



# HOUSING DELIVERY TEST ACTION PLAN

July 2021

# DRAFT

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### The timeline and reporting process for the production of the Action Plan

	<b>Date</b>
<b>Developer Panel with Key Stakeholders</b>	22 <sup>nd</sup> March 2021
<b>Member Briefing on Action Plan work at members working group</b>	19 <sup>th</sup> May 2021
<b>Scrutiny</b>	20 <sup>th</sup> May 2021
<b>Member working group to endorse Action Plan</b>	10 <sup>th</sup> June 2021
<b>Publication of Action Plan</b>	By 19 <sup>th</sup> July 2021

## Introduction

### 1.1. Background

- 1.1.1. The Government is committed to boosting the supply of housing in England through their economic and housing growth agendas. Since 2015 a number of measures and reforms have been introduced into the planning system to this end. Local Planning Authorities (LPAs) are challenged to be more proactive to ensure the identified housing requirement for their local area is met.
- 1.1.2. The Housing Delivery Test (HDT) was introduced by the Government in 2018 through the revised National Planning Policy Framework (NPPF) (2018) and carried through within the revised 2019 framework. It was introduced as a monitoring tool to demonstrate in which authorities there are enough homes being built to meet the local housing requirement.
- 1.1.3. Paragraph 75 of the National Planning Policy Framework (2019)<sup>1</sup> states that where the Housing Delivery Test indicates that delivery has fallen below 95% of the local planning authority's housing requirement over the previous three years, the authority should prepare an action plan in line with national planning guidance to assess the causes of under delivery and identify actions to increase delivery in future years. The HDT also determines which buffer (5% or 20%) should be applied to the Council's five-year housing land supply calculation and if the presumption in favour of sustainable development should be triggered.
- 1.1.4. Where an Action Plan is required, this should be published within 6 months of the publication of the date which MHCLG published the results i.e. 2020 plans should be published by 19<sup>th</sup> July 2021.

### 1.2. Housing Delivery Test Results

- 1.2.1. The housing delivery test results are calculated by dividing the total number of homes delivered over the previous 3 years by the number of homes required over the previous 3 years. Table 1 shows all Hinckley and Bosworth Borough Council's (the Council hereafter) Housing Delivery Test results since it was introduced.

**TABLE 1: HINCKLEY AND BOSWORTH BOROUGH COUNCIL'S HOUSING DELIVERY TEST RESULTS<sup>2</sup>**

Year	HDT result
2020	92%
2019	119%
2018	141%

- 1.2.2. Due to the 2020 measurement an action plan is required in accordance with paragraph 75 of the National Planning Policy Framework (2019) (paragraph 1.1.1.)
- 1.2.3. The breakdown of the 2020 result<sup>3</sup> which fell below 95% delivery is overleaf (Table 2).

<sup>1</sup> [National Planning Policy Framework \(2019\)](#)

<sup>2</sup> As published by Ministry of Housing, Communities & Local Government

<sup>3</sup> [2020 Test measurement](#)

TABLE 2: BREAKDOWN OF HOMES REQUIRED AND DELIVERED PER YEAR (2020 RESULT)

Year	Number of homes required	Number of homes built
2017/18	391	423
2018/19	468	464
2019/20	418	285
Total	1,277	1,172
Result	92%	

- 1.2.4. The number of homes required is calculated differently for different years. For the 2017/18 year an annual average household growth over ten years is calculated based on the household projections available as at 1<sup>st</sup> April 2017. For 2018/19 and 2019/20 the local housing need calculated using the standard method is used. The standard method is uses the 2014 household projections and the affordability ratio for each specific year.
- 1.2.5. It should be noted that for the 2020 measurement, there is a reduction in the 2019/20 period for the total homes required figure. The number of homes required used is only the requirement for 11 months rather than 12 months. Therefore 418 is used within the calculation rather than 457 dwellings. This is to account for disruption to housing delivery and monitoring caused by restrictions announced on 23 March 2020, in response to the COVID-19 pandemic.

### 1.3. Purpose, objectives and status

- 1.3.1. This Action Plan provides an analysis of the key reasons for the below target delivery identified within the 2020 test result. It identifies key actions the Council intend to undertake to increase/maintain the delivery of new housing in the Hinckley and Bosworth Borough.
- 1.3.2. The Council recognises that delivering housing is a collaborative task, however HBBC can only control certain elements of the process that are within its remit. Whilst the Council will work proactively and collaboratively with all partners the actions set out within Section 5 are only the actions within the Council's Control. Sections 3 and 4 identify further issues that are outside of the Council's control which the Council will still be working with stakeholders on.

### 1.4. Relationship to other plans/strategies

- 1.4.1. The Action Plan complements existing Council plans, policies and strategies which provide a framework for the delivery of housing within the Borough. This includes:
- Corporate Plan 2017-2021<sup>4</sup>
  - Local Plan<sup>5</sup> – The Core Strategy (2009), Hinckley Town Centre Area Action Plan (2011), Earl Shilton and Barwell Area Action Plan (2014) and Site Allocations Development Management DPD (2016) provides the framework for future housing and economic development delivery across the Borough.
  - Housing Strategy 2018-2023<sup>6</sup>
  - Economic Regeneration Strategy 2021-2025<sup>7</sup> (18<sup>th</sup> May Council)

<sup>4</sup> [Corporate Plan](#)

<sup>5</sup> [Local Plan 2006-2026 documents and evidence base](#)

<sup>6</sup> [Housing Strategy](#)

<sup>7</sup> To be inserted once it has been to council

- 1.4.2. The Action Plan is also aligned with the housing delivery priorities for the wider Leicestershire area. There is ongoing work surrounding the wider housing need and its distribution in Leicestershire and it is deemed that this Action Plan will support the work being undertaken on that task. However, it is worth noting that due to the stage of that wider Leicestershire work on housing distribution, this year's Action Plan will focus primarily on HBBC's housing requirement.

## **1.5. Approach and methodology**

- 1.5.1. The preparation of this Action Plan has been informed by the work the Council has been undertaking on housing delivery in the last two years. The Council is currently undertaking its housing monitoring for the 2020/21 monitoring year and therefore the analysis has been undertaken as of 1<sup>st</sup> April 2020. This is the basis for the 2020 HDT result.
- 1.5.2. The Planning Practice Guidance (housing supply and delivery)<sup>8</sup> recommends that the following could be reviewed within the action plan (Paragraph: 050 Ref ID: 68-050-20190722):
- barriers to early commencement after planning permission is granted and whether such sites are delivered within permitted timescales;
  - barriers to delivery on sites identified as part of the 5 year land supply (such as land banking, scheme viability, affordable housing requirements, pre-commencement conditions, lengthy section 106 negotiations, infrastructure and utilities provision, involvement of statutory consultees etc.);
  - whether sufficient planning permissions are being granted and whether they are determined within statutory time limits;
  - whether the mix of sites identified is proving effective in delivering at the anticipated rate.
  - whether proactive pre-planning application discussions are taking place to speed up determination periods;
  - the level of ongoing engagement with key stakeholders (for example, landowners, developers, utility providers and statutory consultees), to identify more land and encourage an increased pace of delivery;
  - whether particular issues, such as infrastructure or transport, could be addressed at a strategic level - within the authority, but also with neighbouring and upper tier authorities where applicable.
- 1.5.3. Paragraph 51 of the Planning Practice Guidance (housing supply and delivery) (Ref ID: 68-051-20190722) goes on to recommend what actions local authorities could consider as part of the action plan in order to boost delivery. These are:
- revisiting the Strategic Housing Land Availability Assessment (SHLAA) / Housing and Economic Land Availability Assessment (HELAA) to identify sites potentially suitable and available for housing development that could increase delivery rates, including public sector land and brownfield land;
  - working with developers on the phasing of sites, including whether sites can be subdivided;
  - offering more pre-application discussions to ensure issues are addressed early;
  - considering the use of Planning Performance Agreements;
  - carrying out a new Call for Sites, as part of plan revision, to help identify deliverable sites;
  - revising site allocation policies in the development plan, where they may act as a barrier to delivery, setting out new policies aimed at increasing delivery, or accelerating production of an emerging plan incorporating such policies;
  - reviewing the impact of any existing Article 4 directions for change of use from non-residential uses to residential use;

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<sup>8</sup> [PPG: housing supply and delivery \(2019\)](#)

- engaging regularly with key stakeholders to obtain up-to-date information on build out of current sites, identify any barriers, and discuss how these can be addressed;
- establishing whether certain applications can be prioritised, conditions simplified or their discharge phased on approved sites, and standardised conditions reviewed;
- ensuring evidence on a particular site is informed by an understanding of viability;
- considering compulsory purchase powers to unlock suitable housing sites;
- using Brownfield Registers to grant permission in principle to previously developed land; and
- encouraging the development of small and medium-sized sites.

1.5.4. This Action Plan builds upon the recommendations set out above and within the PPG. The findings and Actions can be found within sections 3 and 4 of this plan.

## **2. Consultation**

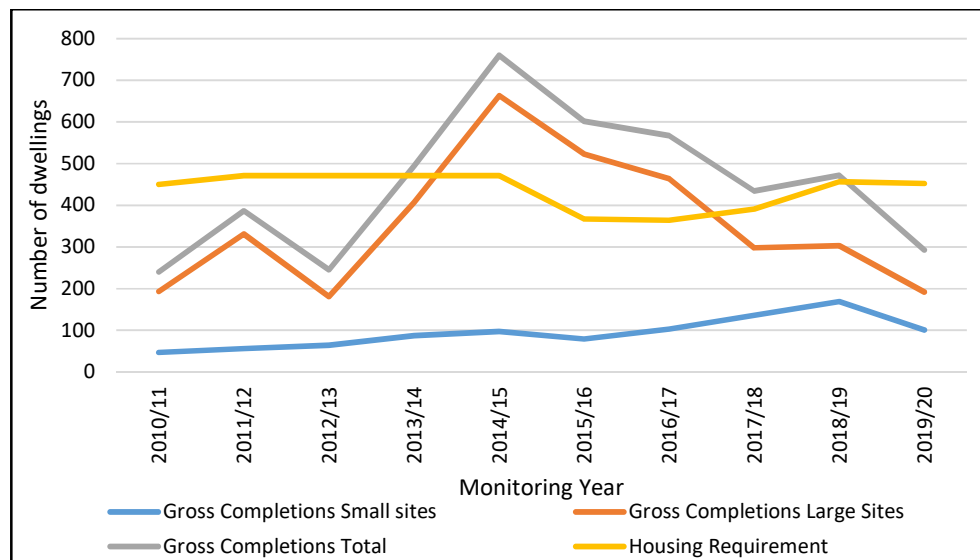
- 2.1. The analysis below was presented to a Developer Panel on 22<sup>nd</sup> March 2021. A list of the invitees and attendees can be found within appendix 1. Various stakeholders joined the panel from land promoters and developers to infrastructure providers.
- 2.2. A summary of the points raised within the Developer Panel and the presentation were sent to small medium enterprises/builders (SME). All known SMEs operating in the Borough were invited to the Developer Panel, however the Council was conscious that only a couple of SMEs attended. The Council therefore wanted to ensure that SMEs were well represented as there delivery is a source of the Council's housing supply.
- 2.3. Comments made by the Developer Panel are detailed throughout Sections 3 and 4 of the Action Plan as these provide useful commentary to the Council's housing delivery analysis.

## **3. Housing Delivery Analysis**

### **3.1. Housing delivery**

- 3.1.1. Looking back over the last 10 years, 4,494 dwellings have been completed, which gives an average delivery of 449 dwellings per annum against an average target of 436.5 dwellings per annum. Therefore the Council has delivered 3% over the average requirement. Nevertheless it is acknowledged that since 2014 there has been a downward trend in completions (figure 1).

FIGURE 1: GROSS COMPLETIONS OVER A 10 YEAR PERIOD (2010-2020)



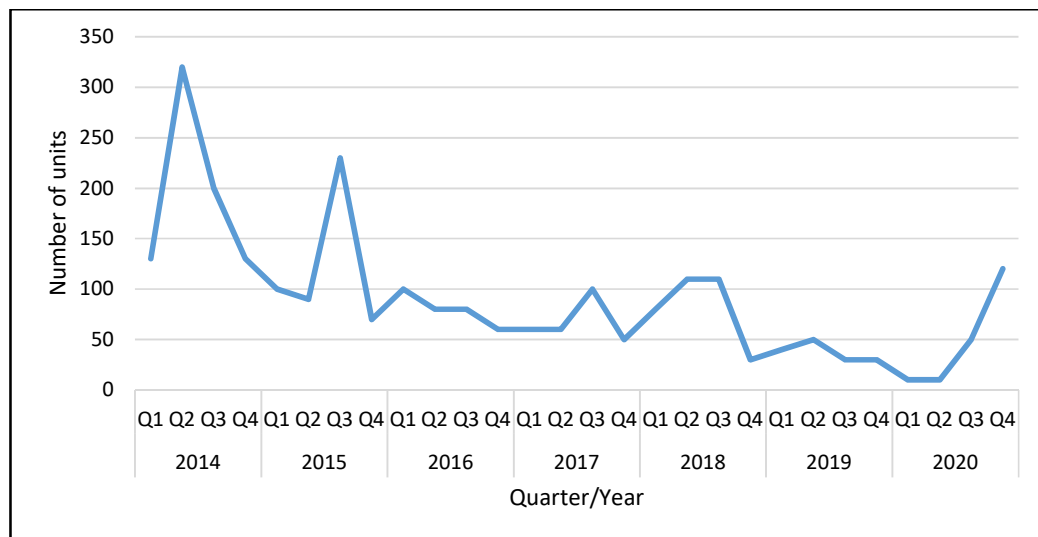
3.1.2. Firstly a 10 year period was looked at to review the level of completions within the Borough in order to analyse a whole economic cycle. Figure 1 shows the change in completions over time however as stated above that real decline has been within the last 6 years. These 6 years would encompass the housing delivery test timeframes and also the permissions permitted in the previous 3 years that could feed into the 2020 housing delivery test result. The Developer Panel agreed that this was an adequate timeframe to analyse in respect of the Council's Action Plan.

3.1.3. Figure 1 also shows the difference in the small site completions and large site completions. Small site completions are on an upward trend and it is only the large site completions that have been decreasing in the last six years. More analysis of small site delivery can be found within the Council's windfall Study (2020).<sup>9</sup>

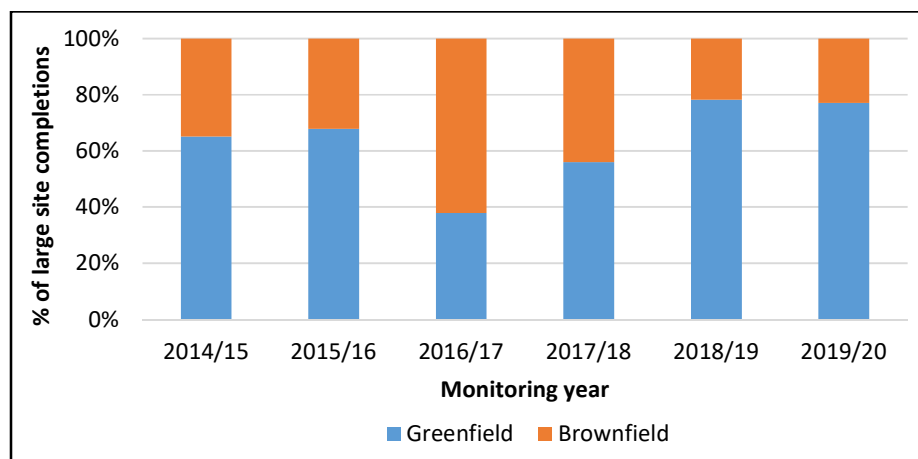
3.1.4. Therefore, the remainder of the analysis within this Action Plan looks at the period of 2014-2020 and will focus on large sites as that is the area that has declined. Small sites do make a steady contribution to the Borough's housing delivery and as such should be bolsters as this is a reliable source of housing being built in the borough.

3.1.5. The volatility in housing delivery is also demonstrated by the number of new build starts each quarter over the past six years (figure 2 overleaf). This complements figure 1 in terms of the decreasing completions over the last six years.

<sup>9</sup> [Windfall Study 2020](#)

**FIGURE 2: NUMBER OF NEW BUILD STARTS 2014-2020** SOURCE: LIVE TABLE 253A, MHCLG<sup>10</sup>

3.1.6. It is also useful to look at the type of land which is being developed and contributes to the completions figures in the Borough. The net completions have been split into brownfield and greenfield land (figure 3) which gives an average of 64% greenfield completions and 36% brownfield completions over the 6 years.

**FIGURE 3: BROWNFIELD VS GREENFIELD COMPLETIONS (%)**

3.1.7. 2016/17 shows the highest number of brownfield completions over the six years. There were a lot of redundant factory regeneration schemes built out within this monitoring year. The last two years show a decrease in brownfield sites, this is expected as HBBC is a rural Borough in nature and the majority of brownfield sites that are/were available have been regenerated already. This is reflected in the brownfield register<sup>11</sup> which only has seven sites on it.

### 3.2. Housing supply

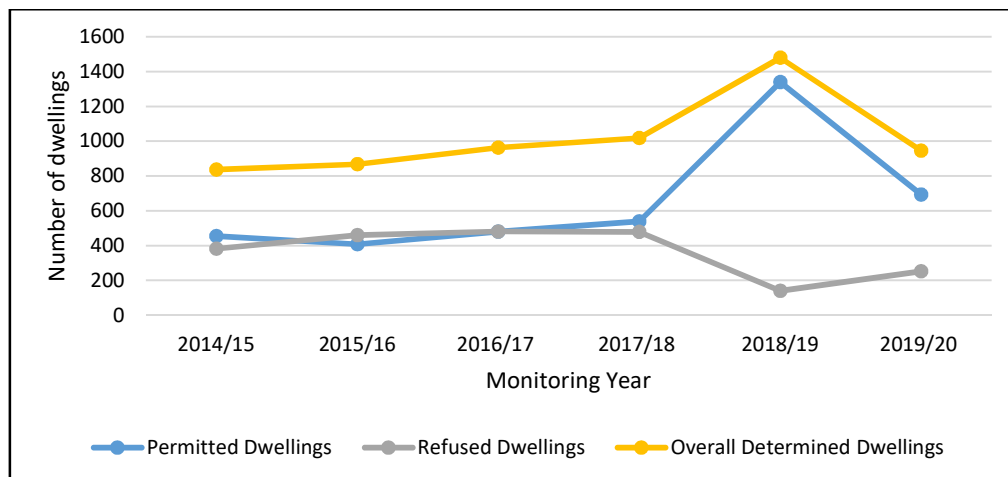
3.2.1. The rates of delivery in the borough rely on the amount of dwellings permitted. Despite a decline in completions since 2014 the number of permitted dwellings has increased (figure 4 overleaf).

<sup>10</sup> [Live Table 253a, Ministry of Housing, Communities and Local Government](#)

<sup>11</sup> [Brownfield Register](#)



FIGURE 4: NUMBER OF PERMITTED AND REFUSED DWELLINGS

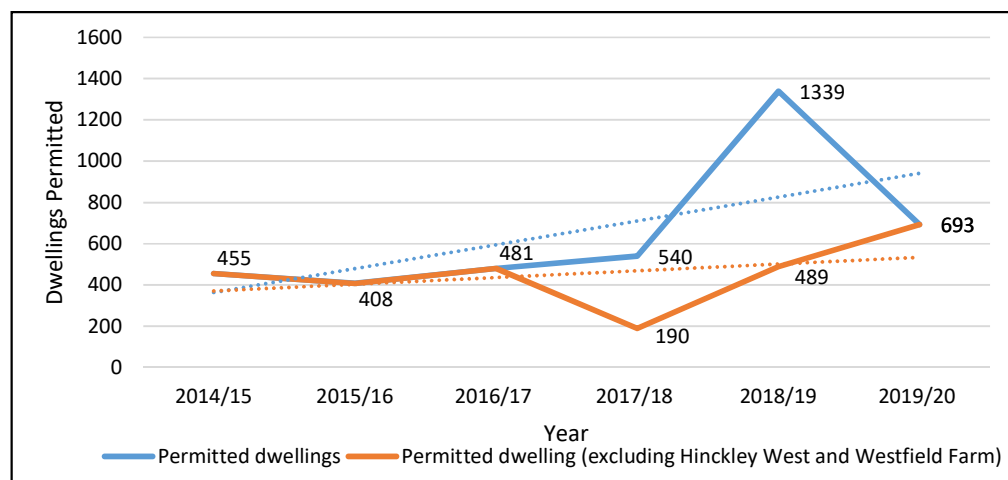


3.2.2. The year 2018/19 shows a large increase in permissions due to a planning approval for 850 dwellings on a site known as Hinckley West (15/00188/OUT / 20/00527/REM). Nonetheless permitted dwellings have increased in the last two years and refused dwellings have decreased.

3.2.3. Hinckley West and Westfield Farm (14/01279/OUT / 19/01442/REM) are the two largest permissions currently within the Borough with Westfield Farm being permitted for 350 dwellings. As of 1<sup>st</sup> April 2020 there had been no completions on either of the sites, therefore an exercise was done to see the number of permissions granted if these dwellings are removed from figure 4. There is still be an upward trend in permissions over the last six years (figure 5). It should be noted that resolutions to grant have been included in the year they gained permission and not when they were added into the five year land supply trajectories.

3.2.4. The number of permissions granted within the last 6 years is greater than the housing need per annum. Work completed by the Local Government Association in 2020<sup>12</sup> showed that this was common across England. Between 2009/10 and 2019/20 2,564,600 dwellings were granted permission by Councils whilst only 1,530,680 dwellings were completed in the same period.

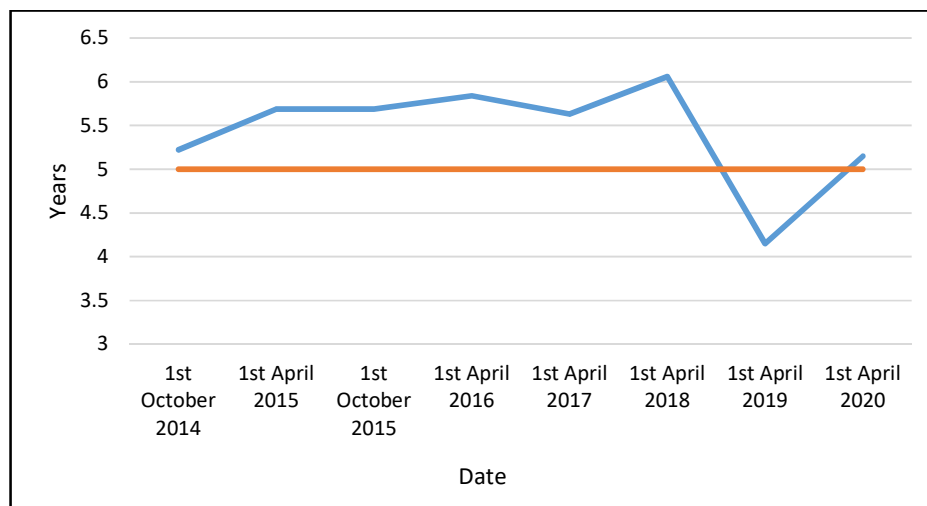
FIGURE 5: NUMBER OF PERMITTED DWELLINGS (2014-2020)



<sup>12</sup> [LGA – Housing Backlog](#)

- 3.2.5. Even though figure 5 shows the permitted dwellings excluding Westfield Farm and Hinckley West that is not to say they will not have completions in the coming years. Westfield Farm has recorded 58 completions in 2020/21 and Hinckley West is projected to deliver 53 completions in 2021/22.
- 3.2.6. The urban/rural split of the permissions granted reflect that of the settlement hierarchy within the Core Strategy with the most being within the urban areas.
- 3.2.7. Although the delivery within the Borough has a downward trend over the last six years the Council has been able to (excluding 2019) maintain a five-year housing land supply (figure 6). Although the Council does acknowledge that this has been lower in the last two years than in previous years.

**FIGURE 6: FIVE-YEAR HOUSING LAND SUPPLY POSITION (2014-2020)**



### 3.3. Development Process Timeframes

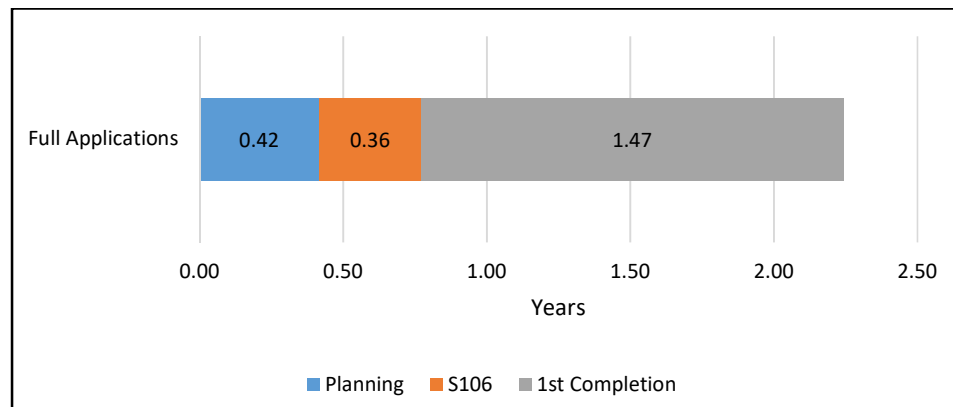
- 3.3.1. One of the main influences the Council has on development is determining planning applications. There are different types of applications that can be submitted and the timeframes for all have been analysed in terms of planning months<sup>13</sup> and section 106 months. Only sites with completions have been analysed so that the timeframes are representative of the whole process.

#### Full Applications

- 3.3.2. On average major full applications (10 dwellings or more) take 5 planning months and 4 section 106 months (total of 9 months) to determine. Following the determination it then takes 1.5 years until the first completion on a site (figure 7).

**FIGURE 7: AVERAGE FULL APPLICATION TIMEFRAMES FROM SUBMISSION TO FIRST COMPLETION (2014-2020)**

<sup>13</sup> Months it takes to assess the planning matters within a planning application



3.3.3. The total time from submission of a full application to the first completion on site is on average 2.25 years (2 years and 3 months). The majority of the time taken is between the issuing of the decision and the first completion. The majority of this time is within the developers' control. The only input HBBC have is to discharge conditions. This discharge of conditions process and its timescales are summarised later in the plan.

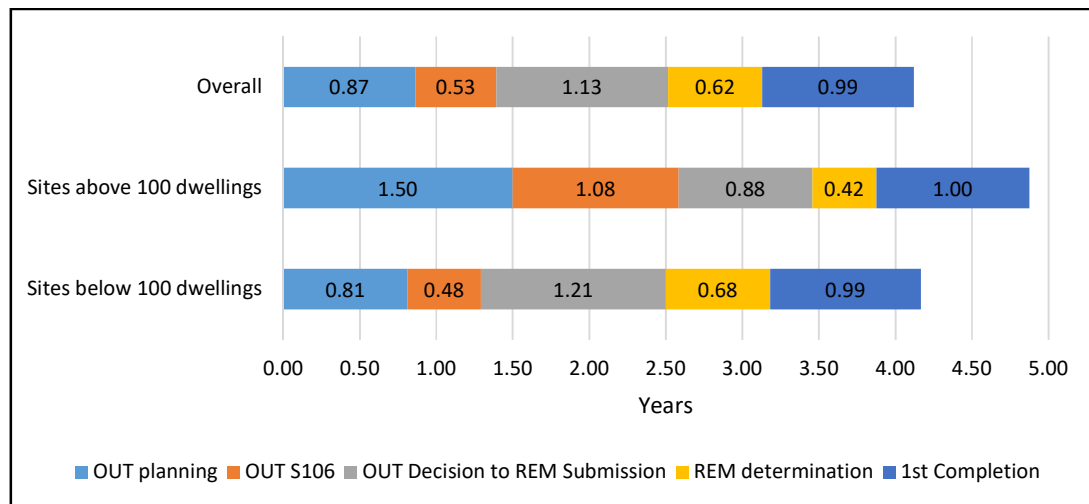
3.3.4. The timescales set out within appendix 7 of the 2019/20 Residential Land Availability Statement<sup>14</sup> which looks at the timescales for full applications over the whole plan period (2006-2020) from submission to first completion can be compared against those within figure 7. Within the last 6 years the timeframe to determine a full application has increased from 5.4 months (within appendix 7 of the RLA 2019/20) to 9 months. The timeframe from decision to 1<sup>st</sup> completion has remained similar. Although the application timeframes have increased it is considered that the timeframe as a whole is not a major barrier to delivery within the Borough. How the Borough timeframes compare to national timeframes is mentioned in paragraph 3.8.3 of this Action Plan.

#### **Outline Applications**

3.3.5. On average it takes 10 planning months and 6 section 106 months (16 months total) to determine outline applications. There is then an average timeframe of 1 year and 1.5 months between the determination of the outline permission and the submission of the reserved matters application. Once submitted it takes 7.4 months on average to determine the reserved matters application. Finally it takes a further year until the first completion on a site. This gives an overall timeframe of just over 4 years on average from the submission of the outline application to the first completion on the site (figure 8).

<sup>14</sup> [Residential Land Availability Statement 2019/20](#)

**FIGURE 8: AVERAGE OUTLINE AND RESERVED MATTERS TIMEFRAMES FROM SUBMISSION TO FIRST COMPLETION (2014-2020)**



3.3.6. When compared to the timescales set out within appendix 5 of the 2019/20 Residential Land Availability Statement<sup>15</sup> which looks at the timescales for outline applications over the whole plan period (2006-2020) from the grant of outline permission to first completion it shows that the time from outline decision to REM submission has increased and the REM determination has increased whilst the time from REM decision to 1<sup>st</sup> completions has decreased. The timeframe for Section 106s has also increased slightly. The 2019/20 RLA does not monitor the outline application timeframes. These timeframes have been identified as a barrier to delivery. In particular Section 106 timeframes need to be reduced on outline applications.

3.3.7. The Council were aware that the S106 timeframes as well as the post outline decision timeframes were areas that delayed development. Therefore in 2019 the Council started to reduce the 3-year time limit on outline approvals for reserved matter submissions to 18 months. This is seeing some results as demonstrated below:

- Land opposite Bosworth College, Desford – 80 dwellings (site under construction)
- Land off Peckleton Lane, Desford – 80 dwellings (reserved matters granted and works on site have started)
- Land at Crabtree Farm, Hinckley Road, Barwell – 25 dwellings (reserved matters pending consideration)

#### **Discharge of Conditions Applications**

3.3.8. Discharge of condition (DOC) timeframes have been analysed, however they are included in the decision to first completion timeframes within figures 7 and 8. This is the only input HBBC has into the period from the outline and reserved matters decision to first completion and discharge of condition applications can be done alongside other tasks i.e. Section 278 technical approvals, land deals, etc.

3.3.9. The applications analysed for DOC are only based on applications between January 2019 and April 2020 as a new process was introduced in 2019. The average timeframe for these applications 3.6 months. This timeframe is small in relation to all other timeframes presented in figures 7 and 8.

<sup>15</sup> [Residential Land Availability Statement 2019/20](#)

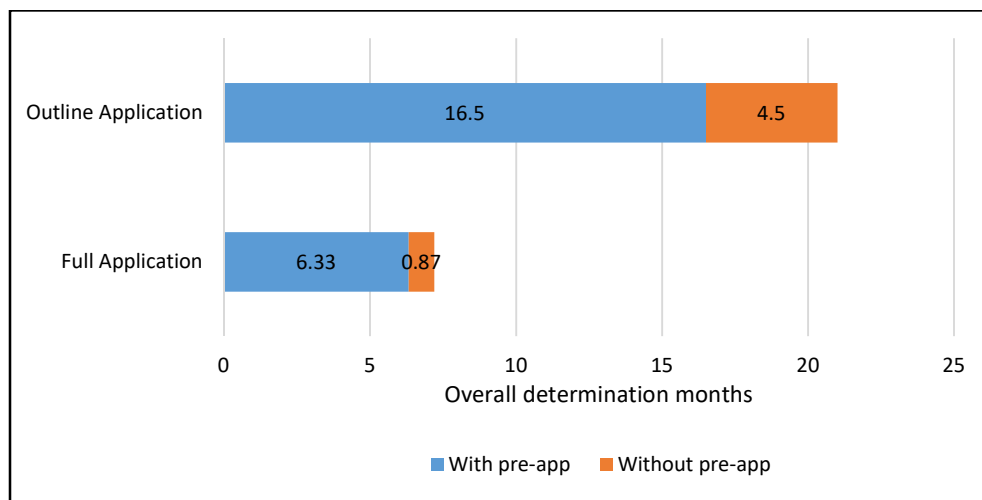
3.3.10. For DOC applications determined after 5 months the main conditions which caused the delay are land contamination and construction management plans, however which conditions delay the process varies significantly.

3.3.11. In terms of outline planning applications, conditions can be discharged prior to the submission of the reserved matters in most cases or through the determination of the reserved matters and therefore due to other outstanding matters no significant delay is caused.

#### Pre-applications

3.3.12. Evidence shows that when pre-application advice is sought before the submission of a formal application the determination timeframe is reduced (figure 9).

**FIGURE 9: AVERAGE DETERMINATION TIMEFRAMES FOR FULL AND OUTLINE PERMISSIONS WITH AND WITHOUT PRE-APPLICATION ADVICE**



3.3.13. It should also be noted that of all the completed sites in the Borough in the last six years of those that submitted full applications only 55% sought pre-application advice and of those that submitted an outline application on 22% sought pre-application advice.

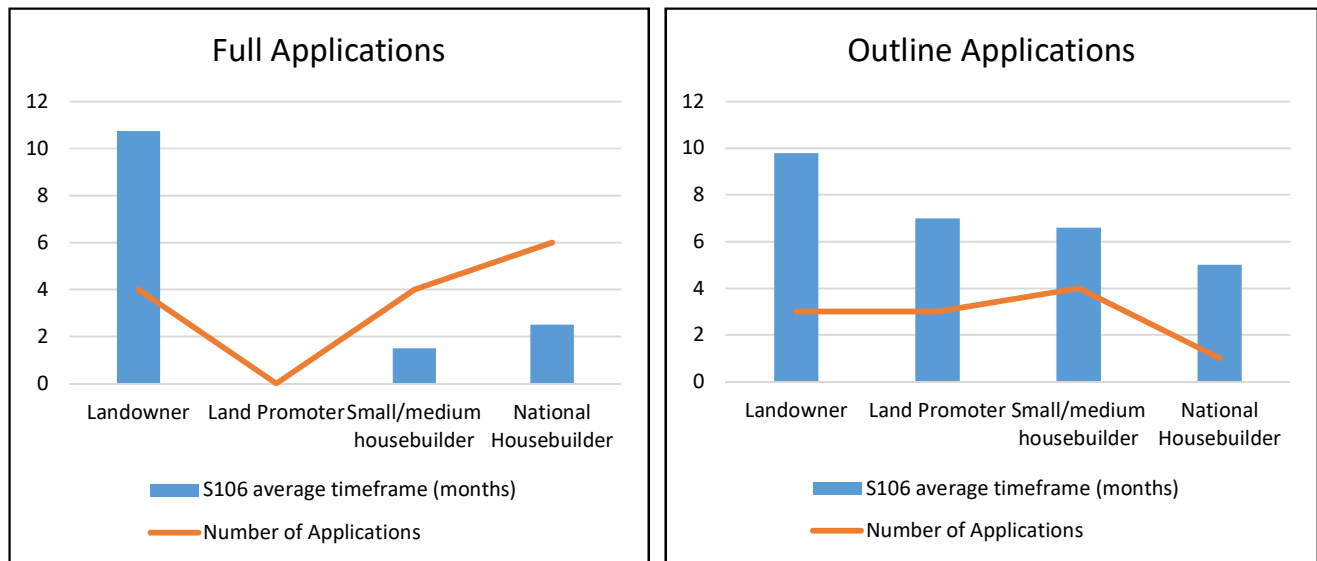
3.3.14. Whilst it is acknowledged that there are other factors which increase the determination timeframe of applications, it is considered that developers should seek pre-application advice as the evidence shows that this is one way to guarantee a reduction in the formal application timeframe (figure 9).

#### Section 106 Agreements

3.3.15. On average section 106 agreements take 4 months from instruction to seal/engrossment for full applications and 6 months for outline applications.

3.3.16. There are various parties involved in this process and therefore it is difficult to analyse what causes the delay in this process. However, evidence shows that for both full and outline applications the type of applicant varies the average timeframe significantly (figure 10).

**FIGURE 10: AVERAGE SECTION 106 TIMEFRAMES DEPENDANT ON APPLICATION TYPE AND APPLICANT**



3.3.17. For full applications there is a significant difference between the timeframe for the section 106 if the application is submitted by the landowner or if a house builder submits the application. There was no data for land promoters as they have not submitted full applications in the Hinckley and Bosworth borough as they tend not to build out the permissions, they sell to a developer.

3.3.18. For outline applications there is a similar trend with landowner section 106s taking the longest and land promoters/house builders not taking as long however the difference is not as drastic. Landowner-led planning applications and the subsequent s106 agreements tend to take longer due to the level of inexperience of the planning process and actual development of the site.

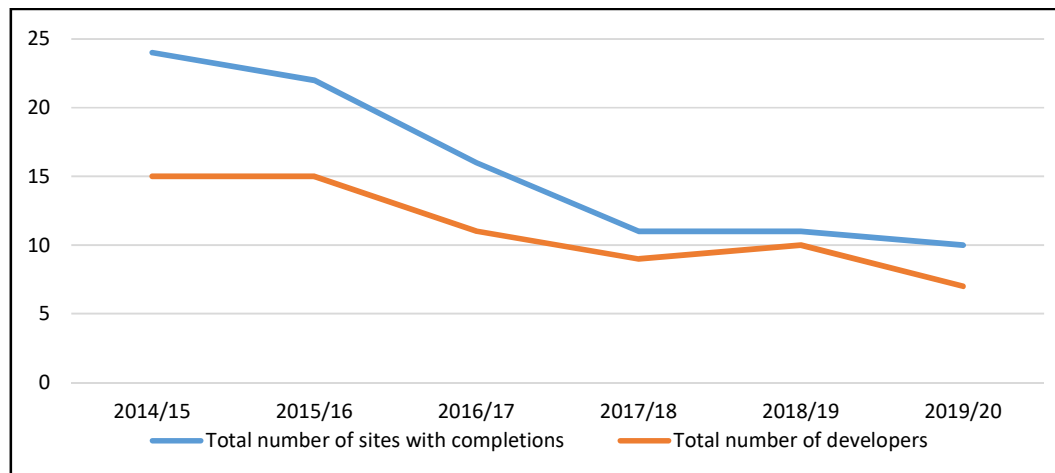
3.3.19. Nevertheless, HBBC have acknowledged that section 106 timeframes need to be reduced and has been imposing time limits for s106 agreements to be signed before having to return the application back to Planning Committee. The Council brought this requirement in a little over a year ago and therefore it is too early to tell whether this method is yet effective. This will be monitored as part of the Action Plan.

3.3.20. The Developer Panel expressed that more should be done to frontload the section 106 process in order to allow permissions to be issued quicker. It was suggested that a draft section 106 should be available as a standard template. They also stated that certain contributions (mainly County Council) should be more transparent (as they used to be) to give developers an idea around the expected level of contributions.

### 3.4. Development Sites

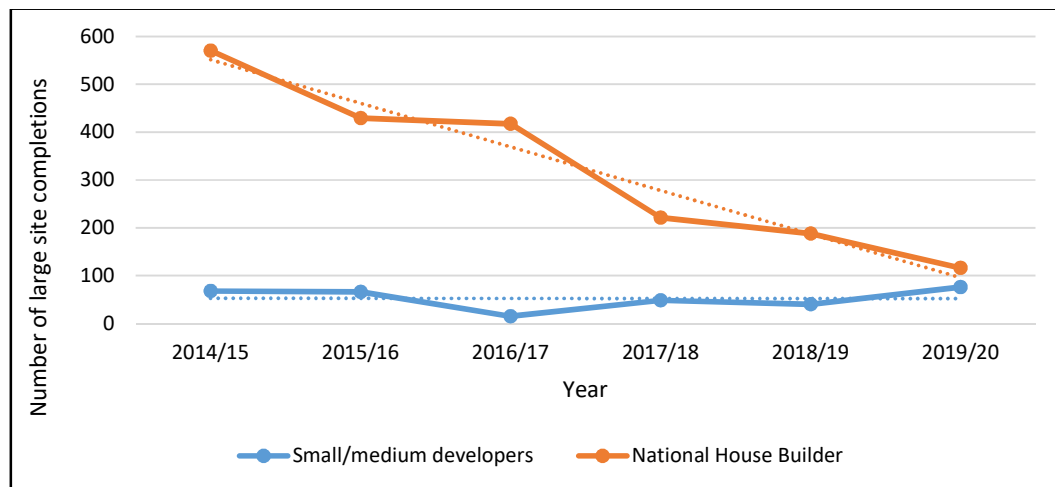
3.4.1. Over the last six years completions in the borough have decreased as shown within figure 1. This is a consequence of the number of sites with permission within the borough with completions decreasing and the number of developers operating within the borough decreasing (figure 11).

**FIGURE 11: NUMBER OF LARGE SITES WITH COMPLETIONS COMPARED TO DEVELOPERS OPERATING WITHIN THE BOROUGH (2014-2020)**



- 3.4.2. With net completions at a peak high of 752 dwellings in 2014/15 and a low of 285 completions in 2019/20 there is a clear correlation between the number of completions and the number of sites being developed and the number of developers operating in the Borough.
- 3.4.3. Questions were put to the Developer Panel as to whether there was developer interest in the borough, to which their reply was a resounding yes. However, the absence of a new Local Plan beyond 2026 was their barrier to developing in the Borough as not many wanted to operate outside of the Local Plan process if they could avoid it.
- 3.4.4. In addition to this it is only completions from national house builders that have decreased (figure 12). Small/medium house builder delivery has remained constant within the supply.

**FIGURE 12: LARGE SITE COMPLETIONS BY DEVELOPER TYPE**



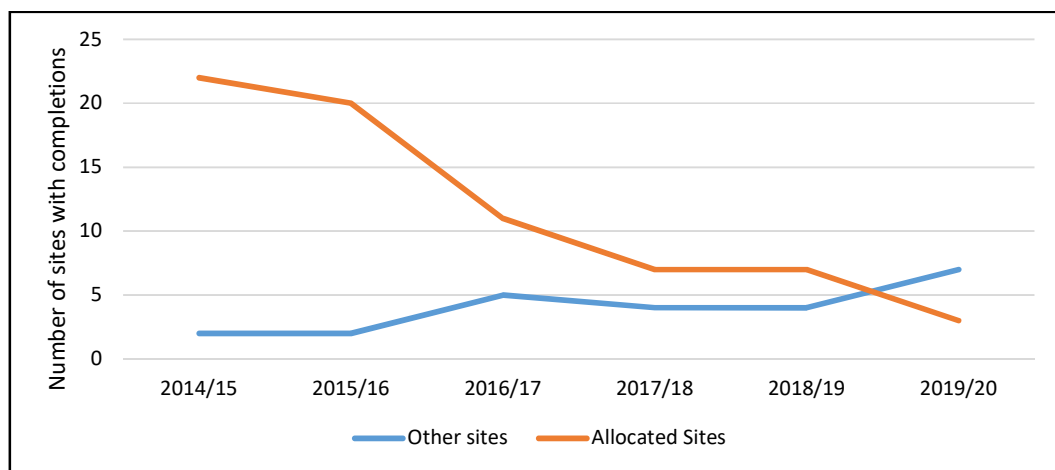
- 3.4.5. It is clear that at present large sites under the control of volume/national house builders are critical to the delivery of new housing in the Borough. Nevertheless it is also acknowledged that SMEs provide a constant supply in the Borough and therefore both types of delivery need to be boosted.
- 3.4.6. Obviously there has been a major decline in national housebuilding within the borough over the last 6 years however when discussed at the Developer Panel it was made clear that for the next few years a further impact could be felt from the COVID-19 pandemic. The data within figure 12 will not

reflect this as the first national lockdown was late March 2020 and therefore did not impact the 2019/20 completions. However, consideration should be given to future impacts on delivery from the COVID-19 pandemic. Social distanced working has affected some sites more than others reducing their output. Also the impact of Brexit is only just starting to be felt (again not reflected in 2014-2020 completions) and whilst the housing market is not in recession due to measures taken by the Government, there is uncertainty from the Developer Panel about what will happen with the recent rise in the price of raw materials and when the stamp duty holiday ends.

### 3.5. Sites and the Local Plan

- 3.5.1. It is acknowledged that the Local Plan is coming towards the end of its timeframe and that there are not many housing allocations remaining in it to be built out. 2014/15 saw a peak high in completions within the Borough since the start of the plan period. This peak in completions was due to appeals on housing sites, particularly in Burbage being allowed in 2012/13. These sites were then carried forward in to the Site Allocations and Development Management DPD (2016). Completions remained high in 2015/16 and have dropped since then. The majority of sites being built out in 2014/15 and 2015/16 were allocated sites (figure 13).

FIGURE 13: ALLOCATED LARGE SITES WITH COMPLETIONS COMPARED TO OTHER LARGE SITES WITH COMPLETIONS



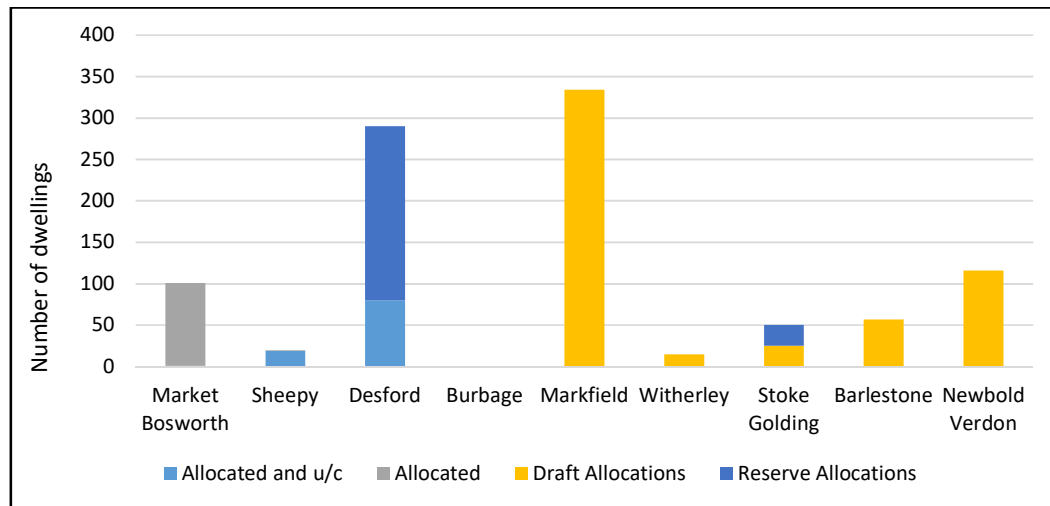
- 3.5.2. The lack of allocated sites has reduced delivery in the Borough and therefore this is a barrier to development and its subsequent delivery. This will be reflected in the actions set out in Section 5.
- 3.5.3. The Council is committed to bringing forward a new Local Plan that will guide growth up to 2039. The new plan will be consulted on in summer 2021 with the view to preparing a submission version by the end of 2021 and submission to PINS in Spring 2022.

#### Neighbourhood Plan Allocations

- 3.5.4. Whilst it is acknowledged that a new Local Plan is needed to provide new allocations it is considered that Neighbourhood Plans are currently bridging that gap to a certain degree. There are a number of Neighbourhood Development Plans (NDPs) currently in the pipeline which either allocate or look to allocate housing (figure 14). There are other NDPs in the pipeline, however these are at a very early stage.



FIGURE 14: NEIGHBOURHOOD DEVELOPMENT PLANS HOUSING ALLOCATION STATUS (AT MARCH 2021)



3.5.5. A breakdown of the allocated sites with the (draft) NDPs are detailed below:

- Sheepy – An allocated site for 20 dwellings (19 dwellings permitted) was allocated and is now under construction and has had 2 completions as of April 2021;
- Desford – An allocated site for 80 dwellings is under construction and has had 4 completions as of April 2021.
- Burbage – Although there are no allocated sites, there is a policy which allows development adjacent to the settlement boundary.
- Newbold Verdon – An allocation in their draft NDP has been granted planning permission for 116 dwellings and the developer is on site.
- Markfield – An allocation for 282 dwellings in their draft NDP and this gained a resolution to grant planning permission in March 2021.

3.5.6. These plans allocate or propose to allocate a total of 982 dwellings (747 dwellings without the reserve sites). The progress on sites as stated above shows that these plans do not need to be adopted in order to bring forward development as long as the developer works closely with the neighbourhood group.

3.5.7. In addition, no application that has been submitted which, is either allocated or has a draft allocation (excluding reserve sites) in a neighbourhood plan has been refused at committee. Therefore, developers should look to work with the neighbourhood plan groups where possible.

3.5.8. During the Developer Panel, it was quite clear that while NDPs can help facilitate growth, it was felt that the site selection process was not always consistent, and once one or two sites were accepted by the NDP groups, there was a clear resistance to further engagement with any other developers. This was where developers felt NDP groups were a barrier.

3.5.9. As the Council is currently working on its new Local Plan, the Borough's housing requirement has not been set and therefore there is a level of uncertainty as to what growth is required across the Borough. However, all NDP groups have been encouraged to include additional sites in their NDPs as reserve sites, in the event that additional growth may be required in those areas to deliver a sound Local Plan. Some NDP groups have allocated reserve sites such as Desford. The Council will continue to work with NDP groups and the Council also encourages developers to do the same.

### 3.6. Developer costs and viability

- 3.6.1. One potential barrier to development nationally is that relating to scheme viability, however within the past 6 years only a handful of sites within the Hinckley and Bosworth borough have had difficulty moving forward due to viability. Those sites include development of brownfield land and those that are 100% affordable housing schemes. Scheme viability has not stopped development in the Borough, it has only caused slight delays to verify the inability to afford s106 contributions or level of affordable housing depending on the nature of the scheme through viability assessments. The Ministry of Housing, Communities and Local Government (MHCLG) published a report on residential land value estimates in august 2020.<sup>16</sup> This showed the land value for Hinckley and Bosworth to be £1,530,000 per hectare. This is slightly higher than the market value however the Developer Panel confirmed that HBBC is an attractive place to build houses and that interest from the development industry is high.
- 3.6.2. To also ensure there is limited future viability barriers to development, the Council's emerging Local Plan with all potential sites, policies and infrastructure requirements will be viability tested as required by Planning Practice Guidance, and will contain clear policies that give developers certainty to the cost of development as not to undermine its deliverability.

### 3.7. Large site delays on specific sites

- 3.7.1. The Council's current Local Plan is made up of the Core Strategy (2009), Hinckley Town Centre AAP (2011), Earl Shilton and Barwell AAP (2014) and the Site Allocations and Development Management Policies DPD (2016). Within the Local Plan, three large sites have been allocated for development which have all seen delays as detailed below:
- **Hinckley West (850 homes)** – When the Site Allocations and Development Management Policies DPD (SADMPDPD) was adopted, it was anticipated in the housing trajectory that homes would start to be delivered on Hinckley West in 2016/17 with a delivery of 180 dwellings between 2016/17 and 2019/20. However this site had initial delays specific to the complex nature of the scheme (including the s106 negotiation) as well as the sale of the land to the housing developer. However these matters have now been resolved, site preparatory works have concluded and houses are being built, with the first completions anticipated in July 2021. However this delay of four years, would have contributed to a degree to the shortfall of 180 dwellings over the past three years (2017-2020).
  - **Barwell SUE (2,500 homes)** - When the SADMPDPD was adopted, it was anticipated in the housing trajectory that homes would start to be delivered on the Barwell SUE in 2018/19. A planning application for the site was submitted to the Council in 2012 and a resolution to grant planning permission was given, subject to the signing of a S106 in 2013. The Earl Shilton and Barwell AAP was adopted in 2014 which was produced to aid in the delivery of two very large and complex sites. A further resolution to grant planning permission was then granted in 2015 to alter the level of affordable housing and planning contributions as a result to changes made in the AAP, adopted the previous year. On this basis, the Council assumed the S106 could be finalised and then reserved matters applications could be submitted to then enable development to start. However that has not been the case. The site has a very complex land ownership arrangement and the land promoter has not been able to conclude the signing of the S106. At the end of 2019 the applicant advised the s106 was ready to be completed. However, Leicestershire County Council took the decision to revisit the education and highways contributions. This has led to the need to update the highways model which has

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<sup>16</sup> [Land value estimates for policy appraisal 2019](#)

taken significantly longer than first anticipated. The Council is working hard to secure the delivery of this site, however for the time being, it is not anticipated to deliver any homes in the next five years. As a result of this significant delay in securing planning permission, this has also contributed to the shortfall of 140 dwellings over the past three years (2017-2020).

- **Earl Shilton SUE (1600 homes)** - When the SADMPDPD was adopted, it was anticipated in the housing trajectory that homes would start to be delivered on the Earl Shilton SUE in 2018/19. However a planning application has not yet been submitted to the Council for the development as matters of site viability have been discussed prior to the application's submission. This approach was seen as the most pragmatic way forward so as to not delay the signing of a S106 once an application had been submitted. The Council is working with those parties involved in the Earl Shilton SUE and it is anticipated that a planning application will be submitted later this year. However, as with the Barwell SUE this significant delay in securing planning permission has contributed to the shortfall of 80 dwellings over the past three years (2017-2020).
- These three sites were projected to deliver a total of 340 dwellings within 2020/21 which has not been achieved therefore this brings the total under delivery of these three sites to 740 dwellings at 1<sup>st</sup> April 2021 when compare to how development was anticipated when the SADMPDPD was adopted.

3.7.2. Whilst the two SUEs have contributed to the lack of delivery in the borough, the Council has been proactive in encouraging further development in sustainable locations across the borough to ensure the Borough was meeting its housing needs by revisiting its SHLAA. These sites include (status as of April 2021):

- Westfield Farm, Heath Lane, Earl Shilton (350 homes) – 58 dwellings have been delivered as of April 2021
- Land opposite Bosworth College, Desford (80 dwellings) – 4 dwellings have been delivered
- Land South of Markfield Road, Ratby (90 dwellings) – site has a resolution to grant
- Land off London Road, Markfield (282 dwellings) – site has a resolution to grant

### 3.8. Other literature

#### **The Letwin Review<sup>17</sup>**

3.8.1. This review was published in October 2018 and explored issues of build out rates of fully permitted homes on the largest sites in areas of high housing demand. Although it's not an area specific review its findings are still useful. It found that the homogeneity of the types and tenures of the homes on offer on these sites, and the limits on the rate at which the market will absorb such products, are fundamental drivers of the slow rate of build out. Therefore, it is important to consider opportunities for encouraging diversification of products to increase build out rates.

#### **Lichfields Start to Finish 2020<sup>18</sup>**

3.8.2. The purpose of this document is to help inform the production of realistic housing trajectories. Planning for housing has evolved in the last few years with the publication of the revised NPPF and PPG, the Housing Delivery Test and Homes England upscaling resources to support implementation of large sites.

3.8.3. It was identified that large schemes can take 5+ years to start, lead-in times have increased since the 2007/08 recession, large greenfield sites deliver quicker and the number of outlets and tenure on a site matter. This study is not a direct comparison to the analysis set out within this action plan however it does look at the different timeframes. The shortest timeframe from submission to

<sup>17</sup> [Independent Review of Build Out](#)

<sup>18</sup> [Lichfields Start to Finish Second Edition \(February 2020\)](#)

delivery period was 3.3 years for sites of 50-99 dwellings. All other timeframes were higher. The data is not separated into types of application however this average is higher than HBBC's average for full applications.

#### **4. Key issues/barriers identified**

- 4.1. Throughout this Action Plan and through the Developer Panel presentation the main issues identified as slowing delivery in Hinckley and Bosworth are listed below.

##### **The Council's Local Plan**

- 4.2. The lack of a new Local Plan with a new portfolio of sites was considered as one of the most significant barriers to development across the borough by the Developer Panel. As shown in Figure 13, when there are allocated sites there is a higher level of delivery across the Borough. The less allocations, the less delivery. The Developer Panel in general do not like to operate out of the Local Plan process as they like to have local support for their developments and they then can plan in a coherent manner in terms of infrastructure requirements. Additionally the Developer Panel also stated that they try and avoid submitting planning applications outside of the Local Plan as they feel the Borough's Planning Committee is quite unpredictable and is an additional financial risk they don't necessarily want to take.

##### **Neighbourhood Development Plans**

- 4.3. During the Developer Panel, the Council stated that NDP engagement was to be encouraged as the sites within those draft and made NDPs were proving very successful. However the Developer Panel were quite clear that once an NDP had chosen the site(s) for the NDPs, engagement ceases and a developer is unable to engage at all with those groups. This was seen as a significant barrier to development by the Developer Panel.

##### **Significant delays to the delivery of the SUEs**

- 4.4. As mentioned in Section 3.8, the fact that the SUEs have not been delivered to date is a contributing factor to the shortfall in housing delivery in the Borough. The Council is working hard to get these delivered and they will be reviewed as part of the emerging Local Plan.

##### **Application timeframes**

- 4.5. More specifically outline planning application time frames are on average taking 18 months to determine. This depends on the complexity of the planning application, however the Developer Panel raised issues with Leicestershire County Council and the lack of engagement they get. This lack of engagement from the appropriate statutory consultees can delay the application process as the developer has not been able to get all information (s106 obligations or highway comments) required before submitting a planning application.

##### **Section 106 Agreement Timeframes**

- 4.6. The length of time it takes for Section 106 agreements to be sealed/engrossed on outline planning applications is too long which, on average takes 6 months. This can be largely down to the type of applicant and their involvement with a site, however there are elements of the S106 process the Council can look to improve and may assist in shortening these time frames a little. These include the imposition of time limits for the agreements to be signed before having to return the application back to Planning Committee as mentioned previously, as well as front loading S106 negotiations at pre-application stage with stakeholder engagement as well as streamlining the internal Council process surrounding S106s. Actions to reduce S106 agreement drafting will be set out in section 5.

### **Infrastructure**

- 4.7. It was put to the Developer Panel whether there were any infrastructure related delays they could articulate to the Council. The main issue developers are facing is the level of engagement with Leicestershire County Council, particularly their response times as well as their list of S106 obligations, which can affect viability. As mentioned above this can then impact on timeframes of planning applications. Additionally, this extends to the time it can take to gain technical approvals from LCC Highways too.
- 4.8. One suggestion from the Developer Panel was to create a project board across various County and Borough Council departments that would meet regularly to discuss development sites, whether they are at pre-application stage, planning application or delivery stage to ensure there is a joined up approach and to potentially unlock issues that may arise. The Council will look to explore this further and this is an action as outlined in section 5.

### **Construction/market influences**

- 4.9. The Developer Panel were also asked how they see the COVID-19 pandemic and BREXIT affecting the actual build of homes, if at all. COVID-19 outbreaks on site can shut a site down for a month at a time and build rates are tending to be slower as fewer site workers are allowed on site in tandem.
- 4.10. The main effects of BREXIT appear to be the cost of raw materials which has risen which could impact sites and their delivery in the future.
- 4.11. Finally, developers are unsure how the housing market will fair once the stamp duty holiday comes to an end this year. These are all issues that have arisen in the year of 2020/2021 so are not measured through the Housing Delivery Test published earlier this year, but it is a point worth noting.

## 5. Key Actions and Responses

Barrier/Issue identified	Action Required	Expected Outcomes	Timescale (short/medium/long/ongoing)	Responsible Teams
Lack of a new Local Plan with a new portfolio of housing allocations.	Firm progress on Local Plan to bring forward new allocations.	A new Local Plan.	Medium (in accordance with the LDS)	Planning Policy
Enhanced Engagement with NDP Groups.	Continue to advise and support NDP groups on the requirements to meet housing need through robust planning practices. Advise them to engage through the production of the NDP with site promoters/developers.	Allocation of reserved sites in NDPs.	Ongoing	Planning Policy
Delays to the delivery of the SUEs.	Continue to push forward with parties involved to unlock issues surrounding their current delays.	Planning application for Earl Shilton SUE.	Medium	Major Projects, Development Management and Planning Policy
		Issue a decision notice for the Barwell SUE.	Medium	
Planning application timeframes.	No specific action for this issue as this will be influenced by reducing the length of S106 agreement drafting as well as improving statutory stakeholder engagement.		Long	Development Management
Section 106 agreement timeframes.	Standard templates and instructions to legal to be reviewed for section 106 agreements.	Reduction in Section 106 timeframes and therefore overall application process.	Short	Development Management
	Imposing time limits on drafting of S106 agreements before returning to planning committee and monitoring their success.		Long	

Barrier/Issue identified	Action Required	Expected Outcomes	Timescale (short/medium/long/ongoing)	Responsible Teams
Infrastructure – Statutory Stakeholder engagement	Set up a project board for development sites, including providing feedback from the Developer Panel on issues being encountered.	Regular engagement would keep track of major applications and unlock potential barriers	Short	Major Projects
Developer engagement	Form an SME panel to support SME delivery in the Borough.	Support SMEs to retain delivery in the Borough	Short	Major Projects
	Ensure effective and proactive engagement with landowners and developers of sites within the Borough.	The aim of ongoing engagement is to ensure all parties are adequately informed of each other's position regarding their development sites as well as helping to unlock any barriers that may be present.	Ongoing	Major Projects / Development Management / Planning Policy

## **6. Project Management and Monitoring**

- 6.1. The implementation of the Action Plan will be provided by the monitoring team within Major Projects (Planning). They will be responsible for ensuring that the actions set out in this Action Plan are monitored and outcomes delivered.
- 6.2. An annual progress and review report will be presented to the Strategic Leadership Team and Scrutiny.
- 6.3. The Action Plan will be reviewed and updated on an annual basis as part of the Council's annual housing monitoring.



**Appendix 1: Developer Panel Attendance List**

Attendees	Invited
<p>HBBC:</p> <p>Helen Nightingale – Principal Planning Officer (Major Projects)</p> <p>Nicola Smith – Planning Manager (Development Management)</p> <p>Ella Casey – Planning Officer (Major Projects)</p> <p>Kirstie Rea – Planning Manager (Planning Policy)</p> <p>Rob Foers – Principal Planning Officer (Planning Policy)</p> <p>Daisy Shield – Planning Officer (Planning Policy)</p> <p>Valerie Bunting – Strategic Housing and Enabling Officer</p> <p>Infrastructure Providers:</p> <ul style="list-style-type: none"> <li>• Dylan Jones (Leicestershire County Council)</li> <li>• Andy Yeomanson (Leicestershire County Council)</li> <li>• Rebecca Henson (Leicestershire County Council)</li> <li>• Jamie Needham (Leicestershire County Council)</li> <li>• Sharron Wiggins (Leicestershire County Council)</li> <li>• Jamie Allen (Western Power)</li> <li>• Chris Bramley (Severn Trent Water)</li> </ul> <p>Development Industry:</p> <ul style="list-style-type: none"> <li>• Deborah Crombie (Owl Homes)</li> <li>• Ned Fox (Barwood Homes)</li> <li>• Judith Wise (Waterloo)</li> <li>• Matthew Pearce (Avant Homes)</li> <li>• Nicola Lea (Cartwright Homes)</li> <li>• Julie Morgan (Barwood Land)</li> <li>• Myles Wild-Smith (Lichfields)Laura McCombe (Boyer Planning)</li> <li>• Andrew Collis (Gladman)</li> <li>• Alun Davies (Hollins Strategic Land)</li> <li>• Shelley Hall (Homes England)</li> <li>• Lee Harris (Springbourne Homes)</li> <li>• Simon Atha (Cerde Planning)</li> <li>• Danielle Bassi (Taylor Wimpey)</li> <li>• Helen Bareford (David Wilson Homes)</li> <li>• David Pendle (Marrons Planning)</li> <li>• Tim Plagerson (Redrow)</li> <li>• Ben Cook (Pegasus Group)</li> <li>• David Prowse (David Wilson Homes)</li> <li>• Paul Hill (RPS Group)</li> <li>• Helen Prangle (Davidsons Group)</li> <li>• Chetan Solanki (Countryside Properties)</li> <li>• Angela Smedley (Fisher German)</li> <li>• Ellie Gale (Taylor Wimpey)</li> <li>• Rob Thorley (Jelson)</li> <li>• Steve Lough (Richborough Estates)</li> </ul>	<ul style="list-style-type: none"> <li>• IM Land</li> <li>• Bloor Homes</li> <li>• Bellway</li> <li>• Aurora Living</li> <li>• Persimmon Homes</li> <li>• Morris Homes</li> <li>• Cawrey</li> <li>• Redrow</li> <li>• Westleigh</li> <li>• Modha Properties</li> <li>• Marble Homes Limited</li> <li>• Wilson Bowden</li> <li>• Avison Young</li> <li>• Harris Lamb</li> <li>• Miller Homes</li> <li>• Green 4 Developments</li> <li>• Hard Drive Constructions</li> <li>• MAC Developments</li> <li>• Volta Designs</li> <li>• Savills</li> <li>• Fox Bennet</li> <li>• Derwent Living</li> <li>• EMH Group</li> <li>• Midland Rural</li> <li>• Futures</li> <li>• Housing 21</li> <li>• NCHA</li> <li>• Midland Heart</li> <li>• Orbit</li> <li>• Stonewater</li> <li>• Riverside</li> <li>• House Builders Federation</li> <li>• Derwent Living</li> <li>• Platform</li> </ul>