

Sent by email to: policy.design@havant.gov.uk

16/02/2018

Dear Sir/ Madam

Response by the House Builders Federation to the Draft Havant Local Plan 2036

Thank you for consulting the Home Builders Federation (HBF) on the Draft 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.

Duty to Co-operate

The Duty to Co-operate (S110 of the Localism Act 2011 which introduced S33A into the 2004 Act) requires the Council to co-operate with other prescribed bodies to maximise the effectiveness of plan making by constructive, active and on-going engagement. The high level principles associated with the Duty are set out in the National Planning Policy Framework (NPPF) (paras 156, 178 – 181) and in twenty three separate paragraphs of the National Planning Practice Guidance (NPPG).

In determining if the Duty has been satisfactorily discharged it is important to consider the outcomes arising from the process of co-operation and the influence of these outcomes on the Local Plan. One of the required outcomes is the delivery of full objectively assessed housing needs (OAHN) for market and affordable housing in the housing market area (HMA) as set out in the NPPF (para 47) including the unmet needs of neighbouring authorities where it is reasonable to do so and consistent with sustainable development (NPPF para 182).

There has clearly been a reasonable degree of joint working across South Hampshire through the Partnership for Urban South Hampshire (PUSH). This partnership has worked together to prepare a number of documents including, but not limited to the Strategic Housing Market Assessment (SHMA) and the PUSH Spatial Position Statement. However, we are concerned that the proposed distribution of housing set out in the PUSH Spatial Position Statement sets is significantly lower than the needs assessment for both the Portsmouth and Southampton HMAs. Based on the SHMA it would appear that housing needs in the Portsmouth HMA are 1,980 dwellings per annum (dpa) yet the distribution of housing in the Spatial Position Statement suggests delivery will be 1,798 dpa. This would mean that there is a significant level of unmet needs within the Portsmouth area that will need to be addressed.

It will be vital that on submission of the Local Plan that the Council and its partners in the HMA can show how these needs will be addressed. In particular we are concerned that Portsmouth latest consultation suggested that they may look to meet the requirement set out in the Spatial Position Statement rather than meet identified needs. This would leave them around 4,000 homes short of meeting housing needs. In the “Constraints and Supply Analysis” paper the Council consider this issue in relation to current planning policy. The main argument used is based on the ministerial statement in December 2014 by Brandon Lewis MP the then Minister for Housing and Planning. However, the ministerial statement does not provide the full picture.

We would agree that there may be constraints that prevent an areas Objectively Assessed Need for Housing being met. However, if this is the case it is important that needs are met elsewhere in the HMA or in an adjacent HMA. The NPPF is clear on this position, stating in paragraph 179:

“Joint working should enable local planning authorities to work together to meet development requirements which cannot wholly be met within their own areas – for instance, because of a lack of physical capacity or because to do so would cause significant harm to the principles and policies of this Framework.”

It is imperative that unmet housing needs are not forgotten by those authorities in the HMA. If necessary they will need to discuss with neighbouring HMAs the potential for those areas to deliver any housing needs that are not met. Therefore, whilst there would appear to be some mechanism in place for planning across Local Planning Authority (LPA) boundaries in order to address strategic issues, further work needs to be done to ensure that the outcomes of this co-operation leads to housing needs being met.

H1: Housing need, supply and brownfield sites

Housing Needs

The Council considers its objectively assessed need for housing to be 9,260. This is the level of need is calculated using the Government’s standard methodology and represents a 28% uplift on the 2014 based DCLG household projections. Whilst the increase is only 13 dwellings per annum (dpa) above the 2016 SHMA it shows a positive attitude towards development that is a fundamental principle established in the National Planning Policy Framework. Whilst we support this decision to go beyond the assessed level of housing needs we are also conscious that the standard methodology is still only a consultation document and only upon its adoption can it be given full weight. However, we do consider the Government’s approach set out in the standard methodology to provide solid evidence as to the degree of uplift Council’s should be making to the baseline demographic projections if the Government are to achieve its national target of delivering 300,000 new homes per annum. As such we would consider the approach taken by the Council to be reasonable.

We would suggest that the Council set out in policy the minimum number of homes it will seek to deliver. We recognise that the Council expect to deliver beyond their OAN of 9,260 but we consider it helpful to set out the Council's housing requirement separately within the policy. This provides a clear basis for monitoring and the assessment of the Council's five year housing land supply and ensure that decision makers are clear as to the expectations of the Council.

Housing supply

The HBF does not comment on the merits or otherwise of individual sites therefore our representations are submitted without prejudice to any comments made by other parties on the deliverability of specific sites included in the overall housing land supply, the five-year housing land supply and housing trajectories. However, we want to stress the importance of having realistic delivery expectations within any allocations to ensure the deliverability of the plan across its lifetime.

The Council assessment of windfall supply includes the development of residential gardens. Given that paragraph 48 of the NPPF states that the calculation of windfall: "... *should not include residential gardens*" we do not consider the current assessment to be consistent with national policy. We would recommend that the approach set out in its relevant analysis and justification background paper be amended to remove the development of residential garden from the assessment of windfall supply.

H2: Affordable housing

At paragraph 6.29 of the Draft Local Plan the Council establish that they will consider supporting applications at less than the policy requirement for affordable housing where it can be shown that it would make a scheme unviable. Such an approach is in line with national policy and one we would support. However, we would suggest that this approach needs to be established in the policy rather than in the supporting text. We would suggest the following text be included in H2:

"f. Where an applicant can show that the requirements of this policy will make a development unviable the Council will consider a reduced level of provision."

Such an approach will ensure that the approach to affordable housing set out in H2 is consistent with paragraph 14 of the NPPF which requires plans to have sufficient flexibility to adapt to rapid change. Including the proposed clause within the policy will give the Council flexibility to enable it to support development should there be a change in the economy either locally or nationally.

It would also appear from the Council's evidence that 20% viability on town centre schemes could be unviable. Appendix IIIa of the Viability Study, outlines evidence on values within Havant. In this appendix it would seem that the value of flats within the Borough fall largely at or below value point 1. However, at those values the 20% requirement for affordable housing could make such development unviable. Table 1i and 1f of appendix IIa in particular show that for a 50 unit flatted scheme would be marginal even at value point 2. Given that in policy H3 the Council is seeking to deliver

significantly higher densities in Havant and Waterlooville there must be a concern this policy will place such development at risk. We would therefore suggest that the Council considers a lower affordable housing target in these areas to reflect the aspirations of the plan and the evidence with regard to values and viability of such development.

We are also concerned that the level of affordable housing contribution for retirement and sheltered accommodation could make such developments unviable. The viability study indicates that such developments even when assessed at relatively high value points of over £4,000 per square meter are only viable at 20% affordable housing contributions in the higher value areas. The costs of providing retirement and sheltered accommodation is distinctly higher with a high degree of common areas in such developments that are required but do not add any additional value to the units being sold. The Council should carefully consider whether adjustments are needed to the affordable housing policy to reflect the different viability considerations affecting such accommodation.

Finally, it is not clear in the viability assessment whether the financial contribution relating to the Solent Special Protection Area has been included in the assessment of viability. We have noted that the most recent Solent Recreation Mitigation Strategy has increased the mitigation required. This has increased the cost developers and it is essential that these costs are included in any viability assessment. Whilst on their own these costs are unlikely to affect viability it is important for the **full** cumulative impacts of Local Plan policies to be tested, especially where viability is marginal.

E8: Low Carbon design

The Council have stated in part g of policy E8 that they are seeking improvements in energy efficiency equivalent to Code 4 of Sustainable Homes. The 2015 Deregulation Act 2015 however, removes part c of the Planning and Energy Act 2008 that allows local authorities to set energy efficiency standards that exceed the energy requirements of current building regulations. The Ministerial Statement allowed local planning authorities to set policies at Code 4 until the Deregulation Act had been introduced alongside the zero carbon homes policy. Whilst the act has been introduced the Government decided not to take zero carbon homes policy forward. Government policy has instead focussed on using building regulations with regard to the technical elements of building design. We consider that part g of the policy should be deleted to ensure that policy E8 more accurately reflects the Government's policy and intentions with regard to local plans, building regulations and energy efficiency.

Conclusion

In order for the plan to be sound, as considered against the tests of soundness set out in paragraph 182 of the NPPF, we consider the Council should ensure the following actions are undertaken:

- That the needs of the Portsmouth HMA are met in full.
- Garden land development is not included in the windfall assessment

- That the affordable housing requirement in lower value areas be reduced to reflect the viability evidence
- The full impact of the policies in the plan are included in the viability assessment
- Part G of policy E8 is deleted

We trust that these issues will be considered carefully by the Council and look forward to further consultation on the next iteration of the Local Plan. I would also like to be placed on your consultee database and receive updates on any further consultations with regard to the emerging Local Plan.

Yours faithfully



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