

Planning Policy Team

SENT BY EMAIL
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Dear Sir / Madam,

SCARBOROUGH LOCAL PLAN REVIEW: ISSUES AND OPTIONS CONSULTATION

Thank you for consulting with the Home Builders Federation (HBF) on the Scarborough Local Plan Review 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 is keen to work with the Council in order to achieve an adopted local plan which enables the delivery of homes across Scarborough. The following comments identify some areas where the HBF considers that any future documents would benefit from further evidence or modifications.

Plan Review Period

The consultation document proposes to extend the plan period to 2038, as the Council expect the Local Plan Review document to be adopted in 2023/24. NPPF¹ looks for Plans to have a 15-year period from adoption. As the plan is not expected to be adopted in 2023/24 the HBF considers that it may be beneficial to take a cautious approach and to extend the Plan period at least until 2040.

Future Housing Options

The consultation proposes four options:

- Option 1 – using the local housing need (LHN) identified by the Standard Method, resulting in a housing requirement of around 175 dwellings per annum (dpa) or 2,800 dwellings in total.
- Option 2 – based on the long-term average of delivery rates, resulting in a housing requirement of 350dpa or 5,600 dwellings in total.

¹ Paragraph 22 of NPPF 2019

- Option 3 – an uplift to the standard method, based on additional factors including population, migration and economic projections, this was previously 450dpa or 7,200 dwellings in total.
- Option 4 – delivering the affordable housing need, resulting in a figure in the region of 1,588dpa or 25,408 dwellings in total.

The HBF considers that the Council should ensure that they meet, as a minimum, the local housing need (LHN) as identified by the standard methodology. The NPPF² is clear that strategic policies should be informed by the standard method unless exceptional circumstances justify an alternate approach. Therefore, the HBF considers this should be the starting point for any housing requirement. The PPG³ sets out when it may be appropriate to plan for a higher housing need figure than the standard method indicates, these include growth strategies, strategic infrastructure, meeting an unmet need from another authority, based on previous assessments of need, or where previous levels of delivery are greater than the standard method. The HBF considers that in Scarborough, it is appropriate to plan for a higher housing figure and that the Council should be seeking to provide a figure above the LHN identified by the standard methodology. The HBF would be supportive of the Council utilising a figure over and above this minimum level likely to be akin to the figure proposed by option 3 to help to boost housing supply in line with Government objectives and to account for additional factors such as economic development and affordable housing provision.

It is noted that the 'Changes to the current planning system' (August 2020) document proposes changes to the standard method for assessing local housing need. These changes include consideration of the existing housing stock and an affordability adjustment that takes into account changes over time. This new method identifies an indicative housing figure of 339dpa for Scarborough, again the consultation identifies that the standard method provides the starting point and not the final housing requirement.

Allocation of Smaller Sites

The policy should ensure that there is a sufficient supply of deliverable and developable land to deliver the Borough's housing requirement. The housing land supply should meet the housing requirement, ensure the maintenance of a 5-year housing land supply and achieve Housing Delivery Test (HDT) performance measurements. The HBF considers the supply should include a short and long-term supply of sites by the identification of both strategic and non-strategic allocations for residential development, this would be in line with the NPPF which requires local planning authorities to identify through the development plan and brownfield registers, land to accommodate at least 10% of their housing requirement on sites no larger than one hectare (unless it can be shown that there are strong reasons why this 10% target cannot be achieved). Housing delivery is optimised where a wide mix of sites is provided therefore strategic sites should be complimented by smaller non-strategic sites. 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 diversified portfolio

² Paragraph 60

³ ID: 2a-010-20190220

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.

Affordable Housing

The SHMA (2015) sets out the need for affordable homes it identified an unmet need of 526dpa for the period 2015/20 and an emerging need of 315dpa from 2020 onwards. The consultation document suggests that in the previous 5 years 570 affordable homes have been delivered, at approximately 114dpa. The current policy applies to developments of 10 or more homes and requires a proportion of affordable homes to be provided ranging from 10% in Scarborough to 30% in Whitby and the northern and western parishes. The current policy also requires 70% of affordable homes to be provided as social or affordable rent.

The NPPF⁴ states that where major development involving the provision of housing proposed at least 10% of the homes should be provided for affordable home ownership, unless this would significantly prejudice the ability to meet the identified affordable housing needs of specific groups. Therefore, the HBF considers that the Council should be seeking to ensure that 10% of homes are affordable home ownership, unless they can demonstrate that this would not meet the identified housing needs.

'Changes to the current planning system' states that the Government intends to set out in policy that a minimum of 25% of all affordable homes should be First Homes. The paper goes on to state that the minimum discount for First Homes should be 30% from market price. The HBF considers that the Council will also need to ensure that this is taken into consideration as part of their future policy.

Housing Mix

The HBF understands the need for a mix of dwellings sizes and is generally supportive of providing a range and choice of homes. 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 such as self & custom builders and the elderly without seeking a specific housing mix on individual sites. The new Local Plan should ensure that suitable sites are available for a wide range of developments across a wide choice of appropriate locations.

The HBF does not consider that the Local Plan should be more prescriptive in the house types or sizes to be delivered. The HBF considers that it is important the policy allows for flexibility to ensure that housing provided is appropriate to meet people's needs and aspirations, and that it is appropriate for the character and location of the site. The HBF also considers that it is important the policy is workable and that the schemes it delivers are viable.

Energy Efficiency

⁴ Paragraph 64

The HBF supports 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. The HBF acknowledges that the Government has not enacted its proposed amendments to the Planning & Energy Act 2008 to prevent the Council from stipulating energy performance standards that exceed the Building Regulations but consider that the Council should comply with the spirit of the Government's intention of setting standards for energy efficiency through the Building Regulations. It is the HBF's opinion that the Council should not be setting different targets or policies outside of Building Regulations. The key to success is standardisation and avoidance of every Council in the country specifying its own approach to energy efficiency, which would undermine economies of scale for both product manufacturers, suppliers and developers.

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.

"Accessible and Adaptable" and "Wheelchair User" Dwellings

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 Scarborough 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 for the policy including the need to consider 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.

Internal Space Standards

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 any of the optional housing standards, based on the criteria set out above. 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.

Self-Build Housing

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 PPG⁵ sets out ways in which the Council should consider supporting self & custom build. These include:

- developing policies in the 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 not supportive of policy requirements for a certain proportion of self & custom build housing on large, allocated 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 burden developers with responsibility for delivery of self & custom build plots contrary to national guidance, which outlines that the Council should engage with landowners and encourage them to consider self & custom build.

Biodiversity Net Gain

The Government’s Environment Bill requires a mandatory 10% biodiversity gain from development for which the DEFRA Impact Statement⁶ estimated an average cost of £19,000 per hectare. It is the HBF’s opinion that the Council should not be looking to set a requirement over and above that proposed by Government. It is the Government’s opinion that 10% strikes the right balance between the ambition for development and reversing environmental decline. 10% gain provides certainty in achieving environmental outcomes, deliverability of development and costs for developers. The mandatory requirement offers developers a level playing field nationally and reduced risks of unexpected costs and delays. The HBF also considers that the Council needs to consider the significant additional costs

⁵ ID: 57-025-201760728

⁶ DEFRA Biodiversity Net Gain & Local Nature Recovery Strategies: Impact Assessment Table 14: Net Gain Delivery Costs (Residential)

associated with biodiversity gain, which should be fully accounted for in the Councils viability assessment.

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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