

The Forward Planning Manager Wirral Council Economic and Housing Growth PO Box 290 Brighton Street Wallasey CH27 9FQ

> SENT BY EMAIL localplan@wirral.gov.uk 23/03/2020

Dear Sir / Madam,

WIRRAL LOCAL PLAN: ISSUES AND OPTIONS CONSULTATION

Thank you for consulting with the Home Builders Federation (HBF) on the Wirral Local Plan Issues and Options 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 multinational 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 comments on the following areas of the Development Options proposals.

The HBF is keen to work with the Council in order to achieve an adopted local plan which enables the delivery of homes across the Wirral. The following comments identify some areas where the HBF consider that any future documents would benefit from further evidence or modifications.

Housing Need

Question 2.1: Do you agree with the Council's calculations using the standard method set out in national Guidance? If not please explain why?

The HBF consider that the standard method is the appropriate starting point to identify the minimum annual housing need figure. The steps set out in the document are considered appropriate and in line with those set out in the PPG as is the calculated figure of 800 dwellings per annum (dpa). It should be noted that this figure will need to be kept under review and revised where appropriate, as the housing need figure generated using the standard method may change as the inputs are variable.

The Council will however, be aware that as part of the 'Planning for the Future' paper the Government have stated that they are seeking to review the formula for calculating Local Housing Need (LHN), which encourages greater building within and near to urban areas and makes sure the country is planning for the delivery of 300,000 new homes a year. Therefore,

it is likely that the Council will need to consider their housing requirement in light of this new formula and determine if it is still the appropriate strategy for the Council.

Question 2.2: Do you think there are exceptional local circumstances to deviate from the standard method for calculating local housing need? If you believe there are exceptional local circumstances, please let us know what they are.

Planning Practice Guidance (PPG) sets out circumstances where it might be appropriate to consider whether the actual housing need figure than the standard method indicates. These include, but are not limited to:

- Growth strategies for the area that are likely to be deliverable, for example where funding is in place to promote and facilitate additional growth (eg Housing Deals);
- Strategic infrastructure improvements that are likely to drive an increase in the homes needed locally;
- An authority agreeing to take on unmet need from neighbouring authorities; or
- Where previous levels of housing delivery in an area, or previous assessments of need are significantly greater than the outcome from the standard method.

The Council will need to consider if any of these circumstances apply in their area. It is noted that the Strategic Housing Market Assessment (SHMA) Final Draft Report (Jan 2020) suggests that due to evidence in relation to past delivery that the local housing need identified by the standard method is an ambitious target and further uplifts are not recommended.

The HBF consider that the Issues and Options Report and the evidence that underpins it, has not had sufficient regard to the issues that could justify a higher figure than that currently proposed. The HBF consider that the Council will need to take into account the aspirations of the 'Northern Powerhouse' agenda, the Liverpool City Region (LCR) Combined Authority Devolution Deal, the LCR Local Enterprise Partnership's Strategic Economic Plan and the Wirral Growth Plan amongst others. The NPPF is clear that planning policies should 'seek to address potential barriers to investment, such as inadequate infrastructure, services or housing, or a poor environment', there is a clear risk that if sufficient housing is not provided these growth strategies will not be delivered, that jobs growth will not be met or that unsustainable commuting patterns will be created.

The HBF consider that the Council will also need to give consideration to Strategic Infrastructure Improvements in the Borough. Including, on a regional scale the Transport for the North (TfN) Strategic Transport Plan, which sets a commitment to Northern Powerhouse Rail (NPR) connecting the Liverpool City Region to HS2. And on a more local level the Strategic Regeneration Framework, which sets a number of key infrastructure improvements for the A41 a key strategic route supporting growth and opportunities within Wirral. Furthermore, new replacement Merseyrail Trains will begin to be introduced on the Merseyrail network this year. This will increase capacity on the network, with trains also expected to run on an extended network beyond the current Merseyrail boundaries.

The HBF also consider that the Council should give further consideration to the affordable housing need. PPG (ID: 2a-024) states that 'the total affordable housing need can then be considered in the context of its likely delivery as a proportion of mixed market and affordable housing developments, taking into account the probable percentage of affordable housing to be delivered by eligible market housing led developments. An increase in the total housing

figures included in the plan may need to be considered where it could help deliver the required number of affordable homes'. Given that the Draft SHMA (2019) identifies a net annual imbalance of 705 affordable dwellings across the Borough, it would seem appropriate to consider an increase in the housing requirement above that set out in the LHN.

The HBF does not consider that the lower levels of housing delivery over the recent past should be utilised to evidence the currently proposed housing requirement, it is likely that the lower levels of delivery have more to do with the failure to maintain an up to date Local Plan, rather than the level of household demand and aspiration.

The HBF consider that there are local circumstances as set out above which mean that the Council should increase the housing need figure and the housing requirement above the LHN calculated purely on the standard method.

Question 2.3: Can you suggest an alternative approach that would also comply with national policy?

The HBF consider that the Local Housing Need as identified by the Standard Method (including the proposed update to the methodology) is an appropriate starting point and that the Council will need to consider whether there are any other elements such as ambitions to support economic growth or to deliver affordable housing which may necessitate a housing requirement figure above LHN.

Increasing Residential Development Density

Question 2.8: Do you agree that densities should be increased whilst maintaining good design to ensure the maximum use of suitable urban land? Are there any particular sites or areas where you believe that this would be most or least appropriate? Please give your reasons.

The HBF consider that appropriate densities should be supported to maintain good design, support sustainable development and enhance local character. It may not always be the case that higher densities are most appropriate. The Council will also have to give consideration to the impact of national and local policy requirements on the potential density of development such as Sustainable Drainage Systems (SuDS), and potentially including future requirements such as Biodiversity Net Gain.

Development Viability

Question 2.10: Do you agree with the findings of the Economic Viability Baseline Update 2018? If not, please give your reasons.

Table 3.17 sets out the implications of Local Plan policies and other documents on the viability of development. The HBF have concerns that the Viability Assessment only allows for a contribution of £600 per dwelling to S106 agreements. Given the significant potential in terms of infrastructure requirements within the Plan, this appears to be a significant underestimation of the potential costs.

The HBF is also concerned that the costs associated with a number of other policies are not included within this assessment, for example the inclusion of the National Described Space Standards (NDSS) requirements, the M4(2) and M4(3) requirements, electric vehicle charging points, the requirements for improvements in water efficiency, the costs associated with green and blue infrastructure provision.

Vision and Objectives

Question 3.1: Do you agree with our proposed Vision?

It is noted that the Vision covers the Plan period to 2035, the HBF are concerned that given we are already in 2020 and the Plan is a considerable way from being adopted that this will not be a sufficient time period. The NPPF (para. 22) requires that strategic policies should look ahead over a minimum 15-year period from adoption.

Whilst the vision does make a passing reference to the contribution the regeneration of Birkenhead will play in meeting the housing needs of the Wirral. The vision does not consider the importance of delivering housing and affordable homes to meet the needs of local people. This would sit better with Strategic Objective 7 which seeks to provide sufficient housing to meet local housing needs and provide a choice of housing.

Question 3.2: Do you agree with our proposed objectives?

The HBF supports Strategic Objective 7 which seeks to provide sufficient housing to meet identified local housing needs and provide a choice of housing for people at all stages of life and incomes. However, whilst the HBF generally support the Council in providing a sub-objective in relation to managing the release of sufficient housing land to meet the Borough's locally assessed housing needs, it should be noted that the housing requirement may mean that a higher housing land provision is required.

Strategic Spatial Options

The HBF would expect the spatial distribution of sites to follow a logical hierarchy, provide an appropriate development pattern and support sustainable development within all market areas. It is, however, important that all the sites contained within the plan are deliverable over the plan period and planned to an appropriate strategy. The HBF are keen that the Council produces a plan which can deliver against its housing requirement. To do this it is important that a strategy is put in place which provides a sufficient range of sites to provide enough sales outlets to enable delivery to be maintained at the required levels throughout the plan period. The HBF and our members can provide valuable advice on issues of housing delivery and would be keen to work proactively with the Council on this issue.

The Council's overall housing land supply (HLS) should include a short and long-term supply of sites by the identification of allocations for residential development. Housing delivery is optimised where a wide mix of sites is provided, with a range of sites in terms of both size and market location are provided so that small, medium and large housebuilding companies have access to suitable land to offer the widest possible range of products. 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 HLS should meet the housing requirement, ensure the maintenance of a 5 Year Housing Land Supply (5YHLS) and achieve Housing Delivery Test (HDT) performance measurements.

Overall mix of housing

Question 5.1: Do you agree with our preferred approach to seeking to ensure an appropriate mix of dwelling type and size by requiring developers to take account of the proportions set out, while taking account of any site-specific opportunities or

constraints, which could also include the need for a higher density of development on appropriate sites? If not, what alternative approach would you suggest and why? The Preferred Approach suggests creating a policy for new housing based on the following

• 1-bedroom (8%)

mix:

- 2-bedroom (32%)
- 3-bedroom (41%)
- Four or more bedroom (19%)
- 60% houses
- 22% flats
- 18% bungalows or level access accommodation

The HBF consider that the Council need to be aware that the Strategic Housing Market Assessment (SHMA) will only ever reflect a snapshot in time. Therefore, even the latest SHMA may not reflect the position at the time of an application. The HBF recommends that the Council acknowledge that this mix can vary both geographically and over the plan period.

The Preferred Approach suggests that the dwelling type and mix will need to be assessed and agreed on a case by case basis, based on the location and site characteristics. It goes on to state that applicants will need to show why they cannot meet these proportions. The HBF support an appropriate mix of housing, but it is important that any policy is workable and ensures that housing delivery will not be compromised or stalled due to: overly prescriptive requirements; requiring a mix that does not consider the scale of the site; or the need to provide additional evidence. The HBF recommends a flexible approach is taken regarding housing mix which recognises that needs and demand will vary from area to area and site to site; ensures that the scheme is viable; and provides an appropriate mix for the location.

The Preferred Approach also suggests that the Council may consider introducing the National Described Space Standards (NDSS). It should be noted that these enhanced standards, as introduced by Government, are intended to be optional and can only be introduced where there is a clear need and they retain development viability. As such they were introduced on a 'need to have' rather than a 'nice to have' basis.

PPG (ID 56-020) identifies the type of evidence required to introduce such a policy. It states that 'where a need for internal space standards is identified, local planning authorities should provide justification for requiring internal space policies. Local planning authorities should take account of the following areas:

- Need evidence should be provided on the size and type of dwellings currently being built in the area, to ensure the impacts of adopting space standards can be properly assessed, for example, to consider any potential impact on meeting demand for starter homes.
- **Viability** the impact of adopting the space standard should be considered as part of a plan's viability assessment with account taken of the impact of potentially larger dwellings on land supply. Local planning authorities will also need to consider impacts on affordability where a space standard is to be adopted.
- **Timing** there may need to be a reasonable transitional period following adoption of a new policy on space standards to enable developers to factor the cost of space standards into future land acquisitions'.

The Council will need robust justifiable evidence to introduce the NDSS based on the criteria set out above. The HBF consider that standards can, in some instances, have a negative impact upon viability, increase affordability issues and reduce customer choice. The HBF

consider that if the Government had expected all properties to be built to NDSS that they would have made these standards mandatory not optional.

Affordable Housing Need

Question 5.2: Do you agree with our preferred approach of seeking to achieve up to 30% affordable housing from all new developments of 10 dwellings or over, subject to viability, based on the mix of size and tenure recommended in the Draft SHMA 2020? If not, what alternative approach would you suggest and why?

The Draft SHMA (2019) identifies a net annual imbalance of 705 affordable dwellings across the Borough. It suggests a tenure split of 60% social rented and 40% intermediate tenure. It provides a general split in dwelling size based on the household survey of 17.2% 1-bed, 46.8% 2-bed, 29.7% 3-bed and 6.3% 4-bed.

The HBF does not dispute the need for affordable housing within the Wirral and indeed supports the need to address the affordable housing requirements of the borough. However, the NPPF¹ is clear that 'Plans should set out the contributions expected from development. This should include setting out the levels and types of affordable housing provision required, along with other infrastructure (such as that needed for education, health, transport, flood and water management, green and digital infrastructure). Such policies should not undermine the deliverability of the plan'. The 2018 Local Plan Baseline Viability Study shows that affordable housing is not viable in Zone 1 on brownfield or greenfield sites. It also shows that within Zone 2 affordable housing is not viable in Zone 2 on brownfield sites at 30dph, at 35dph on brownfield sites only three of the five schemes tested can support 10% affordable housing. No brownfield development in Zone 2 can support above 20% affordable housing. Greenfield sites in Zone 2 also show viability issues with no greenfield sites at 30dph being able to support the 30% affordable housing requirement and only three of the 35dph schemes able to support the 30% requirement. Therefore, the HBF recommend that the Council consider a lower affordable housing requirement across the Borough to ensure viability and housing delivery.

It is also noted that the Viability Assessment has been undertaken with a tenure split of 50% Affordable Rent and 50% Intermediate dwellings, this differs from the Preferred Approach requirements, and may have over-inflated the viability of development.

The HBF would also highlight, that the housing mix from the SHMA only provides a snapshot in time and there may be more up to date or appropriate evidence at the time of the application, that may impact on the appropriate tenure split or house size. Therefore, the HBF would recommend that the Council provide greater flexibility within the policy to acknowledge that the split may be different from that identified in the Preferred Approach.

Needs of other groups

Question 5.3: Do you agree with our approach to the provision of specialist housing for older people and for ensuring that a proportion of all new homes meet optional accessibility standards? If not, what alternative approach would you suggest could be adopted?

The Preferred Approach seeks to encourage the provision of specialist housing for older people and to include a policy that all schemes of 10 or more dwellings provide 6% of homes as M4(3) wheelchair user and 20% as M4(2) accessible and adaptable dwellings.

¹ Paragraph 34

PPG (ID 56-07) identifies the type of evidence required to introduce such a policy, including the likely future need; the size, location, type and quality of dwellings needed; the accessibility and adaptability of the existing stock; how the needs vary across different housing tenures; and the overall viability. It is incumbent on the Council to provide a local assessment evidencing the specific case for the Wirral which justifies the inclusion of optional higher standards for accessible and adaptable homes in its Local Plan policy. If the Council can provide the appropriate evidence and this policy is to be included, then the HBF recommend that an appropriate transition period is included within the policy.

The PPG also identifies other requirements that the policy will need to consider including site specific factors such as vulnerability to flooding, site topography and other circumstances; and that policies for wheelchair accessible homes should only be applied to dwellings where the local authority is responsible for allocating or nominating a person to live in that dwelling.

Empty Properties

Question 5.4: Do you have any views on our preferred approach for promoting the reuse of empty homes and buildings to provide for additional housing within the Plan period?

The HBF generally consider that a policy to support bringing empty homes back into residential use is appropriate. However, the HBF do not consider that the Council should include an allowance for the return of empty homes within the housing supply. It is considered due to the indeterminate nature of their return to use, that these homes could only contribute to the flexibility within the supply, not part of the supply.

Transport

Question 7.2: Do you agree with our approach to prioritise public and active transport improvements and electric vehicle charging infrastructure provision in new development, and to support the construction of major new roads only where they are related to achieving sustainable development, environmental enhancement, public transport or road safety benefits?

The Council will be aware that the Government has consulted on Electric Vehicle Charging in Residential and Non-Residential Buildings². This consultation set out the Government's preferred option to introduce a new functional requirement under Schedule 1 to the Building Regulations 2010, which is expected to come into force in 2020. The inclusion of Electric Vehicle Charging Point (EVCP) requirements within the Building Regulations 2010 will introduce a standardised consistent approach to EVCP in new buildings across the country. The requirements proposed apply to car parking spaces in or adjacent to buildings and the intention is for there to be one charge point per dwelling rather than per parking space. It is proposed that charging points must be at least Mode 3 or equivalent with a minimum power rating output of 7kW (expected increases in battery sizes and technology developments may make charge points less than 7 kW obsolete for future car models, 7 kW is considered a sufficiently future-proofed standard for home charging) fitted with a universal socket to charge all types of electric vehicle currently on the market and meet relevant safety requirements. All charge points installed under the Building Regulations should be untethered and the location must comply with the Equality Act 2010 and the accessibility

² https://www.gov.uk/government/consultations/electric-vehicle-chargepoints-in-residential-and-non-residential-buildings

requirements set out in the Building Regulations Part M. The Government has estimated installation of such charging points add on an additional cost of approximately £976.

As the requirements for EVCP will be set out in Building Regulations, the HBF consider that it is unnecessary for the Plan to include a policy in relation to electric vehicle charging infrastructure.

Communications Infrastructure

Question 7.4: Do you agree with our approach to support a choice of digital infrastructure providers for new developments and to support the expansion of electronic communications networks?

The HBF generally consider that digital infrastructure is an important part of integrated development within an area. However, it should be noted that the inclusion of digital infrastructure such as high-speed broadband and fibre is not within the direct control of the development industry. Service providers are the only ones who can confirm access to infrastructure. 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 the Council should work proactively with digital infrastructure providers to extend provision and not rely on the development industry to provide for such infrastructure.

Social Infrastructure

Question 7.5: Do you agree with our approach to work with our partners to undertake capacity assessments of existing social infrastructure, identify needs arising from growth and the opportunity for potential expansion or new provision as appropriate? The HBF consider that the Council will need to ensure that they have the evidence to support this policy. The NPPF³ states that 'Plans should set out the contributions expected from development. This should include setting out the levels and types of affordable housing provision required, along with other infrastructure (such as that needed for education, health, transport, flood and water management, green and digital infrastructure). Such policies should not undermine the deliverability of the Plan'. The HBF consider that evidence should be able to determine the contributions expected in terms of need and viability, and that this should be clearly set out within the Plan. It will be important for the Council to ensure that the requirements of any policy requirements in relation to social infrastructure do not undermine the deliverability of homes in the area.

Climate Change

Question 8.2: Would you support including additional measures within the Local Plan to plan for Climate Change, including allocating sites for renewable energy or including additional requirements on housing, employment, retail, leisure and tourism developments to meet higher standards of energy efficiency?

The HBF does not generally object to encouragement for the need to address climate change. However, the HBF support moving 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.

³ Paragraph 34

The Government has consulted (ended on 7th February 2020) on The Future Homes Standard. The UK has set in law a target to bring all its greenhouse gas emission to net zero by 2050. New and existing homes account for 20% of emissions. It is the Government's intention to future proof new homes with low carbon heating and world-leading levels of energy efficiency. This consultation addressed:

- options to uplift standards for Part L (Conservation of Fuel & Power) Building Regulations in 2020 and changes to Part F (Ventilation) Building Regulations. An increase in energy efficiency requirements for new homes in 2020 will be a meaningful and achievable stepping-stone to the Future Homes Standard in 2025. This is expected to be achieved through very high fabric standards and a low carbon heating system based on one of two options. The Governments preferred Option 2 proposes 31% reduction in carbon emissions compared to current standards (Approved Document L 2013) delivered by installation of carbon saving technology and better fabric standards. Both options increase costs for housebuilders (estimated costs between circa £2,557 - £4,847 per dwelling);
- transitional arrangements to encourage quicker implementation; and
- clarifying the role of Local Planning Authorities (LPA) in setting energy efficiency standards. The Government is proposing to remove the ability of LPAs to set higher energy efficiency standards than those in Building Regulations which has led to disparate standards across the country and inefficiencies in supply chains.

The Government wants to create certainty and consistency. The situation is confusing with decisions about technical appropriateness, application and enforcement of energy standards considered by planning officers, committees and Planning Inspectors rather than by qualified Building Inspectors. An uplift to Part L standards in 2020 will improve the energy efficiency of new homes and prepare housebuilders and supply chains in readiness for the further uplift in 2025 to meet the Future Homes Standard so there is no need for LPAs to seek higher standards.

Future Engagement

I trust that the Council will find these comments useful as they continue to progress the 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 all forthcoming consultations upon the Local Plan and associated documents. Please use the contact details provided below for future correspondence.

Yours sincerely,

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