

Sent by email to: [localplan@luton.gov.uk](mailto:localplan@luton.gov.uk)

07/02/2025

Dear Planning Policy Team,

## **LUTON LOCAL PLAN REVIEW: COMMUNITY INVOLVEMENT PAPER – ISSUES AND OPTIONS**

1. Thank you for consulting with the Home Builders Federation (HBF) on the Luton Local Plan Review Community Involvement Paper – Issues and Options. 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.
2. The HBF is keen to continue to work with the Council in order to achieve an adopted local plan which enables the delivery of homes within Luton. The following comments address some of the questions provided in the consultation document with potential implications for the homebuilding industry.
3. The HBF also notes the NPPF and the standard method for calculating housing need was published just prior to this consultation on the Luton Local Plan, and that this is likely to have implications for the production of the Plan and the policies it contains. ‘Building the homes we need’ the Written Ministerial Statement (WMS) from Angela Raynor on 30<sup>th</sup> July 2024 highlights the importance of everyone local authority having a development plan in place, and states that areas at an earlier stage of plan development should prepare plans against the revised version of the NPPF and progress as quickly as possible.

### **Plan Period**



4. The consultation suggests that Local Plan will cover the period to 2045. The HBF considers that the Council will need to ensure that their Plan covers an appropriate period and that this ensures at least a 15-year period post adoption. The NPPF<sup>1</sup> states strategic policies should look ahead over a minimum 15-year period from adoption and that where larger scale developments form part of the strategy for the area, policies should be set within a vision that looks further ahead (at least 30 years), to take in account the likely timescale for delivery.

### **Vision and Objectives**

5. The vision looks to create a transformed town, where high quality, sustainable new developments, regenerate and re-shape the town centre and wider urban area, providing new homes. The objectives include to provide for a range of high quality, energy-efficient new homes, and to allocate sufficient land and enable sustainable sites to come forward to meet our needs including for housing.
6. The HBF considers that it is important that the vision aims to achieve sustainable development and that this includes all three objectives in balance, economic, social and environmental. The HBF considers it is important that the Council ensures that they have a sufficient number and range of homes to meet the needs of present and future generations, this needs to include market homes as well as affordable homes, and family homes, homes for first time buyers and homes for older people.

### **Providing Suitable and Sustainable Homes**

7. The current Local Plan target is to deliver 8,500 homes, equivalent to 425 homes annually. The latest AMR shows that between 2011 and 2023 just over 7,000 new homes were completed. The new standard method calculation of local housing need is 1,082 dwellings per annum (dpa) and will be the basis on which the plan and its spatial strategy should be prepared. The Council ask whether the Council should test the robustness of the standard method. HBF do not consider this to be appropriate or supported by national policy. Whilst paragraph 61 the NPPF<sup>23</sup> gave some scope for proposing an alternative approach to assessing housing needs this is not the case in the NPPF<sup>24</sup> which has removed this provision. The Council must use the standard method when establishing the number of homes to be planned for.

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<sup>1</sup> NPPF December 2024 Paragraph 22

8. This is a significant increase in the number of homes to be planned for and the HBF recognises that given Luton has a tight boundary to its urban edge it may not be able to meet its housing needs in full. If this is the case, then the Council must ensure that these needs are met within neighbouring areas. This will require the Council to work closely with both North Hertfordshire District Council and Central Bedfordshire Council to identify sites close to Luton that can meet the town's housing needs. In particular this will require the Council to work with its neighbours to consider whether Green Belt boundaries could be amended to meet its development needs.
9. The Council note at paragraph 5.158 that the last Green Belt Review was undertaken in 2014 and was found that existing green belt areas made substantial contributions to the purposes of the Green Belt. Given the change in policy relating to Green Belt, including introduction of the concept of Grey Belt areas and the weight given to housing needs when considering exceptional circumstances, the HBF therefore considers it necessary for the Council to update this evidence to assess if it could contribute toward meeting some of Luton's housing needs. This should be done in partnership with neighbouring areas to ensure a comprehensive and consistent assessment of the Green Belt surrounding Luton.
10. The Council have not provided any evidence as to the mix of mix of homes required to meet needs in Luton. It is likely that a wide variety of homes will be required, and it will be important for the Council to undertake the necessary work with regard to the type of home that is needed. However, alongside population projections and other statistical data the HBF would therefore encourage the Council to work with the home building industry operating in the area to determine the types of homes that are currently in demand from home purchasers.
11. The NPPF<sup>2</sup> is also clear that to support the Government's objective of significantly boosting the supply of homes, it is important that a sufficient amount and variety of land can come forward where it is needed that the needs of groups with specific housing requirements are addressed. It goes on to state that the overall aim should be to meet an area's identified housing need, including with an appropriate mix of housing types for the local community.

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<sup>2</sup> NPPF December 2024 paragraph 61

12. In establishing the number of homes that can be delivered in Luton the Council will need to prepare a Strategic Housing Land Availability Assessment (SHLAA). The Council also ask whether an urban capacity study is needed. Such studies can be helpful in identifying sites with potential, but this the Council should not then consider sites identified in such studies to be available or deliverable. Further work will be needed for any sites identified through an urban capacity study if they are to be considered available and developable as required by the NPPF.
  
13. HBF considers that the Council is likely to be looking at a mix of brownfield and greenfield land to ensure that all housing needs can be met. Although the HBF recognises the important role that brownfield development has an important role to play in delivering much needed housing, it must also be recognised that the viability of brownfield sites can be more challenging and result in less affordable housing delivery. There is also a need to provide for a range and mix of housing types and tenures. Some types of sites may be better suited to some types of housing development than others, for example an urban brownfield sites may be a good location for higher density residential developments, but less suitable for lower density family housing. The HBF therefore suggests the plan should recognise that it may be necessary to include an appropriate level of greenfield development as part of the long-term planning for the sustainable development of Luton. The HBF suggest this should include in a planned way through allocations, which provide certainty for developers, landowners and communities and through sustainably located windfall sites.
  
14. The Council should also note that the NPPF<sup>3</sup> requires Local Plans to identify land to accommodate at least 10% of the housing requirement on sites no larger than one hectare, unless there are strong reasons why this cannot be achieved. The HBF has undertaken extensive consultation with its small developer members. One of the chief obstacles for small developers is that funding is extremely difficult to secure without a full, detailed, and implementable planning permission. Securing an implementable planning permission is extremely difficult if small sites are not allocated. Without implementable consents lenders are uneasy about making finance available or the repayment fees and interest rates they set will be very high. Small developers, consequently, need to invest a lot of money and time up-front in the risky business of trying to secure an allocation and a planning permission, and this is money that many small developers do not have. The HBF would

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<sup>3</sup> NPPF December 2024 Paragraph 73

therefore wish to see the 10% small sites allowance delivered through allocations (and not windfall). Such sites are important for encouraging the growth in SME housebuilders who will tend to develop these sites but rarely see the benefits that arise from the allocation of sites in a local plan. Up until the 1980s, small developers accounted for the construction of half of all homes built in this country resulting in greater variety of product, more competition, and faster build-out rates. Since then, the number of small companies has fallen by 80%. The HBF also notes that support for small and medium builders need not be limited to only small sites of less than 1Ha. SMEs also deliver on other types of non-strategic sites (for example up to 100 units). The inclusion of additional non-strategic allocations would expand the range of choice in the market, and (possibly most importantly), be of a scale that can come forward and make a contribution to housing numbers earlier in the plan period.

15. The Plan's policies should ensure the availability of a sufficient supply of deliverable and developable land to deliver Luton's housing requirement. This sufficiency of housing land supply should ensure that the Council can meet the housing requirement, ensure the maintenance of a 5-year housing land supply and achieve the Housing Delivery Test. The HBF also strongly recommends that the plan allocates more sites than required to meet the housing requirement as a buffer. This buffer should be sufficient to deal with any under-delivery which is likely to occur from some sites and to provide flexibility and choice within the market. Such an approach would be consistent with the NPPF requirements for the plan to be positively prepared.
  
16. The setting of residential density standards should be undertaken in accordance with the NPPF<sup>4</sup> where policies should be set to optimise the use of land. The NPPF suggests that plan policies should include the use of minimum density standards for city and town centres and other locations that are well served by public transport. The HBF would recommend that the Council includes the indicative densities within the Plan policy and that the Council ensures appropriate flexibility is provided by this policy to allow developers to take account of the evidence in relation to site specific conditions, market aspirations, deliverability, viability and accessibility. The HBF would request that the Council ensures that any densities proposed are realistic deliverable and viable. The HBF notes the interaction between policies on housing size and type and density. Therefore, the Council will also need to consider its approach to density in relation to other policies in the plan.

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<sup>4</sup> NPPF December 2024 paragraph 130

Policies such as open space provision, SuDs, tree provision, biodiversity net gain, cycle and bin storage, housing mix, residential space standards, accessible and adaptable dwellings, energy efficiency and parking provision will all impact upon the density which can be delivered upon a site.

### **Affordable Housing**

17. There are over 11,000 households waiting for housing on the Council's register. The current Local Plan policy requires provision of 20% affordable housing units on developments that deliver a net gain of at least 11 dwellings. However, the Council suggests that many developments are not able to provide this level of affordable housing.
18. The HBF considers that it is appropriate for the Council to plan for the affordable needs of its community, and to ensure that it does this in line with the requirements in the NPPF<sup>5</sup>. This should ensure that any affordable housing requirements are clearly set out, are evidenced as viable through an assessment, and that flexibility is provided within the policy where viability may be an issue.

### **Housing Mix**

19. The paper identifies that the high proportion of smaller flat being provided in Luton is inconsistent with identified needs, which is for larger, family homes. The HBF understands the need for a mix of house types, sizes and tenures and is generally supportive of providing a range and choice of homes to meet the needs of the local area. The HBF recommends a flexible approach is taken regarding housing mix which recognises that needs and demand will vary from area to area and site to site; ensures that the scheme is viable; and provides an appropriate mix for the location and market.

### **Self-build and Custom Build Homes**

20. The Paper provides very little information in relation to the identified need for self-build and custom-build housing in Luton. Therefore, the HBF recommends that as a starting point the Council undertakes a more detailed assessment of the need, the PPG<sup>6</sup> sets out

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<sup>5</sup> NPPF 2024 paragraphs 35, 63-66

<sup>6</sup> PPG ID: 67-003-20190722

how custom and self-build housing needs can be assessed. The PPG<sup>7</sup> also 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 alternative 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.

### **Specialist Housing**

21. The Paper suggests that the older adult population in Luton is expected to increase significantly over the next 20 years. However, it also suggests that Luton's Market Sustainability Plan 2023-2026 identifies that there is currently a sufficient supply of care homes places to meet current needs, although it does identify a need for an increase in the provision of care homes beds with nursing, particularly for people with dementia of complex care needs. The HBF is generally supportive of providing homes that are suitable to meet the needs of older people and disabled people. The HBF considers the Council will need to undertake further evidence gathering in relation to the need for specialist housing. The HBF also recommends that the Council seeks to work closely with the providers of specialist housing to ensure that any allocations or policies are appropriate and will actually help to deliver the homes and bedspaces that are needed.

### **Space Standards**

22. The current Local Plan does not include policies on internal space standards. The nationally described space standards (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. The PPG<sup>8</sup> 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

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<sup>7</sup> PPG ID: 57-025-20210508

<sup>8</sup> PPG ID: 56-020-20150327

authorities should provide justification for requiring internal space policies. Local planning authorities should take account of the following areas: Need, Viability and Timing. 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.

### **Accessible and Adaptable Homes**

23. The paper states that Luton's Housing Strategy indicates that there is a need for a minimum 10% of new affordable housing to be M4(3) wheelchair accessible. The Council also has an ambition to see all homes designed to M4(2). The HBF would highlight that if the evidence highlights a need for wheelchair accessible homes and the Council wishes to include a policy, then the Council should only do so by applying the criteria set out in the PPG. The PPG<sup>9</sup> identifies the type of evidence required to introduce a policy requiring the M4 standards, 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.
24. The Council should also note that the Government response to the Raising accessibility standards for new homes<sup>10</sup> 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.

### **Health and Wellbeing**

25. The HBF generally supports plans that set out how the Council will achieve improvements in health and well-being. In preparing its Local Plan the Council should normally consider the health impacts with regard to the level and location of development. Collectively the policies in the plan should ensure health benefits and limit any negative impacts and as

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<sup>9</sup> ID: 56-007-20150327

<sup>10</sup> <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>



such any development that is in accordance with that plan should already be contributing positively to the overall healthy objectives of that area.

## **Design**

26. The NPPF<sup>11</sup> suggests that the creation of high quality, well designed and sustainable buildings and places are fundamental to what the planning and development process should achieve. It suggests that being clear about design expectations and how these will be tested is essential for achieving this. Therefore, the HBF would expect the Council to work closely with the development industry to ensure that any policies are clear and realistic and will help to deliver high-quality, well-designed buildings and spaces. The HBF would strongly encourage the Council to ensure that any design requirements can be delivered and that they will not create viability issues in terms of delivery.

## **Addressing and adapting to climate change**

27. The Paper suggests that a new Local Plan provides an opportunity to form policies for reducing carbon dioxide emissions; adapting to flood risk; promoting sustainable modes of transport and active travel; promoting renewable, low carbon energy and decentralised energy and district heating; setting requirements for sustainable buildings going beyond minimum standards (eg Passivhaus); adopting circular economy approaches; mitigating against the urban heat island; and promoting of opportunities for local food growing and carbon capture.

28. The NPPF<sup>12</sup> states that the purpose of the planning system is to contribute to the achievement of sustainable development, including the provision of homes, commercial development and supporting infrastructure in a sustainable manner. The NPPF also highlights that sustainable development has three overarching objectives, economic, social and environmental and that these are interdependent. The Council should not be seeking to put one of these objectives above the others in the name of sustainable development.

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<sup>11</sup> NPPF December 2024 paragraph 131

<sup>12</sup> NPPF December 2024 paragraph 7

29. The HBF considers that it is appropriate for the Council to allocate land for development where it is possible to access public transport routes and local services, or where access to these routes or services can be provided or improved.
30. The PPG<sup>13</sup> provides examples of mitigating climate change by reducing emissions: through reducing the need to travel and providing sustainable transport; providing opportunities for renewable and low carbon energy technologies; providing opportunities for decentralised energy and heating; and promoting low carbon design approaches to reduce energy consumption in buildings. The HBF recommends that the Council seek to ensure that they produce a sustainable Plan which supports a balance of homes and employment and is in line with the guidance provided by the NPPF and the PPG.
31. The HBF considers that it is important that the Council does not set its own standards for development which may differ from the approach being taken by national Government, and that any such policy in relation to low carbon, local heat and energy solutions are implemented on a flexible basis, and that the Council recognise the decarbonisation of the national grid. This would be in line with the Written Ministerial Statement of December 2023<sup>14</sup>. The Council will also be aware that the Future Homes and Buildings Standards: 2023 consultation<sup>15</sup> has been released covering Part L (conservation of fuel and power), Part F (ventilation) and Part O (overheating).
32. The HBF is concerned about any policies which mandate connections to district heating networks. 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. This may mean that it is more sustainable and more appropriate for developments to utilise other forms of energy provision, and this may need to be

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<sup>13</sup> PPG ID: 6-003-20140612

<sup>14</sup> <https://questions-statements.parliament.uk/written-statements/detail/2023-12-13/HCWS123>

<sup>15</sup> <https://www.gov.uk/government/consultations/the-future-homes-and-buildings-standards-2023-consultation/the-future-homes-and-buildings-standards-2023-consultation>

considered. If the policy were to be pursued HBF considers any such requirement must be implemented on a flexible basis.

### **Water Efficiency**

33. 110 litres per person per day is an optional water standard, the Building Regulations already requires 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 already represents an effective demand management measure, and the 110 litres per person per day would take this further again. The HBF would caution against policies that seek to go further and faster than national policy changes that result in patchwork of differing local standards. The HBF considers that this patchwork of standards has the potential to create challenges to development viability and delivery and potential for unintended consequences, rather than a standardised national approach to address these important issues.

### **Biodiversity Net Gain**

34. Biodiversity net gain (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%. There are specific exemptions from biodiversity net gain for certain types of development. The exemptions are set out in paragraph 17 of Schedule 7A of the Town and Country Planning Act 1990 and the Biodiversity Gain Requirements (Exemptions) Regulations 2024.
35. The PPG has recently been updated to provide more information on BNG which may assist the Council as they consider this policy. The PPG<sup>16</sup> states that plan-makers should be aware of the statutory framework for biodiversity net gain, but they do not need to include policies which duplicate the detailed provision of this statutory framework. It also states that it would be inappropriate to include policies which are incompatible with this framework. The PPG<sup>17</sup> is also clear that plan makers should not seek a higher percentage than the statutory objective for 10% BNG, unless justified. The HBF considers 10% to be sufficient to ensure the impact of development is not only mitigated against but that it leaves a positive impact on biodiversity.

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<sup>16</sup> PPG ID: 74-006-20240214

<sup>17</sup> PPG ID: 74-006-20240214

36. The HBF considers that the Council does not need to provide a policy on BNG as this is a statutory requirement as set out in the Act. However, it could be beneficial for the Council to set out areas of strategic importance, and how they will work with the Local Nature Recovery Strategy (LNRS).
37. Natural England has developed an Urban Greening Factor for England, as one of a suite of five Headline Green Infrastructure Standards within the Green Infrastructure Framework – Principles and Standards for England<sup>18</sup>. The Urban Greening Factor (UGF) is a planning tool to improve the provision of Green Infrastructure (GI) particularly in urban areas. The HBF notes that this document suggests a target UGF score of 0.4 for predominantly residential development, it also sets out proposed UGF Surface Cover Weightings. The HBF considers that if the Council wishes to include a policy on urban greening it will need to consider if it wants to use the Natural England target of 0.4 for predominantly residential areas and how it intends to justify this. It will also need to consider how this could impact on the viability and deliverability of sites going forward. The HBF recommends that if the Council chooses to take a UGF policy forward it should ensure that this policy is applied flexibly taking into account other considerations such as the density of development, embodied carbon, design, energy efficiency, proximity to open spaces, local character, and other site-specific elements. It may be that in some cases the urban greening target means that other policy requirements cannot be met or become significantly more costly.

## **Monitoring**

38. 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.

## **Viability**

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<sup>18</sup> Urban Greening Factor for England – Development and Technical Analysis - Green Infrastructure Framework - Principles and Standards for England (January 2023)  
<https://publications.naturalengland.org.uk/publication/5846537451339776>

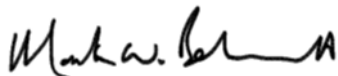
39. The Council will also need to ensure that they have considered viability, viability assessment should not compromise sustainable development but should be used to ensure that policies are realistic, and that the total cumulative costs of all relevant policies will not undermine deliverability of 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.

### **Future Engagement**

40. 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.

41. 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 faithfully



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