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Dear Sir / Madam,

**GATESHEAD LOCAL PLAN: MAKING SPACES FOR GROWING PLACES (Site Allocations and Development Management Policies) SUBMISSION DRAFT PLAN**

Thank you for consulting with the Home Builders Federation on the Gateshead Local Plan: Making Spaces for Growing Places – Submission Draft Plan 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 HBF have noted the additional evidence that has been produced to support a number of policies as mentioned in our previous responses. However, a number of our previous concerns remain. Therefore, please find below our comments on a selection of policies within the document, that are felt to be of relevance to our members.

**MSGP10 Housing Sites Allocation**

*The HBF does not consider that Policy MSGP10 is sound, as it is not justified, effective or consistent with national policy for the following reasons:*

This policy states that 104.17ha (gross) of housing land be provided over the plan period, this is a reduction from the previous 123.59ha.

The Core Strategy and Urban Core Plan looks to make provision for approximately 30,000 new homes over the period 2010 to 2030. The broad distribution of new homes looks for a net provision of 8,500 homes in Gateshead, with 480 homes in the

period 2010-15; 2,420 in the period 2015-2020, 4,020 in the period 2020-25 and 1,580 homes in the period 2025-2030.

Completions within the plan period are below those set in the Core Strategy, with 1,382 dwellings completed in the eight year period of 2010 to 2018. This is below the 1,932 dwellings that should have been completed based on the policies in the Core Strategy. To date the Core Strategy has failed to deliver against its requirements. Therefore, a key area of concern for the HBF is that of housing delivery. It is clear that there is a need to ensure that appropriate sites for housing delivery are identified, and that policies within the plan do not delay or prevent this delivery.

	<b>Core Strategy</b>	<b>Net Completions</b>	<b>Over / Under Supply</b>
2010/11	96	89	-7
2011/12	96	168	72
2012/13	96	281	185
2013/14	96	90	-6
2014/15	96	73	-23
2015/16	484	251	-233
2016/17	484	269	-215
2017/18	484	161	-323
<b>Total</b>	<b>1,932</b>	<b>1,382</b>	<b>-550</b>

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 capacity should be realistic based on evidence supported by the parties responsible for housing delivery 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 flexibility. A buffer of sites will therefore provide greater opportunities for the plan to deliver its housing requirement.

*The HBF considers that the policy should be modified as follows in order to make the document sound:*

- *The HBF recommend a 20% buffer of sites be included within the plan and identify additional sites for housing.*

## **MSGP11 Accessible and Adaptable Dwellings**

*The HBF does not consider that Policy MSGP11 is sound, as it is not justified, effective or consistent with national policy for the following reasons:*

This policy requires housing developments of 15 or more dwellings to provide 25% of dwellings constructed to the general adaptable and accessible standard (M4(2)) or equivalent successor standards. Justification text in paragraph 5.2 does suggest that the requirement of this policy would be subject to viability.

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.

The Viability and Deliverability Report 2018 continues to highlight that there are viability issues within Gateshead. It sets out that the 25% accessible and adaptable homes standard is not viable for any schemes in the low-mid, low urban / suburban areas, and for a 100 dwellings scheme requiring 25% of M4(2) is not viable in any of the Urban/Suburban areas tested. Whilst the report tries to downplay the viability issues by highlighting that the additional costs in relation to the M4(2) requirements are small, it is evident that where sites already have viability issues any addition to the cost will be detrimental to the delivery of the scheme. It is clear that the Council's own evidence is not supportive of this policy, and that it indicates it could lead to the non-delivery of homes.

It is considered that the Council should take into consideration any implications the requirements of this policy may have on the viability of a development. Paragraph 34 of the NPPF (2018) 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. It is considered that given the ongoing issues identified above in relation to delivery of the Core Strategy requirements, that the Council need to give real consideration to how the requirements of this policy will impact on delivery of homes in the authority.

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.

*The HBF considers that the policy should be modified as follows in order to make the document sound:*

- *The HBF recommends that the policy is deleted in its entirety.*
- *If, the policy is to be retained the HBF recommend that the Council:*
  - o *ensure that they have the appropriate evidence to support the policy;*
  - o *ensure that the policy takes into account site specific factors such as vulnerability to flooding, site topography and other circumstances which may make the site less suitable for M4(2) and M4(3) compliant dwellings;*
  - o *ensure that if step-free access is not viable that M4(2) and M4(3) should not be applied;*

- o ensure 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; and
- o ensure an appropriate transitional period is included.

### **MSGP13 Housing Space Standards**

*The HBF does not consider that Policy MSGP13 is sound, as it is not justified, effective or consistent with national policy for the following reasons:*

This policy looks for new homes to be built in accordance with the Nationally Described Space Standards (NDSS), or equivalent successor standards, as a minimum.

Again 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 Council have produced two documents to support this policy these are the January 2016 document 'An Analysis of Space Standards in Gateshead' and the September 2018 document 'Nationally Described Spacing Standards Supplementary Evidence Report'. Both documents provide evidence that a number of properties within the area are not being built to NDSS standards. However, it is acknowledged that most of those dwellings completed received permission before the adoption of the CSUCP (March 2015), and presumably therefore before the introduction of the NDSS (March 2015). It is noted that the survey analysis within the 2016 document asks about whether people would like a larger property, however, this is not linked to the current size of their property and only highlights aspiration rather than need.

It is also considered that just collating evidence of the size of dwellings completed does not in itself identify need. It would be expected that the evidence would include market indicators such as quality of life impacts or reduced sales in areas where the standards are not currently being met. There is no evidence provided that the size of the homes being completed are considered inappropriate by those purchasing them or that these homes are struggling to be sold in comparison to homes that do meet the standards. Evidence collected by the HBF suggests that housebuilders in the area do not have any issues with selling properties at less than the NDSS, with three-

bed non-NDSS compliant homes often being the top selling properties on sites. 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 consider that standards can, in some instances, have a negative impact upon viability, increase affordability issues and reduce customer choice. As above, it is considered that the Council should take into consideration any implications the requirements of this policy may have on the viability of a development. The base appraisals include NDSS standards and as set out in paragraph 11.11 the low-mid and low areas are not considered viable. It is considered that given the ongoing issues identified above in relation to delivery of the Core Strategy requirements, that the Council need to give real consideration to how the requirements of this policy and the cumulative impacts of other plan policies will impact on delivery of homes in the authority.

The HBF note that the justification for this policy states that the standards will be introduced one year after the adoption of the Plan to allow for a period of transition. Whilst the HBF support the inclusion of a transition period, it is considered that it may be appropriate for further consideration to be given to the length of the transition period given the lead in times for residential development.

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.

*The HBF considers that the policy should be modified as follows in order to make the document sound:*

- *The policy should be deleted.*

### **MSGP14 Housing density**

*The HBF does not consider that Policy MSGP14 is sound as it is not effective for the following reasons:*

This policy seeks for new housing development to have a net density of at least 20 dwellings per hectare, unless there is evidence of a shortage of lower-density housing to meet demand or there are over-riding townscape, heritage or amenity considerations indicating a lower density. The flexibility provided by this policy in relation to certain exceptions is noted, this will allow developers to react to some local site characteristics and demand. 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 delivered upon site.

*The HBF considers that the policy should be modified as follows in order to make the document sound:*

- *'New housing developments will have a net density of at least 20 dwellings per hectare, unless there is evidence of a shortage of lower-density housing to meet demand, **there is market demand, viability issues** or there are over-riding townscape, **local site characteristics**, heritage or amenity considerations indicating a lower density'.*

### **MSGP25 Design Quality**

*The HBF does not consider that Policy MSGP14 is sound, as it is not justified or effective for the following reasons:*

The HBF is generally supportive of the well designed high-quality developments, however the inclusion of 'living roofs and walls' within the criteria of part one of this policy is a concern. The Council have provided no justification for the inclusion of living roofs and walls. It is considered that this does not sit comfortably with the other criteria as set out, therefore we would recommend that it is either removed from the list of that it is clearly caveated with 'where appropriate'.

*The HBF considers that the policy should be modified as follows in order to make the document sound:*

- *Deletion of criteria (f) of part 1 of the policy.*

### **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, including the submission of the document and further details of the examination. The HBF would like to attend any examination in to this document to ensure that the views of the industry are appropriately discussed. Please use the contact details provided below for future correspondence.

Yours sincerely,



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