

Sent by EMAIL ONLY to planningpolicy@newcastle-staffs.gov.uk

11/8/2023

Dear Sir/ Madam

Response by the Home Builders Federation to the First Draft Local Plan 2020-2040 consultation

1. Please find below the Home Builders Federation (HBF) response to the First Draft Local Plan 2020-2040. 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. HBF have not commented on every policy only those of relevance to our members.

Chapter 4 *Vision and Strategic Objectives*

2. Vision- HBF suggest consideration should be given to extending the plan period. The plan needs to run for a minimum of 15 years from the date of adoption and it can take a lot of time for Plans to progress from Reg 18 through to Reg 19, Submission and Examination, Inspector's Report and Adoption. In light of the amount of time it can take to progress through the multiple stages of plan-making, a longer end date for the plan, of 2041, or even 2042, may be a more realistic, if the baseline is to remain at 2020. This too could be changed for the Plan to be more up to date and have greater longevity. Whatever plan period is chosen there is also a need for evidence to cover the whole plan period, so it would be sensible to ensure the evidence covers a longer time frame as well.
3. Vision- HBF support the vision of the Plan to deliver sustainable new homes.
4. Strategic Objective III- HBF note the strategic objective of generating more jobs for local people. HBF who encourage the Council to consider if the economic ambitions for the area generate a need for additional housing that would justify going above the requirement of the standard method. HBF would also flag the importance of jobs and careers within the house building sector for the local economy.



5. Strategic Objective V- HBF support the objective to provide for a mix of house types across the Borough and for new housing to be aspirational.
6. Strategic Objective VI- HBF note the need to support vitality of rural villages and the need to enable balanced growth and provide a choice of housing. HBF is pleased to see the Plan recognise the role of new housing in supporting villages.
7. Strategic Objective XII HBF notes that the Plan seeks to protect the Green Belt, except where exceptional circumstances justify strategic Green Belt release to meet strategic needs identified by the Plan. HBF would agree that, in light of the current housing crisis, meeting housing need can also be a justification for Greenbelt release.

Chapter 5 Approach to Policies, Paras 5.1- 5.3

8. The plan-led system is a fundamental principle of the planning process. HBF strongly support the Council's recognition of the need to continue plan-making despite the current period of consultations and uncertainty. HBF note the intention to include more detailed development management policies, including for example on self and custom build, community facilities and amenity. This intention adds further work to the plan-making process and adds further weight to the need to consider extending the plan period now. Furthermore, requirements for contributions to community facilities and/or local amenities may have cost implications that need to be considered in the viability appraisal.

Chapter 6 Approach to Planning for Sustainable Development

Policy PSD 1: Overall Development Strategy

A Need for Higher Housing Numbers

9. HBF suggest that the Newcastle-under-Lyme Local Plan should be planning for a higher number of houses for a variety of reasons including supporting economic growth, the need to provide for a range and choice of sites, the need for a non-delivery buffer, the need to plan for small sites to ensure delivery across the plan period and a robust five year housing land supply and housing trajectory.
10. The Plan proposes a minimum of 7,160 dwellings to be delivered between 2020 and 2040 equating to 358 dwellings per year. HBF would suggest the Plan should be more ambitious with its housing numbers. As set out in the NPPF (para 61), the determination of the minimum number of homes needed should be informed by a LHN assessment using the Government's standard methodology unless exceptional circumstances justify an alternative

approach. The Government's standard methodology identifies the minimum annual LHN, which is only a minimum starting point, and not the housing requirement figure. The Government's objective set out in the NPPF (para 60) remains to significantly boosting the supply of homes.

More Housing to Support Economic Growth

11. The Sustainability Appraisal currently models for three options for the number of new homes the plan should provide:
 - the Standard Method of a minimum of 358 new homes per annum, 7,160 over the plan period
 - a 'midpoint of employment forecast' of 301 per annum, 6,020 in total, and
 - 'highest employment forecast' of 369 per annum, 7,380 over the plan period.
12. The Sustainability Appraisal explains that these options were identified by the Council and informed by the Housing and Economic Needs Assessments. A joint Housing Needs Assessment (HNA), and a joint Economic Needs Assessment (ENA) for the Newcastle Under Lyme and Stoke on Trent Council areas were undertaken in 2020.
13. The HNA (2020) concluded that the standard method figure of 355 for Newcastle and acknowledged that more housing may be needed to support the level of growth envisaged in the ENA. Paragraphs 9 and 10 of the HNA concluded that a higher growth scenario of 410-445 dwellings per annum is 'robust and justified'.
14. The HNA and the ENA have been updated by Housing and Economic Needs Assessment Update March 2023. The Standard Method calculations have been updated to reflect the latest data, which sees an increase from 355 to 358 dwellings per annum. The HENA update notes this aligns closely to the rate of development in recent years.
15. As explained in para 3.6 of the HENA (2023) new modelling has been developed "because the borough's population was found by the 2021 Census to be smaller than previously estimated by the Office for National Statistics (ONS) and can be reasonably assumed to have grown in the subsequent year to 2022. The current Standard Method required 2014 data to be used for the baseline.
16. The HENA Update also revisits the economic assumptions in the ENA (2020) suggesting that current forecasts indicate lower economic growth and as such these new economic forecasts remove the need for a high growth scenario. HBF would encourage the Council to take a longer more aspirational approach to economic growth within the Borough and be limited by the short terms economic factors identified in the ENA. The plan should be delivering the Vision for the area for the next 15 years, and the Vision for the area remains one of growth. HBF encourage the Council to consider if the longer-

term growth aspirations necessitate the higher housing numbers suggested in the HNA (2020).

More Housing to Provide for Choice and Completion in the Land Market- the need for a Buffer

17. As NPPF (para 74) sets out the supply of specific deliverable sites should include a buffer of 5% to ensure choice and competition in the market. HBF support the delivery of this 5% through allocations in the Local Plan. This is the best way to provide certainty for developers whilst also enabling choice and competition within the land market. Indeed, where there has been significant under-delivery a buffer of 20% is required.
18. The supporting text suggests that windfall sites will provide a 'buffer' for non-delivery. However, any non-delivery buffer provided by windfall sites should be in addition to the buffer added to the housing need figures derived from the Standard Method to provide choice and competition in the land market.

Supporting Information for Policy PSD1

19. Para 6.2 - As mentioned above HBF would question the current length of the proposed Plan period, as it needs to run for at least 15 years post adoption. HBF welcome the acknowledgement that the Standard Method figure will be kept under review and may change over time. HBF support the need for the most up to date figures to be used but would reiterate that the Standard Method is the minimum amount of housing required. The evidence (from the 2020 HNA) would suggest a higher economic growth scenario would necessitate a higher housing number.
20. Levelling up, investment, and other economic policies and projects have a key role to play in supporting the local economy. HBF would encourage the Council to take a longer-term view of economic growth and have higher aspirations for the borough and to proactively plan for more housing to support economic successes. The availability of good quality housing can also serve as a factor for those considering economic investment. HBF would suggest a more ambitious economic plan would require a higher number of new homes.
21. Para 6.3 includes a Table listing the proposed sources of housing supply.

Elements of Supply	Figures
Housing Requirements	7,160 (358 dpa)
Dwellings completed (2020-2022)	1,206
Dwellings with planning permission as at March 2022	2,215

Total completions	3,421
Residual target for Local Plan allocations	3,739

HBF would like to see more explanation and analysis of these figures. For example: How robust is the completions and commitments information? What lapse rate is being used for dwellings with permission? How does this link to the housing trajectory? Is any windfall allowance included and if so what is the evidence for this?

22. Para 6.4 references that a housing trajectory will be prepared and presented at Regulation 19 phase. This will be an important piece of evidence and HBF encourages the Council to include as much information as possible within the trajectory. NPPF (para 74) states that “strategic policies should include a trajectory illustrating the expected rate of housing delivery over the plan period, and all plans should consider whether it is appropriate to set out the anticipated rate of development for specific sites.” HBF strongly supports the inclusion of year by year- projections, and site by site analysis.
23. NPPF (para 68) states that “planning policies should identify a supply of:
 - a) specific, deliverable sites for years one to five of the plan period; and
 - b) specific, developable sites or broad locations for growth, for years 6-10 and, where possible, for years 11-15 of the plan”. Clearly this means that the information referred to in Table One in the Local Plan will need to be kept under review and updated as required. It is important that the expected timescales for the delivery of the allocated sites and the rate at which homes are delivered reasonable. This will need to be considered on a site by site basis.
24. The suggestion in Para 6.4 that windfall sites will provide a ‘buffer’ for non-delivery is noted. If this is the approach being adopted it should be set out within the policy, not relegated to supporting text. However, HBF argue that any non-delivery buffer provided by windfall sites should be in addition to the buffer added to the housing need figures derived from the Standard Method to provide choice and competition in the land market.
25. Paragraph 71 of the NPPF requires that “where an allowance is to be made for windfall sites as part of anticipated supply, there should be compelling evidence that they will provide a reliable source of supply. Any allowance should be realistic having regard to the strategic housing land availability assessment, historic windfall delivery rates and expected future trends”. Therefore, if any allowance is to be made for windfall sites contributing to housing supply clear evidence to support this approach is needed. HBF could not locate this evidence, at this time.

26. Para 6.5- Although HBF do not comment on specific site allocations we would encourage the Council to further consider the interrelationship between the settlement hierarchy and the need to allocate small sites.
27. Para 6.6 notes that Council's intention to allocate strategic employment sites within the plan in strategic locations (some of which are within the Green Belt). HBF would encourage the Council to consider if the housing crisis and the need to allocate sites for more homes also justifies the consideration of Green Belt release (see also HBF comments on Green Belt policy below).

The Need for Small Sites

28. 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 Local Plan (and supporting information) needs to set out how is the Council intending to meet this requirement. HBF support the allocation of small sites to meet the 10% requirement to ensure it is delivered and to support SME builders.
29. 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.
30. 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. HBF would encourage the Council to undertake an analysis of the allocated sites (and other sources of supply) to assess, if this 10% small sites allowance is being met.
31. 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 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.

32. 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%.
33. The HBF report State of Play: Challenges and Opportunities Facing SME builders may be a useful reference for the Council about the range of challenges facing SME builders. It is available here https://www.hbf.co.uk/media/documents/HBF_Report_-_SME_report_2023v2.pdf

Policy PSD 2: Settlement Hierarchy

34. 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 HBF does 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 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.
35. HBF welcome the recognition of the potential for new housing within the 'Strategic Centre' of Newcastle-under-Lyme and the 'Urban Centre' of Kidsgrove. Housing can play a key role in regeneration schemes.
36. HBF support the recognition that 'Rural Centres' can also be sustainable locations for new housing.
37. In relation to 'Other Settlements and Rural Areas' the Spatial Strategy of the Plan should also 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.
38. Similarly, the Local Plan should recognise that settlements that currently do not have services could expand to include those services if new development is allocated in those areas. The current range of village services should not be used as a basis for only locating development close to existing services, it could also identify where services could be improved through new

development. Allocating housing sites in rural areas can also provide opportunities for small sites which are particularly helpful for SME builders.

Policy PSD 3: Distribution of Development Settlement

39. HBF would reiterate the comments in relation to the Policies PSD 1: Overall Development Strategy and PSD 2: Settlement Hierarchy to suggest the Plan should be planning for a higher housing number and consider the allocation of small sites in other locations.

Policy PSD 4: Development Boundaries and the Open Countryside

40. HBF question the formatting of Policy PD4 particularly the use of footnotes. It is unclear what the status of the footnote is. Is it policy, is it supporting text or does it have some other status. Any opportunity for confusion or misunderstanding in policy working should be avoided. HBF would also question the content of the footnote. If the point being made in the footnote is substantial enough to need to be referenced in the policy, surely it is substantial enough to be included within the policy itself. In this case the footnote includes a policy requirement relating to the location of self-build plots, this is clearly a policy and should not be relegated to a footnote whose status is unclear.

41. It is also noted that the numbering of the footnotes is confusing, this policy has only a footnote 2. The footnote numbering does not appear to be sequential through the whole document, or sequential within an individual policy. Footnotes within the plan may be appropriate, for example when providing references, signposting to websites or other documents, but not when setting or explaining policy. Where there is a case for the use of footnotes this must be done properly.

Policy PSD 5: Greenbelt and Safeguarded Land Infrastructure Safeguarding

42. Whilst the HBF do not comment on individual sites within a Local Plan the issue of the level of housing need and whether this creates the special circumstances that justify Green Belt release is a strategic one.
43. HBF note that the Duty to Cooperate Interim Statement of Compliance 2023 details the letter sent on 5 Dec 2022 to neighbouring authorities about unmet housing need. It is noted that Staffordshire Moorlands, Cheshire, Stafford and Shropshire have all confirmed they were unable to meet any of Newcastle-under Lyme's unmet housing need. HBF is unclear what has happened to this previously identified 'unmet' housing need, and how the Council is now proposing to address it through the Plan. As currently written this need appears to have simply disappeared.
44. As set out in appendix 8 of The Duty to Cooperate Interim Statement of Compliance 2023, a letter was sent to neighbouring authorities in Dec 2022

detailing the annual housing requirement for the Borough of 350 dwellings per annum, equating to 7,000 dwellings over the 2020-2040 plan period, created an unmet housing need. The 'working assumption' was a shortfall of 1.816 dwellings. The Council asked each of its neighbouring authorities to see if they could help accommodate to determine what alternative reasonable options can be pursued to avoid Green Belt release."

45. HBF would expect the conversations undertaken as part of the Duty to Cooperate to be developed into a Statement of Common Ground signed with all the neighbouring authorities that sets out an agreed position statement as to whether there is any unmet need in Newcastle-under-Lyme, what that need is, how neighbouring authorities have analysed and evidenced whether or not they are able to accommodate any unmet need and their conclusions on both an individual and collective basis.
46. The inability of neighbouring authorities to accommodate any unmet housing need from Newcastle-under-Lyme would then give rise to the exceptional circumstances that would justify a Green Belt review to see if additional housing (and other sites) in the Green Belt are needed and justified.
47. The First Draft Local Plan now includes reference to 358 dwellings per annum and 7,160 over the 2020-2040 Plan period. This is more housing than the 'working assumptions' referred to in the Duty to Cooperate Interim Statement led to the authority asking their neighbour for help to meet the housing need, before considering any green belt release. So, although the housing numbers required are at the same level, in fact slightly higher, and neighbours can't meet this unmet need, no efforts have been made to undertake a new Green Belt review for housing allocations, despite Duty to Cooperate letters indicating this would be the next step.
48. In relation to the specific wording of the Policy PSD5, HBF is unclear if the 'draft Policies Map' is Appendix 4: First Draft Local Plan Site Allocations Maps, or something different. Without a clear Proposals Map showing the current boundaries of the Green Belt and any proposed changes to it, it is difficult for consultees to respond to this policy.
49. Para 6.28 makes reference to safeguarded land- land between the urban centre and the Green Belt, and the fact a review of this land will be undertaken as part of Reg 19 Local Plan. The review of, and need for, safeguarded land should be an integral part of a Green Belt review.

Policy PSD 6: Health and Wellbeing

50. The initial wording of this policy is confusing and unclear. The policy begins with 1. Which says "supports public health initiatives ...and a)..b)..c).. Is some wording missing from the beginning of this policy, perhaps 'Development will be supported where it...' or 'Development will be required to...?'

51. Criteria a. of the policy refers to both a rapid Health Impact Assessment (HIA) and a full health impact assessment, in lower case. Neither of these terms are defined in the Plan but they are clearly viewed as different things.
52. The acronyms used in relation to Health Impact Assessments are also confusing. It is usual for HIA to refer to a full Health Impact Assessment. HBF suggest rapid HIA, whatever that is, should be abbreviated to rHIA to avoid any confusion. These terms should also be included within the Glossary in Chapter 16.
53. Criteria b. requires housing development to achieve Building for a Healthy Life standard. The supporting text explains all housing development will be expected to meet Building for Life Standard but the policy does not explicitly say this. It would seem unreasonable and disproportionate for a planning application for individual dwelling to have to undertake a full Building for a Healthy Life assessment and indeed it is not designed for such use.
54. HBF is supportive of use of Building for a Healthy Life toolkit but note that it is not really a 'standard' to be achieved, but rather a toolkit for considering design and thinking about the qualities of successful places. The Local Plan needs to be clear about what 'meeting the standard' would entail, and what information would be needed to show that a development would achieve it.
55. This is a case where a footnote to the latest version of Building for a Healthy Life <https://www.udg.org.uk/publications/othermanuals/building-healthy-life> and its companion technical guide <https://www.gov.uk/government/publications/streets-for-a-healthy-life> could usefully be included with the Plan.
56. HBF is supportive of the use of best practice guidance, but the use of Building for a Healthy Life should remain voluntary rather than becoming a mandatory policy requirement. The Council should signpost such guidance in its supporting text rather than in policy wording.

Policy PSD 7: Design

57. Policy PSD 7 repeats the requirements for housing developments to achieve Building for a Healthy Life standard. This should be addressed either in Policy PSD 6 or Policy PSD 7, not both. HBF comments in relation to PSD 6, Building for a Healthy Life in would apply to PSD 7 if this is where this issue is to be addressed.
58. The policy requires Major Development to positively response to the Design Review process. It would be helpful for a definition of the Design Review process to be included within the supporting text and/or the Glossary in Chapter 16.

Chapter 7 Climate Change and Renewable Energy

Policy CRE 1: Climate Change

59. Policy CRE 1 Criteria 1 is the third policy to require that development should achieve the Building for Healthy Life requirements. HBF comments on this issue can be found above, see response to PSD 6 and PSD 7. However, the HBF questions the need for this requirement to be listed in three separate policies.
60. This first policy criteria also sets a requirement to follow the energy hierarchy. Again, it would be helpful for a definition or explanation of the energy hierarchy to be included within the supporting text and/or the Glossary in Chapter 16.
61. Criteria 2 seeks to require all new development to 'exceed' the requirements of Part L Building Regulation requirements. This is both unclear and unnecessary. It is the Government's intention to set 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 Council does 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.
62. It is unclear how a developer could show compliance with criteria 2 of the policy. Notwithstanding HBF objection to the policy requirement to exceed Building Regs, if this were to be pursued the phrase 'exceed' would need to be defined. HBF would request to see the evidence and justification that supports this policy criteria including how the requirements to exceed building regulations have been considered and costed from a delivery and viability perspective. HBF would however request that any requirements that reference Building Regulations in this context are removed from the Local Plan, as this matter is already being addressed through Building Regulations and any conflict between Planning policy and Building Regulations would be unhelpful and cause confusion.
63. 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 Council's specifying their own policy approach to energy efficiency, which undermines economies of scale for product manufacturers, suppliers and developers. The 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.

64. Criteria 3 of the policy states that all residential schemes must also show compliance with a water efficiency standard of 110 litres/person/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.
65. As set out in the NPPF (para 31), 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. Therefore, 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 (ID: 56-014-20150327). PPG 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 (ID: 56-015-20150327) 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.
66. Criteria 6 of the policy, requires that new development with the potential to connect or extend a heat network should assess the feasibility of this option before considering other heat sources. 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.
67. 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.

68. 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. The policy requirement should therefore be deleted.

Chapter 8 Housing

Policy HOU 1: Affordable Housing

69. Criteria 1 of the policy seeks to secure 30% affordable housing on all greenfield sites and 25% in the high value zone brownfield sites and 15% in the low value zone brownfield sites. HBF would question whether this is realistic and viable.
70. As the PPG (ID: 10-001-20190509) says plans should set out the contributions expected from development. This should include setting out the levels and types of affordable housing provision required, along with other infrastructure (such as that needed for education, health, transport, flood and water management, green and digital infrastructure). Viability assessments should be used to ensure that policies are realistic, and that the total cumulative cost of all relevant policies will not undermine deliverability of the plan (PPG10-002-20190509). It will be important that policy requirements, and combination(s) of different requirements, are robustly tested through the whole plan-viability testing.

71. As noted in PPG (ID: 10-003-20180724) assessing the viability of plans does not require individual testing of every site or assurance that individual sites are viable. In light of this there will remain a need for flexibility within policy to enable site specific viability considerations to be taken account where required.
72. The Local Plan viability study (2023) concludes that affordable housing targets are deliverable, but any viability assessment outcomes are only as good as the inputs included. HBF would question some of the assumptions within the report, for example HBF would question if there really are any economies of scale for large sites that would reduce professional fees to only 6%. HBF would question the £600 per unit allowed for BNG costs (see comments in relation to Policy SE5: Biodiversity and Geodiversity).
73. HBF's Research 'Building homes in a changing business environment: An assessment of new and forthcoming additional costs of housing delivery', shows the various increasing costs facing developers through both regulatory and policy costs. These increasing costs need to be considered within the Viability Appraisal. A copy of the report is available via the link below https://www.hbf.co.uk/documents/12117/HBF_report_-_Building_Homes_in_a_Changing_Business_Environment.pdf
74. Criteria 1 should include the flexibility to enable a lower amount of affordable housing to be provided for viability reasons.
75. Criteria 2 of the policy seems to require the affordable housing to be whatever the Council's Housing Team decide to request when asked. The policy should allow for flexibility and negotiation that reflects the site location and characteristics and not just the most up to date evidence of local housing need. some forms of housing may not be appropriate in particular locations.
76. It is assumed from the supporting text the Council intend to apply only the national First Homes eligibility criteria to First Homes within Newcastle-under-Lyme LPA area. However, it would be helpful if the plan could specifically state this.
77. Criteria 3 of the policy suggest that if on-site affordable housing should be provided. It is unclear how off-site affordable housing could be secured through a planning application and Section 106 agreement relating to a different site, and therefore it is unclear what a developer would need to do to show compliance with the policy. Payment in lieu of affordable housing is the more typical approach to securing funds for affordable housing delivery elsewhere. Requiring developers to spend time showing they have no ability to delivery off-site affordable housing seems disproportionate and unreasonable.

78. HBF would also question the layout of the policy. As with the questions HBF raised about the formatting of Policy PD4 particularly the use of footnotes, HBF has similar concerns in relation to Policy HOU 1 (and HOU 2- see below). It is unclear what the status of the footnotes are. Is it policy, is it supporting text or does it have some other status? Any opportunity for confusion or misunderstanding in policy working should be avoided. HBF would also question the content of the footnotes.
79. If the points being made in the footnotes are substantial enough to need to be referenced in the policy, surely it is substantial enough to be included within the policy itself. For example the requirements to comply with the Council's local connection policy, the application of the policy to conversions and subdivision and the requirement for a maximum 20% of homes on Rural Exception/First Homes sites to be open market homes are clearly policy requirements and should be shown as such and not be relegated to a footnote whose status is unclear.
80. The use of footnotes with an ambiguous may status may lead to challenges about the weight to be applied to the footnotes and whether they are policy, supporting text or something else. Any ambiguity can create uncertainty and delay and HBF would suggest the Council need to review which elements of the footnotes should in fact be policy and which are better addressed through supporting text.

Policy HOU 2: Housing Mix, Density and Standards

81. Criteria 3 of this policy references the need to consider the specific housing needs of older people. It is unclear what is meant by the wording 'having regard to location and site size' within the policy. Further details and explanation about this should be provided in the supporting text.
82. HBF is supportive of measures to increase the supply of specialist older people's housing and supports the view of the Retirement Housing Group (RHG) that the planning system can do more to reflect the aging population. A recent RHG report may provide a useful point of reference for the Council <https://retirementhousinggroup.com/how-better-use-of-the-planning-system-can-increase-provision-of-specialist-housing-for-older-people/>. HBF supports the allocations of sites, in appropriate locations, to specifically address the housing needs of older people.
83. Criteria 4 of the policy required all new development to meet Nationally Described Space Standards. If the Council wish to apply the optional NDSS to all dwellings, then this should only be done in accordance with the NPPF (paragraph 130f & Footnote 49) 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, 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.

84. PPG (Ref ID: 56-020-20150327) identifies the type of evidence required to introduce a policy on NDSS. 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 – evidence should be provided on the size and type of dwellings currently being built in the area, to ensure the impacts of adopting space standards can be properly assessed, for example, to consider any potential impact on meeting demand for starter homes.
 - Viability – the impact of adopting the space standard should be considered as part of a plan's viability assessment with account taken of the impact of potentially larger dwellings on land supply. Local planning authorities will also need to consider impacts on affordability where a space standard is to be adopted.
 - Timing – there may need to be a reasonable transitional period following adoption of a new policy on space standards to enable developers to factor the cost of space standards into future land acquisitions.
85. There will need to be 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.
86. The HBF would also remind the Councils that there is a direct relationship between unit size, cost per square metre (sqm), selling price per sqm and affordability. The policy approach should recognise that customers have different budgets and aspirations. An inflexible policy approach to NDSS for all new dwellings will impact on affordability and effect customer choice. Well-designed dwellings below NDSS can provide a good, functional home. Smaller dwellings play a valuable role in meeting specific needs for both open market and affordable home ownership housing.
87. An inflexible policy approach imposing NDSS on all housing removes the most affordable homes and denies lower income households from being able to afford homeownership. The introduction of the NDSS for all dwellings may mean customers purchasing larger homes in floorspace but with bedrooms less suited to their housing needs with the unintended consequences of potentially increasing overcrowding and reducing the quality of their living environment. The Council should focus on good design and usable space to ensure that dwellings are fit for purpose rather than focusing on NDSS.
88. Criteria 5 of the policy seeks to require all new dwellings to meet Part M4(2) of Buildings Regulations. 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 of this policy requirements is therefore unnecessary and should be deleted.

89. Criteria 6 requires major developments and specialist housing for older people 10% There may be 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. The glossary may be an appropriate place to set this out as a definition, or it could be appropriately referenced via a footnote.
90. As mentioned above, HBF questions the use of footnotes within this policy. It is unclear what the status of the footnotes are. Any potential for confusion or misunderstanding in policy wording should be avoided. In this case the footnote number 10 is used to set out that one-bedroom units should be provided as flatted accommodation. Clearly this is policy decision and should be included within the policy wording.

Chapter 12 Sustainable Environments

Policy SE5: Biodiversity and Geodiversity

91. Criteria 1 of this policy requires 10% mandatory biodiversity net gain as a minimum. Reference is also made to the Nature Recovery Network and the Local Nature Recovery Strategy (LNRS). It would be helpful for the Local Plan to include a link to this once it has been prepared, or if the Staffordshire LNRS is not available in time for Reg 19 a reference to the timetable for its production should be included.
92. Criteria 2 of the policy states that “biodiversity net gain should be delivered on site primarily, where on site delivery is not feasible then it should be provided on land adjacent to, or as close to the development site as possible. As a last resort, net gain should be secured on land within the Borough boundary”. This does not reflect how the BNG is expected to work in practice. Whilst the mitigation hierarchy should seek to minimise biodiversity loss in the first place, where net gain is required, the system allows for on-site biodiversity, off-site biodiversity, which must be registered, and as a last resort the purchase of statutory credits.
93. Any BNG policy in the Local Plan must be deliverable and not a serve as a stop on new development. The intention of BNG is that development enables improvements to biodiversity, enabling nature recovery and delivery of the wider benefits of increased nature, for example health and wellbeing, climate change mitigation, carbon sequestration etc.

94. The national BNG 4.0 Metric considers not only the type of the biodiversity asset, but also its condition and rarity. The metric requires any lost biodiversity to be replaced with either a like-for-like asset(s) or one of a better quality. It is not possible to 'trade down'. The metric also incentivises the implementation of BNG closest to the site, through the multipliers applied to off-site provision and the deliberately high cost of statutory credits.
95. The BNG Metric process allows for, and reflects different levels of Biodiversity creation on-site, locally offsite (with guidance expected to define local as being within the Local Planning Authority Area), the next tier is an adjacent LPA area, and the final tier is anywhere in England. Policy SE5 must reflect this reality.
96. If a developer is able to show that BNG on-site delivery is not desirable and/or deliverable, and that there is no off-site provision available, the system allows for statutory BNG credits to be purchased. These credits may be delivering BNG projects anywhere in England. This is allowable under the BNG national approach, and as such a Local Plan policy the restricts BNG to only within the Borough is in conflict with the national approach.
97. With BNG becoming mandatory from Nov 2023, there is significant concern that the market for off-site biodiversity provision is still emerging. There are not yet bank of off-site biodiversity options available in every area. Although this is the medium to long term aspiration, the current situation means at least for now there may be a greater reliance on statutory credit to bring sites forward for development.
98. It is also noted that £600 allowance is made for planning obligations inclusive of a BNG contribution. Page 32 of the Local Plan Viability Study 2023 notes that "an allowance of £600 per dwelling has been made for 10% biodiversity net gain. This is broadly based on the study undertaken by Defra in 2018 'Biodiversity Net Gain' which estimates £19,951 of cost per Ha to achieve the requirement in the East Midlands. This allowance is included in the overall per dwelling allowance for S106 contribution and Biodiversity Net gain".
99. HBF would question the figure of £600 per unit used for BNG costs. As this is an emerging policy area and the market for off-site provision, and statutory credits are not yet known, it is noted that the Viability Appraisal allows £3500 for section 106 contributions per plot inclusive of £600 for BNG costs. Clearly this figure will need to be kept under review as BNG implementation progresses and a greater understanding of actual costs become available.
100. There are significant additional costs associated with biodiversity gain, which should be fully accounted for in the Council's viability assessment, some of which are unknown at this time. It is important that BNG does not

prevent, delay or reduce housing delivery. An update to the Viability Assessment will be needed to accompany the Reg 19 consultation.

Chapter 13 *Site Allocations*

101. Whilst the HBF do not comment on individual sites within a Local Plan the issue of the level of housing need and how this and other factors inform the housing requirements is important. HBF would suggest further site allocations are needed to provide choice and competition within the land market and to address the need to allocate small sites to support SME builders.
102. It will also be important for the Reg 19 Local Plan to be explicit, and if required set out in detail what, if any role, housing allocations in Neighbourhood Plans are expected to contribute to the overall housing requirement. The Council must be very confident of the deliverability, and the time of that delivery of any housing contribution from Neighbourhood Plan Allocations to make up a component of meeting the Local Plan housing requirements.

Chapter 14 *Approach to Strategic Allocations*

103. HBF would question the title of the Section if it is to continue to relate only to Strategic Employment Sites, it should be explicit about this and refer to Strategic Employment Allocations. It may be other allocations of a strategic nature, for example road, transport infrastructure, landscape level BNG need to be made. HBF would also question whether there is also a need for Strategic Housing Allocations and Green Belt release to enable this.

Chapter 16 *Glossary*

104. As detailed elsewhere HBF suggests the Glossary is expanded to include definition of the terms: Health Impact Assessment and Rapid Health Impact Assessment, the Design Review process and the Energy Hierarchy. It would also seem sensible to include a definition of the Mitigation Hierarchy, Biodiversity Net Gain, Housing and Economic Needs Assessment (para 8.13 refers to HENA update 2023, but the Glossary refer to a Strategic Housing Market Needs Assessment not a HENA), Standard Method, Nature Recovery and Local Nature Recovery Strategy within the Glossary.

Appendix 1: Monitoring Framework

105. Monitoring of delivery is a key part of the 'Plan, Monitor, Manage' process that underpins the planning system in the England. HBF agree that it will be important to monitor housing delivery and site allocation deliver compared to the housing trajectory (which has yet to be created and consulted upon). More importantly though the Plan needs to clearly set out

what would happen if monitoring shows under-delivery against the agreed housing trajectory.

106. There are other ways of addressing housing under-delivery that can be undertaken in less time than a full or partial review of a Local Plan. For example, permitted other housing sites, bringing forward sites from later on in the plan period, doing more housing enabling. It is difficult to comment fully on the monitoring of the housing trajectory, without having seen the actual Housing Trajectory. However, the monitoring framework should reflect all of these actions that could be taken to address a failure to meet housing need, deliver against housing targets and actively contribute to addressing the housing crisis, not just the option of creating a new Local Plan.

107. The Housing Mix policy delivery monitoring indicator and remedy suggests that if housing sites are not delivering the mix required the resulting remedy would be advise DM not to permit housing scheme of the 'wrong' mix. Clearly, another remedy could, and arguably, should be to negotiation with developers to find a viable and deliverable housing mix solution on a case by case basis. Such other remedies should also be reflected in the monitoring framework.

Appendix 2: *Employment Site Supply*

108. It is unclear what Table 7 Employment Sites in Supply in Appendix 2 is. Some supporting information is needed to explain the purpose and context of this table to the plan-making process, particularly in light of discussion elsewhere in the plan in about the potential need for greenbelt release within the Plan.

Appendix 3: *Borough Car Parks in Asset Rationalisation Plan*

109. Similarly, the list of Council Car Parks is identified as having potential for windfall development needs to include some kind of explanation as to why this is included in the plan, and what the status of the list is. If the intention is for ongoing work on car park rationalisation will feed into the Reg 19 plan, this needs to be explained within Appendix 3. HBF would support the allocation of sites, including former car parks for housing, or mixed use allocations if they are no longer needed for their current use. Allocations provide greater certainty for developers than bringing schemes forward on a windfall basis.

Appendix 4: *First Draft Local Plan Site Allocations Map*

110. HBF note that Draft Policies Booklet refers to in para 4.1 of Appendix 4, shows maps of the Green Belt and other policy designation areas. HBF would encourage the Council consider producing an interactive and searchable web based Local Plan policies map utilising GIS. This fits well with the digitisation

of planning agenda and provide a way to capture digital information and monitoring information that is more dynamic and user-friendly.

Future Engagement

111. 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.

112. 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".

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