



The Planning Strategy Team
Stroud District Council
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SENT BY E-MAIL AND POST

9th September 2015

Dear Sir / Madam

STROUD LOCAL PLAN FURTHER PROPOSED POST SUBMISSION CHANGES CONSULTATION

Introduction

Thank you for consulting with the Home Builders Federation (HBF) on the above mentioned consultation. 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. The HBF would like to submit the following representations to this consultation and appear at any resumed Examination Hearing Sessions to discuss these matters in greater detail.

Post Submission Changes

Under **MOD01** a housing requirement of at least 11,400 dwellings (456 dwellings per annum) is proposed plus 950 Class C2 bed-spaces for the plan period 2006 – 2031 resulting in consequential changes in **MOD02**, **MOD03**, **MOD04** and **MOD07**. As previously set out in HBF representations the proposed figure of 11,400 dwellings is too low. Indeed the Council describes this figure as "*a modest uplift to the demographically assessed housing need in order to reflect the need for affordable housing*" in **MOD01**.

On the Council's own evidence there is justification for uplifting the proposed housing requirement from at least 11,400 dwellings to 12,200 dwellings. An uplift to 12,200 dwellings is justified on the grounds of :-

- supporting economic growth (adjusted CE jobs scenario of 12,200 in REX/B17 Table 2). Paragraph 6.2 of REX D08 states that the mid to lower end of the range of homes identified as need by economic forecast is the most appropriate. However it is contended that the top end of the range is more appropriate as concluded by the North Somerset Local Plan Inspector who found that *“the selection of the bottom end of the range was not in the spirit of positive planning and the national objective to boost significantly supply”* and the Brighton & Hove Local Plan Inspector who emphasised *“the Framework’s requirement that a LPA should assess their full housing needs ... my view is that the Plan should indicate that the full OAHN is at the higher end of the range”* ;
- a significant affordable housing need identified as an unadjusted figure of 446 affordable dwellings per annum ;
- affordability (10.8 ratio of income to house prices NHF SW Home Truths Report 2013/14) which is a major contributing factor on the inability of younger age groups to form households (3.3 million 20-34 years old still live in the family home, fifth of women and third men aged 20-34 years old live with their parents and 77% young people believe it is harder for them to own a home than it was for their parents);
- boosting significantly housing supply as set out by paragraph 47 of the NPPF. The proposed annualised housing requirement of 456 dwellings per annum does not represent a significant increase on past housing delivery rates which were suppressed by previous planning policies.

Furthermore the Council’s own evidence demonstrates :-

- a housing requirement of 12,200 dwellings is possible within the proposed development strategy as confirmed in REX D05b ;
- the Sustainability Appraisal shows no adverse impacts but if any site specific impacts occurred these are resolvable by mitigation and ;
- 5 YHLS is achievable on adoption of the Local Plan as set out in REX D05b, REX D10a & D10b.

MOD06 proposes if other authorities in the Gloucestershire Housing Market Area (HMA) have unmet housing needs then the Council will commence an early review of its Local Plan within 5 years of adoption or by December 2019 whichever is sooner. However this proposal is only set out in supporting text rather than actual policy. It is suggested that this proposal is incorporated into policy. It is also suggested that **MOD06** is more precisely defined as the wording *“commence an early review”* is too vague and non-comital. The Council should commit to the preparation and submission to the Secretary of State for examination the Local Plan review within 5 years of adoption or by December 2019 whichever is soonest. Moreover the trigger for the review

should be extended to cover not just unmet needs in other Gloucestershire HMA authorities but within Stroud too. This is particularly relevant to unmet affordable housing needs referred to above. Under **MOD37** the Council refers to five yearly Housing Needs Surveys for affordable housing if such reports identify affordable housing needs remain unmet such a finding should also trigger a review of the Local Plan.

It is noted that **MOD37** refers to a Supplementary Planning Document (SPD). The Council should be mindful that the NPPF (paragraph 154) is explicit that SPDs should not add to the financial burden of development. The Regulations are equally explicit in limiting the remit of an SPD so that policies dealing with development management cannot be hidden in an SPD.

If the Council proposes any modifications to **MOD38** because of the recent High Court Judgement West Berkshire District Council / Reading Borough Council and DCLG Neutral Citation Number [2015] EWHC 2222 (Admin) dated 31st July 2015 the HBF reserves the right to submit comments to future consultations on any such further proposed modifications.

MOD38 maintains the affordable housing provision at 30%. However it would be prudent for the Council to re-consider its viability assessment with regards to announcements contained in the Summer Budget on the reduction of social housing rents over the next four years. The implication of this rent reduction may lower the price paid by RSLs for affordable housing which is expressed as 55% of open market value in the Council's viability assessment. There is also an increased risk associated with the onward sale of such affordable housing units which lessens the argument for a lower profit margin on such units.

The proposed modifications in **MOD40** acknowledge the previously expressed criticisms of **Policy HC3** which proposes a minimum of 2% self build plots on allocated strategic sites. These modifications introduce the requirement to identify an appropriate demand for self build and to have due regard for viability considerations and specific site circumstances.

The Council should re-check its proposals under **MOD52** on the approach to zero carbon development for alignment with the Government's Productivity Plan published on 10th July 2015. It is understood that the Government no longer intends to proceed with the zero carbon Allowable Solutions carbon off-setting scheme nor proposed increases in 2016 on-site energy efficiency standards instead energy efficiency standards will be kept under review whilst existing measures to increase energy efficiency of new buildings is allowed to bed in.

Conclusions

For the Stroud Local Plan to be found sound under the four tests of soundness defined by paragraph 182 of the NPPF, the Plan should be positively prepared, justified, effective and compliant with national policy. There are a number of concerns about the Stroud Local Plan in relation to the housing requirement, review clause and viability assessment of its affordable

housing policy which mean the Plan is not considered to be compliant with the NPPF, positively prepared nor properly justified so it will be ineffective.

In conclusion it is hoped these representations are useful to the Council in informing the next stages of the Stroud Local Plan. In the meantime if any further information or assistance is required please contact the undersigned.

Yours faithfully
for and on behalf of **HBF**



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