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Dear Sir / Madam

CANNOCK CHASE NEW 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 set out in the Council's consultation document.

The wider context

Question 3. What do you think should be the key areas of focus for the preparation of Statements of Common Ground (SoCG) and who should be involved in these?

As set out in the 2019 National Planning Policy Framework (NPPF) the new Local Plan should be positively prepared and provide a strategy which as a minimum seeks to meet its own Local Housing Needs (LHN) in full and is informed by agreements with other authorities so that unmet need from neighbouring areas is accommodated (para 35a). The meeting of unmet needs should be set out in a SoCG signed by all respective authorities (see HBF answer to Question 4) in accordance with the 2019 NPPF (paras 24, 26 & 27). The new Local Plan 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 authorities should be the meeting of housing needs in full. A key element of Local Plan Examination is ensuring that there is certainty through formal agreements that an effective strategy is in place to deal with strategic matters such as unmet housing needs when Local Plans are adopted.



Question 4. We think that the appropriate geography for housing issues is the area covered by the Greater Birmingham and Black Country Housing Market Area (GB&BC HMA). Do you agree?

The GB&BC HMA is an appropriate geographical area for housing.

Design Policy Options

Question 8. Is there any local evidence to support the need for the Council to adopt minimum internal space standards for new dwellings (the Nationally Described Space Standard (NDSS))?

The adoption of the NDSS should be in accordance with national policy (2019 NPPF para 127f & Footnote 46), the Written Ministerial Statement (WMS) dated 25th March 2015 and the National Planning Practice Guidance (NPPG). The WMS 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”*. National policy states that *“policies may also make use of the NDSS where the need for an internal space standard can be justified”*. As set out in the 2019 NPPF policies should be underpinned by relevant and up to date evidence which should be adequate, proportionate and focussed tightly on supporting and justifying the policies concerned. It is incumbent on the Council to provide a local assessment evidencing the specific case for Cannock Chase which justifies the adoption of the NDSS which should only be introduced on a “need to have” rather than a “nice to have” basis. Need is generally defined as *“requiring something because it is essential or very important rather than just desirable”*. The NPPG sets out that *“Where a need for internal space standards is identified, Local Planning Authorities (LPA) should provide justification for requiring internal space policies. LPA should take account of the following areas need, viability and timing”* (ID: 56-020). The Council should consider the impacts on need, viability and timing before adopting the NDSS.

The identification of the need for the NDSS must be more than simply stating that in the past some dwellings have not met the standard. The Council should identify the harm caused or may be caused in the future and identify if there is a systemic problem to resolve. The HBF is not aware of any evidence that market dwellings not meeting the NDSS have not sold or that those living in these dwellings consider that their housing needs are not met. There is no evidence that the size of houses built are considered inappropriate by purchasers or dwellings that do not meet the NDSS are selling less well in comparison with other dwellings. The HBF in partnership with National House Building Council (NHBC) undertake an annual independently verified National New Homes Customer Satisfaction Survey. The 2018 Survey demonstrates that 90% of new home buyers would purchase a new build home again and 87% would recommend their housebuilder to a friend. The results also conclude that 93% of respondents were happy with the internal design of their new home

which does not suggest that significant numbers of new home buyers are looking for different layouts or house sizes to that currently built.

It is also the Council's responsibility to robustly viability test the new Local Plan in order that the cumulative burden of policy requirements is set so that most development is deliverable without further viability assessment negotiations and the deliverability of the Local Plan is not undermined. The Council should robustly test the impacts of adopting the NDSS on the viability of development. There is a direct relationship between unit size, cost per square metre, selling price per metre and affordability.

Where the NDSS is to be adopted the impact on affordability should be assessed including the potential impact on meeting first time buyer demand for starter homes often the NDSS most significantly impacts on smaller 1, 2 and 3 bedroomed dwellings. It should be recognised that customers have different budgets and aspirations. An inflexible policy requirement for adoption of the NDSS may impact on affordability and reduce housing choice. The Council cannot simply expect home buyers to absorb extra costs. The latest Office of National Statistics (ONS) data shows that affordability in the District has worsened. In the last 20 years the median affordability ratio has more than doubled. In Cannock Chase in 1997 the median affordability ratio was 3.08 increasing to 6.31 in 2018. Non NDSS compliant dwellings are required to ensure that those on lower incomes can afford a property which has their required number of bedrooms. The adoption of the NDSS could lead to people purchasing larger homes in floorspace but with fewer bedrooms potentially increasing overcrowding and reducing the quality of their living environment. There may also be a negative effect on site delivery rates which are predicated on market affordability at relevant price points of dwellings and maximising absorption rates. Any adverse impact on the affordability of starter home / first time buyer products may translate into reduced or slower delivery rates which should be reflected in the Council's housing trajectory.

The NDSS also reduces the number of dwellings per site therefore the amount of land needed to achieve the same number of dwellings must be increased. The efficient use of land is less because development densities have been decreased. The delivery of affordable housing may also be threatened because infrastructure and other regulatory burdens fall on fewer dwellings per site which challenges viability. It is possible that additional families who can no longer afford to buy a NDSS compliant home are pushed into affordable housing need at the same time as the Council undermines delivery of affordable housing.

If the NDSS are adopted then the Council should put forward appropriate proposals for transitional arrangements.

Question 9. Are there other standards we should be including, and if so what evidence can you provide which would provide the local justification for this?

There are no other standards considered necessary for inclusion in the new Local Plan.

Overall Housing Growth Policy Options

Question 15. Which option do you support and why?

Currently the Council has calculated the LHN figure for Cannock Chase as 284 dwellings per annum. It is agreed that this figure should be kept under review until the date of submission for examination. This LHN figure 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 LHN. The Government's objective of significantly boosting the supply of homes remains (para 59). It is important that housing need is not under-estimated. It is noted that the LHN figure is only +9 dwellings per annum above the average delivery rate of 275 dwellings per annum. The Council is encouraged to have an ambitious plan for housing growth.

The new Local Plan's housing requirement figure should comprise the LHN figure for Cannock Chase plus an additional unmet housing need figure for the GB&BC HMA. In this context the Council should consider as a minimum the capacity of 500 dwellings (Option B) up to the maximum of 2,500 dwellings (Option D) as identified in the proportionate dispersal option of the Strategic Growth Study for the period 2018 - 2036. The housing requirement figure should be set out in an agreed and signed SoCG (see HBF answer to Question 3).

Strategy for Meeting Overall Housing Growth Policy Options

Question 17. Which combination of options do you support and why?

The HBF's preference is Option C3 which combines Option A for the Urban Areas (using existing identified sites and exploring opportunities for further urban housing sites) and Option B for the former Rugeley Power Station with consideration of Green Belt urban extensions distributed across the District.

The widest possible range of housing sites by both size and market locations should be sought to provide suitable land for small local, medium regional and large national housebuilding companies. A diversified portfolio of housing sites offers the widest possible range of products to households to access different types of dwellings to meet their housing needs. Housing delivery is maximised where a wide mix of sites provides choice for consumers, allows places to grow in sustainable ways and creates opportunities to diversify the construction sector.

Question 18. Are the current settlement boundaries for the District's villages appropriate? If not, how should they be amended and why?

The current settlement boundaries of the District's villages should be reviewed under Option C3 (see HBF answer to Question 17).

Affordable Housing Percentage Requirements Policy Options

Question 19. Which option, or combination of options do you support and why? Should any further options be considered?

The Affordable Housing Policy should be updated to reflect the 2019 NPPF (paras 62 – 64) and the definition of affordable housing set out in the Annex 2 - Glossary.

Question 21. Are there any other options for securing affordable housing supply that we should be considering?

The Council should also consider rural exception and / or entry level exception sites.

Question 21. Should the Council consider a lower threshold of 5 dwellings for seeking affordable housing contributions from schemes within the AONB, taking into account the local context?

If the Council considers that the lower threshold of 5 dwellings within the AONB in Cannock Chase is appropriate then the lower threshold should be applied in accordance with the WMS dated 28th November 2014. The lower threshold should also be robustly viability tested.

Question 22. Should affordable housing requirements for schemes be set higher than the needs identified in the Housing Needs Assessment to off set no contributions from schemes under 10 dwellings?

Affordable housing provision should not be set higher than identified needs to offset no contributions from residential developments of less than 10 dwellings.

Question 23. Is there a minimum level of feasible on site affordable housing provision that the Council should take into account as part of its evidence base work e.g. currently assumed to be 3 affordable dwellings on site?

The Council should consult with Registered Social Landlords (RSLs) active in the Cannock Chase plan area to establish the feasibility of a minimum level of on-site affordable housing provision.

Question 24. Previous consultation responses suggest that affordable housing should not be retained 'in perpetuity'. In what other ways could the Council secure the affordable housing supply within the District if an 'in perpetuity' requirement is not included within policy i.e. so that any recycled funding from the sale of affordable housing is spent on replacement/new affordable housing supply within the District?

Affordable housing should be provided as set out in the 2019 NPPF (paras 62 – 64) and the definition in the Annex 2 – Glossary. On residential developments of 10 or more dwellings at least 10% of dwellings should be available as affordable home ownership (para 64) which are not necessarily an “in perpetuity” affordable housing tenure. An updated affordable housing policy must comply with national policy.

Housing Mix Policy Options

Question 25. Which option, or combination of options do you support and why? Should any further options be considered?

The HBF’s preference is Option A which continues with the current policy approach of encouraging an appropriate mix of housing sizes, types and tenures for different groups in the community on a District wide basis as informed by an up to date Housing Needs Assessment combined with Option D of allocating specific sites for different housing needs such as 100% affordable housing sites, sites for care homes, self build sites, etc.

All households should have access to different types of dwellings to meet their housing needs. Market signals are important in determining the size and type of homes needed. When planning for an acceptable mix of dwellings types to meet people’s housing needs the Council should focus on ensuring that there are appropriate sites allocated to meet the needs of specifically identified groups of households without seeking overly prescriptive housing mixes on individual sites. The new Local Plan should ensure that suitable sites are available for a wide range of different types of development across a wide choice of appropriate locations.

Question 26. Do you have any comments on the Housing Needs Assessment for the District?

The Council’s Housing Needs Assessment is useful but it is inadequate as an evidence source to justify the adoption of any higher optional housing standards. If the Council wishes to adopt such standards then further supporting evidence as set out in the NPPG should be collated.

Question 27. Should there be different approaches to the affordable housing tenure mix/bedroom mix and the market housing bedroom size mix i.e. affordable housing tenure percentage requirements specified in policy only? Should this be strategic or non-strategic policy?

Any specified affordable housing tenure mix should accord with the 2019 NPPF. Any housing mix requirements for market and / or affordable housing should not be overly prescriptive or unduly inflexible. The HBF preference is Option B (see HBF answer to Question 25). The level of specified detail in the policy should determine if this is a strategic or non-strategic policy (see HBF answer to Question 66).

Question 28. Should there be a separate policy for meeting the needs of an ageing population?

The Council should consider a separate policy for meeting the needs of an ageing population as set out in the recently published NPPG (ID63-001 to 019) dated 26th June 2019.

Question 29. Are there any sites that should be considered for specific housing needs allocations? Are there any site specific criteria that should be considered in allocating sites for meeting specific housing needs?

The Council should consider specific housing need allocations. There are site specific criteria which should be considered, for example, the proximity of sites for specialist housing for older people to public transport, local amenities, health services and town centres.

Economy and Skills Policy Options

Question 40. If the policy was to set out specific requirements from new developments should these be required from all developments, or only those above a certain threshold e.g. major developments only (10 dwellings or 1,000m² floorspace)?

The HBF's preference is Option A which does not set out specific requirements for new developments.

Sustainable Transport Policy Options

Question 42. Which combination of options do you prefer and why?

If the use of electric and hybrid vehicles is to be encouraged, the HBF support a national standardised approach which should be implemented through the Building Regulations.

Any Option for the inclusion of a policy requirement for electric vehicle charging should be clearly written and unambiguous (2019 NPPF para 16) specifying the quantum and type of provision sought either AC Level 1 (a slow or trickle plug connected to a standard outlet) or AC Level 2 (delivering more power to charge the vehicle faster in only a few hours) Electric Vehicle Charging Point (EVCP) or other alternatives. The requirement should be supported by evidence demonstrating technical feasibility and financial viability. There may be practical difficulties associated with provision to apartment developments or housing developments with communal shared parking rather than houses with individual on plot parking. Any requirement should be fully justified by the Council including confirmation of engagement with the main energy suppliers to determine network capacity to accommodate any adverse impacts if all or a proportion of dwellings have EVCPs. 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.

Greener Future Policy Options

Question 55. Does the updated NPPF and other recent Government policy (e.g. Clean Growth Strategy 2017) allow the Council to set higher energy efficiency standard requirements, where justified by local evidence?

The HBF acknowledges that the Government has not enacted its proposed amendments to the Planning & Energy Act 2008 to prevent the Council from stipulating energy performance standards that exceed the Building Regulations but consider that the Council should comply with the spirit of the Government's intention of setting standards for energy efficiency through the Building Regulations and to maintain this for the time being at the level of Part L 2013 (as set out in *Fixing the Foundations*, HM Treasury, July 2015).

Under the 2019 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 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 consequentially newly built homes are far more energy efficient than the existing housing stock.

The HBF support the movement towards greater energy efficiency via a nationally consistent set of standards and a timetable for achieving any enhancements which is universally understood and technically implementable. It is the HBF's opinion that the Council should not be setting different targets or policies outside of Building Regulations. The key to success is standardisation and avoidance of every LPA in the country specifying its own approach to energy efficiency which would mitigate against economies of scale for both product manufacturers, suppliers and developers.

Question 56. Apart from a viability assessment of the costs of such measures, what local evidence would be needed to justify the need for higher sustainable constructions standards over and above building regulation requirements?

Higher sustainable construction standards over and above Building Regulations should not be sought. The HBF's preference is Option B to continue with the current policy approach of encouraging sustainable construction standards.

Question 57. If specific standards are considered appropriate, should these be required on a certain threshold of site e.g. large sites only?

The HBF consider that specific standards are inappropriate (see HBF answers to Questions 55 & 56).

Development Contributions and Infrastructure

Question 59. Is there a need for continued overarching policy which sets out Council overall approach to developer contributions i.e. continuation or Policy CP2 (with updates to reflect changed national and local context)? If so, what updates should be made to the policy?

The new Local Plan should set out the contributions expected from development including the level and types of affordable housing provision required and other infrastructure for education, health, transport, flood & water management, open space, digital communication, etc. As set out in the 2019 NPPF such policy requirements should not undermine the deliverability of the Local Plan (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 infrastructure and other contributions together with policy requirements should be set so that most sites are deliverable without further viability assessment negotiations (para 57). It is important that the Council understands and tests the influence of all inputs on viability as this determines if land is released for development. An updated viability assessment should be undertaken. The Council should continue to have an updated version of Policy CP2.

Question 61. Are there any developments which should be exempt from developer contributions (e.g. currently housing for the elderly is exempt from CIL)?

The Council should undertake an updated whole plan viability assessment. If any unviable sites and / or typologies are identified then these should be considered for exemption from developer contributions.

Neighbourhood Planning

Question 65. Do you agree with the Council's suggested approach to reflecting the importance of neighbourhood planning throughout the Local Plan policies, rather than retaining a separate and generic neighbourhood planning policy as at present?

The importance of neighbourhood planning should be reflected in the new Local Plan however Neighbourhood Plans must be in general conformity with the Council's strategic policies (2019 NPPF para 29 & Footnote 16). These strategic policies should be identified in the new Local Plan (see HBF answer to Question 66).

Approach to strategic and non-strategic policies and site allocations

Question 66. Do you have any comments on the approach of separating the updated Local Plan policies into clear strategic and non-strategic elements, where necessary?

As set out in the 2019 NPPF the new Local Plan should make explicit which policies are strategic with a clear distinction between strategic and non-strategic policies (para 21 & Footnote 13). The strategic policies of the new Local Plan should address the Council's 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). The strategic policies should not include detailed matters (para 21) which should be set out in non-strategic policies (para 28).

Question 67. Do you have any comments on the approach to considering the allocation of strategic sites and non-strategic sites in the Local Plan?

The allocation of strategic and non-strategic sites in the new Local Plan should bring forward sufficient land at a sufficient rate to address housing requirement in full over the plan period. The delegation to Neighbourhood Plans of the allocation of any non-strategic sites should not undermine the sufficiency of the Council's overall Housing Land Supply (HLS).

Question 68. Do you have any comments on the site threshold for strategic and non-strategic site allocations within the Local Plan?

Whatever site threshold is used by the Council to determine strategic and non-strategic sites 10% of the HLS should be provided on small sites.

Question 69. Should sites with planning permissions and/or those that are already under construction be considered for allocation in the Local Plan?

Sites with planning permission, under construction and completed (since 2018) should be accounted for in the overall HLS of the new Local Plan. It is not necessary to allocate completed sites or sites under construction but these sites should be incorporated within settlement boundaries where these are reviewed (see HBF answer to Question 18). Sites with planning permission but not yet started should be considered for allocation.

Safeguarding future land for development and 'reserve' sites

Question 70. Should the Council consider identifying additional safeguarded land or reserve sites through the new Local Plan taking into account national policy and the local context? Are there any alternative approaches that the Council could take?

The Council should consider identifying additional safeguarded land and / or reserve sites in the new Local Plan. The new Local Plan should set out the

circumstances for the release of such sites including triggers for under performance against planned housing delivery set out in the housing trajectory and 5 YHLS.

Question 71. If safeguarded land or reserve sites are necessary, how much capacity should be identified and should this be distributed in accordance with the overall preferred strategies for housing/employment development?

There is no numerical formula to determine the appropriate quantum of safeguarded land and / or reserve sites but where the HLS is highly dependent upon one or relatively few large strategic sites and / or specific settlements / localities then greater numerical flexibility is necessary than if the HLS is more diversified.

Draft methodology for site selection

Question 72. Do you have any comments on our proposed site selection methodology?

The HBF do not comment on the merits or otherwise of individual sites selected for allocation. When selecting housing sites for allocation the Council should select the widest possible range of sites by both size and market locations to provide suitable land for small local, medium regional and large national housebuilding companies. A diversified portfolio of housing sites offers the widest possible range of products to households to access different types of dwellings to meet their housing needs. Housing delivery is maximised where a wide mix of sites provides choice for consumers, allows places to grow in sustainable ways and creates opportunities to diversify the construction sector. The Council should also provide maximum flexibility within its overall HLS to respond to changing circumstances, to treat the housing requirement as a minimum rather than a maximum and to provide choice and competition in the land market.

Conclusion

It is hoped that these responses will assist the Council in informing the next stages of the Cannock Chase new Local Plan. If any further information or assistance is required please contact the undersigned.

Yours faithfully
for and on behalf of **HBF**



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