



Sent by EMAIL ONLY to local.plan@cotswold.gov.uk

16/3/2023

Dear Sir/ Madam

Response by the Home Builders Federation to the Cotswold Local Plan Partial Update-Non-Strategic Site Allocations Selection Methodology consultation, February 2023.

1. Please find below the Home Builders Federation (HBF) response to the Cotswold Local Plan Non-Strategic Site Allocations Selection Methodology consultation. 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.
2. The HBF do not comment on individual sites, other than to say the Plan should provide for a wide range of deliverable and developable sites across the area in order to provide competition and choice and a buffer to ensure that housing needs are met in full. The soundness of strategic and non-strategic site allocations, whether brownfield or greenfield, will be tested in due course at the Local Plan Examination. However, the HBF would offer the following comments on the methodology proposed for selecting sites in the Cotswold Local Plan Partial Review.

Development Can Only Mitigate Its Own Impact

3. Development can only be required to mitigate its own impacts and cannot be required to address existing issues and shortfalls in provision. The methodology needs to reflect this position. It would be unreasonable and fail the CIL tests for developers to be expected to pay to address existing deficiencies. It is not appropriate for the methodology of site selection to increase the likelihood of a site being allocated on the basis of how it could address existing problems, or over deliver against policy requirements.

Sustainability in Rural Areas

4. The Spatial Strategy of the Plan will need to recognise that there may be clusters of villages that provide a range of services for that area within reasonable travelling

distance of each other, so villages may need to be grouped together. These areas might be able to sustainably support a substantial level of development but may not have all the services within one particular village. The site selection methodology needs to recognise this reality.

5. Similarly, the Local Plan will also need to recognise that settlements that currently do not have services could expand to include those services if new development is allocated in those areas. The list of village services 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 this could see the principle of sustainable development being used negatively and become a way of preventing development in certain communities rather than promoting improved villages and neighbourhoods. Again, the site selection methodology needs to reflect this position.

The Need for a Range of Sites

6. The HBF would wish to see the Plan set out a logical settlement hierarchy which meets all the housing needs and addresses all areas of the housing market, with a range of sites proposed for allocation. The methodology adopted for site assessment should therefore reflect how the site would (or could) contribute to these outcomes.
7. The HBF notes that new settlements and large urban extensions can have long lead times. Reliance on one (or more) new settlement(s) and/or urban extension(s) for housing delivery may mean delivery from these sources will occur later on in the Plan period. This increases the importance of the need for a range of other sites to be provided to ensure a 5 Year Land supply and early delivery of much needed housing. It will be important for policies and allocations in the Plan to provide for a range of housing sites, and as such the site selection methodology needs to reflect this.

The Need for Small Sites

8. 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 without 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 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.
9. If Councils are to ensure there is a wide variety of SME house builders operating in their administrative areas, and the benefits it brings to the speed of delivery and variety of homes, they 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.

10. It also will be important for the Plan's policies and evidence base to set out how the plan will deliver 10% of homes on sites of less than one hectare, as required by paragraph 69 of the NPPF. The HBF would advocate that 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%.
11. As set out in the NPPF (para 69a) at least 10% of the housing requirement should be accommodated on sites no larger than one hectare or demonstrate strong reasons for not achieving this target. The Council should ensure that the Local Plan is consistent with the NPPF. The Plan should allocate sustainably located small sites to help provide certainty for SMEs. This should be in addition to any windfall allowance. It would therefore be reasonable for the site selection methodology to consider if the site was a small site or not, with additional weight given to the need to allocate small sites.

Site v Scheme Specific Factors

12. There are some site-specific factors of a sites geography that are very unlikely to change- for example a site's location, its location relative to an existing settlement(s), its topography, whether or not it is in the floodplain, if its greenfield or brownfield, how close it is to a listed building. There are other factors that serve as constraints on what land can be developed such as gas pipelines or electricity pylons, and there are factors that affect the site that might change such as the nearest local shop or school, if the village shop or village school was to close, or a new shop or new school was built. Such factors can be reasonably taken into account in a site selection methodology.
13. In contrast, how much affordable housing is required, how much open space, how much parking etc. are policy requirements, that need to be subject to viability testing. These elements of the site relate to the development scheme being proposed not the inherent characteristics of the site. Different types of development on the same site would have different impact. For example, if a site was developed for housing its impact would be different than if it was developed for economic uses. Similarly, a scheme that proposed a certain mix of housing types and tenure would have different impact than a different mix of types and tenure on the same site. A site developed at a higher density would have a different impact than the same site developed at a lower density.
14. It is expected, at whole plan viability testing stage, that all sites should be policy compliant. If complying with policy was a consideration in the methodology, and all sites are assumed to be policy compliant, then all sites would score the same in this regard. The site selection methodology should not therefore consider these policy requirements.

Individual House Requirements

15. Similarly, a site selection methodology should not consider the policy requirements of individual houses, as it is reasonable to assume that all houses will be required to meet relevant planning policies and comply with Building Regulations.
16. The HBF notes that the requirements to meet Part M4(2) will be superseded by changes to residential Building Regulations. The Government response to 'Raising accessibility standards for new homes' states that the Government proposes to mandate the current M4(2) requirement in Building Regulations as a minimum for all new homes, with M4(1) applying in exceptional circumstances. This will be subject to a further consultation on the technical details and will be implemented in due course through the Building Regulations. The requirement to address this issue in planning policy is therefore unnecessary, and it should not form part of any site assessment methodology.
17. There is also a need to differentiate between Part a) and part b) of M4(3) technical standards. M43a sets out standards for wheelchair adaptable housing, where M43b relates to wheelchair accessible housing which can only be required on affordable housing where the Council has nomination rights.
18. The HBF supports the Government's intention to set standards for energy efficiency through the Building Regulations. The key to success is standardisation and avoidance of individual Councils specifying their own policy approach to energy efficiency, which undermines economies of scale for product manufacturers, suppliers and developers. As Councils do not need to set local energy efficiency standards in a Local Plan policy because of the higher levels of energy efficiency standards for new homes set out in the 2021 Part L Interim Uplift and proposals for the 2025 Future Homes Standard, this also should not be part of any site assessment methodology.
19. Similarly, 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. As all new housing will comply with these requirements, again this issue should form no part of a site selection methodology.

Future Engagement

20. I trust that the Council will find these comments useful as it continues to progress its Local Plan Partial Update. I would be happy to discuss these issues in greater detail or assist in facilitating discussions with the wider house building industry.
21. 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.

Yours faithfully

A handwritten signature in blue ink that reads "R. H. Danemann". The signature is written in a cursive style with a light blue background behind it.

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