

Planning Policy
Central Bedfordshire Council
Priory House
Monks Walk
Shefford
Bedfordshire
SG17 5TQ

28 February 2023

Dear Sir or Madam,

# CENTRAL BEDFORDSHIRE COUNCIL HOUSING POLICY TECHNICAL GUIDANCE SUPPLEMENTARY PLANNING DOCUMENT (SPD) CONSULTATION

On behalf of our client, Trenport Investments Limited, we write in response to Central Bedfordshire Council's consultation on the Housing Policy Technical Guidance SPD, dated January 2023.

The Housing Policy SPD provides further detail on how housing policies within the adopted Central Bedfordshire Local Plan should be implemented, and how applications will be assessed by officers. We have set out below our response to the relevant policies and provide a summary of our position at the end of this representation.

## **Policy H1 - Housing Mix**

Local Plan Policy H1 sets out that all major developments must include a mix of housing types and sizes in accordance with the housing mix set out within the Strategic Housing Market Assessment (SHMA) (2017). The SPD goes on to state at 3.1.2 the SHMA should be used as the starting point for establishing a suitable housing mix. We are concerned that the SHMA is now six years old and for this reason alone, it cannot be applied in an overly prescriptive way. It should be used only as a guideline and the older the report, the less weight it should be afforded.

At Paragraph 3.5.1, it notes that there will be occasions where the SHMA will not be appropriate as a basis for the housing mix, and that a more pragmatic approach will be required. Examples of this are provided and include rural schemes whereby flats may not appropriate or conducive to the scheme when considering the character and existing grain of development.

However, paragraph 3.10.3 contradicts this pragmatic approach, stipulating that planning applications will be required to demonstrate how the housing mix complies with the SHMA. This paragraph should be removed, as it is confusing and creates uncertainty. This lack of clarity would also present challenges for sites at the planning application stage.

### Policy H4 - Affordable Housing

Local Plan Policy H4 states that all major developments (10 or more dwellings) are required to provide 30% affordable housing, subject to viability. Requirement 1 of Policy H4 goes on to state that the affordable homes should provide 72% affordable rent and 28% intermediate tenure or have regard to the most up to date SHMA. The text at paragraph 6.2.1 however has not maintained this flexibility, and incorrectly states that the Local Plan requires a tenure split of 72% affordable rented





and 28% intermediate tenure. Paragraph 6.2.2 continues to apply rigidity, stating that 'it is critical that planning applications comply with the 72% affordable rented requirement as a minimum'.

Conversely, paragraph 6.6.1 highlights that there will be occasions where the SHMA will not be an appropriate basis for determining the affordable housing mix, and that a more pragmatic approach will be required. Paragraph 6.14.7 echoes this, confirming that where a scheme is demonstrated to be unviable meeting the policy requirement of affordable housing, a range of alternative options will be considered. Examples of such options include flexibility on tenure split, a reduced quantum of affordable housing, or off-site contributions. This flexibility is fundamental because viability constraints vary on a site-by-site basis. It is not practical to require all housing schemes to meet, as a minimum, such stringent controls.

The SPD should be amended to remove the prescriptive language and minimum requirements of affordable housing mix and tenure set out in section 6.2.

#### Policy H5 - Rural Exception Sites

Local Plan Policy H5 defines thresholds which proposals for Rural Exception Sites (RES) outside of the Green Belt must meet, to be acceptable. Part 3 of Policy H5 limits the maximum percentage of market dwellings allowed for the purpose of making the scheme financially viable at 20%. This threshold may not be sufficient to make housing schemes viable. This 20% figure should be used as a target, rather than a prescriptive limit. The SPD should make this distinction clear in the interest of encouraging Rural Exception Sites to come forward.

Paragraph 7.2.5 states that the Council requires Housing Needs Surveys (HNS) to be up to date to accompany planning applications. The SPD states that data from HNS is viewed as being valid for up to 3 to 5 years. However, table 11 stipulates that for HNS aged 3-5 years old, there <u>may</u> be a requirement to conduct an update should the age of the original survey be questioned through the planning application process. This is ambiguous and does not provide any certainty for applicants. Table 11 should be amended to reflect the policy text above, to reiterate the Council accepts that the HNS is valid for up to 5 years.

Paragraph 7.4.1 states that RES should ideally be delivered as 100% affordable housing. However, the preceding sentence notes that Local and National policy allow for a 'small' element of market housing for viability. The NPPF's RES definition¹ does not suggest a market housing threshold whatsoever. Whilst it is the prerogative of the Local Planning Authority to quantify the proportion of market homes allowed, restricting this to 20% could prohibit much needed RES schemes from coming forward. As detailed above, this figure should be implemented as a target only, and not used as a prescriptive control.

Table 13 demonstrates why the 20% figure should be used as a target only. For example, a scheme of 4 dwellings would not be able to provide any market housing according to the current draft of the SPD, because the minimum delivery rate would equate to 25% i.e. 1 market dwelling. This is overly restrictive and would likely result in fewer RES schemes coming forward.

<sup>&</sup>lt;sup>1</sup> Rural Exception Sites definition, per Annex 2: Glossary of the NPPF (2021): Small sites used for affordable housing in perpetuity where sites would not normally be used for housing. Rural exception sites seek to address the needs of the local community by accommodating households who are either current residents or have an existing family or employment connection. A proportion of market homes may be allowed on the site at the local planning authority's discretion, for example where essential to enable the delivery of affordable units without grant funding.



Paragraph 7.4.9 should be amended to state that the verified requirement of market housing would be supported, to enable a RES scheme to be delivered. This should replace the rigid requirement to conform to the 20% limit in the interest of RES delivery rates.

Paragraph 7.5.1 should also be amended to clearly state that the Council are supportive of RES schemes within the Green Belt. This paragraph notes that this policy position is reflected in the supporting text of the Local Plan. However, there is no specific Local Plan Policy in place to support this, so the SPD concludes that schemes would need to be considered on their own merits. For clarity, the SPD should explicitly state that the Council will support RES schemes within the Green Belt. This would provide certainty for applicants and would allow additional RES schemes to come forward to meet identified needs.

### **Summary**

Whilst the SPD aims to address housing needs in Central Bedfordshire, we consider that the housing policies are overly restrictive and inflexible. This rigidity conflicts with the SPD's objective of encouraging quality and choice of housing, because in effect, if housing schemes are not commercially viable aligning with the SPD's requirements, schemes will not come forward. The delivery of the minimum housing market need of 39,350 new homes by 2035<sup>2</sup> will be hindered as a result.

We trust that these representations will be taken into consideration and the suggested modifications will be incorporated.

If you require any further information, please do not hesitate to contact me or my colleague, Georgia Quinn at \_\_\_\_\_\_\_.

Yours faithfully,

Sean McGrath Director

<sup>&</sup>lt;sup>2</sup> Local Plan Policy SP1.