

Sent by EMAIL ONLY to planning.policy@leicester.gov.uk

27/02/2023

Dear Sir/ Madam

LEICESTER LOCAL PLAN PUBLICATION DRAFT 2020-2036 CONSULTATION

Introduction

- 1. 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 multinational 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 comments to this Local Plan Publication Draft consultation.
- 2. The Council will be aware that the HBF has provided comments throughout the progression of this document, and we would like to submit the following comments upon selected policies within this Publication Draft consultation document.

Duty to Co-operate

3. The Statement of Common Ground in relation to Housing and Employment Need (June 2022) sets out the history of cooperation between the authorities and sets out the approach to calculating housing need to 2036. The HBF welcomes this engagement and the agreement reached by the signatories to the Statement of Common Ground (SoCG). To ensure delivery of the housing needed the City Council will need ensure this engagement remains ongoing, particularly with the authorities that have not signed the SoCG.

4. The HBF welcomes the proactive steps the City Council and its partners have taken to try and redistribute Leicester's unmet need through proactive work. As such the HBF considers the issues it has identified in relation to meeting all of the housing needs of Leicester, including its unmet need, relate to matters of policy and monitoring, rather that the Duty to Cooperate (see comments below).

Chapter 4. Strategy for Leicester

Policy SL01. Location of Development

Policy SL01 is not considered to be sound as it is not justified or consistent with national policy.

- 5. Residential development will take place in the following locations in the city:
 - 6,286 homes in the Central Development Area (CDA)
 - 1,838 Homes in the following strategic sites
 - Former Western Park Golf Course
 - Land East of Ashton Green
 - Land north of the A46 bypass
 - Land west of Anstey Lane
 - The remaining 1,230 homes will be built on smaller non-strategic sites elsewhere in the city (see Appendix 6)
 - The city council will continue to work with authorities within the Housing Market Area (HMA) to agree the spatial distribution of housing need that cannot be met in the city. About 18,694 homes from our identified housing need will be accommodated in the neighbouring districts as part of their targets through their local plans.
- 6. The HBF accepts that the amount of housing development in Leicester is constrained by capacity. However, stronger wording in policy is needed with regards the role of neighbouring authorities in meeting Leicester's unmet need and how Leicester will maintain engagement on this issue under the Duty to Cooperate. The HBF would suggest that the SoCG on Leicester's Unmet Housing Need should confirm that:
 - Each authority in Leicestershire will meet its own LHN and a defined amount of Leicester's unmet local housing need (LHN) (except Leicester City itself).
 - This cumulative figure will be the housing requirement figure for each authority respectively; and
 - The authorities acknowledge that additionality in HLS may be required to ensure deliverability and flexibility

- 7. The Statement of Common Ground relating to Housing and Employment Needs (June 2022) demonstrates that although there is a long history of on-going engagement between the Leicester & Leicestershire (L&L) Housing Market Area (HMA) authorities, there remains no conclusive agreement on the strategic cross-boundary matter of the redistribution of unmet LHN from Leicester.
- 8. As set out in the NPPF, the determination of the minimum number of homes needed should be informed by a LHN assessment using the Government's standard methodology unless exceptional circumstances justify an alternative approach (para 61). The Government's standard methodology identifies the minimum annual LHN, which is only a minimum starting point. This is not a housing requirement figure. The Government's objective of significantly boosting the supply of homes set out in the NPPF remains (para 60). Additionality in HLS may be required to ensure deliverability and flexibility (see comments on Housing Chapter).
- 9. The quantum of unmet LHN to be meet outside of Leicester may change because the deliverability of the Council's HLS has not yet been tested at Examination. Whatever the final quantum, this unmet LHN is arising now and should be addressed as a matter of urgency across the L&LHMA. It is therefore crucial for housing delivery to be kept under close review and monitoring. The policy should set out what would happen if the monitoring set out in Chapter 21 of the Plan, identifies that the housing delivery within the Leicester City Area, and that required to be planned for and provided in other local authorities, is not being delivered. A trigger policy for the review of the Local Plan should also be included.
- 10. By the time the plan is adopted it will also fail to meet the requirements of the NPPF that plans should cover a 15-year period from adoption.
- 11. It is noted that each of the Strategic Sites (Policy SL02. Strategic Site 1: Former Western Park Golf Course, Policy SL03. Strategic Site 2: Land to the east of Ashton Green, Policy SL04. Strategic Site 3: Land north of the A46 Bypass and Policy SL05. Strategic Site 4: Land west of Anstey Lane) includes a requirement for self-build / custom build plots. The HBF considers that a policy which encourages self and custom-build development and sets out where it will be supported in principle would be appropriate. The HBF considers that the Council can play a key role in facilitating the provision of land as set in the PPG. This could be done, for example, by allocating sites specifically for self and custom-build home builders; however, this would need to be done through discussion and

negotiation with landowners. The HBF does not consider that requiring major developments to provide for self-builders is appropriate, and the HBF considers that this element of the policy should be deleted (see also comments on Policy Ho06).

Chapter 5. Housing

Housing Provision para 5.1-5.16

The Housing Policies in the Plan are not considered to be sound as they are not justified or consistent with national policy.

- 12. The HBF welcomes the ongoing engagement of the Leicestershire authorities. The role that neighbouring authorities play in helping to meet Leicester Housing Requirement will be very important. It is important that the amount of housing Leicester can provide is realistic and deliverable to ensure the resulting unmet need is accurate.
- 13. The Local Plan's policies should ensure the availability of a sufficient supply of deliverable and developable land to deliver Leicester's housing requirement. This sufficiency of Housing Land Supply (HLS) should meet the housing requirement, ensure the maintenance of a 5 Year Housing Land Supply (5YHLS) and achieve Housing Delivery Test (HDT) performance measurements.
- 14. Table One (page 49) of the Plan sets out the component parts of Housing Provision from 2020-2036, which is made up of:

	Component	Dwellings
Α	Housing Need 2020-36	39,424 (2,464
	(Standard Method 2021)	dwellings per annum)
В	Completions 2020-21	1,050
С	Completions 2021-22	842
D	Total completions	1,892
	2020-22 (B + C)	
	Commitments	
E	Commitments:	9,410
	detailed and outline permissions	
F	Saved previous Local Plan allocations	0

G	Windfall allowance	2,354 (214 dpa for 11
		years)
Н	Allocations identified in the draft plan	1,230
J	Central Development Area capacity	6,286
	work	
K	Strategic sites	1,838
	Component	Dwellings
L	Total anticipated supply within the city	21,118
M	Overall supply (anticipated supply +	21,118 + 1892 =
	completions) – D + L	23,010
N	Local Plan Housing Target (2020-36)	20,730
	(Approximate 11% buffer)	
0	Unmet need	18,694

- 15. Leicester's standard method LHN figure is 2,464 homes per year generating a need for 39,424 dwellings over the 2020-36 period. It is important that all this housing is planned for, and delivered, including housing that will need to be provided outside of Leicester City's Local Plan area, in neighbouring authorities.
- 16. There is limited information available from which to assess the robustness of the Council's overall HLS. To ensure that the 5YHLS and housing delivery over the plan period are fully justified, more information is required.
- 17. The soundness of strategic and non-strategic site allocations will be tested in due course at the Local Plan Examination. The HBF would not wish to comment on individual sites proposed for allocation, but it is noted that the Council has provided no data on a site by site analysis to check of the deliverability of individual site allocations. Our responses are submitted without prejudice to any comments made by other parties, but it is critical that the Council's assumptions on lapse rates, non-implementation allowances, lead in times and delivery rates contained within its overall HLS, 5YHLS and housing trajectory are correct and realistic. These assumptions should be supported by parties responsible for delivery of housing and sense checked by the Council.
- 18. The windfall allowance seems very high. National policy only permits an allowance for windfall sites if there is compelling evidence that such sites have consistently become available and will continue to be a reliable

source of supply (para 70). The Council should confirm that in the future Policy Ho02: Housing Development on Unallocated Sites and Policy DQP05: Backland, Tandem & Infill Development will not impede windfall sites from coming forward at the same rate as past delivery. The HBF would question whether reliance on the seven year average is robust enough to support such this level of allowance of the whole plan period, especially in light of the impact of covid

- 19. The Council has undertaken an assessment of the Residential Capacity of the Central Development Area (CDA) and as a result increased the CDA component of housing provision from 4,905 to 6,268. As a result, the density used for the Central Development Area have been increased from 50 to 75dph. This CDA wide increase seems to be arbitrary. The Sustainability Appraisal (page 10) suggests the increase is informed by development densities in other cities. The HBF has been unable to locate the evidence of the deliverability and viability of 75dph in the Leicester CDA market. Density needs to be considered on a site by site basis to ensure schemes are viable, deliverable, appropriate for the site (see comments on Policy Ho05 Density).
- 20. The deliverability of residential development in the CDA will be dependent upon the viability of brownfield sites and the demand for high density city centre living post Covid-19. It is important that delivery of the housing requirement in Leicester does not rely overly ambitious intensification of dwellings in the CDA. The latest Authority Monitoring Report currently available covers the period of 1 April 2019 to 31 March 2021, which is too early to assess the impact of the pandemic. As set out in the 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).
- 21. The plan acknowledges that housing provision in the early years of the plan will largely rely on existing housing sites being delivered through current planning permissions and allocations. Development of the strategic sites will happen towards the later years of the plan, which is mainly due to the infrastructure needed to support new housing. Providing a range and mix of sites is important. Additionality in HLS is therefore required to ensure deliverability and flexibility.
- 22. As set out in the NPPF at least 10% of the housing requirement should be accommodated on sites no larger than one hectare or else demonstrate

strong reasons for not achieving this target (para 69a). The Council should ensure that the Local Plan is consistent with the NPPF. The Council should allocate additional sustainably located small sites to help provide certainty for SMEs.

- 23. The NPPF sets out that strategic policies should include a trajectory illustrating the expected rate of housing delivery over the plan period and if appropriate to set out the anticipated rate of development for specific sites (para 74). The Housing Trajectory in **Appendix 1** is not very detailed. The housing trajectory is only provided for four categories of development namely commitments, CDA, allocations and windfalls. This is insufficient detail to fulfil any monitoring function. In order to be sound and justified, a detailed housing trajectory including for specific sites should be inserted into **Appendix 1**.
- 24. The HBF has been unable to locate an up to date 5 YHLS Report. If the Council cannot demonstrate 5 YHLS on adoption of the Local Plan, the Plan could not be found sound.

Policy Ho01: Housing Allocations

Policy Ho01 is not considered to be sound as it is not justified or consistent with national policy.

- 25. The council should also allocate more small sites to comply with the 10% small site requirement and to provide certainty for SME builders.
- 26. The policy also refers to a Site Allocations DPD. The Council should clarify the status of this document and the timetable for its production.
- 27. The policy proposed self and custom house building is provided on every allocation (See also the comments on Policy H0O6) The HBF considers that a policy which encourages self and custom-build development and sets out where it will be supported in principle would be appropriate. The HBF also considers that the Council can play a key role in facilitating the provision of land as set in the PPG. As set out previously, this could be done, for example, by allocating sites specifically for self and custom-build home builders; however, this would need to be done through discussion and negotiation with landowners. The HBF does not consider that requiring major developments to provide for self-builders is appropriate, and the HBF considers that this element of the policy should be deleted.

Ho03 Housing Mix

Policy Ho03 is not considered to be sound as it is not consistent with national policy

- 28. The requirements to meet Part M4(2) will be superseded by changes to residential Building Regulations. The Government response to 'Raising accessibility standards for new homes' states that the Government proposes to mandate the current M4(2) requirement in Building Regulations as a minimum for all new homes, with M4(1) applying in exceptional circumstances. This will be subject to a further consultation on the technical details and will be implemented in due course through the Building Regulations. The requirement in the policy is therefore unnecessary and should be deleted.
- 29. There is also a need to differentiate between Part a) and part b) of M4(3) technical standards. M43a sets out standards for wheelchair adaptable housing, where M43b relates to wheelchair accessible housing which can only be required on affordable housing where the Council has nomination rights.

Policy Ho04: Affordable Housing

Policy Ho04 is not considered to be sound as it is not justified or consistent with national policy

- 30. The Local Housing Needs Assessment 2022 states that Leicester has a total affordable housing need of 1,117 dwellings per annum for the period 2020-36 (17,871 affordable homes over the plan period). This represents 45% of Leicester's overall LHN. The policy seeks 30% affordable housing on greenfield sites and 10% on brownfield sites. Figure 2 of the Authority Monitoring 1 April 2019 31 March 2021 shows 340 affordable houses were delivered in 2019/20 but only 137 (against an annual target of 150) were delivered in 2020/21. This suggests delivering of affordable at the levels to meet the affordable housing need will continue to be challenging. Additional open market housing should be considered to help deliver more affordable homes in line with the PPG.
- 31. Criteria b) of this policy is the correct place to reference M43b) of the Building Regulations (technical standards) with regards to requirements fully wheelchair accessible housing.

¹ https://www.gov.uk/government/consultations/raising-accessibility-standards-for-new-homes/outcome/raising-accessibility-standards-for-new-homes-summary-of-consultation-responses-and-government-response#government-response

- 32. Criteria d) requires that affordable housing should be provided except in exceptional circumstances where a financial contribution (commuted sum) may be acceptable. **Paragraph 5.28** of the Local Plan indicates that the Council is intending to continue to rely on the 2011 Affordable Housing SPD for the calculation of its commuted sums. The Council's approach gives Development Plan status to a document, which is not part of the Plan and has not been subject to the same process of preparation, consultation and examination. This is not compliant with the Regulations. The 2011 SPD hangs off the Policy CS7 in the Core Strategy which will be superseded by this new Local Plan. The 2011 AH SPD is also very dated and should not be considered 'current evidence'.
- 33. The Regulations are clear that development management policies, which are intended to guide the determination of applications for planning permission should be set out in policy in the Local Plan. Off-site contributions can play a particularly important role for SME developers where on-site provision may not attract a Housing Association partner.

 Paragraph 5.28 states that separate guidance will be prepared setting out the amount of commuted sums. To ensure the policy is a policy is effective, it should be clearly written and unambiguous so it is evident how a decision maker should react to development proposals. Policy Ho04 should clearly set out the Council's approach to commuted sums in sufficient detail to determine a planning application without relying on other criteria or guidelines set out in a separate Guidance.
- 34. Criteria e) sets out the Council's approach to the type of affordable housing that will be sought. The policy seeks to achieve 25% of the overall affordable housing target as First Homes in compliance with the national policy with the remaining 75% provided as social rent or affordable rent. This neglects the full range of affordable housing as set out in Annex 2 of the NPPF. Changing the type of affordable housing provided can help to improve viability of a specific site, and the plan should recognise this. Additional flexibility should be included in this policy.

Policy Ho05: Housing Densities

Policy Ho05 is not considered to be sound as it is not justified or effective

35. The policy expects a minimum density of 75 or more dwellings per hectare in the CDA and a minimum of 30 dwellings per hectare in the rest of the city to be met. The setting of residential density standards should be undertaken in accordance with the 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. The proposed two-tiered approach is inflexible and is unlikely to provide a variety of typologies to meet the housing needs of different groups. A range of density standards specific to different areas of the city is necessary to ensure that any proposed density is appropriate to the character of the surrounding area.

36. Density needs to be considered on a site by site basis to ensure schemes are viable, deliverable, appropriate for the site

Policy Ho06 Self-build/Custom Build

Policy Ho06 Self-build/Custom Build is not considered to be sound as it is not justified or effective

- 37. The policy requires 'consideration' to be given to the serviced plots or custom-built homes on sites of more than 10 dwellings, without defining what consideration is. As noted in the comments to Chapter 4, the HBF does not consider that requiring major developments to provide for self-builders is appropriate, similarly the HBF considers a requirement for all developments over ten units to be provide self-build/custom build plots or units is not appropriate. The policy should therefore be deleted.
- 38. The HBF have been unable to locate information on how many people are on the self-build register or how many sites for self-build have been developed. The Council's website only links to a list of planning applications for single dwellings, and the matter is not specifically addressed in the latest Authority Monitoring Report. **Para 5.32** refers to the self-build register providing evidence on demand, and the local housing needs study providing evidence of need. Therefore all of this needs to made easily available for developers.

Policy Ho07 Internal Space Standards

Policy Ho07 is not considered to be sound as it is not justified or effective or consistent with national policy

39. The policy seeks to apply the optional nationally described space standards (NDSS) to all dwellings. This should only be done in accordance with the NPPF (para 130f & Footnote 49), which 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 NPPF (para 31), 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.
- 40. PPG (ID: 56-020-20150327) identifies the type of evidence required to introduce such a policy. It states that 'where a need for internal space standards is identified, local planning authorities should provide justification for requiring internal space policies. Local planning authorities should take account of the following areas:

Need – evidence should be provided on the size and type of dwellings currently being built in the area, to ensure the impacts of adopting space standards can be properly assessed, for example, to consider any potential impact on meeting demand for starter homes.

Viability – the impact of adopting the space standard should be considered as part of a plan's viability assessment with account taken of the impact of potentially larger dwellings on land supply. Local planning authorities will also need to consider impacts on affordability where a space standard is to be adopted.

Timing – there may need to be a reasonable transitional period following adoption of a new policy on space standards to enable developers to factor the cost of space standards into future land acquisitions'.

- 41. The Council will need robust justifiable evidence to introduce the NDSS, based on the criteria set out above. The HBF considers that if the Government had expected all properties to be built to NDSS that they would have made these standards mandatory not optional. Although para 5.35 refers to evidence of rooms with 'as little floorspace' as 13 sq m, the source of this evidence is unclear.
- 42. The HBF would remind the Council that 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 provided 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.
- 43. If the proposed requirement for NDSS is carried forward, then the Council should put forward proposals for transitional arrangements. The land deals underpinning residential 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. The NDSS should not be applied to any reserved matters applications or any outline or detailed approval prior to a specified date.

Other Policies

Chapter 3 Vision for Leicester

Policy VL01: Presumption in Favour of Sustainable Development Policy VL01 is not considered to be sound as it is not justified or effective or consistent with national policy

44. The NPPF confirms that Local Plans should avoid unnecessary duplication including repetition of policies in the NPPF itself (para 16f). The presumption in favour of sustainable development is clearly set out in the NPPF (para 11). In attempting to repeat national policy in Policy VL01, there is a danger that some inconsistencies creep in and lead to small but critical differences between national and local policy causing difficulties in interpretation and relative weighting. Policy VL01 is unnecessary and should be deleted.

Chapter 6. Climate Change and Floodrisk

Policy CCFR01. Sustainable Design and Construction Policy CCFR01 is not considered to be sound as it is not justified or

effective or consistent with national policy

45. The requirements for new residential development to achieve a 10% reduction in carbon emissions beyond building regulation Part L is unnecessary and unjustified. 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 in a Local Plan policy 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.
- 46. The policy also states that all residential schemes must also show compliance with a water efficiency standard of 110 litres/person/day. The Building Regulations require all new dwellings to 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. The Optional Technical Housing Standard is 110 litres per day per person.
- 47. As set out in the NPPF (para 31), 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. Therefore, a policy requirement for the optional water efficiency standard must be justified by credible and robust evidence. 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 PPG (ID: 56-014-20150327). PPG states that where there is a 'clear local need, Local Planning Authorities (LPA) can set out Local Plan Policies requiring new dwellings to meet tighter Building Regulations optional requirement of 110 litres per person per day'. PPG (ID: 56-015-20150327) 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'. The Housing Standards Review was explicit that reduced water consumption was solely applicable to water stressed areas.

Policy CCFR02. Whole Life-Cycle Carbon Emissions

Policy CCFR02 is not considered to be sound as it is not justified or effective or consistent with national policy

48. The policy requests that development should meet best practice targets for reducing embodied carbon, without including, or even signposting the plan user to what those best practice targets are. The policy also requires new residential development of more than 100 dwellings to calculate whole-life carbon cycle emissions. The HBF considers that this policy

does not serve a clear purpose and it is not evident how a decision maker should react to development proposals. Whilst it is requiring the calculation of the whole life cycle carbon emissions and actions to reduce life cycle carbon emissions it is not clear from the policy how it will be determined what is an appropriate level of emissions or what would be an appropriate level of reductions. These elements of the policy are unnecessary and unjustified, and should be deleted.

Policy CCFR03. Energy Statements

Policy CCFR03 is not considered to be sound as it is not justified or effective or consistent with national policy

49. This policy requires all major developments will be required to provide an Energy Statement as described in the supplementary planning document. The Council's approach gives Development Plan status to a document, which is not part of the Plan and has not been subject to the same process of preparation, consultation and examination. This is not compliant with the Regulations. The requirements of these policy do not allow an applicant to understand what is required of them. This policy should therefore be deleted.

Policy CCFR04. Low Carbon Heating and Cooling Policy Policy CCFR04 is not considered to be sound as it is not justified or effective or consistent with national policy

- 50. The policy states that where feasible, new major development should connect to existing district heating or cooling networks or provide new networks. The HBF does not consider it is necessary to make more connections to the heat network. Heat networks are one aspect of the path towards decarbonising heat, however currently the predominant technology for district-sized communal heating networks is gas combined heat and power (CHP) plants. Over 90% of district networks are gas fired. As 2050 approaches, meeting the Government's climate target of reducing greenhouse gas emissions to net zero will require a transition from gas-fired networks to renewable or low carbon alternatives such as large heat pumps, hydrogen or waste-heat recovery but at the moment one of the major reasons why heat network projects do not install such technologies is because of the up-front capital cost. The Council should be aware that for the foreseeable future it will remain uneconomic for most heat networks to install low-carbon technologies.
- 51. Furthermore, some heat network consumers do not have comparable levels of satisfaction as consumers on gas and electricity networks, and

they pay a higher price. Currently, there are no sector specific protections for heat network consumers, unlike for people on other utilities such as gas, electricity or water. A consumer living in a building serviced by a heat network does not have the same opportunities to switch supplier as they would for most gas and electricity supplies. All heat network domestic consumers should have ready access to information about their heat network, a good quality of service, fair and transparently priced heating and a redress option should things go wrong. Research by the Competition and Markets Authority (CMA) found that a significant proportion of suppliers and managing agents do not provide pretransaction documents, or what is provided contains limited information, particularly on the on-going costs of heat networks and poor transparency regarding heating bills, including their calculation, limits consumers' ability to challenge their heat suppliers reinforcing a perception that prices are unjustified. The monopolistic nature of heat networks means that future price regulation is required to protect domestic consumers.

52. The CMA have concluded that "a statutory framework should be set up that underpins the regulation of all heat networks." They recommended that "the regulatory framework should be designed to ensure that all heat network customers are adequately protected. At a minimum, they should be given a comparable level of protection to gas and electricity in the regulated energy sector." The Government's latest consultation on heating networks proposes a regulatory framework that would give Ofgem oversight and enforcement powers across quality of service, provision of information and pricing arrangements for all domestic heat network consumers. The policy requirement should therefore be deleted.

Chapter 8. Delivering Quality Design

Policy DQP01: Design Principles

Policy DQP01 is not considered to be sound as it is not justified or effective or consistent with national policy

53. Under the last section Building for a Healthy Life and National Design Guide the policy requires all proposals for ten or more dwellings should demonstrate, through a design statement, how they have been designed to meet Building for a Heathy Life standard and the 10 characteristics of well-designed places as outlined in the National Design Guide. The HBF is supportive of the use of best practice guidance, but the use of Building for a Healthy Life should remain voluntary rather than becoming a mandatory policy requirement. The Council should signpost such guidance in its supporting text rather than in policy wording.

Policy DQPO3. Inclusive Design

Policy DQP03 is not considered to be sound as it is not justified or effective

54. The policy states that new development should be of inclusive design so that they are designed for likely future demographic trends, particularly in relation to an ageing society and the need for Leicester to be a dementia friendly city. The HBF is supportive of the need to plan for an ageing population. However, the requirements of these policy do not allow an applicant to understand what is required of them. Further clarification is needed.

Chapter 15.The Natural Environment

Policy NE02: Biodiversity Gain

Policy NE02 is not considered to be sound as it is not justified or effective or consistent with national policy

- 55. It is the HBF's opinion that the Council should not deviate from the Government's requirement for biodiversity net gain as set out in the Environment Act.
- 56. There are significant additional costs associated with biodiversity gain, which should be fully accounted for in the Council's viability assessment. More work needs to be undertaken to address viability concerns raised by the housebuilding industry in order that net gain does not prevent, delay or reduce housing delivery.

Chapter 16. Transportation

Policy T02: Climate Change and Air Quality

Policy T02 is not considered to be sound as it is not justified or effective

57. This policy requires major development proposals to take account of a future supplementary planning document on air quality. The Council's approach gives Development Plan status to a future document, which is not part of the Plan and has not been subject to the same process of preparation, consultation and examination. This is not compliant with the Regulations. There is no timetable for the production of this SPD, or guidance in the policy on how development proposals would be assessed in the interim.

58. The policy also seeks to increase the uptake of low emission vehicles by requiring new development to make provision for electric and low emission vehicles. However, the wording of this policy does not allow an applicant to understand what is required of them.

Chapter 18. Development and Infrastructure

Policy DI01. Developer Contributions and Infrastructure Policy D101is not considered to be sound as it is not justified or effective

59. The policy states that any consideration of viability will be in accordance with the guidance. The policy needs to be clearer about which exact guidance is being referred to. Para 18.6 recognises the importance of viability to the plan making process and refers to the whole plan viability assessment that was prepared in support of this Plan. Para 12.74 of the Whole Plan Viability Assessment (including CIL- REFRESH- May 2022 notes that viability testing results 'do give rise to some concerns about the delivery of some types of site'. This is likely to result in the need for site specific viability to be undertaken in some instances, and the policy should allow for this.

Chapter 19: Neighbourhood Planning

- 60. Para 21 of the NPPF states that plans should make explicit which policies are strategic policies. These should be limited to those necessary to address the strategic priorities of the area (and any relevant crossboundary issues), to provide a clear starting point for any non-strategic policies that are needed. Strategic policies should not extend to detailed matters that are more appropriately dealt with through neighbourhood plans or other non-strategic policies.
- 61. Although Table 9 lists 22 policies that do not need to be taken into account when preparing Neighbourhood Plans. The HBF suggest that a **new Appendix** is included in Local Plan, which identifies strategic and non-strategic policies.

Appendix 1: Housing Trajectory, September 2022 (page 275)

62. To ensure that the 5YLS and housing delivery over the plan period are fully justified, more information is required. This table should supplemented with a detailed site by site breakdown.

Future Engagement

63. The HBF requests to participate in the Hearing Sessions for the Local Plan Examination, the HBF considers that their involvement is necessary to ensure that the home building industry is able to respond to any housing related issues raised during the hearing sessions.

Yours faithfully

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