

Submitted to **Belfast LDP 2035 - Plan Strategy**

Submitted on **2018-11-15 14:51:51**

Overview

1. Data Protection

Q1. Please tick to confirm that you have read and understood the privacy notice above.

I confirm that I have read and understood the privacy notice above and give my consent for Belfast City Council to hold my personal data for the purposes outlined.

Q2. Do you consent for us to publish your response?

Yes, with my name and/or organisation

2. Your details

Q3. Are you responding as an individual, as an organisation, or as an agent acting on behalf of an individual, group or organisation?

Individual, Organisation or Agent:

I'm an Agent

Q4. What is your name?

Title:

Mr

Full Name:

Tom Stokes

Q5. What is your telephone number?

Telephone number:

██████████

Q6. What is your email address?

Email:

████████████████████

Q7. Did you respond to the previous Preferred Options Paper consultation phase?

Yes

If yes, and you have your previous response ID (beginning ANON) please enter it here::

No ANON ID available

5. Agents

Q10. Please provide details of the organisation or individual you are representing:

The name of the organisation or individual you are representing::

Wirefox and Bywater Properties Ltd

Title:

Mr

First Name:

Tom

Last Name:

Stokes

Address Line 1:

TSA Planning

Line 2:
20 May Street

Line 3:

City:
Belfast

Postcode:
BT1 4NL

Telephone number:
[REDACTED]

Email address:
[REDACTED]

Q11. Would you like us to contact you, your client or both in relation to this response or future consultations on the LDP?

Agent

6. Before you submit your comments

7. Is the plan sound?

Your comments should be set out in full. This will help the independent examiner understand the issues you raise. You will only be able to submit further additional information to the Independent Examination if the Independent Examiner invites you to do so.

Q12. Do you consider the Plan Strategy to be sound or unsound?

I believe it to be unsound

8a. Sound

Q13. If you consider the Plan Strategy to be sound and wish to support the Plan Strategy, please set out your comments below:

Reasons for support:

Wirefox Ltd have several prime assets within the City Centre boundary including: -
Castlecourt Shopping Centre
Oxford and Gloucester House, Chichester Street
Murray's Exchange, Linfield Road
Longbridge House, Waring Street
Bittles Bar Flat-Iron Building, Victoria Street

Wirefox have already invested in renovating and refurbishing the Bittles Building and Longbridge House to achieve Grade A offices, and planning permission has been secured for the 200,000sqft Grade A offices with ground floor restaurants/retail on the site of Oxford & Gloucester House. Proposals are also expected to come forward in respect of Murray's Exchange and Castlecourt in the near future.

Murray's Exchange is immediately adjacent to the proposed Transport Hub in the 'Mercantile District'. Given the 'Gateway' location and the planning history of the site, it is our contention that Murray's Exchange will become an important

Built in the 1980's Castlecourt is a prominent shopping centre within the heart of the city centre retail core. It is also central to the Inner North-West Masterplan area which is an area identified for regeneration. The lands to the north of Castlecourt are largely characterised by

Files should be no more than 10MB and in either PDF or Microsoft Word format:

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8b. Unsound

Q14a. To which part of the Plan Strategy does your representation relate?

Relevant Section or Paragraph::

Policy CC1 - Development Opportunity Sites

Policy (if relevant):

CC1 –Development Opportunity Sites

Q15a. If you consider the Plan Strategy to be unsound, please identify which test(s) of soundness your representation relates, having regard to Development Plan Practice Note 6:

CE1 - The DPD sets out a coherent strategy from which its policies and allocations logically flow and where cross boundary issues are relevant it is not in conflict with the DPDs of neighbouring councils, CE2 - The strategy, policies and allocations are realistic and appropriate having considered the relevant alternatives and are founded on a robust evidence base, CE3 - There are clear mechanisms for implementation and monitoring, CE4 - It is reasonably flexible to enable it to deal with changing circumstances

Q16a. Please give details of why you consider the Plan Strategy to be unsound having regard to the test(s) you have identified above. Please be as precise as possible.

Please give your reasons:

Client Background/Landholdings

Wirefox Ltd have several prime assets within the City Centre boundary including: -

Castlecourt Shopping Centre

Oxford and Gloucester House, Chichester Street

Murray's Exchange, Linfield Road

Longbridge House, Waring Street

Bittles Bar Flat-Iron Building, Victoria Street

Wirefox have already invested in renovating and refurbishing the Bittles Building and Longbridge House, and planning permission has been secured for a 20,812sqm/224,021sqft mixed-use development comprising Grade A offices with ground floor restaurants/retail on the site of Oxford & Gloucester House and adjacent car park area.

Proposals are expected to come forward in respect of Murray's Exchange and Castlecourt Shopping Centre.

Bywater Properties Ltd hold various land interests in the city centre including the Boots Building, Donegal Place, and a substantial land holding immediately adjacent to and North of Castlecourt. This landholding comprises a large surface level carpark and a number of adjacent non-listed buildings fronting onto Gresham Street and Winetavern Street. The properties owned by Bywater are pepper-potted with others that are not within their control/ownership.

Policy CC1

Policy CC1 – Development Opportunity Sites is likely to remain pertinent to our client's interests outlined above as they appear to be encapsulated in the development opportunity areas of: -

2. Inner North West;

5. Transport Hub and South Centre Linen Quarter.

Inner North West

Built in the 1980's Castlecourt (Wirefox) is a prominent shopping centre within the heart of the city centre retail core. It is also central to the Inner North-West Masterplan area which is an area identified for regeneration. The lands to the north of Castlecourt are largely characterised by vacant, under-utilised lands and surface level car parks, and incorporate the lands owned by Bywater Properties. Castlecourt and the adjacent lands initially formed part of a much larger Development Opportunity Site within Draft BMAP however Castlecourt was subsequently excluded from the DOS zoning in the version of BMAP purported to be adopted, leaving the Bywater Properties lands within the DOS zoning.

Transport Hub and South Centre Linen Quarter.

Murray's Exchange is immediately adjacent to the proposed Transport Hub in the 'Mercantile District'. It sits immediately adjacent to a 'Development Opportunity Site' in (Draft) BMAP, however, it is our contention that Murray's Exchange represents an important component to the city centre 'Gateway' location and is suitable for a landmark tall building proposal considering the previous planning history on the site.

Assessment of Policy

Wirefox and Bywater Properties fully agree with and support the Masterplanning approach for Major Development set out in Policy DES 2 and as set out in the Justification and amplification text Paras 7.2.21 – 7.2.27. Ideally, whilst it may be advantageous for developers and adjacent landowners to collaborate with each other and bring forward one comprehensive development proposal, this is not always possible. It is therefore important that this policy is not overly restrictive whereby smaller scale proposals cannot come forward over time and investment is therefore lost.

It is felt that Policy CC1 is inconsistent with the objectives of Policy DES 2 and criteria b and d of the policy do not set out a coherent, reasonable and flexible approach to encourage and secure the delivery of development within these opportunity sites.

Criterion b

It is not clear who has responsibility for preparing the Masterplans, urban design and landscaped frameworks, and developers' briefs listed in criterion b. For example, are these Masterplans being prepared by the Council, such as the Inner Northwest Quarter Masterplan or is it in relation to Masterplans being prepared by the developer/applicant?

Is it expected that a single Masterplan covers the entirety of the development opportunity areas identified in Figure 8.4 or is it expected that various Masterplans will be created for smaller sites within the identified areas?

Furthermore, if it is in respect of Masterplans being prepared by the Council, what would be the timescales for these being brought forward and what happens to development proposals being brought forward in advance of an agreed Masterplan if it is the responsibility of the Council to prepare the Masterplan in the first instance?

Criterion d

It is not clear what is meant by this criterion. How can development proposals be required to deliver the identified objectives prior to planning applications being submitted for individual sites? This being the case, the plan is not sufficiently flexible as it would appear to preclude the ability to bring forward applications for individual sites, which in the long term is likely to prejudice the ability to bring forward much needed development to the city centre.

Q17a. If you consider the Plan Strategy to be unsound, please provide details of what change(s) you consider necessary to make the Plan Strategy sound.

What would make it sound?:

In order to ensure that this policy is sound, we would recommend omitting Criteria b and d from the policy. Criteria a, c & e are sufficiently detailed to ensure the objectives of Masterplanning are secured and delivered across the development opportunity area in a reasonable and sensible fashion including instances whereby development must come forward in a phased or incremental approach.

Applications covering smaller components of a much larger development opportunity zone/area could be accompanied by a broad Masterplan framework demonstrating how the development proposal does not prejudice the comprehensive and orderly development of the rest of the adjacent lands, thereby ensuring that inappropriate piecemeal development is avoided.

Files should be no more than 10MB and in either PDF or Microsoft Word format:

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Q18a. Would you like to highlight another part of the draft Plan Strategy that you consider to be unsound?

Yes

8b. Unsound - Second Submission

Q14b. To which part of the Plan Strategy does your representation relate?

Relevant Section or Paragraph:

HOU 2 – Windfall Housing

Policy (if relevant):

HOU2 Windfall Housing

Q15b. If you consider the Plan Strategy to be unsound, please identify which test(s) of soundness your representation relates, having regard to Development Plan Practice Note 6:

CE2 - The strategy, policies and allocations are realistic and appropriate having considered the relevant alternatives and are founded on a robust evidence base, CE4 - It is reasonably flexible to enable it to deal with changing circumstances

Q16b. Please give details of why you consider the Plan Strategy to be unsound having regard to the test(s) you have identified above. Please be as precise as possible.

Please give your reasons:

Background

The Draft Strategy sets out at Policy HOU 1 'Accommodating New Homes' a future housing requirement of 31,660 new homes in Belfast over the period 2020-2035, with the vast majority (29,600) to be located within the city centre, harbour estate and rest of city areas. A minimal amount of housing (60) is allocated to the small settlements of Edenderry, Hannahstown and Loughview with 2,000 homes attributed to windfall housing. The housing requirement figure of 31,600 represents an ambitious growth requirement for the city.

Evidence Base

As part of the process to inform the Draft Strategy and more specifically inform housing policy, Belfast City Council instructed Arup to undertake an urban capacity study (UCS) for the district. The final draft of the UCS is dated March 2018 and therefore represents an up-to-date evidence base. Indeed, in the Executive Summary, it states that "it is an important part of the evidence base for the emerging LDP".

Policy HOU 2 'Windfall Housing' states that "there is a presumption that all new housing development within the plan area will be delivered on previously developed land within the existing urban footprint". This represents the optimum position for the Council in terms of housing land. However, the policy text of HOU 2 contrasts with the information provided within the Urban Capacity Study (UCS) (March 2018) prepared by Arup that states "the required growth for Belfast cannot be accommodated entirely within the urban footprint". This point is further reinforced at Para 4.11 of Technical Supplement 2: Housing that states "there may be some minimal need for expansion of the settlement limits" and as such appears to be contrary to CE2 of the Coherence and Effectiveness Tests.

Whilst the principle of Policy HOU 2 is directly related to Policy RG8 of the RDS 2035, that seeks to manage housing growth to achieve sustainable patterns of residential development, it is considered unrealistic to presume that all future housing will simply be delivered on brownfield land located within the existing urban footprint. The RDS 2035 also refers to this point at Para 3.19 where it sets out that “there is no presumption that brownfield land is necessarily suitable for housing development”.

There are a number of reasons as to why it is unrealistic for Policy HOU 2 of the Draft Strategy to presume that 100% of all new housing can be achieved on brownfield land over the plan period. For example, for the period 1997/98 – 2016/17 (as illustrated at Figure 9 of Technical Supplement 2: Housing), historic data indicates that the average delivery of recent brownfield housing for Belfast was 93%. More specifically, during the peak economic construction years of 2005/06 and 2006/7, brownfield lands accounted for 90.6% of overall housing lands. At Para 4.11 of Technical Supplement 2: Housing, it states that “a target of least 90% would be more appropriate for Belfast than the RDS requirement of 60%”. These figures typically indicate that the 100% brownfield housing land aspiration of Policy HOU 2 is unlikely to be achievable over the plan period. A 100% target as described would also leave the plan with a degree of inflexibility, and without the means of adapting to changing circumstances as required under CE4 of the Coherence and Effectiveness Tests.

The UCS sets out a desktop site assessment summary at Appendix F, and provides an indication of the suitability of sites for either housing and/or employment, and whether they have been deemed to be ‘available’ and ‘achievable’. As presented within the summary, the overwhelming majority of sites have been classified as being both available and achievable which obviously has the result of assuming a high quantum of brownfield land availability for housing. However, as set out at Para 3.2.3 of the UCS, it has not been possible to ascertain the willingness of landowners at this time to confirm that development will come forward on their lands. In terms of the achievability criteria, it must be considered that sites that are deemed to have a reasonable prospect of development may experience a change in circumstances over the plan period – for example, sites being developed for non-housing uses, which would in turn reduce the overall quantum of brownfield lands available for housing.

The UCS site assessment provides the optimal scenario which is considered to be unrealistic in terms of the quantum of sites deemed to be available and achievable. As referred to, the UCS has not been able to confirm the availability of sites for development with individual landowners at this time. Sites that have been deemed as being achievable may be developed for purposes other than housing over the plan period. Taking these factors into account, it is considered that under normal circumstances the quantum of sites deemed to be both available and achievable would reasonably be expected to decrease in number, therefore lessening brownfield housing land availability within the urban footprint.

Given the points raised above in terms of the historical brownfield development percentages in Belfast; comments provided within the UCS and Technical Supplement 2: Housing regarding the urban footprint and expansion of the settlement limits; and the ambiguity surrounding the precise ‘availability’ and ‘achievability’ of brownfield land for housing, it is considered that as per the SPPS sequential approach (Para 6.139), the identification of suitable housing sites must include extensions to cities and towns (Step 2 of the sequential approach).

In relation to lands situated outside the existing settlement development limit of Belfast, and the need for expansion of the settlement limit, it is considered that potential housing sites should form lands situated adjacent to the development limit; and preferably adjacent to existing residential areas and/or zoned/committed housing sites. Sites with these characteristics can provide logical locations for future housing lands, as lands situated adjacent to existing/committed housing sites can avail of the infrastructure (road network, drainage, sewerage etc) already implemented under previous planning approvals and developments under construction. Lands such as those described above can provide a natural extension to, and rounding off of the settlement development limit as referenced at Para 4.11 of Technical Supplement 2: Housing that states “there may be some minimal need for expansion of the settlement limits”.

Conclusion

In conclusion, this representation sets out that Policy HOU 2 of the Draft Plan Strategy fails coherence and effectiveness tests CE2 and CE4 as contained with Development Plan Practice Note 6 and is therefore considered unsound.

The wording of Policy HOU 2 should be amended accordingly to take cognisance of the fact that new housing development is likely to be delivered on lands outside of the urban footprint (as referenced within the UCS) and outside of the existing settlement development limit (as referenced within Technical Supplement 2: Housing) and lands which have not formed part of the Urban Capacity Study. The presumption that all new housing development within the plan area will be delivered on previously developed land within the urban footprint is unrealistic for the reasons set out above.

Q17b. If you consider the Plan Strategy to be unsound, please provide details of what change(s) you consider necessary to make the Plan Strategy sound.

What would make it sound?:

The wording of Policy HOU 2 should be amended accordingly to take cognisance of the fact that new housing development is likely to be delivered on lands outside of the urban footprint (as referenced in the UCS) and outside of the existing settlement development limit (as referenced in Technical Supplement 2: Housing).

Files should be no more than 10MB and in either PDF or Microsoft Word format:

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Q18b. Would you like to highlight another part of the draft Plan Strategy that you consider to be unsound?

Yes

8b. Unsound - Third Submission

Q14c. To which part of the Plan Strategy does your representation relate?

Relevant Section or Paragraph:
Policy HOU 5 – Affordable Housing

Policy (if relevant):
HOU5 Affordable Housing

Q15c. If you consider the Plan Strategy to be unsound, please identify which test(s) of soundness your representation relates, having regard to Development Plan Practice Note 6:

CE2 - The strategy, policies and allocations are realistic and appropriate having considered the relevant alternatives and are founded on a robust evidence base,
CE4 - It is reasonably flexible to enable it to deal with changing circumstances

Q16c. Please give details of why you consider the Plan Strategy to be unsound having regard to the test(s) you have identified above. Please be as precise as possible.

Please give your reasons:

CE2: Are the strategy, policies and allocations realistic and appropriate having considered the relevant alternatives and are founded on a robust evidence base?

Background

Policy HOU 5 is unsound in its current form as it is not realistic or appropriate in terms of economic sustainability, it is not built on a robust evidence base and does not take full account of the evidence provided. This is predominantly in relation to the Threshold and Proportion components of the Policy. In respect of the evidence base, the Preferred Options Paper LP 2 – Affordable Housing Preferred Option states that, in relation to affordable housing, “the exact level set will need to be informed by an up to date Strategic Housing Market Assessment or Local Housing Need Assessment and should involve a mix of social housing, affordable housing and intermediate housing options”.

Paragraph 4.44 of Technical Supplement 2: Housing identifies that in terms of proportion, 20% has been determined based on two main sources of information, which form part of the overall evidence base:

- a) Housing Market Analysis, BCC update, September 2017, NIHE
- b) Developer Contributions for Affordable Housing in Northern Ireland – Report of Study, 2015, Three Dragons

The above Three Dragons report has also been used as the basis for the threshold figure of 5 units as identified within Paragraphs 4.39 to 4.42 of Technical Supplement 2.

Our assessment of the above evidence base is included in the remainder of this representation, structured around the identified issues.

We are aware that an additional evidence document is referenced on page 85 of the Sustainability Appraisal Appendices 10 – 11 August 2018. Table B.18 of Annex 11 states that “Option 1 is the Preferred Option. The requirement should apply to all proposed residential development of 5 units or more. This is due to recent research into developer contributions for affordable housing”. The identified recent research is “Belfast Developer Contributions Framework, Draft Final Report for Belfast City Council, Version 1, Three Dragons, May 2017”. However, following discussions with the Council on 13th November 2018, it has been confirmed this is an error in the text and the recent research that should be referenced is the “Developer Contributions for Affordable Housing in Northern Ireland, Report of Study, December 2015, Three Dragons & DSD”. Therefore, there has been no further studies into the viability of this Policy other than that set out within the December 2015 report and as such the below assessment is valid in its points in relation to the most recent evidence available.

Robust Evidence Base

Despite the Preferred Options Paper identifying that the exact level set will need to be informed by an up to date Strategic Housing Market Assessment, the final justification for the Threshold and Proportion figures are based upon evidence provided within the Three Dragons Report published in December 2015.

The viability assessment within the report identifies that “As evidenced from across the study, there is a much stronger market in Belfast and introducing affordable housing should be possible given the right conditions. At current values and costs, something between a 10% and 20% contribution as land rather than units is probably achievable but the ability to do so becomes more secure with a rise in house prices. We modelled a 10% increase which very approximately, according to local practitioners, might be achieved over 2 years (with consistent price growth). This cannot be guaranteed, and it would not be appropriate to use anticipated value increases as the basis for policy making today”.

Given the onus on “current values and costs” and “the right conditions”, we would argue that evidence and assessment of viability prepared in December 2015 is not reflective of current values and costs or the difficult challenges currently posed to the fragile Northern Irish housing market. The report is caveated by stating it would not be appropriate to use anticipated value increases as the basis for policy making today. Without further exploration of the relationship between current house price rises and build costs, it is therefore inappropriate to base Proportion or Threshold levels on this evidence base. Of particular note, Page 65 of the Housing Market Analysis Update identifies that North Belfast experienced a 3% reduction in average house prices between Quarter 1 2016 and Quarter 1 2017. The Policy text and Technical Supplement 2 Housing also fails to take in to account the inclusion of the word “between” 10% and 20%, and simply takes the largest proportion stated.

Taking Account of Evidence

The overall conclusion of the Three Dragons report is identified above, however it is important to take note of Paragraph 241 of the study which, in relation to 20 dwellings per hectare on a 1 hectare site, states “Residual Values are reduced by the introduction of affordable housing but so too are benchmark land values. Nevertheless, the testing shows that, with the assumptions used, there is little scope to provide affordable housing on-site at 20% other than possibly in Inner Belfast and then only in quite limited circumstances and then only assuming lower costs and higher values than we have used”. The Policy has not taken this statement in to consideration and further evidence would be required to assess if this is now viable.

From reviewing the Housing Market Analysis (HMA) update, it would appear the report does not identify or advise on the exact level to be set within planning policy. We acknowledge the Housing Technical Supplement states the HMA Update outlined a 75% affordable housing requirement, which is not realistic and as such the actual level has been reduced within the Draft Plan Strategy. However, the HMA Update raises a number of key points which do not seem to have been taken in to consideration during the preparation of the policy, and which have potentially significant implications.

The most prevalent and important statement which has not been taken in to account is from Page 22 of the report which states "The full effect of the UK leaving the EU may only emerge over several years ... Undoubtedly, this will have a significant effect on the future development of Belfast. As the future policy context is changeable, any predictions and forecasts should be viewed with caution. In this unstable policy environment, monitoring effects over time will be of crucial importance." Irrespective of the viability information within the Three Dragons report, the indicated threshold of 5 dwellings and proportion of 20% does not take a precautionary approach to the predictions and forecasts.

Realistic and Appropriate to Current Economic Context

The Three Dragons report identifies that recovery remains fragile and it is of note that at the time of publication, the Brexit referendum had not yet taken place. The report identifies that there is a strong sense the industry remains vulnerable to economic shock. Given the current uncertainty of Brexit (as identified above) and the ambitious housing growth target for Belfast, we would argue that at this time, the threshold of 5 dwellings is too onerous on small developers. This is further amplified by the current increase in construction costs as outlined within the accompanying note prepared by Bruce Shaw, which have the potential to further increase due to Brexit and its impact upon the cost of construction materials. In addition to residential values and build costs, the enclosed Simon Brien letter also identifies that many house builders are still managing land banks bought at a peak period in the market and are building out to minimise a loss and as such this increases their vulnerability to changes which impact economic viability. Whilst the Policy allows for the assessment of viability on a case by case basis, in the absence of up to date information and the inability to effectively model the effects of Brexit, it is impossible to conclude at this stage whether the Policy will be viable on any developments of 5 dwellings and as such the Policy is not realistic or appropriate.

Within the Sustainability Appraisal Appendices 10 – 11 August 2018, Table B.18 on Page 85 states the sustainability assessment of Threshold has been assessed against SA Objective 8 and concludes that in relation to Option 1 (5 Units) "Schemes of 5-10 units could come under pressure in terms of viability. As smaller schemes make up a significant proportion of Belfast sites, this could have serious implications for economic growth. Option 1 considered to have minor negative effects". Not only is this statement contradictory, following Brexit and the uncertain impacts at this stage, these "minor" negative effects could manifest in the next one to four years and contribute to an overall decline in small house builders. Ultimately, this would have the potential to stagnate supply and have a detrimental impact on the overall deliverability and affordability of housing. Therefore, a more precautionary and preventative approach would be more appropriate in the initial 5 years of the Plan in order to protect economic growth, rather than the operation of a monitoring system that may be required to remediate damage caused by the Policy.

CE4: Is the plan reasonably flexible to enable it to deal with changing circumstances?

Policy HOU 5 is currently unsound as it is not reasonably flexible to enable it to deal with changing circumstances. This has been explored in detail above in relation to the economic uncertainties of Brexit. However, there is also limited flexibility in relation to developments which are not sustainable or viable. The Policy states "Where it can be demonstrated that it is not sustainable or viable for a proposed development to meet the requirements of this policy in full, the council will consider suitable alternatives on a case-by-case basis". The justification and amplification of the policy identifies this could include varying the mix of affordable housing units, the provision of affordable housing on a suitable alternative site within the local area or, in exceptional circumstances, a reduction in the proportion of affordable housing in lieu of a financial contribution to an affordable housing development elsewhere in the district. Therefore, the Policy does not allow for an exemption from providing affordable housing, which may be required in some cases.

Conclusions

In conclusion, Policy HOU 5 is currently unsound as it relies upon information which is not reflective of the current market and does not take full account of the information presented within the evidence base. Whilst we appreciate the Plan is required to address high levels of need in relation to affordable housing, as the current policy does not take in to account the full range of current circumstances, it has the potential to negatively impact upon house builders facing the uncertainty of Brexit, which, given the publication date, is not assessed within the Three Dragons Report.

Q17c. If you consider the Plan Strategy to be unsound, please provide details of what change(s) you consider necessary to make the Plan Strategy sound.

What would make it sound?:

We agree with the overall strategy to include a threshold and proportion for affordable housing within the Plan Strategy. However, we would suggest given the current market uncertainty as outlined within the HMA Update and the evidence within the enclosed Simon Brien Residential letter, it is more appropriate and realistic to begin with a cautious interpretation of the Three Dragons report and include a phased introduction/approach to affordable housing as outlined below and referenced in the accompanying Simon Brien Residential evidence:

- 1 to 20 units Nil
- 21 to 50 units 10%
- 51 to 250 units 15 %
- 250 plus units 20%

The HMA Update identifies "Commentators are forecasting a slowdown in house price growth or stagnation within the Northern Ireland housing market over the next two years, and longer-term forecasts for the UK housing market have also been cautious due to economic uncertainty following the EU referendum. It will be important to monitor trends and developments across the housing sector in the next few years."

Under the provisions of Plan Monitoring, the threshold and proportion figures could be amended after 5 years when the impacts of Brexit on the economy are more certain, a current viability assessment can be prepared and the success of the policy and its impacts on overall housebuilding can be assessed. This could

be achieved through a similar statement to that within Policy H 8 of the Manchester Core Strategy which states "These thresholds will be subject to amendment over the lifetime of the Core Strategy to reflect changing economic circumstances". This presents a more preventative approach in relation to economic sustainability rather than remediating any significant damage caused to developers, through a Policy which is too restrictive.

In relation to making the Policy reasonably flexible, we suggest that the suitable alternatives for non-viable schemes includes exemption from the Policy. By way of example, this is included in Policy H 8 of the Manchester Core Strategy which states "Either an exemption from providing affordable housing, or a lower proportion of affordable housing, a variation in the proportions of socially rented and intermediate housing, or a lower commuted sum, may be permitted where either a financial viability assessment is conducted and demonstrates that it is viable to deliver only a proportion of the affordable housing target of 20%; or where material considerations indicate that 116 9 Objective 3 Housing Manchester City Council | Manchester Core Strategy 2012 to 2027 intermediate or social rented housing would be inappropriate."

Concerns over developers artificially dividing sites will still be addressed through the final paragraph of the policy.

Our proposed changes still ensure the sustainability objectives of the draft PS are met as detailed below:

Sustainability Objective 1: Reduce deprivation and encourage an inclusive and equal society

Sustainability Objective 3: To provide opportunity for good quality housing and enable people to meet their housing needs

Sustainability Objective 8: Support the economic development of Belfast as a competitive place and contribute the Belfast's role as a regional economic driver.

As our changes still allow for a proportion of affordable housing, Objectives 1 and 3 are still met, particularly when compared to the current situation. In respect of Sustainability Objective 8, we believe our changes represent a more sustainable solution which provides protection for developers and the construction industry within an uncertain economic climate. It should be noted that the delivery of affordable housing is dependent upon a strong economy and a high level of construction. The HMA Update states "It is evident from the 2015 and 2016 statistics that the rate of construction in Belfast is significantly lower than required. As the number of starts in 2015 and 2016 was less than the number of completions, this would suggest completion rates may fall in the future". Therefore, it is necessary that the Local Development Plan aids construction as far as possible, not only to promote economic sustainability but to also assist in delivering social sustainability objectives.

Finally, the Policy requires the delivery of affordable housing to be secured by way of Section 76 agreements. Given the impact this can have on the start date of a development and as such have a negative economic impact on developers, we would suggest that agreements will need to be in some type of standard form, with maximum time limits set for local authorities to turn around.

Files should be no more than 10MB and in either PDF or Microsoft Word format:

Evidence to Policy HOU 5.pdf was uploaded

Q18c. Would you like to highlight another part of the draft Plan Strategy that you consider to be unsound?

Yes

8b. Unsound - Fourth Submission

Q14d. To which part of the Plan Strategy does your representation relate?

Relevant Section or Paragraph::

HOU7 Adaptable and Accessible Accommodation

Policy (if relevant):

HOU7 Adaptable and Accessible Accommodation

Q15d. If you consider the Plan Strategy to be unsound, please identify which test(s) of soundness your representation relates, having regard to Development Plan Practice Note 6:

CE1 - The DPD sets out a coherent strategy from which its policies and allocations logically flow and where cross boundary issues are relevant it is not in conflict with the DPDs of neighbouring councils, CE2 - The strategy, policies and allocations are realistic and appropriate having considered the relevant alternatives and are founded on a robust evidence base

Q16d. Please give details of why you consider the Plan Strategy to be unsound having regard to the test(s) you have identified above. Please be as precise as possible.

Please give your reasons:

Lifetime Homes

We consider the Lifetime Homes (LHS) aspect of Policy HOU 7 is currently unsound as it has not been formulated on a robust evidence base. The Policy states "To help deliver adaptable and accessible homes, planning permission will be granted for new housing where the following criteria are met". Paragraph 7.1.47 of the Policy identifies that "Demographics realities, together with the inaccessible character of much of the existing housing stock present a clear case for all housing to meet an accessible standard".

Firstly, the inaccessible character of much of the existing housing stock is based upon the evidence of English Housing Survey 2012, and unfortunately this data is therefore not appropriate or relevant to the housing stock in Northern Ireland or indeed Belfast City.

Secondly, the Belfast City Council Preferred Options Paper Key issue LP 4 states "Lifetime Homes – Requiring an appropriate proportion of new homes on strategic housing sites to be built to Lifetime Homes standards so that they are adaptable enough to match changing needs of people throughout their lifetime".

The approach to this issue states "Whilst a requirement for all new housing to meet Lifetime Homes Standards is unlikely to be feasible within the Belfast context, it is proposed that an appropriate proportion, based on the latest evidence of need within the local housing market, will ensure a readily available supply of housing suitable to enable independent living in the older population".

Page 8 of the Sustainability Appraisal Report – Appendix 12 states that "At POP consultation stage, a number of respondents advocated that the LHS should be applied to all new housing across tenures (although it is noted other respondents did not want prescriptive requirements). Policy HOU7 a) to f) therefore apply to all new housing."

Apart from representations made to the POP in favour of all new housing incorporating LHS (and note there were also representations that did not agree), it is not clear within the Draft Plan Strategy or Housing Technical Supplement, exactly how this divergence from the Preferred Option, which identified an appropriate proportion of strategic housing sites to be built to Lifetime Homes standards, has been justified in the context of Belfast.

Wheelchair Accessibility

The justification for the proportional element of this aspect lies within the Housing Market Assessment Update published in September 2017. The HMA extract from Page 60 is identified below:

"Many households in Belfast already require accessible or adapted housing in order to lead dignified and independent lives: During 2016, there were 582 new wheelchair users registered from within the Belfast Council area. Of the 1,884 new and existing wheelchair household's in Belfast identified during the same period, more than 250 would desire to move to somewhere more suitable to cope with a disability. This represents approximately twelve percent of the proposed new annual housing growth allowance identified for Belfast in the Preferred Options Paper 2016. While more people in Belfast are living longer and increasing numbers of older people are choosing to remain in their own homes rather than go into residential institutions. Nevertheless it is recognised that developing new homes to wheelchair standard is significantly cheaper and more effective than providing adaptations to existing unsuitable properties. This would indicate that a 10 per cent level of all new build housing in Belfast, including those in the private sectors, could be built to wheelchair user standard."

It is unclear from the above extract where a 10% proportion over a threshold of 10 units has been derived from.

This part of the Policy is also unclear in how it relates to Policy HOU 5 – Affordable Housing. As outlined within the Housing Technical Supplement, DfC guidance issued to housing associations stipulates that 7% of all new social housing should be built to wheelchair standard. However, the Draft NI Programme for Government outcomes relating to housing include an action to increase the proportion of new build social housing which is wheelchair accessible to 10% per year. Neither Policy HOU 5 or HOU 7 identify how the percentage of each relate to one another. For example, it is not identified if the 10% wheelchair accessibility can be provided within the percentage allocation of social housing. Therefore, the Policy is unsound as the policies do not logically flow.

Q17d. If you consider the Plan Strategy to be unsound, please provide details of what change(s) you consider necessary to make the Plan Strategy sound.

What would make it sound?:

Lifetime Homes – omit the policy. If the Council wishes to retain the policy, it should be re-assessed on a robust evidence base relevant to Belfast, and a more realistic and reasonable proportion of lifetime homes standards adopted.

Wheelchair Accessible – omit the policy. If the Council wishes to retain the policy, it should be re-assessed on a robust evidence base relevant to Belfast, and a more realistic and reasonable proportion of wheelchair accessible standards adopted. It should also be identified as to how this relates to Policy HOU 5.

Files should be no more than 10MB and in either PDF or Microsoft Word format:

No file was uploaded

Q18d. Would you like to highlight another part of the draft Plan Strategy that you consider to be unsound?

Yes

8b. Unsound - Fifth Submission

Q14e. To which part of the Plan Strategy does your representation relate?

Relevant Section or Paragraph:

DES 3 Tall Buildings

Policy (if relevant):

DES3 Tall Buildings

Q15e. If you consider the Plan Strategy to be unsound, please identify which test(s) of soundness your representation relates, having regard to Development Plan Practice Note 6:

P2 - Has the council prepared its Preferred Options Paper and taken into account any representations made?, CE4 - It is reasonably flexible to enable it to deal with changing circumstances

Q16e. Please give details of why you consider the Plan Strategy to be unsound having regard to the test(s) you have identified above. Please be as precise as possible.

Please give your reasons:

The incorporation of a Tall Buildings policy is welcome and is a Statement that Belfast is a progressive and growing city and supports the strategic aim of a vibrant economy.

As indicated in our previous Preferred Options Paper submission we believe that tall buildings do not necessarily have to be clustered, and in certain locations 'one-off' tall buildings can act as key landmarks and in the correct location they can serve as beacons of regeneration and stimulate further investment.

Our concern with the policy is that where the policy would permit a Tall Building is not explicitly clear.

The policy text seems to be unclear and somewhat contradictory about the clustering of Tall Buildings and the circumstances when a single Tall Building proposal out with the setting of other Tall Buildings/Clusters may be appropriate.

The structure of the policy when read indicates that it is necessary to comply with all listed criteria in that it states "Planning permission will be granted for tall buildings..... where they:"

The policy then lists 8 criteria labelled a - h.

Criteria d and e state:

criterion d: "Contribute to a cluster or an interesting skyline when grouped together"

criterion e: "Support locations of civic or visual importance including major transport nodes, civic spaces and areas of high employment";

If it is the case, that both criteria d and e need to be met due to the way the policy is expressed then there would be no scope for single tall building opportunities that would be compliant with criterion e if there are no tall buildings in the locality for them to cluster with.

Furthermore, criterion d and the requirement to contribute to a cluster appears to be cancelled out by the policy text that states, "Existing tall buildings within Belfast will not set a policy precedent for similar development on adjacent heights".

Paragraph 7.2.29 of the justification and amplification states (our emphasis in bold): -

"Tall buildings may be considered acceptable within the appropriate context where it can be demonstrated they will not have an unacceptable impact on their surroundings and where they are of high-quality design in their own right while enhancing their immediate location and wider setting. They should generally be limited to areas where existing clusters of taller buildings have already been established, as well as being sited in locations within the street pattern that terminate or accentuate key vistas and where they place emphasis on areas of civic or visual importance"

This amplification text does nothing to allay our above concerns, but further re-inforces them.

The first sentence is positive and would appear to support the opportunity for tall buildings across all locations based upon their own merits. This is supportive of the approach we would advocate.

However, the second sentence is clearly contradictory in that it must be in a cluster as well as meet the other siting requirements of terminating or accentuating key vistas, emphasis on areas of civic or visual importance etc.

Q17e. If you consider the Plan Strategy to be unsound, please provide details of what change(s) you consider necessary to make the Plan Strategy sound.

What would make it sound?:

In order to make the policy sound, it should be clarified that opportunities for 'one-off' tall buildings outside of existing established clusters may also be considered acceptable where it can be demonstrated they will not have an unacceptable impact on their surroundings and where they are of a high quality design in their own right while enhancing their immediate location and wider settings.

The conflict between the policy criteria should be removed by amalgamating criteria d & e with supplementary text as follows: -

"Contribute to a cluster or an interesting skyline when grouped together, or in locations where no opportunity to cluster exists, tall buildings should support locations of civic or visual importance including major transport nodes, civic spaces and areas of high employment";

Omit from the policy "Existing tall buildings within Belfast will not set a policy precedent for similar development on adjacent sites."

Amend the second sentence of Paragraph 7.2.29 to read: -

"Tall building opportunities will be encouraged to locations where existing clusters of taller buildings have already been established. Opportunities for tall buildings will also be considered outside of existing clusters in locations within the street pattern that terminate or accentuate key vistas and where they place emphasis on areas of civic or visual importance"

Files should be no more than 10MB and in either PDF or Microsoft Word format:

No file was uploaded

Q18e. Would you like to highlight another part of the draft Plan Strategy that you consider to be unsound?

No

9. Type of Procedure

Q18. Please indicate if you would like your representation to be dealt with by:

Oral hearing

Mr Tom Stokes
 TSA Planning
 20 May Street
 Belfast
 BT1 4NL

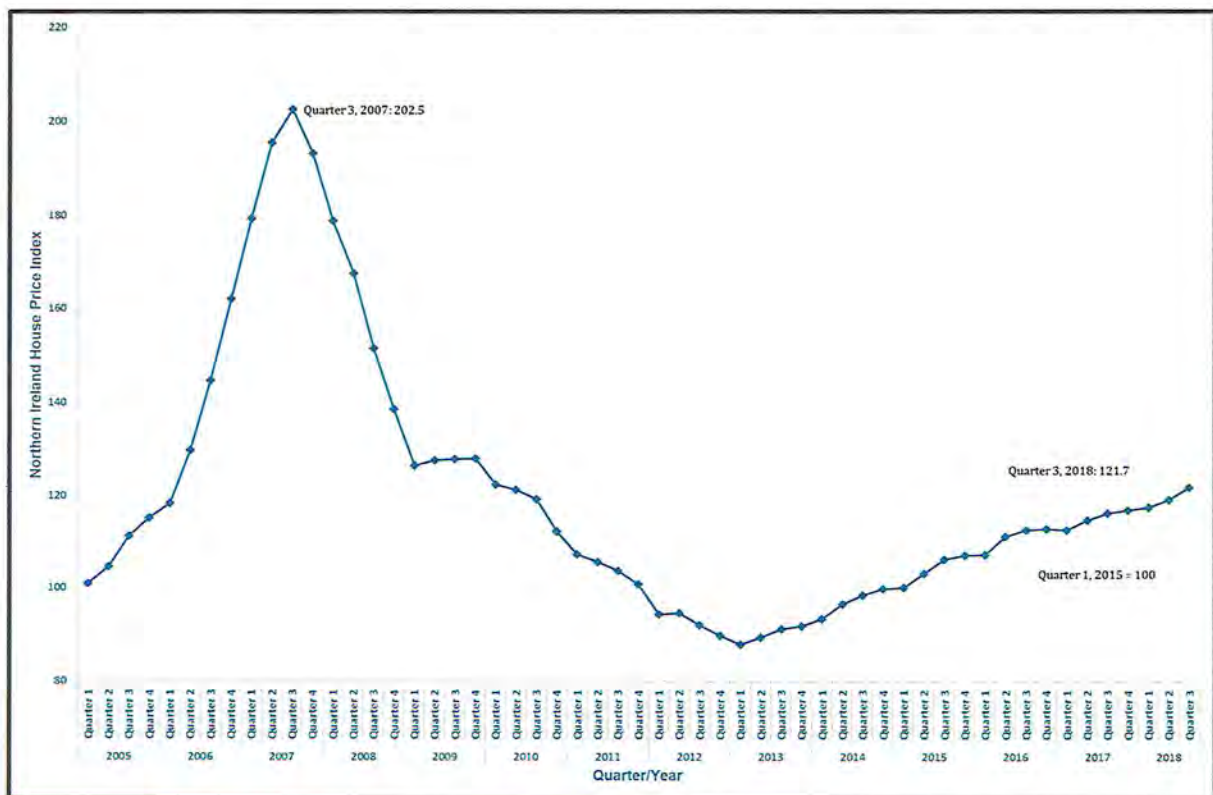
14th November 2018

Dear Mr Stokes,

**RE: PROPOSED BELFAST AREA PLAN /
 NORTHERN IRELAND RESIDENTIAL HOUSING MARKET STATUS**

From 2005 and over the subsequent 13 years to 2018, the housing market in Northern Ireland has experienced one of the most unsettled periods of the past 4 decades.

Liberal bank lending and availability of high loan to value mortgages, often without the appropriate levels of credit checks fuelled property prices with house prices rising over 100% in the 2 years from 2005 to 2007 (see graph below).



From late 2007 to 2013, the combination of a global financial crisis and overheated property market led to a property crash across the U.K. and United States of America.

South Belfast



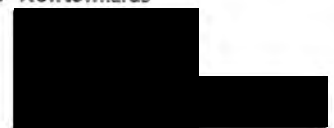
East Belfast



Holywood



Newtownards



In the U.K., Northern Ireland was the hardest hit region, having had a historically low average standardised house price of £111,920 in Q1 2005, and an increase of over 100% to an average standardised house price of £224,670 in Q3 2007, to an average standardised house price in Q1 2013 of £97,428, a fall of over 56% as a result of the global economic conditions and specific market dynamics in Northern Ireland.

The negative market conditions from 2007 to 2013 dramatically reduced the number of houses sold across Northern Ireland as detailed in the table below:

Year	Ave. House Price	No. of Transactions
2007	£213,660	29,052
2008	£176,514	10,819
2009	£141,384	11,643
2010	£131,723	10,719
2011	£115,786	11,304
2012	£102,587	13,631
2013	£99,925	16,582

Whilst many house buyers stayed out of the market due to declining prices, the volume of 'distressed sales', repossessions, and property auctions continued to drive house prices down.

Many mortgage lenders and banks either stayed away from lending in residential property and land, or only lent on very low loan to value terms with high levels of security required. This also greatly hindered the recovery in the housing market.

House Builders were also significantly affected by these negative market conditions with many going out of business and facing bankruptcy.

Whilst house prices reduced by 56% from 2007 to 2013, residential development land reduced values by 70% to 80% over this period.

As the housing market has progressively recovered from 2013, the new build market has had a very difficult period of recovery, as many house builders have had to manage the legacy of lands purchased at the peak of the market, negotiate banking liabilities, and radically reduce their debt profile to stay in business.

From 2013, house prices have risen by an average of 4% per annum, and as confidence has continued to build, the volume of transactions has also continued to build. See table below:

Year	Ave. House Price	No. of Transactions
2014	£107,616	21,233
2015	£115,437	21,915
2016	£122,972	23,080
2017	£127,607	24,582
2018 Upto Q3	£132,477	17,096

Whilst we have seen a more stable pattern emerging in the market over the past 36 months, the uncertainty surrounding Brexit and the N.I. Assembly has now introduced a new level of uncertainty to the market and also a potentially unstable market ahead.

We understand that the Draft Belfast Area Plan is suggesting the introduction of 20% of social housing to all housing developments over 5 units.

It would be our opinion that Northern Ireland is at too early a stage of both economic and housing market recovery to introduce such a massive imposition on house builders, many of whom are still managing land banks bought at a peak period in the market and are building out to minimise a loss.

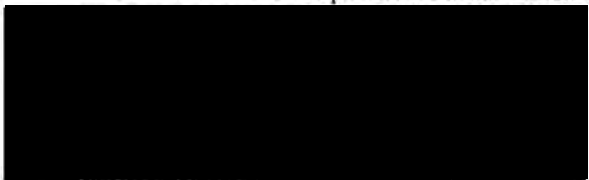
We fully recognise that the integration of social housing to private housing developments is commonplace in many areas of the U.K. and Ireland, however, in the context of the Northern Ireland market, unstable history, and potential negative conditions which lie ahead; any new policies should be phased in, to allow the market to settle and recover further. We also recognise that in the longer term, it is positive from a social responsibility and community perspective to have social / affordable housing integrated within new private housing developments.

In our opinion, housing developments of less than 20 units should not be required to introduce social / affordable housing. Schemes of this size are generally being built by smaller house builders who will struggle financially with the concept of providing up to 20% of social / affordable housing.

It could potentially be considered that the percentage of social housing is tiered relative to the scale of the development i.e.:

- 1 to 20 Units - Nil
- 21 to 50 Units - 10%
- 51 to 250 Units - 15%
- 250 plus Units - 20%

We are concerned that if the New Belfast Area Plan introduces policies which are too draconian to the new development market in terms of the legal requirement to provide high percentages of social and affordable housing and any other levys; that it will greatly hinder the onward market recovery, particularly where we are so early in the economic recovery phase and are faced with the uncertainty of Brexit and the NI political status which lies ahead.



Simon Brien
For SIMON BRIEN RESIDENTIAL

Email: 

For the attention of Mr Tom Stokes

JMcI/BW/Gen
13 November 2018

belfast

Dear Tom

Murray's Exchange
1 Linfield Road
Belfast
BT12 5DR

**Proposed Belfast Area Plan / NI Residential Housing Market Status
Commentary on Construction Costs.**

2014 saw the start of the first significant narrowing of the gap between tender prices for construction projects and input costs of labour and materials. Up to this time whilst tender prices had been rising it was at a low level with Main Contractors absorbing material and labour increases to secure tenders. On average, tender prices rose by 4% during 2014. In 2014 there was more reality coming into the marketplace. The increase in construction activity, coupled with an increase in tender prices gave rise to new challenges when evaluating potential construction projects.

During 2015/16 with the continuing skills shortages and with several of our Main Contractors' turnover still based on projects in GB the tender prices continued to rise in the NI market between 2.5% (2015) and 3.5% (2016). 2016 also saw the award of some significant projects

2017 saw the gap between construction tender prices and the input costs of labour and materials continue to close, with both showing significant increases, on average, tender prices rose by approximately 3.5% during 2017.

In 2018 we continue to see the inflationary uplift albeit at a somewhat slower pace which we forecast to be 2.5% up until year end

The average build costs for mid-spec residential units has risen from a rate of £70/sqft (dwellings only) in 2014 to £82/sqft (dwellings only) in 2018.

The increase in tender prices, which we expect to continue, emphasises the importance of budgeting for future construction inflation in feasibility studies and cost plans. As resources become scarcer, it is also important to conduct detailed pre-qualification/due diligence when preparing tender lists for new projects.



Bruce Shaw LLP

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Offices in Belfast, Glasgow, London and Manchester.

John BB McIlwaine
For and on behalf of Bruce Shaw