

Submission Draft Liverpool Local Plan Consultation
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Dear Sir / Madam,

LIVERPOOL LOCAL PLAN 2013-20133: PRE-SUBMISSION DRAFT

Thank you for consulting with the Home Builders Federation on the Liverpool Local Plan Pre-Submission Draft 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.

The Council will be aware that the HBF provided comments upon the previous draft of the plan on the 6th February 2018.

Plan Period

The plan period is clearly set as 2013 to 2033. Given that we are already in 2018 it appears unlikely that this will allow the Council to achieve a 15-year time horizon post adoption. The Council will be aware that the NPPF, paragraph 157, identifies a preference for a time horizon of at least 15 years. It is also noted that this time period is not in line with the evidence base, e.g. the SHELMA which covers the period 2012 to 2037. The HBF suggests that the Council consider further extending the plan period to accord with the NPPF and the evidence base.

Duty to Cooperate

Section 1 of the document sets out the work that has been undertaken cross boundary and to meet the duty to cooperate. It provides information on the Combined Authority and how the Local Plan will sit with the Single Statutory Plan for the City Region. Key strategic issues that are identified include housing and employment needs, with joint evidence having been prepared for the Liverpool City Region in the

form of the SHELMA. The SHELMA identifies Liverpool within the Central LCR housing market area along with Knowsley, Sefton, West Lancashire and Wirral. The document suggests that none of the other authorities have identified any strategic cross boundary development land use issues such as unmet housing needs.

The document also hints at other joint working in relation to infrastructure provision and Natura 2000 sites.

There does not appear to have been a Duty to Cooperate Statement prepared. And whilst it is evident that the Council have worked with other authorities to produce both the SHELMA and that meetings occur between a number of neighbouring authorities, it is not readily clear what decisions and actions have been agreed at these meetings and whether they have higher level agreement.

Compliance with the duty needs to go beyond merely consulting with neighbouring authorities, it should implement actions and have evidence of high level agreements to tackle strategic issues, including meeting the housing needs of the wider market area. As expected, the key concerns of the HBF relate to housing need and delivery, and the need for the authorities of the housing market area to work together to ensure that the need is met, and homes are delivered.

The Government proposes that all Councils will have a Statement of Common Ground (its draft form in place in six months) in place twelve months from the publication of the revised NPPF (anticipated in 2018). If any Statements of Common Ground are prepared the HBF may wish to submit further comments on the Council's legal compliance with the Duty.

STP2 Sustainable Growth Principles and Managing Environmental Impacts

Policy STP2 is not considered to be sound as it is not positively prepared, effective or consistent with national policy for the following reasons:

Policy STP2 states that '*new development should as a first priority, be located on previously developed land*'. Whilst the HBF consider that the re-use of previously developed land is generally a positive way to contribute to sustainability, it should not limit the development of other sustainable sites. The HBF also considers that it is important that the prioritisation of previously developed land does not compromise the delivery of housing to meet local needs.

The NPPF (paragraph 111) refers to encouraging rather than prioritising the effective 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.

It is therefore recommended that the policy text be amended to refer to sustainably located sites, or if reference to previously developed land is to be retained that '*as a first priority*' is replaced with '*be encouraged to*'.

HBF propose that the policy is modified as follows:

- ‘...new development should:
 - a. As a first priority, be **sustainably** located ~~on previously developed land and/or re-use an existing building~~, seek to use secondary materials such as recycled aggregates and where appropriate aim to secure the remediation of contaminated sites;’

STP5 Infrastructure Provision

Policy STP5 is not considered to be sound as it is not positively prepared, effective or consistent with national policy for the following reasons:

As set out previously, the HBF consider that it is not appropriate to limit development on sustainable sites purely because they are not previously developed.

HBF propose that the policy is modified as follows:

- ‘New developments should primarily be located on **sustainable sites** ~~previously developed land~~ in accordance with Policy STP2 and then in areas with the best infrastructure capacity, to maximise the use of existing facilities, minimise the need for new provision and reduce the need to travel.’

Policy CC24 Housing Provision in the City Centre

Policy CC24 is not considered to be sound as it is not effective, justified or consistent with national policy for the following reasons:

This policy looks for development to provide a greater proportion of 2 bed+ dwellings than 1 bed dwellings and for developments to comply with nationally prescribed technical space standards within the City Centre.

Housing Mix

The HBF understands the need for a mix of house types, sizes and tenures and is generally supportive of providing a range and choice of homes to meet the needs of the local area. It is, however, important that any policy is workable and ensures that housing delivery will not be compromised or stalled due to overly prescriptive requirements or the need to provide significant amounts of additional evidence.

The HBF recommends a flexible approach is taken regarding housing mix which recognises that needs and demand will vary from area to area and site to site; ensures that the scheme is viable; and provides an appropriate mix for the location. The HBF would also highlight the need for creating a housing market that will attract investors to Liverpool, and to provide an element of aspiration to ensure working people and families are retained within the area.

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.

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 will need robust justifiable evidence to introduce any of the optional housing standards, based on the criteria set out above. The HBF has not been able to find any evidence on the Council's website to support this policy, and it is clear that this policy should not be included within a plan without the evidence that it is needed, that it is viable and without an appropriate transitional period.

The HBF consider that standards can, in some instances, have a negative impact upon viability, increase affordability issues and reduce customer choice. In terms of choice some developers will provide entry level two, three and four-bedroom properties which may not meet the optional nationally described space standards but are required to ensure that those on lower incomes can afford a property which has their required number of bedrooms. The industry knows its customers and what they want, our members would not sell homes below the enhanced standard size if they did not appeal to the market.

The HBF does not consider that part (c) of this policy is required, it is considered that local needs can be met without the introduction of the nationally described space standards. However, if the Council decides to continue with this policy 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 consideration is given to the viability impacts of the requirements of this policy.

The Council will probably have also noted that criteria (i) and (j) are the same, and therefore one part should be deleted.

HBF propose that the policy is modified as follows:

- *'Planning permission for residential development, both new build and conversions, in the City Centre will be granted provided it:
a. Is clearly demonstrated that it will contribute to improving and diversifying the City Centre housing offer;
~~b. Will provide a greater proportion of 2 bed+ dwellings than 1 bed dwellings;~~
~~c. Complies with the Nationally Prescribed Technical Space Standards;~~
...
i. Makes adequate provision for access, parking, cycle parking, safe cycle storage facilities, servicing, external amenity space and in relation to multi-occupied developments management;
~~j. Makes adequate provision for access, parking, cycle parking, safe cycle storage facilities, servicing, external amenity space and in relation to multi-occupied developments management;'~~*

Policy H1 Housing Requirement

Policy H1 is not considered to be sound as it is not effective for the following reasons:

This policy sets a housing requirement of 34,780 dwellings in the plan period 2013-2033 at an average of 1,739 dwellings each year.

The HBF has already commented on the potential to extend the plan period in line with the SHELMA and the need to provide a 15-year plan period, an extended plan period would increase the overall requirement, this would need to be reflected in this policy.

The HBF has commented on the Liverpool City Region SHELMA, but without repeating the entire letter, which has been appended, the general points of note for this consultation are as follows. The HBF support the use of the LEP's growth ambitions and targets as the basis for calculating the employment space and housing needs of the region and considers a 0.7% pa growth target to be a legitimate figure to use for a plan period covering 2013 – 2033. The HBF considers the 'Growth Scenario' to provide an appropriate figure as it encourages a level of housing and economic growth by a reasonable, but not remarkable, degree. However, the growth scenario sees the economic activity rate rise to half of the difference between the current rate and the national average rate by the end of the forecast period. For Liverpool where the economic activity is identified as 66.1% and the national rate is 77.7%, this would be a significant increase. There is little evidence to support how this increase in economic activity would be achieved, and whilst this is not evident the HBF would recommend an increase in the housing requirement to ensure that the employment growth is not jeopardised, and appropriate housing is provided.

The policy goes on to state that the requirement will be met though amongst other sources 'windfall' housing completions on sites not currently identified. Table 7 suggests that windfall development will provide 1,950 dwellings over the plan period. Once Liverpool have adopted a plan with allocations, it would stand to reason that the level of windfall development should reduce and diminish as a source of supply. Due to the uncertainties over future supply from windfalls, the HBF would recommend that supply from windfalls is removed, and that is used as part of a buffer to boost supply and to ensure choice and flexibility in the supply. It is however, recommended that the Council monitor the provision that windfall development is making to the delivery of homes in the Borough to ensure that this supply remains and is continuing to provide additional flexibility and the opportunity to boost housing supply.

Other sources of supply include unimplemented planning consents, it is not clear at this stage what work has been undertaken to ensure that these sites are deliverable and developable or that their trajectory for delivery would see them come forward within the plan period. The HBF would recommend a thorough assessment of these consents with input from the housebuilding industry and other key stakeholders, we would be happy to help facilitate this.

HBF propose that the policy is modified as follows:

- *'The City Council will meet this requirement through the following sources of supply . . .*
~~d. "Windfall" housing completions on sites not currently identified.'~~

Policy H2 Residential Development Site Allocations

Policy H2 is not considered to be sound as it is not positively prepared, effective, or consistent with national policy for the following reasons:

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 potential capacity should be realistic based on evidence supported by the parties responsible for housing delivery; engagement with the relevant landowner, promoter or developer; 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 the necessary flexibility in line with paragraph 14 of the NPPF. A

buffer of sites will therefore provide greater opportunities for the plan to deliver its housing requirement.

Proposed Modifications in relation to Policy H2 Residential Development Site

Allocations:

- The HBF recommend that the Council engages with the relevant landowner, promoter or developer to ensure that the potential capacities identified are appropriate and to ensure that the proposed allocations are delivery within the plan period.
- The HBF recommend that further sites are allocated to meet the needs identified, rather than relying on windfall development and to provide an appropriate buffer to support delivery, and provide choice and flexibility.

Policy H3 Proposals for Residential Development

Policy H3 is not considered to be sound as it is not effective, justified or consistent with national policy for the following reasons:

Housing Mix

The first part of this policy looks for residential developments of ten or more dwellings to provide an appropriate mix of dwellings. As set out previously, the HBF understands the need for a mix of house types, sizes and tenures and is generally supportive of providing a range and choice of homes to meet the needs of the local area. However, it should be noted that the SHMA will only ever identify current deficits and reflects a snap-shot in time. The HBF would like to ensure greater flexibility within this policy to acknowledge that the mix will vary both geographically and over the plan period. It is important that any policy is workable and ensures that housing delivery will not be compromised.

Affordable Homes

The policy goes on to require developments of 10 or more dwellings to ensure that they provide 20% affordable homes.

The HBF supports the need to address the affordable housing requirements of the borough. The NPPF is, however, clear that the derivation of affordable housing policies must not only take account of need but also viability. 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.

There does not appear to be a viability report available with this document and therefore at this point it is not possible for the HBF to comment on the viability of this policy or others within the document. 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.

Proposed Modifications in relation to Policy H3 Proposals for Residential Development

- The HBF recommends a flexible approach is taken regarding housing mix which recognises that needs and demand will vary from area to area and site to site; ensures that the scheme is viable; provides an appropriate mix for the location; and reflects market demand and aspirations, not just housing need.
- The HBF recommends that further consideration is given to the viability of development in relation to the requirements of this policy and other policies within the Local Plan.
- The HBF recommends that the affordable housing requirement should be reduced to a level that has more realistic prospects of delivery.

Policy H12 Accessible Housing

Policy H12 is not considered to be sound as it is not effective, justified or consistent with national policy for the following reasons:

This policy looks for all development proposals for new homes to comply with Parts M4(2) and M4(3) of the Building Regulations. It goes on to state that 10% of all new homes must meet the needs of occupants who use wheelchairs. It also states that all new homes should meet the Government's Nationally Described Space Standards (NDSS).

There is a need for a little bit of clarity within this policy, at first it appears to suggest that all homes must comply with M4(3) of the Building Regulations, which is for wheelchair user dwellings. However, the policy then goes on to look for 10% of new homes to meet the needs of occupants who use wheelchairs.

As set out in relation to CC24, the HBF has concerns in relation to the introduction of additional housing standards in Liverpool. Whilst, the HBF is generally supportive of providing housing for specialist needs, the HBF have some concerns in relation to the need for and the evidence to support this policy.

PPG (ID 56-07) identifies the type of evidence required to introduce a policy for accessible and adaptable homes, 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. It is incumbent on the Council to provide a local assessment evidencing the specific case for Liverpool which justifies the inclusion of optional higher standards for accessible and adaptable homes. Evidence of an ageing population or those with a disability does not in itself justify the requirements of this policy, without appropriate evidence the HBF would not support the introduction of this policy.

PPG is also clear that Local Plan policies should also take into account site specific factors such as vulnerability to flooding, site topography and other site-specific circumstances which may make certain sites less suitable for M4(2) or M4(3) development. This is not evident within the policy as presently drafted.

PPG also states 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). Therefore, there will need

to be a clear policy for how the Council will work with developers and housing associations to deliver these homes.

As set out in relation to Policy CC24, the HBF has concerns in relation to the requirement to meet the Government's National Described Space Standard. 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*'. The details of the evidence required are set out above.

The HBF does not consider that this policy is required, it is considered that local needs can be met without the introduction of the optional housing standards. However, if the Council wish to pursue this policy the HBF recommends the Council ensure that an appropriate evidence base is available to support this policy in line with that set out in the PPG, that each of the requirements for consideration as set out in the PPG are contained within the policy and that appropriate viability and feasibility clauses are provided.

Proposed Modifications in relation to Policy H12 Accessible Housing

- The HBF recommend that this policy is deleted in its entirety. If the policy is to be retained, the HBF strongly recommend that the Council ensure they have the appropriate evidence to support this policy; that the elements that are not justified are deleted from the policy and that the policy is amended appropriately.

Policy H13 New Housing – Physical and Design Requirements outside the City Centre

Policy H13 is not considered to be sound as it is ineffective for the following reasons:

This policy states that the Council will determine the appropriate density for new residential development. Whilst, the NPPF, paragraph 47, does indicate local authorities can set out their own approach to housing density this should be based upon local circumstances and not harm the overall objective of boosting significantly housing supply. There is however, uncertainty surrounding this policy, which could impact on the delivery of homes.

The identified considerations such as the character of the area, the need to retain features and amenity are generally considered appropriate. However, further amendments could be made to create greater flexibility to allow developers to take account of the evidence in relation to local site characteristics, market aspirations and viability.

The Council will also need to consider its approach to density in relation to other policies in the plan. Policies such as open space provision, space standards and parking provision will all impact upon the density which can be delivered upon site.

Proposed Modifications in relation to Policy H13 New Housing - Physical and Design Requirements outside the City Centre

- *'The **applicant in consultation with the** City Council will determine the appropriate density for new residential development based on:
a. The **local site characteristics including the** density and character of the surrounding area and **particularly** the space around buildings;
b. The need to retain where appropriate natural and man-made features; and
c. The development capacity of individual sites having regard to the need to protect privacy and amenity and provision of private garden space;
d. the aspirations of the local market; and
e. the viability of the site.'*

Whole Plan Viability

The Council have not published a whole plan viability assessment as part of this consultation. This lack of evidence is not considered acceptable as it fails to give the development industry the opportunity to submit comments on the viability of a plan prior to its submission. It also suggests that the cumulative impact of the plan on the viability of development did not inform its preparation and the Council cannot say at this point whether or not the plan is deliverable. Paragraph 173 of the NPPF requires Council to consider the implications on viability of policies in the local plan, therefore the HBF consider the viability assessment to be a key supporting document that should have been published as part of this consultation.

Monitoring

The Local Plan as currently drafted does not appear to include a monitoring framework. The HBF recommends that a monitoring framework is included within the Local Plan and that it includes specific monitoring triggers, such triggers could include, but not be restricted to; persistent failure to meet the housing requirement, a lack of a five-year housing supply, and additional household growth information identifying an increased need for new housing.

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 the progress of the Inspectors Report and the adoption of this document. Please use the contact details provided below for future correspondence.

Yours sincerely,



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