

South Staffordshire District Council Council Offices Wolverhampton Road Codsall South Staffordshire WV8 1PX

13 December 2021

Dear Sir / Madam

SOUTH STAFFORDSHIRE LOCAL PLAN REVIEW (LPR) – PREFERRED OPTIONS CONSULTATION

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. The following responses to specific questions in the South Staffordshire Local Plan Preferred Options document have been submitted via the Council's online consultation portal.

Question 1) Do you agree that the evidence base set out in Appendix A is appropriate to inform the new Local Plan?

As set out in the 2021 National Planning Policy Framework (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). The evidence set out in Appendix A is an appropriate base to inform the LPR. However, if the Council is proposing to adopt any optional technical standards and / or set other policy requirements, robust justifying evidence should be provided. When considering specific policy requirements, the Council is referred to the Government's proposed changes to Parts L (Conservation of Fuel & Power), F (Ventilation), M (Access to & Use of Buildings), R (Physical Infrastructure for High-Speed Electronic Communications Networks) & S (Electric Vehicle Charging in Residential & Non-residential Buildings) of the Building Regulations and the Government's proposals for biodiversity gain set out in the Environment Act. As set out in the 2021 NPPF, the LPR should avoid unnecessary duplication (para 16f).

Furthermore, in plan-making, viability is inseparable from the deliverability of development. At the plan making stage, the Council's Viability Assessment should test individual developments together with all planning policy requirements. Viability assessment should not be conducted on the margins of viability because without a robust approach to viability assessment, land will be withheld from the market and housing delivery targets will not be achieved.

In answering Questions 5 and 11 below, the HBF has made specific comments on the Council's evidence base including Strategic Housing Market Assessment, Viability Assessment and Water Study.

Question 4: Do you support the policy approach in Policy DS1 – Green Belt and Policy DS2 – Open Countryside?

Regarding the Council's policy approach to Green Belt, the HBF would not wish to make any detailed comments on individual sites selected for release from the Green Belt. As set out in 2021 NPPF, where fully evidenced and justified Green Belt boundaries can be altered in "exceptional circumstances" through the preparation or updating of Local Plans (paras 140 & 141). At Examination, the Council will have to justify "exceptional circumstances" for proposed Green Belt releases by demonstrating that all other reasonable options have been fully considered, the use of brownfield sites & the density of development has been optimised and the five purposes of Green Belt set out in 2021 NPPF (para 138) are served.

Question 5) Do you support the policy approach in Policy DS3 – The Spatial Strategy to 2038?

The Council's preferred Spatial Strategy (Option G from the Spatial Housing Strategy consultation in December 2019) aims to locate new housing in locations with access to existing infrastructure and services or where new development could facilitate new infrastructure delivery. As stated by the HBF in response to the previous consultation, the Council's proposed Spatial Housing Options were not mutually exclusive with similarities between Option E - Addressing local affordability issues & settlements with the greatest needs, Option F - Giving first consideration to Green Belt land which is previously developed or well-served by public transport and Option G - Infrastructure-led development with a garden village area of search beyond the plan period and only small percentage differences in the indicative levels of housing growth distributed to Tier 1 - 4 Settlements and urban extensions adjacent to the Black Country & Stafford.

Proposed Policy DS3 – The Spatial Strategy to 2038 sets out a six-tiered Settlement Hierarchy for the District plus growth adjacent to the Black Country and Stafford. The Settlement Hierarchy comprises:-

- Tier 1 Settlements (Penkridge, Codsall / Bilbrook & Cheslyn Hay / Great Wyrley), where sustainable growth (39.7% as set out in Table 8 -Distribution of Housing Growth) will be delivered through appropriate allocations made in the LPR:
- Tier 2 Settlements (Wombourne, Brewood, Kinver, Perton & Huntington), where sustainable growth of (17% as set out in Table 8 -Distribution of Housing Growth) will be delivered through appropriate allocations made in the LPR:

- Tier 3 Settlements (Essington, Coven, Featherstone, Shareshill, Wheaton Aston, Pattingham & Swindon), where limited growth (6.1% as set out in Table 8 - Distribution of Housing Growth) will be delivered through appropriate allocations made in the LPR;
- Tier 4 Settlements (Bednall, Bishops Wood, Bobbington, Dunston, Himley, Seisdon & Trysull), where very limited windfall housing growth (0.3% as set out in Table 8 - Distribution of Housing Growth) will address local housing needs and continue to support & assist in safeguarding the services & facilities in each village;
- Tier 5 Settlements (identified in the Rural Services & Facilities Audit 2021) are not intended to experience further housing growth (a combined 2.6% for Tier 5 Settlements & Rural Area as set out in Table 8 – Distribution of Housing Growth);
- Rural Area outside of the District's existing Settlements, where new development will be restricted;
- Growth adjacent to the neighbouring towns & cities in the Black Country will be located on allocations at land at Cross Green, land north of Linthouse Lane & land at Langley Road Country (27.9% as set out in Table 8 - Distribution of Housing Growth); and
- Growth adjacent to Stafford will be located on the strategic allocation at land at Weeping Cross, west of the A34 (1.7% as set out in Table 8 -Distribution of Housing Growth).

Under **proposed Policy DS3**, the Council's proposed housing requirement is 8,881 dwellings between 2018 – 2038 comprising of 4,881 dwellings to meet South Staffordshire's own minimum Local Housing Need (LHN) and a contribution of 4,000 dwellings to meet unmet housing needs from the wider Greater Birmingham & Black Country Housing Market Area (GB&BCHMA).

The Council's Strategic Housing Market Assessment (SHMA) by HDH Planning & Development dated May 2021 calculates South Staffordshire's minimum LHN is 254 dwellings per annum (see para 4.15). As set out in the National Planning Practice Guidance (NPPG), the LHN is calculated at the start of the plan-making process, however, this number should be kept under review until the LPR is submitted for examination and revised when appropriate (ID 2a-008-20190220). The minimum LHN for South Staffordshire may change as inputs are variable. Using 2014 Sub National Household Projections (SNHP), 2021 as the current year and 2020 affordability ratio of 7.88, the latest minimum LHN for South Staffordshire is 243 dwellings per annum.

Furthermore, the Government's standard methodology identifies the minimum annual LHN, it does not produce a housing requirement figure (ID: 2a-002-20190220). LHN assessment is only a minimum starting point. The NPPG explains that "circumstances" may exist to justify a figure higher than the minimum LHN (ID 2a-010-20201216). The "circumstances" for increasing the minimum LHN are listed in the NPPG, but the NPPG emphasises that the listed "circumstances" are not exhaustive. The listed "circumstances" include, but are not limited to, situations where increases in housing need are likely to exceed past trends because of growth strategies (for example, to support economic

growth at UK Central in Solihull), strategic infrastructure improvements, agreeing to meet unmet need from neighbouring authorities or previous levels of housing delivery / assessments of need, which are significantly greater than the outcome from the standard methodology. The Council's SHMA has not considered whether such "circumstances" exist in South Staffordshire. Further consideration should be given to supporting economic growth.

South Staffordshire is also located within the wider GB&BCHMA in which there are significant identified unmet housing needs arising from Birmingham and the Black Country authorities. The HBF and its Members disagree with the latest shortfall figure set out in GB&BCHMA Position Statement No.3, which is considered to under-estimate housing need, over-estimate Housing Land Supply (HLS) and fails to look beyond 2031. Two recently published Reports "Mind The Gap" by Barton Willmore dated March 2021 and "Falling Short -Taking Stock of Unmet Needs Across GB&BCHMA" by Turley dated August 2021 commissioned by HBF Members critique Position Statement No. 3 and conclude that significant unmet housing needs in the GB&BCHMA exist now and in the future. Therefore, it is appropriate for South Staffordshire to contribute to meeting unmet housing needs from GB&BCHMA. The Council proposes to make an additional contribution of 4,000 dwellings towards meeting unmet housing needs in the GB&BCHMA based on the scale of growth identified as strategic locations in the District in the GB&BCHMA Strategic Growth Study. However, the Council has not confirmed that if unmet housing needs in the GB&BCHMA increase then its contribution will also proportionately increase. Furthermore, the Council's commitment to meeting unmet housing needs should be set out in a Joint Statement of Common Ground with the other GB&BCHMA authorities.

Question 6) Do you support the policy approach in Policy DS4 – Longer Term Growth Aspirations for a New Settlement?

If a suitable option came forward to deliver a new settlement beyond the plan period, **proposed Policy DS4** sets out the parameters that a new settlement would need to incorporate. The HBF agree that a new settlement will require significant forward planning. As set out in the 2021 NPPF, where a new settlement forms part of the Spatial Strategy, policies should be set within a vision that looks further ahead (at least 30 years) to account for the likely timescale for delivery (para 22).

Question 7a) Do you support the proposed strategic housing allocations in policies SA1-SA4?

Under **proposed Policies SA1 – SA4**, four Strategic Housing Allocations are proposed :-

- Proposed Policy SA1 Land East of Bilbrook for 848 dwellings;
- Proposed Policy SA2 Land at Cross Green for 1,200 dwellings;
- Proposed Policy SA3 Land North of Linthouse Lane for 1,976 dwellings (1,200 dwellings will be delivered in the plan period); and

Proposed Policy SA4 – Land North of Penkridge for 1,129 dwellings.

The HBF have no comments on the four proposed Spatial Development Locations and these representations are submitted without prejudice to any comments made by other parties. Large scale Strategic Housing Allocations are known to have long lead in times for the commencement of on-site development and build up to optimum delivery rates. Therefore, Strategic Housing Allocations should be complimented with smaller non-strategic sites, which will ensure a continuous HLS in the short to medium term.

Question 8) Do you support the proposed housing allocations in Policy SA5?

Under **proposed Policy SA5 – Housing Allocations**, 35 individual sites for circa 2,868 dwellings are proposed, which comprise :-

- 12 sites in Tier 1 Settlements for circa 1,004 dwellings;
- 12 sites in Tier 2 Settlements for circa 1,017 dwellings;
- 9 sites in Tier 3 Settlements for circa 284 dwellings; and
- 2 Other Sites Adjacent to Neighbouring Towns & Cities at land South of Stafford for 168 dwellings and land West of Wolverhampton for 390 dwellings.

The HBF suggest that it would be useful if **proposed Policy SA5** included a total for each settlement tier and an indication of size (hectares) for each site.

The HBF have no comments on the proposed housing allocations in Policy SA5 and these representations are submitted without prejudice to any comments made by other parties. The HBF support an overall HLS including a short and long-term supply of sites by the identification of both strategic and non-strategic allocations for residential development. Housing delivery is optimised where a wide mix of sites is provided, whereby strategic sites are complimented by smaller non-strategic sites. The widest possible range of sites by both size and market location are required so that small, medium and large housebuilding companies have access to suitable land to offer the widest possible range of products. A diversified portfolio of housing sites offers the widest possible range of products to households to access different types of dwellings to meet their housing needs. Housing delivery is maximised where a wide mix of sites provides choice for consumers, allows places to grow in sustainable ways, creates opportunities to diversify the construction sector, responds to changing circumstances, treats the housing requirement as a minimum rather than a maximum and provides choice / competition in the land market. Under the 2021 NPPF, the Council should identify at least 10% of its housing requirement on sites no larger than one hectare or else demonstrate strong reasons for not achieving this target (para 69a). The Council should confirm the LPR will comply with national policy.

The Council should also provide some headroom between its minimum housing requirement and overall HLS. Table 8 – Distribution of Housing Growth

identifies an overall HLS of 9,584 dwellings (excluding windfalls) or 10,034 dwellings (including windfalls) providing surpluses of only 703 dwellings (8%) or 1,153 dwellings (13%) respectively. Whilst there is no numerical formula to determine the appropriate quantum of headroom, as the LPR is highly dependent upon four Strategic Housing Allocations representing 29.6% of the Council's overall HLS, numerical flexibility greater than 8 - 13% will be necessary.

Question 11) Do you agree with the proposed policy approaches set out in Chapter 6?

Proposed Policy HC1 - Housing Mix will require 75% of market housing to have 3 bedrooms or less. The specific breakdown will be determined with reference to latest Housing Market Assessment.

All households should have access to different types of dwellings to meet their housing needs. As well as evidence from the Council's latest Housing Market Assessment, market signals are important in determining the size and type of homes needed. The Council's policy approach should be flexible rather than overly prescriptive. The Council's proposed policy approach should also acknowledge that not all sites will be able to meet an overly prescribed housing mix requirement because of site size, proposed development typology, site specific circumstances and viability.

Proposed Policy HC2 - Housing Density will require a minimum net density of 35 dwellings per net developable hectare in developments within or adjoining Tier 1 Settlements, in infill locations within the development boundaries of other Settlements in the District or in urban extensions to neighbouring towns and cities.

The Council's proposed policy approach to housing density should provide development that is in keeping with the character of the surrounding area and sufficient variety in house typologies to create balanced communities with the right types of new homes to meet the housing needs of different groups. A single housing density target across the District is inappropriate. The setting of residential density standards should be undertaken in accordance with the 2021 NPPF (para 125), whereby in the circumstances of an existing or anticipated shortage of land for meeting identified housing needs then a minimum net density in suitable locations such as town centres and those benefiting from good public transport connections may be appropriate. A nuanced range of residential densities specific to different areas of the District will be necessary to ensure that any proposed density is appropriate to the character of the surrounding area.

Proposed Policy HC3 - Affordable Housing requires 30% of all dwellings to be affordable housing.

The HBF note that the Council's Viability Assessment – Local Plan & CIL by Searle Dixon dated October 2021 identifies that retirement housing schemes are likely to support affordable housing provision of only 20% (see para 41).

Therefore, the Council should be considering a differentiated policy approach to the provision of affordable housing.

Proposed Policy HC11 - Space about dwellings and internal space standards requires all properties to meet the Nationally Described Space Standard (NDSS).

If the Council wishes to apply the optional NDSS to all dwellings, then this should only be done in accordance with the 2021 NPPF (para 130f & Footnote 49). Footnote 49 states that "policies may also make use of the NDSS where the need for an internal space standard can be justified". As set out in the 2021 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). The NPPG sets out that "where a need for internal space standards is identified, the authority should provide justification for requiring internal space policies. Authorities should take account of the following areas need, viability and timing" (ID: 56-020-20150327). The Council should provide a local assessment evidencing their case. The Council have provided no evidence to justify this policy requirement.

There is a direct relationship between unit size, cost per square metre (sqm), selling price per sqm and affordability. The Council's policy approach should recognise that customers have different budgets and aspirations. An inflexible policy approach to NDSS for all new dwellings will impact on affordability and effect customer choice. Well-designed dwellings below NDSS can provided a good, functional home. Smaller dwellings play a valuable role in meeting specific needs for both open market and affordable home ownership housing. An inflexible policy approach imposing NDSS on all housing removes the most affordable homes and denies lower income households from being able to afford homeownership. The introduction of the NDSS for all dwellings may mean customers purchasing larger homes in floorspace but with bedrooms less suited to their housing needs with the unintended consequences of potentially increasing overcrowding and reducing the quality of their living environment. The Council should focus on good design and usable space to ensure that dwellings are fit for purpose rather than focusing on NDSS.

The HBF note that the Council's Viability Assessment tests only five average house type sizes rather than testing the sixteen NDSS compliant house typologies. The NDSS sets out technical requirements for the gross internal floor area, built in storage, bedroom floor areas & minimum width dimensions and minimum floor to ceiling heights. There is no evidence to demonstrate that testing only a limited number of average sized dwellings would meet all the technical requirements of the NDSS. This is not a robust approach to assessing the impact of NDSS on viability. This error should be corrected in the next round of Stage 2 viability testing.

If the proposed requirement for NDSS is carried forward, then the Council should put forward proposals for transitional arrangements. The land deals underpinning strategic and non-strategic sites may have been secured prior to any proposed introduction of the NDSS. These sites should be allowed to move

through the planning system before any proposed policy requirements are enforced. The NDSS should not be applied to any reserved matters applications or any outline or detailed approval prior to a specified date.

Proposed Policy HC12 - Parking Standards and **Proposed Policy EC11 - Sustainable Transport** reference the provision of Electric Vehicle Charging Points (EVCPs).

The Department of Transport Consultation Response: Electric Vehicle Charging Points (EVCP) in Residential & Non-Residential Buildings dated November 2021 sets out that from June 2022 new dwellings with associated parking will have at least 1 EVCP per dwelling. Therefore, it is no longer necessary for the Council to have a proposed LPR policy requirement for EVCPs. The references in **proposed Policies HC12** and **EC11** should be deleted.

The HBF also note that the Council's Viability Assessment includes a cost of only £500 per EVCP. This cost is below the Government's cost estimate and excludes any costs for upgrading local networks. The Department for Transport - Electric Vehicle Charging in Residential & Non-Residential Buildings consultation estimated a cost of £976 per EVCP plus an automatic levy for upgrading networks capped at £3,600. This error should be corrected in the next round of Stage 2 viability testing.

Proposed Policy NB6 - Energy and water efficiency, energy and heat hierarchies and renewable energy in new development requires 31% carbon reduction improvement upon the requirements within Building Regulations Approved Document Part L 2013, or conformity with any national targets which subsequently exceed this standard.

The Council's proposed policy approach is unnecessary and repetitious of 2021 Part L Interim Uplift. It is the Government's intention to set standards for energy efficiency through the Building Regulations. The key to success is standardisation and avoidance of individual Council's specifying their own policy approach to energy efficiency, which undermines economies of scale for product manufacturers, suppliers and developers. The Council does not need to set local energy efficiency standards to achieve the shared net zero goal because of the higher levels of energy efficiency standards for new homes set out in the 2021 Part L Interim Uplift and proposals for the 2025 Future Homes Standard.

Proposed Policy NB6 also requires new developments to meet the optional water efficiency standards.

Under Building Regulations, all new dwellings must achieve a mandatory level of water efficiency of 125 litres per day per person, which is a higher standard than that achieved by much of the existing housing stock. This mandatory standard represents an effective demand management measure. If the Council wishes to adopt the optional standard for water efficiency of 110 litres per

person per day then the Council should justify doing so by applying the criteria set out in the NPPG. The NPPG states that where there is a "clear local need, LPA can set out Local Plan Policies requiring new dwellings to meet tighter Building Regulations optional requirement of 110 litres per person per day" (ID: 56-014-20150327). The NPPG also states the "it will be for a LPA to establish a clear need based on existing sources of evidence, consultations with the local water and sewerage company, the Environment Agency and catchment partnerships and consideration of the impact on viability and housing supply of such a requirement" (ID: 56-015-20150327).

The Water Cycle Study (2020) identifies the Severn Trent Water and South Staffordshire Water supply regions as areas of only moderate water stress. A clear local need has not been demonstrated. The requirement for the optional water efficiency standard should be deleted.

Question 12a) It is proposed that the fully drafted policies in this document (Policies DS1-DS4 and SA1-SA7) are all strategic policies required by paragraph 21 of the NPPF. Do you agree these are strategic policies?

As set out in the 2021 NPPF, the LPR should include strategic policies which address the Council's identified strategic priorities for the development and use of land in the plan area (para 17). These strategic policies should set out an overall strategy for the pattern, scale and quality of development (para 20). The HBF agree that **proposed Policies DS1 – DS4** and **SA1 – SA7** are strategic policies.

Question 12b) Are there any other proposed policies in Chapter 6 that you consider should be identified as strategic policies?

As set out in the 2021 NPPF, the LPR should make explicit which policies are strategic policies (para 21) and clearly distinguish non-strategic policies from strategic policies (Footnote 14). There are no proposed policies in Chapter 6, which should be identified as strategic policies.

Conclusion

It is hoped that these responses will assist the Council in informing the next stages of the South Staffordshire LPR. If the Council requires any further information or assistance, please contact the undersigned.

Yours faithfully

for and on behalf of HBF

Susan E Green MRTPI

Planning Manager - Local Plans