

Oadby & Wigston Borough Council
Council Offices
Station Road
Wigston
LE18 2DR

SENT BY EMAIL ONLY TO
planningpolicy@oadby-wigston.gov.uk

29 October 2021

Dear Sir / Madam

OADBY & WIGSTON LOCAL PLAN – ISSUES & OPTIONS CONSULTATION

Introduction

Thank you for consulting with the Home Builders Federation (HBF) on the above-mentioned consultation. The HBF is the principal representative body of the house-building 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. The HBF submit the following responses to specific questions in the Council's Issues & Options consultation document.

OVERARCHING POLICY AREAS (STRATEGIC CHALLENGES)

Is the suggested Local Plan time period of 'date of adoption to the year 2041' appropriate?

The proposed plan end date of 2041 is appropriate. As set out in the 2021 National Planning Policy Framework (NPPF), strategic policies should look ahead over a minimum 15 years period from the date of adoption, to anticipate and respond to long-term requirements and opportunities (para 22).

Who should be the key stakeholders that the Council enters into Statements of Common Ground (SoCG) with?

Oadby & Wigston is part of the Leicester & Leicestershire Housing Market Area (L&LHMA). Leicester has an unmet housing need, which is to be redistributed across the L&LHMA by agreement with neighbouring authorities. The Council should engage in collaborative working with other L&LHMA authorities to produce a SoCG, which sets out the quantum of Leicester's unmet housing needs (based on the revised standard methodology including the Cities & Urban Centres 35% uplift) and where unmet housing needs will be met by neighbouring authorities. To provide communities and other stakeholders with a transparent picture of collaboration, the National Planning Practice Guidance



(NPPG) sets out that authorities should have a SoCG available on their website by the time of publication of their Draft Plan. Once published, the Council will need to ensure that any SoCG continues to reflect the most up-to-date position of joint working (ID 61-020-20190315).

HOUSING (STRATEGIC CHALLENGES)

Housing Need

Is there any robust evidence to suggest that the Council should continue to use the current housing requirement of 148 new homes per year set out within the current Local Plan?

There is no evidence to suggest that the Council should continue to use the adopted housing requirement figure of 148 dwellings per annum. As set out in the 2021 NPPF, strategic policy-making authorities should establish a housing requirement figure for their whole area, which shows the extent to which their identified housing need and any needs that cannot be met within neighbouring areas can be met over the plan period (para 66). The determination of the minimum number of homes needed should be informed by Local Housing Needs (LHN) assessment using the Government's standard methodology unless exceptional circumstances justify an alternative approach (para 61).

Should the Council use the housing need figure of 180 new homes per year calculated by the Standard Method?

The NPPG sets out the standard methodology for calculating the LHN figure using demographic data (based on 2014 MHCLG Sub National Household Projections (SNHP)), an affordability adjustment (based on the latest ONS affordability ratios) and a Cities & Urban Centres uplift of 35% (ID 2a-004-20201216). Using the standard methodology, the minimum LHN for Oadby & Wigston is 180 dwellings per annum based on 2014 SNHP, 2021 as the current year and 2020 affordability ratio of 9.35. As set out in the NPPG, the LHN is calculated at the start of the plan-making process but this number should be kept under review and when appropriate revised until the Local Plan is submitted for examination (ID 2a-008-20190220). The minimum LHN may change as inputs are variable.

What should the Council do if the HENA outcomes suggests that there should be a diversion from the Standard Method?

The NPPG clearly states that the standard methodology is the minimum starting point in determining the number of homes needed. The 2021 NPPF seeks to achieve sustainable development by pursuing economic, social and environmental objectives in mutually supportive ways (para 8). The Council should be seeking to achieve a sustainable balance between employment and housing growth. The NPPG explains that "*circumstances*" may exist to justify a figure higher than the minimum LHN. The "*circumstances*" for increasing the minimum LHN are listed in the NPPG including, but not limited to, situations where increases in housing need are likely to exceed past trends because of

growth strategies, strategic infrastructure improvements, agreeing to meet unmet need from neighbouring authorities or previous levels of housing delivery / assessments of need, which are significantly greater than the outcome from the standard methodology (ID 2a-010-2001216). When preparing the HENA, the Council should consider whether such “*circumstances*” exist.

Should the Borough area be taking any of Leicester City’s declared unmet housing need?

Oadby & Wigston is part of the L&LHMA. Leicester has an unmet housing need, which is to be redistributed across the L&LHMA by agreement with neighbouring authorities. The Council should be working collaboratively with other L&LHMA authorities to meet Leicester’s unmet housing needs (also see HBF answer above under Overarching Policy Areas).

Housing density

Should the Council ‘roll forward’ the current Local Plan policy relating to housing density ensuring that it is up-to-date with national policy and guidance?

Adopted Policy 12 – Housing Densities should be reviewed for compliance with the 2021 NPPF and the latest NPPG.

Should the Council be seeking to increase / decrease the minimum density targets in the new Local Plan?

If the Council is seeking to increase or decrease minimum density targets, the setting of residential density standards should be undertaken in accordance with the 2021 NPPF (para 125), whereby in the circumstances of an existing or anticipated shortage of land for meeting identified housing needs then a minimum net density in suitable locations such as town centres and those benefiting from good public transport connections may be appropriate. However, “town cramming” should be avoided, there will be a limited capacity for higher densities and more taller buildings, which will only be appropriate in certain locations. The intensification or densification of housing densities should be in keeping with the character of the surrounding area.

Should the Council be applying a single density target across the Borough area?

Adopted Policy 12 sets out a differentiated approach of 30, 40 and 50 dwellings per hectare to housing densities across the Borough. The nuanced policy approach to residential densities in adopted Policy 12 is more appropriate than a single housing density target. A single housing density target across the Borough area would be inappropriate as a range of differing densities is needed to ensure development is in keeping with the character of the surrounding area and to provide sufficient variety in house typologies to create balanced communities with the right types of new homes to meet the housing needs of different groups.

Affordable housing

Should the Council 'roll forward' the current Local Plan policy relating to affordable housing ensuring that it is up-to-date with national policy and guidance?

Adopted Policy 13 – Affordable Housing should be reviewed for compliance with the 2021 NPPF and the latest NPPG.

The qualifying threshold for sites providing affordable housing should reflect the definition of major development set out in the 2021 NPPF. The Council's affordable housing tenure mix should also reflect the 2021 NPPF expectation that at least 10% of homes will be available for affordable home ownership (para 65) and the 24 May 2021 Written Ministerial Statement requirement for 25% of affordable housing to be First Homes with further detail on implementation provided in the latest NPPG.

Should the Council be applying a single Borough wide percentage target and policy approach?

Adopted Policy 13 sets out a differentiated approach to affordable housing across the Borough with 30% sought in Oadby, 20% in Wigston and in 10% South Wigston. Before seeking to applying a single Borough wide percentage target or an increase or decrease to the adopted minimum affordable housing percentage targets, the Council should undertake robust assessments of affordable housing need and viability.

The HENA should establish the Borough's affordable housing needs. As set out in the NPPG, households whose needs are not met by the market, which are eligible for one or more of the types of affordable housing set out in the definition of affordable housing in Annex 2 of the 2021 NPPF, are considered in need of affordable housing (ID 67-005-20190722). Total affordable housing need should be considered in the context of its likely delivery as a proportion of mixed market and affordable housing developments. As set out in the NPPG, an increase in the total housing figures may be considered where it could help deliver affordable housing (ID 2a-024-20190220). It is acknowledged that the Council may not be able to meet all affordable housing needs but a housing requirement above the minimum LHN will make a greater contribution to delivering more affordable housing.

In plan-making, viability is inseparable from the deliverability of development. The viability of individual developments and plan policies should be tested at the plan making stage. As set out in the 2021 NPPF, the contributions expected from development including the level & types of affordable housing provision required and other infrastructure should be set out in the Local Plan (para 34). As stated in the 2021 NPPF, development should not be subject to such a scale of obligations that the deliverability of the Local Plan is threatened (para 34). Without a robust approach to viability assessment, the Local Plan will be

unsound, land will be withheld from the market and housing delivery targets will not be achieved.

Older persons housing

Should the Council require applicants to provide older persons housing and / or accommodation, on all development sites regardless of size or on only large development sites that meet the NPPF definition of major development?

A requirement to provide older persons housing on all or only large development sites is inappropriate. Older persons housing is a diverse sector covering extra care, sheltered housing, retirement living, bungalows etc., the Council will have to set out its precise definition of type of older persons housing sought. Not all sites will be able to accommodate such housing because of site size, proposed development typology, site specific circumstances and viability. The Council's policy approach should be flexible and proportionate to the size of site.

A requirement to provide older persons housing on all or only large development sites will affect viability because the financial dynamics of older persons housing are different to general housing. Build costs are higher due to specific design criteria suited to the needs of older people, a greater gross to net floor area for non-saleable shared facilities, elongated construction / sales periods and cashflows as no individual units can be occupied until communal areas are completed, which means substantial upfront investment before any return on capital is received.

The Council should ensure that appropriate sites are allocated to meet the housing needs of specifically identified groups of households rather than relying on an overly prescriptive policy approach of specifying housing mixes for individual sites. The Local Plan should ensure that suitable sites are available for a wide range of different types of development across a wide choice of appropriate locations. The Council should consider allocating sites for older persons subject to criteria such as the proximity of sites to public transport, local amenities, health services and town centres.

Should the Council be considering the housing needs for younger persons as well as the housing needs for older persons?

As set out in the 2021 NPPF, the size, type and tenure of housing needed for different groups in the community should be assessed and reflected in planning policies (para 62). All households should have access to different types of dwellings to meet their housing needs, the Council should be considering the housing needs of both younger and older persons.

INFRASTRUCTURE (STRATEGIC CHALLENGES)

Viability

Should the Council ‘roll forward’ the current Local Plan policy relating to Infrastructure and Developer Contributions ensuring that it is up-to-date with national policy and guidance that takes into account the requirement to develop a whole Plan Viability Assessment?

Adopted Policy 46 - Infrastructure and Developer Contributions should be reviewed for compliance with the 2021 NPPF and the latest NPPG.

Should the Council seek to develop a new Policy approach to meeting its infrastructure and developer contribution needs that takes into account the requirement to develop a whole Plan Viability Assessment?

As Local Plan preparation progresses, the Council should proactively engage with all key stakeholders including developers to produce a Whole Plan Viability Assessment.

In plan-making, viability is inseparable from the deliverability of development. At Examination, viability will be a key issue in determining the soundness of the Local Plan. The viability of individual developments and plan policies should be tested at the plan making stage. As set out in the 2021 NPPF, the contributions expected from development including the level & types of affordable housing provision required and other infrastructure for education, health, transport, flood & water management, open space, digital communication, etc. should be set out in the Local Plan (para 34). As stated in the 2021 NPPF, development should not be subject to such a scale of obligations that the deliverability of the Local Plan is threatened (para 34). Viability assessment should not be conducted on the margins of viability. Without a robust approach to viability assessment, the Local Plan will be unsound, land will be withheld from the market and housing delivery targets will not be achieved.

Viability assessment is highly sensitive to changes in its inputs whereby an adjustment or an error in any one assumption can have a significant impact. Most sites should be deliverable at planning application stage without further viability assessment negotiations. Viability negotiations should occur occasionally rather than routinely. Trade-offs between policy requirements, affordable housing and infrastructure provision should not be necessary. However, if the viability of sites is overstated, policy requirements will be set at unrealistic levels. Landowners and developers will have to submit site-specific assessments to challenge assumptions in the Council’s Viability Assessment. Such negotiations at planning application stage causes uncertainty for both the Council and developers, which may result in significant delay to housing delivery or even non-delivery.

HOUSING (LOCAL CHALLENGES)

First homes

Is there robust evidence to suggest that the level of discount should be increased within the Borough area?

Any increase to the 30% level of discount applicable to First Homes within the Borough should be fully justified by robust evidence.

Technical housing standards

Should the Council require that all new homes provided within the Borough comply with the Governments Technical Housing Standards?

If the Council wishes to apply optional technical standards for accessible & adaptable homes and / or the Nationally Described Space Standard (NDSS), then this should only be done in accordance with the 2021 NPPF (para 130f & Footnote 49) and the latest NPPG (ID 56-005-20150327 – 56-011-20150327 & 56-020-20150327). The Council should provide a local assessment, which justifies with credible and robust evidence its case. The Council should also acknowledge that implementation of the Government's proposed changes to Part M of the Building Regulations as set out in the "Raising Accessibility Standards for New Homes" consultation (closed on 1 December 2020) will supersede any proposed policy approach to accessible & adaptable homes.

Self and custom build

Should the Council 'roll forward' the current policy approach set out in Local Plan Policy 14 – Self Build and Custom Build, ensuring that it is up to date with current national planning policy and guidance?

Adopted Policy 14 - Self Build & Custom Build Housing should be reviewed for compliance with 2021 NPPF and latest NPPG.

Are there any other options available to the Council that would be appropriate?

The Council should continue to support Self & Custom Build Housing as set out in adopted Policy 14. The NPPG sets out the key role that the Council should play in bringing forward suitable land for self & custom build housing (ID 57-025-20210508). The Local Plan should provide a wide range of different self & custom build housing opportunities across the Borough. Appropriate policy mechanism options include the allocation of small and medium scale sites specifically for self & custom build housing and permitting self & custom build outside but adjacent to settlement boundaries on sustainable sites especially if the proposal would round off the developed form.

The provision of a percentage of self-build & custom build plots on schemes above a certain size would be an inappropriate policy approach, which adds to the complexity and logistics of development. As well as on-site impracticalities, the inclusion of self-build plots will have a fundamental bearing on the development economics of development, these impacts on viability should be tested and additional costs should be fully accounted for in the Council's Viability Assessment.

Sustainable homes

Which of the above potential options do you consider to be the most appropriate?

The most appropriate approach is not requiring any further elements of sustainability (solar photovoltaic energy producing technology, Electric Vehicle Charging Points (EVCPs), ground and / or air source heat pumps, wind energy producing technology, water energy producing technology & grey water recycling) to that expected through the Building Control process (also see HBF answer below under Climate Change).

With reference to EVCPs, the HBF recognise that electric vehicles will be part of the solution to transitioning to a low carbon future. As set out in the Department of Transport consultation on Electric Vehicle Charging in Residential & Non-Residential Buildings (ended on 7th October 2019), the Government's preferred option is the introduction of a new requirement for EVCPs under Part S of the Building Regulations. The inclusion of EVCP requirements within the Building Regulations will introduce a standardised consistent approach to EVCPs in new buildings across the country and supersede a policy approach of providing EVCPs as a Local Plan policy requirement. Until the introduction of proposed changes to Part S of the Building Regulations, the HBF consider that the physical installation of active EVCPs is inappropriate. The evolution of automotive technology is moving quickly therefore a passive cable and duct approach is a more sensible and future proofed solution, which negates the potential for obsolete technology being experienced by householders. A passive cable and duct approach means that the householder can later arrange and install a physical EVCP suitable for their vehicle and in line with the latest technologies.

Housing choices

Should the Council 'roll forward' the current Policy approach set out in Local Plan Policy 11 – Housing Choices, ensuring that it is up to date with current national planning policy and guidance?

Adopted Policy 11 – Housing Choices should be reviewed for compliance with the 2021 NPPF and the latest NPPG.

As set out in the 2021 NPPF, all policies should be underpinned by relevant and up to date evidence, which should be adequate, proportionate and focussed tightly on supporting and justifying the policies concerned and take into account relevant market signals (para 31). Therefore, in determining the mix, size and type of housing needed, market signals are as important as evidence contained in the HENA. Policy requirements for the mix, size and type of dwellings should not be overly prescriptive. The Council should adopt a flexible policy approach.

DESIGN & CHARACTER (LOCAL CHALLENGES)

Design Codes

Which of the above potential options relating to local design codes do you consider to be the most appropriate for the Borough area?

The Council's potential options for a policy approach on design codes are :-

- a smaller number of more generic local design codes covering larger areas of the Borough ;
- a larger number of local design codes that are more bespoke covering smaller areas of the Borough ;
- high level, illustrative & less prescriptive local design codes rather than more detailed & prescriptive local design codes.

The Council's policy approach on design should accord with the 2019 NPPF, the latest NPPG, the National Design Guide and National Model Design Code. The preferred policy approach should provide specific local guidance rather than just repeating national policy or guidance.

ENVIRONMENT AND SUSTAINABILITY (STRATEGIC CHALLENGES)

Habitats and Biodiversity

Should the Council 'roll forward' the current policy approach set out in Local Plan (relevant parts of) Policy 37 – Biodiversity & Geodiversity, ensuring that it is up to date with current national planning policy and guidance?

Adopted Policy 37 – Biodiversity & Geodiversity should be reviewed for compliance with the 2021 NPPF and the latest NPPG.

The Council's policy approach to biodiversity net gain should align with the Government's proposals as set out in the Environment Bill including a mandatory national requirement for 10% biodiversity gain, exemptions and transitional arrangements. In the Government's opinion, 10% strikes the right balance between the ambition for development and reversing environmental decline whilst providing certainty in achieving environmental outcomes, deliverability of development and costs for developers. As set out in the Environment Bill, the Government will introduce exemptions applicable to the most constrained types of development. The Council should apply proportionality in their application of planning policy. Sites without reasonable opportunities to achieve biodiversity net gain should not face risks of delay through rigid or prescriptive requirements. There will be a targeted exemption for brownfield sites. The Government also intends to make provision for a transition period of two years. The specifics of this transition period will provide clear and timely guidance on understanding what will be required and when. The Government will consider whether residential developments minor (less

than 10 dwellings) should be subject to longer transition arrangements or a lower net gain requirement than other types of development.

The Government has also confirmed that more work needs to be undertaken to address viability concerns raised by the housebuilding industry in order that biodiversity net gain does not prevent, delay or reduce housing delivery. There are significant additional costs associated with biodiversity gain, which should be fully accounted for in the Council's Viability Assessment.

Should the Council be making use of Natural England's Biodiversity Metric, or are there more appropriate ways of calculating biodiversity net gain?

The Council should make use of Natural England's Biodiversity Metric, which is used by the Government (DEFRA) to measure changes to biodiversity under net gain requirements established in the Environment Bill.

Climate change

Should the Council 'roll forward' the current policy approach set out in Local Plan (relevant parts of) Policy 38 – Climate Change, Flood Risk & Renewable Low Carbon Energy, ensuring that it is up to date with current national planning policy and guidance?

Adopted Policy 38 - Climate Change, Flood Risk & Renewable Low Carbon Energy should be reviewed for compliance with the 2021 NPPF and the latest NPPG.

Should the Council draft a new Policy to address Climate Change and to take account of up to date national planning policy and guidance?

A review of adopted Policy 38 and / or any new policy approach should reflect the Government's intention of setting standards for energy efficiency through the Building Regulations. The key to success is standardisation and avoidance of individual Councils specifying their own policy approach to energy efficiency, which undermines economies of scale for product manufacturers, suppliers and developers. The Council should not need to set local energy efficiency standards to achieve the shared net zero goal because of the higher levels of energy efficiency standards for new homes proposed in the 2021 Part L uplift and the Future Homes Standard 2025.

Today's new homes are already very energy efficient with lower heating bills for residents in comparison to older existing homes. Energy performance data has shown that 8 out of 10 new build dwellings have an A or B energy efficiency rating, compared to only 3% of existing properties. In November 2019, the average new build buyer in England saved £442.32 every year on heating costs compared to owners of existing dwellings.

Nevertheless, the HBF recognise the need to move towards greater energy efficiency via a nationally consistent set of standards and timetable, which is universally understood and technically implementable. The Government Response to The Future Homes Standard : 2019 Consultation on changes to Part L (conservation of fuel and power) and Part F (ventilation) of the Building Regulations for new dwellings dated January 2021 provides an implementation roadmap, the Government's aim is for the interim Part L (Conservation of fuel and power), Part F (Ventilation) & Overheating Regulations to be regulated for in late 2021 and to come into effect in 2022. The 2021 Interim Uplift will deliver homes that are expected to produce 31% less CO2 emissions compared to current standards. To ensure as many homes as possible are built in line with new energy efficiency standards, transitional arrangements will apply to individual homes rather than an entire development and the transitional period will be one year. This approach will support successful implementation of the 2021 Interim Uplift and the wider implementation timeline for the Future Homes Standard from 2025. The Future Homes Standard will ensure that new homes will produce at least 75% lower CO2 emissions than one built to current energy efficiency requirements. By delivering carbon reductions through the fabric and building services in a home rather than relying on wider carbon offsetting, the Future Homes Standard will ensure new homes have a smaller carbon footprint than any previous Government policy. In addition, this footprint will continue to reduce over time as the electricity grid decarbonises.

The HBF support the Government's approach to the Future Homes Standard but there are difficulties and risks to housing delivery given the immaturity of the supply chain for the production / installation of heat pumps and the additional load that would be placed on local electricity networks in combination with Government proposals for the installation of EVCPs in new homes. In autumn 2020, the HBF established a Future Homes Task Force to develop workable solutions for the delivery of the home building industry's contribution to meeting national environmental targets and objectives on Net Zero. Early collaborative work is focussed on tackling the challenges of implementing the 2021 and 2025 changes to Building Regulations successfully and cost-effectively as well as providing information, advice and support for Small Medium Enterprise (SME) developers and putting the customer at the centre of thinking. In July 2021, the Future Homes Delivery Plan – Summary of the goals, the shared roadmap & the Future Homes Delivery Hub was published. To drive and oversee the plan, a new delivery Hub supported by involvement from Government was launched in September 2021. The Hub will help facilitate a sector-wide approach to identifying metrics, more detailed targets (where necessary), methods and innovations to meet the goals and collaborations required with supply chains and other sectors. It will incorporate the needs of all parties including the public and private sector and consumers, so that they can all play their part in delivering environmentally conscious homes that people want to live in (also see HBF answer above under Sustainable Homes).

Conclusion

It is hoped that the HBF's answers above are helpful to the Council in preparing the Draft Oadby & Wigston Local Plan. In the meantime, if any further assistance or information is required, please contact the undersigned.

Yours faithfully
for and on behalf of **HBF**



Susan E Green MRTPI
Planning Manager – Local Plans