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SENT BY E-MAIL AND POST

3<sup>rd</sup> November 2017

Dear Sir / Madam

## **HARBOROUGH PRE SUBMISSION LOCAL PLAN 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. We would like to submit the following representations and appear at future Examination Hearing Sessions to discuss these matters in greater detail.

### **Duty to Co-operate**

The Duty to Co-operate (S110 of the Localism Act 2011 which introduced S33A into the 2004 Act) requires the Council to co-operate with other prescribed bodies to maximise the effectiveness of plan making by constructive, active and on-going engagement. The high level principles associated with the Duty are set out in the National Planning Policy Framework (NPPF) (paras 156, 178 – 181) and in twenty three separate paragraphs of the National Planning Practice Guidance (NPPG). In determining if the Duty has been satisfactorily discharged it is important to consider the outcomes arising from the process of co-operation and the influence of these outcomes on the Local Plan. One of the required outcomes is the delivery of full objectively assessed housing needs (OAHN) for market and affordable housing in the housing market area (HMA) as set out in the NPPF (para 47) including the unmet needs of neighbouring authorities where it is reasonable to do so and consistent with sustainable development (NPPF para 182).

It has been determined that Harborough District Council is a constituent part of the Leicester & Leicestershire HMA together with Leicester City Council, Blaby, Charnwood, Hinckley & Bosworth, North West Leicestershire, Melton and Oadby & Wigston District Councils. The Leicester & Leicestershire HEDNA 2017 identifies an OAHN for the HMA of 4,829 dwellings per annum between 2011 – 2031 or 4,716 dwellings per annum between 2011 – 2036.

It is also noted that Harborough District Council is bordered by five other neighbouring authorities which are not part of the Leicester & Leicestershire HMA. These are Rutland (part of Peterborough HMA), Daventry (part of West Northamptonshire HMA), Rugby (part of Coventry & Warwickshire HMA), Corby and Kettering (part of North Northamptonshire HMA). The Duty to Co-operate Statement accompanying this pre submission Local Plan consultation does not explicitly confirm that these neighbouring authorities will be meeting their own OAHN in full without recourse to any assistance to meet unmet needs from neighbouring authorities such as Harborough District Council.

The Duty to Co-operate Statement dated September 2017 refers to a previous Memorandum of Understanding (MoU) signed in 2014 but now out of date, an Interim MoU with a final version MoU expected by January 2018 prior to submission of the Harborough Local Plan for Examination. It is understood that the original now superseded MoU committed each individual HMA authority to meet their own OAHN within their own administrative areas up to 2028. However since then Leicester City Council and Oadby & Wigston District Council have both formally written to other HMA authorities declaring unmet needs amounting to as at February 2017 a shortfall of 8,834 dwellings up to 2031 in Leicester and as at March 2017 161 dwellings up to 2031 or 1,076 dwellings up to 2036 in Oadby & Wigston. So very soon Harborough District Council will have a role to play in meeting some of these unmet housing needs from within the HMA as well as its own OAHN.

It is considered that the Council has co-operated on an on-going basis with neighbouring authorities especially those authorities within the Leicester & Leicestershire HMA. Therefore there has been legal compliance with the requirements of the Duty to Co-operate but satisfactory outcomes from that process in particular meeting unmet needs in the HMA are not yet concluded which is an unsound basis on which to prepare a Local Plan. The Harborough Local Plan should be based on a strategy which seeks to meet OAHN (para 182) based on evidence (para 47) with emphasis on joint working on cross boundary issues where housing needs cannot be wholly met within individual LPA areas (para 178 – 181). As the Harborough Local Plan has been prepared within a context of uncertainties this should be considered an unsound basis for plan making because the Plan cannot be positively prepared, effective or consistent with national policy. Whilst there are benefits for development management purposes of having an adopted Plan these benefits should not outweigh the requirements for a sound Plan. The Leicester & Leicestershire HMA authorities approach of deferring into the future via Local Plan Reviews the solution to identified unmet housing needs should not be condoned. These are not just arbitrary numbers but represent

households in need of housing now which should not be ignored and “kicked into the long grass”.

It is also understood that the HMA authorities and Local Enterprise Partnership (LEP) are working on a non- statutory Leicester & Leicestershire Strategic Growth Plan for which a Draft Plan consultation was expected in summer 2017. This Plan will set out in broad terms the amount and location of housing, economic and infrastructure growth until 2050. It is proposed that this strategic framework will be taken into account by Local Plans which will include an agreed spatial distribution, a housing land strategy to boost the speed of housing delivery and a refresh of the Strategic Economic Plan (SEP) incorporating the Midlands Engine for Growth proposals. At present the Harborough Local Plan makes limited reference to this strategic planning document.

By the time of the Local Plan Examination a Statement of Common Ground explaining cross boundary working as proposed in the recently published Housing White Paper “*Fixing The Broken Housing Market*” and “*The Right Homes in the Right Places*” consultation may be required. If a Statement of Common Ground is prepared the HBF may wish to submit further comments on the Council’s legal compliance with the Duty to Co-operate and any implications for the soundness of the Local Plan in further written Hearing Statements and during oral discussions at the Examination Hearing Sessions.

## **Local Plan Review**

**Policy IMR1** proposes a review of the Local Plan but as currently worded the HBF is concerned that this proposed review policy contains no firm commitment to a review or a timescale for review. There is always the concern that a Council will not deliver in a timely manner on its commitment to an early review as set out in a Local Plan policy. There are many examples of Local Plans not fulfilling promises of an early review including Dacorum and Swindon. It is suggested that the wording is changed so that under Bullet Point (2) the Council commit to “complete” rather than “commence” and under Bullet Point (3) the review will be “commenced within 3 months and submitted for Examination within 2 years”. Such modifications will ensure consistency with the North West Leicestershire Local Plan which also dealt with the same issue of unmet needs in the Leicester & Leicestershire HMA and was modified accordingly in its recently concluded Examination.

The final version of the MoU to be signed in January 2018 before the submission of the Harborough Local Plan for examination should set out the declared unmet housing needs from Leicester and Oadby & Wigston together with the proposed re-distribution of these unmet needs across the remainder of the HMA. This should also be set out in **Policy IMR1**.

It is known that an early review is not the optimum policy mechanism by which to resolve unmet housing need because of the slow response time of such reviews. Therefore ahead of any early review a greater contingency within the overall HLS together with the release of reserve sites should be provided to

give additional flexibility and quickness to meeting these unmet housing needs.

## **OAHN and Housing Requirement**

Under the NPPF the Council should be proactively supporting sustainable development to deliver the homes needed by identifying and then meeting housing needs (para 17) in particular the Council should be significantly boosting the supply of housing (para 47). The Council should ensure that the assessment of and strategies for housing, employment and other uses are integrated taking full account of market and economic signals (para 158). The Council should use its evidence base to ensure that the Plan meets in full OAHN as far as consistent with the framework including identifying key sites critical to the delivery of the housing strategy over the plan period (para 47).

The NPPG advises that housing need should be assessed in relation to the relevant functional area known as the HMA (ID 2a-008). An OAHN should be unconstrained (ID 2a-004) and strongly recommends the use of its standard methodology (ID 2a-005). This methodology is a three stage process comprising :-

- Demographic (based on past population change and HFR) (ID 2a-015 – 017) ;
- Economic (to accommodate and not jeopardise future job growth) (ID 2a-018) ;
- Market signals (to consider undersupply relative to demand) (ID 2a-019 & 020).

Affordable housing need is separately assessed (ID 2a-022 – 028). However delivering affordable housing can be a consideration for increasing planned housing provision (ID 2a-029).

In the Housing White Paper the Government is critical of Council's who are not undertaking an honest assessment of housing needs. The Government is currently consulting on a standardised methodology for the calculation of OAHN. This standardised methodology comprises of :-

- Demographic baseline based on annual average household growth over a 10 year period ;
- Workplace-based median house price to median earnings ratio ;
- Adjustment factor =  $\frac{\text{Local affordability ratio} - 4}{4} \times 0.25$  ;
- Local Housing Need = (1 + adjustment factor) x projected household growth.

The Council's latest OAHN calculation is set out in Leicester & Leicestershire HEDNA 2017. This Report identifies an OAHN for Harborough of 10,640 dwellings (532 dwellings per annum) for the plan period 2011 – 2031. This OAHN comprises of :-

- 463 dwellings per annum using 2014 Sub National Population / Household Projections (SNPP/SNHP) plus 10 year migration trend adjustment multiplied by a vacancy rate, which is a reasonable demographic starting point ;
- 532 dwellings per annum after a market signal adjustment of +69 dwellings per annum. With regard to affordability and worsening market signals it is noted that Harborough has the highest median house prices, land values, lower quartile house price to income ratio (9 times in 2015), average rent, and absolute increase in median house prices across the Leicester & Leicestershire HMA. The adjustment of +67 dwellings per annum represents a 15% market signal adjustment. As set out in the NPPG the more significant the affordability constraints then the larger the improvement in affordability needed (ID 2a-020). Both the Local Plans Expert Group (LPEG) methodology and Government's proposed standardised methodology result in higher OAHN figures based on demographic projections and adjustments for affordability. Under the LPEG methodology the affordability uplift should be 25% rather than 15%. Under Government's proposed standardised methodology the OAHN is 542 dwellings per annum rather than 532 dwellings per annum. Therefore it is considered that the HEDNA under-estimates this element of its OAHN calculation.

The Council's latest evidence shows a net affordable housing need of 202 dwellings per annum between 2011 - 2036. There is no further increase in the total housing requirement to help deliver affordable homes as set out in the NPPG (ID 2a-029) which also contributes to an under-estimated housing requirement.

At the HMA level there is no economic growth led adjustment to OAHN because the demographic projections plus market signal adjustment exceed economic led forecasts. Previously at the North West Leicestershire Local Plan Examination the HBF and other parties criticised the HEDNA's approach of no adjustment to support economic growth. Indeed in the HEDNA the Planned Growth Scenario does not take account of the proposed major distribution scheme located within the M6, M69 and M1 triangle in Harborough. Therefore it is appropriate for the Council to separately consider an economic led growth scenario. The Council's own Magna Park Employment Growth Sensitivity Study 2017 takes into account proposed employment growth of 700,000 square metres of B8 floor space at the 223 hectare strategic & warehousing logistics distribution park at Magna Park up to 2031. The Council's Study aligns this employment growth and housing by increasing the housing requirement by +25 dwellings per annum above the HEDNA OAHN in order to house the new workers expected to be employed at Magna Park and to reduce out commuting thereby increasing self-containment from 19% to 25% over the plan period (as set out in Objective 2). However an adjustment of +25 dwellings per annum is in itself modest and unlikely to achieve Objective 2 of the Local Plan.

The figure of 11,140 dwellings (557 dwellings per annum) is set out in the supporting text of **Policy SS1** as the District's housing requirement. This

housing requirement excludes any contribution to meeting declared quantified unmet housing needs from elsewhere in the Leicester & Leicestershire HMA.

**Policy SS1** refers to a housing provision of 12,800 dwellings (640 dwellings per annum). The Council state that this housing provision will cater for unmet needs from elsewhere in HMA, slower than expected delivery, non-implementation of existing consents, economic change, and flexibility and choice in the housing market. This is somewhat confusing. The housing need that the Council is proposing to meet should be clearly stated. Furthermore the derivation of that housing need should be based on evidence which is transparent and easily understood. It is recommended that the Council provides further clarification by undertaking additional work on its OAHN and housing requirement before the Harborough Local Plan is submitted for examination.

The Council should also give consideration to the implications of the Government's proposed standard methodology. By the time of the Local Plan Examination (if submitted after March 2018) it may be necessary for the Council to prepare an assessment of housing needs based on this standard methodology. If a re-assessment of housing needs using the standard methodology is undertaken the HBF may wish to submit further comments on OAHN and the Council's housing requirement in written Hearing Statements and during oral discussions at the Examination Hearing Sessions.

## **Housing Land Supply (HLS)**

### **Overall Spatial strategy and distribution**

**Policy SS1 – Spatial Strategy** sets out a tiered settlement hierarchy which is summarised as :-

- Leicester Principle Urban Area (Scraptoft, Thurnby & Bushby) ;
- Sub regional centre – Market Harborough ;
- Key centres – Lutterworth & Broughton Astley ;
- 7 rural centres ;
- 16 selected rural villages ;
- Other villages, rural settlements & countryside (where development is strictly controlled).

There is concern that some settlements have been incorrectly placed within this tiered hierarchy for example Broughton Astley is designated above Freckney. It is recommended that the Council re-examines such flaws before submission of the Local Plan for examination.

Table B.1 lists an overall HLS for 12,800 dwellings from the following sources:-

- Built - 2,458 dwellings ;
- Committed - 5,692 dwellings ;
- Allocations - 3,870 dwellings ;

- Non-allocations - 555 dwellings ;
- Windfalls (outside Rural Centres & Selected Rural Villages) – 225 dwellings. It is appropriate to include a windfall allowance in the HLS (but excluded from the first 3 years of the 5 YHLS). 25 dwellings per annum is considered reasonable.

There is also a housing trajectory in Table D.24 of the Appendices. **Policy H1 – Provision of New Housing** sets out the proposed distribution by settlement for a minimum residual HLS of 4,660 dwellings in the plan period. **Policy H1** includes two Strategic Development Areas (SDA) allocations, three site allocations in Market Harborough for 1,140 dwellings (**Policies MH1 – 3**) and one site allocation in Fleckney for 130 dwellings (**Policy F1**). Furthermore **Policy GD2 – Settlement Development** permits development of non-allocated sites within or contiguous to the built up areas.

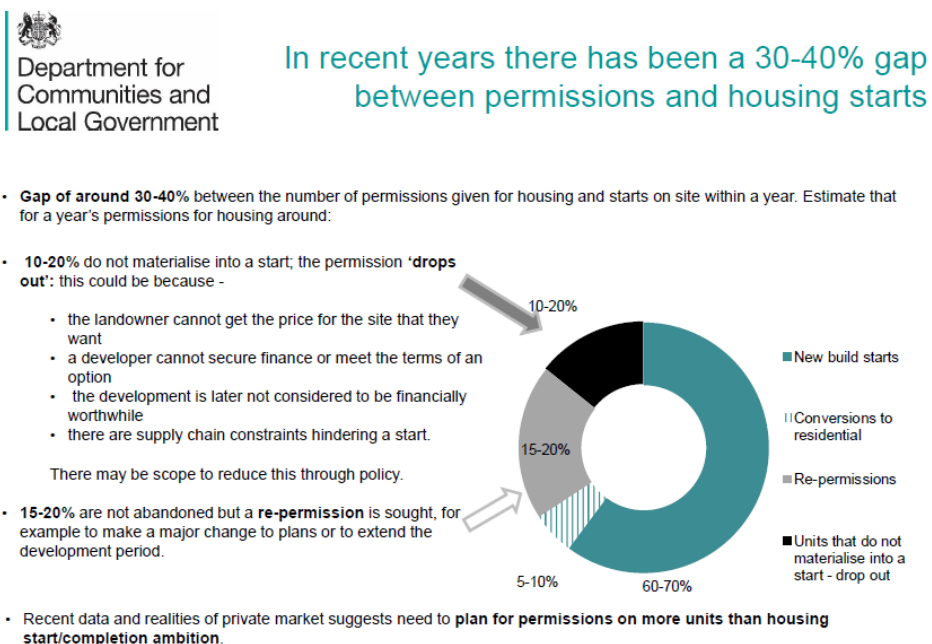
It is noted that 2,700 dwellings are proposed on two SDAs in Lutterworth for 1,500 dwellings (**Policy L1**) and Scraftoft North for 1,200 dwellings (**Policy SC1**). It is important that the Council's proposed housing distribution recognises the difficulties facing rural communities in particular housing supply and affordability issues. The NPPG emphasises that all settlements can play a role in delivering sustainable development so blanket policies restricting housing development in some settlements and preventing other settlements from expanding should be avoided. One of the core planning principles of the NPPF is to *“take account of the different roles and character of different areas ... recognising the intrinsic character and beauty of the countryside and supporting thriving rural communities within it”* (para 17) and *“to promote sustainable development in rural areas, housing should be located where it will enhance or maintain the vitality of rural communities”* (para 55). The proposed distribution of housing should meet the housing needs of both urban and rural communities.

The above concern is further exacerbated because 555 dwellings in the District's residual HLS are proposed to be delivered from non-allocated sites or sites to be allocated in Neighbourhood Plans. The reliance on non-allocated and / or Neighbourhood Plan allocations to meet a significant proportion of the District's residual HLS provides no guarantee that the Local Plan itself will deliver the District's housing needs. It is suggested that further allocations in lower rural tiers of the settlement hierarchy are needed.

The HBF do not comment on the merits or otherwise of individual sites therefore our representations are submitted without prejudice to any comments made by other parties on the deliverability of specific sites included in the overall HLS, 5 YHLS and housing trajectories. The Council's HLS assumes that all of the allocations in the Plan will be found sound. However the soundness of individual allocations will be discussed throughout the course of the examination. If any are found to be unsound these will need to be deleted from the HLS accordingly. It is also essential that the Council's assumptions on lead-in times, lapse rates and delivery rates for sites are realistic. These assumptions should be supported by parties responsible for delivery of housing and sense checked by the Council using historical empirical data and local knowledge.

The Council should also consider the allocation of developable reserve sites together with an appropriate release mechanism as recommended by the LPEG Report. The LPEG Report proposed that “*the NPPF makes clear that local plans should be required not only to demonstrate a five year land supply but also focus on ensuring a more effective supply of developable land for the medium to long term (over the whole plan period), plus make provision for, and provide a mechanism for the release of, developable Reserve Sites equivalent to 20% of their housing requirement, as far as is consistent with the policies set out in the NPPF*” (para 11.4 of the LPEG Report).

The proposed overall HLS is 12,800 dwellings against a housing requirement of 11,140. Therefore there is contingency of circa 11% in the proposed HLS to cater for unmet needs from elsewhere in HMA, slower than expected delivery, non-implementation of existing consents, economic change, and flexibility and choice in the housing market. This level of contingency is below the DCLG presentation slide from the HBF Planning Conference September 2015 (see below) which illustrates a 10 – 20% non-implementation gap together with 15 – 20% lapse rate. The slide also suggests “*the need to plan for permissions on more units than the housing start / completions ambition*”.



Extract from slide presentation “DCLG Planning Update” by Ruth Stanier Director of Planning - HBF Planning Conference Sept 2015

## 5 Year Housing Land Supply (YHLS)

The 5 YHLS is a snap shot in time which can change very quickly. The following analysis addresses matters of principle rather than detailed site specific analysis. The HBF’s preferences for the calculation of 5 YHLS are the Sedgfield approach to shortfalls as set out in the NPPG (ID 3-035) with a 20% buffer applied to both the annualised housing requirement and any shortfall. The Council’s latest calculation as set out in 5 YHLS Report (as at 31 March 2017) dated July 2017 uses a Sedgfield approach to shortfalls and



a 20% buffer in accordance with the HBF's preferences. However the Council's calculation is based on OAHN figure of 532 dwellings per annum rather than the housing requirement of 557 dwellings per annum which is incorrect. However even using this as the basis for 5 YHLS calculation there is only 4.45 years supply. Obviously a 5 YHLS calculation using the higher housing requirement figure will be less than 4.45 years. If the Council cannot demonstrate a 5 YHLS on adoption of the Local Plan then the Plan cannot be found sound.

It is clear that further site allocations are needed to demonstrate a 5 YHLS on adoption in order to maximize housing supply the widest possible range of sites, by size and market location are required so that house builders of all types and sizes have access to suitable land in order to offer the widest possible range of products. Inevitably the key to increasing housing supply is increasing the number of sales outlets which means the allocation of more sites. The maximum delivery is achieved not just because there are more sales outlets but because the widest possible range of products and locations are available to meet the widest possible range of demand. This approach is also advocated in the Housing White Paper because a good mix of sites provides choice for consumers, allows places to grow in sustainable ways and creates opportunities to diversify the construction sector.

When more information on HLS becomes available the HBF may wish to submit further comments in written Hearing Statements and during oral discussions at the Examination Hearing Sessions.

### **Other Housing Policies & Viability**

If the Local Plan is to be compliant with the NPPF development should not be subject to such a scale of obligations and policy burdens that viability is threatened (paras 173 & 174). The residual land value model is highly sensitive to changes in its inputs whereby an adjustment or an error in any one assumption can have a significant impact on viability. Therefore it is important that the Council understands and tests the influence of all inputs on the residual land value as this determines whether or not land is released for development. The Harman Report highlighted that "*what ultimately matters for housing delivery is whether the value received by land owners is sufficient to persuade him or her to sell their land for development*".

**Policy H2 – Affordable Housing** proposes on sites of 10+ dwellings 40% affordable housing provision subject to viability.

The Council's latest viability testing evidence is set out in Local Plan Viability – Residential Options Viability Interim Report dated April 2016 by Aspinall Verdi. The Report demonstrates that viability varies between 30 – 40%. The findings show that policy trade-offs are required between affordable housing provision and infrastructure. The Council should be mindful that the cumulative burden of policy requirements are not set so high that the majority of sites are only deliverable if these sites are routinely rather than occasionally negotiated on the grounds of viability. It is recommended that based on its own viability evidence the Council should re-consider the affordable housing

provision set out in **Policy H2**. It is suggested that differential affordable housing provision by sub-market, site size and / or site typologies is more appropriate than the currently proposed “blanket” approach.

The proposed affordable housing tenure mix of 75% affordable / social rent and 25% intermediate is unduly prescriptive. The Council should consider the Government’s proposals for Starter Homes as set out in the Housing White Paper whereby the Council may deliver Starter Homes as part of a mixed package of affordable housing alongside other affordable home ownership and rented tenures determining the appropriate level of provision for the locality in agreement with developers. The Council has identified a need for 54 Starter Homes per annum.

**Policy H5 Bullet Point (1b)** proposes adoption of the Nationally Described Space Standard (NDSS). The Written Ministerial Statement dated 25<sup>th</sup> March 2015 confirms that *“the optional new national technical standards should only be required through any new Local Plan policies if they address a clearly evidenced need, and where their impact on viability has been considered, in accordance with the NPPG”*. If the Council wishes to adopt the NDSS this should only be done by applying the criteria set out in the NPPG. The NPPG sets out 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”* (ID: 56-020) :-

- **Need** - It is incumbent on the Council to provide a local assessment evidencing the specific case for Harborough which justifies the inclusion of the NDSS as a Local Plan policy. If it had been the Government’s intention that generic statements justified adoption of the NDSS then the logical solution would have been to incorporate the standards as mandatory via the Building Regulations which the Government has not done. The NDSS should only be introduced on a “need to have” rather than a “nice to have” basis. The identification of a need for the NDSS must be more than simply stating that in some cases the standard has not been met it should identify the harm caused or may be caused in the future.
- **Viability** - The impact on viability should be considered in particular an assessment of the cumulative impact of policy burdens. There is a direct relationship between unit size, cost per square metre, selling price per metre and affordability. The Council cannot simply expect home buyers to absorb extra costs in a Local Plan area where there exists severe affordability pressures. There is also an impact of larger dwellings on land supply. The requirement for the NDSS would reduce site yields or the number of units on a site. Therefore the amount of land needed to achieve the same number of units must be increased. The efficient use of land is less because development densities have been decreased. At the same time the infrastructure and regulatory burden on fewer units per site intensifies the challenge of meeting residual land values which determines whether or not land is released for development by a willing landowner especially in lower value areas

and on brownfield sites. It may also undermine delivery of affordable housing at the same time as pushing additional families into affordable housing need because they can no longer afford to buy a NDSS compliant home. The Council should undertake an assessment of these impacts.

- **Timing** - The Councils should take into consideration any adverse effects on delivery rates of sites included in the housing trajectory. The delivery rates on many sites will be predicated on market affordability at relevant price points of units and maximising absorption rates. An adverse impact on the affordability of starter home / first time buyer products may translate into reduced or slower delivery rates. As a consequence the Council should put forward proposals for transitional arrangements. The land deals underpinning the majority of identified sites will have been secured prior to any proposed introduction of 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 outline or detailed approval prior to the specified date and any reserved matters applications should not be subject to the nationally described space standards.

**Policy H5 Bullet Point (2)** should be deleted.

**Policy H5 Bullet Point (3)** proposes on sites of 100+ dwellings 4% Part M4(2) accessible & adaptable compliant homes. The Written Ministerial Statement dated 25<sup>th</sup> March 2015 stated that “*the optional new national technical standards should only be required through any new Local Plan policies if they address a clearly evidenced need, and where their impact on viability has been considered, in accordance with the NPPG*”. If the Council wishes to adopt the higher optional standards for accessible & adaptable homes the Council should only do so by applying the criteria set out in the NPPG (ID 56-005 to 56-011). All new homes are built to Building Regulation Part M standards so it is incumbent on the Council to provide a local assessment evidencing the specific case for Harborough which justifies the inclusion of M4(2) optional higher standards for accessible / adaptable homes in its Local Plan policy. If it had been the Government’s intention that evidence of an ageing population justified adoption of M4(2) then the logical solution would have been to incorporate the standard as mandatory via the Building Regulations which the Government has not done. M4(2) should only be introduced on a “need to have” rather than “nice to have” basis therefore **Bullet Point (3)** should be deleted.

**Policy H5 (4)** proposes on sites 250+ dwellings developers should provide self / custom build to meet demand. **Policy H5 (4)** is also cross referenced to **Policies SC1 & L1**. The HBF supports custom build in principle for its potential contribution to overall housing supply. However the Council’s approach to self / custom build should be positively undertaken to increase the total amount of new housing developed rather than by a restrictive policy requirement for inclusion of such housing on allocated sites. Such positive policy responses include supporting development on small windfall sites as well as allocating more small sites. The Council’s proposed policy approach

only changes the house building delivery mechanism from one form of house building company to another without any consequential additional contribution to boosting housing supply. If these plots are not developed by self / custom builders the Council has proposed no mechanism by which these dwellings may be developed by non self / custom builders thereby effectively removing these dwellings from the HLS. The Council should also give detailed consideration to the practicalities (for example health & safety implications, working hours, length of build programme, etc.) of implementing any such policy. The Council should refer to the East Devon Inspector's Final Report dated January 2016 which expresses reservations about the implementation difficulties associated with this sort of policy. In para 46 the Inspector states "*However, I don't see how the planning system can make developers sell land to potential rivals (and at a reasonable price)*". If the Council wishes to promote self / custom build it should do so on the basis of evidence of such need. It is not evident that the Council has assessed such housing needs in its SHMA work as set out in the NPPG (ID 2a-021) whereby the Council should collate from reliable local information the local demand for people wishing to build their own homes. It is known that there are only 57 validated registrations on the Council's Self Build Register but it is noted that detailed data from the Register is not available via the Council's website. So it is impossible to determine if the Council's proposed policy approach of requiring self-build plots on large housing sites is justified. Furthermore the Council has not undertaken any viability assessment of this policy proposal. The NPPG confirms that "*different types of residential development such as those wanting to build their own homes ... are funded and delivered in different ways. This should be reflected in viability assessments*" (ID 10-009). **Bullet Point (4)** should be deleted.

**Policy H4 Bullet Point (1b)** proposes on sites of 100+ dwellings 10% sheltered / extra care housing subject to viability. The HBF recognise that all households should have access to different types of dwellings to meet their housing needs. Therefore planning for a mix of housing needs should focus on ensuring that there are appropriate sites allocated to meet the needs of specifically identified groups of households such as the elderly without seeking a specific housing mix on individual sites. Indeed the housing needs of older people is a diverse sector so the Local Plan should be ensuring that suitable sites are available for a wide range of developments across a wide choice of appropriate locations. **Policy H4 Bullet Point (1b)** should be deleted.

**Policy H5 Bullet Point (1c)** proposes higher optional water efficiency standards are adopted. The Written Ministerial Statement dated 25<sup>th</sup> March 2015 confirms that "*the optional new national technical standards should only be required through any new Local Plan policies if they address a clearly evidenced need, and where their impact on viability has been considered, in accordance with the NPPG*". If the Council wishes to adopt the higher optional standard for water efficiency the Council should only do so by applying the criteria set out in the NPPG. The Housing Standards Review was explicit that reduced water consumption was solely applicable to water stressed areas. The NPPG (ID 56-013 to 56-017) refers to "*helping to use natural resources prudently ... to adopt proactive strategies to ... take full account of water*

*supply and demand considerations ... whether a tighter water efficiency requirement for new homes is justified to help manage demand*". The Harborough District Water Cycle Study dated December 2015 only identifies the east of the District as suffering from water stress therefore the Council's blanket policy approach is not justified and **Policy H5 (1c)** should be deleted.

If any Bullet Point in **Policy H5** and **H4** is modified then the HBF may make further comments in Hearing Statements and orally at the Examination Hearing Sessions.

## **Conclusion**

For the Harborough Local Plan to be found sound under the four tests of soundness as defined by the NPPF (para 182), the Plan should be positively prepared, justified, effective and consistent with national policy. Currently the Harborough Local Plan is unsound because of :-

- an under-estimation of housing needs ;
- an ineffective review mechanism in **Policy IMR1** to deal with identified unmet housing needs in Leicester & Leicestershire HMA ;
- insufficient flexibility in overall HLS ;
- no 5 YHLS on adoption of the Plan ;
- unjustified policy requirements for optional higher standards for NDSS, M4(2) compliant homes and water efficiency ;
- an overly prescriptive policy approach to affordable housing tenure mix, self /custom build plots and sheltered / extra care housing ;
- insufficient testing of whole plan viability.

Therefore the Local Plan is inconsistent with national policy. It is not positively prepared or properly justified meaning it will be ineffective. It is hoped that these representations are of assistance to the Council in preparing the next stages of the Harborough 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**  
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