

Sent by EMAIL ONLY to localplan@wolverhampton.gov.uk

 09/01/2025

Dear Sir/ Madam

**Response by the Home Builders Federation to the Wolverhampton Local Plan Reg 19) consultation, Jan 2025**

1. Please find below the Home Builders Federation (HBF) response to the Wolverhampton Local Plan (Reg 19) consultation.
2. 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. 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 contacted you to note that the new NPPF was published in Dec 2024, mid-way through your consultation period, and to ask if and how you plan to proceed. We were grateful for your prompt response confirming that you intend to submit the Plan before the 12th of March 20025, which would enable the Plan to progress under the previous system.
4. HBF have therefore provided comments on this basis, if there was a delay to the submission, we would welcome further discussions with you on how to proceed. However, even if this Plan is submitted before 12th March we still believe that the clearly stated intention of the Government in relation to housing and the new Government policy and guidance provides some useful context to our comments and as such have referred to this where relevant. As such we have differentiated between the 2023 NPPF and the new 2024 NPPF where necessary.
5. HBF have not commented on every policy only those of relevance to our members.

**Overarching comments**

**Comments on the timing of the consultation**

1. As mentioned above, HBF have some concerns about the timing of this consultation as the Plan was out for its Regulation 19 consultation when the new NPPF was published. It would have been helpful if the Council had published a statement about their intention to continue to progress this Plan under the old regulations on their website.

**Impact of the Dec 2024 revisions to the NPPF**

1. The new Government published a revised NPPF on 12th Dec 2024. This indicates that where a Plan is at Regulation 19 stage (after March 12th 2025) and the housing requirement meets less than 80% of local housing need, as would be the case with this Plan, then authorities will be required to update their plan to reflect the revised local housing need figure and the revised National Planning Policy Framework prior to submission.
2. The new NPPF therefore provides an important context on the wider Government’s objectives around housing, which add further weight to the concerns we have raised about the failure of the West Midlands to fully grasp the challenges of meeting the housing needs and proactively plan to do so. We would suggest that the new requirements and the transitional arrangements underscore that changes are needed to this Plan in relation to housing monitoring and a new policy should be added which commits to an immediate review of the Local Plan. In our view such changes will be needed in order for the plan to be found sound, otherwise the issue of the unmet housing needs of Wolverhampton will remain unaddressed for many more years, which in our view is not acceptable.
3. We would ask that the Council fully consider the implications of the new NPPF and new standard method on their Plan. In HBF’s view, the content of the new NPPF further underlines the importance of the Council taking efforts now to minimise the level of any unmet and unplanned for need in the first place. The Government’s intentions to meet the housing needs of the nation in full, is very clear, and this is reflected in the transitional arrangements. We would therefore support the Council if they were to choose to take a pause to update their plan to reflect the new housing requirement.
4. Both the new (2024), and previous (2023) planning guidance are clear that Local Plans should be proactively planning for their area, which includes helping to address the housing crisis. However, the Wolverhampton Local Plan is not contributing as much as it could, or should, be to helping to meet this key national housing policy goal. As such the Plan is not doing what it should be to make its contribution to achieving this national policy objective, as such it is currently unsound.

**Duty to Cooperate**

1. HBF is concerned that the Duty to Cooperate has not been met.
2. We remain concerned that the lack of joined up plan-making across the West Midlands regional poses additional challenges for Local Plans in seeking to ensure the housing needs of Wolverhampton Borough and the wider West Midlands region are met in full. We remain disappointed that wider collaboration and cross-boundary planning on key strategic issues and plan-making has yet to be successful in the West Midlands area, despite this being greatly needed.
3. Plan-making is a fundamental part of a Local Authority’s role and is essential to support the delivery new homes and jobs. Although we agree that it is important to ensure that there is an up-to-date Local Plan for Wolverhampton, this must not be at the expenses of effective and pro-active plan-making to ensure the delivery of much needed housing. In HBF’s view any refusal to fully grasp this issue is a failure of proactive plan-making and therefore unsound.
4. HBF notes there is a significant interaction between housing issues across the wider Birmingham and Black County housing market(s), which are not being adequately addressed. We note the protracted and unfortunate history of unsuccessful collaboration around plan-making, which has led to the housing needs of the City Region remaining unmet and unplanned for. In the midst of a housing crisis, such an approach seems entirely unacceptable and will lead to significant negative impacts on both Wolverhampton and the wider area.
5. The previous Government made it clear that it supported the national target of 300,000 new homes per year, and the new Government has strengthened its commitment to housebuilding, with a policy aim of delivering 1.5 million homes over the next 5 years. This recognises the essential role new housing has in supporting economic growth, and the negative impacts that a lack of housing has on the local, regional and national economy.
6. The new Government has also reinforced the need for Local Plans to proactively plan for housing. Therefore, in the midst of a housing crisis and in light in the level of high housing need in Wolverhampton, HBF remain very disappointed that the Council has chosen not to review the Green Belt to address the housing and employment development shortfalls arising from the Wolverhampton Local Plan, choosing instead to leave a significant amount of their needs unmet. Such an approach fails to adequately plan for the future development of Wolverhampton, and as such is unsound.
7. HBF are very concerned that this plan will not deliver against the national, regional and local housing objectives, which are even more important as we are in the midst of a housing crisis. HBF would expect to see a clearly set out agreed approach with neighbouring authorities around the issue of housing need and a clearly agreed way forward to ensure that the matter is fully addressed. The current Feb 2024 DTC statement does not adequately do this.
8. In other areas, such as Leicestershire, joint working on the issue of housing needs has resulted in agreed approaches, Statements of Common Ground and Memorandums of Understanding around the challenges Leicester City faces in seeking to meet its own need within its tightly drawn boundary. There is an agreement amongst most Leicestershire authorities that they should play their part in meeting this need, and discussion shave been ingoing as to the re-distribution of this unmet need between the partners.
9. We have been unable to find any signed Statement of Common Ground with nieghbouring authorities would have offered to accept Wolverhampton; s unmet housing need. It is therefore currently unclear if the approach of asking neighbouring authorities to help to meet Wolverhampton’s housing needs, is realistic, deliverable and/or supported by partners. At the very least there need to be a cross-boundary statement setting out in detail what has agreed and what has not and if there remain disagreements and issues outstanding. Without this information it is not possible to come to the conclusion that the Duty to Cooperate requirements have bene complied with.

**Problems with the Shropshire Local Plan EIP**

1. Reference in made in para 2.23, 2,41 and Stable 2.2 of the Duty to Cooperate Statement (Nov 24) to the role of the Shropshire Local Plan in making a contribution to the unmet need of Wolverhampton. However, HBF note that Inspectors of the Shropshire Local Plan have recently written to Shropshire Council expressing significant concerns about the soundness of their Plan and the planned future EIP hearing sessions on the Shropshire Plan have been cancelled. See <https://www.shropshire.gov.uk/planning-policy/local-planning/local-plan-review/draft-shropshire-local-plan-2016-2038-examination/examination-calendar/> and <https://www.shropshire.gov.uk/media/29185/id46-stage-2-hearings-holding-letter.pdf>
2. This would seem to raise questions around the soundness of the Wolverhampton Plan if this Plan is seeking to rely on Shropshire delivering housing to meet some of Wolverhampton’s unmet need and a SOCG that has seems not to have been updated since 2021.
3. HBF would be keen to understand the Council’s view on the implication of this latest development in the Shropshire Local Plan EIP on the Duty to Cooperate in relation to Wolverhampton’s Local Plan. What conversations have been undertaking during, and subsequent to, the Shropshire EIP soundness issues coming to light? At the very least the DTC statement will need updating, from 2021 when it was signed, to reflect the current position. Without this information being publicly available at this point in time HBF are unable to fully assess the impact of this issue on compliance with the Duty to Cooperate.
4. HBF’s main concerns around Duty to Cooperate continue to relate to ensuring that Wolverhampton’s required amount of housing is delivered in reality. This is particularly important because the current Plan the indicates a significant amount of unmet need. The issue of fully meeting housing needs of Wolverhampton remains. Our more detailed comments on this issue can be found in response to Policy CSP1 and HOU1.

**Sustainability Appraisal**

1. In light of the housing crisis and the level of unmet housing need in Wolverhampton, HBF believe a new full Green Belt review should have been undertaken and this should have been done before the decision on what development strategy is most appropriate had been taken. The SA should have fully considered the implications of the option of meeting the housing needs of Wolverhampton in full as a reasonable alternative including via a Green Belt review and green belt allocations.

**Strategic Priority Five**

**The Plan is not considered to be sound as it is not effective, justified or consistent with national policy**

1. HBF agree that meeting the housing needs of Wolverhampton must be a key objective of the Plan, it is therefore surprisingly that the Council having recognised the importance of this issue is doing so little to seek to achieve this critical objective within the Plan, as such the Plan is unsound.
2. The Council have identified that a growing and changing housing population compounds local housing needs pressure, a point that further underlines the need for the Council to take action in this area. It’s failure to do so will undermine its vision for Wolverhampton and hold back growth and other opportunities.

**Policy CSP1 – Spatial Strategy**

**The policy is not considered to be sound as it is not positively prepared, effective, justified or consistent with national policy**

Spatial Strategy and Meeting Housing Need

1. HBF would expect the Wolverhampton Plan to be an ambitious plan that plans for the future development of Wolverhampton, detailing where new housing will go, meeting housing needs, providing certainty for the house building industry and setting out a long-term vision for the area, in accordance with the NPPF. Instead, the Council merely acknowledges the importance of housing, and then fails to use the policy and delivery policy mechanisms available to them to meet that need, including a Green Belt review and additional housing allocations.
2. The Plan seeks to deliver at least 9,330 net new homes will all development within the existing urban area. In light of the housing crisis and the level of unmet housing need in Wolverhampton, HBF believe that this proposed approach is contrary to national guidance and does not result is a positively prepared or justified Plan that will be effective. Instead, a full Green Belt review should have been undertaken and this should have been done before the decision on what development strategy is most appropriate had been taken.
3. The Plan should be doing all it can to maximise the amount of housing being provided within Wolverhampton and this should include increasing the amount of housing need that can be met within Wolverhampton through given full and proper consideration to additional greenfield allocations (via a Green Belt review and green belt allocations). We have provided more detailed comment sin relation to the housing requirement in our response to Policy HOU1- Delivering Sustainable Housing Growth. These are not repeated here.
4. The housing requirement figure also needs to be expressed as a dwellings per annum figure, otherwise effective monitoring can not be undertaken which would also make the Plan unsound.
5. HBF would request the minimum housing requirement (set out in both total and annual terms) for Wolverhampton is higher. The Council should be looking to maximise meeting their own housing needs, which is within their remit, and minimise the amount unmet need that they are looking to export to neighbouring authorities, which is acknowledges to be outside of the Council’s control. This will in turn have implications for the boundary of the Green Belt and the policies applying to it.
6. Housing allocation should be made in policy, and not in supporting text. HBF would therefore request that Table 3 should be included within the policy and not relegated to supporting text.
7. Although HBF do not comment on individual site allocations, we would expect that the spatial distribution of sites follows a logical hierarchy, provides an appropriate development pattern and supports sustainable development within all market areas. HBF considers that the Councils proposed approach to the distribution of housing should ensure the availability of a sufficient supply of deliverable and developable land to deliver the housing requirement. At the moment, the Plan does not do this and as such is unsound.
8. Focusing all new development into the urban area of Wolverhampton will impact on the ability of this plan to meet needs and increase the supply of affordable homes. By not undertaking a Green Belt review as part of the preparation of this local plan the Council has failed to consider the full potential for sustainable sites to come forward on the edge of Wolverhampton. Whilst we recognise that NPPF has established that amendment of Green Belt boundaries should only be undertaken in exceptional circumstances, in order for these circumstances to be properly considered the Council should instigate a review of the Green Belt. This may well identify land that no longer meets the purposes of Green Belt and as such offer opportunities to support the delivery of affordable housing and family homes, both key priorities for the Wolverhampton, and wider Birmingham and Black Country area.
9. Whilst we acknowledge that significant weight should be given to Green Belt the Council must remember that this is a policy designation principally designed to prevent the sprawl of urban areas. Amendments to the Green Belt boundary that are well considered, and part of an adopted plan, are the antithesis of sprawl and can potentially ensure clearer and more defined edges to the urban area. However, without a review of the Green Belt such opportunities will be lost reducing the Council’s ability to address the need for affordable housing and support the economic growth of City and wider Region. HBF continues to urge the Councils to undertake a full review of the Green Belt as part of the preparation of this local plan. The failure to do so, in our view results in an unsound Plan.
10. HBF would also suggest that a failure to adequately plan for new housing will impact on both the local and the wider economy. The Plan should explicitly recognise the importance of new housing in helping to meet both open market and affordable housing needs in supporting economic growth and recovery. It is important for the Council to recognise the role that housebuilder plays in the local economy, both when the houses are under construction and when the houses are occupied as people’s homes.

The Need for Small Sites

1. The NPPF also requires Local Plans to identify land to accommodate at least 10% of the housing requirement on sites no larger than one hectare, unless there are strong reasons why this cannot be achieved. 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.
2. In order to be effective and justified the Plan’s policies and evidence base should set out how the plan will deliver 10% of homes on sites of less than one hectare, as required by the NPPF. Indeed, 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%.

**Question 4: Do you agree with the proposed approach to the Vision and Strategic Priorities for the Wolverhampton Local Plan?**

**The policy is not considered to be sound as it is not positively prepared, effective, justified or consistent with national policy**

1. HBF supports the continued inclusion of a Strategic Priority Five on housing. It is important that the Plan continues to provide an appropriate mix of housing types, sizes and tenures to meets housing the needs of all residents in Wolverhampton. However, this should make reference to housing needs of Wolverhampton being met in full.
2. HBF believe that both Council and the Plan should be doing much more to ensure the objectives to support growth of new homes and employment are fulfilled.

**Policy HOU1 – Delivering Sustainable Housing Growth**

**The policy is not considered to be sound as it is not positively prepared, effective, justified or consistent with national policy**

The Housing Requirement

1. The policy states that “Sufficient land will be provided to deliver at least 9,330 net new homes over the Plan period 2024 – 2042.” HBF believe this figure should be higher. The standard method housing requirement has always been the minimum starting point for setting the housing requirement, and HBF support more housing than the standard method housing requirement in order to support economic growth, provide a range and type of sites and to support small and medium house builders.
2. HBF would also suggest that the high level of affordable housing need within the Borough justifies also justifies additional housing over and above the locally assessed housing need level. In line with national policy, it is important that the housing requirements is established before consideration is given to the capacity of the area to accommodate that level of development. If the housing requirement cannot be fully accommodated within Wolverhampton then there will be an unmet need, that need to be met elsewhere.
3. Criteria 1 of the policy continues “The key sources of housing land supply are summarised in Table 3 and illustrated in the Housing Spatial Diagram. WLP Housing Site Allocations are detailed in Table 12 of Section 13.” HBF do not believe this approach is appropriate, sites should be allocated in Local Plan policies, not Tables within supporting text.
4. The status of Table 4 is also unclear. If the Council intends to phase it’s housing requirement this should be clearly set out in a policy, not explained through footnote to a Table in the supporting text. They should be included within Criteria 3 of the policy.
5. Although HBF do not comment on individual sites we would expect every site allocation to have a policy accompanying it. This is essential for the policy to be effective as it is important that the Plan clearly sets out for both for communities and developers what the expectation of the allocated sites are.
6. Criteria 2 of the policy states “the majority of the requirement will be met through sites with existing planning permission and sites allocated for housing by this Plan and the Wolverhampton City Centre Area Action Plan. Additional housing supply will also be secured on windfall sites throughout the urban area and through the update of allocations in the Wolverhampton City Centre Area Action Plan, where appropriate.” HBF does not support this approach because it not a proactive Plan for the area, will not provide the range of sites and types of housing needed to support the economic growth, and will not deliver the affordable housing that is needed in Wolverhampton.

Unmet needs

1. HBF are very aware of the challenges facing the Local Planning Authorities in the West Midlands and the Black Country to meet their own housing requirements. The issue of unmet needs has proven problematic with many neighbouring West Midlands authorities all saying they cannot meet their own needs because they are constrained and then asking each other to take their unmet needs, without success. This situation is completely unacceptable and results in the housing needs of Wolverhampton and the wider area remaining unmet with the resulting negative social, economic, and environmental consequences.
2. HBF strongly support the need for more housing in Wolverhampton for a variety of reasons including addressing the current housing crisis, meeting housing need, providing affordable housing, supporting employment growth, but recognise the constrained nature of the area due to the amount of Green Belt. However, reviewing the Green Belt boundary is one tool that the Council could, and should use, to enable it to do more to meet its own housing requirement. The NPPF is clear that start with need and only then consider capacity.
3. Any departure from the standard method can only be justified in exceptional circumstances. The new Government has made it clear that it still supports the national target of 1.5 million over this Parliament. The standard method housing requirement has always been the minimum starting point for setting the housing requirement, and HBF support more housing than the standard method housing requirement in order to support economic growth, provide a range and type of sites and to support small and medium house builders.
4. HBF would therefore also expect the Wolverhampton Plan to clearly set out agreed approach to meeting its housing need within the context of the wider Region, or at the very least include a Statement of Common Ground on Housing Need setting out where agreement has been reached and where there remain disagreements and issues outstanding.
5. HBF are aware that contributing to the unmet housing and employment needs of the Birmingham and the Black Country is one the issue amongst those currently troubling the Shropshire Local Plan Examination in Public. HBF have also responded positively to Telford and Wrekin’s recently Local Plan consultation when they also acknowledged that they may have a role to play in meeting the wider housing needs of the West Midlands.
6. None of this proactive work elsewhere negates the need for the Council to do much more that simply stating it cannot meet its own housing need and assuming that this unmet need can, and will be ‘exported’, and therefore their housing need will be addressed. Such thinking is naive and unrealistic.
7. HBF also note that exporting local housing needs to neighbouring areas, also means that the housing need are not being met where there occur. This will be to the determinant of local economies and local communities.
8. In other areas, such as Leicestershire, joint working on the issue of housing needs has resulted in a clearly agreed approaches, Statements of Common Ground and Memorandums of Understanding around the challenges Leicester City faces in seeking to meet its own need within its tightly drawn boundary. There is an agreement amongst most Leicestershire authorities that they should play their part in meeting this need, and discussion shave been ingoing as to the re-distribution of this unmet need between the partners.
9. Perhaps even more significantly emerging Local Plans in Leicestershire are including an element of unmet housing need from Leicester within their housing requirement. Such as approach is an essential part of the case Leicester City are trying to make to demonstrate their plan is deliverable. HBF is disappointed that such joint working has proved impossible within the wider Bristol area, and this has served to undermine both positive plan-making and meeting housing need. The failure to do address housing needs in the midst of a housing crisis is having, and will continue to have, social, economic and environmental consequences for the region.
10. It is currently unclear from the information available if the approach of asking neighbouring authorities to help to meet Wolverhampton’s housing needs, is realistic, deliverable and/or supported by partners. HBF would be supportive of additional green belt release for housing. HBF believe the current housing crisis and scale of housing need create the ‘exceptional circumstances’ that are needed to justify such releases.
11. National planning policy requires the Council to do all it can to meet its own housing and employment needs, before seeking to export Wolverhampton’s housing needs to other areas. HBF believe the Council could and should be doing more to meet its own needs and minimise (or eliminate) the amount of unmet is has, so that it does not need to rely so much on neighbouring authorities to meet it for them, a point which the Council acknowledge is beyond its control.
12. HBF suggest both unmet housing and employment needs can justify the need for Green Belt release, and at the very least justify the need for a full Green Belt review.
13. The Dec 2025 NPPF give further support to the HBF’s view that more needs to be done within Wolverhampton for the Council to try and meet its own housing needs in full. This should include a full Green Belt review and further housing allocations.

**Policy CSP2 – Placemaking: Achieving Well Designed Places**

**The policy is not considered to be sound as it is not positively prepared, effective, justified or consistent with national policy**

1. As the Plan should be read as a whole, HBF do not believe the references to other ENV chapter policies within the policy wording are necessary or effective. Listing some policies but not others can create unnecessary confusion and suggest greater weight should be given to some Local Plan policies over others, which is not correct.

**Policy DEL1 – Infrastructure Provision**

**The policy is not considered to be sound as it is not positively prepared, effective, justified or consistent with national policy**

1. Criteria 3 of the policy appears to be seeking to give Local Plan policy status to SPD which is not appropriate and contrary to national guidance.
2. Planning policy must be made through the Local Plan process. This is subject to mandatory requirements for public consultation and independent scrutiny through the Examination process. Seeking to give Local Plan status to the existing SPDs is not appropriate.
3. HBF’s concerns about the Viability Study are set out in our response to Policy HOU3 – Delivering Affordable, Accessible and Self Build / Custom Build Housing. Althouhg they are not repeated here they are relevant. HBF welcomes the flexibility intended by this policy but are concerned more generally that the Viability Study does not support the policies in the Plan and as such the Plan is unjustified and will be ineffective, making it unsound.
4. As mentioned previously HBF remind of the view that the Council should consider whether the implications of its plan for economic growth generate the need for an additional housing requirement for Wolverhampton, and if so, how this can be delivered. The same is true for infrastructure where a greater amount of development may be needed in order to make the delivery of key pieces of infrastructure viable.

**Chapter 6: Housing**

**Policy HOU1 – Delivering Sustainable Housing Growth**

**The policy is not considered to be sound as it is not positively prepared, effective, justified or consistent with national policy**

1. Para 6.4 of the Plan states “the WLP identifies sufficient land to provide 9,330 additional homes by 2042. This will deliver a 9% increase in housing stock and will accommodate 47% of current local housing need up to 2042 (19,728 homes) within Wolverhampton. 97% of supply is on brownfield land and 3%

of supply is on greenfield land.” The paragraph continues that

1. HBF believes the Wolverhampton Plan needs to a lot more to try and met its own housing needs. HBF would be supportive of additional green belt release for housing. HBF believe the current housing crisis and scale of housing need create the ‘very special circumstances’ that are needed to justify such releases. HBF suggest both unmet housing and employment needs can justify the need for Green Belt release, and at the very least justify the need for a full Green Belt review.

**The policy is not considered to be sound as it is not positively prepared, effective, justified or consistent with national policy**

1. HBF would caution that there is need for the Council to ensure that any policy decisions suggested in the draft Black Country Plan that are being rolled forward remain appropriate, are supported by the evidence base and fully meet the requirements of good plan-making, the NPPF and PPG.
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**Policy HOU2 – Policy HOU2 – Housing Density, Type and Accessibility**

**The policy is not considered to be sound as it is not positively prepared, effective, justified or consistent with national policy**

1. The layout of this policy is confusing and ineffective. The reference to ‘other DPDs’ is incomplete, as the whole Development Plan must be read as whole, this reference may be unnecessary, alternatively the DPDs being referred to should be specified within the policy. Table 5 and table 12 of Section 13 should be included within the policy so that their status as policy is clear.

**Policy HOU3 – Delivering Affordable, Accessible and Self Build / Custom Build Housing**

**The policy is not considered to be sound as it is not positively prepared, effective, justified or consistent with national policy**

Affordable Housing

1. Criteria 1 of the policy seeks 10% affordable housing on sites in lower and medium value zones and 15% affordable housing on sites in higher value zones. However, this does not reflect the findings of the whole plan viability assessment, which concludes 10% affordable housing is not in fact viable.
2. Table 10.1 recommended a 10% affordable housing target in lower value zones. This is however subject to a note that says “Based on the NPPF paragraph 66 (December 2023 which requires that, ‘where major development involving the provision of housing is proposed planning policies… should expect at least 10% of the homes to be available for affordable home ownership’; and the Council pursuing a strategy of proactive interventions in the market to deliver the housing in the lower value zones.”
3. This means that the evidence shows 10% affordable housing delivery within the lower value zones is unbelievable without additional intervention, however this is not what the policy wording of HOU3 says, it merely set s a requirement of 10% in medium and lower value zones. A policy which in unjustified and will be ineffective, making the Plan unsound.
4. HBF would question other elements that undermine the robustness of the Wolverhampton City Council Local Plan Viability Main Viability Report November 2024 prepared by Aspinall Verdi, and the conclusions that have bene used to underpin the affordable housing policies in the Plan.
5. HBF would question the Local Plan Viability Assessment as it fails to fully consider a wide range of challenges and additional costs facing developers at this time. For example, HBF information suggests that complying with the current new part L is costing £3500 per plot. The Future Homes Standard Part L in 2025 is anticipated to cost up to £7500+ per plot. There will also be the addition of the Building Safety Levy that is coming in pay for cladding. This will be a per plot basis around the UK, and initial values are around £1500- £2500 per plot.
6. Chapter 9 of the whole plan viability report talk about the Eco-Homes noting that “premium larger eco-homes can achieve a premium of up to 12% over standard new builds”. HBF would question how this links to the Plan’s policies on housing mix and tenure and the finical assessment criteria in the policy (see below). It is also important to note that para 9.7 states “It is important to note that we have not taken into consideration explicitly in our values assumptions any uplift for either eco-homes or regeneration/place-making”. So. although the higher costs facing house builders are acknowledged to some extent in Section 9, this is only in relation to housing going over and above what is required by budling regs, rather than an acknowledgement of the increasing costs per say.
7. Other factors that need to be taken into account include increasing costs of materials and labour due to inflation and the costs of mandatory BNG, which are still emerging as the off-site market is yet to be established. HBF members are reporting costs of £20-30k per off-site BNG unit. Although the initial price of statutory credits is now known this national fallback option has been deliberately highly priced to discourage their use. Whilst this intention is understandable, at present the lack of functioning local markets for off-site credits causes viability problems because HBF members experience to date suggests that any scheme that needed to rely on statutory credits would become unviable.
8. HBF also note that work undertaken by DEFRA to inform the national percentage BNG requirement found that a 20% net gain requirement would add c.19% to the net gain costs, over and above the minimum requirement of 10%. The report concluded that:

 “While this suggests that varying the level of net gain between 5% and 20% has very limited impact on the outcome, there is a trade-off between cost implications for developers and the likelihood of net gain being delivered at a national level (e.g. less costly/likely at 5% net gain compared to 10%, and vice versa for 20%). Our chosen policy approach, which sets out that 10% is the right level to demonstrate net gain, considers this trade-off among other issues.”

There is therefore a need to consider the viability implications of statutory BNG and there would be a further need to consider the viability implications that seeking to go further and faster than national mandatory BNG could have on the delivery of affordable housing. HBF agree that there is no reason why Wolverhampton should deviate from DEFRA’s conclusion that 10% BNG strikes the right balance between theses trade-offs, but as noted in our comments on Policy ENV3 – Nature Recovery and Biodiversity Net Gain (below) the national requirement for 10% BNG is mandatory, and non-negotiable.

1. There is also a need to consider the costs of delivering the policy requiring housing to M4(2) and the requirements for accessible and adaptable dwellings policy which references M4(3). HBF is pleased to see that a distinction has been made in the policy between M4(3)a wheelchair adaptable housing and M4(3)b wheelchair accessible housing. The whole plan viability assessment should be explicit on what costs it has been applying when considering M4(3)a or M4(3)b as the latter can only be sought on affordable housing where the Council has nominations and is considerably more expensive than the former.
2. HBF concerns about the whole plan viability assessment that supports this Plan underline the importance of the policies in the Plan to allow for flexibility on viability issues.
3. Criteria 2 of the policy also needs updating to reflect the fact First Homes are no longer the Government’s preferred way of providing affordable housing.

Accessible and Adaptable Homes

1. HBF note that the requirements of Criteria 3 require all new development to meet M4(2), HBF note that the requirements to meet Part M4(2) will be superseded by changes to residential Building Regulations. The Government response to ‘Raising accessibility standards for new homes’ states that the Government proposes to mandate the current M4(2) requirement in Building Regulations as a minimum for all new homes, with M4(1) applying in exceptional circumstances. This will be subject to a further consultation on the technical details and will be implemented in due course through the Building Regulations. There is therefore no need for a Local Plan policy on this issue.
2. Although HBF do not comment on individual sites allocations, HBF is of the view that Wolverhampton faces the exceptional circumstances required to justify the allocation of land for housing within the green belt. HBF would support additional allocation in the Green Belt to meet the housing requirement. Indeed, HBF support the need for a comprehensive Green Belt review, and the need for greenfield and Green Belt releases within Wolverhampton’s boundary and beyond.

Self-Build and Custom Build Plots

1. HBF does not consider that requiring major developments to provide for self-builders is appropriate. Instead, the HBF advocates for self and custom-build policies that encourage self and custom-build development by setting out where it will be supported in principle. The HBF considers that Councils can play a key role in facilitating the provision of land as set in the PPG. This could be done, for example, by using the Councils’ own land for such purposes and/or allocating sites specifically for self and custom-build home builders- although this would need to be done through discussion and negotiation with landowners.
2. It is considered unlikely that the provision of self and custom build plots on new housing developments can be co-ordinated with the development of the wider site. At any one time, there are often multiple contractors and large machinery operating on-site from both a practical and health and safety perspective, it is difficult to envisage the development of single plots by individuals operating alongside this construction activity.

Financial Viability Assessments

1. Whole Plan viability testing is an important part of the plan-making process. However, 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, and therefore flexibility in the amount of affordable housing sought may be needed to deal with site specific issues.
2. At a very basic level viability can be improved by reducing costs or increasing values. Sometimes, therefore changing the type of affordable housing provided can help to improve viability of a specific site, and the plan should recognise this. This is another reason why flexibility within the Affordable Housing policy is needed. In this situation there may be a change in the percentages of different types of affordable housing provided, but the headline figure of how much affordable housing is provided would remain the same.
3. Therefore, whilst HBF welcome the recognition that viability may be an issue for some site-specific reasons and as such site-specific viability appraisals may be needed in some circumstances. However, the wording of the policy says “the, the maximum proportion of such housing will be sought that will not undermine the viability of the development, subject to achieving optimum tenure mix and securing other planning obligations necessary for the development to gain planning permission”. This seems to be introducing an additional policy test that undermines the flexibility of the policy, making it unjustified and ineffective.

**Chapter 10. Environment and Climate Change**

**Policy ENV1 – Nature Conservation**

1. HBF have provided detailed comments on BNG in our response to Policy ENV3 – Nature Recovery and Biodiversity Net Gain (see below) which are not repeated here. However, the HBF would reiterate that in order to be effective the Plan to be clear and differentiate between being clear about the nature conservation hierarchy and the BNG hierarchy.

**Policy ENV3 – Nature Recovery and Biodiversity Net Gain**

**The policy is not considered to be sound as it is not positively prepared, effective, justified or consistent with national policy**

1. HBF note the introduction of Biodoversty Net Gain which came in for large sites on Feb 12th 2024, and for small sites form 2nd April 2024. It will be important that this policy fully reflects all the new legislation, national policy and the new DLUHC and DEFRA guidance to ensure it fully reflects it
2. HBF has been involved in a significant amount of work, being led by the Future Homes Hub, on BNG preparedness for some time, including feeding into the BNG Planning Practice Guidance from DLUHC and the DEFRA BNG Guidance. HBF note that this represents a lot of new information that the Council will need work though and consider the implications of, in order to ensure that any policy on Biodiversity Net Gain policy complies with the latest policy and guidance now it has been published. It should also be noted that the PPG is clear that there is no need for individual Local Plans to repeat national BNG guidance.
3. HBF therefore suggest that significantly more information, assessments and analysis around BNG, and Viability (for BNG and viability more generally) is needed to support the new Wolverhampton Local Plan.
4. It is the HBF’s opinion that the Council should not deviate from the Government’s requirement for 10% biodiversity net gain as set out in the Environment Act. The Plan should provide certainty for developers and a clear BNG policy with a fixed 10% figure. There is not an option of seeking less than 10% BNG so the wording of criteria two which says ‘no more than 10%’ do not in fact reflect the current national policy and should be changed.
5. There are significant additional costs associated with biodiversity gain, which will need to be fully accounted for in the Council’s viability assessment. It is important that BNG does not prevent, delay or reduce housing delivery. Although the national policies requiring 10% BNG cannot be subject to site specific viability discussions, any policy requirements over 10% can be. The Plan should make this position clear.
6. It is also important to note that for large and complex sites where the development is phased, the guidance is clear that the 10% must be delivered at the end of the development, and this may not result in 10% BNG on each phase. Additional advice on phased development has been provided in the new BNG PPG.
7. The costs of BNG should have been considered as part of the whole plan viability assessment and should be specified as a single specific item, not combined into a generic s106 costs item. There are significant additional costs associated with biodiversity net gain, which should be fully accounted for in the Council’s viability assessment, some of which are still unknown at this time. It is important that BNG does not prevent, delay or reduce housing delivery. The costs relate both the financial costs and also land take- which will impact on densities achievable if BNG is provided on site.
8. As this is still a new policy area and the market for off-site provision, and statutory credits are not yet known, any figure used for BNG costs will need to be kept under review as BNG implementation progresses and a greater understanding of actual costs become available. The Whole Plan Viability Assessment should have clearly set out how it considered the implications of mandatory BNG and how it was arrived at using the most up to date BNG costs information available.
9. HBF welcome the reference in the criteria one of the policy about Local Nature Recovery Strategies, but suggest there is also a need for this policy and supporting text to say more. Reference should be made to the West Midlands LNRS which came into force on 13th April 2023.
10. HBF would also request that the Local Plan allocation policies fully consider the issue of delivering against the new BNG requirements. This should include undertaking an assessment of the baseline to support the allocation to enable an understanding the BNG requirements for a site to be allocated and the impact this may have on viability and other policy requirements and considerations. It will be important to understand the BNG costs of mandatory BNG as this is non-negotiable and as such may impact on the viability of the site and its ability to deliver against other policy requirements such as affordable housing or other s106 asks.
11. HBF also notes that there seems to be significant potential for confusion around environmental hierarchy, and suggest particular care is needed to avoid any confusion between the well-established mitigation hierarchy and the new BNG hierarchy. There is need for the policy wording and/or supporting text to be clearer about the differentiation between the mitigation hierarchy (which seeks to avoid harm in the first place, then mitigate and only then compensate it in relation to protected habitats) and the BNG delivery hierarchy (which prioritises on-site BNG delivery, then off-site units and finally allows for statutory credits). There seems to be significant potential for confusion between the two difference hierarchies. HBF therefore suggest that the Council should take particular care to explain how the requirements of the two-part BNG hierarchy work in different ways and that they seek to achieve different aims.
12. Reference should also be made within the Plan to the small sites metric. This is intended to be a less complex statutory metric that can be used to set out how 10% BNG will be secured on small sites. It can only be used for on-site BNG delivery. The national mandatory 10% BNG policy applies to small sites from April 2024.
13. The new DEFRA and DHLUC guidance is clear that going beyond the mandatory 10% requires evidence and there is a need to show that this will not impact viability. HBF agree that there is no evidence to support a higher figure in Wolverhampton. However, the introduction of mandatory BNG is significant new requirement and it will be important for the viability implications of this new policy is considered in the whole plan viability assessment on the Wolverhampton Local Plan. It will be important to understand if this non-negotiable national policy requirement has any knock-on implications for other policy areas ‘asks’, notably the amount of affordable housing that can be delivered.
14. The BNG and supporting text therefore needs updating to reflect the new West Midlands LNRS will also impacts on the density of housing schemes that can be provided, as land used for on-site BNG is not available for housing.

**Policy ENV4 – Trees and Hedgerows**

**The policy is not considered to be sound as it is not positively prepared, effective, justified or consistent with national policy**

1. In order to be effective, the Plan should be clearer on how the various nature conservation policies are intended to work together. For example, how does the requirement for new tree planting in Criteria 10 of this policy interact mandatory BNG?

**Policy ENV8 – Open Space and Recreation**

**Policy ENV12 – Flood Risk and Water Quality**

**These policies are not considered to be sound as it is not positively prepared, effective, justified or consistent with national policy**

1. In order to be effective, the Plan should be clearer on how the various nature conservation policies are intended to work together. How does the flood risk policy interact with mandatory BNG for watercourses? How does BNG interact with public open space?

**Policy ENV14 – Energy and Sustainable Design**

**The policy is not considered to be sound as it is not positively prepared, effective, justified or consistent with national policy**

1. The proposed policy wording suggests that the Council is seeking to move away from the energy and carbon reduction methods set out in Part L of the Building Regulations. HBF supports the Council in seeking to minimise carbon emissions and reduce heat and power demand through energy efficient design. However, the HBF does not consider that the Council setting its own standards is the appropriate method to achieve these outcomes.
2. HBF is concerned that the Council is adding to the complexity of policy, regulations and standards that housebuilders are already expected to comply with. 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. The impact of these requirements along with others in this Plan may have considerable viability implication and may lead to the non-delivery homes and needs to be fully considered within the Viability Assessment.
3. HBF would caution against policies that seek to go further and faster than national legislation and policy changes, which would lead to the creation of a patchwork of differing local policies which could inadvertently undermine the delivery of the wider environmental objectives the Council is seeking and create unnecessary delays to much needed new housing.
4. HBF would highlight the latest publication ‘Future Homes, One Plan Building a generation of high quality, affordable and sustainable homes and communities, together’ <https://irp.cdn-website.com/bdbb2d99/files/uploaded/Future%20Homes%20One%20Plan_Future%20Homes%20Hub%20Prospectus-%20FINAL%20WEB.pdf> This was published in Nov 2023 and highlights what actions are needed to support the delivery of sustainable homes.
5. The government has also recently provided further advice for local authorities through the Written Ministerial Statement which says “the Government does not expect plan-makers to set local energy efficiency standards for buildings that go beyond current or planned buildings regulations. The proliferation of multiple, local standards by local authority area can add further costs to building new homes by adding complexity and undermining economies of scale.” See <https://questions-statements.parliament.uk/written-statements/detail/2023-12-13/HCWS123>
6. To be consistent with national policy, HBF request the Council rely on the Building Regulations process as the way to manage improving energy efficiency standards and as such no policy on this issue is needed in the Local Plan.
7. Criterion 2c) of the policy also seeks to require development to ensure an estimated water consumption of no more than 110 litres/person/day. 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.
8. 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.
9. HBF do not believe such a policy is needed in the Local Plan because current Part G Building Regulations require 125 litres per day, and house builders are frequently delivering 115-110 litres per day which means the house building industry is already improving upon the regulations. There is no need for Local Plan policies to repeat Building Regulations and it is in fact unhelpful to do so as Building Regulations may change during the course of the plan period. This part of the policy should be deleted.
10. Criterion 5a) of the policy also seeks to require development to ensure establish a site-wide local energy network within the site and link into any district or local energy network which is operational close to the site. 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.
11. 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.
12. 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. Therefore, HBF do not believe this policy requirement is justified, and it would not be effective, it should therefore be deleted.
13. To be consistent with national policy, HBF request the Council rely on the Building Regulations process as the way to manage improving energy efficiency standards and as such no policy on this issue is needed in the Local Plan. HBF considers it would be appropriate to make reference to the Future Homes Standard and the Building Regulations as the appropriate standards for development. The Council will also be aware that the Future Homes and Buildings Standards: 2023 consultation has been released covering Part L (conservation of fuel and power), Part F (ventilation) and Part O (overheating).
14. Criteria 7 states “the requirements set out under 2(a) & (b), 3, 4, 5 and 6 above will only be reduced or varied if it can be demonstrated that this is not practical, not viable in accordance with Policy DEL1, or not in accordance with other national or local planning policies.” It is unclear form the policy wording if the developer has to demonstrate its no practical, or not viable, or both. Clarity is needed.

**Chapter 14. Monitoring and Review**

**The section is not considered to be sound as it is not positively prepared, effective, justified or consistent with national policy**

1. This section needs updating to reflect the new NPPF, in particular changes are needed in relation housing monitoring and a new policy is needed which committing to an immediate Local Plan will be needed review the requiring changes.
2. A new policy should be added which commits to an immediate review of the Local Plan will be needed for the plan to be sound, otherwise the issue of the unmet needs of Wolverhampton will remain undressed for many more years, which in our view is not acceptable.

**Appendix 2 - Housing Trajectory**

**The Housing Trajectory as such is not considered to be sound as it is not justified or effective or in compliance with national policy.**

1. In order to enable effective monitoring of the Plan, and to demonstrate the 5 Year Land supply on adoption of the Plan, the Housing Trajectory should be expanded to show a minimum the site-by-site, year-by-year breakdown of housing delivery over the plan period. This must also then link into the Monitoring Framework.

**Participation at EIP and Future Engagement**

1. HBF requests to participate in the Hearing Sessions for the Local Plan Examination. HBF considers that our involvement is necessary to ensure that the home building industry is able to respond to any housing related issues raised during the hearing sessions.

Yours faithfully



Rachel Danemann MRTPI CIHCM AssocRICS

Planning Manager – Local Plans (Midlands and South West)

Home Builders Federation

Email: rachel.danemann@hbf.co.uk

Phone: 07817865534