

Local Plan – Preferred Options Consultation
Place Planning
North Lincolnshire Council
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Dear Sir / Madam,

NORTH LINCOLNSHIRE LOCAL PLAN: PREFERRED OPTIONS (Regulation 18)

Thank you for consulting with the Home Builders Federation (HBF) on the North Lincolnshire 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 multi-national PLC's, regional developers and small, local builders. In any one year, our members account for over 80% of all new "for sale" market housing built in England and Wales as well as a large proportion of newly built affordable housing.

The HBF have considered the policies proposed within the Preferred Options consultation for the North Lincolnshire Local Plan.

Key Challenges

The HBF generally support the recognition of the following key challenges:

- Population Changes: To meet the housing requirements of our growing, and increasingly older population.
- Housing Provision: Providing a sufficient supply of housing land and quality houses supported by infrastructure provision, in the right locations in North Lincolnshire to support economic growth, including meeting the needs for all our communities.

Vision and Spatial Objectives

The HBF generally support the vision for the Plan, particularly the recognition to the growing population and the need for sustainable growth to be at the heart of policies.

However, it is noted that the vision states that the area will be a location for sustainable housing growth with 8,380 new homes being delivered, whilst the HBF support the recognition of meeting housing needs within the vision, the HBF have set out their concerns in relation to SS2p and the housing requirement below. The vision goes on to state that the area will have a *'choice of housing in sustainable locations that delivers the housing requirements and meets the needs as well as the aspirations of local people'*, again the HBF generally support the recognition that the Council should address the aspirations of local people.

The HBF generally support the recognition within Spatial Objective 3: Meeting Our Housing Need, that the Council needs to increase the supply of quality housing to meet our future needs and support the growth of our economy.

Policy SS2p: Spatial Strategy for North Lincolnshire

This policy seeks to deliver at least 7,961 new homes (419 per year) to meet the needs of the existing and future population in sustainable and balanced communities.

This is a significant decrease from the housing requirement of 12,063 new dwellings between 2010 and 2026 (754 new dwellings per year) set out in the adopted 2011 Core Strategy. It is not apparent what has changed in terms of the Council or local communities' aspirations for the Borough.

The Council will 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.

The HBF generally support the Council in using the standard method as the starting point to assess the housing need for the area. However, it should be noted that assessing the housing need is only the first step in determining how many homes need to be planned for and it should be undertaken separately from assessing land availability and establishing a housing requirement. It should also be noted that, as set out in the PPG (ID 2a-002), the standard method identifies a minimum annual housing need figure, it does not produce a housing requirement.

The North Lincolnshire Local Housing Needs Assessment 2019 (LHNA) provides the evidence base to calculate the local housing need (LHN) for the borough for the period 2017 to 2036. It sets out a LHN of 419 dwellings per annum (dpa). It is calculated following the standard method as follows:

- **Step 1 - Setting the baseline**

The Council have used the annual average household growth over the 10-year period from 2017 to 2027, and that this gives an average annual growth of **399 dwellings**.

It is noted that the PPG (ID:2a-004) states that the current year should be used as the starting point. If the most up to date figures were used, the average annual

household growth over a 10-year period is from 74,611 in 2020 to 78,354 in 2030, giving an average annual household growth of **374.3** dwellings.

- **Step 2 - An adjustment to take account of affordability**

The Council have used the median workplace-based affordability ratios for 2017 which provides a figure of 4.82.

Adjustment factor = (local affordability ratio – 4 / 4) x 0.25 + 1 = **1.05125**

It goes on to identify the annual Local Housing Need as **419 dwellings**.

It is noted that the PPG states that the most recent median workplace-based affordability ratios should be used. If the most up to date figures were used the median workplace-based affordability ratios (March 2019) gives a 2018 figure of 4.79. It should also be noted that new figures are likely to be available (March 2020).

Adjustment factor = (local affordability ratio – 4 / 4) x 0.25 + 1 = **1.049375**

Local Housing Need is **392.78 dwellings**

- **Step 3 - Capping the level of any increase**

The cap is set at 40% above the higher of the most recent average annual housing requirement figure (754) or average annual household growth over 10 years (399 or 374).

Cap = 754 + (40% x 754) = 754 + 301.6 = 1055.6.

The capped figure is greater than the minimum annual housing need figure and therefore, the cap does not apply.

Whilst the calculation of the LHN based on the most up to date figures would give a lower figure than that calculated by the Council, the HBF does not consider that this should lead to any reduction in the housing requirement. Indeed, the Council will be aware that the Government is committed to ensuring that more homes are built and supports ambitious authorities who want to plan for growth. As set out previously, the Standard Method provides a minimum starting point, and there may be circumstances where it is appropriate to consider whether the actual housing need is higher than the Standard Method indicates. PPG (ID: 2a-010) sets out circumstances when there might be a higher housing need than the standard method indicates this includes where there are growth strategies for the area, strategic infrastructure improvements, taking on an unmet need from neighbouring authorities, where previous levels of housing delivery or previous assessments of need are significantly greater than the standard method.

The HBF considers that the Council will need to consider growth strategies for the area including:

- The North Lincolnshire Economic Growth Plan which focuses on the five-year period 2018 to 2023, one of its ideas is to overcome barriers to growth, this includes delivering 12,000 new homes.
- The Greater Lincolnshire LEP Strategic Economic Plan 2014-2030 which highlights that almost 100,000 new houses are planned over the next 15 years, which will provide major growth opportunities along nationally important investment corridors. It also sets out the priorities and drivers for success these include the need for new housing for the existing local population and potential movers to the area, and support balanced housing and economic development

through promoting the area's capacity to deliver high-quality growth. The LEP recognises the opportunities that Greater Lincolnshire offers to new residents and states that housing growth is an important factor in Greater Lincolnshire's overall economic growth.

- The Greater Lincolnshire Growth Deals (2014, 2015 & 2017)

The HBF considers that the Council need to consider strategic infrastructure improvements such as those set out in the Local Transport Plan, the Growth Deals and the Strategic Infrastructure Delivery Plan.

The HBF considers that the evidence for the Issues and Options consultation (OAN Paper, 2017) set out an assessment of need that is significantly greater than that set out in the standards method, it suggested that the medium economic growth projection had a housing requirement of 452dpa and that the longer term economic growth had a housing requirement of 583dpa.

The HBF considers that the housing need is higher than the standard method indicates due to the circumstances set out above and in line with the PPG and considers that a higher housing requirement should be included within the Plan.

Policy SS3p: Development Principles

This policy seeks to promote and encourage the effective use of previously developed (brownfield) land (providing it's not of high environmental value), whilst demonstrating the efficient use of land and resources by ensuring development is built at appropriate densities. Whilst the HBF consider that the re-use of previously developed land is generally a positive way to contribute to sustainability, it should not limit the development of other sustainable sites or compromise the delivery of housing to meet local needs.

This policy also aims to achieve the higher standards of sustainable construction and design through the incorporation of the principles of low carbon development. This could include the inclusion of renewable and low carbon technologies, and measures to reduce the consumption of resources. The HBF does not generally object to moves towards sustainable construction or the introduction of new technologies. However, the Council will be aware that 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 Council should not be getting ahead of national policy, which is expected to come into effect mid / late 2020. The HBF consider that the Council does not need to include a policy in relation to the need to set standards of sustainable construction and design, as this will be provided by national standards.

Policy SS5p: Overall Housing Provision

This policy states that 'between 2017 and 2036, North Lincolnshire's housing requirement is for 7,961 new dwellings to be provided (419 new dwellings per year): Of these new dwellings around 2,153 will be provided from sites that already have planning permission or are under construction'. It goes on to state that 'a rolling five year supply of deliverable housing sites will be maintained. To provide flexibility in the delivery of housing the council will allocate an additional 419 dwellings within the first five years of the plan period. This equates to 8,380 dwellings over the plan period'.

The HBF have already set out their concerns in relation to the housing requirement in response to Policy SS2p, and as with SS2p, the HBF considers that the housing requirement should be a higher figure.

The HBF supports the Council in seeking to maintain a rolling five-year supply of deliverable sites, and generally considers that providing additional allocations to provide flexibility in supply is appropriate. However, an additional 419 homes is only a very small level of flexibility and the HBF consider that the Council should seek to provide further flexibility in the supply.

Policy SS6p: Spatial Distribution of Housing Sites

The HBF consider that it is important that the spatial distribution of sites follows a logical hierarchy, provides an appropriate development pattern and supports sustainable development within all market areas.

Policy SS10p: Development Limits

This policy states that development limits will be applied to the Scunthorpe and Bottesford urban area, Principal Towns, Large Service Centres, Larger Rural Settlements and Smaller Rural Settlements. It states that development outside these boundaries will be restricted to that which is essential to the functioning of the countryside.

The HBF are concerned that the restriction of development outside of settlement boundaries is not in line with the NPPF. Paragraph 77 suggests that in rural areas planning policies should be responsive to local circumstances and support housing developments that reflect local needs. Paragraph 78 goes on to promote sustainable

development in rural areas, housing should be located where it will enhance or maintain the vitality of rural communities. The NPPF only sets restrictions on development in the countryside where it would create isolated homes.

Policy H1p: Site Allocations

The HBF does not wish to comment upon the acceptability or otherwise of individual sites. It is, however, important that all the sites contained within the plan are deliverable over the plan period and planned to an appropriate strategy. The Council's assumptions on sites in relation to delivery and capacity should be realistic based on evidence supported by the parties responsible for housing delivery and sense checked by the Council based on local knowledge and historical empirical data.

The Local Plan should ensure that suitable sites are available for a wide range of types of development across a wide choice of appropriate locations. NPPF (para 61) is clear that the Council need to assess and reflect in their planning policies the size, type and tenure of housing needed for different groups in the community. The HBF consider that 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 can be 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.

Policy H2p: Housing Mix and Density

This policy states that 'all housing schemes should deliver a mix of house types, tenures and size to balance the current housing offer'. 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 are concerned how this policy will apply, for example how will small schemes deliver a mix of house types, tenures and size to balance the current housing offer. Whilst the HBF acknowledge the list of elements that the mix should take into consideration it is considered that it should not be a closed list and should allow for further information or evidence to be considered. The HBF also recommends that the Council acknowledge that what is considered an appropriate mix can vary both geographically and over the plan period.

The policy states that new housing development should make effective use of the land and be built at a density appropriate to the character, location and setting of the area and also sets out a range of housing densities, from 30 dph in rural settlements to 70pdh in Scunthorpe town centre. The flexibility provided by this policy in relation to certain exceptions is noted, this will allow developers to react to some site-specific issues. However, further amendments could be made to create greater flexibility to allow developers to take account of the evidence in relation to market aspirations and viability. The Council will also need to consider its approach to density in relation to other policies in the plan and those set nationally, policies in relation to open space provision, housing design and space standards, SuDs, biodiversity, trees and parking provision can all impact upon the density which can be delivered upon site.

Policy H3p: Affordable Housing

This policy states that new housing developments of 10 or more dwellings must make provision for affordable housing, it requires 20% of affordable homes in major sub-regional centres, principal towns and larger service centres, and 10% for larger rural settlements and smaller rural settlements.

The HBF supports the need to address the affordable housing requirements of the borough. However, the NPPF is clear that the levels and types of affordable housing provision set out within policies should not undermine the deliverability of the plan (para. 34). There does not appear to be a viability report available with this document and therefore at this point it is not possible for the HBF to comment on the viability of this policy or others within the document. The Council should be mindful of the impact of an overly aspirational policy requirement or combination of policies that is set too high as this will jeopardise future housing delivery.

Policy H4p: Housing for Older People

This policy encourages the incorporation of adaptable features within all new residential development to meet household needs over time. It goes on to state that 'on large strategic sites developers will be required to deliver specific provision to meet older people's needs including bungalows, levels access flats and supported homes'.

The HBF is generally supportive of providing homes for older and disabled persons. It is, however, important that this compliments rather than burdens the mainstream market supply. Paragraph 61 of the NPPF considers that the size, type and tenure of housing needed for different groups in the community should be assessed and reflected in planning policies including those for older people. Therefore, if there is sufficient evidence to support a policy in relation to older people this could be included. The HBF would recommend that the policy is amended to create a supportive framework for housing for older people rather than placing a burden on all housing sites.

Policy H8p: Self-Build and Custom Build

This policy requires sites of more than 200 dwellings to supply at least 1% of dwelling plots for sale to self-builders. Many of our members will be able to assist the custom build sector either through the physical building of dwellings on behalf of the homeowner or through the provision of plots for sale to custom builders. The HBF are, therefore, not opposed to the idea of increasing the self-build and custom build sector for its potential contribution to the overall housing supply. However, the HBF have concerns in relation to this policy approach which only changes the house building delivery mechanism from one form of house building company to another without any consequential additional contribution to boosting housing supply. The HBF would encourage the Council to engage with landowners and to work with custom build developers to maximise opportunities.

The policy goes on to state '*where there is evidence that developable plots have been marketed at competitive rates for a period of more than 24 months without interest from self-build or custom builders, those plots may revert to delivery through conventional means*'. The HBF generally supports the opportunity to revert to market

housing if the plots are not sold, however, the HBF is concerned that 24 months in a long period for a plot to sit vacant on a site.

Policy DQE8p: Climate Change & Low Carbon Living

This policy states that for residential development of 11 dwellings or more meet at least 10% of their energy needs from renewable and/or other low carbon energy source(s). As set out previously, the HBF do not consider that the Council needs to include a policy on climate change and low carbon living, as these policies are being set by central Government and provide a more certain and consistent policy requirement for developers.

Policy T4p: Parking

This policy sets standards for electric charging points, it requires 1 electric vehicle charging point per dwelling. In order to ensure that this policy can deliver at the rates proposed and not impede on the delivery of homes, the HBF would encourage the Council to work with the appropriate infrastructure providers to ensure a balanced and flexible optimised energy system that has sufficient capacity to meet any standards and requirements set by the Council in this policy and others.

Future Engagement

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

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

Yours sincerely,



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