

Planning Policy
Newcastle City Council
Planning Policy
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Dear Sir / Madam,

NEWCASTLE LOCAL PLAN: DEVELOPMENT AND ALLOCATIONS PLAN (Draft Plan) (Reg 18)

Thank you for consulting with the Home Builders Federation on the Newcastle Local Plan: Development and Allocations Plan (Draft Plan) Regulation 18 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.

Policy DM5 – Housing Sites

The HBF does not wish to comment upon the acceptability or otherwise of individual sites. It is, however, important that all the sites contained within the plan are deliverable over the plan period.

The Council's assumptions on sites in relation to delivery and capacity should be realistic based on evidence supported by the parties responsible for housing delivery and sense checked by the Council based on local knowledge and historical empirical data.

It is important that the plan should seek not only to provide sufficient development opportunities to meet the housing requirement but also to provide a buffer over and above this requirement. The reasons for the inclusion of such a buffer are two-fold. Firstly, the NPPF is clear that plans should be positively prepared, aspirational and significantly boost housing supply. In this regard the housing requirements set within the plan should be viewed as a minimum requirement, this interpretation is consistent with numerous inspectors' decisions following local plan examination. Therefore, if the plan is to achieve its housing requirement as a minimum, it stands to reason that additional sites are required to enable the plan requirements to be surpassed. Secondly, to provide flexibility. A buffer of sites will therefore provide greater

opportunities for the plan to deliver its housing requirement. The HBF recommend a 20% buffer of sites be included within the plan.

Housing Standards

In 2013, The Housing Standards Review (the Review) was launched which sought to simplify and rationalise the raft of housing standards which local authorities applied to development. At the heart of the Review was a desire to reduce developer costs and create attractive conditions to significantly boost housing delivery. The industry was heavily involved in the Review.

The outcome of the Review was the establishment via Building Regulations of mandatory baseline standards which apply nationwide to all developments. The Government also created a series of enhanced Optional Standards relating to access and water, along with a new optional national standard on internal space. All of these are implemented through planning but access and water are optional Building Regulations and Space Standards are planning only.

The Government have confirmed that the enhanced standards were intended to be optional and that they would only be needed and viable in certain local circumstances. Otherwise, they would have been made mandatory in Building Regulations across the country. The standards could only be introduced via a new Local Plan and to do so, clear evidence of need had to be demonstrated and impact upon viability had to be considered.

The 25th March 2015 Written Ministerial Statement stated that *'the optional new national technical standards should only be required through any new Local plan policies if they address a clearly evidence need, and where their impact has been considered, in accordance with the NPPF and Planning Guidance'*.

Policy DM6 – Accessible and Adaptable Housing

This policy introduces accessibility and adaptability housing standards. PPG (ID 56-07) identifies the type of evidence required to introduce such a policy, including the likely future need; the size, location, type and quality of dwellings needed; the accessibility and adaptability of the existing stock; how the needs vary across different housing tenures; and the overall viability. PPG is also clear that local authorities can only adopt a policy to provide enhanced accessibility or adaptability by reference to requirement M4(2) and / or M4(3) of the optional requirements in the Building Regulations and should not impose any additional requirements. The HBF recommends the Council ensure that the appropriate evidence is available to support this policy in line with that set out in the PPG, and that greater clarity is added to the policy to make clear the references to requirements M4(2) and / or M4(3).

It is considered that the Council should take into consideration any implications the requirements of this policy may have on the viability of a development. Paragraph 173 of the NPPF established the importance of viability testing to ensure that the sites and scale of development identified in the Plan should not be subject to such scale of obligations and policy burden that their ability to be developed might be threatened. The HBF recommends that the Council consider the addition of a viability clause with this policy. Particularly, as the Viability and Deliverability Update only

considers costs for 25% 'accessible and adaptable' homes, and it still does not show that this is viable across the whole authority. The Council should be mindful that it is unrealistic to negotiate every site on a one by one basis because the base-line aspiration of a policy or combination of policies is set too high as this will jeopardise future housing delivery. Therefore site by site negotiations on these sites should occur occasionally rather than routinely.

Policy DM7 – Space Standards

This policy introduces minimum internal floorspace standards from January 2020. Again PPG (ID 56-020) identifies the type of evidence required to introduce such a policy. It states 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** – *evidence should be provided on the size and type of dwellings currently being built in the area, to ensure the impacts of adopting space standards can be properly assessed, for example, to consider any potential impact on meeting demand for starter homes.*
- **Viability** – *the impact of adopting the space standard should be considered as part of a plan's viability assessment with account taken of the impact of potentially larger dwellings on land supply. Local planning authorities will also need to consider impacts on affordability where a space standard is to be adopted.*
- **Timing** – *there may need to be a reasonable transitional period following adoption of a new policy on space standards to enable developers to factor the cost of space standards into future land acquisitions'.*

The Council presents its justification for needing space standards in its September 2017 document titled 'Addressing Housing Needs and Standards'.

The HBF recommends the Council ensure that the appropriate evidence is available to support this policy in line with that set out in the PPG. For example, at present the evidence has only considered dwellings built over the last two years, the HBF would expect the evidence to have covered a long time period. It is also considered that just collating evidence of the size of dwellings completed does not in itself identify need. It would be expected that the evidence would include market indicators such as quality of life impacts or reduced sales in areas where the standards are not currently being met.

Again, the HBF would also highlight the need to consider the viability of the requirements of this policy and the evidence provided by the Council itself within its Viability and Deliverability Update.

Future Engagement

I trust that the Council will find these comments useful as it continues to progress its Local Plan. I would be happy to discuss these issues in greater detail or assist in facilitating discussions with the wider house building industry.

The HBF would like to be kept informed of all forthcoming consultations upon the Local Plan and associated documents. Please use the contact details provided below for future correspondence.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'J. Harding', written in a cursive style.

Joanne Harding

Local Plans Manager – North

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