that this policy could create deliverability issues for development and developers. Service providers are the only ones who can confirm access to infrastructure. Whilst, paragraph 112 of the NPPF establishes that local planning authorities should seek support the expansion of electronic communications networks it does not seek to prevent development that does not have access to such networks. The house building industry is fully aware of the benefits of having their homes connected to super-fast broadband and what their customers will demand. The HBF consider that in seeking to provide broadband and fibre to homes the Council should work proactively with telecommunications providers to extend provision and not rely on the development industry to provide for such infrastructure.

The HBF considers that the policy should be modified as follows in order to make the document sound:

- 'Support will be given to developments which include full fibre broadband connections<u>i</u>. All new dwellings and business premises should be provided with the infrastructure necessary to allow the development to be served by high quality communications infrastructure, providing access to services from a range of suppliers.
- 2. *Priority will be given to full fibre broadband connections* as these connections will, in almost all cases, provide the optimum solution.
- 3. Developers will be required to demonstrate that they have investigated means by which broadband and telecommunications infrastructure can be provided during the design of infrastructure projects'.

Monitoring

The HBF recommends that appropriate targets are introduced and that specific monitoring triggers are used, with actions identified along with appropriate timescales. This will help to ensure that action will be taken when a target is not met, and a policy needs reviewing. It would be beneficial if the monitoring and evaluation implementation framework was included within the local plan.

Future Engagement

I trust that the Council will find these comments useful as it continues to progress its Local Plan. I would be happy to discuss these issues in greater detail or assist in facilitating discussions with the wider house building industry.

The HBF would like to be kept informed of the progress of the Local Plan and associated documents. Please use the contact details provided below for future correspondence.

Yours sincerely,

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Joanne Harding Local Plans Manager – North Email: joanne.harding@hbf.co.uk Phone: 07972 774 229