

## Tewkesbury Borough Plan Examination

### Matter 6 – General Housing Policies

#### Participant Statement by Savills on behalf of Vinci St. Modwen and Defence Infrastructure Organisation

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#### 6.2 Are the general housing policies in the plan positively prepared, justified, effective, consistent with national policy and the JCS?

##### Policy RES3

Policy RES3 prescribes the circumstances where residential development outside of settlement boundaries will be considered acceptable in principle. The first criterion is *“the re-use of a redundant or disused permanent buildings (subject to Policy RES7)”*.

We have two principal concerns with this policy. First, it is not clear in the way that it is drafted whether it is intended that this criterion relates only to rural buildings reused in a manner consistent with Policy RES7 or whether it applies more broadly to all redundant or disused permanent buildings. We assume it to be the latter as otherwise it would simply be a duplication of policy, however, this would be clarified if the cross reference to Policy RES7 was removed.

Second, limiting the positive support to proposals which involve the ‘re-use’ of existing buildings is unduly restrictive and contrary to national policy. The Government places considerable emphasis on the efficient use of previously developed land. Many recent initiatives such as Brownfield Registers, Vacant Building Credit, CIL relief for redevelopment of existing floorspace etc have all been instigated with the objective of positively supporting the ‘redevelopment’ of previously developed land not just the ‘re-use’ of existing buildings. There is an entire chapter of the Framework dedicated to *“making effective use of land”* the opening paragraph (117) of which states that:

*“strategic policies should set out a clear strategy for accommodating objectively assessed needs, in a way that makes as much use as possible of previously-developed or ‘Brownfield’ land”*.

The subsequent paragraph (118) further reinforces this point stating that:

*“planning policies and decisions should: ... (c) give substantial weight to the value of reusing suitable brownfield land within settlements for homes and other identified needs, and support appropriate opportunities to remediate despoiling old, degraded, derelict, contaminated or unstable land“.*

Finally, under paragraph 121 the Framework requires that:

*“local planning authorities should also take a positive approach to applications for alternative uses of land which is currently developed but not allocated for a specific purpose in plans, where this would help to meet identified development needs“.*

The general message from Government is clear - maximise the potential of redundant previously developed land in meeting future development needs. In this context, and in order to ensure consistency with national policy, the first bullet point under Policy RES3 should be expanded to include the words “*or redevelopment*” after the word “*re-use*”.

## **Policy RES12**

Policy RES12 states that residential development of 10 dwellings or greater should provide 40% affordable housing on site. This policy requirement is predicated upon the Strategic Housing Market Assessment (SHMA) findings from 2014 and 2015 and an updated Viability Assessment produced on behalf of the authority by PorterPE in September 2019.

It is our contention that the evidence produced does not justify the requirement for 40% of housing to be affordable.

First, the evidence of need dates back to 2014 and 2015. In the time since, the Framework and Planning Practice Guidance have been updated by Government and, crucially, they include new definitions of “*affordable housing*” and “*housing need*”. Not only is the passage of time important but, the change in these definitions fundamentally undermines the robustness of the previous SHMAs which informed the production of the JCS.

The Gloucestershire authorities have jointly commissioned the production of a new SHMA which uses both updated statistics and the new definitions. Whilst the Final Report has not yet been published, the

analytical work has been completed and the interim findings produced. This updated SHMA paints a very different picture of housing need across Gloucestershire to that in 2015 with a significant reduction in the total number of households who are unable to meet their housing needs on the open market. Whilst there are a large number of additional households who aspire to purchase but are currently unable to do so, it is not at all clear whether affordable housing products would satisfy this form of need or whether home ownership is simply an unrealistic prospect.

Policy RES12 is not sound as it is not predicated upon evidence which is consistent with the definitions contained within national policy. The authority should take on board the updated evidence and reflect this in an update to the policy.

Second, we do not consider that the Viability Assessment (VA) provides a robust and credible basis upon which to establish a policy requirement for 40% affordable housing across all sites within the authority area.

The VA tests 25 hypothetical development typologies, yet only one of these is above 100 dwellings in size. Whilst many of the typologies tested relate to the emerging allocations in the Pre-Submission Local Plan, there is no reason why larger scale windfall developments could not come forward in a manner consistent with the emerging policy context. In such circumstances, the VA evidence does not justify the proposed level of affordable housing.

This is important because many of the assumptions within the VA are geared towards smaller scale development sites. For example, paragraph 5.30 explicitly excludes any 'big-ticket' infrastructure items from the appraisal. Whilst an allowance of £5,000 per dwelling has been added, this would be wholly insufficient for larger development sites where the Harman Report indicates that these costs are likely to come to circa £20,000 per dwelling.

Furthermore, the greater the scale of the development, the greater the likelihood that there are more costly works required to reinforce utilities infrastructure etc. This can be substantially more pronounced where, for example, electric vehicle charging is required on new residential development.

In addition to our objections to the individual assumptions, the full results of the development appraisals have not been made available as part of the VA. It is not therefore possible to critique how the various assumptions have been brought together to evaluate whether the individual site typologies are viable

and, if so, by what degree. Furthermore, by simply comparing the viability appraisal output with the benchmark land value, the output is limited to a binary conclusion as to whether the typology would be viable or not. A more helpful approach, which is frequently adopted in other such studies, is to calculate the surplus or deficit that arises from an appraisal in order to inform how best to balance affordable housing requirements with CIL charges, Section 106 and the on-site delivery of infrastructure.

Future development proposals are expected to accord with the policy requirements. In order to ensure that the policy satisfies the latest definitions of the Framework, it is imperative that the VA:

- Fairly and accurately assesses the viability of all potential future development proposals, including larger windfall sites that could come through during the plan period;
- Provides an output to the assessment which can be used by the plan-making authority to balance the frequently competing objectives of affordable housing and infrastructure delivery; and
- Contains a transparent appraisal of all the hypothetical development typologies which all parties can then use to understand how the conclusions have been reached.

We urged the authority to address these objections now in order that the updated evidence was made available in time for the Examination. By doing so, the evidence will be available for all parties to interrogate through the examination process and the unsoundness addressed through Main Modifications without delay.

Only with this evidence will it be possible to put in place a robust and sound policy approach to affordable housing which (a) accurately reflects the up to date evidence of housing need; and (b) tests the viability of securing this proportion of housing need alongside all other policy requirements.

### **Policy RES13**

Policy RES13 requires new housing developments to provide a mix of dwelling sizes, types and tenures. Provision is also sought for a proportion of accessible and adaptable dwellings compliant with Regulations M4(2) and M4(3) and for the provision of Self and Custom Build housing.

The Policy does not specify a housing mix that must be achieved, nor does it give any guidance on the proportion of homes that are required to comply with Regulations M4(2) and M4(3). Instead, it makes reference to the Strategic Housing Market Assessment and Parish Surveys. For the Self and Custom Build housing it cross-references the Council's register.

With regards the housing mix, we agree that a degree of flexibility is required in the application of the Policy to enable the housing mix to be determined on a case-by-case basis. The Policy and Reasoned Justification however indicate that the evidence of local housing need and demand is the only basis upon which the mix should be determined. In so doing, it fails to acknowledge that the particular circumstances and characteristics of a site are extremely important considerations. A tightly constrained urban site is much more likely to be suitable for apartments, whereas a greenfield locations on the edge of a village would be more suitable for a mix of house types and sizes. There is currently no recognition in the policy that this will be a factor in determining the housing mix.

Whilst we support the flexibility that the Policy provides by not prescribing a specific mix, in determining the appropriate housing mix on a case-by-case basis, the policy should make reference not only to the evidence of need and demand but also to the characteristics of the land upon which planning permission is sought. This could be addressed through an addition to the second sentence of the Policy.

In addition, it should also be made clear in the policy that the housing mix is a matter for agreement between the applicant and the local planning authority. The authority should not seek to prescribe a specific mix on any particular site.

With regards accessible and adaptable dwellings (compliant with Regulations M4(2) and M4(3)), greater certainty is required within the Policy as to the proportion of each dwelling type which will be sought within future applications. Dwellings which meet these standards are invariably larger, less flexible and more expensive to construct than standard dwellings and it is important that the requirements of this policy are therefore set out to provide the necessary transparency and certainty.

To be sound, this policy requirement must not only be based upon evidence of the need, but an understanding of the viability implications; this is only achievable if there is a clear 'up to' percentage policy requirement for such dwellings. This clarity must be provided in the Policy now, and not deferred to the planning application process.

Finally, the second bullet point under the first paragraph of the Policy refers to the provision of “*Self and Custom Build housing plots where there is evidence of appropriate demand*”. As is the case with the accessible and adaptable dwellings referenced above, at present this Policy requirement does not provide sufficient certainty to either applicants or the decision-maker in determining a future application for residential development. As is the case in adopted policies elsewhere, such a policy requirement must establish the maximum proportion of such dwellings that will be sought by the authority on residential planning applications. This should be presented as ‘up to’ figure as there are many potential residential sites where such a requirement would not be appropriate and it is important that the policy is therefore flexible.

The changes proposed are necessary in order to provide the clarity required of planning policy and to therefore make the policy sound.

**Savills**

**29 January 2021**