

## Matter 3: Homes

### Issue

***Whether the approach towards the supply and delivery of housing land is justified, effective and consistent with national policy, in order to ensure the timely delivery of the CSUCP housing requirement for Newcastle***

### Questions

*The CSUCP plan period is from 2010 to 2030 and sets the housing requirement for Newcastle. Revising the housing requirement is not within the scope of this Plan. The focus here is on ensuring that the Plan allocates sufficient housing land to deliver the housing requirement as set out in the CSUCP. In responding to the following questions, the Council should seek to identify and address specific concerns raised in representations. Additionally, the Council should provide a table of the proposed housing allocations with updates on the progress of any planning applications and the number of units to be provided within any permissions.*

### Housing Sites (Policy DM5)

#### **3.1 What is the relationship between the housing requirement in strategic policies in the CSUCP and the policies in this Plan?**

Policy CS10 of the CSUCP looks for Newcastle to provide 17,000 net additional homes (19,000 gross) between 2010 and 2030. The housing requirement is stepped with a figure of 1,400 homes in the period 2010-15, 4,800 homes in the period 2015-20 and 5,400 homes in the period 2020-2025 and 5,400 homes again in the period 2025-2030. Policies CS1 to CS4 set out the Spatial Strategy, whilst Policy UC4 sets out areas where housing would be allocated.

Policy DM5 of the Development and Allocations Plan (DAP) sets out the housing allocations. Policy DM9 provides the policy for the Campus for Ageing and Vitality, which will include an element of housing. However, as the allocations do not include an indicative capacity and there is no information within the policy or the justification that identifies the potential level of housing land supply it is difficult to determine the relationship between the housing requirement and the allocations. However, Figure 2 of the Approach to Housing, Employment and Mixed Allocations does provide some information in relation to the supply.

Base date 1 April 2018

|   |              |
|---|--------------|
|   | 2010-30      |
| CSUCP Housing Target (Gross)                            | 19,000       |
| CSUCP Allocations and Urban Core                        | 9,380        |
| CSUCP Allocations (additional dwellings permitted)      | 373          |
| Completions (2010/11-2017/18) *                         | 5,518        |
| Sites Under Construction (dwellings to be completed) *+ | 571          |
| Planning Permissions *+                                 | 454          |
| Allowance for small sites (<5 units)(50 x12 p.a.)       | 600          |
| <b>Residual</b>   | <b>2,104</b> |
| Proposed Additional Housing Allocations                 | 4,212        |

\*Excluding sites in CSUCP and DAP Allocations and Urban Core to avoid double counting

+Excluding small sites to avoid double counting.

It suggests that the proposed housing allocations have a potential capacity of 4,212. It states that there have been 5,518 completions, this would leave an outstanding requirement of 13,482 dwellings (gross). Figure 2 suggests that there is an existing supply (CSUCP allocations, sites under construction, planning permissions, allowance for small sites) of 11,378 dwellings. Therefore, the total potential supply equates to 15,590, this is 2,108 over the housing requirement, approximately a 16% buffer in relation to the outstanding requirement or 11% buffer in relation to the gross housing requirement.

The HBF consider that the supply should be more than the housing requirement, to allow for flexibility and respond to changes in circumstances. It is important that the plan should seek not only to provide sufficient development opportunities to meet the housing requirement but also to provide a buffer over and above this requirement. The reasons for the inclusion of such a buffer are two-fold. Firstly, the NPPF is clear that plans should be positively prepared, aspirational and significantly boost housing supply. In this regard the housing requirements set within the plan should be viewed as a minimum requirement, this interpretation is consistent with numerous inspectors' decisions following local plan examination. Therefore, if the plan is to achieve its housing requirement as a minimum, it stands to reason that additional sites are required to enable the plan requirements to be surpassed. Secondly, to provide flexibility. A buffer of sites will therefore provide greater opportunities for the plan to deliver its housing requirement. The HBF recommend a 20% buffer of sites be included within the plan.

***3.2 Is there a sufficient range and choice of sites allocated in the Plan in terms of location, type and size, to provide adequate flexibility to meet the CSUCP housing requirement for Newcastle to 2030? Would the housing allocations ensure that the Plan would be consistent with the Framework, insofar as it seeks to boost significantly the supply of housing?***

The HBF would encourage the Council to provide additional sites to ensure that there is a sufficient range and choice of sites to ensure that there is sufficient flexibility to meet the housing requirement as set out above.

***3.3 What is the expected timescale for development in terms of lead in times and annual delivery rates, are these assumptions realistic and supported by evidence? Is the supply of housing sufficiently flexible in the event of non-delivery of allocated sites?***

The Council's assumptions on sites in relation to delivery and capacity should be realistic based on evidence supported by the parties responsible for housing delivery and sense checked by the Council based on local knowledge and historical empirical data.

The HBF would expect the Council to provide sufficient housing supply to ensure flexibility in the event of non-delivery of allocated housing sites. The HBF would normally recommend a buffer in the order of 20% of the requirement.

***3.4 Was the methodology used to assess and select the proposed site allocations appropriate? Were reasonable alternatives considered and tested?***

The HBF does not wish to comment on this question, at this time.

**3.5 Are the reasons for selecting the preferred sites and rejecting alternative sites clear and consistent?**

The HBF does not wish to comment on this question, at this time.

**3.6 Are the proposed housing site allocations appropriate and justified in the light of potential constraints, infrastructure requirements and adverse impacts? Is there any risk that any infrastructure requirements, site conditions and/or constraints might prevent or delay development or adversely affect viability and delivery? Can suitable mitigation measures be achieved in order to address any potential adverse effects identified? Are these assumptions realistic?**

The HBF does not wish to comment upon the individual site allocations. The HBF does wish to stress however, that it is important that all the sites contained within the Plan are deliverable over the plan period.

**3.7 A considerable number of the proposed site allocations appear to be rolled forward from the Walker Riverside and Benwell Scotswood Area Action Plans which were adopted in 2007 and 2009 respectively. Are these sites deliverable?**

The HBF does not wish to comment upon the individual site allocations. The HBF does wish to stress however, that it is important that all the sites contained within the Plan are deliverable over the plan period.

**3.8 With regard to Site 25 at Land to the South of Hallow Drive Throckley, would allocation of this site be justified? What alternative children's playspace is available in the locality?**

The HBF does not wish to comment upon the individual site allocations. The HBF does wish to stress however, that it is important that all the sites contained within the Plan are deliverable over the plan period.

**3.9 With regard to Site 40 Land to the north of Thornley Road, West Denton and Site 41 Land to the south of Hartburn Walk, Kenton, does the need for housing, including specialist/affordable housing, outweigh the loss of protected open space on these sites? What re-provision of open space would be made?**

The HBF does not wish to comment upon the individual site allocations. The HBF does wish to stress however, that it is important that all the sites contained within the Plan are deliverable over the plan period.

**3.10 Is the Plan effective and consistent with paragraph 16(d) of the Framework with regard to the lack of indicative housing numbers for housing site allocations in the Plan? Are the assumptions regarding the capacity of the sites in terms of housing numbers and net developable areas justified and what are the assumptions based on?**

The HBF consider that the clarity of Policy DM5 would be greatly improved if the indicative capacity of the sites was provided alongside their gross site area. The HBF consider that the policy as currently written is not consistent with paragraph 16d which states that plans should contain policies that are clearly written and unambiguous.

HBF Response to the Newcastle Upon Tyne Development and Allocations Plan  
Inspector's Matters, Issues and Questions

The HBF would expect the Council to have worked closely with the housebuilding industry, landowners and developers to ensure that the assumptions made regarding the capacity of the sites is appropriate.

**3.11 What status do the development principles have? How have the constraints identified in those development principles affected the capacity of sites?**

It is not clear from the Plan what status the development principles will have. It is also not apparent from the Plan how any constraints that have been identified may have impacted on the capacity of the sites.

**3.12 With regard to Site 15 Land to the south of Brunton Lane (Cell D) Newcastle Great Park, what is the capacity of this site, bearing in mind the permissions for 504 units?**

The HBF does not wish to comment upon the individual site allocations.

**3.13 Has the SA adequately assessed the housing allocations against relevant environmental, social and economic objectives?**

The HBF does not wish to comment on this question, at this time.

**3.14 Should reference be made in policy DM5 to the scope for provision of further housing on unallocated sites within the plan period?**

The HBF would expect the Council to have made reference within the Plan to the scope for provision of further housing on unallocated sites. This would be in line with the Government's objective of significantly boosting the supply of homes.

**3.15 Should a greater mix of uses be accommodated on housing site allocations?**

The HBF does not wish to comment on this question, at this time.

**Accessible and Adaptable Housing (Policy DM6)**

**3.16 Is Policy DM6 positively prepared, justified, effective and consistent with national policy and guidance and with the CSUCP?**

The HBF do not consider that policy DM6 is consistent with the CSUCP. Policy CS11 of the CSUCP only seeks to encourage the provision of wheelchair accessible homes and increase the choice of suitable accommodation for the elderly population, it does not suggest that there should be any form of requirement.

The HBF do not consider that policy DM6 is consistent with national policy. The PPG (ID:56-002) is clear that '*local planning authorities will need to gather evidence to determine whether there is a need for additional standards in their area, and justify setting appropriate policies in their Local Plans*'. The HBF do not consider that Newcastle Council have gathered an appropriate evidence base or justified the setting of this policy. The HBF also have concerns that the introduction of the accessibility standards could have an impact on the deliverability of new homes and could be contrary to the Government's objective of significantly boosting the supply of homes, as set out in the NPPF.

PPG (ID 56-07) which identifies the type of evidence required to introduce such a policy, including the likely future need; the size, location, type and quality of dwellings needed; the accessibility and adaptability of the existing stock; how the needs vary across different housing tenures; and the overall viability.

## HBF Response to the Newcastle Upon Tyne Development and Allocations Plan Inspector's Matters, Issues and Questions

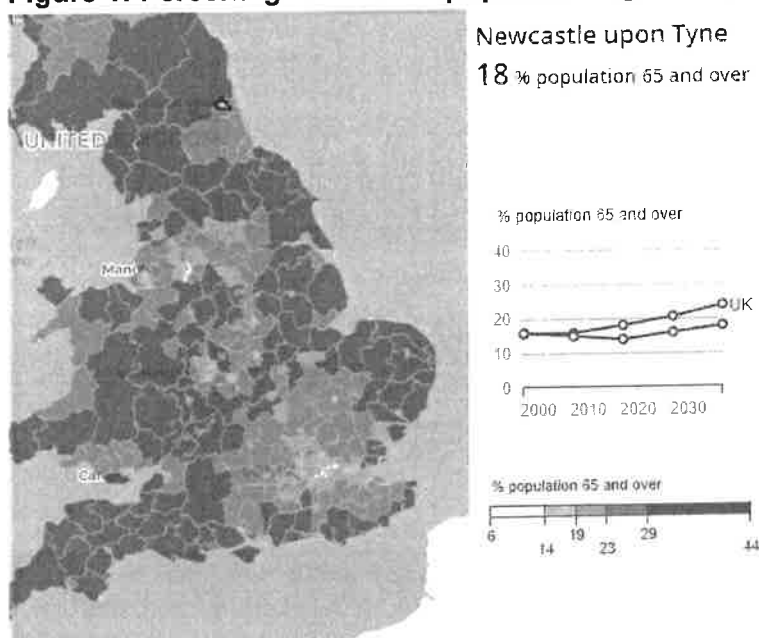
HBF do not agree with the Council that the provided evidence suggests that new housing developments of 11 or more should provide 25% of all new homes as 'Accessible and Adaptable' homes, which the HBF have assumed to mean M4(2) standards.

It must be remembered that all new homes will be built to part M4(1). According to Part M of the Building Regulations meeting M4(1) will ensure reasonable provision for most people, including wheelchair users, to approach and enter the dwelling and to access habitable rooms and sanitary facilities on the entrance storey. As such these standards are likely to be suitable for the majority of people.

### Likely Future Need

Whilst the HBF does not dispute the ageing population within Newcastle as set out in the Addressing Housing Needs and Standards document (Sept 2018) it is not clear how this ageing population and potential future need reflects in the need for 25% of all new homes to be provided at M4(2) standards.

**Figure 1: Percentage of the UK population aged 65 years and over by local authority**



The ONS<sup>1</sup> suggest that around 18.2% of the UK population were aged 65 years or over at mid-2017, compared with 14% in Newcastle, with the UK population also ageing faster than can be seen in Newcastle as shown on the chart. 16% and 18% of the population will be aged 65 years or over in 2027 and 2037 respectively in Newcastle, whilst 20.7% and 24% of the UK population will be aged 65 and over.

If it had been the Government's intention that generic statements identifying an ageing population justified adoption of the accessible & adaptable homes standards, then the logical solution would have been to incorporate the M4(2) as mandatory via the Building Regulations which the Government has not done. The optional higher M4(2) standard should only be introduced on a "need to have" rather than a "nice to have" basis. The evidence does not demonstrate this need.

The Addressing Housing Needs and Standards document states that *'the SHMA identifies in Newcastle upon Tyne 10,200 out of the growth of 16,100 households to 2030 are likely to*

<sup>1</sup> ONS Overview of the UK Population: November 2018

<https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates/articles/overviewoftheukpopulation/november2018>

## HBF Response to the Newcastle Upon Tyne Development and Allocations Plan Inspector's Matters, Issues and Questions

*have household representatives aged 65 or over*. It goes on to state that *'given this context, the evidence supports the need for at least 60% of all dwellings in Newcastle upon Tyne to meet Building Regulation M4 (2) requirements'*. It is not apparent within any of the evidence why the presumption that being aged 65 or more would automatically mean that a household would require a home built to M4(2) standards. It is also not evident that these households would consider moving into a new homes built to these standards.

The SHMA Housing for People with Disabilities document utilises information from the English Housing Survey which highlights that 0.7% of households which include one or more persons with a limiting long-term illness or disability need to move to a more suitable home. Combining this data with levels of limiting long-term illness the document suggests that there are 1,276 households in Newcastle who need to move to a more suitable home. This document then goes on to suggest that by 2030 there would be 18,149 additional households in where illness or disability would affect their housing need, however, this is where the assumptions change, whilst previous assumptions have followed the proportions in Figure 2 in relation to current home suitable for needs, current home requires adaptation, and the need to move to a more suitable home, the calculation here now considers that all of these additional households will need adaptations or a new home. There is now no assumption that the current home would remain suitable, or recognition that the introduction of new homes (built to M4(1)) would have changed the data set out in Figure 1.

### Size, location, type and quality of dwellings needed

The Addressing Housing Needs and Standards document does not appear to provide an evidence in relation to the size, location, type and quality of dwellings needed based on future demand.

The SHMA Housing for People with Disabilities document utilises information from the English Housing Survey which highlights that 0.5% of households in market housing and 2% of households in affordable housing include one or more persons with a limiting long-term illness or disability that means they need to move to a more suitable home. There is limited other information.

The HBF may have expected to see information in relation to the how the need is consistent across the Borough rather than in particular locations, the need for all types and sizes of homes to be accessible for example is it appropriate to identify an ageing population and then suggest that all family homes need to be accessible. It therefore may be appropriate to include information in relation to the sizes or types of homes that were of particular need for example will it be single people, older couples or will it be family homes with facilities for older or disabled members

### The accessibility and adaptability of existing housing stock

The SHMA Housing for People with Disabilities document sets out some information from the English Housing Survey in relation to the potential for adaptation, which suggests that around half of homes have the potential to be adapted without major works. There is very limited data in relation to the actual stock within Newcastle.

### The impact on viability

HBF Response to the Newcastle Upon Tyne Development and Allocations Plan  
Inspector's Matters, Issues and Questions

The Addressing Housing Needs and Standards document states that the Viability Report (Sept 2018) indicates that a 25% requirement is viable but does not justify a wheelchair user requirement. It should be noted that the HBF have made responses to the Council in relation to our concerns about the assumptions made within the Viability Report. However, putting these concerns aside, it is noted that there are viability issues on low value and low-mid value sites even with only the 25% requirement and with eight of the specific sites. Supporting the HBFs concerns that this policy requirement is not viable, particularly when considered in combination with other requirements.

In conclusion, the HBF do not consider that Policy DM6 is positively prepared, justified, effective or consistent with national policy and guidance and with the CSUCP.

***3.17 Is there a clearly identified need for 25% of all new homes on developments of 11 or more housing units to be built to accessible and adaptable standard and is this supported by viability evidence?***

The HBF do not consider that there is a clearly identified need for 25% of all new homes on development of 11 or more units to be built to accessible and adaptable standards and do not consider that it is supported by viability evidence, as set out in response to question 3.16 above.

***3.18 Should there be any flexibility in Policy DM6?***

The HBF consider that if Policy DM6 is to be retained that flexibility should be provided within the policy. As a starting point this should at a minimum include reference to viability, and exceptions to the policy in line with the PPG for example where site specific factors and circumstances make a site less suitable for M4(2) and M4(3) compliant dwellings.

***3.19 If requiring off-site contributions towards accessible and adaptable homes if they would not be deliverable on site, should this be addressed in Policy DM6? Is this a reasonable approach?***

If the policy is to be retained, and part of the flexibility introduced is in the form of an option to provide off-site contributions, this should be addressed within the Policy. However, further detail would be needed as to the nature of these off-site contributions.

***3.20 Is there a need for a transitional period in applying Policy DM6?***

If the policy is to be retained, the HBF would recommend a transitional period is included within the policy, to allow for developers to factor in the new standards within land acquisitions and site designs.

**Space Standards (Policy DM7)**

***3.21 Does Policy DM7 reflect all elements of the Nationally Described Space Standards (NDSS)?***

The HBF consider that this policy should be deleted. However, if this policy is to be retained the wording of this policy could be improved to provide clarity to ensure that it reflects all elements of the NDSS if that is what the Council are expecting it to do.

***3.22 Has the need to use the NDSS and the effect of Policy DM7 on viability been adequately demonstrated?***

HBF Response to the Newcastle Upon Tyne Development and Allocations Plan  
Inspector's Matters, Issues and Questions

The HBF do not consider the use of the NDSS has been adequately demonstrated. The HBF have set out their concerns in their previous responses and would again highlight that the PPG (ID 56-020) identifies the type of evidence required to introduce such a policy. It states 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** – *evidence should be provided on the size and type of dwellings currently being built in the area, to ensure the impacts of adopting space standards can be properly assessed, for example, to consider any potential impact on meeting demand for starter homes.*
- **Viability** – *the impact of adopting the space standard should be considered as part of a plan's viability assessment with account taken of the impact of potentially larger dwellings on land supply. Local planning authorities will also need to consider impacts on affordability where a space standard is to be adopted.*
- **Timing** – *there may need to be a reasonable transitional period following adoption of a new policy on space standards to enable developers to factor the cost of space standards into future land acquisitions'.*

The Gateshead and Newcastle-upon-Tyne Compliance with NDSS targets and implementation of the Standard document (February 2019) has been produced to try to address some of the concerns and gaps in evidence. However, the evidence provided is limited in terms of numbers of properties considered and the potential market comparisons made. It is not evident from the information provided what 'need' there actually is for properties built to the standards there is no evidence that these smaller properties are not selling, there is no evidence provided that customers are not satisfied with these properties or that these properties are not comparable to other properties available in the market area. The HBF consider that if the Government had just expected all properties to be built to NDSS that they would have made these standards mandatory not optional.

The HBF consider that standards can, in some instances, have a negative impact upon viability, increase affordability issues and reduce customer choice. In terms of choice some developers will provide entry level two, three and four-bedroom properties which may not meet the optional nationally described space standards but are required to ensure that those on lower incomes can afford a property which has their required number of bedrooms. The industry knows its customers and what they want, our members would not sell homes below the enhanced standard size if they did not appeal to the market.

It should be noted that the HBF Annual Industry Customer Satisfaction Survey<sup>2</sup> published March 2019 and completed by 60,955 new homeowners highlights that 90% of people who have bought a new home would do so again. It also highlights that 93% of homeowners are satisfied with the internal design and layout of their new home. This does not suggest that new homeowners have issues with the size of rooms provided or that there is a need for the NDSS to be introduced.

The HBF would also encourage the Council to consider the implications of the NDSS on the density of development and the land required to meet the housing requirement.

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<sup>2</sup> <https://www.hbf.co.uk/news/overwhelming-majority-buyers-happy-their-new-build-home/>



***3.23 Is the proposed transitional period appropriate?***

The HBF recommend that the transitional period should take into account the time it takes for a site to go from land purchase to planning permission, it may be that one year from adoption is not sufficient.

**Campus for Ageing and Vitality (CAV) Site (Policy DM9)**

***3.24 Is there sufficient clarity within Policy DM9 on the expected mix and proportion of uses to allow a masterplan to be developed?***

The HBF does not wish to comment on this question, at this time.

***3.25 Is the boundary of the CAV site justified?***

The HBF does not wish to comment on this question, at this time.

HBF Response to the Newcastle Upon Tyne Development and Allocations Plan  
Inspector's Matters, Issues and Questions