

North West Leicestershire District Council
Council Offices
Whitwick Road
Coalville
LE67 3FJ

SENT BY E-MAIL ONLY TO
planning.policy@nwleicestershire.gov.uk

14 March 2022

Dear Sir / Madam

**NORTH WEST LEICESTERSHIRE LOCAL PLAN REVIEW (LPR) –
DEVELOPMENT STRATEGY & POLICY OPTIONS CONSULTATION**

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. We would like to submit the following responses to specific questions contained within the Council's consultation documentation.

Q4. Do you agree with our proposed approach to the amount of housing growth at this time? If not please explain why, including any specific evidence you think is relevant.

The HBF agree that the Low and Medium Housing Growth Scenarios of 6,103 dwellings (368 dwellings per annum) and 8,512 dwellings (448 dwellings per annum) between 2020 – 2038 should not be pursued as both scenarios are below the currently adopted housing requirement of 481 dwellings per annum and past average housing delivery rates of 619 dwellings per annum (2011 – 2021). Furthermore, the adopted non-statutory Leicester & Leicestershire Strategic Growth Plan (SGP) envisages more growth in North West Leicestershire and neither scenario accommodates unmet housing needs from Leicester City, which will raise significant issues under the Duty to Co-operate.

The two higher Housing Growth Scenarios of 9,728 (512 dwellings per annum) based on the SGP and 13,870 dwellings (730 dwellings per annum) represent more appropriate approaches to proposed amounts of housing growth subject to agreement on the redistribution of circa 18,000 dwellings of unmet housing need from Leicester City across neighbouring Leicestershire authorities including North West Leicestershire District Council.

Q5. Do you agree with our proposed approach to the distribution of housing growth at this time? If not please explain why, including any specific evidence you think is relevant



Under the High 1 (530 dwellings per annum) and High 2 (730 dwellings per annum) Housing Growth Scenarios, there are respective shortfalls of circa 1,000 and 5,100 dwellings against a projected housing land supply of 8,784 dwellings. Both High Housing Growth Scenarios were assessed against seven Options for the distribution of housing growth :-

- Option 2 - Principal Town & Key Service Centres (KSC) ;
- Option 3 - Principal Town, KSC & Local Service Centres (LSC) ;
- Option 4 - Principal Town & New Settlement ;
- Option 5 - Principal Town, New Settlement & KSC ;
- Option 6 - Principal Town, New Settlement, KSC & LSC ;
- Option 7 - Principal Town, New Settlement, KSC, LSC & Sustainable Villages ; and
- Option 9 - Principal Town, New Settlement, KSC, LSC, Sustainable Villages & Small Villages.

The High 2 Housing Growth Scenario was also assessed against Option 8 – New Settlement.

For High 1 Housing Growth Scenario, the Council proposes to take forward only Option 3a :-

- Principal Town (Coalville Urban Area comprising of Coalville, Donington-le-Heath, Greenhill, Hugglescote, Snibston, Thringstone & Whitwick) - 500 dwellings ;
- KSC (Ashby de la Zouch & Castle Donington) - 300 dwellings ; and
- LSC (Ibstock, Kegworth & Measham) -200 dwellings.

This Option affords the greatest opportunity for growth in villages.

For High 2 Housing Growth Scenario, the Council's preference is Option 7b :-

- Principal Town - 1,785 dwellings ;
- New Settlement - 1,785 dwellings ;
- KSC - 765 dwellings ;
- LSC - 510 dwellings ; and
- Sustainable Villages (Albert Village, Appleby Magna, Belton, Blackfordby, Breedon on the Hill, Coleorton (the Lower Moor Road area only), Diseworth, Donisthorpe, Ellistown, Heather, Long Whatton, Moira (including Norris Hill), Oakthorpe, Packington, Ravenstone, Swannington, Woodville (part), Worthington) - 255 dwellings.

This Option, with the exception of a new settlement, represents a continuation of the spatial strategy in the adopted Local Plan, which has a demonstrably strong delivery record. The number of sites and locations will optimise deliverability.

The Council's proposed approach to the distribution of housing should ensure the availability of a sufficient supply of deliverable and developable land to deliver either the High 1 or 2 Housing Growth Scenarios. The Council's housing land supply (HLS) should meet the housing requirement, ensure the maintenance of 5 Years Housing Land Supply (5 YHLS) and achieve Housing Delivery Test (HDT) performance measurements. The HBF agree that to optimise housing delivery, the widest possible range of sites by both size and market location are required so that small, medium and large housebuilding companies have access to suitable land to offer the widest possible range of products. The Council's overall HLS should include a short and long-term supply of sites by the identification of both strategic and non-strategic allocations for residential development. A diversified portfolio of housing sites offers the widest possible range of products to households to access different types of dwellings to meet their housing needs. Housing delivery is maximised where a wide mix of sites provides choice for consumers, allows places to grow in sustainable ways, creates opportunities to diversify the construction sector, responds to changing circumstances, treats the housing requirement as a minimum rather than a maximum and provides choice / competition in the land market.

Q6. Do you agree with the proposed self-build and custom housebuilding policy? If not, why not?

The proposed Self-build & Custom Housebuilding Policy supports self-build & custom housing in suitable locations. Where there is clear evidence of demand and servicing / site arrangements can be made suitable for such homes, the Council will also seek the provision of land for self-build & custom housebuilding plots on housing sites of 50 or more dwellings. Where such self-build & custom housebuilding plots have been made available and marketed appropriately for a period of at least 12 months but have not been sold, then the plots may either remain available for purchase on the open market or be built out by the developer for sale on the open market.

The HBF disagree with the Council's proposed Self-build & Custom Housebuilding Policy. There is no legislative or national policy basis for imposing an obligation on landowners or developers of sites of more than 50 dwellings to set aside plots for self & custom build housing. Under the Self Build & Custom Housebuilding Act 2015 and 2021 NPPF (para 62), it is the responsibility of the Council, not landowners or developers, to ensure that sufficient permissions are given to meet demand. The Council are not empowered to restrict the use of land to deliver self & custom build housing. The NPPG sets out ways in which the Council should consider supporting self & custom build by "*engaging*" with developers and landowners and "*encouraging*" them to consider self & custom build "*where they are interested*" (ID 57-025-201760728).

As set out in the NPPG, the Council should use their Self Build Register and additional data from secondary sources to understand and consider future need for this type of housing (ID 57-011-20210208). In North West Leicestershire,

there is a minimal demand for self & custom build housing. As of January 2022, the Council had only 78 entries on its Register. Furthermore, a simple reference to the headline number of entries on the Council's Register may over-estimate actual demand. The Register may indicate a level of expression of interest in self & custom build but cannot be reliably translated into actual demand should plots be made available because entries may have insufficient financial resources to undertake a project, be registered in more than one Local Planning Authority area and have specific preferences.

The provision of self & custom build plots on sites of more than 50 dwellings adds to the complexity and logistics of development. It is difficult to co-ordinate the provision of self & custom build plots with the development of the wider site. Often there are multiple contractors and large machinery operating on-site, the development of single plots by individuals operating alongside this construction activity raises both practical and health & safety concerns. Any differential between the lead-in times / build out rates of self & custom build plots and the wider site may lead to construction work outside of specified working hours, building materials stored outside of designated compound areas and unfinished plots next to completed / occupied dwellings, which results in consumer dissatisfaction.

It is important that unsold plots are not left empty to the detriment of neighbouring dwellings or the whole development. The timescale for reversion of these plots to the original housebuilder should be as short as possible because the consequential delay in developing unsold plots presents further practical difficulties in terms of co-ordinating their development with construction activity on the wider site. The proposed availability and marketing of plots for a period of at least 12 months is too long.

As well as on-site impracticalities, impacts on viability should be tested. The Council's updated Viability Assessment should consider the financial impacts of the proposed policy approach.

Q7. Do you agree with the proposed policy on Space Standards? If not, why not?

The proposed Space Standards Policy requires all new residential developments to meet the minimum Nationally Described Space Standards (NDSS).

The HBF disagree with the Council's proposed Space Standard Policy. If the Council wishes to apply the optional NDSS to all dwellings, then this should only be done in accordance with the 2021 NPPF (para 130f & Footnote 49). Footnote 49 states that "*policies may also make use of the NDSS where the need for an internal space standard can be justified*". 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 (para 31). The NPPG sets out that "*where a need for internal space standards is identified, the authority should provide*

justification for requiring internal space policies. Authorities should take account of the following areas need, viability and timing” (ID: 56-020-20150327). The Council should provide a local assessment evidencing their case. The Council’s initial assessment of Gross Internal Area (GIA) derived from floorplans and information submitted as part of planning applications since 2015 shows the majority of developments exceed the NDSS. From the Council’s own evidence, the HBF conclude that there is no systemic problem to resolve.

There is a direct relationship between unit size, cost per square metre (sqm), selling price per sqm and affordability. The Council’s policy approach should recognise that customers have different budgets and aspirations. An inflexible policy approach to NDSS for all new dwellings will impact on affordability and effect customer choice. Well-designed dwellings below NDSS can provide a good, functional home. Smaller dwellings play a valuable role in meeting specific needs for both open market and affordable home ownership housing. An inflexible policy approach imposing NDSS on all housing removes the most affordable homes and denies lower income households from being able to afford homeownership. The introduction of the NDSS for all dwellings may mean customers purchasing larger homes in floorspace but with bedrooms less suited to their housing needs with the unintended consequences of potentially increasing overcrowding and reducing the quality of their living environment. The Council should focus on good design and usable space to ensure that dwellings are fit for purpose rather than focusing on NDSS. The impact of introducing a policy requirement for NDSS should also be fully accounted for in the Council’s updated Viability Assessment.

If the proposed requirement for NDSS is carried forward, the Council should put forward proposals for transitional arrangements. The land deals underpinning strategic and non-strategic sites may have been secured prior to any proposed introduction of the NDSS. These sites should be allowed to move through the planning system before any proposed policy requirements are enforced. Prior to a specified date, the NDSS should not be applied to any reserved matters applications or any outline or detailed approval.

Q8. Do you agree with the proposed policy on accessible and adaptable housing? If not, why not?

The proposed Accessible & Adaptable Housing Policy requires all new build residential developments to meet at least M4(2) (accessible and adaptable) standards of the Building Regulations (or subsequent update).

The HBF disagree with the Council’s proposed Accessible & Adaptable Housing Policy. The 2021 NPPF confirms that Local Plans should avoid unnecessary duplication (para 16f). The Council’s proposed policy approach will be unnecessary if the Government implements proposed changes to Part M of the Building Regulations as set out in the “Raising Accessibility Standards for New Homes” consultation, which closed on 1 December 2020. In the meantime, if the Council wishes to adopt the optional standards for accessible & adaptable dwellings, then this should only be done in accordance with the 2021 NPPF

(para 130f & Footnote 49) and the latest NPPG. Footnote 49 states *“that planning policies for housing should make use of the Government’s optional technical standards for accessible and adaptable housing where this would address an identified need for such properties”*. 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 (para 31). A policy requirement for M4(2) and M4(3) dwellings must be justified by credible and robust evidence. The NPPG sets out the evidence necessary to justify a policy requirement for optional standards. The Council should apply the criteria set out in the NPPG (ID 56-005-20150327 to 56-011-20150327).

The Council’s evidence is set out in the HENA June 2020 by JG Consulting. This evidence does not justify the Council’s proposed policy requirement. No local circumstances are identified, which demonstrate that the needs of North West Leicestershire differ substantially to those across Leicestershire, East Midlands or England. If the Government had intended that evidence of an ageing population alone justified adoption of optional standards, then such standards would have been incorporated as mandatory in the Building Regulations, which is not currently the case.

As the Council is aware not all health issues affect housing needs. All new homes are built to M4(1) “visitable dwelling” standards. These standards include level approach routes, accessible front door thresholds, wider internal doorway and corridor widths, switches and sockets at accessible heights and downstairs toilet facilities usable by wheelchair users. M4(1) standards are not usually available in the older existing housing stock. These standards benefit less able-bodied occupants and are likely to be suitable for most residents. Many older people already live in the District and are unlikely to move home. No evidence is presented to suggest that households already housed would be prepared to leave their existing homes to move into new dwellings constructed to M4(2) standards. Those who do move may not choose to live in a new dwelling. Recent research by Savills “Delivering New Homes Resiliently” published in October 2020 shows that over 60’s households *“are less inclined to buy a new home than a second-hand one, with only 7% doing so”*. The District’s existing housing stock is significantly larger than its new build component, therefore adaption of existing stock will form an important part of the solution.

The Council’s proposed policy approach should not compromise the viability of development. Therefore, additional costs associated with M4(2) and M4(3) compliant dwellings should be included in the Council’s updated Viability Assessment. The Government’s consultation “Raising Accessibility Standards for New Homes” estimates the additional cost per new dwelling is approximately £1,400 for dwellings, which would not already meet M4(2). The extra costs for M4(3) are much higher. In September 2014 during the Government’s Housing Standards Review, EC Harris estimated the cost impact of M4(3) per dwelling as £15,691 for apartments and £26,816 for houses. These costs should be applied plus inflationary cost increases since 2014. M4(2) and M4(3) compliant

dwellings are also larger than NDSS (see DCLG Housing Standards Review Illustrative Technical Standards Developed by the Working Groups August 2013), therefore larger sizes should be used when calculating additional build costs for M4(2) and M4(3) and any other input based on square meterage except for sales values as enlarged sizes are unlikely to generate additional value. If the requirements for M4(2) & M4(3) are carried forward, the NPPG specifies that *“Local Plan policies should also take into account site specific factors such as vulnerability to flooding, site topography, and other circumstances which may make a specific site less suitable for M4(2) and M4(3) compliant dwellings, particularly where step free access cannot be achieved or is not viable. Where step-free access is not viable, neither of the Optional Requirements in Part M should be applied”* (ID 56-008-20160519).

Q9. Should part M4(3)(a) wheelchair adaptable dwellings also apply to market housing? If not, why not?

The proposed Accessible & Adaptable Housing Policy also requires 5% of all affordable housing to meet Part M4(3)(a) (wheelchair user dwellings) standard and a number of these dwellings to meet Part M4(3)(b) (wheelchair accessible) to be determined in consultation with the District Council and the respective registered provider.

The M4(3)(a) requirement should not apply to market housing. The Council is reminded that the requirement for M4(3) should only be required for dwellings over which the Council have housing nomination rights as set out in the NPPG (ID 56-008-20150327).

Q20. Do you agree with the preferred policy approach for energy efficiency? If not, why not?

The proposed Reducing Carbon Emissions Policy (Bullet Point 1) requires all new development to reduce carbon dioxide emissions by following a sequential energy hierarchy prioritising fabric first and to achieve a 31% reduction in regulated CO2 emissions against the 2013 Edition of the 2010 Building Regulations (Part L) (Bullet Point 2).

The HBF disagree with the Council’s proposed policy approach for energy efficiency. The Council’s proposed policy approach is unnecessary and repetitious of 2021 Part L Interim Uplift. It is the Government’s intention to set standards for energy efficiency through the Building Regulations. The key to success is standardisation and avoidance of individual Council’s specifying their own policy approach to energy efficiency, which undermines economies of scale for product manufacturers, suppliers and developers. The Council does 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 set out in the 2021 Part L Interim Uplift and proposals for the 2025 Future Homes Standard.

Under the proposed Reducing Carbon Emissions Policy, major residential proposals will also be required to use the Homes Quality Mark. This requirement is inappropriate. The Home Quality Mark has no status other than as an example of a best practice guide. The HBF is supportive of the use of best practice guidance however, the use of such guidance should remain voluntary rather than becoming a mandatory policy requirement, which would oblige developers to use this tool as a pre-condition for support from the Council. It is unreasonable and unjustified for major residential proposals to be required to use the Homes Quality Mark.

Q25. Do you agree with the proposed policy for water efficiency standards? If not, why not?

The proposed Water Efficiency Standards Policy requires all new residential development to achieve the optional water efficiency standard of 110 litres of water per person per day.

The HBF disagree with the Council's proposed Water Efficiency Standards Policy. Under Building Regulations, all new dwellings must achieve a mandatory level of water efficiency of 125 litres per day per person, which is a higher standard than that achieved by much of the existing housing stock. This mandatory standard represents an effective demand management measure. If the Council wishes to adopt the optional standard for water efficiency of 110 litres per person per day, then the Council should justify doing so by applying the criteria set out in the NPPG. The NPPG states that where there is a "*clear local need, LPA can set out Local Plan Policies requiring new dwellings to meet tighter Building Regulations optional requirement of 110 litres per person per day*" (ID : 56-014-20150327). The NPPG also states the "*it will be for a LPA to establish a clear need based on existing sources of evidence, consultations with the local water and sewerage company, the Environment Agency and catchment partnerships and consideration of the impact on viability and housing supply of such a requirement*" (ID : 56-015-20150327). Although, North West Leicestershire is located within an area covered by Severn Trent, which has been classed as seriously water stressed, the Council's evidence does not demonstrate a clear local need.

Conclusions

In conclusion it is hoped that these responses are helpful to the Council in informing the next stages of the North West Leicestershire LPR. If any further information or assistance is needed please contact the undersigned.

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



Susan E Green MRTPI
Planning Manager – Local Plans