

Planning Policy, Wyre Council, Civic Centre, Breck Road. Poulton-le-Fylde, Lancashire, FY6 7PU

> SENT BY EMAIL planning.policy@wyre.gov.uk 10/09/2024

Dear Planning Policy Team,

WYRE LOCAL PLAN: ISSUES AND OPTIONS

- Thank you for consulting with the Home Builders Federation (HBF) on the Wyre Local Plan – Planning for Wyre's Future to 2040 – Issues and 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. The HBF notes a consultation on the NPPF and the standard method for calculating housing need has commenced part way through the consultation on the Wyre Local Plan, and that this is likely to have implications for the production of the Plan and the policies it contains.

Vision and Objectives

- 4. The vision includes creating sustainable communities with sustainably located, good quality housing that provides affordable and market housing options to meet the needs of the whole community. It also includes provision of accommodation appropriate for older people to meet the needs of an ageing population. These elements of the vision are generally supported by the HBF.
- 5. Objective 6 seeks to meet future housing needs to provide housing to meet people's needs, including affordable housing, which meets a range of needs over people's lifetime. This objective is generally supported by the HBF.

Plan period

6. The Issues and Options document identifies the Plan period as 2022-2040. The HBF considers that the Council will need to ensure that their Plan covers an appropriate period. The NPPF¹ states strategic policies should look ahead over a minimum 15-year period from adoption and that where larger scale developments form part of the strategy

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¹ NPPF December 2023 Paragraph 22

for the area, policies should be set within a vision that looks further ahead (at least 30 years), to take in account the likely timescale for delivery. The HBF considers that this is likely to mean that the Plan period will need to be extended.

Spatial Strategy

- 7. The document identifies that the standard method determines the minimum number of homes each local authorities should plan for the area and that the calculation identifies that there is a minimum annual housing requirement of 275 homes per year, the equivalent of 4,950 homes for the plan period 2022-2040. The document goes on to state that the scale of site allocations that are needed for the Plan are unknown at this stage, as it is likely that some of the current site allocations will continue to contribute towards the development needs for the emerging Plan.
- 8. The HBF considers that the Council should give consideration to whether this is an appropriate housing requirement as set out in more detail below. The HBF also considers that the Council will need to ensure that all of the remaining site allocations are fully considered to ensure that they are deliverable within the Plan period and are not just carried over.
- 9. The Council propose 3 spatial options: Option 1 would focus the majority of development on the main urban towns on the Fylde Coast Peninsula; Option 2 would direct new developments to the A6 corridor; Option 3 would result in development being dispersed more evenly across the borough; and Option 4 proposes the creation of a new settlement or urban extension.
- 10. The HBF considers that it is important that the spatial distribution of sites follows a logical hierarchy, provides an appropriate development pattern and supports sustainable development within all market areas.

Meeting Housing Needs

- 11. The Council propose to use the standard method for calculating the housing need in Wyre over the plan period, the Council do not consider that there are exceptional circumstances to justify an alternative approach, or to set a lower housing requirement. The government's standard method for calculating housing needs generates a housing need figure for Wyre of a minimum of 275 homes per year, the equivalent of 4,950 homes between 2022 and 2040. The HBF notes that the proposed new standard method would identify a local housing need of 637 homes per year, which would be the equivalent of 11,466 dwellings over the period 2022 to 2040.
- 12. The HBF supports the Council in proposing to use the standard method as the minimum housing need. The PPG² sets out that there may be circumstances where it is appropriate to consider whether the actual housing need is higher than the standard method indicates. These include growth strategies for the area, strategic infrastructure improvements, meeting an unmet need from neighbouring authorities and where previous levels of delivery or previous assessments of need are significantly greater than

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² PPG ID: 2a-010-20201216

the outcome of the standard method. The HBF recommends that the Council investigate these circumstances and consider if a further increase in the proposed housing requirement is required. For example, the HBF notes that the average number of net additional dwellings³ completed over the last 10 years is 503 dwellings per annum (dpa).

13. The HBF also notes that the Wyre Local Housing Needs Study 2024 identifies a current need for 284 affordable homes each year. This is in excess of the local housing need identified by the standard method. The PPG⁴ states that an increase in the total housing figures included in the plan may need to be considered where it could help deliver the required number of affordable homes. Therefore, an increase in the housing requirement would be appropriate to help to deliver this affordable housing need.

Providing affordable housing for our communities

- 14. The Council proposes to require a proportion of new homes on schemes of 10 or more dwellings to be affordable, it suggests that the proportion may vary across the borough and be dependent on viability. The Council also proposes to review the role of First Homes and the level of discount applied. The current Wyre Local Plan policy seeks to deliver up to 30% of the total homes built on development as affordable. The Wyre Local Housing Needs Study 2024 provides an up-to-date assessment of Wyre's current and future affordable housing need. It identifies a current need for 284 affordable homes each year.
- 15. The HBF supports the need to address the affordable housing requirements of the borough. The NPPF⁵ is, however, clear that the derivation of affordable housing policies must not only take account of need but also viability and deliverability. The Council should be mindful that it is unrealistic to negotiate every site on a one-by-one basis because the base-line aspiration of a policy or combination of policies is set too high as this will jeopardise future housing delivery.

Meeting housing needs for people at all ages of their life

- 16. The Council proposes to establish a housing mix policy for affordable and market housing. The Council also suggests that subject to viability they will require all new dwellings to meet Building Regulations M4(2) standards for accessible and adaptable dwellings and a proportion to meet M4(3) wheelchair user standards. The Council proposes to establish policies for specialist older person accommodation and vulnerable person accommodation.
- 17. The HBF is generally supportive of providing homes that are suitable to meet the needs of older people and disabled people. However, if the Council wishes to adopt the higher optional standards for accessible, adaptable and wheelchair homes the Council should only do so by applying the criteria set out in the PPG. The HBF also considers that the policy may require further clarity as the policy is not clear whether the requirement for M4(3) homes is for M4(3(2a)) wheelchair adaptable, or M4(3(2b)) wheelchair accessible.

³ MHCLG Live Housing Tables - Net Additional Dwellings, Table 122: Net additional dwellings by local authority district, England 2001-02 to 2022-23

⁴ PPG ID: 2a-024-20190220

⁵ NPPF December 2023 Paragraph 34

The Building Regulations do highlight that the optional requirement for M4(3(2b)) only applies where the planning permission specifies it. The PPG⁶ is also clear that policies for wheelchair accessible homes should be applied only to those dwellings where the local authority is responsible for allocating or nominating a person to live in that dwelling. There is also a significant cost difference between the requirements for an M4(3(2a)) home and a M4(3(2b)) home, this will have implications for any viability assessment.

- 18. PPG⁷ identifies the type of evidence required to introduce such a policy, including the likely future need; the size, location, type and quality of dwellings needed; the accessibility and adaptability of the existing stock; how the needs vary across different housing tenures; and the overall viability. It is incumbent on the Council to provide a local assessment evidencing the specific case for Wyre which justifies the inclusion of optional higher standards for accessible and adaptable homes in its Local Plan policy. If the Council can provide the appropriate evidence and this policy is to be included, then the HBF recommends that an appropriate transition period is included within the policy.
- 19. The PPG⁸ also identifies other requirements which the policy should incorporate these include the need to consider site specific factors such as vulnerability to flooding, site topography and other circumstances which may make a site less suitable. The PPG also states that where step-free access is not viable the optional requirements in Part M should not be applied. These elements will need to be reflected in the policy.
- 20. The Council should also note that the Government response to the Raising accessibility standards for new homes⁹ 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. M4(3) would continue to apply as now where there is a local planning policy is in place and where a need has been identified and evidenced.

Providing self and custom build housing plots

- 21. The Council propose to consider how they support the delivery of self and custom build properties to meet the local needs.
- 22. Many of our members will be able to assist the custom build sector either through the physical building of dwellings on behalf of the homeowner or through the provision of plots for sale to custom builders. The HBF are, therefore, not opposed to the idea of increasing the self-build and custom build sector for its potential contribution to the overall housing supply. The PPG¹⁰ sets out how custom and self-build housing needs can be assessed. The HBF would recommend appropriate evidence is collated to ensure that house building delivery from this source provides an additional contribution

⁶ PPG ID: 56-009-20150327

⁷ PPG ID: 56-007-20150327

⁸ PPG ID: 56-008-20160519 & ID: 56-010-20150327

⁹ https://www.gov.uk/government/consultations/raising-accessibility-standards-for-new-homes/outcome/raising-accessibility-standards-for-new-homes-summary-of-consultation-responses-and-government-response#government-response

¹⁰ PPG ID: 67-003-20190722

- to boosting housing supply. This is likely to include engaging with landowners and working with custom build developers to maximise opportunities.
- 23. The PPG¹¹ sets out how local authorities can increase the number of planning permissions which are suitable for self and custom build housing. These include supporting neighbourhood planning groups to include sites in their plans, effective joint working, using Council owned land and working with Home England. The HBF considers that alternative policy mechanisms could be used to ensure a reliable and sufficient provision of self & custom build opportunities across the Borough including allocation of small and medium scale sites specifically for self & custom build housing and permitting self & custom build outside but adjacent to settlement boundaries on sustainable sites especially if the proposal would round off the developed form.

Encouraging small and medium sized builders

- 24. The Council propose to consider increasing the amount of smaller development sites that will be allocated to contribute to meeting our housing requirements that go above the Government's minimum 10% requirement.
- 25. The HBF Report State of Play: Challenges and Opportunities facing SME Builders¹² details the findings of one of the most comprehensive surveys of Small and Medium Enterprise (SME) homebuilders. It shows that for the fourth consecutive year the top two major barriers to growth for SME developers are chronic delays in the planning system and under-resourced LPAs. However, it also shows that the lack of land availability for SMEs continues to be hindrance with 44% of respondents citing it is a major barrier to growth.
- 26. The HBF recommends that the Council ensures that there is at least 10% of the housing requirement of the housing on sites of less than 1ha, and that this is clearly allocated. The HBF also recommends that the Council ensures that there is variety of land supply available that meets the needs of all part of the market.

Green Belt

- 27. The Council do not propose to review the Green Belt as they consider that there are no exceptional circumstances to justify a Green Belt Review.
- 28. The HBF recommends that the Council considers all of the potential exceptional circumstances for Green Belt release, particularly in relation to ensuring that it can meet all of its housing needs across the Borough, and to ensure that the Green Belt boundaries can endure beyond the plan period. The Council will also need to ensure that it has examined all other reasonable options for meeting its needs, including making use of suitable brownfield land and under-utilised sites, optimising density of development and having discussions with its neighbouring authorities.

Biodiversity Net Gain, local nature recovery and ecology

¹¹ PPG ID: 57-025-20210508

¹² https://www.hbf.co.uk/news/hbf-report-state-play-challenges-and-opportunities-facing-sme-home-builders/

- 29. The Council have set a few options in relation to Biodiversity Net Gain (BNG): Option A draft a separate policy on BNG establishing the Council's requirements including identifying areas of strategic importance; Option B as Option A but also introduce a minimum BNG requirement above 10%; and Option C maintain the current policy (CDMP4) of protecting areas of habitat value and species, without further amendments.
- 30. Biodiversity net gain (BNG) is mandatory under Schedule 7A of the Town and Country Planning Act 1990 (as inserted by Schedule 14 of the Environment Act 2021). Developers must deliver a biodiversity net gain of 10%. There are specific exemptions from biodiversity net gain for certain types of development. The exemptions are set out in paragraph 17 of Schedule 7A of the Town and Country Planning Act 1990 and the Biodiversity Gain Requirements (Exemptions) Regulations 2024.
- 31. The PPG has recently been updated to provide more information on BNG which may assist the Council as they consider this policy. The PPG¹³ states that plan-makers should be aware of the statutory framework for biodiversity net gain, but they do not need to include policies which duplicate the detailed provision of this statutory framework. It also states that it would be inappropriate to include policies which are incompatible with this framework. The PPG¹⁴ is also clear that plan makers should not seek a higher percentage than the statutory objective for 10% BNG, unless justified.
- 32. The HBF considers that the Council does not need to provide a policy on BNG as this is a statutory requirement as set out in the Act. However, it could be beneficial for the Council to set out areas of strategic importance.

Net zero, the location of development and the promotion of active travel

- 33. The Council propose only allowing development in sustainable locations for example allocating land for development close to public transport routes and local services, requiring development to create road and footpath connectivity with the surrounding area; promoting development and use of active travel solutions; preferring the allocation of previously developed land before greenfield land.
- 34. The NPPF¹⁵ states that the purpose of the planning system is to contribute to the achievement of sustainable development, including the provision of homes, commercial development and supporting infrastructure in a sustainable manner. The NPPF also highlights that sustainable development has three overarching objectives, economic, social and environmental and that these are interdependent. The Council should not be seeking to put one of these objectives above the others in the name of sustainable development.
- 35. The HBF considers that it is appropriate for the Council to allocate land for development where it is possible to access public transport routes and local services, or where access to these routes or services can be provided or improved. The HBF generally supports

¹⁴ PPG ID: 74-006-20240214

¹³ PPG ID: 74-006-20240214

¹⁵ NPPF December 2023 paragraph 7

- the principal of sustainable and active travel, however, the HBF would suggest that the Council take a flexible approach to how that is undertaken within housing developments.
- 36. The NPPF¹⁶ states that planning policies should promote an effective use of land in meeting the need for homes and other uses, whilst safeguarding and improving the environment and ensuring safe and healthy living conditions. It goes on to state that planning policies should give substantial weight to the value of using suitable brownfield land within settlements for homes. The HBF considers that the Council should seek to allocate brownfield land for development where it is appropriate and deliverable and where it will contribute to the spatial strategy. However, the HBF also considers that the Council will need to ensure that they have provided homes to meet all of the local needs across the housing market, this may not always be sufficiently addressed by brownfield land.

Energy Efficiency

- 37. The Council sets out 4 potential options: Option A allow new development to comply with building regulations without any local plan policy requiring higher standards; Option B require applicants to set out in an Energy Statement how their development is considering energy efficiency by applying the energy hierarchy; Option C require applicants to set out how their development is considering heating and cooling through passive design solutions as set out above; and Option D implement a local plan policy that requires development to meet higher energy efficiency standards than that allowed for by the building regulations. Undertake the necessary evidence base research to justify such a policy.
- 38. The HBF acknowledges that Section 19 (1A) of the Planning and Compulsory Purchase Act 2004 outlines that development plan documents must (taken as a whole) include policies designed to secure that the development and use of land in the local planning authority's area contribute to the mitigation of, and adaptation to, climate change. The NPPF¹⁷ looks for all plans to take a proactive approach to mitigating and adapting to climate change. However, The HBF continues to recognise the need to move towards greater energy efficiency via a nationally consistent set of standards and timetable, which is universally understood and technically implementable. This in line with the Written Ministerial Statement of December 2023 (WMS)¹⁸, which states that the Government does not expect plan-makers to set local energy efficiency standards for buildings that go beyond current or planned building regulations. Therefore, the HBF recommends that the Council opts for option A, whilst supporting those who wish to go further in terms of energy efficiency.

Site Allocations

39. The HBF is keen that the Council produces a plan which can deliver against its housing requirement. To do this it is important that a strategy is put in place which provides a sufficient range of sites to provide enough sales outlets to enable delivery to be

¹⁶ NPPF December 2023 paragraph 123 and 124

¹⁷ NPPF Sept 2023 paragraph 11(a), 20(d), 152-154

¹⁸ WMS December 2023 https://questions-statements.parliament.uk/written-statements/detail/2023-12-13/hcws123

- maintained at the required levels throughout the plan period. The HBF and our members can provide valuable advice on issues of housing delivery and would be keen to work proactively with the Council on this issue.
- 40. The Plan's policies should ensure the availability of a sufficient supply of deliverable and developable land to deliver Wyre's housing requirement. This sufficiency of housing land supply (HLS) should meet the housing requirement, ensure the maintenance of a 5 Year Housing Land Supply (5YHLS), and achieve Housing Delivery Test (HDT) performance measurements. The HBF also strongly recommends that the plan allocates more sites than required to meet the housing requirement as a buffer. This buffer should be sufficient to deal with any under-delivery which is likely to occur from some sites and to provide flexibility and choice within the market. Such an approach would be consistent with the NPPF requirements for the plan to be positively prepared and flexible.
- 41. The Council's overall HLS should include a short and long-term supply of sites by the identification of both strategic and non-strategic allocations for residential development. Housing delivery is optimised where a wide mix of sites is provided, therefore strategic sites should be complimented by smaller non-strategic sites. The widest possible range of sites by both size and market location are required so that small, medium and large housebuilding companies have access to suitable land to offer the widest possible range of products. A diversified portfolio of housing sites offers the widest possible range of products to households to access different types of dwellings to meet their housing needs. Housing delivery is maximised where a wide mix of sites provides choice for consumers, allows places to grow in sustainable ways, creates opportunities to diversify the construction sector, responds to changing circumstances, treats the housing requirement as a minimum rather than a maximum and provides choice / competition in the land market.

Monitoring

42. The HBF recommends that the Council include an appropriate monitoring framework which sets out the monitoring indicators along with the relevant policies, the data source and where they will be reported, this should also include the targets that the Plan is hoping to achieve and actions to be taken if the targets are not met. The HBF recommends that the Council provide details as to how the plan will actually be monitored, and identifies when, why and how actions will be taken to address any issues identified.

Viability

43. The HBF has not been able to find an up-to-date Viability Assessment. The HBF considers that a viability assessment will need to be prepared to reflect the current Plan policies and requirements and the current costs. Without this part of the evidence, the HBF is not able to comment on the deliverability of the policy requirements or the Local Plan overall.

Future Engagement

- 44. 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.
- 45. 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,

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