

The Central Lancashire Team Civic Offices **Union Street** Chorley PR7 1AL

> **SENT BY EMAIL** CentralLancashirePlan@chorley.gov.uk 22/02/2023

Dear Planning Policy Team,

#### CENTRAL LANCASHIRE LOCAL PLAN: PREFERRED OPTIONS

- 1. Thank you for consulting with the Home Builders Federation (HBF) on the Central Lancashire Local Plan Preferred Options 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. We would like to submit the following comments upon selected policies within the Preferred Options consultation document. These responses are provided to assist the Central Lancashire Local Plan Team in the preparation of the emerging local plan. The HBF is keen to ensure that Central Lancashire produces a sound local plan which provides appropriate policies for the area.

### **Policy Direction 6: Settlement Network and Hierarchy**

- This policy states that growth and investment will be distributed across Central Lancashire in line with the settlement hierarchy. Preston Main Urban Area will be the prime focus for growth, with significant growth and investment also being directed to South Ribble and Chorley Main Urban Areas. Table 1 sets out the Settlement Hierarchy, with Preston Main Urban Area at Tier 1 and smaller rural villages and hamlets at Tier 5. The policy also states that housing needs will also be met through the redevelopment of previously developed sites in the Green Belt, with release of other areas of Green Belt only considered if there is insufficient land available to meet housing needs and if exceptional circumstances can be justified.
- 5. The HBF would expect the Central Lancashire Councils to provide an appropriate settlement hierarchy which provides a logical hierarchy and allows for a suitable and sustainable spatial distribution of sites, provides an appropriate development pattern and supports sustainable development within all market areas.

**Policy Direction 9: High Quality Places** 

Home Builders Federation HBF House, 27 Broadwall, London SE1 9PL Tel: 0207 960 1600 Email: info@hbf.co.uk Website: www.hbf.co.uk

Twitter: @HomeBuildersFed

- 6. This policy states that development should utilise modern methods of construction and durable and sustainable building materials with a low level of embodied carbon.
- 7. In terms of materials, we recognise the importance of ensuring that the embodied carbon in the materials used is important moving forward. However, detailed information on such matters is currently not comprehensive or standardised which reduces the effectiveness of such requirements. Considerations of the embodied carbon need to be addressed at a national level through building regulations and product standards in order to be effective. As such we would suggest that whilst this should be encouraged it would not be appropriate to require detailed evidence from applicants as to the embodied carbon of the proposed construction through the local plan.
- 8. With regard to methods of construction the HBF is generally supportive of the use of modern methods of construction (MMC). The home building industry is a progressive industry that has, for many years, adopted a range of innovative methods to improve the sustainability, efficiency, and reliability of materials and processes in the lifecycle of a construction. This ranges from the use of digitally enabled house type designs delivered through partnerships with offsite manufacturers and the wider supply chain, to the use of new building methods or assemblies. Due to this variety of methods encompassed under the broad umbrella of MMC there can be confusion as to the true extent that it is already taking place in the homebuilding industry. Research published by the National Housebuilding Council (NHBC) Foundation back in 2016 found that the majority of house builders and housing associations are using, or have considered, at least one MMC approach within their recent build programmes.
- 9. However, it is also important to note that the ability to scale up the delivery of MMC is determined by external factors rather than the appetite of home builders to take forward alternative approaches to construction. In particular it will be more difficult for smaller house builders to deliver MMC given the supply side constraints in the market. These supply side issue need to be a clear consideration in the approach to MMC and would suggest that whilst it should be encouraged there should be no specification as to how new homes should be built.
- 10. The Council will also need to consider how the promotion of MMC would sit alongside other policies particularly those in relation to design or housing mix. As the need to create variety of individually designed homes for each authority or area within an authority, along with the appropriate mix of homes to meet the local need can be at odds with the volumetric construction required by MMC which requires repetitive or standardised designs in order to be effective.

### Policy Direction 10: 20-Minute Neighbourhoods

- 11. This policy looks for new residential developments to fulfil the principles of 20-minute neighbourhoods.
- 12. The HBF considers that the 20-minute concept can be a useful consideration when determining the appropriate location of development. However, the HBF does not consider that it should be used as a blunt tool for development management or site

allocations. The HBF considers it will also be appropriate to consider the range and variety of development provided, it may be that additional development could help a smaller settlement or cluster of settlements to support more services and therefore contribute to the creation of a 20-minute or a more sustainable neighbourhood. The Central Lancashire Councils may also want to consider that larger developments may also be able to contribute to the creation of services or improved active travel infrastructure or open spaces. The HBF considers that there is a need for flexibility within the policy to allow for the development and promotion of sustainable developments, and to ensure that the policy is not used negatively to prevent development. The Councils will also need to work on making active travel and public transport quick, easy to use, well maintained, safe and available to all, and therefore more appealing than using a car.

### **Policy Direction 11: Scale of Housing Growth**

- 13. This policy states that the Central Lancashire authorities will deliver a minimum of 20,010 net additional dwellings over the period 2023-2038, with an annual average of 1,334 dwellings. The policy suggests that suitable land above this requirement will also be allocated to provide an adequate buffer for flexibility, choice and competition.
- 14. The NPPF states that to determine the minimum number of homes needed policies should be informed by a local housing need assessment conducted using the standard method. The PPG sets out the process for calculating the standard method. The standard method indicates that the minimum local housing need (LHN) for Chorley is 526 dwellings, for Preston is 271 dwellings and for South Ribble is 176 dwellings, and that the overall local housing need is 973 dwellings.
- 15. The HBF generally supports the Central Lancashire Councils in utilising a housing figure over the LHN, as the standard method identifies a minimum annual housing need figure and represents the starting point for determining the number of new homes in the area. There may be circumstances, as set out in the PPG¹, when it is appropriate to plan for a higher housing need figure than the standard method identifies. These circumstances include where there are growth strategies, strategic infrastructure improvements, an unmet need from neighbouring authorities or where previous levels of housing delivery in the area or previous assessments of need are significantly greater than the outcome of the standard method. The HBF considers that the circumstances should be fully explored by the Councils.

# Policy Direction 12: Indicative Distribution of Housing Requirements

16. This policy sets out the distribution of the housing requirement and the changes over certain specific periods. This would see the requirement in Preston start at 600dwellings per annum (dpa) for the period 2023-2027, and reduce to 500dpa for the period 2028-2032 and 400dpa in 2033-2038. For South Ribble the requirement would start at 400dpa, and increase to 450dpa, and then to 500dpa. For Chorley the requirement would start at 334dpa, and would increase to 384dpa and then to 434dpa.

<sup>&</sup>lt;sup>1</sup> ID: 2a-010-20201216

- 17. Whilst it is agreed that PPG<sup>2</sup> states that where strategic policies are being produced jointly, local housing need assessments may cover more than one area and that in such cases the housing need for the defined area should be at least the sum of the local housing need for each local planning authority within the area. And that it will be for the relevant strategic policy-making authority to distribute the total housing requirement which is then arrived at across the plan area. It is not clear from the evidence provided why the precise proportions that have been proposed are as they are. It is not clear what consideration has been given to the local housing need as calculated by the standard method, the affordable housing need, the need to appropriately balance employment and homes, the spatial strategy, the urban capacity, availability of sustainable sites or land not subject to national constraints.
- 18. The HBF would suggest that there may be potential for each of the authorities to meet the standard method figure as a minimum before further increases are added to allow for any a different spatial distribution as robustly evidenced and determined by the strategic plan making authority. It is recommended that the spatial distribution of housing follows a logical hierarchy, provides an appropriate development pattern and supports sustainable development within all market areas.

### **Policy Direction 15: Balanced Housing Market**

- 19. This policy states that new residential development should make provision for affordable housing as part of housing developments, with an overall affordable tenure split of 70% rented and 30% affordable home ownership including First Homes. The Plan states that there is an annual need for 805 affordable homes each year across Central Lancashire.
- 20. The HBF supports the need to address the affordable housing requirements of the borough. The NPPF³ is, however, clear that the derivation of affordable housing policies must not only take account of need but also viability and deliverability. The HBF considers that the Councils will need to thoroughly test the viability of any affordable housing requirement to ensure that it is deliverable alongside the other policy requirements in this Plan. The HBF considers that any affordable housing split will need to take into consideration the need to provide affordable home ownership products including First Homes in line with national policy. The NPPF⁴ states that where major development involving the provision of housing is proposed, planning policies and decision should expect at least 10% of the total homes to be available for affordable home ownership. The PPG⁵ states that First Homes are the Government's preferred discount market tenure and should account for at least 25% of all affordable housing units delivered by developers through planning obligations. The Councils will need to ensure that this policy delivers these requirements.
- 21. It goes on to state that residential development should contribute to the overall mix of housing by providing a range of house types and sizes responding to the needs identified in the Housing Need and Demand Assessments. Table 4 in the Plan sets out

<sup>3</sup> 4 NPPF Paragraph 34

<sup>&</sup>lt;sup>2</sup> ID: 2a-013-20201216

<sup>&</sup>lt;sup>4</sup> Paragraph 65 of NPPF 2021

<sup>&</sup>lt;sup>5</sup> PPG ID: 70-001-20210524

- the overall summary of need by dwelling size and type across the market, affordable and affordable home ownership tenures.
- 22. The HBF understands the need for a mix of house types, sizes and tenures and is generally supportive of providing a range and choice of homes to meet the needs of the local area. The HBF considers that flexibility will be important in any policy in relation to housing mix, this allows developers to consider not only the identified need but also market aspirations, local and site characteristics and viability.
- 23. It also looks for residential development to increase and diversify the supply of specialist housing for older people. The Plan suggests that there is a need for 3,387 more units of accommodation for older people by 2038 or 188 each year, this includes sheltered / retirement, extra care, co-housing and residential care. The PPG<sup>6</sup> is clear that authorities should set clear policies to address the housing needs of groups with particular needs such as older and disabled people. Therefore, whilst the HBF supports the Councils in looking to address the needs of older people, it is not entirely clear how this element of the policy will apply to all new residential development and how it will be used in decision making. The HBF would suggest that it may be better for the policy to support specialist housing and developments for older people, and to encourage the individual authorities to provide appropriate allocations for these developments.
- 24. The policy also states that residential development should meet the nationally described space standards (NDSS) for all new buildings and where possible for dwellings created through change of use or conversion.
- 25. The NDSS as introduced by Government, are intended to be optional and can only be introduced where there is clear evidence of need. The PPG<sup>7</sup> identifies the type of evidence required to introduce such a policy. It states that where a need for internal space standards is identified, local planning authorities should provide justification for requiring internal space policies. Local planning authorities should take account of the following areas: need; viability and timing. The Councils will need robust justifiable evidence to introduce the NDSS, based on the criteria set out above. The HBF considers that if the Government had expected all properties to be built to NDSS that they would have made these standards mandatory not optional.

# Policy Direction 30: Reducing energy use at the development scale

26. This policy states that development proposals should promote energy efficiency through design, layout, orientation, building materials and the incorporation of green infrastructure. It goes on to state that all major development proposals should seek to integrate low carbon energy and decentralised energy networks into the proposal. The policy appears to suggest that development should achieve the highest possible energy efficiency rating post construction. The policy also suggests that all new residential development must include an electric vehicle charge point for the charging of at least 1 electric vehicle.

7 1

<sup>7</sup> ID: 56-020-20150327

<sup>&</sup>lt;sup>6</sup> ID: 63-006-20190626

- 27. The HBF generally supports the Council in promoting energy efficiency through design, layout, orientation, building materials and the incorporation of green infrastructure. However, the HBF does not consider that the Council setting its own standards is the appropriate method to achieve these outcomes. The HBF considers the key to success is standardisation and avoidance of individual Councils specifying their own policy approach, which undermines economies of scale for product manufacturers, suppliers and developers.
- 28. The HBF considers that it is important that seeking to integrate low carbon energy and decentralised energy networks should not be seen as requirement and is instead implemented on a flexible basis. 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. This may mean that it is more sustainable and more appropriate for developments to utilise other forms of energy provision, and this may need to be considered.
- 29. The HBF considers that the requirement to provide electric vehicle charging capability is unnecessary as Part S of the Building Regulations now provides the requirements for Electric Vehicle charging, including where exceptions may apply.

### Policy Direction 31: Energy reduction new buildings

- 30. This policy states that proposals for the construction of new buildings should incorporate design features that help deliver radical reductions in greenhouse gas emissions particularly CO2 emissions. Major development proposals should also demonstrate how they will reduce the potential for internal overheating. The policy also expects Energy Strategy Reports or Energy Statements to be prepared.
- 31. The HBF generally supports sustainable development that reduce greenhouse emissions and considers that the homebuilding industry can help to address some of the climate change challenges identified by the Central Lancashire Councils. 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.
- 32. 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.
- 33. 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.
- 34. 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.
- 35. 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.
- 36. On 27 July 2021, the Future Homes Delivery Plan was published (see <a href="The Future">The Future</a> Homes Delivery Plan Summary of the goals, the shared roadmap & the Future Homes <a href="Delivery Hub">Delivery Hub</a>). 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.
- 37. 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.

- 38. The Councils will also be aware that the Building Regulations Part O: Overheating, which was published in 2021 and took effect from June 2022, limits unwanted solar gains and provides adequate means of removing excess heat from the indoor environment.
- 39. 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.

# **Future Engagement**

- 40. I trust that the Central Lancashire Councils will find these comments useful as they continue to progress their Local Plan. I would be happy to discuss these issues in greater detail or assist in facilitating discussions with the wider house building industry.
- 41. 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 sincerely,

**Joanne Harding** 

Mading

Planning Manager – Local Plan (North)

Email: joanne.harding@hbf.co.uk

Phone: 07972 774 229