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Sent by email only

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Dear Sir / Madam

Barnsley Local Plan: Publication Draft

1. Thank you for consulting with the Home Builders Federation (HBF) on the Local Plan.
2. The HBF is the principal representative body of the house building industry in England and Wales and our representations reflect the views of our membership of multinational PLCs, through regional developers to small, local builders. Our members account for over 80% of all new housing built in England and Wales in any one year including a large proportion of the new affordable housing stock.
3. We would like to submit the following comments which are generally set out in plan order. **The HBF would also like to attend the examination in public to debate these matters further.**

General Comments

4. The HBF is keen to work with the Council in order to achieve an adopted local plan which enables an increase in the rate of house building across Barnsley. It is pleasing to note that the Council has modified the plan since the last stage of consultation in response to some of our previous concerns.
5. There are, however, a number of key areas where our concerns remain and it is considered that the plan would benefit from further evidence prior to submission, or modification to the submission document. The following comments are provided based upon our substantial experience of local plan examinations across the country.

Duty to co-operate

There is insufficient clarity to identify whether the Council's obligations under the duty to co-operate have been properly discharged.

6. The HBF is pleased to note the references towards the duty to co-operate within paragraphs 3.35 to 3.44 and the recognition that the ambitions of the city regions and Northern Powerhouse will have implications for Barnsley. The principles set out within Policy LG1: City Regions are also supported particularly the recognition that Barnsley will support the growth of Leeds, Manchester and Sheffield city regions through the provision of homes and infrastructure.
7. The Council's summer 2016 *Duty to Co-operate Statement* undoubtedly identifies that meetings have taken place and cross-boundary issues have been considered. This has included joint working upon evidence and a memorandum of understanding upon renewable energy within the South Pennines. These are positive steps towards compliance with the duty.
8. The National Planning Practice Guidance (PPG) provides advice upon compliance with the duty to co-operate, in particular it states;

"...Local Planning Authorities should have explored all available options for delivering the planning strategy within their own planning area. They should also have approached other authorities with whom it would be sensible to seek to work to deliver the planning strategy..." (ID 9-003) and "Cooperation between local planning authorities, county councils and other public bodies should produce effective policies on strategic cross boundary matters. Inspectors testing compliance with the duty at examination will assess the outcomes of cooperation and not just whether local planning authorities have approached others." (ID 9-010)

9. The key concern of the HBF is in relation to strategic housing matters. In this regard it is noted that the 2014 Strategic Housing Market Assessment (2014 SHMA) identifies that Barnsley is a self-contained housing market area, but there are strong links with other authorities, particularly Sheffield and to a lesser extent authorities within the Leeds City Region area. Given these inter-relationships the Council should clearly state whether it has or will assist in meeting the housing growth of neighbouring authorities.
10. In relation to Sheffield it is noted that the proposed site at the former Paper Mill at Oughtibridge, Local Plan reference AC44, will provide some housing for the needs arising in Sheffield. The Sheffield Local Plan is still at a relatively early stage

of development and as such its housing need remains untested. It is however clear that Sheffield may need to look towards neighbouring authorities to meet some of their housing needs. Commenting upon the submission version of the Rotherham Sites and Policies Plan Sheffield City Council (comment ID: PSP455) identifies;

“.....it will still be a possibility that, following that consultation, Sheffield City Council may seek agreement with neighbouring authorities for some of Sheffield’s housing need to be met outside the city. This will be a matter for future negotiation with the other local authorities under the duty to co-operate. A review of housing targets could depend on a range of considerations, including a potential SCR spatial plan.”

11. This issue should be clarified prior to submission. Whilst the quantum of any such need is not, at this stage, known there appears little flexibility within the Barnsley Local Plan to accommodate any such request from Sheffield.
12. It is also unclear how the identified co-operation between the Council and the city regions has been translated into the plan. For example it is noted that Sheffield City Region are planning to create 70,000 new jobs over the next 10 years, and Leeds City Region anticipate growth of 62,000 jobs by 2021. There is no clear indication whether the ambitions set out within the plan are in response to these wider city region ambitions or whether it is sufficient to meet the wider jobs growth targets.
13. Sheffield City Region are also considering the production of a city region wide spatial plan as part of its devolution deal. This will undoubtedly have implications for Barnsley. The current plan provides little flexibility to deal with these issues. To rectify this it is recommended that the plan either provides a firm commitment to an early review or provides additional sites. It is notable that the Main Modifications to the Sefton Local Plan identify an early review is required to deal with evidence being gathered as part of the work upon a Liverpool City Region spatial framework. If additional sites are provided these could, if required, be held in reserve to assist in meeting the needs of neighbouring authorities or the city region.

Policy LG1: City Regions

The policy is unsound as it will not be effective.

14. Whilst the HBF is supportive of the policy and its general principles it is unclear how the plan supports the economic growth of Leeds, Sheffield and Manchester City Regions. Indeed as noted within our comments upon the duty to co-operate, above, there is no clear link between the plan requirements for economic growth and housing and the ambitions of the three city regions. Indeed in relation to Manchester City Region this is not even mentioned in the summer 2016 *Duty to Co-operate Statement*, other than with regards renewable energy in the South Pennines, suggesting that engagement has not taken place.
15. It is recommended that clarity is provided, prior to submission, upon how the plan will assist the economic ambitions of the three City Regions and the Northern Powerhouse concept.

Policy H1: The Number of New Homes to be Built

The policy is unsound as it is not justified.

16. The plan seeks to deliver at least 20,900 net new dwellings over the plan period (2014 to 2033). This is to be provided at an average rate of 1,100 dwellings per annum (dpa). The HBF is supportive of the plan requirement being identified as a net minimum. This is considered to align with the NPPF requirements to plan positively and boost significantly the supply of housing.
17. It is noted that the net plan target of 1,100dpa is anticipated to evolve up until the Local Plan is submitted to the Planning Inspectorate for examination (Local Plan, paragraph 9.2). This is supported to ensure that the plan is based upon the most up to date evidence available at the time of submission. A key area which will require consideration is the release of the 2014 based sub national population and household projections (2014 SNPP and SNHP, respectively) which update the 2012 based projections upon which the most recent evidence within the 2016 *Housing Background Paper* is based (table 6). The PPG is clear that the most recent projections should form the 'starting point' for determining the objectively assessed housing needs and housing requirement within an area (PPG ID 2a-015). The following table provides an update, prior to alteration for empty homes, market signals and economic signals, on this starting point from the 2012 based projections.

Average annual housing need over the period 2014 to 2033

2012 SNHP	2014 SNHP	Difference
781	845	64

Source: DCLG

18. The most recent projections identify a significantly higher starting point and as such the effect upon the various scenarios set out within the 2014 SHMA and 2016 *Housing Background Paper* will need to be considered prior to submission. It is notable that they are more closely aligned with the scenarios based upon the 2008 household projections headship rates in table 6 of the 2016 *Housing Background Paper*. These return a consistently higher requirement than the other headship rate scenarios. Therefore whilst the HBF has not modelled the impact of the 2014 SNHP it is anticipated that they would justify an increase upon the 1,100dpa housing requirement suggested for Barnsley. The remainder of these comments focus upon the chosen requirement and whether this is appropriate.

19. The figure of 1,100dpa is not based upon any specific scenario. The 2014 SHMA justifies the housing requirement by reference to it being within a range as well as reference to previous rates of housing delivery over the last five years and future supply, without consideration of the Green Belt. Whilst it is agreed it sits within the range of tested scenarios the justification is considered flawed for a number of reasons.

20. Firstly the delivery levels quoted were influenced by a period of economic recession which inevitably subdued delivery. Therefore utilising such a period to support future delivery rates, would in essence be planning to replicate recessionary conditions. The 2010 *Annual Monitoring Report (AMR)* indicates that rates of completions in excess of 1,300 have been met in the past. Indeed the 2016 *Housing Background Paper* identifies that the current trajectory anticipates levels in excess of 1,450 (table at paragraph 7.1) and states;

"...We do not consider that figures in excess of 1,200 per annum to be unrealistic not least as we achieved a figure in excess of 1,300 in 2004/05..."
(paragraph 7.13).

It is therefore clear that higher rates of completions can be achieved.

21. Secondly the plan provides an opportunity for a step change in housing supply and inward investment. The Council have stated in a number of strategies and policies that the Borough is trailing behind the Yorkshire and Humber and national

averages in relation to a wide range of economic indicators. Which is leading to significant social imbalances. In particular the now adopted Economic strategy entitled “*Growing Barnsley’s Economy (2012 – 2033)*” recognises that housing plays a key role in both stimulating and supporting economic growth. It therefore stands to reason that the Council should be providing an aspirational housing target to address these imbalances. In terms of delivery, increases can be achieved by providing sites which are viable and attractive to a wide cross section of the market. Such a step change is required not only to meet the requirements of the NPPF but also to achieve the economic aspirations of the Council and wider city regions.

22. The chosen requirement sits towards the bottom of a realistic range, but its alignment with the economic prospects of the area remain unclear. The NPPF is clear that strategies for employment and housing should be integrated, a point also identified within the PPG (ID 2a-018). It is, therefore, unclear why the housing requirement is not based upon a creating sufficient jobs to meet the 17,500 stated within the plan (paragraph 2.3) or the economic ambitions of the two city regions in which it sits. Sheffield City Region are planning to create 70,000 new jobs over the next 10 years, and Leeds City Region anticipate growth of 62,000 jobs by 2021, as set out within the respective Strategic Economic Plans (SEPs). It is considered that further information relating to how the job creation and housing delivery identified by the plan assist in meeting the local and city region targets for growth. In addition clarity upon which, if any, of the scenarios identified within the 2014 SHMA most closely relate to the cumulative level of jobs growth ambitions from the Council and City Regions.

23. The closest scenario which accounts for the job creation envisaged by the plan is the ‘*Jobs-led Mid*’ scenario which would create 19,833 jobs over the plan period. The 2016 *Housing Background Paper* identifies to meet this level of jobs growth would require between 1,475 and 1,649 dwellings to be delivered per annum, dependent upon the headship rates used. Given that the 2014 SNHP are more closely related to the 2008 headship rate scenario a figure close to 1,649dpa is anticipated.

24. The 2016 *Housing Background Paper* suggests that such a level of job creation may lead to increases in economic activity rates and changes in commuting patterns. The 2014 SHMA devises a number of sensitivity tests for this in relation to the ‘*Jobs Led Policy-on scenario*’ (2014 SHMA, table 4.3). The results of these sensitivity tests are displayed in table 4.4 of the 2014 SHMA, unfortunately the

'Jobs-led Mid' scenario is not tested in this manner. The HBF does not dispute that an increase in jobs may lead to increased economic activity rates, indeed increases to the State Pension Age are likely to ensure this is a reality. However there is no direct evidence to support the realism of the sensitivity rates applied.

25. It is notable that the alterations to the commuting ratio have the largest influence upon the overall housing requirement. This is also the most difficult to control, particularly for an area such as Barnsley which is heavily influenced by commuting to jobs in nearby centres, particularly Sheffield and Leeds. Given the location of these centres and the fact that both are anticipating growth it is not considered realistic that significant changes to the rates of commuting can be achieved. Furthermore any changes to commuting patterns would require agreement under the duty to co-operate as this would have 'knock-on' effects for the housing requirements in neighbouring authorities.

26. The 2014 SHMA also considers market signals, as required by the PPG. At face-value the HBF would agree that these do not appear to suggest any adjustment to the objectively assessed housing need is required. It is, however, notable that the period of analysis is short (2010 to 2014). This will undoubtedly mask longer term trends, particularly as the period is influenced by the recent economic recession. A longer term analysis is therefore recommended.

27. In terms of previous rates of delivery it is clear that under-delivery has occurred when considered against previous targets. Due to the impact this has upon the projections the PPG advises;

"...If the historic rate of development shows that actual supply falls below planned supply, future supply should be increased to reflect the likelihood of under-delivery of a plan"

28. Furthermore consideration of the lower quartile house price to income affordability ratio since 2014 shows a continually worsening picture. Whilst Barnsley is still relatively affordable this worsening picture combined with previous under-delivery suggest that an increase in the housing figures may be justified.

29. In summary the HBF recommends the following actions;

- Consideration be given to the 2014 SNHP;

- Clarity be provided over the level of jobs growth being planned for over the plan period and how this relates to local and regional ambitions;
- Justification for the application of any of the sensitivity tests upon economic activity rates and commuting identified in the 2014 SHMA;
- Consideration of the impact of previous under-delivery and worsening affordability.

Policy H2: The Distribution of New Homes

The policy is considered unsound as it is not positively prepared, justified or effective.

30. Whilst the HBF does not wish to comment upon the distribution of new homes, the table within Policy H2 indicates a buffer of just 466 dwellings, approximately 2% (291 dwellings) above the proposed housing requirement. This inevitably means that flexibility within the plan will be limited. Therefore any under or none delivery from allocations, sites with planning permission or windfalls is likely to create difficulties in achieving the overall housing requirement identified within the plan. This lack of a buffer would appear contrary to the NPPF requirements for flexibility and choice within the plan. It should also be noted that as the plan requirement is, correctly, identified as a minimum it would be appropriate to provide opportunities to surpass the overall requirement.
31. It is also clear from the evidence that some areas of Barnsley may struggle to deliver the required amount of housing due to the significant viability issues identified within the Council's evidence base. The Council will need to consider the deliverability of all sites carefully and provide additional sites to make good any likely shortfall.
32. It is also notable that the indicative dwelling numbers for individual sites, once totalled, exactly add up to the figures identified for individual settlements in Policy H2. It is unclear how such precision can be provided when it is considered that the site specific numbers are indicative. Given that Policy H1 identifies the housing requirement as a minimum net requirement and the fact that the site specific numbers are, correctly, identified as being indicative the figures for the various settlements identified in Policy H2 should be included as indicative minimum figures.
33. The supply is reliant upon 476 units being delivered as windfalls. Whilst the information at paragraphs 9.11 and 9.12 of the 2016 *Housing Background Paper* is noted this only relates to a three year period of an aging plan. The provision of a

new Local Plan with allocations, combined with a more detailed assessment of housing land availability is likely to reduce the number of windfalls going forward. Given these facts combined with the NPPF requirement for compelling evidence that windfalls will continue to provide a reliable source of supply (paragraph 48) further information is required to justify the windfall requirement. It is also unclear as to what effects the criteria within Policy H6 will have upon windfall delivery.

34. It is unclear whether any discount has been applied to the level of planning permissions identified to account for under or none delivery. This has been debated at numerous local plan examinations, such as the County Durham Plan, and within numerous planning appeals (Land between Station Road and Dudley Road, Honeybourne Appeal Ref: APP/H1840/A/12/2171339, Land at Todenham Road, Moreton in Marsh Appeal Ref: APP/F1610/A/10/2130320, Land at Moat House Farm, Elmdon Road, Marston Green Appeal Ref: APP/Q4625/A/11/2157515). Whilst the HBF recommend a more forensic approach be adopted all of the above cases applied a 10% lapse rate from existing permissions.

35. There is also very little flexibility provided for under-delivery from the allocations. As noted above, due to the viability issues within certain parts of Barnsley and the high density assumptions (Policy H7), this is a very real possibility. Furthermore the delivery rates and lead-in times for sites will need further scrutiny, particularly for the larger sites. There is a strong possibility that some sites may not be completed prior to the end of the plan period and as such the overall housing requirement may not be met. It is therefore important that the Council can provide clear evidence for the assumptions it applies and provide contingencies in the event that the sites fail to deliver at the anticipated rates.

36. It is recommended that a larger buffer of sites be provided. In common with the recommendations of the Local Plan Expert Group, in their recent response to Government, around 20% of the overall plan requirement is suggested. Such a buffer would not only provide choice and flexibility but also provide the potential to assist neighbouring authorities should they be unable to meet their own requirements in full.

Policy H3: Housing Site Policies

37. Whilst the HBF does not wish to comment upon the acceptability or otherwise of specific allocations it is notable that the site specific policies provide very little information upon the types of dwellings anticipated.

38. The Council's adopted Economic strategy entitled "*Growing Barnsley's Economy (2012 – 2033)*" recognises that housing plays a key role in both stimulating and supporting economic growth. The SHMA outlines the various housing requirements which if delivered would help effectively meet the needs of the borough and contribute to improving inward investment and improving existing imbalances.

39. Whilst the HBF would not support a prescriptive housing mix policy consideration ought to be provided upon how housing mix within the borough should correlate to the strength of the market area. For example, the 2014 SHMA highlights the need for 2,500 executive homes in Barnsley. If there is a requirement for executive homes then these homes should be delivered in the stronger market areas for saleability purposes. This would therefore mean that the existing allocation numbers within the stronger market areas would have to respond to accommodate such a requirement. The same is true for smaller housing which could be viably delivered in weaker market areas.

Policy H5: Residential Development on Small Non-allocated Sites

40. The HBF is supportive of this policy which positively promotes small scale development upon on-allocated sites.

Policy H6: Residential Development on Large Non-allocated Sites

This policy is considered unsound as it is not consistent with national policy or justified.

41. The policy provides priority to previously developed land and appears to exempt other sites from coming forward which are not allocated.

42. The NPPF paragraph 111 seeks to encourage, not prioritise, the re-use of previously developed land. The PPG (ID: 10-009) specifically refers to encouragement through incentives such as lower planning obligations or different funding mechanisms and the Government are providing encouragement through the introduction of brownfield registers. Furthermore the policy pays no regard to the sustainability credentials which alternative sites may provide.

43. As noted in our comments upon Policy H2 the plan appears to have very little headroom in terms of the identified supply. There is also a reliance upon windfalls. This policy will effectively reduce flexibility within Barnsley and remove a potential

supply of windfall sites, thus threatening the ability of the plan to meet the identified housing requirement. It is also unclear why the plan takes a different stance between unallocated sites below 0.4ha (policy H5) and those above 0.4ha (policy H6).

44. It is recommended that the first bullet be deleted from the policy.

Policy H8: Affordable Housing

The policy is considered unsound as it is not effective or justified.

45. The need for affordable housing is clearly evidenced by the 2014 SHMA, which identifies an annual net shortfall of 295dpa. The HBF supports the provision of affordable housing providing it is based upon a realistic assessment of viability. The HBF also supports the use of variable affordable housing targets across the district to account for the variations of viability encountered within many districts, including Barnsley, where this can be supported by evidence.

46. The plan seeks to set three targets of 30%, 20% and 10% on all sites above a threshold of 15 units, dependent upon the site location. The most recent viability work, *Local Plan Viability Studies, 2016* identifies that with a 10% affordable housing contribution the lower value areas remain unviable. Given this evidence it is unclear why the Council is choosing to impose an unviable policy requirement. This is contrary to the NPPF, paragraph 173 to 175.

47. The viability studies are relatively opaque in terms of the assumptions used in relation to build costs, professional fees, developer profit etc. The only study which identifies any modelling assumptions, in relation to residential development, appears to be the 2012, *Community Infrastructure Levy Viability Study*. This study is now somewhat dated and as such many of the assumptions utilised would also need to be updated to provide a clearer picture upon likely viability at the time of submission. For example build cost assumptions will need to be increased. Likewise the 2012 study applies a 15% developer profit level, this is below the required profit for most companies. Whilst the required developer profit will vary between developer and between sites, dependent upon the risks involved, a figure of 20% GDV has been widely accepted within many planning appeals and local plan examinations. The HBF is currently undertaking work upon this issue which will be published in due course.

48. The policy provides in-built flexibility where affordable housing targets cannot be met. Such flexibility is supported. It is, however, important that this flexibility is not used in an attempt to justify unsustainable policy aspirations.
49. The policy does not provide any reference to the impending introduction of 'Starter Homes' the Council will need to factor this into the policy. Paragraph 5.3 of the 2016 *Housing Background Paper* recognises this fact and suggests amendments will be made once the requirements are known. It is also important that the requirements and the proposed amendments are considered through further viability work to assess the impact of Starter Homes.
50. Finally the plan is unlikely to meet the annual affordable housing need of 295dpa from market housing, based upon the proposed housing requirement. This would require at least 27% of all dwellings built to be affordable dwellings. Unless the Council can show a clear and consistent alternative supply to fill any gaps in affordable housing delivery an increase in the overall housing requirement should be considered to meet the full need for market and affordable housing (NPPF, paragraph 47). This approach is consistent with the advice contained within the PPG (ID 2a-029).
51. The HBF make the following recommendations;
- The modelling assumptions be clearly set out and updated as required;
 - Updated modelling be undertaken to reflect any changes to the assumptions;
 - The targets within the policy be re-considered based upon current and any future evidence;
 - The requirement for Starter Homes be included;
 - An increase in the overall housing requirement be considered to assist in meeting the affordable housing needs.

Policy CC1: Climate Change and Sustainable Construction

The policy is unsound as it is contrary to national policy.

52. The policy appears to seek energy consumption below that specified in the Building Regulations as well as the inclusion of renewable or low carbon technologies in developments.
53. The Council will be aware of the ministerial statement dated 25th March 2015. This statement sets out that following the commencement of the amendments to

the Planning and Energy Act 2008 in the Deregulation Bill 2015, Local Planning Authorities should not seek to set energy requirements from developments which go beyond the Building Regulations. The requirement to go beyond the Building Regulations and require the inclusion of renewable or low carbon technologies is therefore unjustified.

Policy RE1: Low Carbon and Renewable Energy

54. Whilst it is recognised this policy does not seek to go beyond the Building Regulations I refer to our comments upon Policy CC1 above.

Monitoring & Indicators

This section is considered unsound as it is not effective.

55. The monitoring section lacks any details upon when a review of the local plan may be triggered to rectify delivery failures. In terms of housing such triggers could include the lack of a five year supply or delivery below the anticipated housing trajectory.

Information

56. The HBF would like to be kept informed of the progress of this document. In particular we would like to be made aware of the following;

- Submission of the plan for examination;
- The publication of the examiner's recommendations and any publicly available correspondence regarding the plan; and the
- Adoption of the plan

57. As the HBF representative for planning matters across the north of England I would like to be kept informed of any other planning documents within Barnsley and therefore request that my details are retained on your consultation database.

Yours sincerely,

MJ Good

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