



South East Lincolnshire Local Plan
Municipal Buildings
West Street
Boston
Lincolnshire
PE21 8QR

SENT BY E-MAIL AND POST

19th February 2016

Dear Sir / Madam

SOUTH EAST LINCOLNSHIRE DRAFT LOCAL PLAN 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. We would like to submit the following representations and appear at future Examination Hearing Sessions to discuss these matters in greater detail.

Duty to Co-operate

The Duty to Co-operate (S110 of the Localism Act 2011 which introduced S33A into the 2004 Act) requires the Council to co-operate with other prescribed bodies to maximise the effectiveness of plan making by constructive, active and on-going engagement. The high level principles associated with the Duty are set out in the National Planning Policy Framework (NPPF) (paras 156, 178 – 181) and in twenty three separate paragraphs of the National Planning Practice Guidance (NPPG). In determining if the Duty has been satisfactorily discharged it is important to consider the outcomes arising from the process of co-operation and the influence of these outcomes on the Local Plan. One of the required outcomes is the delivery of full objectively assessed housing needs (OAHN) for market and affordable housing in the housing market area (HMA) as set out in the NPPF (para 47) including the unmet needs of neighbouring authorities where it is reasonable to do so and consistent with sustainable development (NPPF para 182).

The HBF commends the two authorities of Boston District Council and South Holland District Council for coming together to produce a joint South East Lincolnshire Local Plan. The HBF also supports the decision of the Joint Planning Unit (JPU) to prepare one single Local Plan document for the longer plan period of 2011 – 2036.

It is noted that the joint plan area is bordered by seven neighbouring authorities namely East Lindsey, North Kesteven, South Kesteven, Fenland and King's Lynn & West Norfolk District Councils and Peterborough Borough Council. After reviewing the Interim Statement on the Duty to Co-operate and in the context of working with neighbouring authorities and meeting OAHN it is suggested that the JPU provides a more detailed commentary on the outcomes of the process of co-operation when the South East Lincolnshire LP DPD is submitted for examination.

OAHN and Housing Requirement

It is noted that the two authorities comprise two separate HMAs with Boston described as its own HMA and South Holland forming part of Peterborough sub region together with Peterborough, Rutland and South Kesteven Councils. At this time the HBF has reservations about whether or not Boston is a HMA as local authority administrative areas rarely function in isolation.

The OAHN calculation is set out in two separate reports namely :-

- Peterborough sub regional SHMA Update October 2015 by G L Hearn ;
- Boston Borough SHMA Assessment Final Report July 2015 by JG Consulting.

However it is unclear if the methodology for the calculation of OAHN in the above mentioned reports is the same. These reports identify an OAHN of 7,500 dwellings (300 dwellings per annum) for Boston District Council and 10,750 dwellings (430 dwellings per annum) for South Holland District Council for the plan period 2011 – 2036. These figures are set out in **Policy 11** as each Council's respective housing requirement.

Whilst the data and assumptions associated with the demographic based calculation of OAHN may be considered reasonable, the adjustments for identified suppressed household formation rates in younger age groups, overcrowding, worsening affordability and affordable housing needs are more questionable.

When compared to higher adjustments applied to OAHN calculations elsewhere the proposed uplift of only 4 dwellings per annum in the case of South Holland is a very limited and overly conservative response. For example in the Eastleigh Local Plan Inspector's Preliminary Conclusions on Housing Need a 10% uplift was proposed as a cautious approach to modest pressures on market signals whilst the Uttlesford Local Plan Inspector's Conclusions found an overall increase of 10% was appropriate to achieve the objective of improving affordability. In BANES an uplift of circa 30% was applied

to help deliver affordable housing. It is suggested that this element of OAHN is re-considered by the JPU.

The JPU should also confirm that the economic growth policies of the Joint Local Plan and the housing requirements are aligned.

On the assessment of affordable housing needs the use of figures of 100 affordable dwellings per annum for Boston and 210 affordable dwellings per annum in South Holland in **Policy 15** is misleading. These figures represent a lowering of actual affordable housing need figure because some households in need live in private rented sector. The JPU and their consultants will be aware of the Eastleigh Inspector's comments on this issue. The unadjusted affordable housing figure for Boston is 250 affordable dwellings per annum representing 83% of OAHN figure rather than the third stated in **Policy 15**. Therefore there is an argument for increasing total housing figures included in the Local Plan if it could help deliver the required number of affordable homes as set out in the NPPG (ID 2a-029-20140306). It is suggested that the JPU gives further consideration to affordable housing needs.

In conclusion the HBF supports the increase in the housing requirement from 696 dwellings per annum proposed in the Preferred Options consultation to 730 dwellings per annum in the Draft Plan. However for the reasons set out above it is evident that this increase is too modest and the housing requirement should be higher.

Housing Supply

Policy 2 sets out the spatial strategy based on a five tiered structure which is summarised as :-

- Sub regional centres of Boston and Spalding (proposed development of 5,900 dwellings and 5,720 dwellings respectively) ;
- 9 named Main Service Centres (proposed dispersed development of 4,250 dwellings) ;
- 21 named Minor Service Centres (proposed dispersal of limited development of 2,380 dwellings) ;
- 43 named Other Service Centres & Settlements (proposed restricted development) ;
- Countryside (proposed restricted development).

Policy 2 also determines proposed settlement boundaries and **Policy 12** sets out the proposed distribution by settlement. It is suggested that any proposed settlement boundaries include contiguous development sites allocated in the Local Plan. The JPU is reminded that if these boundaries are too tightly drawn the Plan will lack flexibility and inhibit sustainable development from coming forward.

It is noted that 64% of proposed housing allocations are in Boston and Spalding. It is important that the JPU's proposed housing distribution recognises the difficulties facing rural communities in particular housing supply and affordability issues. The NPPG emphasises that all settlements

can play a role in delivering sustainable development in rural areas so blanket policies restricting housing development in some settlements and preventing other settlements from expanding should be avoided. One of the core planning principles of the NPPF (para 17) is to *“take account of the different roles and character of different areas ... recognising the intrinsic character and beauty of the countryside and supporting thriving rural communities within it”*. This principle is re-emphasised in para 55 which states *“to promote sustainable development in rural areas, housing should be located where it will enhance or maintain the vitality of rural communities”*. It is suggested that the JPU re-considers if too great a proportion of development is in the urban areas as it is important that the proposed distribution of housing meets the housing needs of rural communities too.

Policy 13 Spalding Sustainable Urban Extension (SUE) is confusingly worded so it is not obvious if the proposed allocation is 3,750 or 4,000 dwellings or if the existing SUE of 2,250 dwellings is included in the 3,750 / 4,000 figure presumably it is because if not the total number would exceed the 5,720 dwellings allocated to Spalding in **Policy 12**. It is suggested that the JPU provides further clarification.

It is noted that 5 YHLS will be calculated separately for each authority. The latest up dated reports show that neither authority has a 5 YHLS. The current position is 2.7 years in Boston and 3 years in South Holland respectively. If the 5 YHLS is to be calculated separately as proposed it is suggested that **Policy 2** and **Policy 12** should set out the settlement hierarchy and distribution of development by authority.

It is suggested that more sites are allocated so there is certainty that each Council has a 5 YHLS on adoption of the Joint Local Plan and beyond. When allocating sites the JPU should be mindful that to maximize housing supply the widest possible range of sites, by size and market location are required so that house builders of all types and sizes have access to suitable land in order to offer the widest possible range of products. The key to increased housing supply is the number of sales outlets. Whilst some SUEs may have multiple outlets, in general increasing the number of sales outlets available means increasing the number of housing sites. So for any given time period, all else been equal, overall sales and build out rates are faster from 20 sites of 50 units than 10 sites of 100 units or 1 site of 1,000 units. The maximum delivery is achieved not just because there are more sales outlets but because the widest possible range of products and locations are available to meet the widest possible range of demand.

Other Housing Policies

The Interim Statement on Whole Plan Viability identifies that Local Plan policies should be flexible. However it is noted that such flexibility is lacking from **Policy 15**. It is suggested that the wording “subject to viability” or similar is inserted. The proposed housing mix in **Policy 14** is also very prescriptive.

The definition of affordable housing in the Glossary will require further amendment as a consequence of the Housing & Planning Bill 2015.

The JPU should clarify if the text in para 5.4.5 is requiring housing developments to meet the nationally described space standards. If so this requirement should be set out in policy rather than supporting text and it should be subject to viability testing. The NPPG sets out criteria to be met by authorities seeking to impose the space standard. In deciding whether or not to opt in the JPU is reminded of the comments concerning finite funding pots and policy trade-offs set out in the Peter Brett Whole Plan Viability Report (para 6.3.3).

It is suggested that the JPU re-check bullet point 13 of **Policy 13** as it is unclear the standard of water efficiency sought.

It is also suggested that the JPU re-check bullet point 6 of **Policy 28** for consistency with national policy. Although the power of the JPU to require that a proportion of the energy used in residential development is derived from local renewable or low-carbon sources the Deregulation Act 2015 removes the requirement for development to exceed the energy performance requirements set out in the Building Regulations.

Conclusion

For the South East Lincolnshire Local Plan to be found sound under the four tests of soundness as defined by the NPPF (para 182), the Plan should be positively prepared, justified, effective and consistent with national policy. The JPU should re-consider its proposals as set out in the Draft Plan in order to avoid preparing a Plan which is unsound by failing to be consistent with national policy, positively prepared, properly justified and so ultimately ineffective. It is hoped that these representations are of assistance to the JPU in preparing the next stages of the South East Lincolnshire 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**



Susan E Green MRTPI
Planning Manager – Local Plans

e-mail: sue.green@hbf.co.uk

Mobile : 07817 865534