

Strategy Team South Lakeland District Council South Lakeland House Lowther Street Kendal Cumbria LA9 4DQ

> SENT BY EMAIL development.plans@southlakeland.gov.uk 14/05/2020

Dear Sir / Madam,

# SOUTH LAKELAND LOCAL PLAN: POLICY REVIEW

Thank you for consulting with the Home Builders Federation on the South Lakeland Draft Local Plan Policy Review document.

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. Our comments upon the main modifications are provided below.

### **Core Strategy DPD**

### Spatial Development Strategy

The Discussion Paper proposes that the review will look at the scale and location of growth and will consider the current settlement hierarchy.

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.

It is noted that Policy CS1.2 states that 'exceptionally, new development will be permitted in the open countryside where it has an essential requirement for a rural location, is needed to sustain existing businesses, provides for exceptional needs for affordable housing, is an appropriate extension of an existing building or involves the appropriate change of use of an existing building'. The HBF does not consider that this element of the policy is in line with NPPF 2019<sup>1</sup>, which states that *'in rural areas, planning policies and decisions should be responsive to local circumstances and support housing developments that reflect local needs*'. It then goes on to set more restrictive policies for 'isolated homes in the countryside', these are similar to those currently included in Policy CS1.2 and include essential need for a rural worker and the re-use of a redundant or disused building.

### <u>Housing</u>

The Discussion Paper proposes to review the existing housing requirement target and set a revised housing target for the plan period, it will specify requirements for the types and mix of homes and will review the current affordable housing policy.

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.

In reviewing their housing requirement and other housing policies and allocations the Council will need to consider the requirements of the NPPF, including paragraph 59 which looks for local authorities to support the Government's objective of significantly boosting the supply of homes, and paragraph 61 which seeks the assessment of and the provision of appropriate policies to reflect size, type and tenure of housing needed for different groups in the community.

The Council will also need to consider the effectiveness of the policies and allocations in delivering homes and meeting local needs, this will include ensuring needs for different groups in the community have been met. For example, paragraph 4.3.2 of the South Lakeland Local Plan Annual Monitoring Report (April 2018 to March 2019) (AMR) highlights the progress on the residential allocations. Whilst Table B of the AMR provides the monitoring information for the Local Plan housing policies.

It is noted for example that the housing requirement set out in the Local Plan is 8,800 dwellings to be built between 2003 and 2025, this equates to an average of 400 dwellings each year. However, as is shown in table 1 below the average net additional dwellings provided over the last ten years is 316 dwellings, below the Local Plan housing requirement. It is also noted that the house price to income ratio, is still well above the ratio for Cumbria and the North West, albeit had improved between 2017 and 2018.

<sup>&</sup>lt;sup>1</sup> Paras 77-79

Table 1: MHCLG Net Additional Dwellings <sup>2</sup>										
	09/10	10/11	11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19
Dwgs	480	283	195	256	264	368	328	307	354	326

# Environment and Climate Crisis

The Discussion Paper proposes to review renewable and low carbon energy requirements; to set out a biodiversity net gain policy and to review sustainable construction policies.

The Government consulted on Biodiversity net gain in December 2018, the consultation set out the objectives of a net gain policy for the environment, development and local communities. The Summary of responses and Government response (July 2019) states that legislation will require development to achieve a 10% net gain for biodiversity, it will require net gain outcomes, through habitat creation or enhancement as part of delivering mandatory biodiversity net gain, to be maintained for a minimum of 30 years, and will encourage longer term protection where this is acceptable to the landowner. The Environment Bill includes provisions to make Biodiversity Net Gain mandatory through making planning permission unlawful unless a 'biodiversity net gain plan' had been submitted by the developer and approved as part of the planning process. Therefore, the HBF does not consider it will be appropriate or necessary for the Council to set their own policy on biodiversity net gain.

The Council will be aware that the Government has consulted on the Future Homes Standard 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. 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 to set their own standards. There are concerns that if each authority brings forward its own

<sup>&</sup>lt;sup>2</sup> MHCLG, Live Table 122 (https://www.gov.uk/government/statistical-data-sets/live-tables-on-net-supply-of-housing)

requirements that this could have a significant impact on deliverability of homes, due to increases in costs and uncertainty.

### **Development Management Policies DPD**

The HBF agree that the Council should review the DPD in light of the NPPF 2019, updates to the PPG and any other changes in Government policy or ambitions. It should also be kept under review to ensure that there are no contradictions with updates to other parts of the plan. The HBF also considers that the Council should consider the viability and deliverability of their development management policies to ensure that they are effective. If there are policies that are not currently being delivered due to issues with viability, then these should also be reviewed.

## Viability

The HBF would also encourage the Council to keep viability and deliverability of the plan under review to ensure that homes can be delivered, and the policies are effective. The Council should work closely with the housing industry in undertaking any viability assessment and ensure that they are engaged at the earliest possible opportunities.

## **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 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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