

**Home Builders Federation
Respondent No.
Hearing Session : Matter 5**

TELFORD & WREKIN LOCAL PLAN EXAMINATION

MATTER 5 – GENERAL DEVELOPMENT REQUIREMENTS & SPECIALIST HOUSING

Inspector’s Key Issues and Questions in bold text.

The following Hearing Statement is made for and on behalf of the Home Builders Federation (HBF) in regard to the Telford & Wrekin Local Plan. This Statement responds to selected questions set out in the Inspectors Matters & Issues document. The following answers should be read in conjunction with our representations to the Local Plan pre submission consultation ended on 15th March 2016.

Questions

5.1 Are the Local Plan’s detailed requirements for new development clearly expressed and adequately justified, with particular reference to viability? Specific comments are requested in respect of the following matters - housing mix and housing standards (policy HO4)

In addition, do the requirements of policies HO4 accord with the Written Ministerial Statement dated 25 March 2015?

Policy HO4 – Housing Mix refers to “... *with properties built to lifetime homes standards and the Government’s nationally described space standards*” and the tracked changes version of the submitted Plan adds the wording “*provided this meets a specified need and does not threaten viability of development overall*”.

The Deregulation Act 2015 specifies that Councils should not set any additional local technical standards or requirements relating to the construction, internal layout or performance of new dwellings. The only technical standards that can now be considered and incorporated into Local Plans are restricted to the nationally described space standard, an optional requirement for water usage and optional requirements for adaptable / accessible dwellings. Therefore the reference to the lifetime homes standards in Policy HO4 is out of date and it should be amended to the adaptable / accessible housing standard. However 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*”. So if the Council wishes to adopt the higher optional standards for accessible & adaptable homes and the nationally described space standard the Council should only do so by applying the criteria set out in the NPPG. The NPPG sets out 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” (ID: 56-020-20150327).

The Council’s evidence as set out in the SHMA is insufficient to justify the Council’s proposed policy requirements. If it had been the Government’s intention that generic statements about an ageing population justified adoption of the nationally described space standards and the higher optional standards for adaptable / accessible dwellings then the logical solution would have been to incorporate the standards as mandatory via the Building Regulations which the Government has not done. Therefore it is incumbent on the Council to provide a local assessment evidencing the specific case for Telford & Wrekin which justifies the inclusion of the higher M4(2) standard for adaptable / accessible homes and the nationally described space standard in its Local Plan policy.

Moreover the Council’s viability evidence does not test these proposed policy requirements. The residual land value model is highly sensitive to changes in its inputs whereby an adjustment or an error in any one assumption can have a significant impact on viability. Therefore it is important for the Council to understand and test the influence of all inputs on the residual land value as this determines whether or not land is released for development.

The additional wording set out in the tracked changes document highlights the fact that the Council has not identified a specific need to justify the policy requirement and it has not been viability tested. As proposed the policy causes uncertainty about the requirements a developer should fulfil when submitting a planning application and the assessment of that application by a decision maker in determining whether or not planning permission should be granted. Therefore the policy is ineffective as well as unjustified and non-compliant with national policy. It is recommended that the wording *“with properties built to lifetime homes standards and the Government’s nationally described space standards provided this meets a specified need and does not threaten viability of development overall”* is deleted from Policy HO4.

5.1 Are the Local Plan’s detailed requirements for new development clearly expressed and adequately justified, with particular reference to viability? Specific comments are requested in respect of the following matters - affordable housing (policies HO5 and HO6)

If the Local Plan is to be compliant with the NPPF, the Council needs to satisfy the requirements whereby development should not be subject to such a scale of obligations and policy burdens that viability is threatened (para 173 & 174). The Council should be mindful that it is inappropriate to set unachievable policy obligations. Therefore the Council must properly assess viability. 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 making Policy HO6 – Delivery of Affordable Housing ineffective.

Policy HO5 – Affordable Housing proposes on sites of more than 11 dwellings 25% affordable housing provision in Telford and 35% in Newport and rural areas.

The issue of viability particularly in Telford has been identified as a problem in various studies including the Affordable Housing Viability Study 2010 and the SHLAA Viability Study 2014. This poor viability is associated with the high costs of developing brown-field sites (Telford & Wrekin OAHN Final Report paragraph 4.20). The Council has also confirmed that only 15% affordable housing provision was delivered over recent years from market led housing developments (Technical Paper Housing Growth paragraph 5.4.6). Whilst it is acknowledged that some developments in Newport and the rural areas where viability is not so marginal have achieved higher levels the Council's spatial strategy is focussing 13,400 dwellings out of 15,555 dwellings (86%) of development in Telford which is proven to be a less viable area. In setting the affordable housing provision at 25% in Telford in Policy HO5 the Council is ignoring the conclusions of its own evidence.

It is recommended that Policy HO5 is modified to refer to affordable housing "being sought" rather than required. It is also recommended that the affordable housing provision is lowered from 25% to 15% in Telford and 25% rather than 35% in Newport and rural areas. The Policy should be "subject to viability" to provide flexibility to negotiate on unviable schemes.

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