

Sent by email to: Planningpolicy@Winchester.gov.uk

09/04/2021

Dear Sir/ Madam

# Response by the Home Builders Federation to the consultation on the Strategic Issues and Priorities for the Winchester Local Plan

1. Thank you for consulting the Home Builders Federation (HBF) on the strategic issues and priorities for the Winchester 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.

## **Issue 1: Carbon Neutrality**

#### Technical Standards

- 2. The housebuilding industry, through the HBF, recognises that there is a need to improve the environmental performance of new residential development. However, rather than have a variety of standards in every local plan, the HBF, and our members, consider a national and standardised approach to improving such issues as the energy efficiency of buildings, the provision of renewable energy and the delivery of electric vehicle charging points to be the most effective approach that balances improvements with the continued delivery of housing and infrastructure. The HBF considers a universal standard is necessary to allow research and development and supply chains to focus upon responding to agreed national targets, and for training providers to plan their programmes to equip the labour force to meet these new requirements.
- 3. The HBF considers it important that Councils recognise that it will take time to ensure that the technology required to achieve the significant reductions in emission from new homes required by the Future Homes Standard. There is still considerable work to do to ensure that supply chains are in place to meet demand from the housebuilding industry as well as having a workforce with the technical skills in place to deliver and maintain systems such as ground and air source heat pumps on a much larger 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.

- 4. The Council must also consider the additional costs related to higher standards within their viability evidence. The Government have yet to publish their assessment as to the cost of the Future Homes Standard proposed to be in place from 2025 but assessments as to net zero with carbon offsetting in the London Plan were £6,500 in additional build costs per home with £1,853 for carbon offsetting. This is a significant additional cost and in combination with other costs could have an impact on the viability of development in Winchester.
- 5. As such the HBF consider the technical requirements of new homes with regard to energy efficiency and CO<sub>2</sub> emissions 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 will the house building industry be able to maintain housing supply, ensure consumer confidence and deliver the required improvements in emissions.
- 6. Therefore, with regard to the approach being taken on technical standards we consider the Council to be overly ambitious in seeking to go beyond the significant improvements already being proposed by Government. As the Council note the Future Homes Standard that the Government are proposing to introduce will ensure that from 2025 homes will emit 75% fewer emissions than current standards. To deliver further reductions and achieve the national commitment of net zero emissions by 2050 will require the decarbonisation of energy supply at a national level rather than from the Council setting additional requirements for new homes above those set by Government.
- 7. The HBF considers the most effective approach in achieving net zero commitments by 2050, as well as delivering the homes needed, is through the application of Building Regulations that allow for a transition to higher standards. The importance of a collective approach will also balance the cost of delivering the energy efficiency improvements required alongside other planning obligations and development aspirations that the Council are seeking to deliver through the Winchester Local Plan, such as meeting housing needs in full and improving the affordability of homes in this area.

## Carbon offsetting fund

8. Given that the HBF does not support setting standards in excess of those established through building regulations, we do not consider it necessary for the Council to require developers to use the proposed carbon offsetting fund as means of new homes achieving lower CO<sub>2</sub> emissions ahead of what is required nationally. However, if higher requirements are justified and considered to be sound then some form of offsetting will be necessary. However, we would suggest that offsetting is not restricted to a local carbon offsetting fund.

# **Issue 2: Biodiversity and the Natural Environment**

#### Nutrient enrichment

9. Whilst we recognise that in order for development to progress it will be necessary to show nutrient neutrality and provide appropriate mitigation. It will be important that short term solutions such as offsetting through the removal agricultural land from use are utilised by the Council and it partners across South Hampshire. However, the burden of reducing nutrient enrichment must not be placed primarily on the housebuilding industry and the proposed mitigation measures this must not be seen as a long-term solution. The Council must recognise that any excess nutrients from residential development going into rivers and the Solent is in large part a failure of water companies to improve their infrastructure to ensure sewage is treated effectively. It will therefore be important for the Council to work with the relevant water infrastructure providers as part of the preparation of this local plan to ensure that the necessary improvements are put in place to meet the growing needs if its population rather than rely solely on offsetting measures that place the cost of mitigation on the development industry.

#### Green Belt

- 10. As the Council notes in the consultation document, the NPPF states in paragraph 135 that the general extent of the Green Belt is already established, and that new Green Belts should only be established in exceptional circumstances. The HBF does not consider there to be exceptional circumstances for a new Green Belt around Winchester or in South Hampshire. A new Green Belt would be an unnecessary barrier to delivering development in the most sustainable locations on the edge of towns and cities. They lead to local authorities facing a limited choice of sites from which to meet their development needs as well as increasing conflict with the local community. As such they are a barrier to delivering sustainable development the ability of the Council to maximise the benefits of development and minimising any negative impacts through this and future local plans.
- 11. Alongside the impact on delivering sustainable development, they are also not necessary to prevent inappropriate development on the edge of Winchester or indeed any other city in South Hampshire. Principally the effective allocation of land for development alongside development management policies that protect the countryside, maximise densities in urban area in addition to designations such National parks and AONBs will all ensure the fundamental aim of Green Belt to prevent urban sprawl is delivered. It must also be remembered that urban sprawl is defined as the unrestricted growth of an urban area and as such the effective allocation of new development through the local plan that ensures the development necessary to meet needs is located in the most appropriate and sustainable locations will ensure that urban sprawl is prevented.

### Issue 4: Homes for all

- 12. 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 should to be planned for as set out in paragraph 60 of the NPPF. Both Portsmouth and Southampton face substantial growth in housing numbers and according to the most recent statement of common ground¹ between the LPAs in South Hampshire there is a shortfall of over 10.000 homes. If these cannot be met in those areas then authorities such as Winchester will need to increase their requirements accordingly.
- 13. 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. This will require 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.
- 14. Uttlesford for example 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. As the inspectors concluded in paragraph 27 of their post hearing letter:

"Overall, we strongly believe that the Garden Communities will not deliver the quantum of housing in the plan period that the Council's housing trajectory shows. Consequently, the housing requirement for the plan period would not be met."

The inspectors also noted in their overall conclusions that the strategy would lead to a stepped trajectory that unreasonably delayed addressing the issue of housing affordability and failed to test options with fewer homes in new settlements with more homes in other settlements. A similar situation has also occurred 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.

15. 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 Winchester that

<sup>&</sup>lt;sup>1</sup> https://www.push.gov.uk/work/planning-and-infrastructure/

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.

- 16. This is not to say that a new settlement, or the strategic expansion of an existing settlement, should not be considered as part of this local plan. However, the Council will need to take a cautious approach recognising the complexity of delivering such development and the impact this has on the point at which such schemes 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. In some cases, this can lead to plans being found unsound.
- 17. 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 spatial options set out in this initial 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 or in any one location. 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 Winchester 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.

# Issue 8 Low Carbon infrastructure and Local Plan Viability

18. 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 delivering higher energy efficiency and carbon offsetting alongside other policy costs such as affordable housing, biodiversity net gain and nutrient neutrality. The Council will need to consider all these costs, 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.

#### Conclusions

19. 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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