

Melton Borough Council  
Council Offices  
Parkside, Station Approach  
Burton Street  
Melton Mowbray  
LE13 1GH

SENT BY E-MAIL ONLY TO  
[planningpolicy@melton.gov.uk](mailto:planningpolicy@melton.gov.uk)

2<sup>nd</sup> August 2018

Dear Sir / Madam

## MELTON LOCAL PLAN MAIN MODIFICATIONS CONSULTATION

### Introduction

Thank you for consulting with the Home Builders Federation (HBF) on the above mentioned consultation. The HBF is the principal representative body of the house-building industry in England and Wales. Our representations reflect the views of our membership, which includes multi-national PLC's, regional developers and small, local builders. In any one year, our members account for over 80% of all new "for sale" market housing built in England and Wales as well as a large proportion of newly built affordable housing. The HBF submits the following representations on particular Main Modifications (**MM**) proposed by the Council

### MM1

**MM1** proposes a number of changes to **Policy SS2** and its supporting text. These amendments include clarification of the derivation of the proposed housing requirement of 245 dwellings per annum comprising of 154 dwellings per annum for the Borough's own housing needs plus 91 dwellings per annum to support economic growth. The proposed housing requirement is a justified figure reflecting the Council's growth aspirations which will align housing and employment strategies, deliver the Melton Mowbray Transport Strategy, boost housing supply and provide affordable housing. The assertion that this additional growth is drawn exclusively from Leicester's unmet housing needs is not supported by evidence. Indeed increased job opportunities in Melton may attract households from a wide area extending beyond the Leicester & Leicestershire Housing Market Area (HMA) into Nottinghamshire and Lincolnshire. A similar assertion was subject to prolonged discussion at the Stratford Upon Avon Core Strategy Examination. The Inspector (Pete Drew) concluded that only a "very modest" component of the objectively assessed housing needs (OAHN) would contribute to the unmet needs of others rather than the Council's argument that anything above the basic demographic need is "surplus" to the District's requirements and available to meet the unmet needs of others (see paras 57 – 71 of the Final Report dated 20<sup>th</sup> June 2016). This is also true in the case of Melton. Melton's housing requirement and Leicester's unmet housing needs are separate issues. The distribution and quantum of unmet needs from Leicester are yet to be agreed between the HMA authorities

via the signing of a Memorandum of Understanding (MoU). Therefore this assertion should be deleted from **MM1** as illustrated below :-

The overall quality proposed is 6,125 houses over the plan period of 2011 – 2036. This quantity would meet the demographic needs with affordability adjustment identified by HEDNA of 154 per year (3,850) over the plan period with the additional quantity of 91 per year (2,275) required to deliver the strategic economic objectives of the Plan set out in Chapter 3. This additional quantity would be drawn from the unmet need present elsewhere within the Housing Market Area (HMA). Only the City of Leicester have formally declared unmet need up to 2031 and requested that unmet need be dealt with in the Melton Local Plan. Should unmet need be declared elsewhere within the HMA within the local plan period, the apportionment across the HMA authorities of all unmet need arising within the HMA shall be agreed as set out in a Memorandum of Understanding (see para 4.7.8). If the unmet needs are identified, apportioned to Melton Borough exceed the 2,275 dwellings, there may be a need for a full or partial review of the Local Plan in accordance with Policy SS6.

**MM1** to **Policy SS2** also includes amendments to the Council's housing trajectory which is stepped as follows :-

- minimum 170 dwellings per annum between 2011 – 2021 ;
- minimum 245 dwellings per annum between 2021 – 2026 and ;
- minimum 320 dwellings per annum thereafter.

The HBF and other parties have previously objected to the Council's proposed use of a stepped housing trajectory (see submitted Matter 6 Hearing Statement and Comments on Different Methodologies for Calculating 5 YHLS). The HBF's opinion has not changed. The stepped housing trajectory as proposed in **MM1** is justified by the Council on the basis of expected delivery rates from North and South Melton Sustainable Urban Extensions (SUE). The Monitoring Framework (Appendix 5) also states that shortfalls are stepped across the remaining plan period. A 5 YHLS calculation is set out in Document HS1c.

In response to **MM1** the HBF would argue that if the stepped housing trajectory is to be accepted then post adoption of the Local Plan any shortfalls in delivery measured against the stepped trajectory should be recouped on a Sedgfield rather than Liverpool approach. There should be no departure from the Government's preferred approach as currently set out in the National Planning Practice Guidance (NPPG ID 03-035). The Draft NPPG published in March 2018 also states that the Council should deal with shortfalls against planned requirements within the first five years of the plan period. Any further delays in meeting housing needs measured against the stepped trajectory is failing those households who need homes. It is important to remember that this is not just a theoretical mathematical numbers exercise but represent actual households in housing need today so it is unreasonable and unequitable to expect them to wait until later in the plan period before their current housing needs are addressed. The use of a stepped housing trajectory and a Liverpool approach post adoption of the Local Plan would represent a "double whammy" to housing delivery. It is noted that in a recent planning appeal decision (APP/Y2430/W/17/3167407 Land at Hoby Road, Asfordby by applicant Jelson

Homes) the Inspector (David Nicholson) stated that for Melton Borough Council “to approach the shortfall over the plan period would be to admit defeat before even starting” (para 31) which would be counter to the NPPF requirement to boost housing supply. The Inspector (Jonathan Bore) examining the Guilford Local Plan also concludes that “There are important issues regarding the timing of housing delivery. I am prepared to accept that the Liverpool methodology on its own is valid, given the scale of the strategic allocations and the infrastructure issues associated with them. However, the submitted plan’s level of delivery in the early years, based on a stepped trajectory combined with the Liverpool methodology, is not acceptable. It would negate the purpose of the 20% buffer (which the Council accept), frustrate attempts to address key factors affecting worsening affordability, and would be contrary to Government policy which is seeking to boost the supply of housing” (Inspector’s Note ID/6 para 14). These criticisms are equally applicable to Melton’s proposed approach. The method for recouping shortfalls post adoption should be re-considered and explicitly set out in the Local Plan. It is suggested that the 5YHLS (Table 1 in Document HS1c) should be calculated as illustrated below. This re-calculation shows that a 5 YHLS is achievable using Sedgefield.

	Methodology 7 – Updated	Re-calculated using Sedgefield
Requirement		
Housing requirement over plan period to March 2036	6,125 ( 3 phases 1700, 1225 & 3200)	6,125 ( 3 phases 1700, 1225 & 3200)
Average per annum	Step 1 : 170 for initial 10 years until 31 March 2021; Step 2 : 245 for next 5 years until 31 March 2026; Step 3 : 320 for remaining 10 years until 31 March 2036	Step 1 : 170 for initial 10 years until 31 March 2021; Step 2 : 245 for next 5 years until 31 March 2026; Step 3 : 320 for remaining 10 years until 31 March 2036
Basic 5 year requirement	1,000	1,000
Completions 1 April 2011 – 31 March 2018	777	777
Target delivery for period 1 April 2011 – 31 March 2018 (7 year period)	1,190	1,190
Shortfall from 1 April 2011 – 31 March 2018	413	413
Total 5 year requirement including shortfall	-	1,413
Total 5 year requirement including proportion of shortfall (413/18 years = 23 dpa or 115 in 5 years)	1,115	-
Annual requirement for first 5 years including basic requirement & shortfall	223	283
20% buffer applied	223	283
Total 5 year requirement including basic requirement, shortfall & buffer	1,338	1,696
Annual requirement including basic requirement, shortfall & buffer	268	339
Supply		
Identified supply in first 5 years	2,779	2,779
Lapse rate (9%) applied to planning permissions including those on allocated sites = 2,622 dwellings	236	236
Total Supply taking into account lapse rate	2,543	2,543
5 Year Supply Calculation		
5 Year Supply calculation +/- compared with requirement	1,205	847
Number of Years supply	9.5 years	7.5 years

## **MM8**

**MM8 to Policy SS6** sets out the long term growth strategy and review triggers for the Local Plan. As set out in the National Planning Policy Framework (NPPF) a fundamental outcome of compliance with the Duty to Co-operate is the delivery of full OAHN for market and affordable housing in the HMA. The NPPG states that a key element of examination is ensuring that there is sufficient certainty through formal agreements that an effective strategy will be in place to deal with strategic matters such as unmet housing needs when Local Plans are adopted (ID 9-017). To date the Leicester & Leicestershire HMA authorities have failed to resolve the re-distribution of declared unmet needs from Leicester city. **Policy SS6** is the Council's attempt to resolve this matter in the interim. In **Policy SS6** there are four proposed review triggers which are adoption of the non-statutory Leicester & Leicestershire Strategic Growth Plan (L&LSGP) and the signing of a MoU, 5 year anniversary date after adoption, an updated OAHN and negative outcomes measured against the monitoring framework (in Appendix 5). The effectiveness of the first of these review triggers is questionable as there are no guarantees that the L&LSGP will be adopted and / or the MoU signed in which case the proposed timetable to commence the review in six months is also rendered ineffective as it is never initiated. As well as a commencement date there should also be a commitment to a finish date by which time the reviewed Plan will be submitted for examination. The HBF suggest the submission of the reviewed Local Plan within 2 years of the commencement date. Such timetables have been accepted in recently published Inspector's Final Reports for North West Leicestershire Local Plan and the East Lindsey Core Strategy & Site Allocations Plan.

## **MM9**

**MM9 to Policy C2** introduces the reference to a new Supplementary Planning Document (SPD) for evidencing housing mix. The Council is reminded that the NPPF is explicit that an SPD should not add to the financial burden of development so the Council should not be seeking to impose any housing mixes or standards that have not been subject to viability testing. The Regulations are equally explicit in limiting the remit of an SPD so that policies dealing with development management cannot be hidden. In this context the Council is referred to the recent High Court Judgement between William Davis Ltd, Bloor Homes Ltd, Jelson Homes Ltd, Davidson Homes Ltd & Barwood Homes Ltd and Charnwood Borough Council Neutral Citation Number : [2017] EWHC 3006 (Admin) Case No. CO/2920/2017 which deals with a policy within a document that should have been issued in the form of a Development Plan Document (DPD) and not in the form of an SPD because DPDs must, if objection is taken to them, be subject to independent examination whereas SPDs are not.

**MM9** also amends **Policy C3** whereby the Council will be particularly supportive of the Nationally Described Space Standards (NDSS) for market housing. The Council's intentions are unclear. If an application for planning permission for market housing was not or only partly compliant with the NDSS is consent refused by the Council. As written the Policy provides insufficient guidance for applicants and decision makers. This aspect of **Policy C3** should be deleted. **Policy C3** also states that Housing Quality Indicator Standards for affordable

housing will be supported. Since the Housing Standards Review it has been the Government's intention to avoid individual Council's setting their own arbitrary housing standards but instead to achieve standardisation via mandatory requirements of the Building Regulations and adoption of optional higher technical standards in Local Plan policies. The inference of this standardisation is that Housing Quality Indicator Standards are now superseded and the Council should not be referring to such housing standards in planning policy. This aspect of **Policy C3** should also be deleted as shown below :-

~~Policy C3— National Space Standards and Smaller Dwellings  
Residential developments for open market housing will be particularly supported where the national space standard is applied to dwellings with up to and including 3 bedrooms. For affordable housing, schemes using Housing Quality Indicator Standards will be supported.~~

### **MM18**

**MM18** proposes to avoid unduly onerous climate change policy requirements by restricting **Policy EN9** to major developments only. The HBF is supportive of the Council's intention however the definition of "major development" is not set out. If by "major" the Council means developments of 10 or more dwellings then the requirements of **Policy EN9** will remain onerous to small / medium sized developers. The definition of "major" should be re-considered and clearly set out in the Local Plan either in the supporting text of **Policy EN9** or the Glossary.

### **MM20**

Under Infrastructure Delivery **MM20** introduces up front full cost payments rather than financial contributions based on yield rates and cost multipliers for additional school pupil places in rural areas. If these full costs are not paid up front there is the possibility of costs for interim transportation costs. **MM20** also introduces the prospect of developer contributions to fund early years (0 – 4) places. It is noted that these additional proposed costs were not included in the Council's original whole plan viability testing therefore the impact of such extra financial burdens on future housing delivery have not been viability assessed. These proposed additional costs should only be sought subject to viability.

### **MM21**

**MM21** of **Policy D1** states that all new development should perform well against Building for Life 12 (BfL12) or subsequent guidance. The HBF remain of the opinion that it is not necessary for **Policy D1** to require a performance assessed as "well" against BfL12 criteria. BfL12 is a voluntary design tool that developers may or may not choose to use there should be no policy obligation to do so. The HBF has played a fundamental role in establishing BfL12 which was developed to provide a useful design tool to facilitate discussions between Councils, developers and local communities. It was never intended to become enshrined as a mandatory policy requirement in Local Plans. The inclusion in **Policy D1** is not justified by evidence and its effectiveness is uncertain as it is unclear how it will be implemented as the Council has provided insufficient guidance for applicant and / or decision takers to assess the meaning of perform

well. **MM21** also introduces encouragement for Design Reviews for all major developments. As stated under **MM18** there is no definition of “major” developments. **MM21** should be deleted as shown below :-

Policy D1 – Raising the standards of Design

All new developments should ...

~~j) performs well against Building for Life 12 or any subsequent guidance and seek to develop the principles of “Active Design” for housing developments.~~

Design Review

~~9.4.19. Design Review is a tried and tested method of promoting good design and is a cost effective way to improve quality. Applicants will be encouraged to engage in design review for all new major developments.~~

## **Conclusion**

For the Melton Local Plan to be found sound under the four tests of soundness as defined by the NPPF the Plan should be positively prepared, justified, effective and consistent with national policy. It is considered that the aforementioned **MMs** are unsound therefore the Plan is inconsistent with national policy, not positively prepared, unjustified and ineffective. It is hoped that these representations are of assistance to the Council and the Inspector in preparing the final stage of the Melton Local Plan. In the meantime if any further information or assistance is required please contact the undersigned.

Yours faithfully

for and on behalf of **HBF**



**Susan E Green MRTPI**  
**Planning Manager – Local Plans**