

Sent by email to: contact@gnplan.org.uk

09/01/2023

Dear Sir/ Madam

Response by the Home Builders Federation to the consultation on the preferred approach for the Greater Nottingham Strategic Plan

1. Please find below the Home Builders Federation (HBF) response to the consultation on the preferred approach for the Greater Nottingham Strategic Plan (GNSP). 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.

Plan Period

2. The HBF are concerned that the plan period will not, as required by paragraph 22 of the National Planning Policy Framework (NPPF), look forward at least 15 years from the point at which the GNSP is adopted. We could not find an up-to-date time scale for the adoption of the GNSP but given that the plan still needs to go through a regulation 19 consultation it is unlikely that the plan will be adopted prior to the end of 2024. This will mean that at best the GNSP will look forward for not more than 13 full years. In order to ensure that the GNSP is consistent with national policy we would therefore suggest the plan period is extended by at least 3 years to 2040/41. This will give sufficient headroom within the plan period to guarantee that the plan looks ahead at least 15 years from the point at which it is adopted.

Planning Strategy and Settlement Hierarchy

3. The Greater Nottingham Planning Partnership's (GNPP) strategy focuses the bulk of delivery through this local plan into the urban area of Nottingham, sites adjacent to Hucknall and the key settlements. Developments in other settlements will be identified in the Part 2 Local Plans. Whilst we have no comments to make at this stage regarding the settlement hierarchy, we are concerned that the strategy with regard to Nottingham and its focus on the urban area will impact on the ability of



this plan to meet needs and increase the supply of affordable homes. This appears to be a significant oversight given that the vision for the Greater Nottingham is to ensure that people from all sections of society will be provided with better access to homes in order to support improved health and well-being outcomes, address the threats to growth, and ensure a resilient economy.

4. In particular the need for affordable housing in Nottingham is high, as set out below in our comments on housing needs, and whilst it will be important for the GNPP to make the best use of previously developed land it must also be recognised that the higher costs of developing such sites can impact on their ability to deliver affordable housing. This is reflected in the level of delivery in Nottingham, which averages 114 units each year over the last 6 years, just 16.2% of new homes delivered¹. The GNPP should therefore consider a strategy that allocates additional sites adjacent or close to Nottingham that will be more likely to deliver the affordable housing needed by the city's residents. It is clear that a strategy focussed on delivery in the urban area will not address the pressing need for affordable housing.
5. It would appear from the consultation document that the GNPP are seeking to adopt a pro-growth strategy, yet it has failed to consider one of the key constraints to securing growth – the Green Belt. By not undertaking a Green Belt review as part of the preparation of this local plan the GNPP have failed to consider the full potential for sustainable sites to come forward on the edge of Nottingham. Whilst we recognise that NPPF has established that amendment of Green Belt boundaries should only be undertaken in exceptional circumstances, in order for these circumstances to be properly considered the GNPP should instigate a review of the Green Belt. This may well identify land that no longer meets the purposes of Green Belt and as such offer opportunities to support the delivery of affordable housing and family homes, both key priorities for Nottingham.
6. Whilst significant weight should be given to Green Belt the GNPP must remember that this is a policy designation principally designed to prevent the sprawl of urban areas. Amendments to the Green Belt boundary that are well considered, and part of an adopted plan, are the antithesis of sprawl and can potentially ensure clearer and more defined edges to the urban area. However, without a review of the Green Belt such opportunities will be lost reducing the GNPP's ability to address the need for affordable housing and support the economic growth of Nottingham. The HBF therefore urges the GNPP to undertake a full review of the Green Belt as part of the preparation of this local plan.

20-minute neighbourhood

7. The principle behind the 20-minute neighbourhood is a reasonable aspiration to take forward within the plan, but the GNPP must remember that this should be seen as an aspiration within appropriate locations rather than a blunt tool for

¹ Aligned Core Strategy Monitoring Report May 2022.

development management or site allocations across Greater Nottingham. For example, the application of this principal in more rural areas is inevitably more difficult as populations are generally too low to meet all the features of a 20-minute neighbourhood. However, this should not prevent development from happening in such locations and, where appropriate, support the delivery of the homes needed in those areas through the part 2 local plans.

8. The GNSP must recognise that there may be clusters of villages that provide a range of services for that area within reasonable travelling distance of each other. These areas might be able to sustainably support a substantial level of development but may not meet the principles of the 20-minute neighbourhood and as such development in such areas is not supported in the local plan. The plan will also need to recognise that settlements that currently do not have the services that are consistent with the 20-minute neighbourhood could expand to include those services if new development is allocated in those areas. The 20-minute neighbourhood should not be used as a basis for only locating development close to existing services rather identifying where services could be improved through new development. There is a real danger that the principle could be used negatively and become a way of preventing development in certain communities rather than promoting improved neighbourhoods.
9. Finally, the GNPP must also recognise that if it seeks to apply this principle there is a need for the GNPP to provide a strong leadership function for local public services to ensure that these are in place and are retained. The GNPP must guarantee that they and their partners are able and willing to support this concept at larger strategic developments or where the GNPP is seeking to deliver higher density development. Without this strong co-ordinating role, the GNPP are unlikely to achieve their aspirations in relation to the 20-minute neighbourhood.

Housing Provision

Housing needs

10. The use of the standard method across the area covered by the plan results in an overall housing need of 3,282 per annum, circa 52,500 over the plan period. This includes the 35% uplift for the City of Nottingham. However, it is not considered to be possible to meet this level of needs as the GNPP consider there to be no justification for amending Green Belt boundaries in order to meet the city centres uplift given that this is intended to be met in the city or urban area rather than surrounding areas. Alongside this the GNPP do not consider these to be actual housing needs but are solely a mechanism for increasing development in large urban areas. The level of growth in the city of Nottingham set out in the plan is therefore a capacity constrained figure and means the overall requirement for housing in the GNSP is 49,900 homes.
11. Firstly, the minimum housing requirement for the plan period will need to be amended to take account of the required extension to 2041. If the GNPP were to

continue with the current approach, which constrains the requirement in Nottingham to potential supply, this would lead to the housing requirement in the GNSP increasing to 56,187². The GNPP will therefore need to ensure that there is sufficient supply to meet this higher overall level of need, including the buffers considered necessary to guarantee housing needs are met in full.

12. Secondly, whilst the HBF recognises that the Government expects that the city uplift will be met in the urban area it does not prevent these needs from being met elsewhere. It should be noted that in general the uplift was considered by Government be necessary to ensure consistency their target of 300,000 homes per year³. Therefore, whilst the uplift is not necessarily related directly to needs in Greater Nottingham it is based on the Government's national objective with regard to meeting housing needs and addressing the housing crisis. We would therefore suggest that the unmet needs arising in Nottingham are addressed elsewhere in the Greater Nottingham area. There is potential for these needs to be addressed in full and this should be the objective of the GNSP.
13. Thirdly, consideration needs to be given as whether additional sites should be allocated to increase the delivery of affordable housing in Greater Nottingham and in particular to address the significant needs for such homes in Nottingham. Based on the most recent housing needs assessment⁴ there is a need for around 2,107 new affordable homes for rent each year, of which 1,112 of these are required to meet the needs of Nottingham alone. If the need for affordable home ownership is also included these increases to 2,984 and 1,230 homes, respectively. If the affordable housing policy is similar to that within the Greater Nottingham Core Strategy adopted in 2014 development will be able to viably deliver between 10% and 30% affordable housing depending on its location. This is significantly below what is needed, and a higher affordable housing requirement would render the plan undeliverable.
14. The proposed strategy, as mentioned earlier in this response, will mean that affordable housing delivery in Nottingham will be especially difficult given that development is expected to come forward on brownfield sites with higher existing use values and development costs. This strategy will reduce the number of affordable homes that are likely to come forward in the city. A strategy that also looked to allocate sustainable green field development sites on the edge of the city would improve the delivery of affordable housing. However, the chosen strategy that restricts the growth of Nottingham will continue to mean a chronic shortage of affordable housing. The only means by which this issue can be addressed is through a higher housing requirement and the allocation of additional sites that will bring forward both market and affordable housing.

² Assuming windfalls continue within Nottingham at the same rate for the extended plan period.

³ <https://www.gov.uk/government/consultations/changes-to-the-current-planning-system/outcome/government-response-to-the-local-housing-need-proposals-in-changes-to-the-current-planning-system>

⁴ Greater Nottingham & Ashfield Housing Needs Assessment Final Report (October 2020)

Housing supply

15. It is expected that in the region of 52,300 homes will be delivered across Greater Nottingham. Whilst we welcome the buffer of 10% between supply and needs in three of the authorities across the Greater Nottingham area this only provides a buffer of about 6% over the proposed housing requirement, but remains under the minimum level of need arrived at using the standard method. Setting aside our concerns regarding the housing requirement the HBF considers a higher buffer in supply is necessary within the local plan and suggest a minimum of 10% across the Greater Nottingham area. Whilst there is no numerical formula to determine a contingency quantum but where the housing land supply is highly dependent upon one or relatively few large strategic sites our locations of supply then greater numerical flexibility is necessary than if supply is more diversified.
16. It is also notable that delivery in Nottingham relies heavily on windfall development. By its very nature windfall development is uncertain as it is based on what has been delivered in the past rather than on known sites. Whilst the latest permitted development rights and the changing nature of town centres will offer opportunities for new residential development this is by no means certain. It is also the case that Nottingham's windfall assessments are based on only five years of part data. Whilst we appreciate that this is the only data available there is a considerable risk that this level of delivery will not arise across the whole plan period. Should windfall not come forward at the rates expected the housing requirement may not be met.
17. We would therefore suggest a higher contingency of at least 10% across the whole of Greater Nottingham to take account of the risks to delivery from the chosen spatial strategy.

Delivery of small sites

18. It is not clear from the consultation documents and evidence base whether the GNPP will deliver 10% of homes on sites of less than one hectare, as required by paragraph 68 of the NPPF. However, we would advocate a higher percentage of small sites are allocated if possible. Such sites are important for encouraging the growth in SME housebuilders who will tend to develop these sites but rarely see the benefits that arise from the allocation of sites in a local plan. 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.
19. 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.

20. If the GNPP 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.

Conclusion

21. To conclude the HBF considers there to be strong reasons for increasing the overall housing requirements and allocated sites in the GNSP. There are considerable pressures within the area for more affordable homes and in failing to undertake a Green Belt review the GNPP are constraining supply around Nottingham these will not be addressed significantly reducing the ability of many residents and workers in the city to find appropriate accommodation to meet their needs.

Yours faithfully



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