

Local Plan Wirral Council PO Box 290 Brighton Street Wallasey Wirral CH27 9FQ

> SENT BY EMAIL localplan@wirral.gov.uk 25/07/2022

Dear Planning Policy Team,

# WIRRAL LOCAL PLAN: PUBLICATION DRAFT CONSULTATION

- 1. Thank you for consulting with the Home Builders Federation (HBF) on the Wirral Local Plan Publication Draft consultation.
- 2. 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.
- 3. The HBF is keen to work with the Council in order to achieve an adopted local plan which enables the delivery of homes across the Wirral. The following comments identify some areas where the HBF considers that the document would benefit from further evidence or modifications.

**Policy WS1.1: The Development and Regeneration Strategy for Wirral 2021-2037** *Policy WS1.1 is not considered to be sound as it is not positively prepared, justified, or consistent with national policy for the following reasons:* 

- 4. Part A of this policy looks for Wirral to become carbon neutral by 2041 through, where relevant minimising carbon emissions, maximising carbon storage and sequestration and mitigating and adapting to the impacts of climate change.
- 5. It is noted that this policy is setting a target ahead of the Government target of net Zero Carbon by 2050. The HBF does not generally object to encouragement for the need to minimise the carbon emissions, maximise carbon storage or mitigating and adapting to the impacts of climate change. The HBF supports moving towards greater energy efficiency via a nationally consistent set of standards and a timetable for achieving any enhancements which is universally understood and technically implementable. The HBF acknowledges that the Government has not enacted its proposed amendments to the Planning & Energy Act 2008 to prevent the Council from stipulating energy performance standards that exceed the Building Regulations. However, the HBF considers that the



Home Builders Federation HBF House, 27 Broadwall, London SE1 9PL Tel: 0207 960 1600 Email: <u>info@hbf.co.uk</u> Website: <u>www.hbf.co.uk</u> Twitter: @HomeBuildersFed key to success is standardisation and avoidance of every Council in the country specifying its own approach to energy efficiency, which would undermine economies of scale for both product manufacturers, suppliers and developers.

- 6. Part B states that the local plan will provide for a minimum of 13,360 net additional dwellings including new affordable dwellings. This is equivalent to 835 dwellings each year. This is based on the Wirral Strategic Housing Market Assessment (SHMA) (October 2021) which includes 779 per annum based on the Governments standard methodology for calculating housing need, plus an uplift of 6 per annum to support economic growth. In addition, an allowance of 50 dwellings each year is added to make up for demolitions
- 7. The NPPF<sup>1</sup> states that to determine the minimum number of homes needed, strategic policies should be informed by a local housing needs assessment, conducted using the standard method set out in the PPG. The PPG sets out the method for calculating the minimum annual local housing need figure<sup>2</sup>. The PPG<sup>3</sup> also sets out when it might be appropriate to plan for a higher housing need figure than the standard method, these include where there are growth strategies for the area, where there are strategic infrastructure improvements, where an authority is taking unmet need from a neighbouring authority, and where previous levels of housing delivery, or previous assessments of need are significantly greater than the outcome from the standard method.
- 8. The HBF supports the Council in using the standard method as the starting point for the calculation of the housing requirement. The HBF also supports the Council in including an uplift to support economic growth, although we consider that the uplift should be significantly above that currently proposed. The HBF also considers that it is appropriate for the Council to give consideration to the number of dwellings to be lost each year to demolition, change of use or conversion either as part of the supply calculation or the housing requirement.
- 9. The HBF considers that the Council will need to take into account the aspirations of the 'Northern Powerhouse' agenda, the Liverpool City Region (LCR) Combined Authority Devolution Deal, the LCR Local Enterprise Partnership's Strategic Economic Plan and the Wirral Growth Plan amongst others. The NPPF<sup>4</sup> is clear that planning policies should 'seek to address potential barriers to investment, such as inadequate infrastructure, services or housing, or a poor environment', there is a clear risk that if sufficient housing is not provided these growth strategies will not be delivered, that jobs growth will not be met or that unsustainable commuting patterns will be created.
- 10. Part C sets out the allocations and the housing supply. Paragraph 3.15 of the justification sets out that whilst the identified need is 13,360 dwellings it is necessary to identify a larger supply to make allowances for the potential that sites may not come

<sup>&</sup>lt;sup>1</sup> NPPF 2021 Paragraph 61

<sup>&</sup>lt;sup>2</sup> PPG ID:2a-004-20201216

<sup>&</sup>lt;sup>3</sup> PPG ID: 2a-010-20201216

<sup>&</sup>lt;sup>4</sup> NPPF 2021 Paragraph 82

forward at the pace expected. Therefore, the Plan makes provision for the delivery of approximately 17,750 dwellings.

- 11. The HBF does not wish to comment upon the acceptability or otherwise of individual sites. It is, however, important that all the sites contained within the plan are deliverable over the plan period and planned to an appropriate strategy. The Council's assumptions on sites in relation to delivery and capacity should be realistic based on evidence supported by the parties responsible for housing delivery and sense checked by the Council based on local knowledge and historical empirical data.
- 12. The Plan should ensure the availability of a sufficient supply of deliverable and developable land to deliver the Council's housing requirement. This sufficiency of housing land supply (HLS) should meet the housing requirement, ensure the maintenance of a 5 Year Housing Land Supply (YHLS), and achieve Housing Delivery Test (HDT) performance measurements. The HBF also strongly recommends that the plan allocates more sites than required to meet the housing requirement as a buffer. This buffer should be sufficient to deal with any under-delivery which is likely to occur from some sites. Such an approach would be consistent with the NPPF requirements for the plan to be positively prepared and flexible.
- 13. Table 3.2 summarises the Council's housing supply for the Plan period. It suggests supply will come from 1,730 new build commitments, 8,116 homes in the Birkenhead Regeneration Framework Area, 562 homes in other regeneration areas, 2,425 homes in other settlement areas and 3,490 in allowances.
- 14. The HBF notes that the supply includes an allowance for conversions, changes of use, windfall and the return to use of empty homes. The HBF would generally recommend that these allowances are not included in the supply and instead form part of the flexibility in supply. However, the HBF recommends that if the Council intends to include an allowance for conversions, changes of use, windfall and the return to use of empty homes that they have an appropriate evidence base to support this, this would be in line with the NPPF which states that where an allowance is made for windfall sites there should be compelling evidence that they will provide a reliable source of supply. The HBF also considers that historic trends may not always be an accurate reflection, particularly in areas that have not adopted a Plan in the last 20 years. Again, if an allowance is to be included within the supply the HBF would suggest that the allowance is not included within the first three years from examination of the Plan to avoid double counting.

## Policy WS2: Social Value

Policy WS2 is not considered to be sound as it is not justified, or consistent with national policy for the following reasons:

15. This policy requires major development proposals to include a social value statement and to demonstrate that development is located, designed, constructed and operated in a manner that delivers net social gain. The Council will also seek to enter into a planning agreement relating to the use of local labour and provision of training as part of an agreed employment and skills plan.

- 16. Many residential developments will bring with them social benefits, through the provision of new more sustainable homes and potentially through the provision of affordable homes and other infrastructure provided through planning obligations. In 2018 the HBF and Lichfields' produced a report on The Economic Footprint of House Building in England and Wales<sup>5</sup> this document not only highlighted the economic benefits but also the social benefits. It highlighted that in 2017 house building created nearly 698,000 jobs, supported 4,300 apprentices, 525 graduates and 2,900 other trainees, provided £4.2bn of new affordable homes, £841m provided for infrastructure including £122m on new and improved schools, £45m invested in open space, community, sport and leisure facilities and an additional £5.9bn spent in local shops and services by residents of these new homes.
- 17. However, the HBF does not consider that it is necessary to include a policy requiring major proposals to provide details of what social value outcomes will be delivered and how this will be measured and assessed. This is an unnecessary burden to place on applicants and is unlikely to add value to a development, over and above the general benefits associated with development as set out above.
- 18. Part C of this policy looks for major development proposals to use local labour and provide training and skills for local communities using an agreed employment and skills plan. The HBF considers that the Council will need to consider how this would work for the home building industry, particularly in relation to the construction period and what this would mean for longer term job stability. Whilst increasing the numbers of people working in the construction industry, along with upskilling and increasing the diversity of the workforce is a top priority for the HBF, this needs to be done in the right way.
- 19. The HBF Construction Skills Partnership already works with home builders in relation to employment and skills, this includes ensuring that the skills levy that housebuilders pay to the Construction Industry Training Board is deployed effectively to increase the number of people entering the industry and the quality of the skills training they receive.
- 20. The HBF considers that the Council will also need to consider the costs that would be associated with this policy and ensure that it is considered as part of the viability requirements. This may have a particular impact on the SME builders in the area who may not have the job opportunities available or the resources to provide appropriate training.

## Policy WS3.1: Housing Design Standards

Policy WS3.1 is not considered to be sound as it is not positively prepared, justified, or consistent with national policy for the following reasons:

<sup>5</sup> 

https://www.hbf.co.uk/documents/7876/The\_Economic\_Footprint\_of\_UK\_House\_Building\_July\_2018L R.pdf

- 21. This policy states that new build dwellings should comply with the nationally described space standards (NDSS). If the Council wishes to apply the optional NDSS to all dwellings, this should only be done in accordance with the NPPF<sup>6</sup>, which 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 NPPF<sup>7</sup>, 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. The PPG<sup>8</sup> 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. Therefore, the Council should provide a local assessment evidencing their case.
- 22. The Local Plan CIL and Viability Assessment Study (October 2022) has included consideration of the NDSS, however, the floorspace assumptions set out in Table 5.2 do not reflect the NDSS floorspaces, particularly when allowing for the higher density requirements which is likely to see more 3 storey dwellings and therefore higher floorspace requirements.
- 23. It also looks to introduce the higher water efficiency standard of 110 litres per person per day. The Building Regulations require all new dwellings to 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. The Optional Technical Housing Standard is 110 litres per day per person.
- 24. A policy requirement for the optional water efficiency standard must be justified by credible and robust evidence. 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 PPG. PPG<sup>9</sup> states that where there is a *'clear local need, Local Planning Authorities (LPA) can set out Local Plan Policies requiring new dwellings to meet tighter Building Regulations optional requirement of 110 litres per person per day'.* PPG<sup>10</sup> 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'. The Housing Standards Review was explicit that reduced water consumption was solely applicable to water stressed areas. The North West and Wirral are not considered to be an area of Water Stress as identified by the Environment Agency<sup>11</sup>. Therefore, the HBF considers that requirement for optional water efficiency standard is not justified nor consistent with national policy in relation to need or viability and should be deleted.*

<sup>&</sup>lt;sup>6</sup> NPPF 2021 Paragraph 130f & Footnote 49

<sup>&</sup>lt;sup>7</sup> NPPF 2021 Paragraph 31

<sup>8</sup> PPG ID: 56-020-20150327

<sup>&</sup>lt;sup>9</sup> ID: 56-014-20150327

<sup>&</sup>lt;sup>10</sup> ID: 56-015-20150327

<sup>&</sup>lt;sup>11</sup> 2021 Assessment of Water Stress Areas Update:

https://www.gov.uk/government/publications/water-stressed-areas-2021-classification

- 25. Part 3 of the policy looks for new build dwellings to be built to be 'zero carbon ready by design' in line with Policy WS8.
- 26. The HBF generally supports sustainable development and considers that the homebuilding industry can help to address some of the climate change emergency challenges identified by the Council. However, the HBF recognises the need to move towards greater energy efficiency via a nationally consistent set of standards and timetable, which is universally understood and technically implementable.
- 27. Part L (conservation of fuel and power) and Part F (ventilation) of the Building Regulations were updated in 2021 and took effect from 15<sup>th</sup> June 2022, with transitional arrangements in place for dwellings started before 15<sup>th</sup> June 2023. To ensure as many homes as possible are built in line with new energy efficiency standards, these transitional arrangements will apply to individual homes rather than an entire development.
- 28. The Government Response to The Future Homes Standard: 2019 Consultation on changes to Part L (conservation of fuel and power) and Part F (ventilation) of the Building Regulations for new dwellings dated January 2021 provided an implementation roadmap. The 2021 Building Regulations interim uplift will deliver homes that are expected to produce 31% less CO2 emissions compared to current standards. The implementation of the Future Homes Standard 2025 will ensure that new homes will produce at least 75% lower CO2 emissions than one built to previous energy efficiency requirements. By delivering carbon reductions through the fabric and building services in a home rather than relying on wider carbon offsetting, 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.
- 29. The HBF supports the Government's approach to the Future Homes Standard but there are difficulties and risks to housing delivery given the immaturity of the supply chain for the production / installation of heat pumps, the additional cost associated with this and the additional load that would be placed on local electricity networks in combination with Government proposals for the installation of EVCPs in new homes.
- 30. In autumn 2020, the HBF established a Future Homes Task Force to develop workable solutions for the delivery of the home building industry's contribution to meeting national environmental targets and objectives on Net Zero. Early collaborative work is focussed on tackling the challenges of implementing the 2021 and 2025 changes to Building Regulations successfully and as cost-effectively as possible, in particular providing information, advice and support for SME developers and putting the customer at the centre of thinking.
- 31. On 27 July 2021, the Future Homes Delivery Plan was published (see <u>The Future</u> <u>Homes Delivery Plan – Summary of the goals, the shared roadmap & the Future Homes</u> <u>Delivery Hub</u>). To drive and oversee the plan, the new delivery Hub was launched, with the support and involvement of Government. The Hub will help facilitate a sector-wide

approach to identify the metrics, more detailed targets where necessary, methods and innovations to meet the goals and the collaborations required with supply chains and other sectors. It will incorporate the needs of all parties including the public and private sector and crucially, consumers, such that they can all play their part in delivering environmentally conscious homes that people want to live in.

- 32. The HBF considers that the Councils should comply with the Government's intention of setting 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 Councils should 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 proposed in the 2021 Part L uplift and the Future Homes Standard 2025.
- 33. The HBF considers that this policy should be deleted and left for building regulations, avoiding the same set of requirements being considered twice, and potentially reaching differing conclusions.
- 34. Part 4 of this policy looks for all new build dwellings to be accessible and adaptable to the M4(2) standard. On developments of 17 dwellings or more it requires at least 6% to wheelchair adaptable to the M4(3)(2a) and if the Council is responsible for allocating or nominating a person for immediate occupation the 6% of dwellings will be wheelchair user dwellings to the M4(3)(2b) standard, unless site specific factors indicate an alternate design solution is necessary.
- 35. The PPG<sup>12</sup> identifies the type of evidence required to introduce a policy requiring the M4 standards, including the likely future need; the size, location, type and quality of dwellings needed; the accessibility and adaptability of the existing stock; how the needs vary across different housing tenures; and the overall viability. The HBF does not consider that the Council have provided sufficient evidence for this policy to be considered justified or consistent with national policy. There is very limited information contained within the SHMA as to why it would be necessary for all homes to be built to the M4(2) standards, and only limited data as to why the M4(3) standards would be needed. There is no information provided in relation to the accessibility and adaptability of the existing stock, and therefore it is not clear what proportion of homes are already contributing to and meeting the needs of people who may need M4(2) or M4(3) homes, or those that could be easily converted.
- 36. The Local Plan CIL and Viability Assessment Study (October 2022) includes an allowance for £523 per unit for the M4(2) standard and £9,754 for the M4(3(2a)) standard and £22,238 for the M4(3(2b)) standard. The HBF is concerned that whilst these costs reflect the costs for these standards for a 2-bed terrace in the EC Harris report of 2014, they do not reflect the costs for larger homes, apartments or for the increases in costs due to inflation since 2014. The CIL and Viability Assessment Study,

<sup>&</sup>lt;sup>12</sup> ID: 56-007-20150327

also highlights the viability issues in the low value and lower median value areas and for brownfield sites more generally.

37. The HBF therefore considers that these housing design standards should be deleted, or if retained further evidence collated to justify their inclusion and for a viability clause to be included in the policy to recognise the viability issues that may arise due to the cumulative impact of these requirements alongside other policy requirements.

# Policy WS3.2: Housing Density

Policy WS3.2 is not considered to be sound as it is not positively prepared, justified, or consistent with national policy for the following reasons:

- 38. This policy provides minimum densities for specific areas ranging from 70 dwellings per hectare (dph) in the Waterfront zone to 40 dph in the suburban areas, unless it can be demonstrated that this is not appropriate having regard to site characteristics. Outside of these identified zones new residential development must achieve efficient use of land having regard to the prevailing character and sites of 1ha or more should achieve a minimum of 30dph.
- 39. The HBF generally supports the Council in setting a density policy, making efficient use of land and making as much use as possible of previously developed land (PDL) in accordance with NPPF<sup>13</sup>. However, the HBF considers that it is important to ensure that the prioritisation of higher density development and the use of PDL does not preclude the delivery of homes in sustainable locations to meet local needs.
- 40. The Wirral Density Study (February 2021) states that in developing the density policy, it will need to be accepted that some changes to local character will occur when implementing minimum densities, especially in the areas where a significant uplift may occur. A balance needs to be taken between these changes and establishing higher densities. The HBF considers that there will be a need to ensure that the local character is not lost due to the emphasis on establishing higher densities.
- 41. The Density Study also highlights that traditional policy approaches to parking, open space and even amenity may need to be considered in a different way on some of the higher density developments. The HBF is concerned that these key elements of a successful and sustainable development are potentially going to be overlooked in order to provide a denser development. The Council will need to give significant consideration to whether this need for greater density is sufficient to overlook the need to protect resident's amenity or provision of normal residential facilities.
- 42. The HBF is concerned that sufficient consideration has not been given to other policy requirements which may also impact on density and site layout including the use of the M4(2) and M4(3) standards, the nationally described space standards (NDSS) (although briefly mentioned in the Study the potential impact on density is not evidenced), provision of cycle and bin storage, the mix of homes provided, the availability of EV Charging alongside parking, any implications of design coding and the provision of tree-

<sup>&</sup>lt;sup>13</sup> NPPF 2021 Paragraph 125

lined streets, highways requirements, and the requirements in relation to Biodiversity Net Gain, changes to the Building Regulations requirements in relation to heating and energy and the Future Homes Standard. The HBF is concerned that in order to achieve the densities proposed the Council may not be able to deliver on a number of these other policy requirements. The HBF considers that it would be beneficial to reconsider the reality of the density requirements alongside the impacts of all of the Council's policy requirements and Government policy.

43. The HBF is also concerned that the use of higher densities has implications for the type, size and tenure of the homes provided and may mean that the Council is not always able to provide an appropriate housing mix across the Council area. This may mean that the homes delivered do not meet the housing needs of the local community or the market demand in the area.

## Policy WS3.3: Affordable Housing Requirement

Policy WS3.3 is not considered to be sound as it is not justified, or consistent with national policy for the following reasons:

- 44. This policy sets the requirements for affordable housing provision in different viability zones, these range from 10% in viability zones 1 and 2 to 20% in zones 3 and 4, this affordable housing requirement will apply to new build market housing schemes of 10 or more dwellings.
- 45. Part F of this policy requires 25% of the affordable housing to be First Homes. It states that the remainder of the requirement should be for alternative affordable home ownership products, affordable rent and social rent in line with national policy and the needs identified in the latest Strategic Housing Market Assessment (SHMA).
- 46. The Strategic Housing Market Assessment (SHMA) (October 2021) identifies an affordable housing need for 374 dwellings each year. It also identifies a tenure split of 35% social rented, 22% affordable rented, 18% affordable home ownership and 25% First Homes.
- 47. The HBF supports the need to address the affordable housing requirements of the borough. The NPPF<sup>14</sup> is, however, clear that the derivation of affordable housing policies must not only take account of need but also viability and deliverability.
- 48. The CIL and Viability Assessment (February 2022) states that the 'viability of development within some of these areas is unquestionably challenging at the present time'<sup>15</sup>. Appendix 5 of the Assessment sets out the residential appraisals in more detail and clearly identifies some of the viability issues. Brownfield sites in the low value areas and lower median value areas are clearly shown to not be viable, and that half of the typologies on brownfield sites in the upper median are also not viable. The Assessment also shows that brownfield flatted typologies are also not viable. The HBF is concerned

<sup>&</sup>lt;sup>14</sup> NPPF 2021 Paragraph 34

<sup>&</sup>lt;sup>15</sup> Local Plan CIL & Viability Assessment Study 2022 paragraph 5.37

that the schemes that are being identified as not viable are those where the Council is seeking to focus its development.

49. The Council should be mindful that it is unrealistic to negotiate every site on a one-byone basis because the base-line aspiration of a policy or combination of policies is set too high as this will jeopardise future housing delivery. The HBF considers it will be important for the Council to consider all the potential options for delivering affordable housing, not just through market developments.

## Policy WS3.4: Housing Mix

Policy WS3.4 is not considered to be sound as it is not justified, or consistent with national policy for the following reasons:

- 50. Part H of this policy looks for all new residential development to provide homes of an appropriate type, size and tenure to meet the needs of the local community including specialist housing for the older population and other specialist needs where appropriate.
- 51. The HBF understands the need for a mix of house types and sizes and is generally supportive of providing a range and choice of homes to meet the needs of the local area including ensuring there is appropriate provision of family homes. The HBF recommends a flexible approach is taken regarding housing mix which recognises that needs and demand will vary from area to area and site to site; ensures that the scheme is viable; and provides an appropriate mix for the location. However, it is not clear from this policy how all new residential developments will be able to address the mix of housing particularly where this is a small site for example. It is also not clear how the needs for older people or specialist housing can be addressed on all sites or how it will be determined whether it is appropriate.
- 52. This policy states that outside of regeneration areas a minimum of 70% of market dwellings will be developed for larger dwellings of three or more bedrooms, within the regeneration areas this should be a minimum of 30%.
- 53. The HBF considers that flexibility in this policy will be important, as there are some concerns how this policy will sit alongside other policy requirements such as the housing density requirements, which may be difficult to achieve with significant numbers of larger homes, and the optional housing standards which may lead to viability issues where significant numbers of 3-bed or more homes are provided.

## Policy WS3.5: Self-Build and Custom Build Housing

Policy WS3.5 is not considered to be sound as it is not justified, or consistent with national policy for the following reasons:

- 54. This policy states that the Council will work with developers on sites of more than 50 dwellings to secure the delivery of serviced plots for custom or self-build dwellings.
- 55. The HBF would be keen to understand the evidence to support the need for custom and self-build housing in Wirral, and how it has informed the requirements of Policy WS3.5.

PPG<sup>16</sup> sets out how custom and self-build housing needs can be assessed. The SHMA (October 2021) states that during the period March 2016 to November 2018 there were 186 households on the Self-build Register, with the Hoylake / West Kirby, Heswall, mid-Wirral and the rural being mentioned most frequently as the preferred areas to live. The register and appears to be free and unrestricted in terms of registry and as such may overrepresent the true demand for self and custom build homes.

- 56. The HBF does not consider that the Council has appropriate evidence to support the requirement for developers on sites of more than 50 dwellings to provide service plots for custom or self-build housing. The HBF is concerned that as currently proposed this policy will not assist in boosting the supply of housing and may even limit the deliverability of some sites and homes. The HBF is also not clear whether there is even a demand from custom and self-builders to live on sites within a larger residential development scheme.
- 57. The PPG<sup>17</sup> sets out how local authorities can increase the number of planning permissions which are suitable for self and custom build housing. These include supporting neighbourhood planning groups to include sites in their plans, effective joint working, using Council owned land and working with Home England. The HBF considers that alternative policy mechanisms could be used to ensure a reliable and sufficient provision of self & custom build opportunities across the Borough including allocation of small and medium scale sites specifically for self & custom build housing and permitting self & custom build outside but adjacent to settlement boundaries on sustainable sites especially if the proposal would round off the developed form.

## Policy WS5.4: Ecological Networks

Policy WS5.4 is not considered to be sound as it is not positively prepared, justified, or consistent with national policy for the following reasons:

- 58. This policy states that all development must deliver a minimum of 10% biodiversity net gain calculated using the DEFRA metric and where development is located on Council owned land it must deliver a minimum of 20%.
- 59. The Council will know that the Government is already looking at the most appropriate approach to biodiversity net gain. The HBF considers that the Council should not deviate from the Government's proposals on biodiversity gain as set out in the Environment Act and the emerging regulations. This legislation and accompanying regulations will require development to achieve a net gain for biodiversity. This nationally required gain provides certainty in achieving environmental outcomes, deliverability of development and costs for developers. The mandatory national requirement will not be a cap on the aspirations of developers who want to voluntarily go further. The mandatory requirement offers developers a level playing field nationally and reduced risks of unexpected costs and delays.

<sup>&</sup>lt;sup>16</sup> PPG ID: 67-003-20190722

<sup>&</sup>lt;sup>17</sup> ID: 57-025-20210508

- 60. The requirement for a 20% net gain in biodiversity on Council owned land is not sound. No robust justification has been provided as to why these parts of the Wirral are any different to the rest of the country and should set a higher requirement for net biodiversity gains from new development. If Government considers 10% sufficient to mitigate the impact of new development in future, then this should also be an appropriate level of net gain for the Wirral. It is important to recognise that the Environment Act does not set this as a minimum and at present there is no suggestion that in future policy will allow for a higher requirement to be set in local plans.
- 61. The HBF also has concerns that the impact of a 20% requirement has not been fully considered. A 20% requirement will have a more considerable cost impact than is suggested in the CIL and Viability Assessment Study and one that could impact on the deliverability of some sites. The Viability Assessment only includes a cost of £244 per unit for brownfield sites and £1,027 per unit for greenfield sites.
- 62. The Government published a biodiversity net gain impact assessment in 2019 which outlined their analysis of the costs<sup>18</sup> associated with net gain. For the North West it identified a cost of £1,137 per home for greenfield sites and £242 for brownfield sites for Scenario B (based on 2017 prices), this scenario assumes the developer is unable to avoid, mitigate and compensate all impacts on site but is able to secure local compensatory habitat creation. The HBF considers that the costs should be updated to reflect current costs, and that the policy will need to consider whether these assumptions are correct given the other policies included within the Plan such as the density requirements, and the increased requirement for 20% net gain on Council owned land. The Government biodiversity net gain impact assessment identifies considerably higher costs for net gain if Scenario C is used, this scenario considers the use of biodiversity credits and off-site provisions.
- 63. Therefore, the HBF considers that this element in relation to the biodiversity net gain requirements is not necessary and provides unnecessary duplication. If the policy is to be retained, then the HBF recommends that the policy is amended to ensure that it reflects the 10% net gain approach established in the Environment Act.

# Policy WS8.2: Sustainable Construction – Energy Efficiency, Overheating and Cooling, and Water Usage

Policy WS8.2 is not considered to be sound as it is not positively prepared, justified, or consistent with national policy for the following reasons:

64. This policy states that all development should be 'zero carbon ready by design'. It states that wherever possible and viable all new buildings should be certified to a Passivhaus or equivalent standard.

<sup>&</sup>lt;sup>18</sup> Defra (2019) Impact Assessment: biodiversity net gain and local nature recovery strategies <u>https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\_data/file/839</u> <u>610/net-gain-ia.pdf</u>

- 65. As set out in the NPPF<sup>19</sup>, the planning system should support the transition to a low carbon future in a changing climate and any local requirements for the sustainability of buildings should reflect the Government's policy for national technical standards. The PPG<sup>20</sup> sets out that any local requirements for a building's sustainability and for zero carbon buildings should be based on robust credible evidence and tested for impacts on viability. The PPG<sup>21</sup> also clarifies that locally set energy performance standards for new housing should not exceed the equivalent of Level 4 of the Code for Sustainable Homes and any requirement for a proportion of used energy to be from renewable and / or low carbon energy sources should be reasonable.
- 66. Therefore, whilst the Council's policy approach in WS8.2 is commendable, it should not undermine the Government's intention to set energy efficiency standards through the Building Regulations. The HBF considers the inclusion of the Passivhaus standards within this policy to be unsound and reference to it should be deleted. The Government has set out a clear framework for improving the energy efficiency of buildings under the Future Homes Standard. This will see new homes deliver reductions in CO2 emissions of at least 31% below current standards until 2025 from which new standards will see these reduce even further to 75% of current building regulations. Given these improvements requiring development to be certified to Passivhaus standards is not necessary and is ineffective and should be deleted. If the Council, consider it necessary to refer to the Passivhaus standard it should do so in terms of providing encouragement for those developers that wish to build to this standard in the supporting text.
- 67. This policy goes on to state that all development should seek to identify water usage efficiencies, including consideration of rainwater harvesting and water recycling systems. The HBF considers that this policy has potential implications in terms of space that may be required to allow for harvesting and this will need to be considered in relation to other policies requirements. The HBF considers that this policy could support the provision of water harvesting and use of grey water rather than making any requirements, allowing for flexibility in provision depending on circumstances.

## **Policy WS8.6: Heat and Power Networks**

Policy WS8.6 is not considered to be sound as it is not justified, or consistent with national policy for the following reasons:

- 68. This policy states that all development proposals in proximity of an existing or proposed district heat or power network, combined heat and power, combined cooling, heat and power station will be expected to connect to the network.
- 69. The Council should consider the Department for Business, Energy and Industrial Strategy consultation on Heat Networks: Building A Market Framework (ended on 1st June 2020). To meet the Government's legal commitment on reducing greenhouse gas emissions virtually all heat in buildings will require decarbonising. Heat networks are one aspect of the path towards decarbonising heat, however currently the predominant

<sup>&</sup>lt;sup>19</sup> Paragraph 152 and 154b of NPPF 2021

<sup>&</sup>lt;sup>20</sup> PPG ID: 6-009-20150327

<sup>&</sup>lt;sup>21</sup> PPG ID: 6-012-20190315

technology for district-sized communal heating networks is gas combined heat and power (CHP) plants. Over 90% of district networks are gas fired. As 2050 approaches, meeting the Government's climate target of reducing greenhouse gas emissions to net zero will require a transition from gas-fired networks to renewable or low carbon alternatives such as large heat pumps, hydrogen or waste-heat recovery but at the moment one of the major reasons why heat network projects do not install such technologies is because of the up-front capital cost. The Council should be aware that for the foreseeable future it will remain uneconomic for most heat networks to install lowcarbon technologies.

70. Furthermore, some heat network consumers do not have comparable levels of satisfaction as consumers on gas and electricity networks, and they pay a higher price. Currently, there are no sector specific protections for heat network consumers, unlike for people on other utilities such as gas, electricity or water. A consumer living in a building serviced by a heat network does not have the same opportunities to switch supplier as they would for most gas and electricity supplies. All heat network domestic consumers should have ready access to information about their heat network, a good quality of service, fair and transparently priced heating and a redress option should things go wrong. Research by the Competition and Markets Authority (CMA) found that a significant proportion of suppliers and managing agents do not provide pre-transaction documents, or what is provided contains limited information, particularly on the on-going costs of heat networks and poor transparency regarding heating bills, including their calculation, limits consumers' ability to challenge their heat suppliers reinforcing a perception that prices are unjustified. The monopolistic nature of heat networks means that future price regulation is required to protect domestic consumers. The CMA have concluded that "a statutory framework should be set up that underpins the regulation of all heat networks." They recommended that "the regulatory framework should be designed to ensure that all heat network customers are adequately protected. At a minimum, they should be given a comparable level of protection to gas and electricity in the regulated energy sector." The Government's latest consultation on heating networks proposes a regulatory framework that would give Ofgem oversight and enforcement powers across quality of service, provision of information and pricing arrangements for all domestic heat network consumers.

## Policy WS8.8: Climate Change and Energy Statement

Policy WS8.8 is not considered to be sound as it is not justified, or consistent with national policy for the following reasons:

- 71. This policy requires all major development to submit an Energy and Climate Statement. It states that the statement will incorporate a Whole Life Cycle Carbon Emission Assessment.
- 72. The HBF considers that requirements for an Energy and Climate Statement are unnecessary. The HBF would query the need to consider the whole life cycle emissions. These emissions are related to the materials and products that go into making our buildings and infrastructure and are likely to include emissions caused by: extraction, processing and manufacture; transport, assembly and installation on site; replacement,

refurbishment and maintenance; demolition and disposal. Therefore, they are much wider than just the development industry and are not under the control of the applicant and may be difficult to detail or to influence, or for either the applicant or the Council to monitor.

73. However, if the Council does decide to go ahead with this requirement it should ensure that the requirement is not overly onerous and is proportionate to the scale of the development for example, the smallest companies may not have the in-house resources to carry out assessments, and it is important that there is a diverse range of companies operating within the house building industry. The HBF considers that a transitional period prior to introducing any policy in relation to the whole life cycle would be necessary to give the industry time to consider how assessment would be undertaken and how data would be collected and collated.

## **Policy WS9.3: Servicing Development**

Policy WS9.3 is not considered to be sound as it is not justified, or consistent with national policy for the following reasons:

- 74. This policy states that proposals will be required to provide electric vehicle charging infrastructure in accordance with the Parking Standards in Appendix 8.
- 75. The HBF considers that now that the Building Regulations are in place in relation to charging points the Council does not need to introduce their own alternative requirements which are over and above these which may create confusion and unnecessary duplication of requirements

## Policy WS10.2: District Heat Networks

Policy WS10.2 is not considered to be sound as it is not positively prepared, justified, or consistent with national policy for the following reasons:

- 76. This policy requires all major developments located within 500m of planned future district heat or power network, which is considered by the Council likely to be operational within 3 years of grant of permission will be required to provide a means to connect that network.
- 77. The HBF does not consider it is necessary to make more connections to the heat network. Heat networks are one aspect of the path towards decarbonising heat, however currently the predominant technology for district-sized communal heating networks is gas combined heat and power (CHP) plants. Over 90% of district networks are gas fired. As 2050 approaches, meeting the Government's climate target of reducing greenhouse gas emissions to net zero will require a transition from gas-fired networks to renewable or low carbon alternatives such as large heat pumps, hydrogen or waste-heat recovery but at the moment one of the major reasons why heat network projects do not install such technologies is because of the up-front capital cost. The Council should be aware that for the foreseeable future it will remain uneconomic for most heat networks to install low-carbon technologies.

78. Furthermore, some heat network consumers do not have comparable levels of satisfaction as consumers on gas and electricity networks, and they pay a higher price. Currently, there are no sector specific protections for heat network consumers, unlike for people on other utilities such as gas, electricity or water. A consumer living in a building serviced by a heat network does not have the same opportunities to switch supplier as they would for most gas and electricity supplies. All heat network domestic consumers should have ready access to information about their heat network, a good quality of service, fair and transparently priced heating and a redress option should things go wrong. Research by the Competition and Markets Authority (CMA) found that a significant proportion of suppliers and managing agents do not provide pre-transaction documents, or what is provided contains limited information, particularly on the on-going costs of heat networks and poor transparency regarding heating bills, including their calculation, limits consumers' ability to challenge their heat suppliers reinforcing a perception that prices are unjustified. The monopolistic nature of heat networks means that future price regulation is required to protect domestic consumers. The CMA have concluded that "a statutory framework should be set up that underpins the regulation of all heat networks." They recommended that "the regulatory framework should be designed to ensure that all heat network customers are adequately protected. At a minimum, they should be given a comparable level of protection to gas and electricity in the regulated energy sector." The Government's latest consultation on heating networks proposes a regulatory framework that would give Ofgem oversight and enforcement powers across quality of service, provision of information and pricing arrangements for all domestic heat network consumers.

# **Site Allocations and Regeneration Areas**

- 79. The HBF does not wish to comment upon the acceptability or otherwise of individual sites. It is, however, important that all the sites contained within the plan are deliverable over the plan period and planned to an appropriate strategy. The HBF would expect the spatial distribution of sites to follow a logical hierarchy, provide an appropriate development pattern and support sustainable development within all market areas.
- 80. The Council's assumptions on sites in relation to delivery and capacity should be realistic based on evidence supported by the parties responsible for housing delivery and sense checked by the Council based on local knowledge and historical empirical data.
- 81. The HBF is keen that the Council produces a plan which can deliver against its housing requirement. To do this it is important that a strategy is put in place which provides a sufficient range of sites to provide enough sales outlets to enable delivery to be maintained at the required levels throughout the plan period. 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 mix of sites provides choice for consumers, allows places to grow in sustainable ways and creates opportunities to diversify the construction sector. Under the NPPF<sup>22</sup>, the Councils should identify at least 10% of the housing requirement on

<sup>&</sup>lt;sup>22</sup> Paragraph 69 NPPF 2021

sites no larger than one hectare or else demonstrate strong reasons for not achieving this target. The HBF and our members can provide valuable advice on issues of housing delivery and would be keen to work proactively with the Council on this issue.

82. The Plan should ensure the availability of a sufficient supply of deliverable and developable land to deliver the Council's housing requirement. This sufficiency of housing land supply (HLS) should meet the housing requirement, ensure the maintenance of a 5 Year Housing Land Supply (YHLS), and achieve Housing Delivery Test (HDT) performance measurements. The HBF also strongly recommends that the plan allocates more sites than required to meet the housing requirement as a buffer. This buffer should be sufficient to deal with any under-delivery which is likely to occur from some sites. Such an approach would be consistent with the NPPF requirements for the plan to be positively prepared and flexible.

## Policy WD18: Health Impact Assessment

Policy WD18 is not considered to be sound as it is not positively prepared, justified, or consistent with national policy for the following reasons:

- 83. This policy looks for a Health Impact Assessment to be provided for major residential developments of 10 or more dwellings.
- 84. The HBF recognises the importance of ensuring new development supports the wider aims of local authorities and their partners to improve the health and well-being of their residents and workforce. However, the requirement for all major residential developments of 10 or more dwellings to undertake a Health Impact Assessment (HIA) is unnecessary and an additional burden on applicants.
- 85. The PPG<sup>23</sup> sets out that HIAs *'may be a useful tool to use where there is expected to be significant impacts'*, but it also outlines the importance of the local plan in considering the wider health issues in an area and ensuring policies respond to these. As such Local Plans should already have considered the impact of development on the health and wellbeing of their communities and set out policies to address any concerns. As such where a development is in line with policies in the local plan an HIA should not be necessary. Only where there is a departure from the plan should the Council consider requiring an HIA.

## Future Engagement

- 86. I trust that the Council will find these comments useful as it continues to progress its Local Plan. I would be happy to discuss these issues in greater detail or assist in facilitating discussions with the wider house building industry.
- 87. The HBF would like to be kept informed of all forthcoming consultations upon the Local Plan and associated documents. Please use the contact details provided below for future correspondence.

<sup>&</sup>lt;sup>23</sup> PPG ID:53-007-20190722

Yours sincerely,

Mading

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