



Sent by email to: [planning.policy@chelmsford.gov.uk](mailto:planning.policy@chelmsford.gov.uk)

14/03/2018

Dear Sir/ Madam

### **Response by the House Builders Federation to the Pre-submission draft of the Chelmsford Local Plan**

Thank you for consulting the Home Builders Federation (HBF) on the Chelmsford 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**

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 (PPG). 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).

It would appear that the Council has worked with its partners in the HMA and across Essex as part of the preparation of this local plan and that there are mechanisms for continued co-operation beyond the adoption of the local plan. However, there remain some concerns:

- Are the needs identified for the North Essex HMA sufficient and can they can be met in full;
- Can the needs of neighbouring HMAs be met in full; and

- Is the unmet housing needs protocol sufficiently robust.

In our representations to the North Essex Joint Strategic Plan (NEJSP) we outlined our concerns that the needs assessment for Braintree, Colchester and Tendring were insufficient. In brief, we considered it necessary for Braintree and Colchester to increase uplifts in response to market signals and that constraining Tendring's OAN to past supply due to the uncertainties created by UPC was inappropriate and unjustified. These issues are being considered by the Inspector examining the NEJSP and there is uncertainty as to whether needs will increase across the HMA.

With regard to neighbouring HMAs we note in the Council's Duty to Co-operate Statement that Castle Point BC have already sought help from Chelmsford BC in meeting their OAN. In addition the latest consultation from Rochford, who are part of a South Essex HMA with Castle Point, Basildon and Southend-on-Sea, suggests that they are also unlikely to be able to meet their OAN due to constraints. If either of these authorities, and the South Essex HMA as a whole, cannot meet needs it will be for less constrained authorities such as Chelmsford to meet any shortfall arising within this HMA. There are also concerns as to the ability of other neighbouring HMAs to meet their OAN. For, example, whilst the West Essex and East Hertfordshire HMA have stated that they are able to meet needs there are concerns across our membership as to the estimate of housing needs within this HMA. Most recently we have raised concerns with regard to Epping Forest's Local Plan and the fact that despite severe affordability indicators they have, for example, opted to reduce market their market signals uplift from 20% to 14%.

The location of Chelmsford and its comparative lack of constraints mean that it has potential to support a range of authorities in both north and south Essex in meeting their housing needs. Not only are there fewer constraints, with Green Belt covering only part of the Borough, the county town of Chelmsford also has excellent transport links and services making the Borough a sustainable location for development and suitable area within which to provide for unmet needs from its neighbouring HMAs. As such it is essential that Chelmsford looks to support more constrained authorities in meeting their housing needs. The question is whether the mechanisms agreed between the authorities in the adjoining HMAs are sufficient to be able to address any unmet needs when they arise. As part of this process we understand that the Essex Planning Officers Association (EPOA) have established a mechanism for considering unmet housing needs. This protocol sets out a process as to when and how authorities should request an adjoining authority to take their unmet housing needs. Whilst this protocol offers a process as to when an authority should approach another it does not establish any agreement as to whether the authority being approached will seek to meet any unmet needs. As such the protocol is a relatively weak agreement that is unlikely to be effective in ensuring effective co-operation in meeting housing needs between HMAs.

### *Conclusions on the Duty to Co-operate*

The Council have clearly co-operated with their partners in the HMA. Whilst they decided not to work in partnership with these authorities as part of the North Essex JSP they are meeting the OAN identified in the joint study. There is also wider officer co-operation across Essex in considering housing needs and how and when Council's should ask another authority to meet some of their needs. These activities alongside the necessary consultation would suggest that

the legal aspects of the duty to co-operate have been achieved. However, we are concerned that the outcomes of co-operation on delivering needs across HMAs are not sufficiently reflected in the Plan. The NPPF states in paragraph 179:

*“Joint working should enable local planning authorities to work together to meet development requirements which cannot be wholly 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”*

We would therefore suggest that the Council include a clause within policy S8 to provide for a more effective mechanism for co-operation on unmet housing needs. The clause would require the Council to review their local plan to allocate additional sites should any of its neighbouring authorities or HMAs be unable to meet housing needs having undertaken the process identified in the ‘Unmet Housing Needs Protocol’. This would ensure that proper consideration is given to unmet needs rather than the usual request and refusal that has become the hallmark of the duty to co-operate, especially when it comes to considering needs outside of an HMA.

## **Strategic Policy S8 - Housing and employment requirements**

### *Housing needs*

The Council’s approach to assessing housing needs is set out in the various iterations of the Objectively Assessed Housing Needs Study with the most recent version being November 2016 update prepared by PBA. The conclusions of the update is that the OAN for Chelmsford is 18,515 for the plan period at an average of 805 dwellings per annum (dpa). This level of need is based on the 2014 based demographic projections which have them been uplifted by 20% to take account of market signals. The evidence suggests that this level of delivery is sufficient to support jobs growth and deliver affordable housing needs.

We would not disagree with the Council’s use of the 2014 projections as these represent the most up to date data and their use is consistent with PPG. However, as outlined above, we have raised our concerns in our representations to the Council’s preparing the NEJSP that we do not consider the SHMA to provide an appropriately justified and policy compliant OAN. Aside from the unique situation regarding the assessment of housing needs in Tendring our main concern was in relation to the degree of uplift in both Colchester and Braintree in response to market signals. We did not consider these to be sufficient and as such we consider the OAN for the HMA to be unsound. However, it is important to recognise that the 20% uplift applied to Chelmsford is higher than elsewhere in the HMA and is at the upper end of what is being applied in the wider south east.

### *Market signals*

PPG established the principle that where market signals indicated that the housing market was under pressure, due to the past under supply of housing, then local planning authorities should increase supply above the baseline demographic projections. However, the Government did not elaborate as to what an appropriate uplift would be, other than stating in paragraph 2a-020 that it should be “reasonable”. Because of this there have been discussions at many local plan examinations as to what an appropriate uplift should be. Uplifts have generally ranged from

5% to 20% depending on market signals, but it would seem that more recently inspectors, and LPAs, have been choosing higher uplifts where market signals are worst. However, there have been examples of uplifts above this level. Cambridge agreed an uplift of 30% and a recent example is Waverley Borough Council<sup>1</sup> where the inspector agreed that a 25% uplift was required to address the considerable affordability concerns in that Borough.

Outside of local plan examinations there have been other recommendations as to the level of uplift required to address the issues of undersupply and affordability that are a current feature of housing markets across the Country. The Local Plan Expert Group, for example, suggested in their final report that where lower quartile incomes to lower quartile house prices were greater than 8.7 then LPAs should uplift supply by 25% above the baseline demographic projection.

But since the publication of the SHMA the Government have given some indication as to what it considers to be reasonable as part of its consultation paper "Planning for the Right Homes in the Right Places". Whilst this consultation can only be given limited weight we do consider it to provide the only indication as to what the Government considers to be a reasonable uplift in relation to market signals.

As part of this consultation the Government sets out its proposal for a standard methodology to be used when establishing the housing needs for each LPA in the Country. Most importantly the consultation establishes the Government's intention with regard to market signals and the level of uplift it considered is required to meet needs, address past under supply and improve affordability. The standard methodology proposes a formula that requires an uplift of 2.5% above the demographic base for every 1 point above the baseline affordability ratio. The baseline ratio was set at 4 and would mean that, for example, an area where the median workplace to house prices affordability ratio was 8 would be required to provide an uplift of 25% on its base demographic projections. However, the formula has been capped so that those areas with the worst affordability would not be required to provide more than a 40% uplift over demographic projections of household growth. This would suggest that even where uplifts of 20% have been adopted these were much lower than the Government's expectations.

The reason why we consider this part of the consultation provides the clearest indication as to what is considered to be a reasonable uplift is that without this degree of uplift the Government are unlikely to be meet their long stated aim of delivering at least 300,000 new homes each year from 2020. In fact this was the target set out in the 2017 Autumn Budget. In his budget statement the Chancellor announced the Government's target for house building across the country stating:

"I'm clear that we need to get to 300,000 units a year if we are going to start to tackle the affordability problem, with the additions coming in areas of high demand."

If the Government are to achieve its aims of delivering this level of housing and addressing affordability it is clear they consider increases of 40% in those areas with the worst affordability will be necessary, and as such this degree of uplift should begin to be considered as

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<sup>1</sup>[http://www.waverley.gov.uk/downloads/file/5963/waverley\\_local\\_plan\\_part\\_1\\_examination\\_inspectors\\_report](http://www.waverley.gov.uk/downloads/file/5963/waverley_local_plan_part_1_examination_inspectors_report)

reasonable. However, the 40% cap on the uplift above demographic projections, alongside the lack of a floor to prevent authorities such as Barrow in Furness ending up with a zero target, means that total delivery would still only be 266,000 new homes per annum. So whilst the Government might consider 40% to be the ceiling it will potentially prevent them from meeting their own target.

The levels of uplift and aspirations set out in the standard methodology are also broadly supported in evidence submitted by the Treasury to the House of Lords Select Committee on Economic Affairs suggested that to stabilise house price growth and prevent affordability from worsening would require between 250,000 and 300,000 new homes to be built each year. This roughly translates to a 1.3% increase per annum to existing national housing stock in order to stabilise the housing market with regard to affordability. Given the variability of affordability across the country this would require greater increases above existing stock in those areas which are least affordable. This position is also consistent with paragraph 2a-020 of PPG which states that:

*“The more significant the affordability constraints (as reflected in rising prices and rents and worsening affordability ratio and the stronger the indicators of high demand (e.g. the differential between land prices), the larger the improvement in affordability needed and, therefore, the larger the additional supply response should be.”*

It is evident is that in order to deliver the homes needed, and also improve affordability, the uplifts to baseline demographic projections of household growth must be greater than have been applied since the publication of the PPG. For example, to increase housing stock in Chelmsford by 1.3% per annum would require the delivery of 959 homes<sup>2</sup>, similar to the 980 that would result from using the proposed standard methodology.

*Does the OAN need to take account of increased migration from London?*

In our response to the North Essex JSP on the Objectively Assessed Housing Needs Study we raised our concern that the decision was made not to adjust migration to take account of the GLA's demographic scenario. We considered that it was important for the HMA to recognise the impact of migration from London into the HMA and that whilst this was a relatively small adjustment it was important to recognise that the Mayor is planning for a situation where there will be fewer people moving to London from across the Country and more people moving out. However, given the fact that London has consistently failed to meet its housing target of 42,000 homes this migratory pressure is likely to increase not reduce. London had its best year for completions since the onset of the recession when in 2015/16 38,553 net completions were secured (however, it should be noted that this figure includes 4,564 non-conventional i.e. C2 use class, bedrooms and homes). In the previous year - 2014/15 - net housing completions (conventional and non-conventional) were 31,894 (London Plan AMR 2014/15).

Whilst many authorities surrounding London, and indeed across the wider south east, will suggest that the new London Plan will address these pressures the HBF does not think that

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<sup>2</sup> Current housing stock in Chelmsford of 73,800 was taken from the DCLG live table 100 on dwelling stock <https://www.gov.uk/government/statistical-data-sets/live-tables-on-dwelling-stock-including-vacants>

this will be the case. The Mayor states in the London Plan that in order to meet housing needs 66,000 homes will need to be built each year across the capital. This level of need is based on the GLAs demographic projections which have then been adjusted to take account of the back log in housing delivery. However, the GLA have only identified capacity to deliver 65,000 homes over the next ten years. This leaves the capital short by 10,000 homes over the ten years for which the London Plan is setting its housing requirement. It is inevitable that this will place pressure on Borough's such as Chelmsford and it is important that they have engaged, either individually or collectively, with the Mayor on this situation to ensure that these needs are not left unmet.

The HBF also have wider concerns regarding the deliverability of the London Plan. As outlined above the 65,000 dwelling per year housing requirement is significantly above anything that has been delivered in the past. The ability of London borough's to significantly increase housing supply to meet such high levels of housing delivery is in doubt with some authorities already indicating that they will be unable to meet the level of housing delivery being proposed. The ability of outer London Borough's ability to deliver is even further compromised by the fact that the Mayor is seeking to prevent them from reviewing Green Belt boundaries.

We recognise the inherent difficulties in co-operating with a regional body such as the GLA, especially when it does not consider itself to be beholden to the same legal duty to co-operate as Local Planning Authorities. However, if London cannot meet its housing needs the pressure will inevitably be placed on those authorities in the wider south east with the potential to significantly change migration patterns as needs are not met and affordability, inevitably worsens. The question is how can LPAs such as Chelmsford ensure that their plans are sufficiently flexible to allow for a situation where London Borough's fail to meet the unrealistic delivery expectations set out in the London Plan?

### *Conclusions on OAN*

Whilst we agree with the approach taken to establishing the Council's OAN we do consider there to be sufficient evidence to suggest that the Council should apply a higher uplift in response to market signals. Affordability is worsening, especially when compared to the rest of the HMA and the Government's consultation "Planning for the Right Homes in the Right Places" has now provided LPAs with an indication as to what it considers a reasonable uplift. In addition there is likely to be pressure on authorities in the wider south east, such as Chelmsford, due to London's failure to meet its housing targets.

We would therefore suggest that an uplift of 20% is insufficient. The Council should consider a higher uplift more in line with the Government's expectations of what can be considered a reasonable response to market signals. This would enable both demographic needs to be met as well as stabilising markets in order to improve affordability.

### **Housing delivery**

Whilst the Council consider its housing requirement for the plan period to be 18,515 net new dwellings the Council have committed to delivering 21,893 new homes, an average of 951 dpa, to meet housing needs. The Council's decision to include a 20% buffer on their assessment of housing need is welcomed. However, we would suggest this is closer to meeting the level of

housing need that the Government are expecting in areas with the affordability concerns exhibited by Chelmsford.

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. This is particularly important where there is a reliance on strategic sites to deliver the majority of new homes within the plan period.

As a significant amount of the development being proposed in this plan will be delivered on strategic sites it will be essential that the Council's development strategy is based on realistic delivery expectations. Where delivery is considered to be unjustified we would suggest that the timescales for the delivery of sites be regularly reviewed with the option of bringing forward other sites which would be deliverable within the plan period. Any undersupply across the period can then be offset and provide a mix of development opportunities and in general offer a more flexible local plan that is a requirement of paragraph 14 of the NPPF.

#### *Delivery of plots for Travelling Show People*

We recognise the need to identify sufficient plots to meet the needs of the Traveller and Travelling Show People community. However, the approach taken by the Council in meeting the need of the Travelling Show People community, as set out in policy S8, is to require their delivery on strategic sites. We do not consider this to be appropriate and efforts should be made by the Council to find and allocate more appropriate sites that can meet the needs of this community. There are distinct needs arising from a site for Travelling Show People that can be incompatible with large strategic housing developments such as the on-site storage and maintenance of large machinery, vehicles and other equipment. There is the real risk that these activities could be constrained if such sites are provided within a housing development which would be to the detriment of the Travelling Show People community.

#### **Policy HO1 – Size and type of housing**

The policy is unsound as it has not been justified, is inconsistent with national policy and will be ineffective

The HBF have concerns regarding the requirement relating to the optional technical standards on accessible and adaptable homes and the requirement for the provision of plots self-build and custom housebuilding.

#### *Optional technical standards for accessible and adaptable homes*

Paragraph 56-007 of PPG requires local authorities to demonstrate the need for the optional technical standards to be applied to new homes. This evidence should include the likely future need for housing for older and disabled people, the accessibility and adaptability of existing stock, the different needs across tenure and the overall impact on viability. Whilst the Council have set out in paragraph 8.4 of the Local Plan that they have an aspiration for all homes to

achieve M4(2) to create sustainable development for the future we can find no clear analysis within the Council's evidence base as to whether they have considered the full range of evidence required by PPG to justify this policy. We note that the viability study has included within its costs the requirement for Parts M4(2) and M4(3) to be applied, however there is little analysis of the need for more accessible homes and how this will vary across tenures nor the numbers of homes that are already accessible or are likely to be made accessible using the disabled facilities grant.

When seeking to apply the optional standards for accessibility it must be remembered that the Government have not made this standard mandatory. They clearly do not consider it necessary for all homes to be built to part M4(2). Therefore there would need to be very strong evidence from the Council to justify their position. It cannot be sufficient to state that there is an ageing population who are more likely to require such homes. Our aging population is a national concern and one faced by all areas. If this were sufficient justification then the Government would have made the standard mandatory. Therefore we do not consider the Council to have provided the evidence required by national policy to justify all new homes being built to the optional standard M4(2). Without this evidence it is not possible to determine an appropriate level at which to set this requirement.

#### *Self-build and custom housebuilding*

Whilst we support the encouragement of self-build housing through the local plan we do not consider the requirement for sites of over 100 to provide up to 5% service plots for self and custom house building to be justified or consistent 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 strategy, land disposal and regeneration functions. We cannot find any evidence as to the Council's consideration of other reasonable approaches to delivery as suggested in PPG. Without such consideration it would appear that the Council is seeking to place the burden for delivery of self-build plots on larger sites 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 on developments of over 100 units.

Where it is agreed that some plots for self-build and custom housebuilding are to be provided within larger but which 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, as such it is ineffective. We would suggest the policy states that where a plot remains unsold after 6 months of it being offered on the open market then 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.

#### *Provision of specialist residential accommodation*

Whilst we appreciate that there are a large variety of housing types that are required within the community we question whether it is the responsibility of the house building industry to provide for all of these needs. The Council is already requiring a high proportion of homes be provided as affordable, specifying the mix and requiring homes to be built to the higher optional technical standards for accessibility and size. In particular we are concerned regarding the need to provide, as set out in paragraph 8.6, pitches for non-travelling travellers would have to be delivered at significantly lower densities, would see much lower returns per sqm of floorspace and have a major impact on the viability of a development. We note that this element of the policy has not been included in any of the scenarios within the viability study. It is important that the cumulative impacts of all the policies in the local plan are considered. As such we consider part C)ii of policy H1 to unjustified. We would suggest that it would be more appropriate for the Council to identify and allocate specific and suitable sites that will meet the needs for such specialist accommodation.

#### **Policy HO2 – Affordable housing and Rural Exception Sites**

The policy is unsound as the proportion of affordable homes required to be provided is unjustified

The Council consider their need for affordable housing to be 179 dwellings per annum which for the plan period is a total of 4,117 homes. Whilst the Council state in paragraph 8.11 of the Local Plan that the need for affordable housing is high 179 units equates to around 22% of total need and 19% of what the Council expects to deliver. As such we would question why the Council is looking at introducing an affordable housing target of 35% which is inconsistent with the Council's own evidence base.

The Council states in paragraph 8.11 that the SHMA supports a target of 30%. The study also recognises that in setting a policy the fact that some sites may not deliver affordable housing will be need to be a considered by the Council. We recognise that sites of less than 10 units and a high proportion of windfall sites will not contribute to the provision of affordable housing. But the Council does not seem to have considered the affordable homes built between 2013/14 and 2016/17 or those affordable homes already granted permission. On the basis of the evidence in the Local Plan housing trajectory and the Housing Site Schedule we estimate the Local Plan is likely to deliver over 5,000 affordable homes.

If this is the case and the Council achieves 35% delivery on its allocated sites in this local plan total delivery would be:

- 591 delivered between 2013/14 and 2016/17
- 1,304 from existing permissions
- 3,180 – 35% of the 9,085 dwellings allocated on sites over 10 units in the new local plan

Therefore, even taking into account the fact small sites and windfall sites will not deliver any affordable housing the, Council should expect to deliver nearly 220 affordable homes each year, over 20% more than their estimate of need. Lowering the affordable housing requirement to 25% would deliver an estimated 4,166 affordable homes, still above the Council's assessment of needs. Even at the SHMA's recommended 30% target the policy could expect to deliver 4,620 units, well above the Council's estimate of needs. A lower affordable housing requirement will also mean that fewer developments will be made unviable, or be pushed to the margins of viability by the Council's policy. This will inevitably lead to fewer negotiations, more developments meeting the Council's policy in full, a speeding up of the decision making process and the delivery of much needed new homes more rapidly. Essentially the Council has decided to set a higher affordable housing target with the expectation that some site will not meet that level of need. We would suggest a more positive approach would be to set a more reasonable target that does not push viability to the margins in order achieve the same objective.

To conclude on affordable housing provision we do not consider the current policy to be justified when considered against the Council's own evidence. The affordable housing contribution set out in the policy should be reduced to reflect the actual needs for affordable homes in the Borough rather than be seen as an exercise in land value capture.

### **Policy EM1 – Employment areas and rural employment areas**

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

Paragraph 22 of the NPPF establishes the need for local plans 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 EM1 as it is currently written does not provide the necessary flexibility to ensure that where such sites occur within Chelmsford 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

### **Policy MP3 – Sustainable Buildings**

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

This policy will expect housing developers to incorporate sustainable design features into developments with the aim of reducing carbon dioxide and nitrogen dioxide emissions. However, the Government have been clear through both the Written Ministerial Statement dated the 25<sup>th</sup> March 2015 and Planning Practice Guidance that it considers improvements in energy efficiency and carbon reduction will be achieved through changes to the Building Regulations. To expect applicants to incorporate features above and beyond what is required by building regulations is clearly not consistent with national policy. To make this policy

consistent with national policy we would suggest the that “expect” is replaced with “encouraged”.

#### **Policy MP4 – Design specification for dwellings and houses in multiple occupation**

##### The policy is unsound as it is unjustified

The Written Ministerial Statement dated 25th March 2015 confirms 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 Nationally Described Space Standards (NDSS) this should, therefore, only be done by applying the criteria set out in PPG which states in paragraph 56-020 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”*

**Need.** It is incumbent on the Council to provide a local assessment evidencing the specific case for Chelmsford which justifies the inclusion of the NDSS as a Local Plan policy. If it had been the Government’s intention that generic statements justified their adoption then the logical solution would have been to incorporate the standards as mandatory via the Building Regulations which the Government has not done. The NDSS should only be introduced on a “need to have” rather than a “nice to have” basis. The identification of a need for the NDSS must be more than simply stating that in some cases the standard has not been met it should identify the harm caused or may be caused in the future. In fact it would appear that there is a limited case for the use of space standards with the Council’s Viability Study stating in paragraph 8.21: *“It is understood that the majority of new homes delivered in the area have been above these sizes ...”*

**Viability.** The impact on viability should be considered in particular an assessment of the cumulative impact of policy burdens. Whilst the Viability study mentions space standards it is not clear how these have informed the viability assessments. The requirement for the NDSS would reduce site yields or the number of units on a site. Therefore the amount of land needed to achieve the same number of units must be increased. The efficient use of land is less because development densities have been decreased. At the same time the infrastructure and regulatory burden on fewer units per site intensifies the challenge of meeting residual land values which determines whether or not land is released for development by a willing landowner especially in lower value areas and on brownfield sites. It may also undermine delivery of affordable housing at the same time as pushing additional families into affordable housing need because they can no longer afford to buy a NDSS compliant home. The Council should undertake an assessment of these impacts.

**Timing.** The Council should take into consideration any adverse effects on delivery rates of sites included in the housing trajectory. The delivery rates on many sites will be predicated on

market affordability at relevant price points of units and maximising absorption rates. An adverse impact on the affordability of starter home/first time buyer products may translate into reduced or slower delivery rates. As a consequence the Council should put forward proposals for transitional arrangements. The land deals underpinning the majority of identified sites will have been secured prior to any proposed introduction of NDSS. These sites should be allowed to move through the planning system before any proposed policy requirements are enforced. The NDSS should not be applied to any outline or detailed approval prior to the specified date and any reserved matters applications should not be subject to the nationally described space standards.

### **Policy MP7 – Provision of Broadband**

The policy is unsound because they are unjustified and contrary to national policy.

Following the Government's *Housing Standards Review*, the Written Ministerial Statement of 25 March 2015 announced that local planning authorities preparing Local Plans "*should not set any additional standards or requirements relating to the construction, internal layout or performance of new dwellings*". In terms of the construction, internal layout and performance of new dwellings local planning authorities are only allowed to adopt the three optional technical standards subject to evidence of need and viability.

Council's should not seek higher standards than Building Regulations on any other technical standard – including Part R1 Physical infrastructure for high speed electronic communications networks. However, it is not clear whether this policy seeks to require a higher standard but it would appear to merely reflect Part R1. If no increase in the technical standard is expected then the policy is redundant and should be deleted. Similarly if the objective is to seek a higher standard this is not consistent with Government policy and will require MP7 to be deleted.

### **Conclusion**

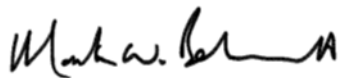
At present we do not consider the plan to be sound, as measured against the tests of soundness set out in paragraph 182 of the NPPF, in the following key areas:

- To ensure the Council's approach to co-operation is sound we recommend a clause in policy requiring review should a neighbouring HMA be unable to meet needs on the basis of the unmet need protocol adopted by the Council;
- The uplift in relation to market signals is insufficient. OAN should reflect the Government's position with regard to what it considers to be a reasonable uplift where affordability is poorest;
- The policy on housing mix is unsound as it the Council has failed to justify the need for the optional technical standards and the requirement for the provision of self and custom build plots is not consistent with national policy;
- The Affordable Housing requirement is inconsistent with the Council's evidence base and as such is unjustified;
- Policy on employment areas is insufficiently flexible to allow for future redevelopment of employment sites should they no longer be required in that use and as such inconsistent with national policy;

- The requirement to expect sustainable design features above and beyond Building Regulations is not consistent with national policy;
- Adoption of Nationally Described Space Standards has not been sufficiently justified
- Policy MP7 on the provision of Broadband is both unjustified and inconsistent with national policy.

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



Mark Behrendt  
Planning Manager – Local Plans  
Home Builders Federation  
Email: [mark.behrendt@hbf.co.uk](mailto:mark.behrendt@hbf.co.uk)  
Tel: 020 7960 1616