



Local Plan Consultation
Bath & North East Somerset Council
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Dear Sir / Madam

BATH & NORTH EAST SOMERSET (BANES) LOCAL PLAN PARTIAL REVIEW – OPTIONS 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 submit the following responses to the BANES Local Plan Partial Review Options consultation.

Partial Review

To be effective Local Plans must be kept up to date, as set out in the HBF response to the Council's Commencement Document consultation ended on 1 June 2020, the HBF do not support a Partial Review of the BANES Local Plan and consider that a full Local Plan Review (LPR) should be pursued. Under Regulation 10A of the Town and Country Planning (Local Planning) (England) Regulations 2012, it is a legal requirement for all Local Plans to be reviewed at least every five years (2019 National Planning Policy Framework (NPPF) Footnote 18). The BANES Core Strategy (CS) was adopted in July 2014, so it is now more than five years old. Indeed, CS Policy DW1 refers to a review of the adopted CS in 2016, which has not taken place and is now long overdue. As set out in 2019 NPPF, reviews should be completed no later than five years from the adoption date of a Plan and take into account changing circumstances affecting the area, or any relevant changes in national policy.

Furthermore, the 2019 NPPF (para 22) states that strategic policies should look ahead over a minimum fifteen years period from adoption to anticipate and respond to long-term requirements and opportunities. The adopted CS end date of 2028/29 is only nine years away.



Since the formal withdrawal of the West of England (WoE) Joint Spatial Plan (JSP) on 7 April 2020, the authorities of Bristol City, BANES, South Gloucestershire & North Somerset and WoE Combined Authority remain committed to working together on strategic planning policies for the sub-region. The preparation of a Spatial Development Strategy (SDS) for the period 2020 – 2040 has commenced, which is expected to cover strategic planning priorities including a response to climate change emergency declarations, a spatial vision, a spatial strategy on the broad pattern of housing / employment development & infrastructure, housing & jobs requirements and any other thematic policies such as affordable housing. It is not clear if the Council's Partial Review will align with proposals for the SDS and comply with parallel working between Local Plans under the Duty to Cooperate. The Council's latest Local Development Scheme (LDS) is incomplete with no information on the preparation of the WoE SDS or full LPR. By preparing the Partial Review ahead of the adoption of the SDS, the Council will not be accounting for any unmet housing needs from Bristol up to 2029 under the Duty to Co-operate nor any applicable Growth Deal uplifts to the Standard Methodology for calculating Local Housing Needs. It is noted that all other WoE Councils are pursuing full rather than partial LPRs, which are co-ordinated with SDS preparation and include extended plan periods.

It is the HBF's opinion that the BANES Local Plan Partial Review wastes valuable time and delays the preparation of the full LPR.

Proposed Changes to Development Management Policies

DM1 - Net Zero Carbon Construction Policy (amending & updating / replacing Policies CP2 and SCR1)

Under Option 2, if the Future Homes Standard is brought forward, the Council propose that the new Part L requirement is used as a starting point for delivering net zero carbon construction. The Council's policy approach would require the higher fabric standards of the Future Homes Standard 2025 with the remainder of the carbon emissions mitigated through renewable energy. Any remaining emissions not mitigated onsite would be offset through financial contributions to achieve net zero carbon.

It is commendable for the Council to seek a net zero carbon construction policy however it is important that the Council's proposed policy approach does not conflict or go beyond the Government's proposals for Building Regulations. As set out in The Future Homes Standard consultation (ended on 7th February 2020), the Government intends to future proof new homes with low carbon heating and world-leading levels of energy efficiency by uplifting standards for Part L (Conservation of Fuel & Power) and changing Part F (Ventilation) of the Building Regulations.

Today's new homes are very energy efficient with lower heating bills for residents compared to existing older homes. Energy performance data has shown that around 8 out of 10 new build dwellings have an A or B energy

efficiency rating, compared to just 3% of existing properties. An HBF report published in November 2019 found that, as a result, the average new build buyer in England and Wales saves £442.32 every year on heating costs compared to owners of existing dwellings.

The HBF recognise and support the need to move to The Future Homes Standard but there are difficulties and risks to housing delivery given the immaturity of the supply chain for the production / installation of heat pumps and the additional load that would be placed on local electricity networks in combination with Government proposals for the installation of electric vehicle charging points (EVCP) in new homes (also see HBF comments to DM8 below). The Government Response to The Future Homes Standard : 2019 Consultation on changes to Part L (conservation of fuel and power) and Part F (ventilation) of the Building Regulations for new dwellings dated January 2021 provides an implementation roadmap, the Government's aim is for the interim Part L (Conservation of fuel and power), Part F (Ventilation) and Overheating Regulations to be regulated for in late 2021 and to come into effect in 2022. The 2021 interim uplift will deliver homes that are expected to produce 31% less CO2 emissions compared to current standards. The second Part L consultation is published alongside the Government's Response. To ensure as many homes as possible are built in line with new energy efficiency standards, transitional arrangements will apply to individual homes rather than an entire development and the transitional period will be one year. This approach will support successful implementation of the 2021 interim uplift and the wider implementation timeline for the Future Homes Standard from 2025.

The Future Homes Standard will ensure that new homes will produce at least 75% lower CO2 emissions than one built to current energy efficiency requirements. Homes built under the Future Homes Standard will be future-proofed with low carbon heating and world-leading levels of energy efficiency. By delivering carbon reductions through the fabric and building services in a home rather than relying on wider carbon offsetting, the Future Homes Standard will ensure new homes have a smaller carbon footprint than any previous Government policy. In addition, this footprint will continue to reduce over time as the electricity grid decarbonises.

The HBF support moving towards greater energy efficiency via a nationally consistent set of standards and timetable, which is universally understood and technically implementable. The Government Response to The Future Homes Standard consultation confirms that the Planning and Energy Act 2008 will not be amended, which means that the Council will retain powers to set local energy efficiency standards for new homes. The HBF acknowledges that the Council may stipulate energy performance standards that exceed the Building Regulations but consider that the Council should comply with 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 individual Council's specifying their own policy approach to energy efficiency, which would undermine economies of

scale for product manufacturers, suppliers and developers. As set out in the Planning for the Future White Paper a simpler planning process improves certainty. The higher levels of energy efficiency standards for new homes proposed in the 2021 Part L uplift and Future Homes Standard means that the Council should not need to set local energy efficiency standards in order to achieve the shared net zero goal.

Furthermore, the Council's policy approach should not compromise the viability of development. The Council's updated viability assessment should include additional costs for 2021 Part L uplift and Future Homes Standard 2025. The Government's estimated cost for Option 2 (interim step of 31% reduction in carbon emissions compared to the current Part L 2013 requirements) is £4,847 per dwelling as yet the costs for Future Homes Standard are unknown.

DM4 – New Policy : Whole Life Carbon Assessments

The Council should not be getting ahead of the strategic policy approach to Climate Change to be set out in the WoE SDS.

If the Council introduces this new policy for Whole Life Carbon Assessments, the proposed site thresholds of 10 dwellings (Option 2) or 50 dwellings (Option 1) should be fully justified by the Council. It is understood that the site threshold in the London Plan is 150 dwellings. It is the HBF's opinion that the Council should not place unduly onerous requirements onto small sites and SME builders. The HBF will submit further comments on the Council's proposals for Whole Life Carbon Assessments, on the publication of further details by the Council.

Any cost implications of producing a Whole Life Carbon Assessment should also be included in the Council's updated viability assessment.

DM8 – New Policy : Electric Vehicles

The HBF recognise that electric vehicles will be part of the solution to transitioning to a low carbon future. The Department of Transport consultation on Electric Vehicle Charging in Residential & Non-Residential Buildings (ended on 7th October 2019) set out the Government's preferred option to introduce a new requirement for EVCPs under Part S of the Building Regulations. The inclusion of EVCP requirements within the Building Regulations will introduce a standardised consistent approach to EVCPs in new buildings across the country. The Government's proposed requirements will 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 (the Government's emphasis underlined). It is proposed that charging points must be at least Mode 3 or equivalent with a minimum power rating output of 7kW fitted with a universal socket to charge all types of electric vehicle currently on the market. It is the HBF's opinion is that the Council's policy approach is unnecessary given the Government's proposals for Part S of the Building Regulations.

If the Council's policy approach is retained, the HBF consider that the physical installation of active EVCPs is unnecessary (as proposed under Minor Residential Development Option 1b & Major Residential Development Option 2b). The evolution of this automotive technology is moving quickly therefore a passive cable and duct approach is a more sensible and future proofed solution, which negates the potential for obsolete technology being experienced by householders. A passive cable and duct approach means that the householder can later arrange and install a physical EVCP suitable for their vehicle and in line with the latest technologies (as proposed under Minor Residential Development Option 1a & Major Residential Development Option 2a).

The Council's policy approach should not compromise the viability of development. The cost of EVCPs should be included in the Council's updated viability assessment. The Department for Transport - Electric Vehicle Charging in Residential & Non-Residential Buildings consultation estimated an installation cost of approximately £976 per EVCP. The HBF and its Members also have serious concerns about the capacity of the existing electrical network in the UK. The supply from the power grid is already constrained in many areas across the country. Major network reinforcement will be required across the power network to facilitate the introduction of EVCPs and the move from gas to electric heating as proposed under the Future Homes Standard (also see HBF comments under DM1 above). These costs can be substantial and can drastically affect the viability of developments. If developers are funding the potential future reinforcement of the National Grid network at significant cost, this will have a significant impact on their businesses and potentially jeopardise future housing delivery. The Government's current proposal automatically levies a capped figure of £3,600 on developers for upgrading local electricity networks, therefore this figure should also be included in the Council's updated viability assessment.

DM11 – New Policy : Biodiversity Net Gain

The Council's policy approach to biodiversity net gain should not deviate from the Government's proposals on biodiversity gain as set out in the Environment Bill. This legislation will require development to achieve a 10% net gain for biodiversity. 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. 10% will be a mandatory national requirement, but it is not a cap on the aspirations of developers who want to voluntarily go further. The mandatory requirement offers developers a level playing field nationally and reduced risks of unexpected costs and delays. It is the HBF's opinion that the Council should not pursue Option 2 (15% Biodiversity Net Gain) and the prefix "at least" 10% under Option 1 should be removed.

The Council's policy approach should also reflect the Government's proposals for a transition period of two years as set out in the Environment Bill. The Government proposes to work with stakeholders on the specifics of this transition period, including accounting for sites with outline planning permission,

in order to provide clear and timely guidance on understanding what will be required and when.

The Government will issue guidance to Councils on the importance of proportionality in their application of planning policy. So that sites without reasonable opportunities to achieve net gain through on-site habitat delivery will not face risks of delay through rigid or prescriptive requirements. It is the HBF's opinion that the Council's policy approach to brownfield sites (Option 3) should not deviate from the exemptions set out by the Government.

As set out in the Environment Bill, the Government will introduce exemptions applicable to the most constrained types of development. Sites not containing habitats to start with (e.g. those entirely comprising buildings and sealed surfaces) will not be required to deliver compensatory habitats through biodiversity net gain, but may be required to incorporate some green infrastructure through wider planning policy. There will be a targeted exemption for brownfield sites that meet a number of criteria including that they (i) do not contain priority habitats and (ii) face genuine difficulties in delivering viable development, which will address concerns about the cost sensitivity of the redevelopment of post-industrial developed land. These exemptions will be set out in secondary legislation.

The Government will also consider whether minor (less than 10 dwellings) residential developments should be subject to longer transition arrangements or a lower net gain requirement than other types of development. A simplified process for minor residential developments will be introduced to ensure that such schemes do not face additional new survey requirements. This simplified assessment will not include a condition assessment, so users will only need to state what habitats are present and the area that these habitats occupy to define their baseline for net gain.

There are significant additional costs associated with biodiversity gain, which should be fully accounted for in the Council's updated viability assessment. The Government has confirmed that more work needs to be undertaken to address viability concerns raised by the housebuilding industry in order that net gain does not prevent, delay or reduce housing delivery. The DEFRA Biodiversity Net Gain & Local Nature Recovery Strategies : Impact Assessment Table 14 : Net Gain Delivery Costs (Residential) sets out regional costs (based on 2017 prices) in South West of £18,470 per hectare of development based on a central estimate but there are significant increases in costs to £63,610 per hectare for off-site delivery under Scenario C. There may also be an impact on gross / net site acreage ratio, which should be considered in the Council's updated viability assessment.

DM17 – amendment to Policy CP9

The Council's proposed change to the discount applied to affordable units in a Build to Rent schemes from 20% to 30% should be tested in the Council's updated viability assessment.

The Council has not proposed any other amendments to Policy CP9. However, it is noted that site thresholds and affordable housing tenure mix do not conform with 2019 NPPF (paras 63 & 64). The Council should explain the inconsistency in its approach of not fully reviewing Policy CP9.

DM25 – amendment to Policy H7

The Council propose to require that new housing meets M4(2) accessible & adaptable dwellings and M4(3) wheelchair user dwellings standards.

If the Government implements proposed changes to Part M of the Building Regulations as set out in the “Raising Accessibility Standards for New Homes” consultation, which closed on 1 December 2020, the Council’s amendment to Policy H7 will be unnecessary.

In the meantime, if the Council wishes to adopt the optional standards for accessible & adaptable dwellings, then this should only be done in accordance with the 2019 NPPF (para 127f & Footnote 46) and the latest 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). Therefore, a policy requirement for M4(2) and M4(3) dwellings must be justified by credible and robust evidence. The NPPG sets out the evidence necessary to justify a policy requirement for optional standards. The Council should apply the criteria set out in the NPPG (ID 56-005-20150327 to 56-011-20150327). 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.

The HBF acknowledge that the population of BANES is going to “age” in the future and for older people care needs become more significant but it is important to note that not all health problems affect a household’s housing needs therefore not all health problems require adaptations to homes. An ageing population affects the whole country and is not an issue specific to BANES. It is likely that other parts of the UK will be impacted by an ageing population to a greater extent. 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.

Many older households are already living in the District. Of these older households, many will not move from their current home but will make adaptations as required to meet their needs, some will choose to move to another dwelling in the existing stock rather than a new build property and some will want to live in specialist older person housing. Recent research by Savills “Delivering New Homes Resiliently” published in October 2020 shows that over 60’s households “*are less inclined to buy a new home than a second-hand one, with only 7% doing so*”. The existing housing stock (82,088 dwellings in 2019) is considerably larger than the new build sector (1,163 new homes delivered in 2019/20) so adapting the existing stock is likely to form part of the solution.

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*”. 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. M4(1) standards are likely to be suitable for most residents.

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). The Council should also distinguish between a wheelchair adaptable home (M4(3)(2a)), which includes features to make a home easy to convert to be fully wheelchair accessible and a wheelchair accessible home (M4(3)(2b)), which includes the most common features required by wheelchair users. The Council’s policy approach should take into account site specific factors such as vulnerability to flooding, site topography and other circumstances, which make a site unsuitable for M4(2) and M4(3) compliant dwellings (NPPG ID : 56-008-20150327).

The Council’s updated viability assessment should take full account of additional costs for policy compliance. The MHCLG consultation “Raising Accessibility Standards for New Homes” dated September 2020 estimates the additional cost per new dwelling not already meeting M4(2) is approximately £1,400 per dwelling. The costs for M4(3) are much higher. In September 2014 during the Government’s Housing Standards Review EC Harris estimated the cost impact of M4(3) per dwelling as £15,691 for apartments and £26,816 for houses (any inflationary increases to build costs since 2014 should be added). M4(3) compliant houses are also larger than NDSS (DCLG Housing Standards Review Illustrative Technical Standards Developed by the Working Groups August 2013) therefore larger sizes should be used when calculating additional build costs for M4(3) and any other input based on square meterage.

DM33 – amendment to Policy ST5 : Traffic Management

The Council is referred to the HBF comments under DM8 above concerning EVCPs.

DM35 – amendment to Policy ST7 : Transport Requirements for Managing Development

The Council proposes to remove car parking standards from Policy ST7 and to define them in a new Parking Supplementary Planning Document (SPD), which will be referred to in Policy ST7.

The Regulations are clear that development management policies, which are intended to guide the determination of applications for planning permission should be set out in policy in the Local Plan. To ensure a policy is effective, it should be clearly written and unambiguous so it is evident how a decision maker should react to development proposals. Policy ST7 should clearly set out the Council's proposed parking standards in sufficient detail to determine a planning application without relying on, other criteria or guidelines set out in a separate SPD. The Council should not be relying on the new Parking SPD as the principal basis for introducing parking standards. The new Parking SPD should only be providing additional detail guidance to support the implementation of Policy ST7. National policy clearly defines the scope and nature of an SPD in the planning process as providing more detailed advice and guidance on adopted Local Plan policies. The NPPG confirms that an SPD cannot introduce new planning policies nor add unnecessarily to the financial burdens on development (ID: 61-008-20190315).

The Council's proposed policy approach of referring to the new Parking SPD should not convey Development Plan Document (DPD) status to a document, which is not part of the Local Plan and has not been subject to the same process of preparation, consultation and examination.

Housing Land Supply (HLS)

By the end of the plan period in 2028/29, the Council anticipates a shortfall of circa 1,200 dwellings against its adopted housing requirement of 722 dwellings per annum. The Council expects that a combination of densification of existing brownfield allocations and new brownfield allocations will bring forward an additional 1,000 dwellings. The allocation of safeguarded greenfield land at Keynsham will also yield a further 300 dwellings. If Keynsham safeguarded land is not deliverable by the plan period end date, the Council may consider other alternatives.

The soundness of the Council's HLS will be tested in due course at the Local Plan Partial Review Examination. The HBF would not wish to comment on individual sites and our responses are submitted without prejudice to any comments made by other parties. At present, there is limited information available from which to assess the robustness of the Council's proposals for the densification of brownfield sites. The Council should set out in detail its assessment of the capacity of allocated and proposed brownfield sites. The

Council should robustly evidence that the proposed number of dwellings can be accommodated without reverting to an overly ambitious intensification of site densities. Furthermore, the deliverability of residential development in these locations will be dependent upon the viability of previously developed land and the demand for high density urban living post Covid-19 pandemic. It is critical that the Council's assumptions are supported by parties responsible for delivery of housing.

Any proposed changes to Green Belt boundaries in the Partial Review to provide HLS up to 2028/29 would be inconsistent with 2019 NPPF (para 136), the intention of which is to prevent a piecemeal approach. A comprehensive Green Belt review will be necessary to accommodate growth for the wider WoE SDS by meeting unmet housing needs from Bristol in the most sustainable locations up to 2040.

Viability will be a key issue in determining the soundness of the Local Plan Partial Review at Examination. In plan-making, viability is inseparable from the deliverability of development. As set out in the 2019 NPPF, the contributions expected from development including the level & types of affordable housing provision required and other infrastructure for education, health, transport, flood & water management, open space, digital communication, etc. should be set out in the Local Plan (para 34). As stated in the 2019 NPPF, development should not be subject to such a scale of obligations that the deliverability of the Local Plan is threatened (para 34). The viability of individual developments and plan policies should be tested at the plan making stage. Without a robust approach to viability assessment, land will be withheld from the market and housing delivery will be threatened, leading to an unsound Plan and housing delivery targets not being met. Viability assessment should not be conducted on the margins of viability. This will be particularly important in the aftermath of uncertainties caused by the Covid-19 pandemic and Brexit. If the resultant Benchmark Land Value (BLV) is lower than the market value at which land will trade or overly onerous policy requirements make redevelopment of brownfield sites unviable, then the delivery of housing targets will not be met. It is essential that the Council's updated viability assessment fully accounts for additional costs associated with proposed policy requirements set out in DM1, DM4, DM8, DM11, DM17, DM25, DM33 and DM35 (see HBF detailed comments above).

Conclusion

It is hoped that these responses will assist the Council in its next stages of plan-making. If any further information or assistance is required, please contact the undersigned.

Yours faithfully
for and on behalf of **HBF**



Susan E Green MRTPI
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