

Planning Policy Swindon Borough Council Wat Tyler House Beckhampton Street Swindon SN1 2JG

<u>SENT BY E-MAIL ONLY TO</u> forwardplanning@swindon.gov.uk

23 September 2019

Dear Sir / Madam

SWINDON LOCAL PLAN REVIEW (LPR) – EMERGING STRATEGIES CONSULTATION

Introduction

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 the above mentioned consultation.

Local Housing Needs (LHN)

As set out in the 2019 NPPF the determination of the minimum number of homes needed should be informed by an LHN assessment using the Government's standard methodology unless exceptional circumstances justify an alternative approach (para 60). The standard methodology is set out in the updated National Planning Practice Guidance (NPPG). The LHN for Swindon is calculated as 18,720 dwellings (1,040 dwellings per annum) between 2018 – 2036. This calculation is based on 2014 Sub National Household Projections (SNHP) and 2018 affordability ratio of 7.62. As set out in the NPPG the LHN figure is calculated at the start of the plan-making process however this number should be kept under review and revised when appropriate (ID 2a-008-20190220). The LHN figure may change as inputs are variable and this should be taken into consideration.

It should be remembered that this 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 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.

The HBF agree that there should be a balance between jobs and homes. The Council has modelled LHN and employment growth projections used in its Employment Land Review 2017 (ELR) in order to align sufficient resident workers with jobs growth (on the basis of no change in the commuting rates identified by the 2011 Census). This modelling identifies that 1,080 dwellings per annum are needed.

It is also noted that the adopted Local Plan's housing requirement is 1,100 dwellings per annum and over the last twenty years average net additional dwellings built per annum was 1,071 dwellings. There is justification for a housing requirement above LHN to support economic growth however the Council's proposed housing requirement of 1,080 dwellings per annum only maintains the status quo rather than boosting housing supply.

Housing Land Supply (HLS)

Under the 2019 NPPF there should be provision for a sufficient supply of deliverable and developable land to meet the housing requirement of Swindon, to maintain a 5 Years Housing Land Supply (YHLS) and to achieve Housing Delivery Test (HDT) performance measurements.

For the Council to maximise the likelihood of maintaining a 5 YHLS additional flexibility should be built-in to the HLS as not all existing commitments (sites with planning permission and site allocations) will be built by 2036. The Council is proposing a HLS of at least 19,650 dwellings (1,090 dwellings per annum) for the period 2018-2036. This represents only 10 dwellings per annum above an alignment of housing and economic growth or 50 dwellings per annum above LHN.

This is a minimal contingency, the sufficiency of which should be fully justified by the Council. There is no numerical formula to determine the appropriate quantum for a contingency for flexibility but where a Local Plan is highly dependent upon one or relatively few large strategic sites or a specific settlement / locality as in Swindon then greater numerical flexibility is necessary than in cases where HLS is more diversified. The HBF always suggests as large a contingency as possible (at least 20%) to maximise flexibility.

It is noted that a HLS of 17,740 dwellings exists from planning permissions and site allocations under the adopted Swindon Local Plan and Neighbourhood Plans. These 17,740 dwellings represent approximately 90% of the proposed HLS to 2036 and the New Communities allocated in the adopted Local Plan account for more than 65% of the planned homes.

As set out in the 2019 NPPF (para 68a) at least 10% of the housing requirement (in the case of Swindon 1,944 dwellings) should be identified on sites no larger than one hectare or else demonstrate strong reasons for not achieving this target (para 69a). The Council should confirm that this national policy requirement has been achieved. The widest possible range of sites by both size and market locations should be chosen 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, creates opportunities to diversify the construction sector, responds to changing circumstances, treats the housing requirement as a minimum rather than a maximum and provides choice and competition in the land market.

National policy permits an allowance for windfall sites if there is compelling evidence that such sites have consistently become available and will continue to be a reliable source of supply. The SHELAA 2019 shows an average of 57 dwellings per annum have been built in the Borough on sites of 4 or less dwellings. The inclusion of a small site windfall allowance from 2021/22 onwards could potentially deliver 855 dwellings by 2036.

Housing Sites

After taking account of existing commitments and a small site windfall allowance, the residual HLS is approximately 1,000 dwellings. The HBF would not wish to comment on the merits or otherwise of individual sites proposed for allocation but it is critical that the Council's assumptions on lapse rates, non-implementation allowances, lead in times and delivery rates contained within its overall HLS, 5 YHLS and housing trajectory are correct and realistic. These assumptions should be supported by parties responsible for delivery of housing and sense checked by the Council using historical empirical data and local knowledge.

Housing Distribution Options

The LPR should set out a spatial strategy, which accommodates the level of housing growth needed for Swindon and where that growth should be located. The Council has identified four housing distribution options:-

- Option H1 strategic scale site expansion at St Andrews / Blunsdon;
- Option H2 graduated dispersal;
- Option H3 Broad Blunsdon focus; and
- Option H4 Wroughton focus.

As set out in the Interim Sustainability Appraisal no one option performs best across all sustainability topics and no option is unsustainable. The best performing option is Option H2 which performs well on housing and transport topics as well as landscapes. Option H2 also provides the greatest variety of housing development so long-term strategic residential site allocations are complimented by short-term non-strategic residential sites. A dispersed distribution of growth should address any concerns about market capacity and deliverability. A dispersed distribution of growth is also more likely to deliver provision of the widest possible range of sites and comply with national policy in identifying at least 10% of the housing requirement on sites of less than 1 hectare.

Draft Development Management Policies

Draft Policy DM 13 : Residential Standards

This policy proposes that "all residential development including extensions must meet the Nationally Described Space Standards (NDSS)". If the Council wishes to adopt the optional NDSS then this should only be done in accordance with the 2019 NPPF (para 127f & Footnote 46). Footnote 46 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 all 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 (para 31). The Council should gather evidence to determine whether there is a need for NDSS in Swindon. The NPPG sets out that "Where a need for internal space standards is identified, LPA should provide justification for requiring internal space policies. LPA should take account of the following areas need, viability and timing" (ID: 56-020-20150327). The Council should provide a local assessment evidencing the case for Swindon. If it had been the Government's intention that generic statements justified adoption of the NDSS then the standard would have been incorporated as mandatory in the Building Regulations, which is not the case. The Council should consider the impacts on need, viability and timing before adopting the NDSS.

Need is generally defined as "requiring something because it is essential or very important rather than just desirable". The NDSS should only be introduced on a "need to have" rather than a "nice to have" basis. 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.

Under the 2019 NPPF it is the Council's responsibility to robustly viability test the LPR in order that the cumulative burden of policy requirements are set so that most development is deliverable without further viability assessment negotiations (para 57) and the deliverability of the LPR is not undermined (para 34). 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. The Council cannot simply expect home buyers to absorb extra

costs. The ONS data shows that affordability in the Borough has worsened. In Swindon in 1997 the median affordability ratio was 3.02 which has increased to 7.62 in 2018. The Council should assess the potential impact on meeting demand for starter homes and first-time buyers because the impact of the NDSS is greatest on smaller 1, 2 and 3 bed dwellings. It should be recognised that customers have different budgets and aspirations. An inflexible policy requirement for adoption of the NDSS may reduce choice and effect affordability. Non-NDSS compliant dwellings may be required to ensure that those on lower incomes can afford a property which has their required number of bedrooms. The introduction 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.

The requirement for NDSS 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. At the same time infrastructure and other regulatory burdens fall on fewer dwellings per site which may challenge viability, the delivery of affordable housing and the release of land for development by a willing landowner especially in lower value areas and on brownfield sites. 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.

The Council should take into consideration any adverse effects on delivery rates of sites included in its housing trajectory. The delivery rates on many sites will be predicated on market affordability at relevant price points of units and maximising absorption rates. An adverse impact on the affordability of starter home / first time buyer products may translate into reduced or slower delivery rates.

The Council should not require NDSS for all residential development. If this requirement is retained the Council should put forward proposals for transitional arrangements. The land deals underpinning identified strategic site allocations will have been secured prior to any proposed introduction of the NDSS. These sites should be allowed to move through the planning system before any proposed policy requirements are enforced. The NDSS should not be applied to any outline or detailed approval prior to the specified date and any reserved matters applications should not be subject to NDSS.

Draft Policy DM 14: Mix and Density

This policy proposes that "the unit size mix of market housing will be determined by developers in response to market demand subject to compliance with Policy DM13 requirement for NDSS". The HBF is supportive of a market led approach to housing mix (see comments above with reference to the NDSS).

Minimum gross residential densities are defined as 50+ dwellings per hectare for Swindon town centre, 45+ dwellings per hectare for urban, 30+ dwellings

per hectare for suburban and 25+ dwellings per hectare for urban fringe / rural. The setting of residential density standards in the LPR should be undertaken in accordance with the 2019 NPPF (para 123) whereby in the circumstances of an existing or anticipated shortage of land for meeting identified housing needs then a minimum net density in suitable locations such as town centres and those benefiting from good public transport connections may be appropriate. The blanket approach to minimum gross densities of 50+, 45+, 30+ and 25+ dwellings per hectare across the Borough may not provide the variety of residential typologies needed to meet the housing needs of different groups. It may be necessary on a case by case basis to consider if these minimum gross densities should be applied or if in fact a lower density is more appropriate. Housing mix and density are intrinsically linked and should be considered holistically. In viability assessment the inter-relationship between density, house size (any implications from the adoption of NDSS and accessible / adaptable homes standards), house mix and developable acreage should be considered and tested.

Draft Policy DM 15: Affordable Housing

This policy proposes that on all developments of 10 or more dwellings (except in Swindon Town Centre) 10% of dwellings should be for affordable home ownership and 20% should be affordable or social rented dwellings or where it is robustly demonstrated to be inappropriate, a proportionate contribution should be provided towards affordable homes off-site. Within Swindon Town Centre 10% affordable housing will be sought as affordable home ownership housing.

The Council proposes to retain the requirement for 30% affordable housing based on supporting evidence contained in the 2017 SHMA. This evidence is somewhat out of date. The recently published Planning Inspectorate Guidance for Local Plan Examination sets out that evidence base documents, especially those relating to development needs and land availability, that date from two or more years before the submission date may be at risk of having been overtaken by events, particularly as they may rely on data that is even older. As a minimum, any such documents should be updated as necessary to incorporate the most recent available information (para 1.11). The Council should re-assess its affordable housing need.

The LPR 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 LPR (para 34). 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 therefore an updated whole plan viability assessment should be undertaken as soon as possible. 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). In comparison to Policy HA1 of the adopted Local Plan, the site threshold for seeking affordable housing is reduced from 15 to 10 dwellings, the national policy requirement for at least 10% of dwellings as affordable home ownership products is included and "extra care" residential units in planning use class C2 but are self-contained are expected to contribute to the provision of affordable housing. All these proposed changes should be subject to viability assessment. As new evidence becomes available the HBF may submit further comments.

The proposed lower requirement for affordable housing (10% rather than 30%) in Swindon Town Centre to encourage development in this area as recent applications have been unable to viably support the delivery of affordable housing is supported.

Draft Policy DM 16: Housing for Older People

The 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). 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 Council should focus on ensuring that there are appropriate sites allocated to meet the needs of specifically identified groups of households. The LPR should ensure that suitable sites are available for a wide range of types of developments across a wide choice of appropriate locations.

Under this policy the Council encourages the provision of a range of specialist housing types, including extra care, retirement apartments and mainstream housing such as bungalows and sheltered housing to meet the needs of an ageing population. All individual dwellings should comply with the optional Building Regulations Part M Category 2: Accessible and adaptable dwellings (M4(2) standards and at least 50% of dwellings should comply with the optional Building Regulations Part M Category 3: Wheelchair user dwellings. The HBF's response to the requirements for optional M4(2) and M4(3) standards is set out below.

Draft Policy DM 17: Accessible Housing

Under this policy all new housing on sites of 10 or more dwellings should accord with the optional Building Regulations Part M Category 2: Accessible and adaptable dwellings (M4(2)) or any subsequent update. On development proposals for 25 or more dwellings at least 10% of the dwellings should accord with the optional Building Regulations Part M Category 3: Wheelchair user dwellings (M4(3)) or any subsequent update.

If the Council wishes to adopt the higher optional standards for M4(2) and M4(3) then this should only be done in accordance with the 2019 NPPF (para 127f &

Footnote 46) and latest NPPG. Footnote 46 states "that planning policies for housing should make use of the Government's optional technical standards for accessible and adaptable housing where this would address an identified need for such properties". As set out in the 2019 NPPF all 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 (para 31). The Council should gather evidence to determine whether there is a need for M4(2) and M4(3) standards in Swindon. The NPPG sets out the evidence necessary to justify a policy requirement for M4(2) and M4(3) standards. The Council should apply the criteria set out in the NPPG (ID 56-005-20150327 to 56-011-20150327) to ensure that an appropriate evidence base is available to support its proposed policy requirements. This evidence includes identification of:-

- the likely future need;
- the size, location, type and quality of dwellings needed;
- the accessibility and adaptability of the existing stock;
- variations in needs across different housing tenures : and
- viability.

The Council's supporting evidence should include detailed information on the accessibility and adaptability of the existing housing stock, the size, location, type and quality of dwellings needed and variations in needs across different housing tenures.

If the Government had intended that evidence of an ageing population alone justified adoption of higher optional standards then such standards would have been incorporated as mandatory in the Building Regulations, which is not the case. The Council should provide a local assessment evidencing the specific case for Swindon which justifies the inclusion of optional standards in all newly built dwellings as proposed. The optional standards 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".

All new homes are built to Building Regulation Part M Category 1 (M4(1)) standards which include level approach routes, accessible front door thresholds, wider internal doorway and corridor widths, switches and sockets at accessible heights and downstairs toilet facilities usable by wheelchair users. These standards are not usually available in the older existing housing stock and benefit less able-bodied occupants. These standards are likely to be suitable for most residents.

In determining the quantum of M4(2) and M4(3) homes the Council should focus on the ageing population living in the Borough compared to national / regional figures and the proportion of households living in newly built homes. Many older people already live in the Borough and are unlikely to move home. There may be a need for some new dwellings to be built to M4(2) especially specialist housing but there is not the need for all new dwellings to be built to M4(2) as

not all existing older residents will move home and those that do move may not choose to live in a new dwelling. The Council should also justify the proposed proportion of M4(3) homes. The Council is reminded that the requirement for M4(3) should only be required for dwellings over which the Council has housing nomination rights as set out in the NPPG (ID 56-008-20150327).

Any requirement for higher optional standards especially M4(3) should be thoroughly viability tested. In September 2014 during the Government's Housing Standards Review EC Harris estimated the cost impact of M4(3) per dwelling as £15,691 for apartments and £26,816 for houses. These costs are only indicative since 2014 there will have been inflationary build cost increases. These costs (including any inflationary cost increases) should be included in the Council's viability testing.

In Bullet Point 3 the Council states to demonstrate that a dwelling meets the provisions for a wheelchair user, furnished plan layouts that show the access zones and other provisions should be provided to a scale of at least 1:100. The NPPG sets out that where a Council adopts a policy for accessible and adaptable homes they should do so only by reference to M4(2) and / or M4(3) of the optional requirements in the Building Regulations and the Council should not impose any additional information requirements for instance provision of furnished layouts (ID: 56-008-20160519). Bullet Point 3 is inappropriate and it should be deleted.

Draft Policy DM 22: Transport and Development

In this policy the Council's requirement for electric vehicle charging points (EVCP) is ambiguous. The provision of on-site electric vehicle charging points is also referred to in Bullet Point 8b of Policy DM35: Air Quality.

As set out in the 2019 NPPF any policy requirement for EVCPs should be clearly written and unambiguous (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) EVCP or other alternatives. The HBF support a national standardised approach to encouraging the use of electric and hybrid vehicles which should be implemented through the Building Regulations rather than planning policy. The Council's proposed requirements should be supported by evidence demonstrating technical feasibility and financial viability. 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. There may also be practical difficulties associated with provision to apartment developments or housing developments with communal shared parking rather than houses with individual on plot parking.

Draft Policy DM 24: Water Supply and Wastewater and Sewerage Infrastructure

This policy proposes that all new dwellings must meet the Building Regulations optional higher water efficiency requirement of 110 litres per person per day or any successor standards.

All new dwellings achieve a mandatory level of water efficiency of 125 litres per day per person under Building Regulations which is a higher standard than that achieved by much of the existing housing stock. If the Council wishes to adopt the optional standard for water efficiency of 110 litres per person per day then the Council should justify doing so by applying the criteria set out in the NPPG (ID 56-013-20150327 to 56-017-20150327). The Written Ministerial Statement (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 NPPG refers to "helping to use natural resources prudently ... to adopt proactive strategies to ... take full account of water supply and demand considerations ... whether a tighter water efficiency requirement for new homes is justified to help manage demand" however the Housing Standards Review was explicit that reduced water consumption was solely applicable to water stressed areas. Swindon is part of Thames Water's Swindon and Oxfordshire Water Resources Zone (SWOX). Across Thames Water's whole region there is an acknowledged increasing pressure on water resources as a result of planned housing growth. The whole region, including SWOX, is classified as being seriously water stressed however the Swindon Water Cycle Study (2014) concluded that, with demand management measures, there would be sufficient water supplies to deliver the anticipated level for population growth in Swindon Borough up to 2026. The Council should provide an updated Water Cycle Study which demonstrates the changed circumstances in Swindon Borough to justify the requirement of this policy.

Conclusion

It is hoped that these responses are useful to the Council in preparing the next stages of the Swindon LPR. As the LPR preparation progresses the HBF look forward to submitting further representations during later consultations in the meantime if any further assistance or information is required please contact the undersigned.

Yours faithfully for and on behalf of HBF

Susan E Green MRTPI

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