

Charnwood Borough Council Local Plan 2021-37

Housing Topic Paper

December 2021

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Version History

Version Number	Date	Description
1.0	3rd December 2021	First published version

1. Introduction

- 1.1 The Council is preparing a new local plan to replace the 2015 Charnwood Local Plan Core Strategy and the saved policies of the 2004 Borough of Charnwood Local Plan. The pre-submission version of the Charnwood Local Plan 2021-37 sets out a vision and a framework for the future pattern, scale and quality of development in Charnwood. It addresses the needs and opportunities in relation to housing, the economy, community facilities and infrastructure as well as conserving and enhancing the natural and historic environment, mitigating and adapting to climate change, and achieving well designed places that contribute to healthy communities.
- 1.2 That framework within the Local Plan includes the allocation of sites for new housing to meet the identified needs of the Borough and policies in relation to the types of housing that should be provided. This paper sets out the approach used by the Council to the identification of housing needs in the Borough and to meeting those needs. The approach was evidence based and formed part of a wider process of ensuring that the plan meets the objectives of sustainable development.

2. National Policy

- 2.1 The National Planning Policy Framework (NPPF) sets out the Government's planning policies for England and is based on a fundamental aim to secure sustainable development through balancing economic, social and environmental objectives.
- 2.2 The NPPF includes a number of policies in support of the Government's objective of significantly boosting the supply of homes, for which it has set a target for England of 300,000 new homes per year by the mid-2020s. Those policies specify the following approach to identifying and meeting housing need:
 - determining the minimum number of homes needed, informed by a local housing need assessment (paragraph 61)
 - determining the specific needs of particular groups, including those who require affordable housing, families with children, older people, students, people with disabilities, service families, travellers, people who rent their homes and people wishing to commission or build their own homes (paragraph 62)
 - identifying a sufficient supply and mix of available, suitable and viable sites to meet the identified needs (paragraph 68)
 - allocating sites of a range of sizes (paragraphs 69 and 73)
 - identifying a trajectory for the delivery of allocated sites that enables the authority to demonstrate at least a five-year supply of housing land (paragraph 74).
- 2.3 Other statements of Government Policy are contained in documents relating to:
 - Planning Policy for Traveller Sites
 - Starter Homes Policy.
- 2.4 Planning Practice Guidance (PPG) provides further guidance in respect of a number of matters.

- Housing and Economic Needs Assessment
- Housing and Economic Land Availability Assessment
- Build to Rent
- First Homes
- Housing Needs of Different Groups
- Housing for Older and Disabled People
- Housing: Optional Technical Standards
- Housing Supply and Delivery
- Self-build and Custom Housebuilding.

3. Understanding Charnwood's Housing Needs

- 3.1 The Council's approach to understanding the Borough's housing needs has used national policy and guidance and evidence relating to both Charnwood and the Housing Market Area of Leicester and Leicestershire.

Sub-regional Context and Definition of the Housing Market Area

- 3.2 Charnwood is one of seven districts in Leicestershire that surround the central city of Leicester. Leicester and Leicestershire has been identified as a well self-contained housing market area (HMA) based on the high proportion of house moves taking place within the HMA, general similarities in housing costs, whilst recognising the differences between its urban and rural areas and other local influences on prices, and commuting patterns)¹.
- 3.3 The HMA has been the basis for strategic work to understand and plan for housing needs. This has resulted in the preparation of evidence studies, the most recent of which are the 2017 Housing and Economic Development Needs Assessment (HEDNA) and 2014 Strategic Housing Market Assessment (SHMA). It has also resulted in the preparation of a Strategic Growth Plan which sets out a long term vision and strategy for the HMA covering the period to 2050².
- 3.4 Within this context, the city of Leicester has declared an unmet housing and employment need. The amount of its unmet housing need increased in December 2020 as Leicester is one of the 20 urban areas that is now subject to a 35% uplift in the way that its need was calculated. The HMA partners are working collectively to identify the scale of that unmet need and the most sustainable options available to meet it (see section 5).

Calculation of Local Housing Need

- 3.5 The Council has used the standard method set out in PPG to calculate the Borough's Local Housing Need as there are no exceptional circumstances, such as

¹ Housing and Economic Development Needs Assessment (GL Hearn for Leicester and Leicestershire Authorities and the Leicester and Leicestershire Enterprise Partnership, January 2017) p5

² Leicester and Leicestershire 2050: Our Vision for Growth (December 2018)

the presence of land designated as Green Belt, internationally recognised wildlife sites or areas of national importance in terms of their landscape, that justify an alternative approach. This calculation produces a figure of 1,111 homes per year and therefore a need for a minimum total of 17,776 homes over the plan period of 2021 to 2037. This is a significantly greater level of need than was identified in the adopted Charnwood Local Plan 2011 to 2028 Core Strategy of 820 homes per year (an increase of 35%).

- 3.6 The NPPF requires the process for identifying the Borough's Local Housing Need to also take into account any unmet need from neighbouring authorities. As set out above, there is an unmet housing need arising from the city of Leicester that should be met by other authorities within the HMA. Given the advanced stage that the Charnwood Local Plan has reached it has been agreed with the other authorities in the HMA, through a statement of common ground, that the plan should proceed without including any of Leicester's unmet need as part of its identified Local Housing Need. Instead, the plan includes a trigger policy that deals with how the Council will respond when the work to identify and apportion the unmet need is concluded. The Local Housing Need figure of a minimum of 1,111 homes per year and 17,776 homes over the plan period therefore relates solely to the Borough's own housing need.
- 3.7 The NPPF and PPG set out clearly that housing need should not be seen as an overall number in isolation. Housing need should be seen alongside the requirements of the local economy with planning for homes and jobs working in step with each other. In addition, there are a series of specific needs that need to be considered, particularly that for affordable housing, and that may indicate that an increased Local Housing Need should be identified to ensure that those more specific needs are met.

Evidence Base for Identifying Charnwood's Housing Needs

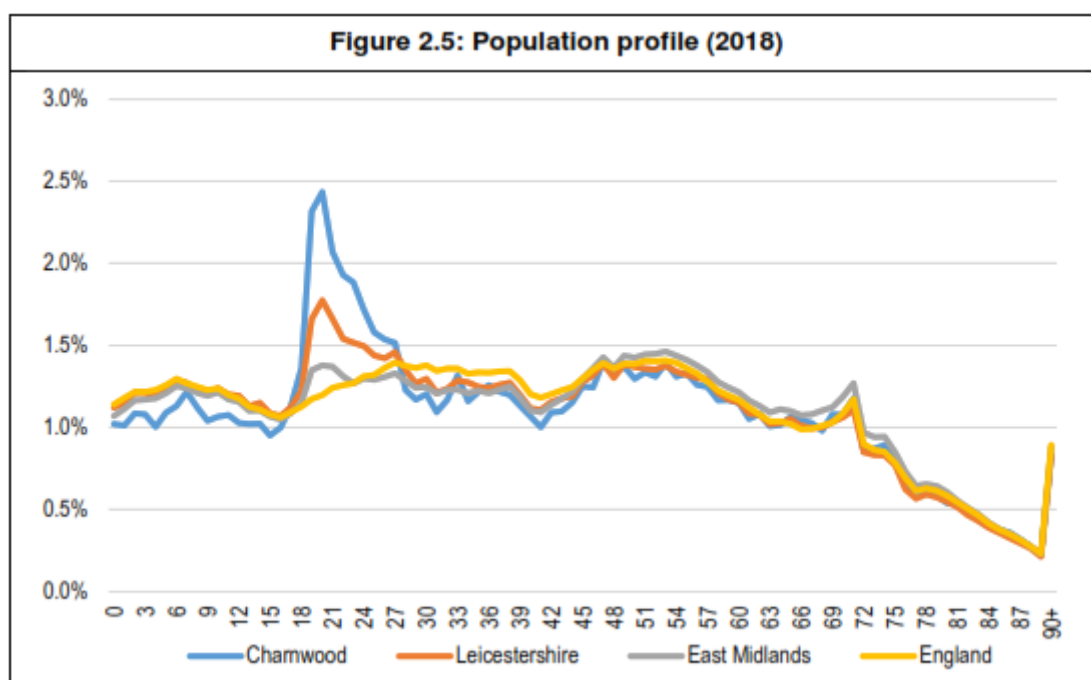
- 3.8 This section of the paper sets out the evidence that the Council has obtained regarding the different aspects of housing need in the Borough and how this has informed the policies in the Local Plan and the final level of Local Housing Need that the plan seeks to meet, i.e. the plan's housing requirement.
- 3.9 As set out above, the local authorities in the HMA prepared two studies on housing needs across the HMA: a Strategic Housing Market Assessment in 2014 and a Housing and Economic Development Needs Assessment in 2017. In order to ensure that the plan was based on the most up to date local evidence, the Council commissioned a Housing Needs Assessment to identify the specific needs of the Borough³. This evidence is supplemented by a specific study into the particular needs of Gypsies, Travellers and Travelling Showpeople⁴.

³ Charnwood Borough Council Housing Needs Assessment Final Report (JL Hearn, September 2020)

⁴ Leicester City and Leicestershire Gypsy, Traveller and Travelling Showpeople Accommodation Assessment Final Report (Opinion Research Services, May 2017)

Overview of Charnwood

3.10 In terms of its age profile the Borough is broadly similar to the rest of Leicestershire, the East Midlands region and England, particularly for older age groups. The Borough has a significantly higher proportion of people aged 20-24 and a slightly higher proportion of people aged 15-19 caused by the presence of Loughborough University. Charnwood also has a slightly lower proportion of people aged 0-14 than Leicestershire, the East Midlands and England.



Source: ONS mid-year population estimates

[Housing Needs Assessment 2020, p26]

3.11 The population increase in Charnwood between 2011 and 2018 was greater than that seen in Leicestershire, the East Midlands and England. This is one of the causes of the greater increases in house prices seen in the Borough between 2009 and 2019 when compared to the East Midlands and England. The house price changes seen in Charnwood are however similar to those seen in Leicestershire as a whole.

Figure 2.8: Population change (2011-18)

	Population (2011)	Population (2018)	Change	% change
Charnwood	165,876	182,643	16,767	10.1%
Leicestershire	980,806	1,053,486	72,680	7.4%
East Midlands	4,537,448	4,804,149	266,701	5.9%
England	53,107,169	55,977,178	2,870,009	5.4%

Source: ONS mid-year population estimates

[Housing Needs Assessment 2020, p27]

Figure 2.33: Change in median house price (all dwellings) – 2009-2019				
	Year to September 2009	Year to September 2019	Change	% change
Charnwood	£143,000	£220,000	£77,000	53.8%
Leicester	£120,000	£177,000	£57,000	47.5%
Leicestershire	£145,000	£222,000	£77,000	53.1%
East Midlands	£132,000	£192,000	£60,000	45.5%
England	£167,000	£240,000	£73,000	43.7%

Source: ONS House price statistics for small areas, year ending September 2019

[Housing Needs Assessment 2020, p41]

3.12 The Borough's housing stock is characterised by having fewer smaller homes and more, larger homes than the regional and national averages (Housing Needs Assessment 2020, p35). When this is combined with differences in household size there are also noticeable variations within the Borough in terms of the under- and over-occupancy of homes. The highest rates of over-occupancy (overcrowding) are in Loughborough and Thurmaston, and the highest rates of under-occupancy are in Quorn, Rothley and the rural areas on the south-western and eastern edges of the Borough (ibid. p40).

3.13 Loughborough, the main town in the Borough, is the home of Loughborough University. Approximately 7,000 of the University's 17,000 students live off campus in the town, mostly in houses in multiple occupation (HMOs). There are other features of Loughborough, such as its proximity to transport corridors and hubs that have also led to the significant number of HMOs in the town. The Council commissioned two studies to better understand the part played by HMOs in the housing market and the impacts of HMOs more generally⁵. Even with these features of the Borough's housing market the overall size of the private rented sector in Charnwood (14.1% of households) is smaller than that in Leicestershire as a whole (15.3%), the East Midlands (14.7%) and England (16.8%) (Housing Needs Assessment 2020, p32). However, this proportion increases to 20.5% in Loughborough (ibid. p34). In line with national trends the size of the private rented sector has also increased significantly since 2001 (ibid. p34).

Using the Evidence Base to Review Local Housing Need

3.14 Planning Practice Guidance reinforces the position that the Local Housing Need figure identified using the standard method is a minimum figure for an area's housing needs. It does not take into account the impact of local, regional or national economic strategies or significant infrastructure schemes that would boost the need for new homes. The Strategic Growth Plan identifies the Leicestershire International Gateway as an opportunity area and Loughborough as an area suitable for managed, local growth. The Leicestershire International Gateway is focused around

⁵ A study of Housing in Multiple Occupation (HMO) in Charnwood (Loughborough University, December 2018) and Charnwood Borough Council Houses in Multiple Occupation Assessment Final Report (RRR Consultancy, July 2019)

the northern parts of the A42 and the M1, where there are major employment opportunities, notably East Midlands Airport and the strategic rail freight terminal at East Midlands Gateway. It includes land in both Charnwood and North West Leicestershire and is the subject of a separate topic paper and a statement of common ground between the Council and North West Leicestershire District Council⁶. The Local Plan has been prepared in the context of the Strategic Growth Plan, taking note of the International Gateway and managed growth at Loughborough.

- 3.15 It is also common practice to assess trends in the local economy to predict the future size of the workforce and the number of homes that would be required to support that number of jobs. In Charnwood that evidence indicates that the number of homes required based on demographic changes (household formation and migration) is greater than the number that is required to meet economic needs. This relationship was found in both the 2020 Charnwood Housing Needs Assessment and the previous Leicestershire HEDNA published in 2017 (Housing Needs Assessment 2020, p73).
- 3.16 The Council has prepared a topic paper on meeting the Borough's employment needs⁷. The Local Plan will provide more employment land than the need that has been identified. However, this has been done to ensure flexibility in terms of timing of delivery and distribution across the Borough rather than as a stimulus for faster economic growth. The plan also allocates 73ha of land west of Loughborough University for the Loughborough Science and Enterprise Park. This is a long term policy to safeguard the land for future phases of development and it is expected that this process will extend beyond the plan period. The Science and Enterprise Park is one of two sites in Charnwood that form part of the Loughborough and Leicester Science and Innovation Enterprise Zone. The other is the Charnwood Campus site vacated by AstraZeneca in 2011 and is therefore seeking to replace previously lost jobs.
- 3.17 Considering all these factors suggests that there is no need to increase the Local Housing Need for the Borough for economic reasons.
- 3.18 There may be circumstances where the need for a specific type of housing is so significant that it is necessary to increase the overall provision of housing in order to ensure that it is met without having a negative impact on broader housing provision. The Council has considered whether this is the case for affordable housing. The Council has a large need for affordable rented homes (see paragraphs 3.21 and 3.22 below). However analysis of this in the Housing Needs Assessment 2020 (pp102-103) shows that a significant proportion of this need relates to households in accommodation that is unsuitable for them but which would be available for others if the household was able to move. In addition some of the need for affordable homes from newly forming households will already be counted as part of the Local Housing Need calculation.

⁶ TP/6 Leicestershire International Gateway

⁷ TP/3 Employment

- 3.19 Considering all these factors suggests that there is no need to increase the Local Housing Need for the Borough in order to meet the needs for affordable housing.
- 3.20 Having reviewed the evidence it has been concluded that there is no need to increase the calculated need for housing for economic reasons or to ensure that the housing needs of particular groups are met. The most appropriate figure for the Borough's housing needs therefore remains that provided by the Local Housing Need calculated using the standard method. This is 1,111 homes per year which equates to 17,776 homes over the plan period of 2021 to 2037. This is therefore the housing requirement set by the plan. The Council's approach to meeting that overall need is covered in section 4 of this paper.

Using the Evidence Base to Respond to the Needs of Different Groups

Affordable Housing

- 3.21 The Council has used the method set out in Planning Practice Guidance to calculate the Borough's need for affordable housing based on the number of households who are unable to afford market housing (to either rent or buy) (Housing Needs Assessment 2020, chapter 4). This includes consideration of the different forms that affordable housing can take and the Government's aspiration to expand access to home ownership options. The method takes account of:
- the relationship between housing costs and income
 - the current unmet need for affordable housing based on, for example, households in temporary or overcrowded accommodation or their aspirations for home ownership
 - the number of newly forming households
 - the number of existing households falling into affordable housing need
 - the exiting supply of affordable housing.
- 3.22 Using this method identifies a net need of 476 affordable rented homes per year which occurs in all parts of the Borough (Figure 4.16 below) but no net need for homes providing affordable home ownership options (Figures 4.21 and 4.22 below).

$$\text{Net Need} = \text{Current Need (allowance for)} + \text{Need from Newly-Forming Households} + \text{Existing Households falling into Need} - \text{Supply of Affordable Housing}$$

Figure 4.16: Estimated Need for Social/Affordable Rented Housing by sub-area (per annum)

	Current need	Newly forming households	Existing households falling into need	Total Gross Need	Relet Supply	Net Need
Loughborough	27	245	108	380	214	166
Shepshed	4	44	15	63	33	30
Birstall	5	45	6	56	13	43
Syston	5	48	13	67	28	39
Thurmaston	6	37	10	54	20	34
Anstey	2	22	8	33	18	16
Barrow upon Soar	1	23	5	29	11	18
Mountsorrel	2	28	10	40	22	18
Quorn	1	19	3	23	7	16
Rothley	1	17	3	21	7	14
Sileby	2	35	7	44	16	28
North – The Wolds	2	15	2	19	5	14
South East – Wreake Villages	3	29	3	35	6	28
South West – Charnwood Forest	1	14	3	18	6	12
Charnwood	63	621	197	881	405	476

Source: Range of sources as discussed

[Housing Needs Assessment 2020, p90]

Figure 4.21: Estimated Gross Need for Affordable Home Ownership by sub-area (per annum)

	Current need	Newly forming households	Existing households falling into need	Total Gross Need
Loughborough	5	64	15	84
Shepshed	1	18	3	21
Birstall	1	26	3	29
Syston	1	23	4	28
Thurmaston	1	13	2	16
Anstey	1	11	2	14
Barrow upon Soar	1	17	2	20
Mountsorrel	1	16	2	19
Quorn	1	17	2	20
Rothley	0	14	1	16
Sileby	1	16	2	19
North – The Wolds	1	11	2	13
South East – Wreake Villages	1	18	3	22
South West – Charnwood Forest	1	13	3	16
Charnwood	15	276	46	338

Source: Range of sources as discussed

[Housing Needs Assessment 2020, p96]

Figure 4.22: Estimated Need for Affordable Home Ownership by sub-area (per annum)					
	Total Gross Need	Resale Supply (half of LQ)	LCHO supply	Total supply	Net Need
Loughborough	84	94	2	95	-11
Shepshed	21	30	0	31	-9
Birstall	29	30	0	30	-1
Syston	28	33	0	34	-6
Thurmaston	16	19	1	20	-3
Anstey	14	16	0	16	-2
Barrow upon Soar	20	17	0	17	3
Mountsorrel	19	19	0	19	0
Quorn	20	11	0	11	9
Rothley	16	12	0	12	4
Sileby	19	23	0	23	-4
North – The Wolds	13	13	0	13	0
South East – Wreake Villages	22	14	0	15	7
South West – Charnwood Forest	16	9	0	9	7
Charnwood	338	340	5	345	-7

Source: Range of sources as discussed

[Housing Needs Assessment 2020, p97]

3.23 There is therefore a significant need for affordable rented homes in the Borough which the plan's policy on affordable housing seeks to address. In the case of providing affordable home ownership options, the Borough's identified needs would be exceeded by meeting the requirements set out in the NPPF and PPG for affordable home ownership generally (NPPF paragraph 65) and First Homes (PPG paragraph: 012 Reference ID: 70-012-20210524). Paragraph 65 of the NPPF states that for housing developments of 10 or more homes, at least 10% of those homes should be for affordable home ownership. Paragraph 012 of PPG states that a minimum of 25% of all affordable housing units secured through developer contributions should be First Homes⁸.

3.24 The following table sets out the implications of applying those policies on a development of 100 homes for different policy requirements for the total proportion of affordable housing. This shows that, for lower levels of overall affordable housing provision, the ability to provide affordable rented homes is significantly reduced. In particular, for a policy requirement of 10% affordable housing all of the affordable housing that is provided would be in the form of affordable home ownership options.

⁸ The First Homes scheme, which was introduced in 2021, is the Government's preferred form of discounted market homes and is only available to first time buyers.

		Example 1	Example 2	Example 3	Example 4
A	Proportion of affordable homes (all types)	10%	20%	30%	40%
B	Number of homes	100	100	100	100
C	Number of affordable homes (= B x A)	10	20	30	40
D	..of which affordable home ownership (= B x 10%)	10	10	10	10
E	..of which First Homes (= C x 25%)	3	5	8	10
F	Remainder of affordable rented homes (= C – D)	0	10	20	30

3.25 Informed by the identified need for affordable housing, past delivery and the results of the whole plan viability assessment⁹, the plan contains two different levels of affordable housing provision to be sought: 30% of homes on greenfield sites and 10% of homes on brownfield sites, recognising the additional costs associated with developing brownfield sites. On greenfield sites it is possible to balance the requirements of the NPPF and PPG in respect of affordable home ownership options and the Borough’s need for affordable rented homes. This is not the case on brownfield sites where the requirement in paragraph 65 of the NPPF would mean that no affordable rented homes would be provided. The Council will instead seek an equal number of affordable rented homes and homes providing affordable ownership options on brownfield sites. Given the identified need for affordable rented homes, the Council concluded that not to do so would “significantly prejudice the ability to meet the identified affordable housing needs of specific groups” (NPPF paragraph 65), ie those in need of affordable rented accommodation. The following table sets out the implications of the approach set out in Local Plan Policy H4 (Affordable Housing) for a development of 100 homes compared with those in paragraph 65 of the NPPF with the differences highlighted.

	Brownfield NPPF	Brownfield Local Plan	Greenfield NPPF	Greenfield Local Plan
Proportion of affordable homes (all types)	10%	10%	30%	30%
Number of homes	100	100	100	100
Number of affordable homes	10	10	30	30
..of which affordable home ownership	10	5	10	10
Remainder of affordable rented homes	0	5	20	20

⁹ Charnwood Local Plan Viability Study (Aspinall Verdi, February 2021)

- 3.26 The Council has also sought to identify whether there are particular types of affordable housing that are most in need beyond the difference already described between affordable rented homes and affordable home ownership options.
- 3.27 There are two types of affordable rented homes, based on the formula used to set the rent that is charged: social rent and affordable rent, with social rents being less expensive than affordable rents. The Housing Needs Assessment concluded that, having taken into account factors such as the relatively small difference between social rents and affordable rents in the Borough and access to housing benefit, a rigid policy for the split between social and affordable rented housing should not be used (p93).
- 3.28 The NPPF identifies a number of different ways in which affordable home ownership can be achieved. The Housing Needs Assessment concludes that shared ownership remains the most appropriate form of affordable home ownership for the Borough (p99). The main alternative to shared ownership is a discount to the market price of a home which makes it more affordable. This discount must be at least 20% and in the case of First Homes at least 30%. Analysis suggests that discounts in this range will make homes affordable but that this is more challenging for larger properties.

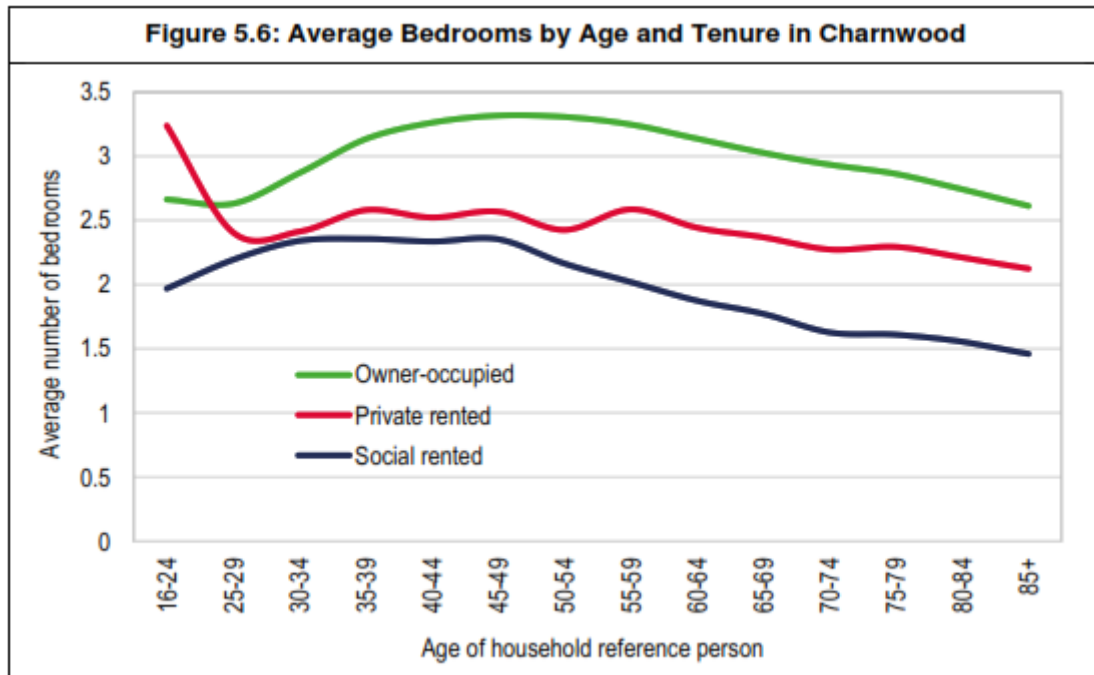
Figure 4.23: Affordable home ownership prices – data for year to September 2019			
	Affordable Price	Estimated newbuild OMV	Discount required
1-bedroom	£87,400	£98,900	12%
2-bedrooms	£121,800	£143,800	15%
3-bedrooms	£166,100	£220,800	25%
4+-bedrooms	£230,300	£331,200	30%

Source: Derived from a range of sources as described

[Housing Needs Assessment 2020, p100]

Appropriate Mix of Housing

- 3.29 The Housing Needs Assessment 2020 shows that the occupation of homes of different sizes varies with the age of the occupiers, the tenure type of the home, and whether the household has dependent children. The impact of the Borough's significant student population is also apparent in the high average number of bedrooms of the privately rented properties occupied by people aged 16-24.



Source: Derived from ONS Commissioned Table CT0621

[Housing Needs Assessment 2020, p112]

3.30 The Housing Needs Assessment 2020 has modelled future demographic changes and the existing housing stock to identify an appropriate mix of new affordable and market homes that would meet the Borough’s needs, taking account of both household changes and the ageing of the population. In order to provide greater flexibility to meet affordable housing needs the table below appears in the plan with the mix of 1-bedroom or 2-bedroom affordable housing for rent shown as a combined proportion of 60-75% rather than a specified proportion for each.

Suggested Mix of Housing by Size and Tenure				
	1-bedroom	2-bedrooms	3-bedrooms	4+-bedrooms
Market	Up to 10%	20-30%	45-55%	15-25%
Affordable home ownership	10-20%	35-45%	30-40%	5-15%
Affordable housing (rented)	25-35%	35-45%	20-30%	Up to 10%

[Housing Needs Assessment 2020, p119]

3.31 This is a strategic, Borough-wide assessment and would be the starting point for assessing the appropriateness of development proposals. Policy H1 (Housing Mix) sets out the other factors, including local factors, that should also be taken into account when assessing individual applications. Although there are differences between different parts of the Borough, the Council has adopted the approach recommended in the Housing Needs Assessment 2020 that it should broadly seek the same mix of housing in all locations, but be flexible to a different mix where specific local characteristics suggest (p117). This is consistent with the Council’s overall approach to meeting the housing needs of different groups which is discussed further in paragraph 4.2 below.

3.32 The Housing Needs Assessment 2020 also considered whether the need for private rented accommodation justified a policy response, such as a requirement to provide Build to Rent homes. It concluded that there are a number of factors influencing the demand for private rented accommodation including mortgage lending practice and the availability of Housing Benefit, which can change quickly, and longer term trends such as affordability, the number of younger people in the sector, and increases in shared accommodation. Overall no evidence was found for a need for Build to Rent homes (p151). The particular needs of students are discussed in paragraph 3.44 below.

The Needs of Older People and People with Disabilities

3.33 As discussed above the age profile of the Borough’s population for older age groups is broadly similar to the rest of Leicestershire, the East Midlands region and England.

Figure 6.1: Older Persons Population, 2018				
	Charnwood	Leicestershire	East Midlands	England
Under 65	81.9%	82.5%	80.7%	81.8%
65-74	10.1%	9.8%	10.8%	9.9%
75-84	5.6%	5.5%	6.1%	5.8%
85+	2.4%	2.3%	2.4%	2.4%
Total	100.0%	100.0%	100.0%	100.0%
Total 65+	18.1%	17.5%	19.3%	18.2%
Total 75+	8.0%	7.8%	8.5%	8.3%

Source: ONS 2018 Mid-Year Population Estimates

[Housing Needs Assessment 2020, p121]

3.34 While this does not identify a specific local need in terms of housing for older people, PPG emphasises that because of national demographic trends the need to do so throughout the country is critical¹⁰. In line with these national trends, the total number of people aged 65 and over in Charnwood is projected to increase by 38% by 2037, compared with overall population growth of 18% (Housing Needs Assessment 2020, p122). Projections of the number of people with disabilities also show significant increases. These projections show that the increases in the number of older people with dementia and mobility problems (51% and 46%) are greater than the increase in the total number of older people (38%).

¹⁰ Paragraph: 001 Reference ID: 63-001-20190626

Figure 6.9: Projected Changes to Charnwood Population with a Range of Disabilities					
Disability	Age Range	2020	2037	Change	% Change
Dementia	65+	2,334	3,526	1,192	51.1%
Mobility problems	65+	6,194	9,029	2,835	45.8%
Autistic Spectrum Disorders	18-64	1,200	1,378	178	14.8%
	65+	321	447	125	39.0%
Learning Disabilities	15-64	3,048	3,486	439	14.4%
	65+	712	976	263	36.9%
Challenging behaviour	15-64	55	63	8	14.1%
Impaired mobility	16-64	5,904	6,428	523	8.9%

Source: POPPI/PANSI and Demographic Projections

[Housing Needs Assessment 2020, p128]

3.34 The Council wishes to address these needs through the provision of both new specialist accommodation (eg sheltered accommodation and extra care accommodation) and an adequate supply of accessible and adaptable homes that remain suitable for people if their circumstances change. The need for specialist accommodation in the Borough is significant, with that for housing with support and housing with care together being 160 homes per year, a total of 2,717 homes over the plan period (Housing Needs Assessment 2020, p131). No sites have been promoted to the Council for specialist accommodation and the Council has, therefore, not identified any of the housing allocations for this specific use. Policy H2 (Housing for Older People and People with Disabilities) does however support the provision of specialist accommodation that meets these identified needs.

3.35 The NPPF sets out that policies that seek to meet the needs of people with disabilities and older people with reduced mobility should do so by reference to the Government's optional technical standards for accessible and adaptable housing which are set out in Part M of the Building Regulations (NPPF paragraph 130(f) and footnote 49). Part M of the Building Regulations describe three levels of accessibility for homes:

- Part M4(1) – Visitable Dwellings (required for all new dwellings)
- Part M4(2) – Accessible and Adaptable Dwellings
- Part M4(3) – Wheelchair User Dwellings.

3.36 Footnote 49 makes clear that policies requiring the higher standards of Part M4(2) and Part M4(3) should only be used where this would address an identified need for such properties.

3.37 The Housing Needs Assessment 2020 identifies a requirement for 812 additional homes for wheelchair users (ie meeting the standards set out in Part M4(3)) over the plan period to meet existing and emerging needs (p136). This is equivalent to 4.5% of the Borough's housing requirement. PPG states that the requirements of Part

M4(3) should only be applied to those homes where the local authority is responsible for allocating or nominating a person to live in that dwelling¹¹. The nomination process ensures that the needs of wheelchair users can more effectively be matched with suitable accommodation than is the case in the sale or letting of market homes.

- 3.38 The Housing Need Assessment 2020 also concludes that, based on the evidence of need, the Council could consider requiring all new homes (in all tenures) to meet the Part M4(2) standards (p137). The Council has taken a more limited approach of seeking 10% of new market homes that meet the Part M4(2) standard in Policy H2 and supporting the provision of bungalows. A proportion of 10% is only twice the need identified for homes for wheelchair users and M4(2) homes will benefit a much wider group of people. M4(2) homes are suitable for any occupant, regardless of whether or not they have a disability at the time of initial occupation but offer much greater scope for people to remain in their homes as their mobility changes with age or due to other circumstances.
- 3.39 Policy H2 sets out a flexible approach for affordable housing that enables an appropriate proportion of M4(2) and M4(3) homes to be identified in consultation with the relevant Registered Provider. It is also appropriate to seek some M4(3) homes as part of affordable housing provision because there is a greater proportion of people with a long-term health problem or disability in this tenure (27%) than people in other tenures (14%) (Housing Needs Assessment 2020, p127).

Space Standards

- 3.40 The Government has identified national minimum standards for the size of new homes, known as the nationally described space standards (NDSS).. These can be required through planning policies where this can be justified (NPPF paragraph 130(f) and footnote 49). The Housing Needs Assessment 2020 used marketing information from developers and Energy Performance Certificates (EPCs) to assess the extent to which these standards are being met in recent housing developments. This showed:
- that entry-level dwellings did not meet the NDSS in full with all failing the condition which relates to the amount of gross internal floor area and built-in storage area provided (p156, based on marketing information)
 - similar results based on EPCs with, for example, smaller 2-bedroom dwellings of 3 habitable room having an average gross internal floor area of 60 sqm compared to the minimum NDSS of 70 sqm, assuming a 3-person household (p157).
- 3.41 The Council has also received applications for small properties which raise concerns for the amenity and wellbeing of potential occupiers. While such applications could be considered for refusal on amenity grounds the Council wishes to set a clear standard for the appropriate size of dwellings to meet the needs of occupiers. This is consistent with the approach taken in relation to seeking 10% of new market homes that meet the Part M4(2) standard of providing a housing stock that can better meet

¹¹ Paragraph: 009 Reference ID: 56-009-20150327

the changing needs of people and enable them to continue to live in their homes if they wish to do so when their circumstances change..

Self-build and Custom-Housebuilding

- 3.42 The Council wishes to support opportunities for the self-build and custom housebuilding sectors as a way of meeting the needs of people who wish to build or commission their own homes. The Housing Needs Assessment 2020 concludes that current demand is not being met, due to the lack of supply of suitable plots and the cost of the plots that are marketed. It concludes that to make self-build an option for the mass-market, a large number of additional plots would need to be provided to both increase availability and reduce prices (p180).
- 3.43 No sites have been promoted to the Council for self-build and custom housebuilding and the Council has therefore sought to find a reasonable approach to providing suitable plots on the sites the plan allocates for housing. Following comments made on the Draft Local Plan that was consulted upon in 2019, the Council refined the policy to make it less burdensome on developers but still retain a requirement for plots to be provided on larger sites.

Students

- 3.44 Students have particular accommodation needs and these have been examined as part of the Housing Needs Assessment 2020. This showed that for the four years to 2018/19 there was a small increase in the overall student population of Loughborough University (3%) which was matched by the increase in the number of students living in purpose built student accommodation and houses in multiple occupation (HMOs) (p168). The University has recently provided an additional 490 bedspaces on campus, and a further 705 student bedspaces in off campus accommodation has been provided by the private sector or is in the pipeline (p168). Given the University has no plans to significantly increase student numbers, there is no need to have a policy allocating sites specifically for purpose-built accommodation to meet the needs of students. Policy H8 (Campus and Purpose-Built Student Accommodation) instead takes the approach of identifying the most suitable types of locations for such development.

Gypsies, Travellers and Travelling Showpeople

- 3.45 The Charnwood Local Plan Core Strategy adopted in 2015 identified the Sustainable Urban Extensions at North East of Leicester, West of Loughborough and North of Birstall as suitable locations for the provision of permanent pitches for gypsies and travellers and plots for travelling showpeople to meet identified needs. The Local Plan continues with this approach as there are no additional needs for permanent pitches or plots in Charnwood for the period up to 2037 (Gypsy, Traveller and Travelling Showpeople Accommodation Assessment, pp62-65).
- 3.46 The Gypsy, Traveller and Travelling Showpeople Accommodation Assessment also concluded that there is a need for a minimum of 12 caravan spaces in the city of Leicester and a minimum of 36 caravan spaces spread over 2-3 sites elsewhere in Leicestershire, particularly in the north-west of the county, to meet the need for

transit provision (p90). The Council is continuing to work with the other local authorities in the HMA to identify and bring forward sites to meet this need.

4. Meeting Charnwood's Housing Needs

4.1 The previous section has set out how the Council identified the Borough's housing needs in overall terms and for different groups within the community. This section deals with how the Local Plan's policies seek to meet those identified needs. In summary the Local Plan contains the following main policy responses:

- a development strategy that makes provision for at least 19,461 homes comprising a housing requirement of 17,776 homes and an additional 1,685 homes to provide flexibility (Policy DS1)
- the allocation of 69 sites for housing which are of varying sizes to provide diversity in supply and enable early delivery of some sites (Policy DS3)
- seeking a housing mix on developments that meets the overall needs of the Borough (Policy H1)
- seeking at least 10% of market homes to meet the optional Building Regulations standards for being accessible and adaptable (Policy H2)
- seeking compliance with the nationally described space standards (Policy H3)
- seeking 30% affordable homes on greenfield sites and 10% affordable homes on brownfield sites (Policy H4)
- seeking the at least five plots for self-build and custom housebuilding on sites of more than 250 homes (Policy H6)
- confirmation of the requirements to provide gypsy and traveller pitches and plots for travelling showpeople as part of three sustainable urban extensions (Policy H9).

4.2 Policies H1, H2 H3, H4 and H6 are all worded in the same way: to seek the number or proportion of homes of a particular type that meet the identified need. The approach of seeking rather than requiring these things is not primarily because of concerns about viability as the Council's evidence shows that all of these can be delivered while still enabling developments to be viable for almost all forms of development¹². The Council's approach is instead that no one need is prioritised over any other in terms of the phrasing of the policies. The scale of the need is expressed in the different proportions of homes of different types being sought, with the greatest need being for affordable homes. The Council also views the different matters addressed in the policies, particularly those on housing mix, affordable housing, space standards, and homes for older people and people with disabilities to work in conjunction with each other.

Allowance for Flexibility

4.3 In order to ensure that plans deliver sufficient homes to meet their housing requirement it is necessary to make provision for more homes than the requirement figure. This is in order to provide flexibility for sites that are delayed or cease to be

¹² The exception is flattened developments on brownfield sites (Charnwood Local Plan Viability Study (Aspinall Verdi, February 2021)), p54

available and therefore do not come forward during the plan period. There is no specific guidance on what size that allowance should be. The NPPF requires authorities seeking to demonstrate a five year supply of deliverable sites based on a recently adopted plan to include a buffer of 10% to account for fluctuations in the market in that year (paragraph 74(b)). This seems to be a reasonable proxy for the flexibility that is being sought to ensure that the housing requirement is met over the plan period.

- 4.4 The Council has, therefore, sought to make allocations that would provide flexibility of 10% on top of the housing requirement. This approach would, when allocations are added to existing commitments, provide 19,554 homes over the plan period. In applying its site selection process, and informed by sustainability appraisal, the Council identified 69 sites and a neighbourhood plan requirement that, when added to existing commitments would provide 19,461 homes. This represents a provision for flexibility of 9.5%. The plan does not include an allowance for windfall sites in calculating housing supply and any such sites that come forward will make an additional contribution to meeting the housing requirement.

Development Strategy and Site Selection Process

- 4.5 The Council has published a topic paper setting out its approach to identifying an appropriate development strategy and selecting sites that could deliver that strategy¹³.

Housing on Small Sites

- 4.6 The NPPF states that local planning authorities should identify, through the development plan and brownfield registers, land to accommodate at least 10% of their housing requirement on sites no larger than 1ha (paragraph 69(a)). The following measurable options can therefore be used to meet this requirement:

- allocations in the Local Plan
- commitments that contribute to meeting the housing requirement
- additional sites in the Brownfield Register.

- 4.7 Based on the Borough's housing requirement of 17,776 homes, the following table sets out how sites of no more than 1ha contribute to meeting that requirement.

	Homes on Sites of No More Than 1ha	Proportion of Housing Requirement	Cumulative Proportion of Housing Requirement
Allocations Sites	507	2.9%	2.9%
Commitments Sites	754	4.2%	7.1%
Brownfield Register Sites	238	1.3%	8.4%

- 4.8 There were 52 sites of 1ha or less that were considered as part of the site selection process but not identified as allocations. These were rejected for the following

¹³ TP/2 Development Strategy and Site Selection

reasons which the Council considers to be strong reasons as set out in Paragraph 69(a) of the NPPF.

Reason for Rejection	Number of Sites
No willing landowner	8
Loss of open space	3
Loss of protected employment land	9
Sequential test for flood risk	3
Biodiversity impact	5
Isolated site in the countryside	2
Access to public transport and/or primary school	5
Current employment use	2
Neighbourhood Plan requirement identified for village	1
No capacity at primary school	3
Impact on Area of Local Separation	1
Larger site in settlement preferred	2
Development strategy avoids small villages and hamlets	8
Total	52

4.9 More generally, the sites allocated for housing in the Local Plan are of a range of sizes which supports the NPPF objectives of supporting delivery and choice in the market and the aim of paragraph 69 of small and medium sized sites making an important contribution to meeting the housing requirement of the Borough and seeing those homes being built-out relatively quickly. Of the 69 sites, 16 are for 25 homes or less (23%), 33 are for 50 homes or less (48%) and 41 are for 100 homes or less (59%).

Housing Trajectory

4.10 A housing trajectory for each of the allocations and for the commitments that contribute to meeting the identified housing requirement can be found in Appendix 2 to the Local Plan.

5. Addressing Unmet Need in the Housing Market Area

5.1 The Council is working with its partners in the HMA to identify the scale of the city of Leicester's unmet need and the most appropriate way of apportioning it among the other authorities in the HMA. The authorities agreed an interim Statement of Common Ground in March 2021 to support the progression of the Charnwood Local Plan. It sets out that the authorities remain committed to cooperating on strategic cross boundary matters, including agreeing the redistribution of any unmet need but that further work is needed to inform the redistribution following the uplift to Leicester's Local Housing Need in December 2020. The Local Plan therefore contains a trigger policy to review and update the plan if the agreed apportionment of unmet need requires it.

5.2 To inform the work being undertaken, the HMA partners have commissioned the following studies to inform the apportionment of unmet need:

- Housing and Economic Needs Assessment

- Strategic Growth Options and Constraints Mapping
- Strategic Transport Assessment
- Sustainability Appraisal.

5.3 The Council has also published a topic paper setting out how the timetable for this work relates to the preparation of the Local Plan and the decision, supported by HMA partners, to submit the plan in advance of the completion of this work ¹⁴.

6. Conclusion

6.1 The Local Plan has responded to the challenge of a significant need for housing in the Borough both in overall terms and for affordable rented homes. It is also sought to address the specific needs of particular groups such as older people and those wishing to build or commission their own homes. The policies contained in the plan are based on evidence and have been tested for their viability implications, when combined with the other policies the plan contains. The policies are justified in both these regards.

¹⁴ TP/4 Justification for Progressing Local Plan ahead of the Apportionment of Unmet Need