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Dear Planning Policy Team,

CHESHIRE EAST LOCAL PLAN: ISSUES PAPER

1. Thank you for consulting with the Home Builders Federation (HBF) on the New Local Plan for Cheshire East Issues Paper.
2. 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.
3. The HBF is keen to continue to work with the Council in order to achieve a new local plan which enables the delivery of homes across Cheshire East. The following comments address questions provided in the Issues Paper with potential implications for the homebuilding industry.

Plan Period

Question 1a: What date do you think the new local plan period should run to, giving reasons why you think it would be appropriate?

4. The Issues Paper considers the potential Plan periods and note that the earliest possible end date for the Plan is 2043, with alternatives linked to net zero requirements at a national level with a proposed end date of 2050; or with Cheshire East's more aspirational target with a proposed end date of 2045. The HBF considers that it would be sensible for the Plan to again consider at least a 20-year period, and to allow for the time taken to prepare a Plan that, that period runs until 2045.

Responding to the Climate Emergency

Question 2a: Have we identified the correct issues for the local plan to address in terms of reducing our emissions and contribution to climate change? Are there any other issues that the local plan should consider?

5. The Issues Paper suggests that current developments will need to be fit for a zero-carbon future, and for energy consumption to be minimised in new buildings by designing them to very high energy efficiency standards and obtaining energy from



clean, renewable sources. It has also gone on to identify the challenge to reduce embodied carbon and highlights that changes outside of the planning system may play an important role in this area.

6. The HBF supports the Council in seeking to meet the challenge of mitigating and adapting to the effects of climate change. The HBF considers that the Council should ensure that any policy is prepared in line with the December 2023 Written Ministerial Statement¹ which states that ‘a further change to energy efficiency building regulations is planned for 2025 meaning that homes built to that standard will be net zero ready and should need no significant work to ensure that they have zero carbon emissions as the grid continue to decarbonise. Compared to varied local standards, these nationally applied standards provide much-needed clarity and consistency for businesses, large and small, to invest and prepare to build net-zero ready homes’. It goes on to state that ‘the Government does not expect plan-makers to set local energy efficiency standards for buildings that go beyond current or planned buildings regulations. The proliferation of multiple, local standards by local authority area can add further costs to building new homes by adding complexity and undermining economies of scale. Any planning policies that propose local energy efficiency standards for buildings that go beyond current or planned buildings regulation should be rejected at examination if they do not have a well-reasoned and robustly costed rationale’. The HBF considers as such it would be appropriate to make reference to the Future Homes Standard and the Building Regulations as the appropriate standards for development without the need for planning policy. The Council will also be aware that the Future Homes and Buildings Standards: 2023 consultation² has been released covering Part L (conservation of fuel and power), Part F (ventilation) and Part O (overheating).
7. The Paper also identifies the important role the Local Plan can play by locating development in sustainable locations, with good access to services, facilities and the public transport network. The HBF considers that it is appropriate for the Council to consider the location of future development and to give consideration to the possibility of development creating or contributing to the creation of sustainable locations, or supporting existing services and amenities to maintain a sustainable location.
8. The Paper suggests that the Plan will aim to increase tree coverage in the Borough, and to that it will consider minimum levels of tree coverage in new developments. It also suggests that new Local Plan may consider carbon off-setting once all other means of reducing emissions have been explored.
9. The HBF considers that any policy that aims to increase tree coverage may have potential to have a significant impact on the land uptake for any development and may have significant implications for the density of developments, this in itself has potential to have a significant impact on the viability of developments. The HBF considers that this will need to be given thorough consideration by the Council, and the impact of any tree policy should not be consideration in isolation from other policy requirements. An

¹ <https://questions-statements.parliament.uk/written-statements/detail/2023-12-13/hcws123>

² <https://www.gov.uk/government/consultations/the-future-homes-and-buildings-standards-2023-consultation/the-future-homes-and-buildings-standards-2023-consultation>

increase in tree coverage may also have implications in relation to highway provision and highway maintenance and again may need to be given further consideration by the Council and the developers of these sites.

Design

Question 4a: What approach should be taken in preparing the Cheshire East Design Code? For example, should it be a strategic level code or be broken down into smaller areas and/or development types? How should residents, site promoters and stakeholders be involved in the process? Should the design code be prepared as part of the new local plan or as a separate development plan document?

10. The Issues Paper suggests that the Council intends to follow guidance set out in the National Model Design Code (NMDC) when producing its own design code, with themes including nature, environment, built form, identity, public space, movement, use, resources, and lifespan. However, the Council needs to consider the scope and approach to be employed.
11. The HBF considers that it would be beneficial for the Council to ensure that any design policies are thoroughly tested to ensure that they are realistic, deliverable and viable.

Natural Environment

Question 5a: What approaches or measures should be incorporated in the new local plan to protect and improve biodiversity?

12. The Issues Paper sets out the Council and developers will need to identify and agree sites within Cheshire East where biodiversity net gains (BNG) could be achieved. It also highlights that Cheshire East is working with Cheshire West and Chester, and Warrington Councils to prepare a Local Nature Recovery Strategy (LNRS), and that the Local Plan will need to draw on this information to demonstrate that national requirements for plans to protect and enhance biodiversity have been met.
13. BNG is mandatory under Schedule 7A of the Town and Country Planning Act 1990 (as inserted by Schedule 14 of the Environment Act 2021). Developers must deliver a biodiversity net gain of 10%. In light of all the new guidance on Biodiversity Net Gain (BNG) that has recently been published, the Council will need to ensure its approach to BNG to ensure it fully reflects all the new legislation, national policy and guidance. The HBF has been involved in a significant amount of work, being led by the Future Homes Hub, on BNG preparedness for some time and note the final version of DEFRA BNG Guidance was published on 12th Feb 2024 and the final version of the PPG published on Feb 14th 2024. The HBF understands that both may be further refined once mandatory BNG is working in practice, to reflect any early lessons learnt. The HBF notes that there is a lot of new information for the Council to work through and consider the implications of, in order to ensure that any policy on BNG policy so that it complies with the latest policy and guidance now this has been finalised. It is important that mandatory BNG does not frustrate or delay the delivery of much needed homes.

14. The PPG³ is clear that there is no need for individual Local Plans to repeat national BNG guidance. It is HBF's opinion that the Council should not deviate from the Government's requirement for 10% biodiversity net gain as set out in the Environment Act.
15. The HBF also notes that there are significant additional costs associated with biodiversity gain, which should be fully accounted for in the Council's viability assessment.
16. The HBF considers that the Council will also need to consider the role that they expect the LNRS to play in the delivery of BNG and how they want this to be considered in the Plan.

Homes for Everyone

Question 6a: Should the standard method calculation of 1,014 new homes per annum be used when preparing the new local plan? If not, what are the circumstances that would warrant a different approach?

17. The Issues Paper highlights that for Cheshire East the standard method calculation is currently 1,014 dwellings per annum (dpa). It goes on state that the new Local Plan will consider the need for housing a new local housing needs assessment will be prepared.
18. The PPG⁴ sets out when it might be appropriate to plan for a higher housing need figure than the standard method indicates, it suggests that circumstances where this may be appropriate include, but are not limited to situations where increases in housing need are likely to exceed past trends because of growth strategies; strategic infrastructure improvements; an authority agreeing to take on unmet need from neighbouring authorities; where previous levels of housing delivery in area or previous assessments of need are significantly greater than the outcome from the standard method.
19. The HBF therefore recommends that the Council ensure it has fully considered the implications of Growth Strategies such as Towards a Sustainable and Inclusive Cheshire and Warrington (Sept 2022), strategic Infrastructure Improvements such as the A500 Dualling, or the upgrade to A500 between Meremoor Moss roundabout and M6 J16, where the objectives of the scheme include to support the delivery of key employment and housing allocations, and the Middlewich Eastern Bypass. The Council may also need to consider whether it is likely to be agreeing to take on any unmet need from neighbouring authorities.
20. The DLUHC Net Additional dwellings highlights that there have been 21,149 net additional dwellings in the period 2013/14 to 2022/23. This is an average of 2,115 over the last ten years. Over the last five year the numbers of dwellings has been even higher at an average of 2,671 dwellings per year.

| | 2013/14 | 2014/15 | 2015/16 | 2016/17 | 2017/18 | 2018/19 | 2019/20 | 2020/21 | 2021/22 | 2022/23 |
|---------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Cheshire East | 845 | 1,259 | 1,593 | 1,783 | 2,318 | 2,955 | 3,151 | 2,295 | 2,631 | 2,323 |

³ PPG ID: 74-006-20240214

⁴ PPG ID: 2a-010-20201216

21. The Homes for Everyone Topic Paper identifies that housing affordability is a challenge for many households in Cheshire East and that the median house prices to earnings has risen significantly over the last 20 years – in 2003 the median house price was 6.03 times median gross earnings and in 2023 it was 8.14. The Council has not at this point provided further evidence of the affordable need, but the HBF suspects that the Council will need to provide a significant proportion of affordable housing. The Homes Everyone Topic Paper highlights that the majority of new affordable housing is built as a developer contribution on market housing schemes. It is noted that the PPG⁵ states that an increase in the total housing figures included in the plan may need to be considered where it could help deliver the required number of affordable homes. Therefore, the HBF would suggest that this will need to be a consideration of the Council in determining the housing requirement.

Question 6b: How could the local plan influence the mix of housing sizes within new developments?

22. The Issues Paper states that the Plan could include policies that support the provision of a mix of house sizes to respond to local evidence of need. The Paper suggests that the existing requirements could be taken forward or a different approach based on evidence could be used.

23. The HBF considers it would be appropriate for the Council to update their evidence to ensure that the right mix of homes is still being provided. However, the HBF would recommend that any policy in relation to housing mix needs to ensure that it includes a level of flexibility to ensure that it does not restrict housing development unnecessarily.

Question 6c: How can the local plan address the needs of an ageing population?

24. The Issues Paper suggests that it is likely that future demographic changes will result in greater demand for housing suitable for older people and those with disabilities, and that there will be a clear need for the inclusion of policies for older people and specialist accommodation.

25. The HBF notes that the NPPF⁶ looks for local authorities to assess the need for different groups in the community including the size, type and tenure of housing, and to ensure this is reflected in planning policies. It goes on to suggest that these groups in the community include older people including those who require retirement housing, housing with care and care homes. The PPG⁷ states that the need to provide for older people is critical, and that offering older people a better choice of accommodation to suit their changing needs can help them live independently for longer, feel more connected to their communities and help reduce costs to the social care and health systems. It goes on to state that Plan-making authorities should set clear policies to address the housing needs of groups with particular needs such as older and disabled people and

⁵ PPG ID: 2a-024-20190220

⁶ NPPF Dec 2023 paragraph 63

⁷ PPG ID: 63-001-20190626

that Plans need to provide for specialist housing for older people where a need exists⁸. It also notes that allocating sites can provide greater certainty for developers and encourage the provision of sites in suitable locations. As such, the HBF considers that the Council needs to work closely with the providers of older persons housing to identify appropriate sites or to provide appropriate policies.

Question 6d: What types of specialist or older people's housing are needed in Cheshire East and why?

26. The PPG sets out that there is a significant amount of variability in the types of housing for older people, and highlights some of the different types of specialist housing available for older people including age-restricted market housing, retirement living or sheltered housing, extra care housing or housing with care, and residential care homes and nursing homes.
27. The HBF considers that the Council will have to gather an appropriate evidence base to identify the need and demand for particular types of development, although it is likely to cover a range and variety across the area. Again, the HBF would recommend working closely with providers of specialist and older persons accommodation.

Question 6e: How could the local plan support the delivery of small and medium sized housing sites in Cheshire East?

28. The Issues Paper highlights the NPPF requirement for at least 10% of the housing requirement to be on small and medium sized sites.
29. The HBF Report – State of Play: Challenges and Opportunities facing SME Builders⁹ details the findings of one of the most comprehensive surveys of Small and Medium Enterprise (SME) homebuilders. It shows that for the fourth consecutive year the top two major barriers to growth for SME developers are chronic delays in the planning system and under-resourced LPAs. However, it also shows that the lack of land availability for SMEs continues to be a hindrance with 44% of respondents citing it as a major barrier to growth.
30. The HBF recommends that the Council ensures that there is at least 10% of the housing requirement of the housing on sites of less than 1ha, and that this is clearly allocated. The HBF also recommends that the Council ensures that there is variety of land supply available that meets the needs of all parts of the market.

Question 6f: How could the new local plan support the delivery of self and custom build housing including small sites?

31. The Homes for Everyone Topic Paper highlights that the Council has a statutory duty to grant enough planning permissions for self and custom build to meet demand within the Borough. To meet its statutory obligations the Council keeps a register of individuals who are seeking to acquire serviced plots of land in the authority's area. The Topic Paper states that as at 31st October 22 there were 251 registrations on the self-build

⁸ PPG ID: 63-006-20190626 & ID: 63-012-20190626

⁹ <https://www.hbf.co.uk/news/hbf-report-state-play-challenges-and-opportunities-facing-sme-home-builders/>

register, this equates to an average of 34 registrations per year. The current Plan includes a policy for self and custom build homes and supports the provision of self and custom build homes in suitable locations and requires housing developments of 30 or more dwellings to provide a proportion of serviced plots where there is evidence of unmet need.

32. A number of our members will be able to assist the custom build sector either through the physical building of dwellings on behalf of the homeowner or through the provision of plots for sale to custom builders. The HBF are, therefore, not opposed to the idea of increasing the self-build and custom build sector for its potential contribution to the overall housing supply. However, this needs to be done in the most appropriate manner.
33. The PPG¹⁰ sets out how custom and self-build housing needs can be assessed. And the PPG¹¹ sets out how local authorities can increase the number of planning permissions which are suitable for self and custom build housing. These include supporting neighbourhood planning groups to include sites in their plans, effective joint working, using Council owned land and working with Home England. The HBF considers that a variety of policy mechanisms could be used to ensure a reliable and sufficient provision of self & custom build opportunities across the Borough including 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.

Question 6g: How could the new local plan support the development of community-led housing including small sites and exceptions sites?

34. The Issues Paper sets out that community-led development is housing that has been built or brought back into use by local people. The Paper states that the Council will need to consider how the Local Plan could support community-led housing including in locations that would not normally be suitable for rural exceptions. It suggests that these sites could be adjacent to settlements, proportionate in size to them, but not compromise protect areas of assets of particular importance.
35. The HBF considers that the Council will need to ensure that it makes provision for all parts of the housing market. However, it will be important to ensure that there is a sensible balance between provision for market housing, SMEs, community led development, affordable housing, rural exceptions or First Homes exceptions.

Question 6h: How could the local plan address the need for affordable housing? Should the same approach be used across Cheshire East?

36. The Issues Paper highlights that most affordable housing is built as a developer contribution on market housing schemes. The current Local Plan requires that on sites of 15 or more homes in principal towns and key service centres, and on sites of 11 or more elsewhere, a target of 30% affordable housing will be provided.

¹⁰ PPG ID: 67-003-20190722

¹¹ PPG ID: 57-025-20210508

37. The HBF supports the need to address the affordable housing requirements of the borough. The NPPF¹² is, however, clear that the derivation of affordable housing policies must not only take account of need but also viability and deliverability. The Council will need to identify the affordable housing need, and assess the viability of delivering any affordable housing requirement. If the Council are likely to consider the provision of affordable housing on specialist housing, older persons housing, build to rent developments or student housing, any viability assessment should ensure that the viability of the types of developments is assessed. The Council should be mindful that it is unrealistic to negotiate every site on a one-by-one basis because the base-line aspiration of a policy or combination of policies is set too high as this will jeopardise future housing delivery.

Question 6i: How could the new local plan address the need for First Homes including exceptions sites? Should additional eligibility criteria for First Homes be introduced and should the same approach be used across Cheshire East?

38. The HBF considers that the new Local Plan should include provision for First Homes. However, the HBF considers that the Council should not include additional eligibility criteria for First Homes, including setting lower maximum income thresholds, a local connection text or a higher minimum discount.

Question 6k: Should the local plan include wheelchair and accessibility standards and what proportion of new homes and specialist housing should comply with those standards?

39. The Issues Paper identifies that existing Plan policies include those in relation to accessibility standards, and highlights that these may in future be addressed through building regulations.

40. The HBF is generally supportive of providing homes that are suitable to meet the needs of wheelchair users. However, if the Council wishes to adopt the higher optional standards for accessible, adaptable and wheelchair homes for either mainstream housing or specialist housing for older people the Council should only do so by applying the criteria set out in the PPG.

41. The PPG¹³ identifies the type of evidence required to introduce such a policy, including the likely future need; the size, location, type and quality of dwellings needed; the accessibility and adaptability of the existing stock; how the needs vary across different housing tenures; and the overall viability. It is incumbent on the Council to provide a local assessment evidencing the specific case for Cheshire East which justifies the inclusion of optional higher standards for accessible and adaptable homes in its Local Plan policy.

42. The PPG¹⁴ also identifies other requirements which the policy should incorporate these include the need to consider site specific factors such as vulnerability to flooding, site topography and other circumstances which may make a site less suitable. The PPG also

¹² NPPF Dec 2023 Paragraph 34

¹³ PPG ID: 56-007-20150327

¹⁴ PPG ID: 56-008-20160519 & ID: 56-010-20150327

states that where step-free access is not viable the optional requirements in Part M should not be applied. These elements will need to be reflected in the policy.

43. The Council should also note that the Government response to the Raising accessibility standards for new homes¹⁵ 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. M4(3) would continue to apply as now where there is a local planning policy in place and where a need has been identified and evidenced.

Question 6l: Should the next local plan require all new homes to meet the nationally described space standard and, if not, why?

44. The Issues Paper identifies that existing Plan policies include those in relation to space standards.
45. The HBF notes that the NDSS as introduced by Government, are intended to be optional and can only be introduced where there is a clear need and they retain development viability. As such they were introduced on a 'need to have' rather than a 'nice to have' basis.
46. PPG¹⁶ 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, Viability and Timing.
47. 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.

Developer Contributions

Question 9d: Is there any more the council should be doing regarding the seeking and use of developer contributions that is achievable within the strict planning regulations framework that governs this matter?

48. The Issues Paper provides information in relation to what S106 obligations are and what they can be used for, it also highlights the annual infrastructure funding statement which summarises information on CIL and other developer contributions, as well as the projects funded and those the Council is seeking to fund.
49. Development can only be required to mitigate its own impact and cannot be required to address existing deficiencies in infrastructure or services. It is therefore essential for the Infrastructure Development Plan (IDP) to clearly show the existing and known

¹⁵ <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>

¹⁶ PPG ID: 56-020-20150327

deficiencies in the current infrastructure, before reaching any conclusion on the cumulative effects of new development, and any contribution that is needed from new development to mitigate any additional individual and/or cumulative impacts.

50. The HBF would generally recommend that a policy in relation to development contributions includes the opportunity for negotiation around policy requirements for site specific reasons, to reflect viability challenges identified in the Viability Assessment or to reflect changes in viability since the undertaking of the Viability Assessment.

Making the best use of land

Question 11c: How can the local plan best support and encourage the re-use of previously developed and urban land whilst making sure that sufficient development comes forward to meet needs?

51. The Issues Paper states that the new Plan will need to set out a strategy to accommodate the overall needs for development in a way that makes as much use of previously developed land (PDL) as possible. The Paper suggests that previously 39% of new homes have been developed on PDL.
52. The HBF considers that in line with the NPPF the Council should set out a clear strategy for accommodating their housing needs in a way that makes as much use as possible of PDL. However, this should not preclude the use of other sustainable sites, which are also likely to be required to ensure that the Council can meet its housing needs.

Green Belt land

Question 12e: Are there any “exceptional circumstances” that would justify making further alterations to the Green Belt boundaries in the next local plan?

53. The Issues Paper sets out that there are areas of Green Belt in Cheshire East to the north and south of the Borough, surrounding Greater Manchester and the Potteries. It also highlights the importance of the permanence of the Green Belt.
54. The HBF recommends that the Council considers all of the potential exceptional circumstances for Green Belt release, particularly in relation to ensuring that it can meet all of its housing needs across the Borough. The Council will also need to ensure that it has examined all other reasonable options for meeting its needs, including making use of suitable brownfield land and under-utilised sites, optimising density of development and having discussions with its neighbouring authorities.

Strategic green gaps

Question 12f: What approach should be taken to the strategic green gaps in the new local plan? Are there any other gaps that would warrant additional protection in the plan?

55. The Issues Paper highlights that area around Crewe is not within the Green Belt, however, it goes on to state that the growth of Crewe has caused it to merge with other settlements or create narrow gaps in others. There is currently a policy in place to prevent settlements from merging with gaps between Crewe / Nantwich / Willaston / Wistaston, Crewe / Shavington / Rope / Willaston, Crewe / Shavington/ Basford / Weston, and Crewe / Haslington.

56. The HBF recommends that the Council keeps these areas under review as it considers its housing need and the sustainability of locations suitable for development. It may be that the provision of good quality sustainably located housing is most appropriate in these locations. The HBF does not consider that the separation of these settlements should necessarily override the provision of housing where it is needed and where it can be sustainably located.

Viability

57. The Council will need to ensure that they have considered viability. The HBF considers that viability assessment should not compromise sustainable development but should be used to ensure that policies are realistic, and that the total cumulative costs of all relevant policies will not undermine deliverability of the Plan. The Council need to ensure that policy requirements should be set at a level that takes account of affordable housing and infrastructure needs and allows for the planned development to be deliverable without need for further viability assessment at the decision-making stage.

Monitoring

58. The HBF recommends that the Council include an appropriate monitoring framework which sets out the monitoring indicators along with the relevant policies, the data source and where they will be reported, this should also include the targets that the Plan is hoping to achieve and actions to be taken if the targets are not met. The HBF recommends that the Council provide details as to how the plan will actually be monitored, and identifies when, why and how actions will be taken to address any issues identified.

Additional Information

59. The HBF have also attached a copy of a Report produced by Lichfields setting out the benefits of house building in Cheshire East and demonstrating the benefits of pursuing a housing requirement over the standard method. It is hoped that the Council can use this additional information to help inform their approach to the housing requirement utilised in their Plan going forward.

Future Engagement

60. I trust that the Council will find these comments useful as it continues to progress its Local Plan. I would be happy to discuss these issues in greater detail or assist in facilitating discussions with the wider house building industry.

61. The HBF would like to be kept informed of all forthcoming consultations upon the Local Plan and associated documents. Please use the contact details provided below for future correspondence.

Yours sincerely,



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