

Planning Policy
Rossendale Borough Council
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Dear Sir / Madam,

ROSSENDALE LOCAL PLAN: PUBLICATION VERSION (REGULATION 19)

Thank you for consulting with the Home Builders Federation on the Publication version of the Local Plan for Rossendale (Regulation 19).

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.

Strategic Policy HS1: Meeting Rossendale's Housing Requirement

Policy HS1 is not considered to be sound as it is not positively prepared for the following reasons:

This policy states that the net housing requirement for the period 2019-2034 will be achieved through providing at least 3,180 additional dwellings over the plan period equating to 212 dwellings a year. It is noted that the 212 homes per year is based on the MHCLG standard housing methodology. This MHCLG figure is applicable for ten years but the Council has extrapolated this over the Plan period, giving a total housing figure of 3,180 dwellings.

Planning Practice Guidance (PPG) draws attention to the wording of the Government's response to the revised NPPF which states that 'the Government was clear that reforms set out (which included the introduction of a standard method for assessing housing need) should lead to more homes being built. In order to ensure that the outputs associated with the method are consistent with this, we will consider adjusting the method after the household projections are released in September'. Therefore, the Council should be aware that the housing figures provided by the MHCLG standard methodology are likely to change.

The figure generated by the standard method is considered as the minimum starting point, it is noted that it relies on past growth trends, which in the case of Rossendale may have been affected by the lack of appropriate site allocations and poor housing delivery. The HBF considers that there are circumstances where an uplift will be appropriate such as where growth strategies are in place (for example the Northern Powerhouse) or where funding is in place to facilitate growth such as the Housing Infrastructure Fund. It is therefore clear that in the case of Rossendale an uplift would be considered appropriate.

It is also noted that the MHCLG standard methodology will not have taken into consideration other issues that are highlighted within the Council's own evidence for example the SHMA suggests an adjustment to the household formation rates for younger people (15-34 years), in order for the housing market to return to healthier and more sustainable conditions. This remains in line with current Government strategy, which continues to seek to increase homeownership, particularly for this age group, with schemes such as Help to Buy and changes to stamp duty to support them. It would appear remiss to remove consideration of this age group within any housing requirement set within the Local Plan. The SHMA recommends that the need for additional housing in Rossendale is between 265 and 335 dwellings per year (Table 7.1).

The HBF also have concerns that the proposed housing requirement does not represent an appropriate figure once consideration is given to the potential for economic growth and job formation. The HBF continue to consider that an appropriate balance should be sought between employment growth aspirations and the provision of homes.

The HBF proposes that the policy is modified as follows:

- Further consideration is given to the housing requirement, and the potential for it be increased to reflect some of the concerns raised.

Policy HS2: Housing Site Allocations

Policy HS2 is not considered to be sound as it is not positively prepared for the following reasons:

Table 1 (as amended) identifies allocations for 2,853 dwellings, this is below the housing requirement and suggests a reliance on other sources such as small sites or windfall. The details of this additional supply do not appear to be set out within the Local Plan document.

The HBF do not wish to comment upon the acceptability or otherwise of individual proposed allocations. The HBF would recommend that a greater number of sites are allocated to provide a buffer over and above those required to meet the plan requirement. The reason for the application of a buffer of sites is two-fold. Firstly, the plan housing requirement should be identified as a minimum to conform to the NPPF requirements to boost supply and plan positively. It therefore stands to reason that the plan should seek to surpass this requirement. Secondly, a buffer will provide a balance against the inevitable under or none delivery from some existing commitments or proposed allocations.

The HBF proposes that the policy is modified as follows:

- Additional sites are allocated for housing development.

Policy HS6: Affordable Housing

Policy HS6 is not considered to be sound as it is not effective, justified or consistent with national policy for the following reasons:

This policy requires new housing developments of 10 or more dwellings to provide 30% affordable housing. In general, the HBF supports the need to address the affordable housing requirements of the borough. The SHMA 2016 identifies an annual affordable housing need of 321 dwellings. Whilst the need for affordable housing is not disputed the policy must also be based upon realistic thresholds and targets which are founded on evidence and viability.

The HBF have concerns that the threshold applied to this policy is not appropriate. PPG states that *'contributions should not be sought from developments of 10-units or less'* (ID:23b-031). Therefore, this policy should be amended to comply with this policy.

The NPPF (2018) is clear that the derivation of affordable housing policies must not only take account of need but also viability. Paragraph 34 of the NPPF established the importance of viability to ensure that development identified in the Plan should not be subject to such scale of obligations and policy burden that their ability to be delivered might be threatened. The HBF have significant concerns in relation to the viability of this policy it is clear within the Council's own evidence that a significant proportion of the sites are not viable. Paragraph 3.12 of the Economic Viability Study states in relation to Zone 1 state *that 'given that the majority of sites are unviable and those that are viable are only marginally so . . . development in this area are unlikely to be able to support any requirements for affordable homes'*. This continues into Zone 2 where again there are viability issues for the majority of sites tested and even where sites are considered viable it is marginal with only small surpluses. It is also considered likely that these viability issues will be exacerbated by other policy requirements across the Local Plan. It is clear that the proposed policy is not supported by the evidence and that further consideration should be given to the affordable housing requirements.

It is clear that NPPF (2018) (para. 57) expects that planning applications that are in line with up to date policies will be viable, whereas what is evident that this will not be the case with the policy as currently proposed. 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, and as the applicant will need to demonstrate the need for a viability assessment it likely this may jeopardise future housing delivery.

The Council may also want to take into consideration the potential amendments to the definition of affordable homes and their provision, as set out in the NPPF.

Policy HS6 states that *'the affordable housing shall be provided in line with identified needs of tenure, size and type as set out in the latest available information on housing needs. In particular the SHMA indicates there is a requirement for:*

- *Older peoples housing, especially extra care and residential care, of around 1700 units by 2034;*
- *Housing suitable for Disabled people.'*

The HBF have concerns in relation to how this policy will be implemented and whether the viability of this part of the policy has been considered. Whilst providing affordable housing in line with identified needs sounds like a good idea, the Council may need to contemplate other considerations for example whether it would rather have more homes at an alternative mix, the characteristics of the site or the local area, the type of dwellings being proposed on the site and the general viability of the site. In relation to the bullet points the policy does not provide any clarity or certainty for a developer, as it not clear whether older people's housing or housing suitable for disabled people will be expected from every development or what proportion will be expected. It is also not clear whether these requirements will be linked to M4(2) or M4(3) requirements, which could make a significant difference to the viability of a development. Concerns in relation to the use of the M4(2) and M4(3) standards have been set out in more detail in relation to policy HS8. The HBF considers that the bullet points should be deleted.

The HBF proposes that the policy is modified as follows:

- That the Council give further consideration to the affordable housing requirement in light of the evidence contained within their own Viability Study, and the
- The HBF consider that if the policy is to be retained that the policy should be amended to reflect national guidance in relation to the thresholds. *'New housing developments of ~~40~~ 11 or more dwellings (0.35 hectares or part thereof) will be required to provide on-site affordable housing'*.
- The HBF consider that if the policy is to be retained that the policy should be amended **'Consideration should be given to the** ~~*The affordable housing shall be provided in line with identified needs of tenure, size and type as set out in the latest available information on housing needs. In particular the SHMA indicates there is a requirement for:*~~
 - ~~*Older peoples housing, especially extra care and residential care, of around 1700 units by 2034*~~
 - ~~*Housing suitable for Disabled people'*~~

Policy HS7: Housing Density

Policy HS7 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 high densities within sustainable locations, the justification text suggestions that densities in excess of 40dph will be expected in the town centres. 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. The HBF recommends the Council ensure that the appropriate evidence is available to support this policy. The high-density development proposed in this policy may be difficult to market as it could be likely to result in small garden areas, no garages and little

parking. It is considered that lower density developments would be more marketable, and the policy should be amended to allow for flexibility, this flexibility could include allowing developers to take account of local site characteristics, market aspirations and viability.

The HBF proposes that the policy is modified as follows:

- **'Developers can determine the density of the development ~~should be providing~~ that the scheme is in keeping with local areas; ~~and have~~ has no detrimental impact on the amenity, character, appearance, distinctiveness and environmental quality of an area; and consideration is given to the local site characteristics, market aspirations and the viability of the site.**

*High densities **developments will be supported** ~~shall be provided~~ within sustainable locations particularly on sites within defined town centres and locations within 300m of bus stops on key transport corridors.'*

Policy HS8: Housing Standards

Policy HS8 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 at least 20% of new housing to be specifically tailored to meet the needs of elderly or disabled residents, or be easily adaptable in line with the Optional Standards. It does not state whether it expects these homes to be in line with M4(2) or M4(3). The HBF is generally supportive of providing homes that are suitable to meet the needs of older people and disabled people. However, if the Council wishes to adopt the higher optional standards for accessible & adaptable homes the Council should only do so by applying the criteria set out in the PPG. PPG (ID 56-07) identifies the type of evidence required to introduce such a policy, including the likely future need; the size, location, type and quality of dwellings needed; the accessibility and adaptability of the existing stock; how the needs vary across different housing tenures; and the overall viability. It is incumbent on the Council to provide a local assessment evidencing the specific case for Rossendale which justifies the inclusion of optional higher standards for accessible / adaptable homes in its Local Plan policy. The HBF do not consider that the evidence provided is sufficient to support the policy for M4(2) or M4(3) standards. However, if the Council can provide the appropriate evidence and this policy is to be retained then the HBF recommend that an appropriate transition period is included within the policy.

This policy looks for development to meet national spaces standards as a minimum. However, these enhanced standards, as introduced by Government, are intended to be optional and can only be introduced where there is a clear need and they retain development viability. As such they were introduced on a 'need to have' rather than a 'nice to have' basis.

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 consider that if the Government had expected all properties to be built to NDSS that they would have made these standards mandatory not optional. It is also noted that there is no reference within the policy or the evidence in relation to timing or a 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 proposes that the policy is modified as follows:

- The HBF proposes that the policy is deleted.
- If the Council, have the appropriate evidence to support the policy and as such it is considered appropriate to retain the policy, the HBF recommends that the policy is amended to include a transitional period before the introduction of both a) and b), and that an appropriate caveats are added in relation to the suitability of the site and the viability of development.

Policy HS20: Self-Build and Custom-Built Houses

Policy HS20 is not considered to be sound as it is not positively prepared or effective for the following reasons:

This policy looks for schemes comprising of 50 dwellings to make at least 10% of plots available for sale to small builders or individuals or groups who wish to custom build their own homes. Many of our members will be able to assist the custom build sector either through the physical building of dwellings on behalf of the homeowner or through the provision of plots for sale to custom builders. The HBF are, therefore, not opposed to the idea of increasing the self-build and custom build sector for its potential contribution to the overall housing supply. However, the Council's approach is restrictive rather than permissive by encouraging the inclusion of such housing on sites of 50 dwellings or more. This policy approach only changes the house building delivery mechanism from one form of house building to another without any consequential additional contribution to boosting housing supply.

The HBF would recommend appropriate evidence is collated to ensure that house building delivery from this source provides an additional contribution to boosting housing supply. This is likely to include engaging with landowners and working with custom build developers to maximise opportunities. The HBF would also be interested to see the evidence to support the idea that those wanting to self-build would actually consider building within a larger housing development.

Policy ENV4: Biodiversity, Geodiversity and Ecological Networks

Policy ENV4 is not considered to be sound as it is not effective for the following reasons:

This policy requires provision of, or contributions to the creation of, Sites of Suitable Alternative Natural Green Space (SANGS) where a development would have an individual or cumulative impact on Priority Species. The HBF do not oppose the provision of SANGS but do not consider that the provision of SANGS should hinder the deliverability and viability of sustainable development when there may be more effective options that could be explored in discussion with Natural England.

HBF propose that the policy is modified as follows:

- ~~'Provision of, or contributions to creation of, Sites of Suitable Alternative Natural Green Space (SANGS) will be sought~~ **Where development would have an individual or cumulative impact on Priority Species resident in or making use of habitat in the Borough, developers will be expected to explore effective, viable options for their protection with the Council and Natural England, potentially including the provision or, or contributions to the creation of, Sites of Suitable Alternative Natural Green Space (SANGS)**'.

Policy ENV6: Environmental Protection

Policy ENV6 is not considered to be sound as it is not effective for the following reasons:

This policy expects all new housing developments to provide electric charging points, unless exceptional circumstances can be demonstrated. Whilst the HBF do not oppose the provision of electric charging points, the policy as worded is currently considered to be overly onerous. An element of flexibility would be beneficial and is considered to make the policy compliant with the NPPF, paragraph 35.

HBF propose that the policy is modified as follows:

- ~~'Provision of electric charging points will be expected on all new housing developments, where practical unless exceptional circumstances can be demonstrated.'~~

Policy TR4: Parking

Policy TR4 is not considered to be sound as it is not effective for the following reasons:

This policy also expects development to incorporate charging points for electric vehicles where the Council considers it appropriate to do so. This appears to be an unnecessary repetition of the policy above. It is suggested that this expectation is removed from either policy TR4 or ENV6. As set out in the response to Policy ENV6

the HBF considers it would be appropriate to add an element of flexibility to this policy.

Monitoring

The monitoring section is not considered to be sound as it is not effective for the following reasons:

The monitoring section of the plan sets out several targets that will be monitored in relation to housing for example 'how much housing (net) has been completed in the last 5 years?'. However, it does not contain any targets, timescales, trigger points or remedial actions. This is considered a failing in the effectiveness of the plan to deal with changing circumstances. In terms of housing, triggers for plan review could include the lack of a five-year supply or delivery which is below the anticipated housing trajectory. The HBF recommends that appropriate targets are introduced and that specific monitoring triggers are used, this will ensure that action will be taken when a target is not met.

Future Engagement

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

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

The HBF would like to participate at any examination of this local plan, to ensure we are able to debate the comments made within our representation in greater detail as required and to ensure we are able to respond to any additional evidence provided by the Council or others following submission of the plan.

Yours sincerely,



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