

14/03/2022

Dear Sir/ Madam

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

1. Thank you for consulting the Home Builders Federation (HBF) on the Issues and Options consultation for the Maldon 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. Set out below are our responses to those question relating to our key concerns.

Question 8. Do you agree with the Council using the standard methodology in the calculation of its housing target for the period 2023 – 2043?

2. Yes. However, as is recognised in the Local Housing Needs Assessment report the standard method arrives at the minimum number of homes to be planned for and there may be circumstances where a higher housing requirement is necessary. Whilst the Council's evidence considers the three scenarios set out in paragraph 2a-010 of PPG it is important to note that this paragraph also states that Councils should not be limited to the circumstances listed. As such it is important for the Council to consider if other circumstances, such as whether the level of housing delivery will be sufficient to support any economic growth aspirations in the Borough, may warrant a higher housing requirement to be adopted.

Question 9. Should the Council have a contingency or buffer figure in its housing target to ensure that it always has a continuous supply of housing over the plan period and if so what should that buffer be?

3. Yes. In order to maintain five-year housing land supply across the plan period and to avoid having to regularly update local plans when they are reviewed it is necessary to plan for more homes than the minimum required. Such a buffer ensures that any delays in delivery of larger sites or over estimates in windfall delivery, as has been experienced in Maldon, do not have significant consequences for the Council's short- and long-term ability to meet housing needs. With regard to the level of buffer required, the HBF recommends that a 20% buffer should be sufficient to address any uncertainties in the delivery of



allocated sites. However, it is also important that supply is made up of a wider variety of sites that deliver a consistent supply of homes across the plan period. A plan that has a 20% buffer but still sees the majority of homes delivered in the later stages of the plan would not be an effective approach to meeting housing needs as the risks to meeting needs in full would not be mitigated by such an approach.

Question 10. Should the plan period be longer than 15 years, should the period be 20 years, so that infrastructure can be planned in over a longer period?

4. Yes. Not only will it allow for a greater degree of forward thinking with regard to infrastructure it will also ensure that the plan looks forward at least 15 years from adoption as required by paragraph 22 of the NPPF. Given that from submission a local plan will take at least 18 months to be adopted, but probably longer, the HBF consider a 20-year time frame from the year of submission to be an appropriate approach.

Question 15. Which growth option do you consider to be the most appropriate for the District of Maldon? Please set out your reason for this view (please clearly set out which option (s) 1 to 7 you are discussing).

5. The HBF cannot comment on which of the growth options is most appropriate and the eventual strategy will depend on the types of sites that are not only available but also deliverable or developable within the plan period. As such we welcome the recognition by the Council of the need to support the delivery of a wider range of sites, and in particular the provision of smaller sites, to ensure a more balanced supply of housing across the plan period. The delivery of housing on large strategic sites is an important part of any areas housing supply but this needs to be in conjunction with the allocation of small and medium sized sites that will deliver earlier in the plan period and ensure the delivery of new homes is more consistent and less prone to shortages in supply should there be delays in homes coming forward on the larger sites.
6. It is also important that the Council ensures that sites are distributed across the Borough providing opportunities not just in the largest settlements but also smaller towns and villages. However, in many of the options the Council appear to have focussed solely on using a windfall policy to increase delivery of smaller sites rather than on allocating such sites. Wherever possible the Council should seek to allocate small sites and not rely on windfall policies to increase the supply of such sites. The NPPF requirement for 10% of homes to be on small sites identified in the local plan or brownfield register should be seen as a minimum. Policies that seek to support the supply of windfall on smaller sites will of course be an important and necessary part of the local plan, but the priority must be allocations.

Question 17. Do you think it is appropriate to include in the LDP Review a policy dealing with major infrastructure projects such as the Bradwell B Nuclear Power Station, to be activated if this type of project comes forward?

7. It would appear to be a sensible approach in order to consider the impact on the area of such a significant scheme. The project may well have impacts for the economy and for housing needs that will need to be fully considered.

Question 18. Would you consider the delivery of housing appropriate on areas of land where there are disused agricultural buildings, or derelict land in or adjacent to large, medium and small villages?

8. If these are in appropriate locations and are considered to be developable then the Council should consider allocating such sites in the local plan.

Question 19. Housing can be delivered in larger quantities, but using less greenfield land, by building at higher densities. Would you consider this appropriate if sites with higher densities were designed to ensure they achieved a high quality of design?

9. In order to maximise the use of previously developed land the NPPF is clear that Local Plans should seek to make the most effective use of land. However, with regard to density the NPPF requires that these should be appropriate taking into account not only the quality of the design but also the character of the area, market conditions, viability, and the nature of housing need in that area. Therefore, whilst higher density development should be considered the Council must ensure that any proposed densities are considered against each of these variables and would not make a site or the plan as whole undeliverable.

Question 20. Do you agree with building at higher densities in all settlements? What would you think was appropriate in terms of housing and higher densities?

10. As set out above this will very much depend on the site and its location in Maldon. Consideration will need to be given to the whole range of factors set out in paragraph 124 of the NPPF.

Question 21. Would you support minimum density standards to uplift the delivery of housing and ensure land in Maldon District was used as efficiently as possible, or do you think design, or other factors should dictate density on housing sites?

11. Minimum density standards, if set correctly, can ensure that development makes the most effective use of land. However, they must be clearly justified with any policy allowing for the flexible application of these standards to take account of the different circumstances affecting each site.

Question 22. Would you consider higher density housing appropriate in large, medium and small villages, if the design was to a higher standard and the character of the settlement was still respected?

12. As set out in our response to question 19 higher densities may be appropriate in such circumstances but the Council will need to ensure that they are not only in keeping with the character of the area and designed to a high standard but are also viable and respond to the market in that area.

Question 23. Is it appropriate to develop land for housing that has been previously used for commercial uses such as employment and retail which is otherwise vacant, underused and derelict?

13. Yes. However, in considering such opportunities the Council will need to have the necessary evidence to show that such sites are deliverable or developable within the plan period and that they are surplus to the development needs of the Borough in relation to those particular uses.

Question 24. It is difficult for Maldon District to have a policy that states that brownfield land should be developed first for housing because of the lack of brownfield land sites in the district. This could also inadvertently lead to the redevelopment of active employment land to residential the consequences of this could lead to job losses and a decline in employment sites.

Therefore, instead of 'brownfield land first', should the Council instead place a greater emphasis on encouraging the development of brownfield land for housing? This may mean less affordable housing and other benefits comes forward, but it could redevelop sites which are an eyesore and blight on settlements and residents.

14. Whilst national policy encourages the redevelopment of brownfield land it does not require such sites to be developed before greenfield land where it is evident that there is insufficient brownfield land to meet the development needs of the area. The consideration of brownfield land first is a concept to be made at the plan making stage and not through the development management process. Whilst it would appear from the Council's evidence that it will need to allocate a wide range of greenfield sites it is essential that the Council carefully consider the amount of development that is either deliverable or developable on previously developed land before considering the greenfield sites it requires to ensure needs are met in full.

Question 25. Should the medium and small settlements retain some form of a settlement boundary, albeit more flexibly drawn?

15. It is essential that those development opportunities on the edges of small and medium sized towns are clearly defined either through the allocation of sites in the local plan or through a more loosely defined settlement boundary that indicates where development would be appropriate. However, we would question whether settlement boundaries are necessary where the Council has policies that clearly set out how development on the edge of such settlements are to be considered. Clear development management policies would allow every planning application to be considered on its merits rather than dictated by the settlement boundary. Such an approach would be more supportive of windfall development and in particular smaller sites that are attractive to small developers and self-builders.

Question 26. Should the Council develop a windfall policy for all or specific settlements, potentially capping the number of units for each site coming forward and ensuring the protection for key views, green infrastructure gaps and the historic environment in each village.

16. The Council should establish clear policies for managing windfall development that will take account of character of that settlement and its environment. However, there is no justification for the Council to set a cap on the amount of development that can come forward in such areas in relation to the issues set out in the question.

Question 32. In addition to the above, should the Plan also allocate specific sites in the LDP Review exclusively for self-build/custom build, either put forward by people who want to self-build or caveated by policy that they can only be brought forward by self-builders.

17. Before considering any policy on self-build the Council will need to carefully assess the evidence of demand for self-build plots and whether this demand might be met through a windfall. If the Council, consider there to be sufficient demand to move away from a reliance on windfall the Council should work with land owners and developers to allocate sites exclusively for self-build and custom housebuilding on smaller sites across the Borough. The allocation of specific sites rather than the requiring a percentage of homes on larger sites to come forward for self-build is more likely to meet the needs of that specific market as well as offer additionality in the housing supply rather than just change the way a dwelling is delivered.

Question 33. Should the Council in the development of a self-build/custom build policy consider ensuring that smaller low-cost housing units are encouraged to come forward?

18. As for any site the Council should seek to ensure that a mix of homes come forward on sites allocated for self-build and/or custom housing building and that such sites are delivered at appropriate densities in keeping with the character of the area.

Question 40. What do you consider to be important in terms of development and climate change? Are on-site renewables such as photovoltaics, ground source heat pumps, etc as important/more important as off-site renewable energy projects such as on-land wind farms, solar farms, district heating networks, etc?

19. In considering on-site renewable energy the Council will need to consider the costs posed by any requirements and ensure that it does not impact on the deliverability of development in the Borough. The amount of energy that can be supplied through on-site renewable will also depend on the size and location of a site and as such both the feasibility and viability of on-site renewable energy should be a key consideration in the level of provision on a site.

Question 41. Should we plan for net-zero carbon from plan adoption in 2023? This would require all new development to be net-zero carbon upon adoption of the plan. If yes, would the Council need to bring forward any additional guidance to support this?

20. No. The HBF recognises the need to reduce carbon emissions from new homes. As such we are working with our members and Government to provide an effective route map in achieving the necessary reductions whilst also maintaining the supply

of housing required to meet the country's needs. To achieve improvements in energy efficiency whilst maintaining supply requires not only the housebuilding industry to adapt but also those industries supporting it to develop the necessary supply chains that will ensure the products required to meet these standards, such as ground and air source heat pumps, are available.

21. The national approach to making homes more energy efficient being taken forward by the Government allows for the transition to zero carbon homes by improving energy efficiency and decarbonising national grid. The proposed regulations are ones that ensure there is sufficient time for the development industry, and relevant supply chains, to deliver the Future Homes Standard from 2025. This stepped approach would see a 75% improvement on CO₂ emissions compared to the 2013 Building Regulations by 2025 but will allow supply chains to develop and ensure deliverability of the higher standard at the appropriate time. The Council must recognise that this not just an issue of viability but also one of deliverability and that, as the Government notes in paragraph 2.53 of their consultation response, the interim part L standards are a key stepping stone to implementing the higher standards from 2025.
22. 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 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. As such the HBF supports a clearly defined national approach to improving the energy efficiency of new homes and we are broadly supportive of the Government's phased approach to this matter.
23. We recognise that the Government in their feedback on the responses to the consultation on the Future Homes Standard will continue to allow Councils to set higher standards in their local plans. However, this should be seen within the context of the higher standards that the Government are proposing to be introduced from June 2022 and the statement in paragraph 2.41 of their response to the consultation on the Future Homes Standard that these standards will mean it is "less likely that local authorities will need to set local energy efficiency standards".
24. By delivering carbon reductions through the fabric and building services the Future Homes Standard will ensure new homes have a smaller carbon footprint than any previous Government policy. In addition, this footprint will continue to reduce over time as the electricity grid decarbonises. Therefore, the HBF considers the most effective approach in achieving national net zero commitments by 2050 alongside delivering the homes needed in any area is through the application of Building Regulations that allow for a transition to higher standards of energy efficiency and CO₂ reduction. As such the HBF do not consider a requirement for all new development to be zero carbon from 2023 to be sound as it is neither deliverable nor consistent with national policy.

Question 42. Should we plan for net-zero carbon from a specific future date? This would require all new development to achieve net zero carbon from a future date in the plan process, set out in policy. It could allow time for the development industry to adjust to the higher standards and may mean we can secure more affordable housing and community benefits from development, earlier on in the plan process.

25. No. As set out above this is an issue that should be addressed through national building regulations and not through planning policy. As the Council note these phased improvements through building regulations in the energy efficiency of new homes will allow the industry time to adjust whilst continuing to deliver the homes needed in Maldon.

Question 59. Affordable housing is often the biggest influence on viability, so should the Council continue to prioritise this policy requirement over other infrastructure contributions or design quality across the district?

26. In considering the deliverability of the local plan and the viability of development the Council will need to decide on its priorities. The increasing fixed costs to developers with regard to, for example, Biodiversity Net Gain, improved energy efficiency standards and electric vehicle parking will mean that the Council will have to carefully consider the costs it places on development in through the local plan and how these can be varied to ensure development is viable and the plan is deliverable. Given that the viability assessment is still to be published and without this evidence it is not possible to comment on whether the Council's policy requirements, such as those for affordable housing, are viable and the plan as whole is deliverable. However, we would like to make some broad comments on viability in relation to the approach establishing the 2019 NPPF and its supporting guidance.

27. To support local planning authorities in preparing their viability evidence the HBF has prepared a briefing note, attached to this response, which sets out some common concerns with viability testing of local plans under the latest guidance and how these should be addressed. Whilst this note focuses on all aspects of the viability testing of the residential development and should be taken into account, we would like to highlight four particular issues with whole plan viability assessments.

28. The first issue is with regard to the approach taken to abnormal infrastructure costs. These are the costs above base construction and external costs that are required to ensure the site is deliverable. Prior to the 2019 NPPF viability assessments have taken the approach that these cannot be quantified and were addressed through the site-by-site negotiation. However, this option is now significantly restricted by paragraph 58 of the NPPF. As such these abnormal costs must be factored into whole plan viability assessments. We recognise that the very nature of an abnormal costs is difficult to quantify, but it is a fact that they are often substantial and can have a significant impact on viability. Where and how these costs arise is also variable. They can occur in site preparation but can also arise with regard to the increasing costs of delivering infrastructure, such as

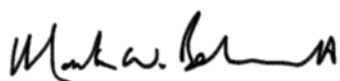
upgrades to increase the capacity of utilities. It is also the case that abnormal costs are higher on brownfield sites where there can be a higher degree of uncertainty as to the nature of the site and the work required to make it developable.

29. Whilst we recognise that abnormal costs are expected to come off the land value, we are concerned that if abnormal costs are high then it will result in sites not being developed as the land value will be insufficient to incentivise the landowner to sell. It is therefore important that a significant buffer is included within the viability assessment to take account of these costs if the Council are to state with certainty that those sites allocated in the plan will come forward without negotiation.
30. Secondly, we would encourage the Council to use the upper end of any of the ranges suggested with regards to fees and profit margins. Again, these will vary from developer to developer but given that the Government want to minimise negotiation on planning obligations it would make sense to use the highest point of any range. The changing landscape with regard to viability assessment could lead to development slowing significantly if the correct variables are not taken into account.
31. Thirdly, the council must ensure that the costs relating to bio-diversity net gains, electric vehicle charging, sustainable design and construction; and renewable energy are properly considered as well as considering the impact of future national policies such as the future homes standard on viability. The Council must ensure that there is sufficient headroom in development viability to ensure these standards can be addressed alongside the policies in the local plan.
32. Finally, the approach to land values needs to be a balanced approach and one that recognises that there will be a point at which land will just not come forward if values are too low to take account of policy and infrastructure costs. There are a variety of reasons why a landowner is looking to sell their land and it cannot be assumed that they will absorb significant reductions in land values to meet policy costs. Land is a long-term investment and the returns being offered must take account of this.

Conclusion

33. We trust you will find these comments helpful and if you would like to discuss them further, please contact me.

Yours faithfully



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