<b>35</b> YEARS 1985-2020	Tetlow King		
	Unit 2		
	Τ:	E: W: www.tetlow-king.co.uk	
Planning Policy and Economic Deve	lopment Service	Date:	8 April 2022
Test Valley Borough Council Beech Hurst Woutbill Bood		Our Ref:	LS M20/0606-08
Weyhill Road Andover SP10 3AJ		Your Ref:	
	By email only:		

Dear Sir/Madam

# RE: TEST VALLEY DRAFT LOCAL PLAN 2040 REGULATION 18 STAGE 1 CONSULTATION

Tetlow King Planning represents **Aster Group**, a leading Housing Association in England. Our clients' principal concern is to optimise the provision of affordable housing through the preparation of consistent policies that help deliver the wider economic and social outcomes needed across the South East region.

Aster is a key partner in the delivery of new affordable homes in Test Valley and is one of the Council's preferred partner Registered Providers. Aster manages numerous social rent, affordable rent and shared ownership properties in the Borough, including developments in Andover and Romsey.

As significant developers and investors in local people, Aster is well placed to contribute to Local Plan objectives and act as long-term partners in the community. Tetlow King Planning previously submitted a representation on behalf of Aster in response to the Draft Local Plan 2040 Refined Issues and Options consultation in August 2020. We therefore welcome the production of the Regulation 18 Stage 1 document and the opportunity to provide comments. This stage takes the next step in identifying the Councils strategic planning priorities in the form of a vision and objectives.

## Chapter 2: Vision, Key Challenges and Objectives

The Council's Vision is set out on page 18. The Vision expresses that "by 2040, Test Valley Borough's communities will be prosperous and resilient by Providing access to good quality homes that will meet a range of needs and aspirations, including affordable housing." We therefore support the Council's Vision given that affordable housing need has been considered and included.

Similarly, the Council's 'Housing' objective is also supported:

"Provide a range of homes that are fit for purpose and designed to meet the needs and aspirations of different groups within the community, including a range of affordable housing and homes that meet the needs of an ageing population." (Page 24).







## **Chapter 3: Spatial Strategy**

We are pleased that Test Valley Borough Council has revised its settlement hierarchy (Spatial Strategy Policy 1 [SSP1]: Settlement Hierarchy) to include an additional tier. Our previous response to the Issues and Options consultation recommended that it would be appropriate for the Council to sub-divide the rural villages into an increased number of tiers to enable future development in the more sustainable of the rural villages. The Council has since undertaken a Settlement Hierarchy Assessment which shows that the rural settlements vary in the amount and type of facilities that they offer. The assessment and revised settlement strategy will help to enable the delivery of affordable housing in the more sustainable settlements.

## **Chapter 4: Strategic Policy Framework**

We are aware that "Strategic Policy 1: Countering Climate Change" applies a very broad approach to climate change issues, although paragraph 4.29 says "...it is anticipated that the next stage of the Local Plan 2040, Regulation 18 Stage 2, will include a series of more detailed policies that will support the overarching approach, as part of the Development Management policies." We advise the Council to consider how climate change policies can influence the delivery of much needed affordable housing. We look forward to viewing the Regulation 18 Stage 2 consultation and the draft Development Management policies.

### **Chapter 5: Meeting our Needs**

In response to paragraph 5.5, we reiterate our previous comments from the Issues and Options consultation regarding housing supply. The Planning for the Future consultation (PFF) White Paper proposes that housing requirements are to be determined by a standard method of calculation, with an overall target of 300,000 dwellings nationally per year. Taking this into account, Test Valley Borough Council should take a proactive role in identifying and helping to bring forward land that may be suitable for meeting development needs, as required by paragraph 121 of the NPPF.

We are pleased that the Council has commissioned a new Strategic Housing Market Assessment (SHMA) to form part of the evidence base for the new Local Plan. Table 5.1 at paragraph 5.14 presents the proposed Borough wide housing requirement of 10,820 dwellings over the 2020 to 2040 period, equal to 541 dwellings per annum. *"Strategic Policy 6: Housing Provision"* specifies that the 10,820 need will be split between the Northern and Southern Test Valley Housing Market Areas: 4,653 in the Southern HMA (233 per annum) and 6,167 in the Northern HMA (308 per annum). It also notes that for the purposes of housing land supply, each Housing Market Area will have its own supply position.

The SHMA 2022 identifies a net need for 652 affordable homes per annum (2020-2040). This is a substantial increase (123%) on the SHMA 2014 net need identified as 292 affordable homes per annum (2013-2031). We note that the annual need for affordable housing alone exceeds the proposed annual housing requirement of 541 dwellings in Test Valley. At paragraph 5.31 the Council states: *"Before we can identify a threshold for delivering affordable housing to help address this need, we need to update our evidence on the viability of delivering affordable housing. We will be commissioning a study to review this, which will be part of the viability assessment on all of the proposals in the Local Plan 2040."* 

The new affordable housing threshold should be realistic but ambitious in order to strive to meet the higher identified level of need in the SHMA 2022 by ensuring that housing provision polices allow for a sufficient delivery of affordable housing as a percentage of overall delivery.



### Rural Exception Sites

We note that the Council is looking to revise its Local Plan rural exception site Policy COM8 to allow for an element of market cross subsidy housing to facilitate affordable delivery where needed. At present, only schemes of 100% affordable housing are permitted. We therefore support the Council's proposed revisions which should alleviate viability concerns and help to boost the delivery of affordable housing across Test Valley.

### First Homes

Paragraph 5.34 announces that the Council will also consider the inclusion of a policy on First Home Exception Sites (FHES) which will apply to areas outside of the Designated Rural Area, National Parks and Areas of Outstanding Natural Beauty. Please note that the Government has decided not to take forward the proposals for Entry Level Exception Sites and only First Home Exception Sites will be provided for in policy.

#### Community Led Development

We are pleased that the Council will consider the role that community led development can play in meeting future housing need (paragraphs 2.32 and 5.35). We would like to use this opportunity to highlight the successful proven track record that Community Land Trusts (CLTs) have in delivering affordable housing for local people. Although Aster does not currently have any CLT partners in the Test Valley area, it may look to in the future as CLTs have a proven track record of success in delivering affordable housing for local people, particularly in rural areas. To date, Aster has delivered at least 14 CLT partnership schemes totalling 150 affordable homes. Therefore, it would be particularly useful if the Local Plan included a commitment to support CLTs in their choice of site. A commitment to good practice in respect of allowing CLTs flexibility on affordability criteria and local allocations would also be helpful.

#### Housing Mix

At paragraph 5.38, the consultation document notes that *"For Regulation 18 Stage 2 we will consider whether a specific policy is needed on the mix of homes, for both private and affordable housing, informed by the outcomes of the SHMA with regard to the number of bedrooms and type of housing."* The SWHAPC advises that the Council should set an authority-wide policy with a defined housing mix. This provides clarity for applicants as well as preventing application delays and circumnavigates the need for excessive pre-application discussions between applicants and the local authority. The defined housing mix should be informed by an up to date housing needs assessment; however, such a policy should be flexible in instances where site specific issues mean that meeting the defined housing mix may not be possible.

#### Space Standards

The consultation document states at paragraph 5.40 that "The Council will also consider whether the Local Plan 2040 should include a policy on internal space standards (national described space standards) and accessibility standards for new housing."

A blanket application of the Nationally Described Space Standard (NDSS) across all residential development, including affordable tenures, could undermine the viability of many development schemes. This will potentially result in fewer affordable homes being delivered as optional technical standards have implications for build costs and sales values, with implications in turn for development viability. It is possible that many eligible households in Test Valley may not desire, or require housing that meets the NDSS, as it may result in for example, higher rental and heating costs. We therefore recommend that meeting the NDSS



is not made mandatory unless it can be demonstrated that there is a clear need for such a standard in residential properties in Test Valley.

If the Council seeks to require the NDSS, it must be demonstrated that it is being done to address a clearly evidenced need, as set out in Planning Practice Guidance (PPG). We recommend that the Council reviews the Local Plan viability assessments with regard to these matters in accordance with the PPG tests which require that where a need for the standards is identified, local planning authorities should justify inclusion of a policy, taking account of need, viability and timing:

- "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."

(Paragraph: 020 Reference ID: 56-020-20150327)

The NDSS is not a building regulation and remains solely within the planning system as a form of technical planning standard. It is not therefore essential for all dwellings to achieve the standard in order to provide good quality living. For affordable housing in particular, there may be instances where achieving NDSS is impractical and unnecessary.

In various authority areas where NDSS has been adopted, both Tetlow King Planning and the SWHAPC have observed a number of instances where developers respond to the implementation of NDSS by opting for lower numbers of bed spaces by unit type. For example, a property that was once advertised as a 2-bed 4-person house of 71m<sup>2</sup> is now listed as a 2-bed 3-person house. Similarly, 3-bed 5-person houses are being listed as 3-bed 4-person houses, and so on. While this ensures that developers are meeting the wording of such NDSS policy requirements without needing to build bigger homes, it is also undesirable as it caps the occupation limits of the homes lower than is needed by many households seeking affordable housing. For this reason, Aster recommends that any move to implement NDSS should be drafted so as to clearly set expectations on the bed spaces that should be secured in affordable housing.

In demonstrating our point that NDSS is not always necessary for affordable dwellings, we use this opportunity to highlight that Homes England requires Registered Providers to deliver affordable homes that are at least 85% of the NDSS. These homes enable 2 bed homes to accommodate 4 people and 3 beds to accommodate 5 people and so on.

We understand the need to require a proportion of dwellings to meet the category standard, as set out in Building Regulations Part M, in order to provide for those in need. If the Council looks to apply such standards, such policy should look to give a percentage of accessible dwellings required on site and the standard by which they are expected to be achieved. We often see that these details are left to be agreed at pre-application stage, however, approaching accessibility in this manner creates a high level of uncertainty for developers. We would like to make the Council aware that there is a significant difference between what is expected for M4(2) and M4(3) accessible dwellings, most notably that M4(3) compliant



dwellings require a greater footprint than M4(2) dwellings and are therefore significantly more costly for developers to provide.

The application of both NDSS and accessibility standards should be demonstrated to be viable across various development scenarios through robust viability testing before required through policy.

### **Housing Topic Paper**

We note that the Council has produced a Housing Topic Paper present a coordinated view of the evidence that has been considered in drafting policies in relation to housing. Aster is pleased to see the following at paragraph 1.6:

"The plan must seek to provide for the delivery of an appropriate number of homes, of the right size, tenure and type, and in appropriate locations, to meet identified housing needs. <u>Within</u> this provision, the specific needs of different household groups must also be met, including for affordable housing and for those with specialist needs." (Our emphasis).

The Housing Topic Paper states that the Regulation 18 Stage 2 consultation will set out how the plan will seek to make appropriate provision for affordable housing. We look forward to viewing the draft Development Management policies.

The above comments are intended to be constructive, to ensure the policies are found sound at examination. We would like to be notified of further consultations on the Test Valley Local Plan by email only to **Example 1**. Please ensure that **Aster Group** is retained on the consultation database, with **Tetlow King Planning** listed as its agent.

Yours faithfully

LEONIE STOATE BSc (HONS) MSc MRTPI SENIOR PLANNER For and On Behalf Of TETLOW KING PLANNING

cc: Aster Group Clare Jenkins – Housing Enabling Officer