

20/04/2021

Dear Sir/ Madam

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

1. Thank you for consulting the Home Builders Federation (HBF) on the Issues and Options consultation for the Uttlesford Local Plan. The HBF is the principal representative body of the housebuilding industry in England and Wales and our representations reflect the discussions with our membership which include 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.

Theme 8 - Housing

What kind of housing should be built in Uttlesford in the next 20 years and beyond?

- 2. The kind housing to be built in Uttlesford over the next 20 years will depend on a wide range of influences and to seek to predict the type of housing that will be needed over 20 years, with any certainty, is difficult. As we have seen over the last year global events will have significant impact on the type of housing that people are looking for and as such the local plan will need to be sufficiently flexible to allow the market to adapt to such changes. It is also important to understand that the kind of housing needed is not uniform across Uttlesford, or even within individual settlements. Different sites will need to respond to local needs, and it will be important for the Council to work with individual developers to understand these markets. Developers know their customers and the types of home that are needed. If they did not, they would not be able to sell the homes they build.
- 3. As such, rigidly defined housing mix policies in local plans based on evidence that is only a snap shot in time should be avoided and a greater focus should be placed on allocating a range of sites in terms of both size and location. A wider variety of sites will inevitably provide a wider mix of housing that will meet the changing needs in Uttlesford's housing market.

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What should the local plan prioritise to ensure good design?

- 4. Clearly the Council will need to take into account the Government's latest proposals as set out in the National Design Guide (NDG) and proposed National Model Design Code (NMDC). The NDG alongside any local guides produced by the Council using the NMDC will have a significant influence on the approach to the design taken in this local plan and our first request is that the Council liaises closely with the development industry in producing any local design guides. In addition, the Council will also need to ensure the design guides/policies take into account any mandatory technical standards, such as those set out in Building Regulations, to ensure consistency and avoid any unintended conflicts with such regulations. Where there are conflicts, the council must prioritise the technical regulations.
- 5. Similarly, the requirements from highways authorities and other statutory consultees can have a similar impact leading to well-designed schemes that meet the Council's requirements being amended to address other concerns. Such technical requirements must be built into expectations from the start to ensure well designed schemes are not compromised through the planning application process.
- 6. Finally, we would suggest the Council avoids referring to the plethora of alternative standards that are set out in the consultation document within the local plan itself. The focus should be on the local design guide and whilst we recognise that these alternative standards may influence the content of the design guide the local plan should not make reference to such standard being met. The only technical standard that developments should be required to meet are those set out in building regulations.

How should the local plan ensure the design and construction of new homes mitigate against climate change?

- 7. The HBF and its members recognise the need to respond to the threat of climate change and the need to improve the energy efficiency of new homes in order to reduce CO₂ emissions. With regard to the design of new homes the HBF considers it important that Councils recognise that it will take time to ensure that the technology required to achieve net zero emission from new homes has not been delivered to date on large scale. There is still considerable work to do to ensure that supply chains are in place to supply the housebuilding industry as well as the technical skills in place to deliver and maintain systems such as ground and air source heat pumps to guarantee they work as expected on such a large scale. It is important that these systems when they are used work to ensure that the public are satisfied with the product and can rely on it to meet their needs.
- 8. It is also important to recognise that these new technologies will change patterns of demand for electricity supply, and it will be important that infrastructure is improved where necessary to address these changing patterns of demand. The

introduction of Electric Vehicle Charging Points (EVCP), for example, 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.

- 9. As such the HBF consider the focus on technical requirements of new homes should be considered nationally through changes to the Building Regulations and different standards should not be set within local plans. Only through a nationally consistent and phased approach to the introduction of the new standards and technologies the house building industry be able to maintain housing supply, maintain consumer confidence and deliver the required improvements in energy consumption.
- 10. However, we recognise that new development will need to be situated and planned in a manner that seeks to optimise opportunities for both natural heating and ventilation as well as consider opportunities for renewable energy generation where feasible.

How should planning policy ensure that specialist housing is delivered?

11. It will be important that the Council includes a specific policy in the local plan to support residential development that meets the needs of older people alongside allocations in the appropriate locations close to town centres and the services they provide. We would recommend that any policy supporting the provision of accommodation for older people includes a target as to how many homes for older people will be delivered in the District. Whilst we recognise that this is not a requirement of national policy such an approach would ensure transparency and support effective monitoring and review of the Council's approach to older peoples housing. In particular this will ensure a more effective implementation of the presumption in favour of sustainable development as set out in paragraph 11 of the NPPF if the Council has insufficient supply to meet future needs. Such transparency is key in ensuring that the Council to work proactively with developers of older people's accommodation in order to address any shortfalls should they arise during the plan period.

What method of delivery and what type of affordable housing should be given priority?

12. As the Council note it will be essential that any costs in relation to local plan are fully costed and assessed within the viability assessment. The cumulative costs of the proposed changes to part L and F of the Building Regulations, the 10% net gain in biodiversity alongside affordable housing requirements and other S106 costs will put pressure on the viability of new development in Uttlesford. The Council will need to consider all these costs in its viability assessment, and

potentially prioritise its objectives, to ensure, as required by paragraph 57 of the NPPF, that a decision maker can be confident that sites that come forward for development are viable with all the costs imposed on it. In order to achieve this balance, the Council will need to take a cautious approach to the additional costs imposed on development if it is to ensure it is consistent with the Government's objective of reducing the number of planning applications that require a negotiation on the policy requirements set in local plan plans. To assist Council in considering viability the HBF has produced a short note outlining the key issues the house building industry consider to be important when assessing viability which we trust will be helpful in considering this important matter.

13. With regard to the type of affordable housing this will be a matter for the Council to consider through the preparation of the evidence collected to support the local plan. However, it will be important for the Council to ensure that the local plan is consistent with paragraph 64 of the NPPF which requires 10% of <u>all</u> homes on major sites to be affordable home ownership, and that these homes will form part of the overall affordable housing supply on site.

Theme 9 – Creating new places and communities.

What should new developments look like, what should they contain and where should they be located?

- 14. Whilst we agree with the Council's assessment as to the minimum number of homes it should be planning for it will also be important to consider whether there are any unmet needs from neighbouring areas that need to be planned for as set out in paragraph 60 of the NPPF.
- 15. In considering the level of housing growth required the Council will also need to ensure that there is sufficient flexibility in supply to maintain delivery at a consistent rate across the plan period. As the Council note in tehri consultation document the previous local plan the Council relied heavily on three new towns which delivered the vast majority of their housing needs at the end of the plan period. This meant they could not show a five-year land supply at all points across the plan period which was further exacerbated once the overly optimistic delivery expectations as set out in the submitted plan were amended.
- 16. Therefore, it will be important for the Council to allocate a wide diversity of sites in terms of both size and location with small and medium sites delivering in the early years of the plan allowing sufficient time for large strategic sites to come forward to meet needs in the second half of the plan period. In our experience local authorities rely too heavily on larger sites within their local plans to meet their needs in full and fail to allocate sufficient smaller sites as contingency against the delays in delivery on larger strategic sites. This often leads to local authorities reaching examination and having to revise delivery expectations as they no longer have a five-year land supply or sufficient developable sites in years 6 to 10 of the local plan. This was seen at the recent Brentwood Local Plan examination where

- the Council went from having to a 10% buffer in supply to a shortfall of 5% from submission to hearings as delivery trajectories on strategic sites were revised.
- 17. A further reason why the Council must focus on ensuring a consistent supply of homes is to ensure that the under supply of new homes in Uttlesford that currently plays a significant part in the poor affordability seen in the District are addressed. The Council acknowledge that there are severe affordability concerns across the area and any delay in meeting needs will only succeed in neutering the reason for, and benefits of, the affordability uplift applied through the standard method. The Government is clear in PPG that Councill's should not seek to unnecessarily delay meeting housing needs and as such the starting point for any spatial strategy must be meeting, in full, annual housing needs from the start of the plan period.
- 18. This is not to say that a new settlement, or the strategic expansion of an existing settlement, should not be considered within Uttlesford, indeed these are likely to be crucial in meeting needs. However, the Council will need to take a more cautious approach to their delivery compared to the last local plan recognising the complexity of delivering such development and the point at which they will start delivering new homes. Too often Councils are overly optimistic about the delivery of new settlements in the early stages of plan preparation ultimately leading to trajectories being pushed back later on in plan preparation once the strategy has been decided upon in order to maintain a five-year land supply.
- 19. It will also be important for the Council to support smaller developers by ensuring, in line with paragraph 68 of the NPPF, that at least 10% of delivery is on sites of less than 1 hectare that are identified in this local plan or on the brownfield register. Up until the 1980s, small developers accounted for the construction of half of all homes built in this country, resulting in greater variety of product, more competition, and faster build-out rates. Since then, the number of small companies has fallen by 80% following the introduction of the plan-led system in 1990.
- 20. The HBF has undertaken extensive consultation with its small developer members. One of the chief obstacles for small developers is that funding is extremely difficult to secure with a full, detailed, and implementable planning permission. Securing an implementable planning permission is extremely difficult if small sites are not allocated. Without implementable consents lenders are uneasy about making finance available or else the repayment fees and interest rates they set will be very high. Small developers, consequently, need to invest a lot of money and time up-front in the risky business of trying to secure an allocation and a planning permission, and this is money that many small developers do not have. This is why the Government, through the NPPF, now requires local authorities to allocate more sites of varying sizes.
- 21. Therefore, with regard to the proposed development strategy, the HBF would advise against seeking to confine itself to any one option especially as the Council are still to undertake a detailed analysis of the sites available for development. The strategy will need to be defined by the availability and suitability of the

development opportunities identified rather than the three spatial options set out in this consultation. We would also reiterate the need for the Council to ensure that it allocates a range of sites and not rely too heavily on delivery from a small number of strategic sites. The key to a successful local plan is one that delivers a diversity of sustainable sites that will inevitably deliver a greater choice in housing across Uttlesford as well as meet needs consistently across the plan period. It is these objectives, alongside the need to deliver sustainable development, that should define the development strategy. We would also recommend that the Council includes a substantial 20% buffer in supply to ensure that it can meet needs and that any sudden changes in delivery expectations are compensated for in the local plan.

Conclusions

22. We hope these representations are of assistance in taking the plan forward. Should you require any further clarification on the issues raised in this representation please contact me.

Yours faithfully

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Home Builders Federation

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