

Sent by email to: planningforthefuture@bedford.gov.uk

03/09/2021

Dear Sir/ Madam

Response by the Home Builders Federation to the consultation on the Bedford Local Plan Review

1. Thank you for consulting the Home Builders Federation (HBF) on the review of the Bedford 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.

Growth and spatial strategy options

Level of housing Growth

- 2. We agree with the Council that the minimum number of homes that the Council should be planning for per annum is 1,275. As the Council note this has reduced slightly on the basis of the latest available data and as such officers will be aware that a further assessment of the Borough's local housing needs will be required prior to submission in the summer of next year. In addition, the Council will need to consider, as set out in paragraph 2a-010 of PPG, whether there is sufficient housing being provided in this plan to support the future economic growth of Bedford given the likely impact of the Arc Spatial Framework during the plan period. The Council state that due to the timescales for the preparation of the local plan 2040 the Council will not be able to take account of the Oxford Cambridge Arc Spatial Framework. Whilst the timescales do not align it will be important for the Council to recognise the Government's drive to support the Arc in delivering substantial economic growth. Bedford is a key part of the Arc, with the Government already investing in major new rail link that will provide improved connections between Bedford, Oxford, Cambridge, and Milton Keynes. The Council will need to consider the likely impacts of economic growth arising from such improvements on population growth and housing needs in Bedford.
- The Council note in paragraph 3.5 of this section that the Council may need to apply a stepped trajectory. Whilst we appreciate that this may be the case the Council must explore all avenues to ensure that it does not seek to push back

@HomeBuildersFed

meeting housing needs until later in the plan period or at least minimises this if a step is to be utilised. Paragraph 68-021 of Planning Practice Guidance (PPG) is clear on this issue stating that using a stepped requirement must be evidenced and does not seek to unnecessarily delay meeting identified needs.

4. A further reason why the Council must focus on ensuring a consistent supply of homes is to ensure that this supply supports the Government's drive to improve affordability. The Government recognise that increased supply is a factor in ensuring that affordability does not get worse and as such any delay in meeting needs will only succeed in neutering the reason for, and the benefits of, the affordability uplift applied through the standard method.

Growth strategy options

- 5. When considering the growth strategy to be delivered in this local plan the Council will need to ensure that there is sufficient variety of sites to either avoid or minimise the stepped requirement as well as ensure flexibility in its supply to make certain planned needs are met in full. This will require the Council to adopt a spatial strategy that enables it to allocate a wide range 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.
- 6. In our experience local plans that rely too heavily on large strategic sites within their local plans to meet needs can struggle to show their local plans are deliverable. In order to meet needs and show a five-year land supply councils often include overly optimistic delivery rates on larger sites which are often revised before or at examination as these are challenged. This can leave shortfalls in supply that need to be addressed through additional allocations or an early review. For example, 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.
- 7. The Council is also no doubt is aware of the Uttlesford Local Plan that was withdrawn by the Council on the recommendation of the Inspectors examining that plan. The Uttlesford Local Plan relied heavily on three new towns which delivered the vast majority of their housing needs at the end of the plan period. As well as considering two of these settlements to be undeliverable they also concluded that the trajectories for delivery were overly optimistic and that, even if all the new settlements were delivered, they could not show a five-year land supply with significant shortfalls against the requirement in the middle of the plan period. The inspectors 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.

- 8. This is not to say that a new settlement, or the strategic expansion of an existing settlement, should not be a key element of the land supply in this local plan. Such allocations provide a secure supply of land for development well into the future. However, in making such allocations we would advise the Council 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.
- 9. A sound approach is therefore one that seeks to balance the delivery of larger strategic sites with the allocation of small and medium sized sites that come forward in the forward in the first half of the plan period. Such an approach can provide a consistent supply of homes that will help meet housing needs earlier than if the Council rely on new settlements to deliver the majority of their housing towards the end of the plan period.
- 10. In our experience local authorities can 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.
- 11. We also note that none of the options expect to deliver much beyond the Council's housing requirement. The HBF recommends 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 and limit the need for amendments to be made to the plan at a later date in order to include further allocations.

Housing development on small sites

- 12. The HBF is concerned with the statement in paragraph 3.28 that the Council will not allocate small sites simply to satisfy the requirement set out in paragraph 68 of the NPPF that 10% of all homes should come forward on small sites that are either allocated in the local plan or identified in the brownfield register. The Council argue that this it is not necessary to apply national policy as the there is a consistent supply of such sites coming through as windfall. This position completely misunderstands the reasons for allocating small sites rather than rely wholly on these to be brought forward as windfall sites.
- 13. The Government has been keen to support small and medium (SME) sized housebuilders deliver more new homes across the country. Up until the 1980s, small developers once 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.

- 14. The HBF has undertaken extensive consultation with its small developer members and one of the chief obstacles for small developers is that funding is extremely difficult to secure without 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 and can be a barrier to entry for new housebuilders.
- 15. If the Council are to ensure there is a wide variety of SME house builders operating in its administrative area, and the benefits it brings to the speed of delivery and variety of homes, it must ensure that there is a variety of sites. This is why the Government, through the NPPF, now requires local authorities to allocate sites of varying sizes. The fact that such sites currently come through from windfall is therefore not a justification for this proposed inconsistency with national policy.

Development management policies

Self and custom build housing

- 16. Firstly, the Council state in paragraph 7.13 that whilst high density flatted development may not mean individual plots can be made available for self-build that such dwellings provide opportunities for custom build. We would disagree and consider that flatted development does not fall under the definition of a self and custom build dwelling as defined by the Self-Build and Custom Housebuilding Act 2015. Section 1(A2) of this act specifically excludes the building of a house on a plot acquired from a person who builds the house wholly or mainly to the plans or specifications decided or offered by that person. This was considered by the inspector at the examination of the Windsor and Maidenhead Borough Local Plan which similarly looked to apply self-build requirements to flatted development. In her post hearing advice¹ she concluded at paragraph 12 that such an approach was not justified on the basis that it was inconsistent with the relevant legislation. As such it is equally unjustified for this policy to be applied to all qualifying schemes and specific exclusion from this policy for flatted development should be specified.
- 17. Secondly, The Council do not set out in this consultation document how many selfbuild plots it would expect to deliver through this policy and whether it is necessary to meet the estimated need for such plots over the plan period. The evidence

 $[\]frac{1}{\text{file:///C:/Users/mark.behrendt/Downloads/ID-}}{33\%20 Inspector's \%20 Stage \%202\%20 examination \%20 post-hearing \%20 advice \%20 V2\%20(3).pdf}$

published by the Council with regard the need for self-build homes indicates that at present the Council is meeting its requirements without a designated policy and on this basis, there does not seem to be sufficient justification for this policy. However, PPG does set out that other evidence as to self-build demand should be considered. The council's assessment of self-build demand indicates that this could be in the region of 97 dwellings per annum if national perceptions as to demand for self-build of 10% of total stock are applied. However, these are national perceptions as to self-build and custom housebuilding and as is noted in the Council's evidence paper would represent a significant step up compared to the self-build register. As such if the Council is to justify such an onerous policy, in particular on smaller plots which could see 20% of plots given over to self-build the Council will need to provide compelling justification.

18. Finally, the Council must recognise that the provision of serviced plots on housing developments adds to the complexity and logistics of developing such sites and therefore potentially slower delivery. It is unlikely that the provision of self-build plots on new housing developments can be co-ordinated with the development of the wider site. At any one time, there are often multiple contractors and large machinery operating on-site from both a practical and health & safety perspective, it is difficult to envisage the development of single plots by individuals operating alongside this construction activity. Any differential between the lead-in times / build out rates of self-build plots and the development of the wider site means unfinished plots next to completed and occupied dwellings resulting in consumer dissatisfaction, construction work outside of specified working hours, building materials stored outside of designated compound areas, etc. As such the most appropriate approach, and one that is consistent with PPG, to delivering self-build plots is through the Council either using its own land or working with local land owners to identify appropriate sites where self-build homes can be delivered.

Nationally described space standards

19. Whilst National Described Space Standards have become mandatory for all new dwellings developed under permitted development rights this does not mean that all new homes should be built to this standard. The NPPF and PPG still requires Council's to provide evidence as to the need for these standards and an assessment as to the impact on viability of their application. Whilst the HBF shares the Council's desire to see good quality homes delivered across Bedford we also consider that space standards can, in some instances, have a negative impact upon affordability issues and reduce customer choice. In terms of choice 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 on lower incomes can afford a property which has their required number of bedrooms. Given the poor affordability of property in the area it is important that the Council can provide 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.

Climate change.

- 20. The housebuilding industry, through the HBF, recognises that there is a need to improve the environmental performance of new residential development. In order to achieve this, we established with a wide range of partners the Future Homes Task Force. This task force examined how the house building industry can work toward delivering net zero homes by 2050. The initial outcomes of this work can be found at https://www.futurehomes.org.uk/ with a summary of the Delivery Plan resulting from this work attached to this response.
- 21. The delivery plan published by the task force in July outlines the need to operate on a collective basis recognising the need for housebuilders, their supply network and the trades people building homes to successfully transition to the delivery of low carbon homes. In addition, it recognises the need for both national and local government alongside housebuilders to ensure those people buying new homes are confident in the technologies and systems being used.
- 22. As such the HBF consider a national and standardised approach to improving the energy efficiency of buildings to be the most effective approach in that it balances improvements to building performance with the continued delivery of housing and infrastructure. The HBF considers such 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. Importantly, a phased approach to delivering these improvements ensures those people buying new homes are fully aware of the new technologies being used in their homes. It is vital that consumers are confident with the technology being used in their new homes and increase the wider appetite for similar standards to be adopted in the existing stock.
- 23. The HBF considers it important that Councils recognise that it will take time to ensure that the technology and supply chains 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.
- 24. As the Council are aware the Future Homes Standard that the Government are proposing to introduce will ensure that from 2025 new 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. Therefore, the HBF agrees with the approach being proposed by the Council to maintain its current policy recognising that the future homes standard will deliver

the necessary changes in future. Such an approach allows the development industry and consumers the time to transition to the Future Homes Standard in 2025 whilst maintaining both delivery and consumer confidence.

Conclusion

25. 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

Mark Behrendt MRTPI

Planning Manager – Local Plans

Waka ben

Home Builders Federation

Email: mark.behrendt@hbf.co.uk

Tel: 07867415547