



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

SENT BY E-MAIL AND POST

12th August 2016

Dear Sir / Madam

SOUTH EAST LINCOLNSHIRE JOINT LOCAL PLAN PREFERRED SITES 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.

Housing Requirement and Housing Land Supply (HLS)

In this consultation the Councils are seeking comments supporting or opposing specific identified settlements and / or sites which the Joint Committee intends to allocate for development in the pre submission South East Lincolnshire Joint Local Plan.

As set out in the HBF response to the Draft Joint Local Plan consultation ended on 19th February 2016 the housing requirement of 730 dwellings per annum (300 dwellings per annum for Boston and 430 dwellings per annum for South Holland) is considered to be based on an under estimation of objectively assessed housing needs (OAHN) for market and affordable housing.

In this consultation it is noted that the Councils have rejected previously submitted comments for a more dispersed distribution of housing between the sub-regional centres of Boston and Spalding and Major, Minor and Other

Service Centres. Therefore the Councils are continuing to propose 5,900 dwellings in Boston and 5,720 dwellings in Spalding. In Boston 19 sites with an estimated capacity of 4,681 dwellings to meet a residual housing need of 3,560 dwellings (after the deduction of 513 completions and 1,827 existing commitments) is identified. In Spalding 20 sites with an estimated capacity of 2,598 dwellings against a residual housing need for 2,599 dwellings are proposed.

However it is noted that a re-distribution between other lower tier settlements is proposed. There are proposed reductions in housing provision in Whaplodes, Tydd St Mary, Sutton St James, Moulton Chapel, Moulton, and Long Sutton and increases in housing provision in Weston, Surfleet, Quadring, Gosberton, Gedney Hill, Fleet Hargates, Cowbit, Sutton Bridge, Pinchbeck, Donington and Crowland. The Councils should confirm that these increases and decreases in housing provision are equally balanced so that no unmet housing needs arise from these proposed changes in the distribution of housing. The Councils should also confirm that this proposed re-distribution remains consistent with **Policy 12** of the Joint Local Plan.

Since the proposed housing requirement is a minimum figure it should not be treated as a maximum ceiling to restrict overall HLS and prevent sustainable development from coming forward. It is noted that the proposed settlement boundaries (**Policy 2**) are contiguous with the existing permissions and proposed site allocations but are tightly drawn around each settlement. It is incumbent on the Councils to demonstrate that capacity within the settlement boundaries is sufficient to satisfactorily accommodate the minimum housing requirement. Moreover in the future the Councils may not be able to rely on as many windfall sites because of the work done to identify sites in the SHLAA combined with the tight restrictions imposed by the proposed settlement boundaries.

Whilst the HBF do not comment on the merits or otherwise of individual sites as a general observation there is very limited contingency in the proposed HLS to provide sufficient flexibility to respond to changing circumstances. Therefore it is suggested that greater headroom is provided. The Councils are referred to the DCLG presentation slide from the HBF Planning Conference September 2015 (see below). This slide illustrates 10 – 20% non-implementation gap together with 15 – 20% lapse rate. The slide also suggests *“the need to plan for permissions on more units than the housing start / completions ambition”*. It is acknowledged that this presentation slide shows generic percentages across England but if the Councils are proposing a lower percentage then evidence to justify this position should be provided.

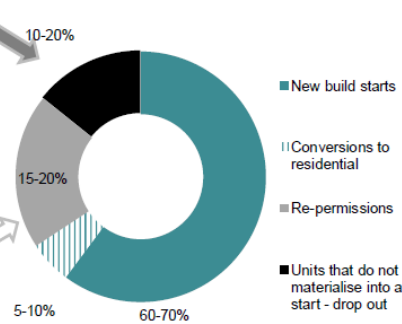
The recently published Local Plans Expert Group (LPEG) Report also recommends that *“the NPPF makes clear that local plans should be required not only to demonstrate a five year land supply but also focus on ensuring a more effective supply of developable land for the medium to long term (over the whole plan period), plus make provision for, and provide a mechanism for the release of, developable Reserve Sites equivalent to 20% of their housing requirement, as far as is consistent with the policies set out in the NPPF”* (para 11.4 of the LPEG Report).



In recent years there has been a 30-40% gap between permissions and housing starts

- **Gap of around 30-40%** between the number of permissions given for housing and starts on site within a year. Estimate that for a year's permissions for housing around:
- **10-20%** do not materialise into a start; the permission 'drops out': this could be because -
 - the landowner cannot get the price for the site that they want
 - a developer cannot secure finance or meet the terms of an option
 - the development is later not considered to be financially worthwhile
 - there are supply chain constraints hindering a start.

There may be scope to reduce this through policy.
- **15-20%** are not abandoned but a **re-permission** is sought, for example to make a major change to plans or to extend the development period.
- Recent data and realities of private market suggests need to **plan for permissions on more units than housing start/completion ambition.**



Extract from slide presentation "DCLG Planning Update" by Ruth Stanier Director of Planning - HBF Planning Conference Sept 2015

If it is necessary for the Councils to allocate additional sites then 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 including multiple outlets on Sustainable Urban Extensions (SUE). Therefore 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.

Conclusion

For the South East Lincolnshire Joint 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 Councils should re-consider OAHN, housing requirement and HLS 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 Councils in preparing the next stages of the South East Lincolnshire Joint 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