



EXAMINATION OF THE STROUD DISTRICT LOCAL PLAN REVIEW

INSPECTORS' MATTERS, ISSUES AND QUESTIONS

MATTER 7 Housing Provision:

Matter 7b Meeting specific housing needs.

On behalf of: Robert Hitchins Ltd

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Pegasus is instructed by Robert Hitchins Ltd to submit a Statement in respect of Matter 7b pursuant to the matters and Questions identified by the Examination Inspectors.

Separately additional Statements have been submitted in respect of the following Matters:

- Matter 1
- Matter 2
- Matter 3
- Matter 6
- Matter 6a
- Matter 6c
- Matter 6d
- Matter 6g
- Matter 7
 - Matter 7a
 - Matter 7b
 - Matter 7c
- Matter 8
- Matter 10
 - Matter 10a
 - Matter 10c
 - Matter 10d
- Matter 11
 - Matter 11a
 - Matter 11b
 - Matter 11c

Following the submission of the Reg 19 representations in July 2021 Pegasus along with PFA Consulting and Pioneer Housing and Development Consultants have also responded to the Stroud District Local Plan Review Additional Technical Evidence in October 2022.

The Hearing Statements should be read alongside our representations and supporting evidence. As instructed, we have not repeated our representations of July 2021 or October 2022; but instead sort to highlight the salient points in response to the MIQs and indicated what changes we consider necessary in order for the Plan to be found sound.



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7. MATTER 7 – HOUSING PROVISION

7.1 Matter 7b – Meeting specific housing needs

Inclusive communities – Core Policy CP7

9. This policy requires developers of major housing development to demonstrate how the proposal 'will contribute to meeting identified long term needs' within relevant communities, and sets out a list of needs to be taken into account.

a. National policy seeks plans that meet development needs. In relation to housing needed for different groups in the community, paragraph 62 of the Framework states that this 'should be assessed and reflected in planning policies'.

i. Have the long term housing needs for specific groups within the District been robustly assessed and identified in the Plan? If so, what are these and are they justified?

ii. Are the development requirements for meeting these specific housing needs clearly defined within policies?

iii. If this is the case for this Plan, what is the purpose of Core Policy CP7?

9.1 No comments to add at this stage.

b. How does Core Policy CP7 relate to other policies in the Plan, such as Core Policies DCP2 and CP8, and the site allocations? Does it unnecessarily or confusingly duplicate other Plan policies?

9.2 The approach to addressing the housing needs of the groups listed in Policy CP7 is already set out within various other policies within the Plan as commented on in representations submitted on behalf of RHL to Policy CP7 paragraph 1.4 to the Regulation 19 Consultation (listed by the Council as representation reference 879 – "rep 879"). CP7 unnecessarily (using confusing wording) duplicates Policies DCP2, HC1, CP8, CP9 and CP10. Policy CP7 should be deleted as per the modification proposed in rep 879 to Policy CP7.

c. As the policy reads more like an objective, can the Council provide clarity on what is actually required from development proposals? Have any requirements been viability tested and is it clear how the policy will be implemented and measured?

9.3 Even where clarity is provided CP7 will remain unnecessarily duplicitous. In terms of viability, as set out in rep 879 to Policy CP7 paragraph 1.5, EB70 confirms the policy to be 'general in nature' and rep 879 explains that it is unclear how the policy will be implemented. Paragraph 5.4 of Appendix 1 to representations submitted on behalf of RHL to the 'Stroud District Local Plan Review Additional Technical Evidence – Limited Consultation' in October 2022 ("ATE Response" – NB: this does not appear to be included in the online Examination Library) confirms that this remains the position in EB111: Policy CP7 is not viability tested.



- d. **How will an applicant or decision-maker determine whether the policy has been met in a particular location? What is meant by the term 'communities the development relates to'? Can the Council point us to the evidence which demonstrates the specific long term needs of a community/settlement?**
- 9.4 As set out in paragraph 1.3 of rep 879 to Policy CP7 the decision maker will be unable to determine whether the policy has been met.
- e. **The supporting text to the policy (paragraph 4.4 of the Plan) identifies that the policy would apply to all major housing developments of 10 dwellings or more or an outline residential application of 0.5 ha or more in size. Whilst this reflects the definition of major development within the Framework, are the thresholds justified within the context of this Plan? Would requirements be the same irrespective of the size of the scheme and is this justified and achievable? If not, is this clear within the policy?**
- 9.5 No comments to add at this stage.
- f. **How would the policy apply to different forms of housing development, such as sheltered housing or extra care, and is this clear?**
- 9.6 No comments to add at this stage.
- g. **The supporting text at paragraph 4.5 makes specific reference to the provision of or contribution to a Community Development Officer. This is not a requirement defined in Core Policy CP7. Is it set out in another policy and if so, is it legally compliant, justified and consistent with national policy?**
- 9.7 No comments to add at this stage.

Supporting older people and people with mobility issues – Core Policy DCP2

10. **Core Policy DCP2 sets out the modelled demand for older person homes and supports the provision of specialist older person housing. On major housing developments it expects a range of house types, including two bedroom dwellings and bungalows. It also supports other listed initiatives and developments. It summarises the need for adapted housing as established through the LHNA.**
- a. **As the policy reads more like an objective, can the Council provide clarity on how the needs listed will be met through development? What does the policy actually require from development proposals and is this viable? How will the policy be implemented?**
- 10.1 No comments to add at this stage.
- b. **Are all major housing development sites required to deliver two bedroomed dwellings and bungalows, and if so by how many dwellings? How is this proposed to be achieved and is it justified and viable?**
- 10.2 Policy DCP2 as worded requires two bedroom and bungalow homes on ALL 'major developments'. The quantity required is not stated, not even via reference to EB10. As explained in rep 879 to Policy DCP2 paragraphs 1.5 to 1.10, EB10 does not justify this requirement in terms of specifically older person housing need. Rep 879 to Policy DCP2

paragraph 1.3 explains that EB70 does not viability test the impact of this requirement (particularly for bungalows) on major development. EB111 does not viability test the impact of this requirement either (see paragraph 8.24, EB111). Policy DCP2 should be modified as set out in rep 879.

- c. How will sheltered housing and extra care accommodation needs be achieved? Have needs been identified for other older person accommodation such as age-restricted general market housing?**

10.3 No comments to add at this stage.

- d. How will an applicant or decision-maker determine whether the policy has been met in regard to criteria 1-4? For instance, how will a development be expected to increase older people's engagement in community life?**

10.4 No comments to add at this stage.

- e. As regards the inclusion of optional standards for accessible and adaptable homes:**

- i. Does the LHNA robustly evidence an identified need in accordance with national policy (footnote 49 relating to paragraph 130 of the Framework) and the PPG?**

10.5 EB10 does not robustly identify an identified need for accessible and adaptable homes in accordance with the NPPF – see paragraphs 1.14 to 1.27 of Rep 879 to Policy DCP2.

- ii. Does the policy accurately reflect the evidence of need?**

10.6 Due to concerns regarding EB10 (see paragraphs 1.14 to 1.27 of Rep 879 to Policy DCP2) Policy DCP2 cannot be concluded to accurately reflect an assessment of need for accessible and adaptable housing.

- iii. Whilst the policy lists the needs as percentages, how many dwellings for each category are actually needed and is this clearly identified within the Plan?**

10.7 The number of accessible and adaptable homes needed (net) in each category is not clearly identified in the Plan or in EB10 (see paragraphs 1.14 to 1.27 of Rep 879 to Policy DCP2).

- iv. Should the policy distinguish between the need for M4(3a) and M4(3b) categories? Has this been suitably assessed?**

10.8 There are significant cost differences between M4(3a) and M4(3b). EB70 does not robustly test the cost impacts of delivering such housing (see paragraphs 1.12 of Rep 879 to Policy DCP2) and neither does EB111 (see the RHL ATE Response Appendix 1 paragraph 5.6). EB11 references paragraph 153 of the 'Housing standards review: final implementation impact assessment' which relates to M4(3a) and refers to a cost of £10,111 per 3 bed house. Paragraph 152 of the same document is not referenced in EB111 – this relates to an M4(3b) equivalent standard and provides a cost of £25,136 per 3 bed house. These costs are as at March 2015 and so will not reflect current costs, but M4(3b) costs are not tested in EB11 in any event. Any net additional need should also be clearly justified by underpinning evidence which is not currently the case within EB10. If the requirements are to be retained despite the concerns raised regarding the

underpinning evidence of need and viability Policy DCP2 wording should distinguish between the need for M4(3a) and M4(3b) categories.

v. Does the policy take adequate account of any potential site constraints, such as topography, which may limit the suitability of a site?

10.9 Policy DCP2 wording in respect of M4(2) accessible and adaptable dwellings and M4(3) wheelchair user dwellings requirements is unable to take account of site specific constraints; if the requirements are to be retained despite the concerns raised regarding the underpinning evidence of need and viability, the wording should ensure provision is subject to site specific circumstances and / or viability.

vi. The policy is unclear how relevant development schemes will be expected to meet these needs. For instance, are 67% of all homes on development sites sought for M4(2)? Does the 8% for M4(3) form part of this or is it in addition to the 67%? Is this justified and viable and is it clear within the policy? Or is this set out elsewhere in the Plan?

10.10 The M4(2) and M4(3) requirements are not justified or proven to be viable – please see points in response to 7b (Q10. e.) above. Policy DCP2 should be modified as set out in rep 879.

f. Does the supporting text robustly justify Core Policy DCP2?

10.11 The ‘supporting text’ to Policy DCP2 is not in itself capable of robustly justifying policy wording – that is surely the role of the underpinning evidence base (which is, in any event, lacking in terms of evidence of need and / or viability)?

Affordable housing – Core Policy CP9

11. Questions on affordable housing are included under Matter 3 on the housing requirement. Our questions here relate specifically to Core Policy CP9, which requires at least 30% affordable housing on relevant sites above defined thresholds.

a. Is the requirement for at least 30% of housing on relevant sites to be affordable justified by robust evidence and is it viable for all housing types including specialist older persons’ housing?

11.1 The requirement for ‘at least 30%’ Affordable Housing is not proven to be viable in conjunction with all other cost burdens for residential development on many of the strategic and non-strategic sites tested in the Council’s evidence base.

11.2 These issues have been commented on in detail in paragraphs 1.23 to 1.41 of Rep 879 to Policy CP9 (responding to EB70) and more recently responding to EB111 in the RHL ATE Response Appendix 1 – please read the document as a whole with particular reference to paragraphs 2.13 to 2.16, 4.25 to 4.32, 5.7 and concluding Section 6 which sets out that:

“... assuming 30% affordable housing, CIL, s106 at £5k per unit and in the context of the emerging policies for which costs have been assumed, 69% of the generic sites tested fail to achieve a RLV that exceeds the BLV. ”

(paragraph 6.7, RHL ATE Response Appendix 1)

“...assuming 30% affordable housing, CIL, s106 and strategic infrastructure / mitigation costs and in the context of the emerging policies for which costs have been assumed, ALL of the strategic sites tested fail to achieve a RLV that exceeds the BLV. This is before CIL costs are applied. ”

(paragraph 6.8, RHL ATE Response Appendix 1)

“... assuming 30% affordable housing, CIL, s106 at £20k per unit and in the context of the emerging policies for which costs have been assumed, 41 (76%) of the 54 generic sites tested fail to achieve a RLV that exceeds the BLV. ”

(paragraph 6.12, RHL ATE Response Appendix 1)

11.3 Crucially, as set out in paragraph 6.13 of the RHL ATE Appendix 1:

“it is essential that the viability of any County education contribution be tested as part of this Local Plan process unless absolute clarity is provided by the Council that a new formulaic approach will not be sought from planning applications in Stroud.”

11.4 As set out at paragraphs 4.1 to 4.3 and 6.23 of the October 2022 RHL ATE Appendix 1; the above position is within the context that Build costs have increased by c.30% over an eighteen month period since July 2022 with further significant increases forecast by the end of 2023 – more recent reports (Q1 2023, Gardiner and Theobald) suggest that at best, even if further construction cost increases are avoided, reductions in cost are not expected in 2023 either. Furthermore, the Council’s viability evidence does not adequately sensitivity test the impact of these significant cost increases. In addition, following the Mini Budget in September 2022 it is understood from RHL that land values reduced by 15% to 20% thus underlining the importance of appropriate sensitivity testing.

b. Why does the policy use the term ‘at least’ and how would provision above 30% be achieved? Is this viable?

11.5 Even if, notwithstanding the viability concerns that have been raised, it is accepted by the Local Plan Inspector that 30% Affordable Housing is viable, the use of the wording ‘at least’ 30% cannot be demonstrated to be viable as it is open ended. This issue has been raised in paragraph 1.23 of Rep 879 to Policy CP9 and paragraph 5.7 of the RHL ATE Appendix 1. The words ‘at least’ should be deleted as per the modifications to CP9 proposed in Rep 879

c. How much affordable housing will be delivered as a result of the Plan’s policies?

11.6 No comment to add at this stage.

d. Is the requirement for sites for 4 or more dwellings, within the AONB or designated rural areas, to provide at least 30% affordable housing justified and effective? Would this mean that a site for 4 dwellings would need to provide 2 affordable units to meet the policy, effectively providing 50% affordable housing? Is this viable on these smaller sites and deliverable?

11.7 No comment to add at this stage.

- e. The policy states that tenure, size and type of affordable housing will be negotiated on a site by site basis. Is this flexible approach justified and effective? Would varying tenures be viable?**

11.8 Flexibility in the wording to enable site by site negotiation of Affordable Housing tenure, size and type is welcomed and should be retained. However, this should be extended to include reference to the Affordable Housing proportion and viability as per the modification proposed in Rep 879 to Policy CP9. Furthermore, the approach will ONLY be effective if the latter half of the second sentence in the second paragraph of CP9 is modified as proposed in Rep 879 (in response to the concerns raised in paragraphs 1.1 to 1.22 in Rep 879 to CP9 regarding the Council seeking Affordable Housing in mix which is pro-rata the market mix and to ensure that Affordable Housing tenure can agreed based on the evidence in EB 10 being applied in accordance with the NPPF Affordable Housing definition – as explained in paragraphs 1.45 to 1.66 of Rep 879 to CP9).

- f. Core Policy CP9 also includes a general requirement for residential development to provide an appropriate density. Does this only relate to affordable housing? If not, is it set out in other Plan policies?**

11.9 No comment to add at this stage.

- g. The supporting text at paragraph 4.21 identifies that affordable housing provision may be subject to viability, but this is not set out in the policy. Should it be and if so, is such an approach justified?**

11.10 Policy CP9 should be modified to enable Affordable Housing provision to be subject to viability (as per the modification proposed in Rep 879 to Policy CP9) – inclusion of this only in supporting text is insufficient. This modification is justified given that the viability evidence underpinning Policy CP9 is acknowledged within EB111 to be a ‘high level’ assessment prepared to assess Plan deliverability and assist with considering CIL (paragraph 3.37). EB111, which relies on the testing of generic sites and provides insufficient information to confirm how the actual costs of policies will apply (or not) to specific strategic sites (see paragraphs 4.26 to 4.28 and paragraph 5.22 in RHL ATE Response Appendix 1), is unable to reflect site specific viability impacts or subsequent changes in costs and values (particularly in the absence of sufficient sensitivity testing). It is therefore essential that the level of Affordable Housing sought in CP9 is worded to be subject to viability.

- h. The supporting text at paragraph 4.22 states that affordable housing should be provided on site other than in ‘exceptional circumstances’, but this is not set out in the policy. What are the reasons for this? What would constitute ‘exceptional circumstances’ and is the approach justified?**

11.11 Policy CP9 wording should be modified to enable Affordable Housing provision to be provided off-site / a financial contribution in lieu of on-site provision in accordance with the wording in the NPPF paragraph 63.

Town & Country Planning Act 1990 (as amended)
Planning and Compulsory Purchase Act 2004

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