

Sent by email to: newlocalplan@wycombe.gov.uk

27/11/2017

Dear Sir/ Madam

Response by the House Builders Federation to the Wycombe District Local Plan – Publication version

Thank you for consulting the Home Builders Federation (HBF) on the Wycombe District Local Plan. The HBF is the principal representative body of the housebuilding industry in England and Wales and our representations reflect the views of discussions with our membership of national and multinational corporations through to regional developers and small local housebuilders. Our members account for over 80% of all new housing built in England and Wales in any one year.

We would like to submit the following representations on the Local Plan and we would welcome, in due course, participating in hearings of the Examination in Public.

Duty to Co-operate

It would appear from the evidence that Wycombe District Council (WDC) have met the Duty to Co-operate in relation to meeting housing needs for the Housing Market Area (HMA). There is a clear agreement between the Council's in the HMA to meet needs in full. The unmet needs of Wycombe will be met by Aylesbury Vale District Council (AVDC) and this has been set out in their local plan as we suggested. However, we are concerned that this co-operation is based on a housing needs assessment that seeks to significantly reduce the overall level of housing need for the HMA. In particular the latest assessment has reduced the demographic starting point for AVDC, and subsequently its objective assessed housing need (OAN), which has in turn provided greater scope for the needs of the other authorities in the HMA to be met.

In our response to the Wycombe Local Plan regulation 18 consultation we did not have any significant concerns with the approach taken in the January 2016 Housing and Economic Development Needs Assessment. Whilst a 10 year migratory projection was used, a position we do not support, the difference in the demographic starting between this approach and the DCLG Household Projections was minimal and limited our concerns. However, since the regulation 18 consultation the HEDNA has been updated to take into account the latest 2014 based population projections published in the summer of 2016 which has resulted in a significant reduction on the assessment of housing needs. We would support the Council in undertaking such an update which is in line with Planning Practice Guidance, however, we are surprised as to the outcomes

of the update. Having examined the 2014 based Household Projections for the HMA we note that between 2013 and 2033 households were expected to increase by 1,925 homes compared to the 2012 based projections. The updated HEDNA though sets out a distinctly different projection of household growth. Between 2013 and 2033 it is projected in the updated HEDNA that the demographic starting point for assessing housing needs to be 2,826 **fewer** households than the HEDNA using the 2012 based household projections. It seems surprising that the updated HEDNA would see the opposite trend to the data that it is using as the basis for own assessment. Despite this significant discrepancy we cannot find any explanation as to why the upward trend in the official projections leads to a reduction in households using the Council's methodology.

Of particular concern is the fact that the HEDNA sets out that AVDC are expected to see growth that is significantly lower than that set out in the original HEDNA. The reason for our concern is that AVDC are expected to meet the unmet needs arising from the other authorities in the HMA. The updated HEDNA shows a reduction in the total number of households expected to form during the plan period in AVDC from 18,144 households using the 2012 based projections to 16,933 using the 2014 based data. However, the 2014 based household projections expected there to be 2,623 more households in 2033 than was expected in the 2012 based projections. So despite the 2014 based household projections showing an increase over the 2012 projections the updated HEDNA projects a reduction in household growth for AVDC. As mentioned above, there is no explanation as to why this has occurred and given that it has enabled the HMA to meet its needs we would have expected this to be addressed in the evidence supporting the plan. In fact the most recent HEDNA continues to claim in paragraph 9 that the growth identified for AVDC is "marginally lower" than the CLG starting point. We would suggest that a reduction of 4,095 households is more than "marginally lower".

It is essential that the Council's in the HMA provide a clear justification as to the reason for this significant reduction in the demographic starting point. There are inconsistencies with both previous projections provided by the Council and those provided by the Government and ONS. The approach taken by the Councils is not clear and is one of the reasons why the Government have been looking to apply a standard methodology for assessing housing needs. However, even before the latest consultation Planning Practice Guidance (PPG) sets out that Government considers the official household projections to be robust stating in paragraph 2a-017:

"The household projections produced by the Department for Communities and Local Government are statistically robust and are based on nationally consistent assumptions."

The latest consultation 'Planning for the Right Homes in the Right Places' reiterates this position with the standard methodology being based on the household projections. Paragraph 16 of the consultation document states:

"The Office for National Statistics' projections for numbers of households in each local authority⁷ are the most robust estimates of future growth."

We recognise that the PPG allows for some sensitivity testing but it also requires these to be based on robust evidence. So whilst our initial response was positive, despite our usual concerns regarding the use of the 10 year trend, there is insufficient justification as to why these trends have changed substantially from the original HEDNA and moved in the opposite direction to the DCLG household projections.

The latest consultation also sets out that across the HMA the Government would expect the new methodology, if implemented, to require a more significant level of housing delivery. Based on the Standard Methodology the HMA would need to deliver 3,039 dwellings per annum (dpa) compared to the 2,269 dpa that is the Councils' assessment of housing need. With regard to the duty to co-operate and meeting needs across the HMA there must be a concern that AVDC's needs assessment is 534 dpa lower than the standard methodology.

In conclusion we do not consider that the level of housing needs, as set out in the updated HEDNA, to have been sufficiently justified. In particular we do not consider the substantial reduction in household growth using the government's 2014 based data to have been adequately explained. These reduce the overall level of need for the HMA and has enabled the HMA to meet its own needs and for WDC to pass its unmet needs to AVDC. If the lower level of need set out in the latest HEDNA cannot be justified then this will have significant implications for the progression of the WDC Local Plan as there would be significantly less additional development capacity in the AVDC Local Plan than anticipated.

Addressing London's unmet housing needs

There does not appear to have been much consideration during the preparation of the plan with regard to the potential impacts of unmet housing needs within the Capital. WDC, and the HMA in general, experience positive migration from London and in particular from the London Boroughs of Ealing and Hillingdon. In fact the 2011 Census showed that these two Borough are the 1st and 4th most significant contributors to the Borough's population. The census showed that in between 2010 and 2011 At the point the Borough saw and net increase of 782 people moving from London into WDC.

Table 1: 5 highest net contributors to Wycombe BC

Borough	Net migration
Hillingdon	295
Chiltern	234
South Bucks	235
Ealing	135
South Oxfordshire	108

Source: 2011 Census (Nomis)

Given that there is a significant flow of people into Wycombe from London we would have expected a greater degree of co-operation with the relevant London authorities.

Consideration has not been given as to whether there was likely to be further pressure on the HMA should London not be able to meet its own needs.

Even if London were to meet its supply expectations of 42,000 dwellings per annum (dpa) this is still significantly below the Mayor's lowest assessment of need at 49,000 dpa¹. This level of under supply is part of the reason for the severe problems the capital is facing with regard to affordability. This can be seen in the lower quartile earnings to house price ratio which for London is 13.52. If this data is examined in relation to WBC and those London Boroughs with which it has the most significant migratory relationship, Hillingdon and Ealing, there is also strong evidence to suggest similar affordability drivers which will see more people moving out of London and fewer moving into the Capital. In 2016 Hillingdon and Ealing had LQ earnings to house price ratios of 14.83 and 12.65 respectively, considerably worse than WDC and the Buckinghamshire HMA. Whilst WDC is not considered affordable, with a ratio of 11.71, housing affordability for London's growing population will be a clear driver of change in future.

However, even the delivery of 42,000 dpa would appear to be unachievable given the latest monitoring report published by the GLA indicates delivery of conventional housing (self-contained flats and houses) for the 2015/16 period as being 32,919². This degree of under provision in the Capital will also be a driver of further out-migration alongside reducing the amount of in-migration from those areas surrounding the capital as set out above. If the right homes are not available to meet growing needs then there will be little option but for these households to move to those areas surrounding the capital. As such we would have expected to see a greater degree of co-operation as to the potential impact of the Mayor's failure to meet housing needs in the capital on the Buckinghamshire HMA. In fact, as outlined above, the HEDNA is suggesting that the projected increases in population will be lower than official projections despite the pressure that is arising from London which is seeing increased out-migration and reduced in-migration from those areas surrounding the capital.

There have also been wider concerns regarding the tendency of local authorities within this area to underestimate the levels of housing needs. The recent National Infrastructure Commission (NIC) report³ on the Cambridge-Milton Keynes-Oxford Arc identified the tendency for local planning authorities in this area to run assessments that produce lower level so f housing need than official projections. On page 26 of this report the NIC states:

"... there is good reason to believe that the methodology used in undertaking assessments of local housing need can be conservative and mask high levels of unmet need."

¹ Short term assessments outlined in the evidence base for the Further Amendments to the London Plan indicated a need of 62,000 for the first ten years.

² Para 2.21 London Plan Annual Monitoring Report 2015/16 (July 2017).
https://www.london.gov.uk/sites/default/files/amr_13.pdf

³ Partnering for Prosperity: A new deal for the Cambridge-Milton-KeynesOxford Arc (National Infrastructure Commission 2017)

It would appear that the tendency to underestimate housing need is prevalent across this region. If the long term economic growth and infrastructure plans that are required for this area are to be realised then the assessments of housing need must not seek to suppress official demographic projections.

In conclusion we are concerned that the Council's in the Buckinghamshire HMA have underestimate housing needs and that they will not be able to meet housing needs in full. So whilst the co-operation has been affected it is potentially based on erroneous evidence. If there is insufficient justification for the reduction in housing needs resulting from the updated HEDNA then there will be a need for the authorities to revisit their collective approach to meeting housing needs.

We would also like to set out that it would have been beneficial for all parties had the authorities in the HMA taken a more strategic approach in preparing their Plans to ensure that housing needs could have been considered jointly by a single inspector. This allows the approach to housing needs for an HMA to be considered just once and would avoid repetition of debates. We have seen across the Country that a decision on OAN for an HMA at one EIP makes it very difficult for any inspector at subsequent EIPs using the same SHMA to disagree with their colleagues. As such we welcome approaches to strategic planning such as those taken in the North Essex HMA where a strategic plan for the whole area has been prepared and allows housing needs across the three LPAs concerned to be considered at the same time.

CP4 – Delivering Homes

The policy is unsound as it not sufficiently justified or consistent with national policy

Despite the use of the 10 year migratory trend we have no significant concerns regarding the assessment of housing needs for WDC. The use of the ten year migration trend has resulted in a starting point not dissimilar to the DCLG Household projections and as such would seem reasonable. We would also support the 20% uplift in response to market signals. These indicators show WDC has a worsening trend regarding the unaffordability of housing that would support this degree of uplift.

However, as outlined above, we have concerns that the Council's assessment of needs across the HMA is insufficient. The decrease in the objective assessment of housing needs is contrary to the picture presented by the latest DCLG Household Projections and has not been justified in the updated HEDNA. We recognise that the housing requirement set out in the Local Plan is a capacity constrained figure and that unmet needs are being met by AVDC. However, we consider the overall provision of the HMA to be unjustified at present which will potentially require WDC to reconsider its development strategy and allocate further sites for development.

In addition the housing requirement is not set as a minimum. In order to ensure that decision makers can take a positive approach to new development, as required by the NPPF, then the requirement should be expressed as a minimum. This will ensure that where development that complies with the plan, but which is not identified as an allocation, will continue to be supported. Where requirements are not expressed in this

way there is a danger of the requirement being seen as a maximum and the expectation that development will cease on reaching this level.

We are not convinced that the policy will be effective in delivering 1,400 new homes in the tier 3, 4, 5 and 6 settlements. The Council expect many of these to be delivered through neighbourhood plans and there is often little appetite in communities to take forward plans that deliver growth. It is important that where this happens the Council have set out that they will intervene to support housing delivery in these settlements. We would suggest that in order to ensure that the proposed level of development in these settlements comes forward the Council sets out their expectations for each of these settlements within CP4. In addition, the policy should set out that where communities fail to bring neighbourhood plans forward within 12 months of the adoption of the Local Plan the Council will intervene, and applications will be supported where they are in line with the Local Plan.

Policy CP7 – Delivering infrastructure to support growth

This policy is unsound as it is not effective

Policy CP7 sets out that the Council will use both planning obligations and the Community Infrastructure Levy to support the delivery of new development. However, we are concerned that the Council have not looked to review its CIL charging Schedule alongside the Local Plan to ensure that the current charge will not place an undue burden on both allocated sites and windfall developments. In particular we are concerned with regard to the high level of on-site infrastructure provision for many of the larger allocated sites and that consideration should be given as to varying CIL to take account of these additional costs. It may be appropriate for the Council to zero rate some sites with regard to CIL to ensure their viability given the potential level of onsite provision. There is also the significant risk that many sites could be charged twice for the same infrastructure. We would therefore suggest that as part of policy CP7 the Council commits to reviewing CIL on adoption of the Local Plan to ensure that the costs of onsite infrastructure provision are fully reflected in the Council's Charging Schedule.

DM22 – Housing Mix

Part 2 of the policy on self-build plots is unsound as inconsistent with national policy, ineffective and unjustified

Whilst we support the encouragement of self-build housing through the local plan we consider the requirement for 5% of all homes on sites of over 100 to be self-build plots is not justified and inconsistent with national policy. Whilst we recognise that Local Planning Authorities now have a duty to promote self-build housing we do not consider the Council to have looked at sufficient options with regard to how it can provide plots to support self-builders. Paragraph 57-024 of the PPG sets out a variety of approaches that need to be considered – including the use of their own land. This is reiterated in para 57-14 of the PPG which sets out the need for Council's to consider how they can support the delivery of self-build plots through their housing, land disposal and regeneration functions. In particular this paragraph focuses on the need to consider the

use of their own land to support the delivery of self-build plots. We cannot find any evidence as to the Council's consideration of other reasonable approaches, such as the use of their own land, through the Sustainability Appraisal or any other evidence. Without such consideration it would appear that the Council is seeking to place the burden for delivery of self-build plots on house-builders without looking sufficiently at other delivery mechanisms as set out in national guidance.

We also consider the policy to be inconsistent with the third bullet point of paragraph 57-025 of PPG. This outlines that the Council should engage with landowners and encourage them to consider self-build and custom housebuilding. The approach taken by the Council moves beyond encouragement and requires land owners to bring forward plots. We would therefore suggest that the policy be deleted and replaced with a policy that seeks to encourage the provision of self-build plots.

We do not consider the need for plots based on the 194 people who have registered an expression of interest with regard to self-build to be a sound basis for setting the requirement in the policy. Further work needs to be undertaken to assess the number of these that are realistically able to achieve this aspiration. The evidence does not consider the delivery of self and custom build housing coming forward as a result of windfall development and seeks to provide the entirely through larger sites. If a target is to be included it needs to be realistic to ensure that where self and custom build plots are provided they are delivered and do not remain unsold.

Where plots are not sold it is important that the Council's policy is clear as to when these revert to the developer. At present this policy makes no such provision and as such is ineffective. We would suggest that the policy state that if a plot remains unsold within 6 months of it being offered on the open market that it should revert back to the developer to be delivered as part of the overall scheme. We would also recommend that if development of a purchased plot has not commenced within three years of purchase that the buyer be refunded and the plot reverts to the developer. It is important that plots should not be left empty to detriment of its neighbours or the development as a whole.

Paragraph 14 of the NPPF requires Local Plan to be flexible and able to adapt to rapid change. A key part of ensuring such flexibility is to allow development that is made unviable by policies provisions requiring different forms of housing, such as self-build plots, to progress without the policy being applied in that instance. At present the policy does not have this flexibility and as such is unsound. To make the policy sufficiently flexible we would suggest that "where viable is included in the requirement to provide self-build homes. We are also concerned that there may well be sites where it is not possible to provide self-build plots in a way that conform sufficiently with site health and safety requirements. We would therefore suggest that further flexibility is added to the policy that where the nature of site does not support the effective and safe provision of self-build plots then the policy should not be applied.

DM24 – Affordable housing

Parts of this policy are unsound as they are not consistent with national policy

We have two concerns regarding the soundness of this policy. Firstly the policy does not have the required flexibility that will support the delivery of development made unviable by this policy. Secondly, the policy does not have the necessary clarity to support predictable and efficient decision making.

Paragraph 173 of the NPPF requires LPAs to ensure that their Plans are deliverable and that the scale of obligations and policy burdens do not threaten the viability of the development identified in their Plan. Aside from major sites it is only possible to test a series of notional sites in a whole plan viability assessment. Whilst we recognise this is the correct approach to assessing whole plan viability there will be instances where site specific circumstances will mean that development is made unviable by the policies in the Plan. Where this does occur the plan needs to have sufficient flexibility to react to these circumstances as set out in paragraph 14 of the NPPF. Whilst this situation is recognised in paragraph 6.36 of the Local Plan it is not sufficient for this to be stated in the supporting text. In order for the policy to be sound part 1 of DM24 must be reworded to state *“The Council will require, where viable, all development ...”*

We also consider that the wording of the policy is not consistent with the core planning principles set out in the NPPF and the requirement established in paragraph 17 for Local Plans to: *“... provide a practical framework within which decisions can be made with a high degree of predictability and efficiency”*. The policy states that the Council will require “at least” 40% or 30% affordable housing to be provided on appropriate sites. This suggests that in some circumstances the Council will seek a high proportion of affordable housing provision and increases the uncertainty for the decision maker and applicant as to what the appropriate amount of affordable housing provision should be. In order to make this policy consistent with national policy we would suggest that words “at least” are removed in order to provide the necessary certainty required of such a policy.

We object to the calculation of affordable housing needs on the basis of gross internal area. It is standard practice that affordable housing contributions are calculated on the basis of numbers of units. It must be remembered that these are two different markets and this approach limits their ability to be considered as such. Requiring a proportion of the internal floorspace of a development to be affordable limits the flexibility with which a site can be best utilised to meet housing needs whilst also remaining viable. This is of added importance given that the Council have decided not to set out the mix of housing that will be looking to achieve, relying instead on the flexibility of the market to adjust to meet needs.

Overall policy DM24 as it is currently presented will create much uncertainty and is contrary to paragraphs 14, 15, 17 and 154 of the NPPF, i.e. contrary to the principles of the plan-led system (NPPF, paragraph 2). An applicant could never know for certain whether his/her application would be judged by the Council to be in accordance with the local plan.

DM28 - Employment areas

The policy is unsound as it is not consistent with national policy

Paragraph 22 of the NPPF establishes the need for local plan to be flexible when considering others uses on land allocated for an employment use. Where there is no reasonable prospect of a site being used for its allocated employment use the NPPF considers that any applications for other uses should be “*considered on their merits and having regard to the relative need for different land uses to support sustainable communities.*”. Policy CS28 as it is currently written does not provide the necessary flexibility to ensure that where such sites occur within Wycombe there are clear mechanisms to ensure it can be redeveloped. We would suggest that in order to make this policy sound the Council sets out the circumstances against which the loss of employment land will be considered appropriate. This could include assessments as to how long a site has been vacant, periods of marketing and the consideration of the benefits

DM33 – Managing Carbon Emissions

Part G is unsound as it is not consistent with national policy

This policy will require housing developers to integrate the use of renewable technologies into developments. However, the Government have been clear through both the Written Ministerial Statement dated the 25th March 2015 and Planning Practice Guidance that it considers improvements in energy efficiency and carbon reduction will be achieved through Building Regulations with only a limited number of optional technical standards that can be required through a Local Plan where there is sufficient evidence to support their implementation. There is no need for the Council, through the Local Plan, to ask for consideration to be given to further measures with regard to the use of renewable technologies. Such policies are not consistent with national policy, cannot be implemented or monitored and as such part g of the policy should be deleted.

DM40 – Internal Space Standards

This policy is unsound as it has not been justified.

The NPPG sets out the various tests that should be addressed by the local authority if it wishes to adopt the new national standard (see NPPG, ID 56-020). Among the tests, is the need for the Council to assess whether recent completions have tended to fall below the optional National Space Standard, i.e. whether there is a problem in the local authority area with new dwellings that are too small. However, we can find no evidence provided by the Council that residential development consistently fall below these existing standards.

Secondly, the local authority is required to assess the impact of adopting the standard on viability, including how the adoption of the space standard could affect the land supply and the affordability of homes. However, we have not seen an assessment by the Council of the effect the requirement may have on viability and affordability. As the Council has not sufficiently justified this policy as required by both NPPF and PPG we consider it to be unsound and as such it should be deleted.

DM41 – Optional Technical Standards for Building Regulation Approval Accessible

This policy is unsound as it has not been justified.

Local Plan will require all new dwellings to comply with Part M4(2) standard and 20% of market homes and 30% of affordable homes to be wheelchair accessible and comply with Part M4(3). These requirements are very high. Nationally the number of households with one or more wheelchair users is 3.3% (see the DCLG report *Guide to Available Disability Data* – one of the documents that the NPPG refers to that can be used by local planning authorities to help them assess the need for stipulation that a certain number of homes should be built to Part M4(3). The NPPG sets out a number of issues that the local authority will need to consider if it wishes to adopt Part M4 (2) and Part M4 (3). This includes the likely future need for wheelchair homes and the capacity of the existing stock to be adapted.

The Council has undertaken some analysis and considers that an increasingly ageing population will require more accessible homes but there is no specific data relating to the need for wheelchair accessible homes. There is also no consideration as the accessibility of the existing stock and the number of homes are currently made wheelchair accessible in order to meet the needs of its occupant. Finally the Council have not assessed the impact of this policy within its viability assessment. The impact on viability from implementing these standards is an important consideration, as the NPPG advises in paragraph 56-007, and without any evidence to show that these standards will not affect scheme viability the policy should not be included within the plan.

Conclusion

At present we do not consider the plan to be sound and do not consider the Council to have met the tests of soundness on the following areas:

- The objective assessment of housing need for the HMA has not be sufficiently justified which raises doubts as to the ability of the HMA to meet its own needs and approach to housing delivery agreed as part of the duty to co-operate;
- The housing requirement should be set as a minimum and individual requirements should be given to each tier 3 and 4 settlement in order to secure effective delivery;
- The affordable housing policy is insufficiently flexible with regard to the consideration of viability and the approach to calculating provision as a proportion of floorspace limits the flexibility of the developer to deliver appropriate and viable schemes;
- Policy DM28 on employment areas does not reflect national policy on the necessary flexibility with regard to the redevelopment of employment sites.
- Part g of DM33 is not consistent with national policy on the technical requirements that can be promoted through the local plan.

We hope these representations are of assistance in taking the plan forward to the next stage of plan preparation and examination. I would also like to express my interest in attending any relevant hearing sessions at the Examination in Public. Should you require any further clarification on the issues raised in this representation please contact me.

Yours faithfully

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