

## **Home Builders Federation**

Matters 6

## **GREATER NORWICH LOCAL PLAN EXAMINATION**

### Matter 6 Homes (Policy 5)

## <u>Issue 1 - is the policy for affordable housing justified, effective and consistent with the evidence and national policy?</u>

1. Are the requirements for affordable housing set out in Policy 5 justified by the evidence?

Local Housing Needs Assessment published in June 2021 (Ref B22.3) identifies that based on the standard method there is estimated to be a need for an additional 10,360 affordable homes between 2018 and 2038 – roughly 26% of the GNDP assessment of local housing need. The HBF recognises that, as the GNDP outline in the topic paper on Policy 5 (D3.6), that not all development will deliver affordable housing and not all schemes will meet policy requirements in full. However, it is worth noting that the NPPF assumes that viability testing undertaken as part of the process of preparing the local plan will allow decision makers to assume that development that does come forward can meet all policy costs placed upon it by the GNDP with the aim of reducing negotiation with regard to affordable housing contributions. As such it must be assumed that the majority of development will meet the requirements in the local plan.

Therefore, if we examine document D3.2C it is possible to estimate the number of affordable homes likely to come forward if all commitments and allocations in the GNLP were to be policy compliant. Based on this evidence we estimate that if all schemes were policy compliant would deliver 12,210 affordable homes between 2020/21 and 2037/38. Given that affordable housing needs for the remaining plan period of 8,978 would mean that there would around 35% more affordable homes delivered than the identified affordable housing needs in Greater Norwich between 2020/21 and 2037/38. Whilst the HBF recognise that the local plan needs to ensure flexibility in supply and that some schemes will not deliver in full but a policy that delivers 35% more affordable homes than required even given the 20% flexibility in overall delivery, has not been justified. The GNDP needs to either provide further justification indicating the supply of affordable homes is expected to be more in line with assessed needs and overall housing supply or reduce the policy requirements.

2. Is the 33% requirement across the Plan area outside of Norwich City Centre justified by the evidence?

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3. Is the 28% requirement for Norwich City Centre justified by the evidence? What is the evidence which leads to this being a lower figure than that for the plan area?

See response above.

4. Policy 5 allows for a viability assessment to be submitted at decision-making stage for brownfield sites. Is this approach justified and consistent with national policy?

Paragraph 58 of the NPPF states that in whilst development is expected to comply with all policy requirements it recognises that there will be circumstances that through changing circumstances a development is made unviable by the planning obligations required by local planning policy. In such circumstances the NPPG places the onus on the developer to demonstrate whether those are applicable and leaves it a s matter for the decision maker having regard to the circumstances of that case. However, what is not consistent with regard to the GNDP approach is limiting this to brownfield sites. The NPPF places no such restriction and policy 5 should be amended to ensure that any site affected by changing circumstances can seek to have these considered at the decision-making stage.

## 5. Is the requirement for all housing development proposals to meet the Nationally Described Space Standard for internal space justified?

The HBF shares the GNDP's desire to see high quality homes delivered across the Greater Norwich area. However, the HBF also consider that space standards can, in some instances, have a negative impact upon affordability issues and reduce customer choice and as such there must be a robust justification to support their adoption. However, the HBF do not consider the evidence set out in Appendix B of the viability study to be sufficiently robust support the need for Nationally Described Space Standards (NDSS) to be implemented.

As the GNDP evidence notes footnote 49 of the NPPF and paragraph 56-020 of PPG both set out that the application of technical standards must only be applied where this can be justified both in terms of need and viability. However, we are concerned that the evidence examines just 245 of the 7,500 homes built between 2016 and 2019 in the Greater Norwich area. This in now way suggests that there is an endemic issue with regard to the size of new homes and no further evidence is provided to suggest that there are wider concerns within the market about the size of new homes being built. Without evidence that this is an endemic problem minimum space standards should not be adopted.

It must be remembered that decent housing is not necessarily dependent on size and the HBF consider it important that there is flexibility in local plans to deliver homes below the NDSS where this meets the need for such homes. For example, there may be a demand for small family sized homes that allow households to obtain a house with the number of bedrooms required but where one room is slightly below the required standard. In such circumstances the ability to afford a smaller home with the correct number of bedrooms may offer a better quality of life than a larger home with fewer bedrooms.

The HBF would therefore recommend that there is insufficient justification to support the adoption of the Nationally Described Space Standards (NDSS). However, if the application of space standard is considered to be sound the HBF would recommend that some flexibility is set out in policy 5 to allow for circumstances where it may not be possible to meet space standards across a development.

6. Is the requirement for purpose-built student accommodation to provide the same percentages of affordable housing justified, practicable and deliverable and is it consistent with national policy?

### No comment

7. Paragraph 281 of the Plan states that potentially the provision of affordable housing in relation to student accommodation could be in the form of a commuted sum and this is stated in the section of the policy under the heading 'Purpose Built Student Accommodation'. However, the section in the policy under the heading 'Affordable Housing' requires affordable housing on site other than in exceptional circumstances? Therefore, is the policy sufficiently clear as to be effective?

## No comment

8. Is the requirement for specialist older people's accommodation, including care homes, to provide an affordable housing contribution justified and consistent with national policy? Have these requirements been subject to viability testing?

There does not appear to be any specific consideration as to the ability of specialist accommodation for older people, whether this is C2 or C3, to meet the requirements for affordable housing set out in policy 5. This type of development faces different challenges to standard residential development. For example, non-saleable floorspace such as communal areas and warden accommodation needing to be taken into account within the viability assessment. Therefore, in order to require development to provide affordable housing at the levels suggested in the GNLP an assessment as to the impact on the viability of such development must be undertaken. Without such an assessment the requirement should be deleted,

# 9. Is the requirement for 10% of the affordable housing to be for affordable home ownership justified? Is this requirement sufficiently clear for the policy to be effective?

Paragraph 65 of the NPPF requires 10% of all homes on major development to be affordable home ownership and, as such, paragraph 268 of the GNLP and the wording of Policy 5 are both inconsistent with national policy. The NPPF does also state that this should not be applied if it would exceed the total affordable housing required in the

area or significantly prejudice the ability to meet the identified affordable housing needs of specific groups, but no such evidence appears to have been provided and as such the policy is not sound and should be amended accordingly.

## 10. Are the respective affordable housing targets achievable and deliverable?

## No comment

11. Does the policy sufficiently recognise the need for viability considerations? Has the impact of affordable housing requirements on the viability of schemes been robustly assessed?

As set out above the policy should not seek to restrict the type of scheme where viability considerations should be taken into account. National policy makes no such distinction with regard to considering development viability and the GNDP should not make such a distinction.

With regard to the robustness of the viability assessment as set out in our representations and elsewhere in our statement the HBF are concerned that some costs associated with the local plan have not been taken into account. The GNDP needs to ensure that the cumulative impacts of the costs placed on development through the local plan, either in terms of policies or infrastructure requirements, will not put development at risk. What is evident in the sensitivity analysis undertaken in viability assessment is that small changes in costs and returns will have a significant impact on the development viability of some typologies and indicates that all costs should have been considered in the first instance and the failure to do reduces the robustness of the viability assessment.

## Issue 2 Accessible and Specialist Housing

## 1. Does the Plan make adequate provision for older person's accommodation?

THE HBF did not comment on whether there was adequate provision in order to meet the specific accommodation needs for older people local plans should where possible seek to allocate sufficient land in the right locations to meet identified needs. It is only through such allocations that the GNDP can be confident that the full range of housing needs of older people will be met. Therefore, where there are sites being promoted in sustainable and appropriate locations for such development the Council should seek to allocate those sites.

However, we recognise that sufficient developable land may not come forward as part of the process of preparing the local plan to meet needs in full. As such it is important to ensure that policies supporting the delivery of older people's accommodation provide an effective mechanism that gives a clear pathway to decision makers where there is a shortfall in the supply of such development. At present the policy provides support for such development but we would question its effectiveness moving forward as it does not set out in policy how much accommodation is required to meet needs and how a decision maker should react where there is a shortfall. The HBF would therefore recommend that an annualised figure for the accommodation needs for older people is included in the policy alongside a presumption in favour of such development where there is a shortfall in provision against this figure.

2. What do 'supported' and 'encouraged' mean in respect of this part of the policy? Is the policy sufficiently clear as to be effective?

#### No comment

3. Is the requirement of at least 20% of homes on major housing development sites to conform to the Building Regulations M4 (2)(1) standard justified?

#### No comment

#### Issue 5 Self/Custom Build housing

1. Is the requirement for at least 5% of plots on sites of 40 dwellings or more to be self/custom build housing justified by the evidence and consistent with national policy? Has this requirement been subject to viability testing?

The GNDP Local Housing Needs Assessment (B22.3) provides some evidence as to demands for self-build and custom housebuilding plots within the Greater Norwich area. Notable this evidence states at paragraph 9.40 that between 2016 and 2020 sufficient applications were granted on self-build plots to meet the level of demand established through the self-build register. This would suggest that across the area sufficient self-build plots are coming forward to meet demands without resorting to a policy such as the one being proposed in policy 5 of the local plan. The most appropriate mechanism for self-build plots to be delivered across the Greater Norwich area on windfall sites and the GNDP should seek to encourage this more clearly in policy 7.5.

The HBF would therefore suggest that there is no justification that the 5% requirement is necessary to meet the demand for self-build plots. Even if demand was not being met no evidence has been provided as to how many such plots are needed across the plan period nor how many plots this policy would deliver. The HBF therefore considers the policy to be unjustified and as such should be deleted.

#### 2. Is there evidence to indicate that this level of provision will be delivered?

As noted above there is no evidence is provided with regard to the level of provision of self builds plots through this or other policies in the local plan.

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