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SENT BY E-MAIL AND POST

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Dear Sir / Madam

## **SOUTH GLOUCESTERSHIRE PRE SUBMISSION POLICIES SITES & PLACES 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 responses and in due course appear at future Examination Hearing Sessions to discuss these matters in greater detail.

### **The Scope of Policies Sites & Places Plan**

It is concerning that the South Gloucestershire Policies Sites & Places Plan no longer reviews settlement boundaries or includes any site allocations for residential development given the expectations of the Inspector's Final Report on the South Gloucestershire Core Strategy, existing policy commitments in the adopted Core Strategy and previous proposals for the Policies Sites & Places Plan set out in earlier consultation documents.

The Inspector's Report on the South Gloucestershire Core Strategy anticipated that non-strategic development would be delivered through the

forthcoming Policies Sites & Places Plan which would provide a degree of flexibility in accommodating housing pressures (paras 37, 54, 55, 56 & 68). This expectation is confirmed in the adopted Core Strategy which states that the Policies Sites & Places Plan will contain non-strategic site allocations, any changes to village settlement boundaries and detailed Development Management Policies (see para 1.6 together with Policy CS5 Bullet Points 5(b) & 6(a) and Policy CS34 Bullet Point 5).

As currently set out in the Introduction of the pre-submission Policies Sites & Places Plan (see para 1.18) it is understood that the Council now proposes to review settlement boundaries and non-strategic residential site allocations as part of a new Local Plan to be adopted by 2018. However this proposal is untenable in South Gloucestershire where there is a housing land supply shortfall of 1,500 dwellings against the housing requirement set out in the adopted Core Strategy. Since the purpose of the Policies Sites & Places Plan is to support delivery of the adopted Core Strategy it is difficult to comprehend that this role can be fulfilled without the review of settlement boundaries and non-strategic residential site allocations. Moreover the Annual Monitoring Report actively promotes using the Policies Sites & Places Plan to address the housing land supply shortfall in particular the lack of 5 YHLS. Furthermore it is incomprehensible that the Council can justify the allocation of Local Designated Green Spaces which will restrict development whilst not allocating housing sites to rectify the housing land supply shortage.

The housing requirement set out in the adopted Core Strategy should not be seen as a maximum and therefore not treated as a ceiling to overall housing land supply. At this time the question is whether or not the overall housing land supply capacity within the existing settlement boundaries without a review is sufficient to satisfactorily accommodate the housing requirement for South Gloucestershire as set out in the adopted Core Strategy. If the existing settlement boundaries are too tightly drawn there will be no flexibility and sustainable development will be prevented from coming forward since development outside the settlement boundaries is restricted. The Council's latest evidence demonstrates a housing land supply deficit. So the Council should rectify this situation through the Policies Sites & Places Plan by identifying housing site allocations and demonstrating that settlement boundaries provide for this level of housing land supply including some contingency and flexibility. Without sufficient capacity within the settlement boundaries the Council continues to risk not having a 5 YHLS in which case under para 49 of the NPPF the Core Strategy and Policies Sites & Places Plan housing policies including all policies restricting housing development such as settlement boundaries and Designated Local Green Spaces (see Court of Appeal Judgement *Richborough Estates Partnership LLP v Cheshire East Borough Council & SoS CLG (C1/2015/0894)*) will be out of date. The proposed delay to site allocations is unreasonable and flies in the face of a plan led system of planning.

It is also noted that the Council makes reference to the preparation of the West of England Joint Spatial Plan (JSP). Whilst the development industries original concerns about the unsoundness of an evidence base for the JSP which excluded Bath & North East Somerset (BANES) District Council from

the objectively assessed housing needs (OAHN) of the Wider Bristol Housing Market Area (HMA) have been resolved by an understanding that the BANES Strategic Housing Market Area Assessment (SHMAA) will be up dated. There is now concern about any unintended consequences for the preparation of the JSP by the Combined Authority arising from the decision of North Somerset District Council to withdraw from the Devolution Deal for the West of England.

### **Policy PSP1 : Local Distinctiveness**

The purpose of Policy PSP1 is unclear as it adds nothing more to Policy CS1 of the adopted Core Strategy. There are no further details on the assessment of Policy CS1 because Policy PSP1 does not provide any positive guidance on how applications for planning permission will be determined. It is suggested that Policy PSP1 is either deleted or modified to be clearer and more positively planned including the wording “*development will be permitted*” rather than “*will be acceptable*”.

### **Policy PSP4 : Designated Local Green Spaces**

As previously set out in representations to the Draft Policies Sites & Places Plan consultation the HBF remains concerned about the number of proposed Designated Local Green Spaces. The HBF is supportive of the reduction from circa 590 to circa 234 proposed spaces but remains concerned as to whether or not all the spaces listed in Appendix 2 comply with the NPPF (paras 76 & 77). As previously stated the Council should bear in mind that “*the Local Green Space designation will not be appropriate for most green areas or open space*” because any area designated as Local Green Space must be demonstrably special to a local community and be of particular local significance because of its beauty, historic significance and recreational value. The NPPG (ID 37-009-20140306) emphasises that this demonstrably special nature must be evidenced. The NPPF also confirms that managing development within a Designated Local Green Space should be consistent with national policy for Green Belts (para 78). A Designated Local Green Space should be local in character as opposed to an extensive tract of land (NPPG ID: 37-015-20140306) therefore the blanket designation of large pieces of land and open countryside adjacent to settlements is not appropriate. A Designated Local Green Space should not be seen to be achieving by stealth the designation of a localised Green Belt around a particular settlement as stated in the NPPG “*in particular designations should not be proposed as a “back door” way to try to achieve what would amount to a new area of Green Belt by another name*” (ID 37-015-20140306).

As set out earlier in this representation it is difficult to comprehend the allocation of Local Designated Green Spaces without also allocating housing sites especially given the Council’s lack of a 5 YHLS. This is because as set out in the NPPG “*designating any Local Green Space will need to be consistent with local planning for sustainable development in an area. In particular Plans must identify sufficient land in sustainable locations to meet identified development needs and the Local Green Space designation should not be used in a way that undermines this aim of plan making*” (ID 37-007-20140306). Since the designation of Local Green Space is subservient to the

requirement that the Local Plan must meet the identified needs of the area for homes, jobs and other infrastructure (NPPF para 76) the Council should first ensure that the Plan meets the identified needs of the District and only when this is assured should the designation of Local Green Spaces be considered.

### **Policy PSP5 : Undesignated Open Spaces within Urban Areas & Settlements**

Policy PSP5 is unclear and misleading. It seems that the Council is alluding to improve such undesignated open spaces by off-site developer contributions. However this is inappropriate and non-compliant with the tests for planning obligations set out in the NPPF (para 204). It is recommended that Policy PSP5 is either deleted or substantially changed.

### **Policy PSP6 : On site Renewable and Low Carbon Energy**

Policy PSP6 should allow developers to select the most appropriate way to achieve the aims of this policy. As written the energy hierarchy set out in Policy PSP6 requires provision of renewable and / or low carbon energy on or near the site first whereas it is most likely that the policy target can be achieved by a fabric first approach using the integration of passive design and energy efficiency measures without resorting to renewable and / or low carbon energy generation. Therefore it is recommended that the energy hierarchy in Policy PSP6 is re-ordered.

### **Policy PSP9 : Health Impact Assessments**

The NPPF makes no reference to Health Impact Assessments indeed under para 171 it is the responsibility of the Council to work with public health organisations to understand and improve the health and well-being of the local population rather than the responsibility of parties making planning permission applications. It is suggested that Policy PSP9 is deleted.

### **Policy PSP37 : Internal Space and Accessibility Standards for Dwellings**

Policy PSP37 introduces the nationally described space standard and the higher optional M4(2) adaptable and accessible standard for all dwellings plus 8% M4(3) wheelchair adapted homes for affordable housing. It is recommended that the Council reconsiders its proposed requirements as set out in Policy PSP37.

The Written Ministerial Statement dated 25<sup>th</sup> March 2015 stated that *“the optional new national technical standards should only be required through any new Local Plan policies if they address a clearly evidenced need, and where their impact on viability has been considered, in accordance with the NPPG”*. If the Council wishes to adopt the higher optional standards for accessible & adaptable homes and the nationally described space standard the Council should only do so by applying the criteria set out in the NPPG. The NPPG sets out that *“Where a need for internal space standards is identified, local planning authorities should provide justification for requiring internal space policies. Local Planning Authorities should take account of the following areas*

*need, viability and timing*” (ID: 56-020-20150327). The Council’s evidence set out in its Topic Paper is generic so it is not specific to South Gloucestershire. If it had been the Government’s intention that such generic arguments justified adoption of the nationally described space standards and the higher optional standards for adaptable / accessible dwellings then the logical solution would have been to incorporate the standards as mandatory via the Building Regulations which the Government has not done. Therefore it is incumbent on the Council to provide a local assessment evidencing the specific case for South Gloucestershire which justifies the inclusion of the nationally described space standard in its Local Plan policy. The Council should also revise Policy PSP37 as the NPPG confirms that “*Local Plan policies for wheelchair accessible homes should be applied only to those dwellings where the local authority is responsible for allocating or nominating a person to live in that dwelling*” (ID 56-009-20150327).

The latest evidence on whole plan viability testing is contained in the document South Gloucestershire Council Viability of Proposed Policies, Sites & Places DPD by Adams Integra dated April 2015. The residual land value model is highly sensitive to changes in its inputs whereby an adjustment or an error in any one assumption can have a significant impact on viability. Therefore it is important for the Council to understand and test the influence of all inputs on the residual land value as this determines whether or not land is released for development. In the Council’s viability testing it appears that the cost of providing M4(3) wheelchair standards was only applied to 5% of affordable housing dwellings rather than the policy requirement of 8%. Similarly whilst Appendix 1 confirms that the nationally described space standard as well as all other policy requirements has been applied to affordable housing it is not obvious if these same criteria were applied to market housing. It is also unclear if the viability assessment incorporated a reduction in transfer values for affordable housing because of proposed social rent reductions over the next four years introduced in the 2015 Summer Budget. However even with uncertainties about some assumptions used in the viability assessment the conclusions in Appendix 1 demonstrate that sites of 14+ dwellings are unviable except in Value Point 5 area whilst sites of >9 dwellings are unviable in Value Point 2 area. Moreover in Policy PSP42 Bullet Point 10 custom build dwellings are excluded from the same space standards criteria because the Council has concluded that an increase in accommodation size increases costs and therefore makes housing less affordable (see para 8.48) so the Council’s imposition of extra costs on all other forms of new housing to make it more expensive is unjustified.

### **Policy PSP42 : Custom Build Dwellings**

Policy PSP42 states that on sites of 10+ dwellings self build will be encouraged (Bullet Point 3) and on sites of 100+ dwellings at least 5% of dwellings are required to be serviced plots and / or shell homes (Bullet Point 4). On unviable sites developers will be required to investigate self build as an alternative to affordable housing provision. It is recommended that Policy PSP42 is given further consideration by the Council.

The HBF is not persuaded by the contents of the Council's Topic Paper as justification for this policy. Whilst the HBF supports custom build in principle for its potential contribution to overall housing supply the Council's approach to custom build should be positively undertaken to increase the total amount of new housing developed rather than by a restrictive policy requirement for inclusion of such housing on sites of 100+ dwellings. Such a policy approach only changes the house building delivery mechanism from one form of house building company to another without any consequential additional contribution to boosting housing supply. If these serviced plots / shell homes are not developed by custom builders then the Council has effectively caused an unnecessary delay to the delivery of these homes. Moreover Policy PSP42 provides no recourse for the original house builder to develop out these serviced plots / shell products if not sold to custom builders. The Council should also give detailed consideration to the practicalities (for example health & safety implications, working hours, length of build programme, etc.) of implementing any such policy. The Council should refer to the East Devon Inspector's Final Report dated January 2016 which expresses reservations about the implementation difficulties associated with this sort of policy. In para 46 the Inspector states "*However, I don't see how the planning system can make developers sell land to potential rivals (and at a reasonable price)*".

If the Council wishes to promote custom build it should do so on the basis of evidence of such need. It is not evident that the Council has assessed such housing needs in its SHMA work as set out in the NPPG under ID 2a-021-20140306 whereby the Council should collate from reliable local information the local demand for people wishing to build their own homes. Furthermore it is understood from the document South Gloucestershire Council Viability of Proposed Policies, Sites & Places DPD by Adams Integra dated April 2015 that the impact of Policy PSP42 on development of over 100 units has not been viability tested as it is judged to have a neutral effect on viability. However unless this assumption is viability tested such a judgement has not been proven as correct. The NPPG confirms that "*different types of residential development such as those wanting to build their own homes ... are funded and delivered in different ways. This should be reflected in viability assessments*" (ID 10-009-20140306).

### **Policy PSP43 : Private Amenity Space Standards**

The Deregulation Act 2015 specifies that Councils should not set any additional local technical standards or requirements relating to the construction, internal layout or performance of new dwellings. The only technical standards that can now be considered and incorporated into Local Plans are restricted to the nationally described space standard, an optional requirement for water usage and optional requirements for adaptable / accessible dwellings. The Council's proposals under Policy PSP43 for minimum private amenity space standards are beyond these permissible standards and therefore non-compliant with national policy. Policy PSP43 should be deleted together with any reference to Policy PSP43 in the Council's Technical Advice Note Assessing Residential Amenity dated June 2016.

## Conclusions

For the South Gloucestershire Policies Sites & Places 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. In its current form the Policies Sites & Places Plan is unsound because of :-

- the failure to fulfil its purpose of supporting delivery of the adopted Core Strategy by not allocating non-strategic housing sites or reviewing settlement boundaries ;
- the proposed allocation of Designated Local Green Spaces (Policy PSP4) to restrict development whilst not allocating non-strategic housing sites despite a 5 YHLS deficit and ;
- the introduction of unjustified policies on housing standards (Policies PSP37 & PSP43), custom build (Policy PSP42), design (Policy PSP1), on-site renewable / low carbon energy generation (Policy PSP6), developer contributions to improve undesignated green spaces (Policy PSP5) and health impact assessments (Policy PSP9).

It is suggested that the Council re-considers these matters in order to avoid submitting an unsound Plan for examination. In the meantime it is hoped that these representations are of assistance to the Council. If any further information or assistance is required please contact the undersigned.

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



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