

Date: 23rd August 2017

Consultee ID: 943892

Matter 4

KIRKLEES LOCAL PLAN EXAMINATION

Matter 4: Housing land supply and delivery

1. The following hearing statement is made for and on behalf of the Home Builders Federation. This statement responds to selected questions set out within Matter 4 of the Inspector's *Matters and Issues*.
2. The Inspector's Issues and Questions are included in bold for ease of reference. The following responses should be read in conjunction with our comments upon the submission version of the Kirklees Local Plan, dated 16th December 2016. The HBF has also expressed a desire to attend and participate in Matter 4 of the examination hearing sessions.

Issue – Is the identified overall housing requirement in the Plan (31,140 dwellings) justified, deliverable and consistent with national policy?

a) What are the Council's reasons for seeking to deliver full OAHN in Kirklees? Is the approach justified, and in line with paragraph 14 in the NPPF? Has the Council considered whether an uplift should be made in market housing to provide additional affordable housing?

3. Notwithstanding our comments upon the OAHN, see our matter 3 hearing statement, the HBF considers that the Council is justified in seeking to deliver the full OAHN in Kirklees. It is notable that no other neighbouring Council has indicated they could assist Kirklees in meeting its OAHN.

b) Should the overall housing requirement of 31,140 dwellings in the Plan be expressed as a minimum rather than an approximate figure? Should the requirement be included in a policy?

4. Yes, the HBF considers that it should be expressed as a minimum. This would be consistent with the NPPF requirements for plans to be positively prepared and boost significantly the supply of housing.

c) Housing completions and commitments data in Table 5 of the Plan has been updated in the Housing Supply Topic Paper (July 2017) for 2015/16. What is the effect on the windfall allowance and demolition allowance in the Council's supply calculations? What are the implications for overall housing delivery and the Council's five year housing land supply? Will a five year supply be provided on adoption and maintained over the Plan period? Does the Plan allow sufficient flexibility to respond to changing circumstances?

5. I refer the Inspector to our responses to specific questions below, where we reference the updated *Housing Supply Topic Paper* (exam ref: EX30).

d) Can the Council confirm the contribution the different sources of housing supply are likely to make each year over the Plan period? (e.g. the figures which have informed the housing trajectory graph in the Plan)? Should this information be included in the Plan alongside the graph?

6. The HBF consider this an issue for the Council to address.

e) Is the Council's approach to calculating five year land supply robust and in line with national policy and guidance? Should the Plan include reference to the Council's assumptions and parameters and the five year supply position?

7. The calculation of the five year supply requirement, table 8 (EX30) is considered sound. In terms of the supply in table 8 it is noted that a substantial element is anticipated to come forward from allocations (13,927) and windfalls (1,350). Whilst we have not undertaken a detailed assessment of all allocations this does appear to suggest substantial early delivery. I refer the Inspector to our comments below (questions h and j).

f) What are the main risks and potential barriers to the delivery of the housing requirement in Kirklees over the Plan period?

8. The key risks would appear to be related to any slippages in the lead-in times, windfall allowance or none / lower than anticipated delivery from some allocations. Given these risks the HBF recommends a greater buffer of sites be provided.

g) Is the application of a 10% lapse rate to outstanding planning permissions justified and supported by the evidence? Should a lapse rate also be applied to allocations?

9. The HBF considers that a lapse rate is justified, ideally this would be based upon local information. In the absence of such data a 10% rate would appear

reasonable. This also accords with a number of appeal decisions (e.g. APP/X2410/A/13/2196928, APP/H1840/A/12/2171339).

10. In relation to allocations the Council's response in paragraph 2.5 of its *Housing Supply Topic Paper* (exam ref: EX30) is noted and appears reasonable. The HBF would, however, recommend a buffer of sites, over and above the residual requirement, to overcome any shortfall in supply from allocations.

h) Is the windfall rate of 450 dwellings per annum justified and supported by local evidence?

- To what degree is this figure based on large windfall sites (0.4 hectares or more), and what are the reasons for the inclusion of this element? Is the information on large potential housing sites in the SHLAA and other evidence sources sufficiently comprehensive? Does the Plan allocate all known large potential housing sites within existing built-up areas?***
- Does the use of a large windfall rate create issues of double counting with outstanding permissions on large sites and allocations within urban areas in the period 2020-2031?***
- Is the application of the windfall rate from 2020/21 justified and reasonable?***
- To what degree have historical windfall rates been influenced by the availability of housing allocations and other site-specific opportunities in the area?***

11. The windfall allowance is a significant component of the remaining requirement, representing nearly 20% of the supply (once completions have been taken into account). The HBF notes the Council's commentary in paragraph 2.7 and agrees that windfalls have been a large element of past supply since 1999/2000 to 2015/2016. This must, however, be viewed in the context of an aging plan with few remaining deliverable allocations. This effectively meant, particularly in latter years, the majority of delivery had to come from windfalls. Reliance upon such rates to continue with an adopted plan and allocations in place is therefore unlikely.

12. The HBF would not support the inclusion of a windfall allowance from larger (above 0.4ha) sites. This is due to the fact that the plan is now seeking to provide allocations (above 0.4ha) and has undertaken detailed work as part of the SHLAA. The amount of large windfalls should therefore significantly diminish. Whilst some

such development may occur this will assist flexibility within the plan. A continued supply from smaller sites is, however, considered reasonable.

13. The rate of delivery from smaller sites over the past 10 years is noted (Table A2, Appendix 1, EX30). This has provided an average of 454 dwellings per annum. This figure is, however, skewed by a few years of high delivery (over 700) with the majority of years providing 200 to 300 units from smaller sites.

14. Due to the uncertain nature of windfalls and the impact this could have upon plan delivery it is recommended a more conservative estimate of future supply from this source is taken.

i) How many empty homes have been brought back into use in the borough in recent years? Does the Council have a projected figure or target for future supply from this source?

15. The HBF agrees with the Council's conclusion at paragraph 2.17 of the *Housing Supply Topic Paper* (exam ref: EX30). This states that due to the lack of robust evidence empty homes should only provide flexibility to the supply and should not be included at this stage.

j) Are the estimated delivery and phasing rates from site allocations in Appendix 3 of the Plan robustly based and justified? In particular:

- ***Are the standard lead-in times and build out rates (as set out in Tables 9 and 10 in the Council's Housing Technical Paper) justified by local evidence?***
- ***Have the standard lead-in times been applied to all sizes of schemes?***
- ***Is the standard net density of 35 dwellings per hectare (dph) justified by local evidence? Why has this approach been adopted?***

16. The use of standardised lead-in times, delivery rates and net density should only be utilised where direct evidence from the developer / land owner is not available. The lead-in times provided do, however, appear to under-estimate the time taken to gain permission, sign any legal agreements, discharge all matters and commence on site. No evidence is presented in relation to actual lead-in times over recent years in Kirklees.

17. Furthermore the HBF would expect lead-in times to vary dependent upon the scale of the site, due to the complexity involved in bringing forward larger sites. This does not seem to have been considered in Kirklees.

k) Does the Plan provide sufficient clarity regarding the total number of dwellings which are proposed for allocation? Should the figure be included in a policy?

18. The HBF has no comment.

l) Has sufficient flexibility been provided in the housing trajectory? Should an additional buffer be applied to ensure that the overall housing requirement is met and exceeded?

19. No, the HBF does not consider that sufficient flexibility has been built into the housing trajectory. The proposed allocations currently contain a buffer of 1,475 units over the identified residual requirement from allocations (20,444 dwellings) once other sources of supply have been taken into consideration. This represents a 7% buffer on allocations, but only a 5% buffer against the remaining housing requirement (28,296 dwellings), once completions have been deducted.

20. Whilst the HBF supports the Council in providing a buffer it is not considered sufficient to deal with changing circumstances over the plan period. Our conclusions are based upon our concerns with other elements of the supply, noted above. It is, therefore, considered that a larger buffer is essential to ensure that the housing requirement is met as a minimum. This is consistent with the NPPF requirements for plans to be flexible and able to adapt to changes in circumstance. The HBF notes that the Local Plan Expert Group (LPEG) report to Government¹ recommends a 20% buffer.

Yours sincerely,

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¹ LPEG 2016: Report to the Communities Secretary and to the Minister of Housing and Planning