

Home Builders Federation (HBF) Response to Matters, Issues and Questions (MIQs) for the Bristol Local Plan- Matter 7

HBF is the principal representative body of the housebuilding industry in England and Wales. Our representations reflect the views of our membership, which includes multi-national PLC's, regional developers and small, local builders. In any one year, our members account for over 80% of all new "for sale" market housing built in England and Wales as well as a large proportion of newly built affordable housing.

We have not commented on every policy on those of interest to our members.

We have not repeated our Regulation 19 concerns which remain outstanding but have referred them where we feel this is helpful. This response should therefore be read in tandem with our Regulation 19 comments.

Matter 7: Other Housing Policies

Issue 7.1: Whether policies relating to affordable housing positively prepared, justified, consistent with national policy and effective.

Policy AH1: Affordable housing provision

Policy AH1 states that residential developments of 10 dwellings or more will be expected to provide at least 35% affordable housing as part of the dwelling mix. Diagram 6.1 and the table under paragraph 6.21 suggest that there are areas where the 35% would not be viable. The response to PQ70 acknowledges this. Under this policy, the City Centre would be subject to a 'threshold' approach and areas where 35% would not be viable, developers would be expected to work with the Council to deliver respective shortfalls through other mechanisms.

Paragraph 33 of the NPPF states that Plans should set out the contributions expected from development. This should include setting out the levels of affordable housing provision required. It states that such policies should not undermine the deliverability of the Plan.

Q7.1: Is policy AH1 positively prepared, justified, consistent with national policy and effective? In particular:

- a) Is the policy clearly written and unambiguous such that it is clear what proportion of affordable housing any developer would be expected to provide?**

No. HBF have provided detailed comments in response to AH1 in our Reg 19 response paras 82 to 94. We remain of the view that Council's approach to their affordable housing policy is unclear and confusing, making it ineffective. It is not supported by evidence and as set out in para 82 of our Regulation 19 response the Council's own viability assessment said an area approach to targets should be adopted as viability was challenging and 35% was not viable without public subsidy. However, this is not the approach the Council has pursued.

The Council's response to our Reg 19 comments (see page 85 of EXAM001, Brief responses to main issues raised in representations to Local Plan Publication Version (November 2023) July 2024, that "the policy provides flexibility on how the 35% affordable housing requirement is achieved. This includes where necessary viability testing, to establish the maximum affordable housing proportion that can be delivered without public subsidy, and the use of other mechanisms to make up any shortfall against the 35% expectation" simply does not address our concerns, or deal with the viability issues identified in the whole plan viability testing.

National Guidance in the viability PPG (Paragraph: 002 Reference ID: 10-002-20190509) says that "Viability assessment should not compromise sustainable development but should be used to ensure that policies are realistic, and that the total cumulative cost of all relevant policies will not undermine deliverability of the plan."

The Bristol therefore should not include policy requirements which evidence has shown make the delivery of housing unviable. National guidance is clear that where viability testing shows a scheme is unviable the amount of s106 contribution and/or the amount of affordable housing should be reviewed and reduced to help make the scheme viable. As currently set out the non-negotiable approach to the amount of affordable housing envisaged by the policy and the reliance on unspecified "other mechanisms" to make up the viability gap, is an unacceptable approach which will lead to many housing sites facing viability issues and being unable to be brought forward.

If the policy is to be retained and no further viability work undertaken, at the very least the Plan needs to include subject to viability within the policy, as recommended by the Council's own evidence.

The layout and formatting of the policy is also confusing and needs to be revised for the Plan to be effective.

b) Are the affordable housing requirements justified by proportionate and up-to-date evidence about need and viability?

No. See comments in relation to question 7.1a) above and our Regulation 19 response.

c) Given the evidence, and reasoned justification, suggests 35% affordable housing would not be viable in all parts of the City, is it justified or consistent with national policy to expect this to be provided on all developments of 10 dwellings or more?

No. As set out in our Regulation 19 response the Council's own evidence shows 35% is not viable in some areas. As recommended by the Council's own viability evidence the policy should be spatially differentiated and include a lower affordable housing percentage where this is needed. This setting of

these lower affordable housing targets should be informed by additional viability testing.

- d) Is the ‘threshold approach’ for proposals in the City Centre, and the 20% threshold itself, referred to in the second bullet point and paragraph 6.23, justified and is the policy clear and unambiguous as to how it would be implemented? If so, should the threshold be included in the policy to be effective?**

No. As set out in our Regulation 19 response

- e) Paragraph 6.23 states that where the ‘threshold’ approach is used, a developer should agree to commence development within 18 months of any permission being granted. Is such a requirement justified and, if so, should it be included in the policy to be effective?**

No. Such as approach is not justified by the evidence and would be contrary to national policy and guidance. See our Regulation 19 response, and comments above.

- f) Where 35% affordable housing without public subsidy is proposed, would it be justified and consistent with national policy to expect applicants to identify the maximum provision of affordable housing that can be achieved viably without public subsidy (first bullet point)?**

No. Such as approach is not justified by the evidence and would be contrary to national policy and guidance. See our Regulation 19 response, and comments above.

- g) Where 35% affordable housing without public subsidy is proposed, would it be justified and consistent with national policy to expect applicants to work with the Council to explore ways to increase delivery above this figure (fourth bullet point)?**

No. Such as approach is not justified by the evidence and would be contrary to national policy and guidance. See our Regulation 19 response, and comments above.

Paragraph 6.24 refers to the Council seeking to operate a rolling review of percentages sought and that any revised percentages will be set out in the Council’s Affordable Housing Practice Note. The Council’s response to PQ73 states that although the 35% overall policy requirement would remain constant, the percentages sought without public subsidy may need to be varied across the plan period to reflect market circumstances. It concludes that this practice has already been implemented and that the Council will continue to undertake such reviews, including the commissioning of new viability assessments to ensure percentages remain up to date.

Would the ‘rolling review’ of policy requirements through use of ‘practice notes’ be justified, consistent with national policy and the plan-led approach?

No. Such as approach is not justified by the evidence and would be contrary to national policy and guidance. See our Regulation 19 response, and comments above.

The policy seeks a tenure split of 75% social rent and 25% affordable home ownership which can include First Homes. Paragraph 6.30 states there may be situations where a different tenure split may be acceptable. Paragraph 6.31 indicates that the type and size of affordable housing will be guided by the Local Housing Needs Assessment and other local housing requirements.

Is the proposed tenure split and approach to First Homes justified and consistent with national policy?

No. the policy should be updated to reflect that First Homes are no longer the preferred approach to delivering affordable housing.

To be effective, should the provisions of paragraphs 6.30 and 6.31 be included in the policy?

If these requirements are to be included, they should be within policy and not text, so their status is clear.

Issue 7.2: Whether the remaining policies relating to housing delivery positively prepared, justified and consistent with national policy and would they be effective in securing sustainable development?

Policy H4: Housing Type and Mix

Q7.2: Is Policy H4 justified, consistent with national policy and effective? In particular:

Is the policy clearly written and unambiguous about what type and mix of housing would be expected, or what information would be used to inform a decision?

No. As HBF commented in para 95 of our Reg 19 response we do not support the wording of the policy. It is unclear.

Is the policy, or reasoned justification, clear about what “harmful imbalances” it is seeking to redress?

No, it is unclear and lacks evidence.

**Policy H5: Self-build and community-led housing
and**

**Policy H7: Managing the development of purpose-built student
accommodation
and**

Policy H8: Older People’s housing and other specialised housing needs

and
Policy BTR1: Build to Rent Housing
and
Policy H9: Accessible Homes

HBF are content to rely on Regulation 19 comments on these policies (see paras 96 to 113 of our Reg 19 response)

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