

Sent by email to: strategy@watford.gov.uk

01/03/2021

Dear Sir/ Madam

Response by the Home Builders Federation to the consultation on the Watford Local Plan

1. Thank you for consulting the Home Builders Federation (HBF) on the final draft of the Watford Local Plan. The HBF is the principal representative body of the housebuilding industry in England and Wales and our representations reflect the views of discussions with our membership of national and multinational corporations through to regional developers and small local housebuilders. Our members account for over 80% of all new housing built in England and Wales in any one year.

Strategic Policy HO3.1: Housing Provision

The policy is unsound as the housing requirement is based on a plan period that is inconsistent with national policy.

2. The HBF agrees with the Council's calculation, using the standard method, of the local housing needs assessment (LHNA). However, it will be important for the Council to use the most up to date evidence when submitting its plan for examination. The Council will no doubt be aware that the latest affordability ratios will be published in March and as set out in paragraph 2a-005 of Planning Practice Guidance (PPG) the most recent data should be used. However, whilst we do not disagree with the annual assessment of housing needs, we are concerned that the proposed plan period is not consistent with national policy. The National Planning Policy Framework (NPPF) establishes at paragraph 22 that plans should look ahead over a minimum of 15 years from adoption. As such the Council should extend the plan period by at least one year to 2036/37. This would increase the requirement for this plan from 14,274 to 15,067 and lead to a shortfall in supply in Watford. The Council will either need to find additional development or seek support from its neighbours to meet this additional need.



3. This minimum requirement will also need to be set out in policy HO3.1, at present it is only set out in the supporting text at paragraph 3.1 of the Local Plan with the expected level of provision to meet its requirements being set out in policy. It is important that the minimum number of homes the Council are required to deliver is set out in policy. It is important that the requirement is expressed as a minimum as this ensures that the Council does not inadvertently create the expectation that the Council should not deliver beyond its requirement or indeed beyond the proposed level of supply.
4. We therefore welcome the decision to include an 5% buffer within the Council's supply to meet its requirement and we consider it necessary for the Council to retain a buffer against the higher housing requirement necessitated by the longer plan period. Whilst we welcome the proposed buffer, we do question whether this will be sufficient to provide the necessary flexibility in supply required by the NPPF. The HBF usually recommends that a 20% buffer is more appropriate to ensure the flexibility in land supply required to meet need. However, we recognise the Council's boundary is tightly drawn to Watford's urban and this does make it more difficult to deliver a higher buffer. As such clarity in the policy that the proposed requirement and levels of supply are minimums is probably sufficient in this case.

Policy HO3.3: Affordable Housing

The policy is unsound as it is not consistent with national policy.

5. Policy HO3.3 states that affordable housing provision on sites of ten homes or more should be at least 35%. Firstly, the Council should remove the term at least from the policy. The requirement in this policy must not be considered to be the lower end of a potentially higher level of delivery. Policies, as set out in paragraph 16 of the NPPF need to provide clarity as to the expectations of the Council. Phrases such as "*at least*" do not provide the necessary clarity for either applicants and decision makers that is expected by paragraph 16 of the NPPF and should be removed from this policy.
6. The 2019 NPPF has also changed matters significantly with the role for viability now being primarily at plan making stage. This is set out in paragraphs 34 and 57 of the NPPF with supporting guidance in paragraphs 10-001 to 10-019 of the PPG. Given the Government's position that decision makers can assume that policy compliant development is viable it is important that local policies take account of situations where development is more marginal. Given that the Council's Viability Assessment concludes in paragraph 6.31 that many schemes in lower values areas are unviable then we would suggest that a greater degree of variability could have been introduced into the policy to reflect the evidence.
7. However, this option does not seem to have been considered by the Council or the consultants who prepared the Viability Assessment. At paragraph 6.35 of the Viability Assessment, it is concluded that there are just two potential options given not all schemes would be considered viable with requirement to provide 35% of

their homes as affordable housing. These two options are to lower the requirement to a level at which all schemes are viable, with the outcome that some schemes that could deliver 35% do not or set a target of 35% and accept that on some schemes a negotiation will be necessary. However, the third option, and one that would be more consistent with national policy, would be to require a lower level of affordable housing on schemes in the north of the Borough where viability is more challenging. This would reduce the number of sites where negotiation on affordable housing provision is required, a key objective of the Government, and allow such sites to come forward more quickly.

8. We note the Council will require a late-stage review where schemes have negotiated a reduced level of affordable housing. The Council should also state under the same provisions that it will support reductions in affordable housing requirements where changing economic circumstances render a site unviable and unable to deliver affordable housing requirements as set out in policy HO3.3. This would ensure consistency and flexibility within the application of this policy.

HO3.7: Self Build and Custom Housebuilding

This policy is unsound as it has not been sufficiently justified.

9. Whilst the HBF support the encouragement of self-build housing through local plans, we do not consider the requirement for all development of 50 or more dwellings to set aside 1 in every 10 market houses to be delivered on serviced plots for self-build and custom housebuilding to be justified or consistent with national policy.
10. As the Council will be aware the proposed policy must be based on robust evidence of both the demand for self-build plots and a consideration as to the impact on viability of this policy. With regard to the evidence on needs the South West Hertfordshire Local Housing Needs Assessment (LHNA) states at paragraph 8.9 that there are currently 37 applicants on the self-build register in Watford. Firstly, this does not suggest that there is a high level of demand for self-build plots in Watford that requires ten percent of all market homes on sites of over 50 units to be offered as plots to self-builders. The Council will therefore need to consider how many homes their policy is likely to provide and whether it is proportionate to the evidence. It is also necessary for the Council to indicate how many self-build homes have been granted permission since the requirement to maintain a self-build register was introduced. The latest LHNA indicated that in the last five years 18 planning permission have had self-build exemptions granted, almost half of the identified demand the Council is currently required to address.
11. Secondly, the Council will also need to consider the robustness of their self-build register as an evidence base indicating demand for self-build plots. This is vital as the data on self-build registers is often flawed in that it does not consider whether individuals on such registers are on other registers in neighbouring areas and whether those on the list are still seeking a self-build plot. If the register has not

been reviewed in this manner, we would suggest this is undertaken prior to the submission of the local plan.

12. Thirdly, it is important to recognise that paragraphs 57-024 and 57-025 of the PPG sets out a variety of approaches that need to be considered – including the use of the Council’s own land. This is reiterated in para 57-014 of the PPG which sets out the need for Council’s to consider how they can support the delivery of self-build plots through their housing strategy, land disposal and regeneration functions. We would suggest that in the first instance rather than place additional burdens on house builders for the provision of self-build plots it should utilise its own land or seek to engage with landowners to identify suitable sites on which to deliver serviced self-build plots.
13. Therefore, on the basis of the evidence presented we would suggest that there is insufficient justification for the adoption of policy HO3.7 and as such it should be deleted.
14. If sufficient justification is provided, then the Council must improve the clarity as to the application of this policy. Firstly, the Council will need to set out that this policy will not apply to flatted development given the near impossibility of delivering self-build in a flatted development. This would appear to be the case given that reference is made to the policy only applying to developments of 50 or more houses, but this must be clarified. Secondly, we would suggest that where plots are not sold within six months of being offered to people registered on the Council’s self-build register then they should return to the developer to be built out. This will ensure that plots do not sit empty and that the homes needed in Watford are delivered in a timely manner.

Policy HO3.10: Building Standards for New Homes

Policy is not sound as elements have not been adequately justified.

Nationally Described Space Standards

15. The opening paragraph of this policy sets out the requirement for residential development to meet the nationally described spaces standards (NDSS) as a minimum. Whilst the HBF share the Council desire good quality homes delivered within Watford it is essential that the Council provide the necessary justification, as required by footnote 46 of paragraph 127 of the NPPF which states:

“Policies may also make use of the nationally described space standard, where the need for an internal space standard is justified.”

It is important the space standards are justified as these standards can, in some instances, have a negative impact upon affordability issues and reduce customer choice. In terms of choice, for example, some developers will provide entry level two, three and four-bedroom properties which may not meet the optional nationally

described space standards, but which would allow households on lower incomes to afford a property which has their required number of bedrooms.

16. Given the poor affordability of property in the area and the tight constraints on development it is therefore important that the Council can provide, in line with PPG, robust evidence that there is a need to introduce the optional space standards – that these standards are a must have rather than a nice to have policy. However, we could not find any evidence prepared by the Council to suggest that development below space standards is an endemic concern within Watford. As such we would suggest that the requirement to meet NDSS is deleted from the plan. This would give the Council greater flexibility to maximise the number of sites that are developable as well as extending consumer choice to more households.

Accessible homes

17. The HBF recognises that there is a need for some homes to be built to part M4(3) of the Building Regulations. When considering the implementation of the optional standards it is important to note that footnote 46 in paragraph 147 in the NPPF states that policies on adaptable and accessible housing should be used “... *where this would address an identified need ...*”. As such any policy must be justified and based on an identified need in that area. However, we do not consider the evidence presented to indicate that there is a need for 10% of new homes on sites of over 10 units to be built to this optional standard.
18. The Council’s evidence set out in part 7 of the LHNA notes there is limited local evidence in relation to the number of individuals who will need a wheelchair accessible or wheelchair adaptable home in future. As such it proposes to use national evidence as set out in the report produced by Habinteg and South Bank University Mind the Step: An estimation of housing need. This report, first published in 2010, estimates need for wheelchair accommodation in future will be around 3% of all households. With existing unmet needs estimated as being 142 households this results in an estimate of total need for 513 homes for wheelchair users by 2036. This equates to around 5% of the new homes to be built over the plan period that do not already have planning permission. Whilst we recognise that not all of these homes will come forward on sites of over 10 units it does suggest that the Council’s requirements with regard to the Part M4(3) may not be supported by their own evidence.
19. Furthermore, the Council’s evidence does not consider that a proportion of those in need will have their current home adapted to meet their needs. In fact, where this is possible many people would prefer to have their existing home adapted. Evidence published by Habinteg and the Papworth Trust in 2020 indicates that around 300,000 of the 1.8 million households that need an accessible home do not currently have the features they require. This shows that a significant proportion of those in need of a more accessible home currently are having that need met. Therefore, whilst we recognise that there is a need for some homes to

be built to higher accessibility standards, we would suggest that the proposed level of delivery in policy HO3.10 has not been adequately justified.

Policy ST11.5: Electric Vehicles, Car Parking and Car Clubs

20. This policy introduces requirements for electric vehicle charging points and any associated infrastructure to be provided on all development. The HBF supports the use of electric and hybrid vehicles and the introduction of the necessary supporting infrastructure via a national standardised approach implemented through the Building Regulations to ensure a consistent approach to future proofing the housing stock. It is the industry's preference for a national approach to the provision of charging points rather than local authorities setting their own standards.
21. The Government has recognised in recent consultations the possible impact of any requirement to provide electric vehicle charging points on housing supply, where the requirements are not technically feasible. The same consultation proposed introducing exemptions for such developments. The costs of installing the cables and the charge point hardware will vary considerably based on site-specific conditions in relation to the local grid. The introduction of Electric Vehicle Charging Points (EVCP) in new buildings will impact on the electricity demand from these buildings especially for multi-dwelling buildings. A requirement for large numbers of EVCPs will require a larger connection to the development and will introduce a power supply requirement, which may otherwise not be needed. The level of upgrade needed is dependent on the capacity available in the local network resulting in additional costs in relation to charge point instalment.
22. Where such costs are high the Government are proposing that any potential negative impact on housing supply should be mitigated with an appropriate exemption from the charge point installation requirement based on the grid connection cost. The consultation proposes that the threshold for the exemption is set at £3,600. In instances where the additional costs are likely to make developments unviable, it is the Government's view that the EVCP requirements should not apply and only the minimum Energy Performance of Buildings Directive requirements should be applied.
23. As such we would suggest that the requirement for EVCPs should not be included in the local plan because the Government's proposed changes to Building Regulations will provide a more effective framework for the delivery of charging points for electric vehicles.

Conclusion

24. At present we do not consider the plan to be sound, as measured against the tests of soundness set out in paragraph 35 of the NPPF, for the following reasons:

- The plan period is not consistent with national policy;
- The affordable housing policy does not take sufficient account of the viability evidence with regard to lower value areas;
- No evidence has been provided to support the adoption of nationally described space standards;
- Insufficient justification for the policy on self-build and custom housebuilding.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Mark Behrendt'.

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