



Wycombe District Local Plan Examination: Hearing Statement Aviva Life and Pensions UK Ltd

Matter 3: Housing provision, supply, affordability and gypsy and traveller accommodation

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1.0 Introduction

- 1.1 The following hearing statement is made by Alder King Planning Consultants on behalf Aviva Life and Pensions UK Ltd. This statement responds to selected questions set out within Matter 3 of the Inspector's Stage 1 Matters, Issues and Questions (Representor ID 1233).
- 1.2 Alder King Planning Consultants have also expressed a desire to attend and participate in the examination hearing sessions relating to Matter 4.

2.0 Response to the Inspector's Questions

Question 1: Have the Housing and Economic Development Needs Assessments (HEDNA 2, HEDNA 3 and HEDNA 5) been positively prepared and are their conclusions in respect of housing soundly based and justified?

Question 2: Is the objectively assessed need for housing (OAN) of 13,200 additional dwellings over the plan period (660 dwellings per annum) based on robust and up to date evidence?

Question 3: In order to meet the OAN for housing Policy CP4 (Delivering Homes) indicates that land will be allocated for 10,925 dwellings (550 homes per annum) to be constructed in Wycombe over the Plan period. How and where will the remaining 2,275 dwellings be delivered?

- 2.1 Alder King (AK) supports the basis and rationale in which the housing requirement has been established. However, in applying the OAN to planning policy the NPPG (paragraph 020) confirms how plan makers should respond to market signals that may not otherwise not be captured by household projections. The more significant the affordability constraints are (as reflected in rising prices and rents, and worsening affordability ratio) and the stronger other indicators of high demand (e.g. the differential between land prices), the larger the improvement in affordability needed and, therefore, the larger the additional supply response should be.
- 2.2 The Government's emerging new standard method describes the level of housing growth that may be required in Wycombe having regard to household projections and affordability criteria. As it currently stands, the standard method suggests that the OAN should be 15,840 dwellings for the plan period (based on carrying forward the methodology from 2026). This represents an uplift of 4,915 dwellings beyond the current OAN (13,200 dwellings from 2013 to 2033). This figure is important in considering the robustness of the OAN and whether the plan can be considered positively prepared, given that the standard method is predicated on addressing issues of unaffordability based on past planning policies, market signals, current and future demographic trends.
- 2.3 Of course, in the case of Wycombe, the LP is not seeking to meet OAN in full within the district boundary and is instead seeking to meet it via cooperation with Aylesbury Vale District Council (AVDC). In turn WDC may argue that there is simply no scope to accommodate higher levels of growth regardless of what the OAN is given, it considers that only 10,925 dwellings can be accommodated within the plan period without otherwise incurring significant adverse environmental impacts. No doubt the matter will be considered at

examination but whilst the current wording is reliant on AVDC, it should not deter or prevent WDC from seeking to exceed the 10,925 requirement or indeed meeting the OAN in full. There is no certainty that AVDC will deliver the residual requirement and it is therefore incumbent on WDC to at least seek to meet it as a contingency measure if nothing else.

- 2.4 This being the case, in order for the OAN to be delivered by the Wycombe Local Plan and the plan to be positively prepared, relevant policies should allocate sufficient land to exceed the housing requirement or, at the very least, express the 10,925 dwelling housing requirement as a minimum requirement for housing delivery. As it currently stands, the Wycombe Local Plan exceeds the OAN by only two dwellings. Whilst possible, it is not considered realistic to expect every plan allocation to deliver housing in full within the plan period and certainly not one that is predicated on the delivery in full, large scale urban extensions such as that at Princes Risborough without significant risk that the plan will ultimately fail. To address this issue, the Wycombe Local Plan should increase planned supply by an amount that could conceivably deliver the full OAN, which in turn would ensure the necessary flexibility to at least deliver the 10,925 housing requirement and in turn assume AVDC delivers. At the very least the housing requirement should be expressed as a minimum requirement and flexibility afforded to the allocated sites to deliver more than assumed.
- 2.5 This flexibility could readily be achieved by making the best use of the Council's proposed allocations, the most significant of which are at the 'Reserve Sites' which provide for 26% of the residual planned supply. Providing these allocations at an average density of 30 dwellings per hectare is a woefully inefficient use of the land¹. The Government² confirms that where there is an existing or anticipated shortage of land for meeting identified housing needs, it is especially important that planning policies and decisions avoid homes being built at lower densities, and ensure that developments make optimal use of the potential of each site. Providing the requisite plan flexibility by establishing minimum requirements and thereby allowing for an increase of the amount of development at the plan allocations will lead to clear deliverability benefits for the Plan's strategy.
- 2.6 It is acknowledged that there may be certain difficulties in adding to the supply now when AVDC is taking some of the WDC OAN. There is a danger that AVDC may in turn reject the notion that it needs to take on the residual requirement. AK is simply seeking more flexibility within the LP to ensure that all sites (including its specific interests at Gomm Valley) make as efficient use of the land as possible. There is no sense in seeking a bar to development or restricting supply in any way, as far as is suitable and practicable.
- 2.7 The benefits of establishing minimum requirements could result in further flexible arrangements for the Plan. This might include the phased release of sites from the Green Belt to later stages of the plan period (see below)
- 2.8 The changes that AK is seeking to the WDC Local Plan are set out in detail in its submitted representations.

¹ Wycombe Monitoring Report (March 2018, paragraph 18)

² The draft National Planning Policy Framework (Draft Text for Consultation, March 2018)

Question 4: Will there be a 5 year supply of housing for the duration of the Plan period, how has this been calculated and is its delivery profile realistic?

2.9 A key component of the 5 year supply of housing is “other deliverable sites where there is a reasonable prospect of completions taking place within the five year period”³. This includes the Reserve Sites which have been released for development and account for some 29% of the housing supply over the upcoming five year period. The infrastructure required of the sites is high and requires careful coordination. Certainty in the case of Gomm Valley and Ashwells (HW6), emerging viability appraisal work suggests that the site will not realistically deliver the numbers anticipated (345 dwellings) within the five year period without a significant uplift in housing in order to deliver a policy compliant scheme. That is not to say that 345 dwellings cannot be delivered rather the effect of delays to delivery would be to dramatically reduce 345 dwellings that can be achieved within the upcoming five year supply. The effect in combination with possible under-delivery of other Reserve Sites heavily burdened with infrastructure requirements, means that there is a risk that the delivery profile could not be realistically delivered within the required period. The reserve sites have been ‘released’ since 2014 and whilst a huge amount of positive planning work has taken place over the past four years, realistic trajectories for starts onsite remain uncertain. A more positive and flexible planning policy context would aid progression through the planning application process significantly. The Inspector can be assured that the Gomm Valley allocation can deliver an economically viable site, make a valuable contribution to the five year supply and be completed within the plan period with the changes that AK advocates.

Question 5: Is the makeup of the housing supply justified and supported by robust evidence?

Question 6: Are the allocations supported by robust and comprehensive site assessment methodology, free from significant development constraints and demonstrated to be economically viable.

Question 7: Will the Plan be an effective mechanism for delivering the housing requirements contained in Policy CP4?

a) Are the site allocations available and deliverable within the anticipated timeframes?

b) Should the plan include a policy for the phased release of land for housing?

2.10 Aviva Life and Pensions UK Ltd is undertaking detailed viability tests of their land interest which forms the majority share of the Gomm Valley and Ashwells allocation (HW6). The emerging work is beginning to establish that the development would only be viable with a significant uplift in housing numbers necessary to deliver the infrastructure required of the development as described by the Gomm Valley and Ashwells Development Brief (July 2017) and the Infrastructure Delivery Plan (September 2017). In the case of Aviva’s land interest (Gomm Valley circa 400 out of the proposed 530 homes allocation) achieving a policy compliant level of affordable housing alongside CIL and the other infrastructure requirements will be

³ Wycombe Monitoring Report (March 2018, paragraph 18)

difficult. Having the potential flexibility to test the environmental effects of an increase in numbers in a positive policy context will assist greatly in viability considerations.

- 2.11 The viability testing at an overall plan level cannot ever seek to fully and accurately test the viability of all site and development scenarios. In the case of Gomm Valley and Ashwells, it is clear that viability testing differs significantly in terms of unit numbers, values and costs (as well as many other viability variables). While the level of viability testing at plan level can only ever be indicative, in a district where the land supply position is so rigid that no allocation on its delivery trajectory can fail, there needs to be careful and thorough consideration to the viability of each and every site to ensure that delivery can be guaranteed.
- 2.12 In the case of Gomm Valley and Ashwells, the allocation has been subject to a development brief to establish a suitable form of development and to test capacity assumptions. Even at the more detailed development brief preparation process it is difficult to accurately test viability, not least as the infrastructure requirements are not necessarily known at that stage. It is only at the planning application stage where full technical analysis and cost modelling is undertaken that a true picture of viability can emerge. That work is being undertaken presently and it is a rare virtue in the plan making process that the reserve sites were released four years ago and the Plan's assumptions can be properly scrutinised with the benefit of detailed appraisal.
- 2.13 This being the case, the WDC Local Plan should be amended to demonstrate that the housing targets related to the Gomm Valley and Ashwells allocation (HW6) are not only indicative but a minimum requirement. Without this amendment, there are concerns that the Gomm Valley and Ashwells allocation (HW6) cannot be demonstrated to be viable based on the housing numbers currently proposed.
- 2.14 These matters can be raised in more detail in the specific hearing statement to be submitted for the September hearings. Detailed work is ongoing to prepare a planning application in the Autumn and AK on behalf of Aviva is confident these matters can be satisfactorily resolved through the examination process. Our client has entered into a Planning Performance Agreement with WDC to test, in detail, the form and amount of development proposed as part of the scheme to address viability. The Inspector can be assured that the Gomm Valley allocation can deliver an economically viable site, make a valuable contribution to the five year supply and be completed within the plan period with the changes that AK advocates.
- 2.15 In terms of phased delivery, AK does not consider it necessary or appropriate to draft restrictive policies seeking to phase development to latter parts of the plan period. Given the reliance on every site to contribute in full, WDC cannot afford to restrict development, not least given the circumstances over maintaining a credible five year supply. If more flexibility is enshrined within the plan then there may be scope to delay or defer Green Belt release or indeed alleviate AVDC of its obligations. However, this can only realistically be achieved now via effective monitoring policies and greater certainty that other allocations can deliver more.

8: Will Policy DM22 (Housing Mix) be an effective mechanism for delivering an appropriate mix of housing types, sizes and tenures?

- 2.16 Aviva Life and Pensions UK Ltd are undertaking detailed consultation with the local community, stakeholders and Wycombe District Council to devise a suitable development proposal for their landholding, forming the majority share of the Gomm Valley and Ashwells allocation (HW6). This will include a significantly enhanced mix of dwelling sizes, type and tenure and well as, potentially, self-build plots. To that end, Aviva Life and Pensions UK Ltd support the broad approach to Policy DM22 and specifically the explanatory text at paragraph 6.18 which indicates that the market is responsive to such issues and that the policy should avoid unnecessary prescription in its approach.

11: Do Policies DM36 (Extensions and alterations to existing dwellings), DM37 (Internal space standards) and DM41 (Optional technical standards for building regulations approval) provide an appropriate mechanism for the design of new, extended and altered dwellings?

- 2.17 Aviva Life and Pensions UK Ltd wish to comment on Policy DM41 (Optional technical standards for building regulations approval). In order for this policy to comply with national planning policy, the policy should clearly state that any development costs arising from planning requirements beyond building regulations standards will be subject to the tests viability through the planning application process (the Framework, paragraph 173).

11: Are the affordable housing requirements identified in Policy DM24 (Affordable Housing) deliverable and justified by robust viability evidence? And how will the affordable housing need of 3,100 dwellings be met?

- 2.18 Plan makers should use affordable housing need projections to establish the likely level of future supply of affordable housing units that are required during the plan period. This should be predicted with relative certainty, allowing housing growth to be planned at a rate which delivers the right amount of open market and, in turn, affordable houses which act to rebalance the housing market and address inherent issues of affordability. Conversely, where uncertainty is inherent into any part of this process, the inviable outcome is delay in the delivery of housing, for the Council and for developers, and a failure of the Local Plan in meeting its objectives in terms of affordable housing delivery.
- 2.19 This being the case, we object to the Policy DM24 and the requirement to express affordable housing as a floorspace requirement of Use Class C3 housing. Planning convention is that affordable housing is expressed a proportion of Use Class C3 open market units (dwellings). The majority of planning proposals of any significant scale are granted with matters reserved for later determination (an outline planning application) when the amount of floorspace is not determined until reserved matters stage. The effect of this policy would be to defer the final amount of affordable housing to reserved matters stage, potentially leading to protracted viability discussions and delays in starts on site and, in turn, the delivery of affordable housing.

- 2.20 If the Council intend to require affordable housing to non-residential uses falling outside of Use Class C3 the amount of which are commonly expressed as floorspace in planning applications, this should be provided as a separate policy and the policy wording should be subject to separate round of consultation through the Local Plan.