

Planning Policy
Tewkesbury Borough Council
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Dear Sir / Madam

TEWKESBURY BOROUGH PLAN – PRE-SUBMISSION 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 make the following representations to the above-mentioned consultation and in due course attend Examination Hearing Sessions to discuss these representations.

Housing Land Supply (HLS)

The objectively assessed housing need and housing requirement for the Borough are set out in the adopted Gloucester Cheltenham & Tewkesbury (GCT) Joint Core Strategy (JCS). In Tewkesbury Borough there is a housing requirement for 9,899 dwellings between 2011 – 2031 of which at least 7,445 dwellings will be provided from existing commitments and future development in the Market Town of Tewkesbury and smaller scale development in the Rural Service Centres of Bishop's Cleeve & Winchcombe and other Service Villages. On adoption of the GCT JCS there was a shortfall of circa 2,450 dwellings between the Borough's overall HLS and its housing requirement. This shortfall will be planned strategically as part of the immediate review of the GCT JCS and it is not dealt with in the Tewkesbury Borough Plan therefore until the GCT JCS Review is completed there remains a deficit in the Council's HLS against its adopted housing requirement.

Both the Borough Plan and the GCT JCS Review will be examined under the 2019 National Planning Policy Framework (NPPF) and revised National Planning Practice Guidance (NPPG). As set out in the 2019 NPPF the Borough Plan should provide a clear strategy for bringing sufficient land forward and at



a sufficient rate to address housing needs over the plan period by planning for and allocating sufficient sites to deliver strategic priorities (para 23). The Council should identify a sufficient supply and mix of housing sites taking into account availability, suitability and economic viability. The policies of the Borough Plan should identify a supply of specific deliverable sites for years 1 – 5 of the plan period and specific developable sites or broad locations for growth for years 6 – 10 and where possible years 11 – 15 (para 67). The identification of deliverable and developable sites should accord with the definitions set out in the 2019 NPPF Glossary. The Borough Plan should include a trajectory illustrating the expected rate of housing delivery over the plan period. A minimum 5 Years Housing Land Supply (YHLS) of specific deliverable sites including a buffer should be maintained (paras 73 & 74).

The 2019 NPPF also asserts that “*in rural areas, planning policies and decisions should be responsive to local circumstances and support housing developments that reflect local needs*” (para 77) and concludes that “*to promote sustainable development in rural areas, housing should be located where it will enhance or maintain the vitality of rural communities. Planning policies should identify opportunities for villages to grow and thrive, especially where this will support local services*” (para 78). It is important that the spatial distribution of development meets the housing needs of both urban and rural communities. Often affordability is particularly acute in rural communities. In Tewkesbury Borough the median house price to median earnings ratio has more than doubled increasing from 3.84 in 1997 to 8.5 in 2018. Policy SP2 of the adopted GCT JCS sets out housing distribution across Tewkesbury Borough for 1,860 dwellings in Rural Service Centres and 880 dwellings in Service Villages.

In **Policy RES1 : Housing Allocations** 21 non-strategic sites are allocated for housing development of circa 1,045 – 1,115 dwellings comprising :-

- 4 sites in Tewkesbury (Market Town) for 260 – 330 dwellings ;
- 3 sites in Bishop’s Cleeve (Rural Service Village) for 146 dwellings ;
- 1 site in Winchcombe (Rural Service Village) for 80 dwellings ;
- 2 sites in Coombe Hill (Service Village) for 76 dwellings ;
- 2 sites in Gotherington (Service Village) for 16 dwellings ;
- 1 site in Maisemore (Service Village) for 15 dwellings ;
- 3 sites in Shurdington (Service Village) for 85 dwellings ;
- 1 site in Woodmancote (Service Village) for 60 dwellings ;
- 1 site in Toddington (Service Village) for 25 dwellings ;
- 2 sites (with resolutions to grant planning permission) in Brookworth (Urban Fringe Settlement) for 272 dwellings ;
- 1 site (a locally supported scheme) in Forthampton for 10 dwellings.

Policy RES5 : New Housing Development sets out general principles for residential development. Some allocated sites are also subject to site-specific development principles. **Policy RES2 : Settlement Boundaries** sets out that residential development in principle is acceptable within defined settlement boundaries of Tewkesbury Town Area, Rural Service Centres of Bishop’s

Cleeve & Winchcombe, 12 named Service Villages and 6 named Urban Fringe Settlements. **Policy RES3 : New Housing outside Settlement Boundaries** sets out seven forms of development acceptable outside settlement boundaries. **Policy RES4 : New Housing at Other Rural Settlements** sets out that in the rural area, small scale residential development is acceptable in principle within and adjacent to the built up area (except in Green Belt locations) subject to specified criteria.

The HBF note that the housing figures set out in Policy SP2 of the adopted GCT JCS are minimums, which are not ceilings. Appendix J – HLS Overview Table of the Housing Background Paper dated October 2019 identifies an overall HLS (including existing commitments & allocations) of 2,109 dwellings in Rural Service Centres and 1,060 dwellings in Service Villages providing a surplus of +249 dwellings (13%) and +180 dwellings (20%) respectively above minima housing figures in Policy SP2 of the adopted GCT JCS. The HBF acknowledge that there can be no numerical formula to determine the appropriate quantum for a surplus but greater numerical flexibility is necessary where a Plan is highly dependent upon one or relatively few large strategic sites and / or specific settlements / localities rather than a more diversified HLS. The HBF always suggests as large a contingency as possible to maximise flexibility in order to respond quickly to changing circumstances, maintain a 5 YHLS and create choice and competition in the land market.

For the Council to maximize housing delivery the widest possible range of sites by both size and market location are required so that small, medium and large housebuilding companies have access to suitable land to offer the widest possible range of products. A mix of sites provides choice for consumers, allows places to grow in sustainable ways and creates opportunities to diversify the construction sector. Under the 2019 NPPF, the Council should identify at least 10% of the housing requirement on sites no larger than one hectare or else demonstrate strong reasons for not achieving this target (para 68). It is noted that only 4 allocated sites for 77 dwellings are less than 1 hectare. The Council should confirm that the Borough Plan is consistent with this aspect of national policy.

It is also noted that there is no housing trajectory. This omission from the Borough Plan is inconsistent with the 2019 NPPF. A housing trajectory should be incorporated together with supporting evidence justifying the Council's assumptions on lapse rates, windfall allowances, lead in times and delivery rates in the housing trajectory. The HBF may wish to make further representations on the Council's housing trajectory and supporting evidence in written Examination Hearing Statements or orally at Examination Hearing Sessions.

Housing Policies

Policy RES12 : Affordable Housing

Policy RES12 varies affordable housing provision previously set out in Policy SD12 of the adopted GCT JCS so that :-

- residential developments of 6 – 9 dwellings in Designated Rural Areas will be required to provide 40% affordable housing on-site ; and
- Borough-wide outside of JCS Strategic Allocation sites, developments of 10 or more dwellings should provide 40% affordable housing on-site.

If a development cannot deliver the full affordable housing requirement, a viability assessment, conforming to an agreed methodology, in accordance with JCS Policy INF7 will be required.

The change of threshold from 11 dwellings to 10 or more dwellings on sites in the Borough outside of GCT JCS Strategic Site Allocations is consistent with national policy. The Council should also clarify that affordable housing definitions will comply with the 2019 NPPF Glossary and affordable housing tenure mix will comply with para 64 of the 2019 NPPF.

The Council should be clearer that the Cotswold Area of Outstanding Natural Beauty (AONB) is the only Designated Rural Area in the Borough. Moreover, the requirement for provision of 40% affordable housing on-site on smaller sites of 6 – 9 dwellings in Designated Rural Areas may be impractical. The Council's policy approach should be more flexible so that where appropriate commuted sums for off-site provision is also acceptable.

The Borough 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 Borough Plan (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 and if development is financially viable. 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).

The viability assessment undertaken for the GCT JCS examination did not fully test smaller non-strategic sites. The adopted GCT JCS explicitly states that to ensure smaller residential development remains viable while contributing towards essential infrastructure needs affordable housing is not required on sites of 0 – 10 dwellings (see para 4.12.8).

The Council's latest evidence is set out in Viability Assessment dated September 2019, which concludes that the Council will need to consider the impact on viability of policy requirements in the Borough Plan (para 7.2). Overall greenfield sites in low value areas and brownfield sites in mid and low value

areas will struggle to deliver (para 6.5). Table 6.1 under Policy Layer 8 (final column) shows that on a fully policy compliant basis development on 15 allocated sites are unviable compared to only 9 viable developments on allocated sites, which illustrates that viability assessment negotiations will be commonplace. These unviable developments are identified as :-

- greenfield sites in Zone 2 (TEW2, BIS1, BIS2, WOO1 & WIN1) ;
- brownfield sites in Zone 2 (RET9, TEW3 & TEW4) ;
- greenfield sites in Zone 3 (MAI1, COO1, COO2, BRO1, BRO2)
- sites in Toddington and Forthampton (TOD1 & FOR1).

Before the Borough Plan is submitted for examination **Policy RES12** should be modified.

Policy RES13 : Housing Mix

Policy RES13 states that the Council will negotiate an appropriate housing mix on a site by site basis based on the latest evidenced needs of the site locality. New housing developments should, where appropriate, provide the following as part of the mix of housing on site :-

- accessible & adaptable dwellings (Regulation M4(2) Category 2) and Wheelchair user dwellings (Regulation M4(3) Category 3) in accordance with up to date evidence of local need ;
- self & custom build housing plots where there is evidence of appropriate demand identified on the Council's Self and Custom Build Register.

The 2019 NPPF states that policies should be clearly written and unambiguous so that a decision maker knows how to react to a development proposal (para 16d). **Policy RES13** is too ambiguous on the provision of M4(2) & M4(3) compliant homes and self & custom build plots sought as part of the mix of housing on new housing developments. If this policy is to be effective the Council should provide further clarification of its requirements, which should be justified by supporting evidence.

If the Council wishes to adopt the optional standards for M4(2) & M4(3) then this should only be done in accordance with the 2019 NPPF (para 127f & Footnote 46) and the 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 NPPG sets out the evidence necessary to justify a policy requirement for M4(2) & 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 any proposed policy requirements.

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. 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*”. If the Government had intended that evidence of an ageing population alone justified adoption of optional standards then such standards would have been incorporated as mandatory in the Building Regulations, which is not the case. M4(1) standards are likely to be suitable for most residents.

In determining the quantum of M4(2) 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 not all existing older residents will move home and those that do move may not choose to live in a new dwelling. The under-occupancy of new family homes by older people or individuals runs at odds with the aim of making the best use of the housing stock.

The 2014 SHMA and 2015 Update do not provide an evidential basis to justify the Council’s proposed policy requirement. The ageing population statistics identified are for GCT, which have not been disaggregated to Tewkesbury Borough. The data is also now somewhat dated. The recently published Planning Inspectorate Guidance for Local Plan Examination (para 1.11) sets out that evidence base documents dating from two or more years before the submission date for examination of a Local Plan may be at risk of having been overtaken by new data. Such documents should be updated as necessary to incorporate the most recent available information.

The NPPG sets out that evidence should include 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.

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 in the Borough is absent from the Council’s supporting evidence.

The Council’s own Viability Assessment under Policy Layer 8 only tested 50% provision of M4(2) dwellings and 5% M4(3) dwellings in affordable housing. Any

policy requirement for higher provision of M4(2) & M4(3) dwellings should be subject to further viability assessment. Appendix D of the Viability Assessment also identifies that M4(2) & M4(3) compliant dwellings are larger than the Nationally Described Space Standard, which has not been viability tested. A viability clause should be incorporated into **Policy RES13**.

There is also no reference to site exceptions due to site-specific constraints such as flooding, gradients, etc, which should be incorporated into **Policy RES13**.

Finally, 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).

Under the Self Build & Custom Housebuilding Act 2015, the Council has a duty to keep a Register of people seeking to acquire self & custom build plots and to grant enough suitable development permissions to meet identified demand. The NPPG (ID: 57-025-201760728) sets out ways in which the Council should consider supporting self & custom build. These are :-

- developing policies in the Borough Plan for self & custom build ;
- using Council owned land if available and suitable for self & custom build and marketing such opportunities to entrants on the Register ;
- engaging with landowners who own housing sites and encouraging them to consider self & custom build and where the landowner is interested facilitating access to entrants on the Register ; and
- working with custom build developers to maximise opportunities for self & custom housebuilding.

The HBF is supportive of proposals to encourage self & custom build for its potential additional contribution to overall HLS. It is noted that Policy SD11 Bullet Point (ii) of the adopted GCT JCS provides encouragement for self & custom build homes.

The HBF is not supportive of policy requirements for the inclusion of self & custom build housing on residential development sites, which only changes housing delivery from one form of house building to another without any consequential additional contribution to boosting housing supply. The Council should not seek to place the burden for delivery of self & custom build plots on developers contrary to national guidance, which outlines that the Council should engage with landowners and encourage them to consider self & custom build. The Council's proposed policy approach should not move beyond encouragement by seeking provision of self & custom build plots as part of the housing mix on new housing development.

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. The Council's Self & Custom Build Register alone is not a sound basis for setting a specific policy requirement. As set out

in the NPPG the Council should provide a robust assessment of demand including an assessment and review of data held on the Council's Register (ID 2a-017-20192020), which should be supported by additional data from secondary sources to understand and consider future need for this type of housing (ID 57-0011-20160401). The Council should also analyse the preferences of entries as often only individual plots in rural locations are sought as opposed to plots on housing sites. It is also possible for individuals and organisations to register with more than one Council so there is a possibility of some double counting. The Register may indicate a level of expression of interest in self / custom build but it cannot be reliably translated into actual demand should such plots be made available. The Council has provided no evidence on the number of entries on its Register in order to gauge the level of likely demand.

The Council's policy approach should be realistic to ensure that where self & custom build plots are provided they are delivered and do not remain unsold. It is unlikely that the provision of self & custom build plots on new housing developments can be co-ordinated with the development of the wider site. At any one time, there are often multiple contractors and large machinery operating on-site from both a practical and health & safety perspective it is difficult to envisage the development of single plots by individuals operating alongside this construction activity. If demand for plots is not realised there is a risk of plots remaining permanently vacant effectively removing these undeveloped plots from the Council's HLS.

Where plots are not sold it is important that the Council's policy is clear as to when these revert to the original developer. It is important that plots should not be left empty to the detriment of neighbouring properties or the whole development. The timescale for reversion of these plots to the original housebuilder should be as short as possible from the commencement of development. The consequential delay in developing those plots presents further practical difficulties in terms of co-ordinating their development with construction activity on the wider site. There are even greater logistical problems created if the original housebuilder has completed the development and is forced to return to site to build out plots which have not been sold to self & custom builders. The Council's proposed marketing period of 12 months set out in supporting text is too long, which should be shortened to 6 months.

As well as on-site practicalities any adverse impacts on viability should be tested. It is the Council's responsibility to robustly viability test the Borough Plan in order that the cumulative burden of policy requirements are set so that most development is deliverable without further viability assessment negotiations and the deliverability of the Borough Plan is not undermined. Self & custom build dwellings are exemption from Community Infrastructure Levy (CIL) contributions and affordable home ownership provision as set out in national policy. **Policy Res13** may have a detrimental impact upon the level of affordable housing provision achieved on new housing developments. The Council may wish to adopt an aspirational approach in provision of plots to

deliver self & custom build but this should not be pursued at the expense of delivering affordable housing.

Before the Borough Plan is submitted for examination **Policy RES13** should be modified.

Policy DES1 : Housing Space Standards

Under **Policy DES1** all new residential development will be expected to meet the Nationally Described Space Standards (NDSS) as a minimum.

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 NPPG sets out that “*Where a need for internal space standards is identified, the authority should provide justification for requiring internal space policies. Authorities should take account of the following areas need, viability and timing*” (ID: 56-020-20150327). Before adopting the NDSS, the Council should provide a local assessment evidencing the case for Tewkesbury. 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 NDSS 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 identification of a need for the NDSS must be more than simply stating that in some cases the standard has not been met it should identify the harm caused or may be caused in the future. The Council’s evidence in its Housing Standards Background Paper (October 2019) is insufficient to justify its proposed policy requirements.

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.

There is a direct relationship between unit size, cost per square metre, selling price per metre and affordability. The full impact of NDSS on viability including on build costs, selling prices, relevant price points and affordability should be assessed. Often the greatest impact is on smaller (2 bed / 4 person and 3 bed / 5 person) dwellings. In a Borough where the median house price to median earnings ratio has more than doubled increasing from 3.84 in 1997 to 8.5 in 2018, the Council cannot simply expect home buyers to absorb extra costs. An unintended consequence of adopting the NDSS may be to push additional families into affordable housing need because they can no longer afford to buy a NDSS compliant home.

There is also an impact of larger dwellings on land supply. The adoption of NDSS would reduce site yields so a greater amount of land would be needed to achieve the same number of units. The efficient use of land is less because development densities decrease. At the same time the infrastructure and regulatory burden on fewer units per site intensifies viability challenges on sites in the low and medium value areas (see HBF's preceding comments on Viability Assessment). The Council may have simultaneously worsened affordability and undermine affordable housing delivery.

Finally, the Council should take into consideration any effects on delivery rates of sites included in the housing trajectory. The delivery rates on many sites will be predicated on market affordability at relevant price points and maximising absorption rates. An adverse impact on the affordability of first-time buyer and family sized products may translate into reduced or slower delivery rates. Consequentially, the Council should put forward proposals for transitional arrangements. Some 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 the NDSS.

Policy DES1 also expects new residential development to make adequate provision for private outdoor amenity space appropriate to the size and potential occupancy of the dwellings proposed.

The 2019 NPPF states that policies should be clearly written and unambiguous so that a decision maker knows how to react to a development proposal (para 16d). **Policy DES1** is too ambiguous on the provision of private outdoor amenity space. If this policy is to be effective the Council should provide further clarification of its requirements, which should be justified by supporting evidence.

Before the Borough Plan is submitted for examination **Policy DES1** should be modified.

Conclusions

For the Tewkesbury Borough Plan to be found sound under the four tests of soundness as defined by the 2019 NPPF (para 35), the Borough Plan must be

positively prepared, justified, effective and consistent with national policy. The Borough Plan is considered unsound because of :-

- the absence of a housing trajectory ; and
- **Policies RES12, RES13 and DES1.**

It is hoped that these comments are helpful to the Council in informing the next stages of the Tewkesbury Borough Plan. 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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