

HBF response to Harborough Local Plan (March 2025) Examination

Matter 8: Strategic Policies for Housing

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.

Please note that we have not responded to all the questions only those of relevance to our members, and reflecting the issues in the Reg 19 response that HBF submitted.

Stage 2 Matters, Issues and Questions (MIQs)

Matter 8: Strategic Policies for Housing

Whether the Plan is justified, effective and consistent with national policy in relation to Strategic Policies for Housing?

Policies HN01, HN02, HN03, HN04, HN05 and HN06

Issue 1: Housing Needs

Policy HN01 Housing Need: Affordable Homes

1. Is policy HN01's requirement for 40% of homes on qualifying developments to be affordable, apart from in 'exceptional circumstances' an appropriate and effective approach to meet identified need for affordable housing? Would the Plan meet that need in full or in part?

No. HBF have provided details comments about our concerns around the viability and deliverability of development in Harborough elsewhere in our Reg 19 and MIQ response notably in response to Matter 6, Issue 2. More flexibility is needed in the policy to allow for site-specific viability appraisals, for all of the reasons we have previously stated including any site-specific issues reasons and/or changing circumstances, not just those deemed to be 'exceptional'.

We would also highlight that, as noted in PPG, assessing the viability of plans does not require individual testing of every site or assurance that individual sites are viable. Flexibility should be included within this policy because whole plan viability assessments use methodologies that test typologies of sites, which do not consider the detailed circumstances of individual sites. As such there may be individual sites that are already not viable, for example if the costs or values of a specific site fall outside the parameters used of a typology that was tested. Some sites will be on the very margins of viability and other sites may already be unviable even without a change of

circumstances. Therefore, the policy needs flexibility to ensure it is justified and effective, and the Plan is deliverable.

In order to deliver the amount of affordable housing required in Harborough, a larger housing requirement, and additional allocations would be needed.

2. Do criteria a) and d) of policy HN01 together make it clear what constitutes 'exceptional circumstances', and what is required in such circumstances?

No. This is unclear. HBF also notes that restricting site specific viability appraisal to exceptional circumstances only runs counter to national planning policy and the PPG as of 2024, and the new 2026 NPPF. As such this would make the plan ineffective, unjustified and contrary to policy and therefore unsound.

In addition, many HBF members are finding challenges in finding Housing Association partners to take on Affordable Housing provided through s106. The Government has established a clearing house to try and help to address these problems, but HBF members continue to face challenges in securing RPs willing and able to take on s106 affordable homes. This further underlines the need for flexibility in relation to affordable housing to ensure that housing is deliverable and viable. To help address this issue HBF support the inclusion of a cascade mechanism in a s106 agreement for affordable housing to help. However there remains a need for additional flexibility within the policy wording to help to address this issue.

3. Is the proportion of affordable housing sought viable, both by itself and in combination with other planning requirements in the Plan?

No. For all of the reasons set out elsewhere in our response HBF do not believe the affordable housing requirement has been shown to be viable.

4. Is it clear for users of the Plan, what 'capable of delivering 10 or more homes' means and how this will be assessed?

This is not clear.

5. Is the tenure split in criterion b) of policy HN01 justified?

In light of the challenges facing viability HBF would argue that further flexibility within the policy is needed. HBF would expect the Council to ensure that the policy is applied flexibly and makes allowance for home builders to provide alternative housing mixes if required.

6. Is the viability reassessment approach in criterion e) of policy HN01 appropriate and consistent with national policy? Also, is this criterion effective for schemes 500 or more flats, for example?

As we have previously said as the whole plan viability methodology uses typologies, this means there may be individual sites that are not viable, for example if the costs or values of a specific site fall outside the parameters used of a typology that was tested. Some sites will be on the very margins of viability and other sites may already be unviable even without a change of circumstances. HBF therefore suggest that the Plan should support and recognise the potential need for flexibility in relation to site specific viability issues. As such overage clauses may not be appropriate in all cases, and the Plan should allow for such circumstances.

Policy HN02 Housing Need: Mix of New Homes

1. Does policy HN02 appropriately address evidenced need for various housing types, tenures and sizes?

No. In light of the viability and deliverability challenges home builders it is essential that housing delivery is not be compromised or stalled due a lack of flexibility caused by overly prescriptive requirements in relation to housing types, tenures and sizes. It is important for the Council to work with developers to understand the viability challenges that developers face and work directly with site promoters and house builders to understand any seek solutions to site specific viability issues, which could include changes to housing types, tenures and sizes. The policy should recognise that flexibility in relation to these issues can assist improve viability and deliverability.

2. Is Table 10 of the Plan an appropriate starting point for considering the size of homes needed across different tenures?

No. HBF is supportive of providing a range and choice of homes to meet the needs of the local area. It is, however, important that any policy is workable and ensures that housing delivery will not be compromised or stalled due to overly prescriptive requirements, requiring a mix that does not consider the scale of the site, does not consider the viability of the site, or requires the applicant to provide significant amounts of additional evidence. HBF would expect the Council to ensure that the policy is applied flexibly and makes allowance for home builders to provide alternative housing mixes as is required by the market.

3. Is the approach to accessible and adaptable homes in criteria 2 and 3 of policy HN02 flexible enough to take account of site constraints and development viability considerations?

We set out detailed comments on this issue in our Reg 19 response. We remain concerned that the costs of all homes meeting M4(2) will have on the viability of housing on some schemes in some locations for some developers.

We note that M4(3)a sets out standards for wheelchair adaptable housing, where M4(3)b relates to wheelchair accessible housing which can only be required on

affordable housing where the Council has nomination rights. The Council should have ensured that the appropriate costs are factored into the whole plan viability assessment as both M4(3)a and M4(3)b impact on viability, with M4(3)b being ten times more expensive than the former. The implications of these policies requirements on viability and deliverability have not been properly considered.

We also suggest the Council need to revisit this issue now that the Future Homes Standard has been agreed.

4. Are criteria 2 and 3 of policy HN02 consistent with national policy?

No. See comments in response to Question 3 above.

Policy HN03 Housing Need: Housing Type and Density

1. How are the minimum residential density figures in policy HN03 arrived at? Are they justified?

HBF note that the setting of residential density standards should be undertaken in accordance with the NPPF 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. HBF would request that the Council ensures that any densities proposed are realistic deliverable and viable.

We also notes that there is an 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. Policies such as open space provision, SUDs, tree provision, biodiversity net gain, 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 on a site.

2. For exceptions in policy HN03, is it clear enough for users of the Plan how 'availability of public transport and other services and facilities' informs calculation of lower density?

HBF would question how a developer would know what is required in relation to this policy. We note that this is another example of a policy area where the national 2026 NPPF DM policy consideration may be relevant in the decision making process and as such we believe it is necessary for this to be clearly set out in the Plan.

Policy HN04 Housing Need: Supported and Specialist Housing

1. Is the rate of at least 10% of dwellings on suitably located residential development of 100 dwellings or more, in criterion 2 of policy HN04, a justified and effective approach to meet identified need for specialist housing for older people? How is this rate arrived at?

HBF have concerns about the evidence base and appropriateness of this policy requirement. Retirement housing providers have particular need and it can not be assumed that all locations that are deemed 'suitable' in terms of their location could support a viable and deliverable specialist scheme. The Council should be working closer with provider of such schemes to understand their needs and locational requirements, and although HBF recognise that the population is aging we also note that the majority of homes that elderly people live in are open market homes.

2. Is it clear enough for users of the Plan what sort of factors can make a location 'suitable' for specialist housing for older people, in criterion 2 of policy in HN04?

No. We agree that more clarity on what locational or site-specific factors would be helpful although this would also need to include some flexibility to enable developers of specialist accommodation to reflect their needs and requirements, especially due to the evolving innovations and products in this sector. HBF also note that the older persons housing section of the PPG has specific guidance in respect of housing for older people and viability. This could usefully be referred to in the supporting text.

Policy HN05 Housing Need: Self and Custom Build Housing

1. How is demand for self and custom build housing calculated? Will the approach to providing land for self and custom build housing in policy HN05 meet the demand? Is the inclusion of self and custom build housing within new build housing developments a justified way to do this? Is the 40 dwellings (gross) threshold for provision of at least 10% of the total number of dwellings on such developments appropriate, effective and consistent with national policy?

HBF have significant concerns about the robustness of the self-build registers as evidence of genuine demand for self build plots by potential purchasers who are genuinely in a position to purchase a self build home.

2. Is it sufficiently clear to users of the Plan what sort of evidence would be helpful to inform consideration of whether there is 'clear evidence of lower demand', under criterion 3 of policy HN05?

No. As we have already said HBF have significant concerns about the robustness of the evidence base provided by the self-build register

3. Is 18 months a reasonable length of marketing period in criterion 3 of policy HN05?

No. Although HBF do not support the self-build policy in this Plan, if it were to be pursued, then HBF agrees that if demand for plots is not realised, it is important that plots should not be left empty to the detriment of neighbouring properties or the whole development.

The timescale for reversion of these plots to the original housebuilder should be as short as possible from the commencement of development because the consequential delay in developing those plots presents further practical difficulties in terms of co-ordinating their development with construction activity on the wider site. There are even greater logistical problems created if the original housebuilder has completed the development and is forced to return to site to build out plots which have not been sold to self and custom builders.

HBF would therefore suggest that any unsold plots should revert to the original developer after a maximum six-month marketing period.

4. Is it clear who is responsible for producing a design code, as required in criterion 6 of policy HN05, and the process for this?

HBF agree this is not clear. This adds further weight to our concerns about the reliance of self and custom build housing within this Plan. Experience from elsewhere notably Teignbridge, which has been leading the way in this area of policy, suggests self-build delivery in practice simply does not match the evidence of a wish for a plot that can apparently be evidenced from the self-build register.