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Dear Planning Policy Team,

EAST RIDING LOCAL PLAN: POST HEARING NOTES

1. Thank you for consulting with the Home Builders Federation (HBF) on the Post Hearing Notes for the East Riding Local Plan.
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.

Note 1: Relationship between housing and employment growth

3. This Note addresses the Inspectors request for further analysis of the relationship between housing and employment growth and where the required labour supply will come from to support the jobs growth. The Council commissioned Arup to undertake a dwelling-led assessment based on 1,100 dwellings per annum (dpa) and a jobs-led assessment based on the two scenarios (baseline and higher growth). The assessments are based on newly commissioned modelling undertaken by Edge Economics. The model used to generate these scenarios was the Oxford Economics Local Authority District Forecasting Model (January 2022 version).
4. The results of the dwelling-led assessment result in a range of 702-842 jobs per annum, whilst the results of the employment-led assessment result in a range of 1,313 to 1,575dpas. The Council suggests that planning for a housing figure of 1,313 to 1,575 dwellings per annum would mean advocating a strategy that actively seeks to attract significant numbers of workers from neighbouring authorities to take up residence in East Riding. The Council suggests that this is not desirable or sustainable.
5. The HBF considers it is still not clear what the relationship is between the uplifted requirement and the planned employment growth over the Plan period. The Note has continued the previous approach of considering both growth strategies separately and determining respective needs separately. The HBF continues to be concerned that the housing requirement does not reflect the jobs expected by the employment strategy and



land supply. With the 1,110dpa providing a level of jobs per annum below the 1,005 jobs per annum modelled by the higher growth scenario in the ELR Demand Update 2022.

6. The Arup Report notes that the inter-relationship between housing and economic growth is complex, and that they both impact each other creating a circular relationship. It also notes in section 4.4 that if the dwelling-led assessment is taken forward, the Council may not be able to deliver the jobs identified in the higher growth scenario. As well as highlighting changes to the demographic context which make it difficult to confirm where the labour supply will come from, and presumably difficult to predict the impact this may or may not have on undermining regeneration in Hull.

Note 2: Sustainability Appraisal – Consideration of Additional Options relating to the Scale and Distribution of Development

7. This Note addresses the Inspectors request to consider through an update to the Sustainability Appraisal (SA) the scale of development including an option with a housing requirement of 1,400 dwellings per annum. The Council have not included Option 5 in the Sustainability Appraisal this looks at delivering 1,400 dwellings per annum. The Council suggests that this option scores neither most positively or most negatively, and maintains its position that the housing requirement of 1,100dpa (Option 2) is the most appropriate option.
8. The HBF notes that within the SA assessment of the Options, that Options 2 and 5 score the same for Objectives 1, 2, 3, 5, 6, 7, 9, 10, 11, 12, 13, 14, 15, 17, 18 and 19. This suggests that the SA considers that there is very little difference between Options 2 and 5 in terms of their sustainability.
9. For Objective 4 in relation to improving access to key centres, services, facilities and employment that Option 2 scores positively whilst Option 5 has a mixed score. However, this mixed score appears to be because at this time the Council have not fully considered where the increase in development would be located and there may be potential for this to be in less sustainable locations. However, this is not known, and it is not known whether in fact the increased levels of development may help to support more services and facilities or help to create more sustainable locations.
10. For Objective 5 in relation to improving housing affordability and provide quality housing that meets the needs of everyone the SA scores both Option 2 and Option 5 the same, even though clearly Option 5 would lead to more housing being provided and therefore is more likely to address housing affordability.
11. For Objective 8 in relation to limiting greenhouse gas emissions the SA scores Option 2 positively and Option 5 negatively. As again the Council have not considered where the additional development could be located, so again the impact on greenhouse gas emissions is actually undetermined, but just assumed to be worse. It also assumes that this would lead to more car travel and therefore more emissions, the HBF considers that given the potential imbalance between jobs and homes as set out in response to the previous Note, there is potential that Option 5 may actually create a greater balance between jobs and homes and actually lead to less travel occurring. The HBF would also

note that new homes will have EV Charging Points and could actually encourage more people to use Electric Vehicles and have potential to help reduce greenhouse gas emissions in relation to car travel going forward.

12. For Objective 10 in relation to protecting, maintaining and enhancing biodiversity and important wildlife habitats and to conserving geology the SA scores both Option 2 and Option 5 the same. However, the assessment notes the 10% biodiversity net gain requirement for housing development and that this would see more housing providing greater improvements.
13. For Objective 15 in relation to supporting growth of key economic sectors the SA scores Option 2 and Option 5 the same. However, again the SA notes that more homes will draw an additional skilled workforce to the area.
14. For Objective 16 in relation to maintain and strengthen local employment opportunities Option 2 is scored positively and Option 5 is scored even more positively, as it is recognised that more homes provide greater support for the development of the economy.
15. The HBF does not consider that the SA supports the assumption that the 1,100 dwellings per annum is the most appropriate option, the HBF considers that in fact it shows that there are significant benefits associated with an increase in the housing requirement and that further consideration is required in relation to the sites that would be needed to meet this increased housing requirement.

Note 6: Affordable housing delivery for latest monitoring year (2022/23)

16. This note provides the proportion of housing schemes that are meeting their affordable housing requirement, using the most up to date monitoring information. It shows that 42% of schemes met the affordable housing policy requirement during the period 2022/23, reducing the proportion of schemes meeting the affordable housing requirement between 2016 and 2023 to 71%.
17. The HBF is concerned that the Viability Assessment set out the viability challenges in East Riding, and the impact this will have on the deliverability of homes and the affordable housing requirements. The HBF is concerned that the decrease in affordable housing delivery might already be highlighting some of these viability challenges. It also highlights the issues with delivering the affordable housing need required in East Riding.
18. The HBF considers that the deliverability of affordable housing is reliant on the continuing provision of local authority funding and the viability of development continuing to allow for the provision of S106 funding of affordable homes. If either of these sources of provision were to decrease, it would impact on the potential for the affordable homes target to be met. The HBF considers that again the affordable housing need, highlights the potential for a higher housing requirement to be utilised, as set out in the PPG.

Note 10: Housing Supply

19. This Notes sets out the Local Plan housing trajectory for the Plan period 2020 to 2039, it identifies a total supply of 24,214 dwellings.
20. The Council also proposes to update Table 4 to set out the housing requirement and sources of supply, as set out below. The HBF considers that this inclusion is an improvement to the Plan.

Table 4: Housing requirement and supply to 2039 [REPLACE TABLE 4 WITH THE FOLLOWING]

Housing requirement	
A. Total net housing requirement 2020/21 to 2038/39	20,900
Completions	
B. Completions 2020/21 to 2022/23	5,097
Commitments	
C. Dwellings with planning permissions as of April 2023*	9,816
Allocations	
D. Capacity of allocated sites without planning permission*	7,261
Windfall	
E. Total windfall allowance between 2023 and 2039	4,647
Gross supply	
F. Gross supply (B+C+D+E)	26,821
Potential losses	
G. Potential losses ((C+D+E) x 12%)	2,607
Net total supply	
H. Net total supply (F-G)	24,214
Oversupply	
Potential over-supply/buffer (H-A)	3,314

* Estimated number that can be delivered within the plan period

21. The Local Plan¹ identifies a total net housing requirement 2020/21 to 2038/39 of 20,900 dwellings. The trajectory suggests that there is sufficient supply to meet the housing requirement of 20,900 dwellings. However, this supply does include a windfall allowance of 4,647 dwellings, without the reliance on windfall delivery the housing supply is reduced to 19,567 dwellings. The HBF considers that the windfall allowance needs to be robustly evidenced, as national policy only permits an allowance for windfall sites if there is compelling evidence that such sites have consistently become available and will continue to be a reliable source of supply. There needs to be not only consideration of the historic windfall delivery rates but also assessment of the expected future trends and consideration of the realism as identified by the SHLAA. The Council also need to ensure that they have considered all of their supply sources and ensured that the

¹ Local Plan Table 4, page 60

windfall allowance does not create any double counting between any of the sources, particularly as it is a significant proportion of the annual requirement.

22. The HBF has not considered in detail the deliverability and developability of the individual sites that make up the supply, and therefore cannot confirm if the requirement can be met. However, the HBF would expect the Council to be able to provide evidence to support the assumptions that they have made in relation to each site. The trajectory whilst a useful source of information that should be included in the Local Plan does not provide any further information to confirm the developability of the sites.
23. The Council have set out their approach to the oversupply and suggested that this will only apply in relation to addressing shortfalls, as the Council are not in this position at present it is not considered necessary. Although they suggest that it may be necessary in future. The HBF considers that the Council should ensure that it has an ongoing five-year supply, and that if the Council is not delivering the number of homes required that it may want to review its Local Plan and ensure that appropriate sites are allocated for development.

Future Engagement

24. I trust that the Council will find these comments useful as it continues to progress its Local Plan to adoption. I would be happy to discuss these issues in greater detail or assist in facilitating discussions with the wider house building industry.
25. The HBF would like to be kept informed of all forthcoming consultations upon the Local Plan and associated documents including the Inspectors Report and the adoption of the Plan. Please use the contact details provided below for future correspondence.
26. The HBF would like to participate in the further hearing session on Tuesday 16th July to cover any outstanding matters following this consultation.

Yours sincerely,



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