

Sent by email to:

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Dear Inspector.

**Response by the Home Builders Federation to the consultation on the Derbyshire Dales Future Growth consultation**

Please find below the Home Builders Federation (HBF) response to the consultation on the future growth scenarios for the Derbyshire Dales 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.

*Q. Do you have a preference for which Growth Scenario the District Council should pursue.*

The HBF considers the most appropriate option to take forward is the higher growth scenario. This scenario takes account not only of the expected levels of economic growth over the plan period but also the Council’s ambitions to improve economic activity. In many areas a lack of housing is a barrier to such ambitions, a situation that is recognised in paragraph 82 of the NPPF which states that local plans should seek to address any barriers to investment such as housing.

A higher housing requirement would also mean that the Council will be able to provide more affordable housing to better meet the needs highlighted in the Housing Study. This study indicates that there is a need for 114 affordable homes each year, around 38% of the higher growth scenario and 50% of the minimum requirement using the standard method. Based on the Council’s current affordable housing policy this would mean a substantial shortfall in the delivery of affordable housing if the Council went for anything other than the higher growth scenario. Given the number of existing households in unsuitable accommodation it will be important that the Council carefully considers tis responsibilities and seeks to increase the delivery of all forms of housing across the plan period.

*Q. How would you prefer new additional development to be accommodated*

The HBF does not have a specific preference as to how or where development needs are met. However, when considering its spatial strategy, the Council will need to ensure not only that there is sufficient land to meet hosing needs but also that the land supply is sufficiently flexible to meet those needs. To some extent the Council have recognised this and have included a ten percent buffer in overall supply. Whilst this is welcomed the Council may need to increase this buffer depending on the strategy taken forward. A spatial strategy that relies heavily on a few large strategic developments will need more flexibility given that there is a higher risk of delays to the delivery of such development.

The strategy should also provide a balanced approach by allocating a wide variety of sites, both in terms of size and location. There are a number of reasons for this. Firstly, such a strategy will have far greater potential to deliver a wide mix of housing types and style whilst also ensuring homes come forward consistently across the whole plan period. Too often local plans focus allocations on a small number of large strategic sites that inevitably come forward later in the plan period. Whilst such sites are an important part of housing supply their allocation should not be to the detriment of small and medium sized sites. Such sites are important as they come forward quickly helping the Council in securing a sufficient supply of homes in the first five years of its plan and preventing housing needs being unnecessarily delayed. It is our experience that local plans which rely too heavily on strategic sites and push the majority of delivery toward the end of the plan period can result in plans arriving at examination without a five-year land supply and being unable to meet its housing needs due to revisions in the delivery trajectories of strategic sites.

The second reason for supporting diversity within the plan’s allocations is that this offers opportunities for the allocation of smaller sites which in turn can increase opportunities for small and medium sized housebuilders to have their sites allocated. The Government are looking to increase the number of SME housebuilders as a means of increasing housing supply and diversity within that supply. Up until the 1980s, small developers once accounted for the construction of half of all homes built in this country resulting in greater variety of product, more competition, and faster build-out rates. Since then, the number of small companies has fallen by 80% following the introduction of the plan-led system in 1990 and the subsequent difficulty of getting small sites allocated in development plans.

The HBF has undertaken extensive consultation with its small developer members. One of the chief obstacles for small developers is that funding is extremely difficult to secure with a full, detailed, and implementable planning permission. Securing an implementable planning permission is extremely difficult if small sites are not allocated. Without implementable consents lenders are uneasy about making finance available or else the repayment fees and interest rates they set will be very high. Small developers, consequently, need to invest a lot of money and time up-front in the risky business of trying to secure an allocation and a planning permission, and this is money that many small developers do not have.

If the Council are to ensure there is a wide variety of SME house builders operating in its administrative area, and the benefits it brings to the speed of delivery and variety of homes, it must ensure that there is a variety of sites. This is why the Government, through the NPPF, now requires local authorities to allocate sites of varying sizes and why the HBF advocates for the allocation of more small sites in local plans.

Finally, the continuing divergence between house prices and earnings, housing-related issues such as homelessness and concealed households, where young people have to stay with, or return home to, their parents for longer than they would like to, becomes an increasing problem within the district. It is therefore important for the Council to recognise, and give significant weight to, the fact that a wider range of allocated sites with a significant number of smaller sites included in supply will bring forward homes more quickly than one that relies solely on larger strategic urban extensions or a new settlement. This is not to say that such sites should not be included in a plan, but the timescales for delivering such sites means that they will most likely deliver homes later in the plan period and beyond, thus securing long term delivery of new homes.

Yours faithfully



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