

Sent by email to: planningpolicy@fareham.gov.uk

08/12/2017

Dear Sir/ Madam

Response by the House Builders Federation to the Fareham Local Plan 2036

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

There has clearly been a substantial level of co-operation through the Partnership for Urban South Hampshire (PUSH). This partnership has provided a framework for the establishment of housing needs and the identification of options for meeting this need. However, whilst this is welcomed we are concerned that the current position statement published by the partnership expects there to be a shortfall of 6,300 dwellings in the mainland authorities. This shortfall will need to be addressed by Fareham and the other authorities in the PUSH area prior to the submission of the plan.

There is also potential for housing needs across the PUSH area to increase significantly depending on the outcomes of the Government's recent consultation "Planning for the Right Homes in the right Places". The Standard Methodology would see increases for the majority of the LPAs in the PUSH area. Given that the majority of Local Planning Authorities in the Housing Market Area (HMA) are currently reviewing their local plans there may be a need to reconsider the current strategic position statement. At the very least any plan that is adopted prior to the methodology being introduced will need to have a clear mechanism for an early review in order to take account of any unmet needs.

Housing needs

Whilst we are pleased that the Council is seeking meet the level of housing need identified in the Strategic Housing Market Assessment (SHMA) we are concerned that the Council has not considered it appropriate to apply an uplift to take account of

market signals. Planning Practice Guidance (PPG) has established that market signals such as affordability, houses prices, rents and land values should be considered and, where necessary, an appropriate adjustment made to reflect these signals. What is clear from the SHMA is that there are clear differences in affordability across the PUSH area. Portsmouth and Southampton have affordability ratios similar to national averages. However, areas such as Fareham are considerably less affordable (with lower quartile income to house price ratios of 9.51) when compared to Portsmouth and Southampton and the Country as a whole, all of which have affordability ratios of 7.0 and 7.5. Lower quartile house prices have also increased since 2009 rising from £153,000 to £205,000 in 2016. This increase has also been more prominent since 2013, increasing by £36,000 – a 21% increase in price. This rate of increase is significantly higher than the national average of 14% and slightly above the south east regional average of 20%.

PPG is clear in paragraph 2a-020 that a worsening trend in any of these indicators will require an upward adjustment to planned housing numbers. However, the SHMA makes only a very limited adjustment in relation to concealed households which for Fareham results in an uplift of just 4 households per annum. This response is inappropriate given the house price increases and poor affordability in Fareham. We would suggest that the Council needs to apply a substantial uplift. The degree of uplift will be for the Council to consider but we would point to the Government's consultation "Planning for the Right Homes in the Right Places". This is the only document that gives an indication as to the degree of uplift the Government considers appropriate with regard to the affordability of homes in an area. As it is only a consultation document its contents as a whole can only be given minimal weight, but we would suggest that it does provide a clear indication as to the scale of uplift the Government is expecting local planning authorities to apply in areas of poor affordability.

We would therefore suggest that the evidence supporting the draft local plan has underestimated the level of housing need in Borough, and across the PUSH area. Consideration needs to be given to updating the evidence to ensure market signals are considered correctly and reflect the expectation from Government that significant uplifts are required where homes are least affordable.

Policy H1: Strategic Housing Provision

The trajectory set out in this policy is not sound as it is not in conformity with national policy. Whilst it may be appropriate in some instances to include a single stepped trajectory, where there is sufficient evidence, we do not consider there to be any justification for reducing the annual requirement to 300 dpa for the period 2011/12 to 2016/17. This is simply a mechanism to minimise the back log in housing delivery and delay the provision of these much-needed homes. PPG is clear in paragraph 3-035 that any backlog should where possible be addressed within the first five years of the plan and the Council should look to achieve this aim within the plan by allocating sufficient sites that are able to meet this backlog. However, the Council have decided to use a stepped trajectory which has the effect of pushing back the delivery of housing to address the backlog over a much longer time period.

Whilst we appreciate the Council has looked to allocate a number of smaller sites we would suggest that it needs to consider allocating additional sites that could be delivered in the next 5 years. This would have the benefit of meeting unmet needs that have already been identified in the PUSH area whilst also delivering the current backlog within 5 years as required by PPG.

Windfall

We do not consider the assessment of windfall delivery to be sound. The inclusion of large windfall sites is inconsistent with the fundamental principles of a plan led approach. The Council have identified through the SHLAA what it considers to be the deliverable and developable sites within Fareham. These are sites that in the past have been considered as windfall, and which are now allocated and will be delivered through the plan led system. This should mean that larger scale windfall sites should be minimal. In addition the approach taken by the Council in assessing large scale windfall is based on delivery predating the Council's adoption of its site allocations plan in 2015/16. All sites coming forward would be considered to be windfall as the Council had not allocated sites. Therefore there is no justification for including large scale windfall sites as part of the Councils housing trajectory.

H4 – Accessible and adaptable homes

We would concur with paragraph 5.39 that the full implications of the category 3 optional standard for wheelchair accessible homes should be fully tested. The cost implications of this standard are significantly higher than for the category 2 standard and could have a significant impact on the ability of schemes to deliver the necessary affordable homes and infrastructure requirements. We would also suggest that the policy reflect the approach taken in policy H2 and allow the policy to be set aside or reduced on the grounds of viability. This would provide the Council and applicants with more flexibility to ensure a balance between scheme viability, affordable housing and infrastructure delivery.

H7 – Self and custom build homes

We recognise that whilst custom build and self-build properties are a small part of the delivery of new homes they are an important element in ensuring more choice within the market. However, when developing policies that encourage the delivery of self-build homes this must be based on realistic evidence of the demand for self-build plots. At present there would seem to be minimal realistic interest in self-building within the Borough with only 20 individuals successful in being accepted onto the Council's register. To then require 5% of all sites over 100 units to provide self-build plots does not seem to be supported by the evidence and could leave a significant number of self-build plots empty as there is neither the interest or the ability of the local population to build their own homes. Considering the Council have required only 1% of plots within the Welbourne Plan to be made available for custom or self-build homes this would appear to be a more reasonable proportion.

It is also not clear whether the Council have considered alternative approaches to the delivery of self-build plot other than through the Local Plan. PPG sets out in paragraph 57-014 that whilst the Council needs to consider how the Local Plan can support the delivery of self-build plots it also suggest that LPAs consider how to support delivery through local housing strategies and through the use of their own land. It is important that the Council examines all options in line with PPG before placing additional burdens on the development industry. PPG also sets out in paragraph 57-025 that the Council should seek to encourage landowners to consider the provision of self-build plots and facilitate access where they are interested. The approach taken by the Council clearly goes beyond encouragement by requiring the provision of plots.

Where plots 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 and as such is ineffective. We would suggest that the policy sets out that if a plot remains unsold after 6 months of it being offered on the open market then it should revert back to the developer, and 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.

Paragraph 14 of the National Planning Policy Framework (NPPF) requires Local Plan to be flexible and able to adapt to rapid change. A key part of ensuring such flexibility is to allow development that is made unviable by policies provisions requiring different forms of housing, such as self-build plots, to progress without the policy being applied in that instance. At present the policy does not have this flexibility and as such is unsound. To make the policy sufficiently flexible we would suggest that "where viable is included in the requirement to provide self-build homes. We are also concerned that there may well be sites where it is not possible to provide self-build plots in a way that conform sufficiently with site health and safety requirements. We would therefore suggest that further flexibility is added to the policy that where the nature of site does not support the effective and safe provision of self-build plots then the policy should not be applied.

CF6 – Provision and protection of Open spaces

We are concerned that the Council has not set out the specific space requirements for new development within this policy but is proposing to set these out in Supplementary Planning Guidance (SPG). This is not appropriate as SPGs should be used to provide guidance as to the implementation of a policy not set out specific policy requirements. The legal provisions regarding what is a development plan have been set out in the Planning and Compulsory Purchase Act 2004 and Local Plan Regulations 2012 with regulation 5(a)(i) of the latter stating that a local development document is one containing statements regarding:

"the development and use of land which the local planning authority wish to encourage during any specified period"

As the provision of specific open space standards will impact directly on the delivery of a development, and potentially its viability, must be considered as being a policy for the development and use of land. As such it is intended for the determination of an application rather than just guidance as to how it should be applied. We consider it essential that specific requirements for an applicant must be tested through the examination in public and not left to be outlined in SPD. A similar situation was recently considered in the case of William Davis Ltd and other vs Charnwood BC¹. This decision quashed elements of an SPD that provided detail that should have been included in policy as they could be used in the determination of a policy. They were intended as more than guidance for its implementation and need to have been tested at through the Examination in Public.

D5 – Energy and Water efficiency

The Government have set out in national policy and the written ministerial statement of the 25th March 2015 the scope of the planning system when considering technical standards for new homes. This effectively limits Local Planning Authorities to setting standards only in relation to the three optional technical standards established in PPG. Any consideration with regard to a development proposal can only relate to these optional standards. However, the first paragraph of policy D5 suggests that the Council will consider more favourably developments that go beyond those required by Building Regulations. This is inappropriate. The Council should support development wherever it meets the policy requirements set out in the Local Plan and as such the first paragraph of D5 should be deleted.

INF1 – Infrastructure delivery

Part a) of the policy is ineffective as not all of the required infrastructure, even on larger schemes, will be the responsibility of the developer. The responsibility for the timing of development rests with the Local Planning Authority who, through the Infrastructure Delivery Plan, should have considered and addressed the key infrastructure requirements that are needed to support the level of growth identified in the plan. Only where infrastructure is being directly provided by the developer should there need to be agreement as to when the infrastructure will be provided.

Part d) is not appropriate and should be deleted. Whilst the NPPF established that local planning authorities should seek to support the expansion of electronic communications networks it does not seek to regulate the technical specifications of new homes in relation to high speed broadband. It is also the case that the house building industry is fully aware of the benefits of having their homes connected to super-fast broadband and what their customers will demand making this policy superfluous. We would also suggest that requiring applicants to provide sufficient space for homeworking is not supported by national policy. Should there be sufficient evidence Councils can seek to apply minimum space standards, outside of this it should not seek to require further considerations regarding internal floorspace.

¹ [2017] EWHC 3006 (Admin)

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

