



Examination into the Soundness of Newcastle-under-Lyme's Local Plan.

Matter 7- Housing Policies

Matter Statement by Newcastle-under-
Lyme Borough Council

May 2025

1. Introduction

This statement sets out the Council's response to the Inspector's Matters regarding Housing Policies

All documents referenced in this statement are listed in Appendix 1.

Issue 7 - Does the Plan set out positively prepared policies to meet affordable housing needs and the housing needs of other groups, which are justified, effective and consistent with national policy?

Qu 7.1 a) In Policy HOU1 are the (brownfield/greenfield) affordable housing requirements justified, and will the policy be effective in helping to maximise affordable housing and not undermining deliverability? The affordable housing requirements are based on the findings of the Local Plan Viability Assessment (ED004). Are the assumptions used within this soundly based? Why do the thresholds in policy HOU1 differ from those recommended in ED004? Should the policy include a threshold for older person homes and at what level should this be set?

- 7.1.1 The Policy HOU1 affordable housing requirements are justified because it was assessed as part of the Local Plan Borough Wide Viability Assessment (ED004). This study provides robust evidence in assessing the cumulative burden of the policies in the Local Plan that they should not threaten development viability to an extent that would undermine the delivery of the Local Plan, as guided by the NPPF (Dec'23) para 34 (as referenced in ED004 para 2.9).
- 7.1.2 While there were some viability challenges in meeting the Policy HOU1 threshold requirements within the lower value area and on brownfield sites across the Borough, the forecast changes in market conditions over the next five years predict improvements in viability. As such, this is shown to move some of the more challenging sites into viable positions, which has been used in making recommendations for the Local Plan Policy HOU1.
- 7.1.3 The Council has sought to balance the identified need for affordable housing in the Borough with viability evidence that supports the Local Plan [ED004]. The Policy has identified differential thresholds for greenfield / brownfield development but also in respect of defined local value areas. The value areas have been defined through the Council's Viability evidence, including by reference to the average sales values of units, by Ward boundaries as shown in Figure 4.2 of the Local Plan Viability Assessment [ED004, pg. 32]. The value areas are defined on the Policies Map which supports the Local Plan [CD02. Pg 15].
- 7.1.4 The viability evidence supports the 30% threshold applied to Greenfield sites in the higher value areas, identified on the Policies Map [ED04 paragraph 9.4]. The approach of seeking 30% affordable housing on such sites, given the sensitivity analysis is unlikely to cause significant viability challenges for the Local Plan.

- 7.1.5 The viability evidence notes potential viability challenges for brownfield sites [ED004, paragraph 9.5] under current market conditions and Greenfield sites in lower tier areas in certain circumstances. Recognising this, and to maximise affordable housing to meet the affordable housing need identified in the Housing Needs Assessment Update (ED001), the Viability Study [ED004 para 9.10] recommended that there is a reference within policies to consider any viability issues associated with development proposals so that flexibility may apply to policies to reduce affordable housing levels and/or thresholds above those shown in Policy HOU1, criteria 1. Policy HOU1 criteria 5 provides this opportunity, subject to a site-specific viability test which is independently verified [CD01, pg. 31].
- 7.1.6 It is also important to note that the results in ED004 should not be taken as the de facto approach for every individual development proposal, which will be subject to its own site opportunities and constraints. Therefore, many sites would be able to support all policies without a need to review their viability.
- 7.1.7 This balanced approach and the reason why the thresholds in policy HOU1 differ from those recommended in the viability assessment [ED004] is to seek to maximise affordable housing delivery on site, but recognising that there may be viability challenges, at the individual planning application stage, and providing a mechanism for addressing these challenges. This point is reinforced in paragraph 7.8 of the Local Plan [CD01, pg. 32]. In line with the PPG on Viability para 10 (as referenced in ED004 para 2.33), the Council is seeking to: “...strike a balance between the aspirations of developers and landowners, in terms of returns against risk, and the aims of the planning system to secure maximum benefits in the public interest through the granting of planning permission.”
- 7.1.8 The assumptions in the Local Plan Viability Assessment (ED004) are soundly based because it was prepared in accordance with planning guidance that sets out the government’s recommended approach to viability assessments for local plans [as referenced in ED004 para 1.6] and was used to inform policy decisions based on the policy aspirations of achieving sustainable development and the realities of economic viability.
- 7.1.9 The viability study [ED004] tested a range of typologies that reflect the housing allocations in the Local Plan, along with broad typologies of sites included in the SHELAA [ED006]. This approach is considered appropriate to ensure the typologies of sites included in the viability study are reflective of local plan allocations and sites that may potentially come forward through windfall development.
- 7.1.10 The viability study [ED004] discusses the viability assumptions, which are set out in detail in ED004 chapters 6 and 7. These assumptions provide the viability evidence that is in line with the requirements of the NPPF para 31 (as referenced in ED004 para 2.10), which states: “All viability assessments, including any undertaken at the plan-making stage, should reflect the recommended approach in national planning guidance, including standardised inputs, and should be made publicly available.”

- 7.1.11 The viability study is high level, and the methodology applied is appropriate and proportionate, and therefore adequate for Local Plan testing purposes. The interpretation of appropriate and proportionate reflects PPG Viability (Feb'24) paragraph: 010 (as referenced in ED004 para 2.40), which states: "Any viability assessment should follow the government's recommended approach to assessing viability as set out in this National Planning Guidance and be proportionate, simple, transparent and publicly available."
- 7.1.12 To ensure market delivery, the Council will keep viability under review to enable affordable housing to come forward, where possible, based on changing market conditions through the option to consider site specific viability reviews in HOU1 criteria 5. These should apply only to brownfield sites or any site in the 'low value zone' as shown on the Policies Map.
- 7.1.13 Lastly, as noted in the Viability Study [ED004 paras 1.12 and 1.13], the assumptions in the study were informed by discussions with the local development industry. The assumptions comply with the interpretation of 'adequate' as reflected in NPPF paragraph 31.
- 7.1.14 In respect of specialist accommodation for a group with specific housing needs (including older person homes) for purpose-built accommodation, it is recognised that there are particular viability challenges. The viability study recommends the affordable housing threshold of 10% should be applied to older person accommodation [ED004, paragraph 9.8]. However, given the requirements of paragraph 66b of the National Planning Policy Framework (December 2023) then it is proposed to make the following modification to the Policy [Modifications 135 & 136 in CD015a].

Policy HOU1 [CD01, pg31] - Point 1 (new criterion d.)

1.d. Exemptions to the affordable housing thresholds include where the site or proposed development

- i) provides solely for Build to Rent homes;**
- ii) provides specialist accommodation for a group of people with specific needs (such as purpose-built accommodation for the elderly or students);**
- iii) is proposed to be developed by people who wish to build or commission their own homes; or**
- iv) is exclusively for affordable housing, a community-led development exception site or a rural exception site.**

And consequential amendments to paragraph 7.9: -

7.9 In some circumstances it may be appropriate for schemes to include specialist residential accommodation and facilities for older people within the affordable housing provision. Proposals for extra care accommodation, assisted living or other forms of retirement housing to be let and sold on the open market will be subject to the requirements of this policy to provide affordable housing. The policy approach to affordable housing provides exemptions to certain forms of housing including

self-build and custom housing, build to rent homes, forms of specialist accommodation and schemes exclusively for affordable housing. This approach recognises the specific viability considerations for such schemes.

b) Are the requirements in relation to tenure split sufficiently clear? Is the reference to First Homes necessary and appropriate?

7.1.15 The approach to determining the tenure split for affordable housing is appropriate and sufficiently clear. The policy refers to the tenure split being provided, in line with the latest evidence available at the determination of the planning application. The policy approach in the Local Plan also recognises that there may be reasons, including market conditions and local housing need changes that (following the submission of robust evidence being provided) justify a different tenure split. This is supplemented by text in the supporting information of the Policy [Policy HOU1, Para 7.4] that provides an indicative housing tenure, based on evidence contained in the Housing Need Assessment Update [ED001 and ED001a].

7.1.16 The indicative housing tenure set out in the supporting information to the policy was tested through the Viability Study [ED004, para 6.55]. However, it should be noted that this paragraph (paragraph 6.55 in document ED004) includes a typographical error relating to the proportion of affordable housing being 60% rather than the tested 65% social rented tenure.

7.1.17 Reference to the requirements of First Homes is consistent with the approach taken in the December 2023 version of the NPPF (paragraph 6 as an example). Please also refer to the response to question 7.1 (d) below.

c) Is Policy HOU1 sufficiently clear in the approach to be taken for off-site and/or financial contributions in lieu of on-site provision?

7.1.18 Criterion 4 (HOU1) notes that there is an expectation that affordable housing should be provided on site in the first instance. It is a clear approach as there is evidence in the viability study that affordable housing is challenging to deliver onsite in certain circumstances (see response to QU 7.1a), the Local Plan Policy HOU4 Off site and / or financial contributions will only be acceptable in exceptional circumstances, where demonstrated that it is not feasible to provide the homes on site. The policy confirms that if exceptional circumstances demonstrate that affordable housing cannot be provided directly on site, then as a first alternative, off site affordable housing provision will be accepted before financial contributions are considered. The supporting text to the policy (CD01, para 7.6) also notes that a reduced affordable housing requirements would only be agreed with the submission of viability evidence, which is independently verified, in line with criteria 5 of the Policy.

d) The Policy will be assessed in relation to the most up to date version of the Framework which has higher affordable housing requirements for green belt sites. Is it appropriate that these changes be reflected in the Policy? If so, how?

7.1.19 In line with the transitional arrangements set out in the December 2024 version of the National Planning Policy Framework (paragraphs 234b and 235), the Local Plan will be

examined under the relevant previous version of the Framework. The evidence base supporting the Local Plan, including the viability study, has been prepared under the December 2023 version of the National Planning Policy Framework. As such, it is not considered appropriate for the 2024 National Planning Policy Framework changes to be reflected in the Local Plan, at this time.

Qu 7.2 a) Does HOU2 provide an effective framework for ensuring an appropriate mix of housing will be delivered over the plan period?

- 7.2.1 Criterion three of Policy HOU2 notes that housing mix should be consistent with up-to-date evidence and provides references to documents such as the housing need assessment, neighbourhood plans, housing register and other sources of information which may influence what is considered to represent 'up to date' evidence. The supporting text to the policy [CD01, paragraph 7.18 – 7.22] includes evidence from the Housing and Economic Need Assessment 2024 which represents current evidence for decision taking on the adoption of the Local Plan. However, over the 15-year plan period, this data will be updated. The supporting text to policy HOU2 also notes how housing mix can be influenced by other factors including site context, size, and location [CD01, paragraph 7.21].

b) How were the requirements of the policy arrived at? Are they based on sound evidence, and do they allow sufficient flexibility to reflect site specific constraints and opportunities?

- 7.2.2 The policy is considered appropriately framed to ensure that new housing development is delivered at appropriate densities, makes efficient use of land, and contains an appropriate housing mix. The policy requirements set out the considerations relevant to matters of housing density and mix. For housing mix, factors are listed that might influence the mix of homes provided for on-site recognising that the most up to date evidence should be used, alongside providing the relevant factors and considerations that might influence the housing mix. In the supporting text, relevant links, and data from the Housing and Economic Development Needs Assessment [2023, 2024] are provided recognising that over time, this data may be superseded by new evidence.
- 7.2.3 Information on Housing Mix in the supporting text is taken from the Housing and Economic Development Needs Assessment 2023 [ED001a, 6.1 – 6.17]. The need for different sizes and types of housing has been reasonably estimated using the same demographic modelling that produced the overall requirement for 400 dwellings per annum, thereby both accounting for the ageing population and allowing for the attraction and retention of working age residents to support forecast job growth. It reflects the size of housing occupied by different types of existing households, as of the 2021 Census, and also accounts for the current role of houses, flats and bungalows in providing a mix of unit sizes. Reflecting the caveats stated in the HENA, this modelling is deliberately introduced in the draft Local Plan as 'an overall mix to be achieved from new residential developments as a whole across the Borough' rather than a prescriptive requirement for every site. The housing mix and density figures have been included in the viability assessment [ED004, pg23, chapter 4 and chapter 8].
- 7.2.4 In respect of housing densities, the figures have been informed by data contained in the Strategic Housing and Employment Land Availability Assessment [ED006, pg. 11 and 12]. Again, the policy recognises that the density provided for on individual sites might be influenced by factors including the local site context, access the services and facilities and other relevant considerations.

c) Is the requirement in criterion 4 relating to specialist housing needs sufficiently detailed and is it likely to be effective?

- 7.2.5 Criterion 4 of Policy HOU2 [CD01, pg. 43] requires major housing developments to consider provision for specific housing needs, including the requirements of older people. This links to other policy approaches in the Local Plan, including policy HOU5 Specialist Needs Housing. The policy and supporting text [CD01, para 7.22] notes the type of specific housing needs that should be included and also reflects other considerations such as accessibility and site location that may need to be considered in determining the housing mix of individual sites.
- 7.2.6 The reference in criteria 4 of Policy HOU 2 [CD01, pg43] should be considered alongside the preceding criteria 3, that requires residential development to be of an appropriate type and size and have regard to relevant evidence in decision taking. Criteria 4 emphasises that specific housing needs are an important consideration in decision making, particularly on major housing schemes, but also recognises that there are other factors, such as accessibility and locational factors that may influence the type of approach considered, on a site-by-site basis.

Qu 7.3 a) Are the requirements of HOU3 relating to the provision of homes that comply with M4(2) of the building regulations and the Nationally Described Space Standards (NDSS) justified by evidence relating to need and viability?

- 7.3.1 The requirement for Nationally Described Space Standards (“NDSS”) has been considered through the NDSS Topic Paper [ED026]. This provides evidence that there is a need to adopt the standards in the Plan both given the volume of housing schemes considered through the NDSS Topic Paper that were not compliant with the NDSS (of the 198 schemes measured in the topic paper, 43% were not compliant) but also a significant proportion that fell more than 10% below the NDSS standards (24%) [ED026, para 21].
- 7.3.2 The viability issues of the NDSS were considered through the viability study report which concluded that there would not be a significant impact on the viability of schemes because of the adoption of the space standards [ED004, para 4.23, chapter 6 and 8]. The Viability Study [ED04] tested a range of sites (based on future allocation and windfall typologies) at the minimum NDSS. The most recent available evidence showed that most of the 167 new builds in the Borough were being delivered at, or greater than, the minimum NDSS sizes based on their reported housing sizes from EPC records (as referenced in ED004 para 4.23). Therefore, it is considered that such a Policy requirement is not likely to have a viability impact on the bulk of new homes coming forward.
- 7.3.3 The policy requirement for meeting the access standard M4(2) was also tested in the Viability Study [ED004]. While the viability results at the full cumulative policy requirements were mixed, ED004 at para 6.60 also puts this into context by noting that most new homes are already being built with the M4(2) standards in mind. This has been influenced by the government’s response to the Future Homes Standards consultation, with imminent legislation coming forward that will require M4(2) of the building regulations to be a mandatory standard for all future housing. Therefore, setting this policy requirement to ensure all future housing meets this requirement, the policy was set based on ‘striking a balance’ between being ‘aspirational’ in securing maximum benefits in the public interest at a rate that is higher than afforded by the lowest viability case.
- 7.3.4 It is considered that by the time the Local Plan is adopted, developers will have had sufficient time to be fully aware of the space standards, and the Council’s intention to apply them to new developments. It is considered therefore that there are no issues of timing that would impact on whether the Council should adopt the NDSS through policy.
- 7.3.5 In respect of M4(2), this has been considered through the Housing and Employment Development Needs Assessment [ED001a, para 8.3 – 8.21]. The standards have been considered through the viability assessment [ED004, chapter 6, 8 and pages 23/24] before their inclusion in Policy HOU 3 Housing Standards [CD01, pg. 35]. The standards reflect the approach set out in the NPPF, para 135 (f) in creating places that are safe, inclusive, and accessible and which promote health and well-being with a high standard of amenity for existing and future users. Footnote 52 states that planning policies for housing may make use of the Government’s optional technical standards for accessible

and adaptable housing, where this would address an identified need for such properties.

b) Are the main modifications to the policy and supporting text suggested necessary for soundness?

- 7.3.6 Main modification MOD029 is necessary to correct a drafting error but also to provide clarity in the interpretation of the policy and confirm that the policy applies to the future development of homes.

Qu 7.4 a) Would Policy HOU4 provide an adequate framework to ensure the need for additional accommodation for Gypsy and Travellers can be met as required by national policy? Are the requirements of the policy clear, and would they be effective?

- 7.4.1 The policy approach in HOU4 refers to two proposed allocations (G&T8 & G&T11) which are allocated to meet the needs set out in the Gypsy and Traveller Accommodation Assessment ("GTAA"). In line with paragraph 25 of the Planning Policy for Traveller Sites publication ("PPTS"), the policy approach also sets out locally specific criteria that can be used to assess applications, as they come forward, on unallocated sites.
- 7.4.2 The policy approach in Policy HOU4, through criteria 4 and 5 seeks to ensure that there is no loss of existing sites, where it would result in an identified shortfall and also criterion 5, which supports the intensification and extension of existing sites, where the policy requirements in Policy HOU4 are suitably addressed.
- 7.4.3 The policy requirements in criteria 2 and 3 of policy HOU4 are clear and consistent with the PPTS in ensuring that the scale of sites in rural areas and the countryside do not dominate the nearest settled community (PPTS, para 14) and that policies provide consideration of the effect on local environmental quality (PPTS, para 13 (E, F, G and H)). The policy requirements are consistent with paragraph 27 of the PPTS, in encouraging the effective use of land, including landscaping to positively enhance the environment, providing for a safe environment, and promoting the use of appropriate boundary treatments in line with the criteria set out in paragraphs 2 and 3 of Policy HOU4.

b) Is the Gypsy and Traveller Accommodation Assessment (ED018) up to date and robust in its identification of needs for plots and pitches?

- 7.4.4 The GTAA [ED018] has identified the likely permanent and transit accommodation needs of the area over the lifespan of the Local Plan. The approach taken is consistent with paragraph 61 of the NPPF (2023) that requires the housing need for different groups to be assessed and reflected in planning policies. Footnote 27 of the NPPF (2023) confirms that Travellers housing needs should be assessed for those covered by the definition in Annex 1 of the PPTS at that time.
- 7.4.5 The GTAA was published in April 2024. The update was a desktop review which considered an updated review of sites granted planning permission since the completion of the last GTAA in 2020. Although the GTAA update was published before changes to the National Planning Policy Framework and Planning Policy for Traveller Sites in December 2024, the GTAA update focused on 'cultural need' and removed reference to the 2015 PPTS nomadic habit of life' test when determining residential pitch need. The GTAA has therefore assessed need to reflect the latest changes to the PPTS.
- 7.4.6 The total need evidenced in the GTAA was for 12 pitches over the plan period to 2039/40, with a short-term need for 5 pitches (2020/21 to 2024/25) and 7 pitches over the longer-term (2025/26 to 2039/40).
- 7.4.7 In terms of meeting need, there is expected to be some pitch supply through turnover (or reletting) of council pitches. This is expected to generate a capacity for 7 pitches over

the plan period. This is based on anticipated household dissolution (i.e. people passing away) based on the age profile of residents living on pitches. The overall net shortfall over the plan period is therefore 5 pitches (2 in the short-term 2020/21 to 2024/25 and 3 in the longer-term 2025/26 to 2039/40 [ED018, Table ES2].

- 7.4.8 The GTAA also evidenced a need for 5 additional Travelling Showperson plots over the Plan Period (2 plots in the short-term 2020/21 to 2024/35 and 3 plots over the longer-term 2025/26 to 2039/40) [ED018, pg. 8].

c) Are the following sites allocated for Gypsies and Travellers sound?

G&T 11 Land at Hardings Wood Road, Kidsgrove

G&T Site 8 Land West of Silverdale Business Park

Have the sites allocated been selected against possible alternatives using a robust and objective process? Will they meet the needs of Gypsies and Travellers and Travelling Showpeople over the Plan period?

- 7.4.9 The Council has undertaken a robust and objective site selection process (as evidenced through the Site Selection Report [ED019]) that has identified two site options which are included in policy HOU4. The Council has undertaken an open call for sites opportunity for several years to identify appropriate site options. Sites submitted through the call for sites (and sites within the Council's land ownership considered available for inclusion in the study), have been assessed in a consistent way through the robust site selection process, set out in Table 1 [ED019, Pg 5]. In addition, opportunities to consider existing Gypsy and Traveller and Travelling Showperson sites have also been reflected through the site selection report [ED019, Table 2, Pg 7].
- 7.4.10 The site selection report [ED019] has implemented the site selection criteria against reasonable and realistic site options. The site selection process has appropriately considered the suitability, availability, and deliverability of sites. The site selection process has also considered several of the sustainability considerations set out in paragraph 13 of the PPTS including a review of the effect on local environmental quality.
- 7.4.11 The approach to site selection has also been informed by the SA [Table N.15 and Appendix H, CD03], and HRA [Appendix D, CD05] on an iterative and ongoing basis. As noted in paragraph 8.1 of the Site Selection Report [ED019], the decisions as to which sites to allocate or not allocate have been challenging. However, the process has involved planning judgement, taking into account all relevant planning considerations, and the decisions made are fully justified through the site selection process.
- 7.4.12 As set out in chapter 2 of the site selection report [ED019], the sites allocated in the Local Plan, alongside existing commitments and completions should ensure that the requirements identified through the GTAA for five pitches for permanent Gypsy and Traveller pitches are met. For Travelling Showpeople, there is an existing Travelling Showperson site at Hardings Wood Road allocated for an intensification of use through the Local Plan.

- 7.4.13 As set out in the monitoring framework for the Local Plan [MF15, Appendix 1, CD01], the number of additional Gypsy and Traveller Pitches and Plots will be kept under review. If there are any significant changes in the requirements for pitches or plots, identified through monitoring and at periodic reviews / updates of the Local Plan, then a review of the GTAA could take place, at that time [CD01, Paragraph 7.34].

d) Does the Council's approach in relation to traveller sites generally conform with the expectations of the relevant Planning Policy for Traveller Sites?

- 7.4.14 The Council's approach to Traveller sites, through the Local Plan is in conformity with the aims of the PPTS (Paragraph 4). The Council has assessed the need for sites over a reasonable period with appropriate partners (paragraph 4 A-C). It has sought to allocate sites, in the Local Plan, to meet those needs identified through the Gypsy, Traveller and Travelling Showperson Accommodation Assessment (GTAA) (paragraph 4, d-f). Policy HOU4 also sets out a policy criterion for the consideration of sites outside of allocations that are considered fair, realistic, and inclusive (paragraph 4g) and, which have due regard to the local amenity and environment (paragraph 4k). The Local Plan, through its allocations has sought to provide suitable accommodation from which Travellers can access education, health, welfare, and employment infrastructure (paragraph 4J).

e) Are there any omissions from the policy and is it sufficiently flexible?

- 7.4.15 There are no omissions from the policy. The policy is considered sufficiently flexible as it includes allocations to meet needs in the Gypsy and Traveller and Travelling Showpeople Accommodation Assessment whilst also providing a policy approach to sites that come forward through the submission of planning applications for Gypsy and Traveller accommodation which is consistent with the PPTS.

Qu7.5 a) Would policy HOU6 provide an effective framework for ensuring the appropriate provision of custom and self-build housing over the plan period? In particular:

How will the decision maker ensure preference of brownfield plots over greenfield sites as set out in criterion 1?

- 7.5.1 Policy HOU6, criterion 1 explicitly states that preference will be given to custom and self-build development proposals located on suitable brownfield sites or infill plots within existing development curtilages to optimise the efficient use of land. Decision-makers, in assessing applications against Policy HOU6, will apply this preference as stated in the policy. Applications for custom and self-build housing on greenfield sites would need to be justified against this preference, requiring evidence demonstrating why suitable brownfield or infill plots were not appropriate or available. This is consistent with the general principles of effective land use promoted elsewhere in the Local Plan (e.g. Policy PSD1, criterion 4) and the NPPF (e.g. Chapter 11). The policy wording itself provides the mechanism for decision-makers to apply this preference during the assessment of planning applications.

Is the requirement to provide custom and self-build housing on all major development appropriate and how will what a suitable proportion of serviced plots be determined?

- 7.5.2 Yes, the requirement in Policy HOU6 (2) for a proportion of serviced plots on major residential development schemes is considered appropriate, justified, and consistent with national policy. It directly reflects the Council's statutory duty under the Self-build and Custom Housebuilding Act 2015 to have regard to its Self-Build Register and grant sufficient development permissions for serviced plots to meet the identified demand within the prescribed timescales. Providing plots as part of larger schemes is recognised as an effective mechanism for delivering custom and self-build opportunities. The policy clearly states how the proportion will be determined: "This proportion will be determined by the Council in line with demand identified on the Self and Custom Build Register, ensuring alignment with market needs." This ensures the requirement is directly responsive to locally evidenced demand arising from the Register (currently 104 entries as of April 2025, with 94 entries in the last full reporting period ending October 2024), rather than relying on arbitrary targets. This approach aligns with the Self-build and Custom Housebuilding Act 2015 and allows flexibility to respond to changing levels of demand over the plan period. The viability mechanism in Criterion 4 provides a safeguard should the required proportion, based on register demand, be demonstrated as unviable on a particular site, ensuring the policy requirement does not undermine deliverability, consistent with the findings of the Viability Assessment (ED004).

How was the period of 1 year for marketing arrived at? Is it necessary and would it be effective?

- 7.5.3 The 1-year marketing period required by Policy HOU6 (5) is considered necessary to ensure that plots designated for custom and self-build use under Criterion 2 are genuinely made available to those seeking such opportunities, including those on the Council's Register. This prevents the policy requirement from being ineffective through plots being immediately offered on the open market. The Council judged 1 year to be a standard and reasonable period, reflecting typical marketing timescales within the development industry for specific land or property types. It provides sufficient time to

effectively market the plots to the target audience while ensuring that plots do not remain undeveloped indefinitely if genuine demand does not materialise for that specific site. It therefore provides a pragmatic and effective mechanism to balance the objective of delivering custom and self-build plots with the need to ensure housing delivery overall.

Is the policy clearly worded and would it be effective?

- 7.5.4 Yes, the Council considers Policy HOU6 is clearly worded and will be effective. The policy's objective, to facilitate the delivery of custom and self-build housing, is clear. It sets out positive support (Criterion 1), a specific requirement for major sites linked to evidenced demand (Criterion 2), design and sustainability expectations (Criterion 3), a viability safeguard (Criterion 4), and a marketing requirement (Criterion 5). Each criterion is distinct and addresses key aspects of custom and self-build delivery.
- 7.5.5 The supporting text (paragraphs 7.43-7.49 [CD01]) provides relevant definitions (e.g., serviced plot) and context, including links to national guidance (NPPF paragraph 67), legislation, and the Council's Self and Custom Build Register. The policy provides an effective framework by setting clear expectations for applicants and decision-makers, directly linking provision to need via the Register, and incorporating necessary safeguards regarding design, viability, and marketing. Its effectiveness will be monitored via the Self and Custom Build Register and the Council's Authority Monitoring Report (as referenced in paragraph 7.47 [CD01]), allowing for review if necessary. The Council also notes that it keeps the operation of its Self-Build Register under review to ensure it remains a robust tool.

Qu 7.6a) would policies HOU8 and HOU9 provide an effective framework for assessing the acceptability of rural exception sites? In particular:

Is the threshold of 1 hectare or 5% of the size of the existing settlement an appropriate one? How was it reached?

- 7.6.1 The reference to one hectare (or 5%) is consistent with footnote 37 of the December 2023 National Planning Policy Framework (“NPPF”) which refers to community led development exception sites should not be larger than one hectare in size or exceed 5% of the size of the existing settlement. In the Council’s judgement, the application of the 5% / 1 hectare threshold is appropriately framed and applicable to rural exception sites to ensure that their scale and form is appropriate to the rural character.

Is reference to First Homes in policy HOU8 appropriate given that First Homes are no longer referred to in the most up to date version of the Framework? Does the wording of the policy need to reflect this?

- 7.1.20 In line with the transitional arrangements set out in the December 2024 version of the National Planning Policy Framework (paragraphs 234b and 235), the submitted Local Plan will be examined under the relevant previous version of the Framework. The evidence base supporting the Local Plan, including the viability study, has been prepared under the 2023 version of the National Planning Policy Framework. As such, it is not considered appropriate for the 2024 National Planning Policy Framework changes to be reflected in the Local Plan.

Qu 7.7 a) Are policies HOU5 HOU7, HOU10 and HOU11 clearly worded and would they be effective? Is it clear that all of the criteria must be complied with in order to comply with these policies?

- 7.7.1 Policy HOU5 (Specialist Needs Housing) provides a criteria-based approach to support the delivery of specialist needs housing. It covers matters of locational sustainability alongside making clear that specialist housing is designed to meet the requirements of the user group over the lifetime of the development. It also cross refers to policy HOU3, in signposting the requirement of the accessibility and wheelchair accessibility standards included within the Local Plan. The policy is structured in such a way to ensure that the decision taker is clear that all criteria must be complied with to comply with the policy. The supporting text provides information as to why the policy requirements are needed.
- 7.7.2 Policy HOU7 (Homes in Multiple Occupation) provides a criteria-based approach to the determination of proposals for homes in multiple occupation in the Borough. The policy sets out the circumstances where proposals will be accepted. The supporting information provides further clarification on the interpretation of the policy wording included. From a presentational point of view, the Council accepts that it would assist the interpretation of the policy by splitting criteria (d) so that the text reading 'will be supported provided that development would' is split and shown on a separate line to make clear that the criteria i – ix, apply to points A through to D. This is proposed as a main modification (reference MOD152), as follows: -

1. Proposals for the type of schemes listed in HOU7 (A-D) will be supported, provided that development proposals meet the criteria set out in HOU 7 (2):

- a. Change of use from residential to a small House in Multiple Occupation (HMO) (Use Class C4) or to a mixed C3/C4 use within areas covered by Article 4 directions (Sidmouth Avenue, Gower Street, Granville Avenue, Northcote Place and King Street, Newcastle);
- b. Change of use from residential to a large HMO (sui generis use class);
- c. Provision of a new build HMO; or
- d. Change of use from other uses (other than Use Class C3) **to HMO will be supported provided that development would:-**

2 For the schemes listed in HOU 7 (1 a-d), proposals should meet the following criteria to be supported:-

- i. Not result in more than 10% of residential properties within a 100m radius being in use as an HMO;
- ii. Not result in a Use Class C3 dwelling being 'sandwiched' between two other HMO properties or other non-family residential uses;
- iii. Not result in a continuous frontage of three or more HMOs or other non-family residential uses.
- iv. Be located within a sustainable neighbourhood, where they are close to facilities and served by high frequency bus routes;
- v. not result in an adverse impact on the amenities of neighbouring residents in terms of overlooking, or levels of noise and disturbance;
- vi. provide a good standard of living accommodation for future occupiers including communal living rooms, kitchens, laundry facilities;
- vii. provide an area of outdoor amenity space of sufficient size to accommodate

activities such as clothes drying and space to sit outside, suitable for the number of residents at the property and accessible to all residents;
viii. provide suitable car and cycle parking facilities, in accordance with the Council's Parking Standards; and
ix. provide suitable waste and recycling storage and collection solutions.

- 7.7.3 Policy HOU10 (Extensions, Alterations and Relationships Between Dwellings) provides a criteria-based approach to the determination of schemes for extensions, alterations, and relationships between dwellings. It clearly sets out how development proposals would be considered by the decision taker. The supporting text provides appropriate information on how the decision taker should take account of the criteria set out in the policy. The policy is clear and effective.
- 7.7.4 Policy HOU 11 (Tandem or Backland Development) contains a permissive criteria-based approach to backland or tandem development. The supporting text provides a definition of the type of schemes that the policy would apply too. The criteria are clearly expressed and will - if conformed with - provide the necessary information for the decision taker to consider schemes in an effective manner.

Qu 7.8 Are any modifications to the housing policies proposed by the Council and are these necessary for soundness?

- 7.8.1 Proposed modifications have been outlined for policies HOU1 'Affordable Homes', HOU 3 'Housing Standards' and HOU 7 'Homes in Multiple Occupation' as outlined in the matter statement.
- 7.8.2 There is a further modification proposed MOD030, but this is an additional modification to correct a drafting error at paragraph 7.36 to correct table 2 to read table 3 in the last sentence.

2. Appendix 1 – List of Reference Documents

A. The Council's evidence for Housing Policies is set out below.

B. National Policy:

- National Planning Policy Framework (2023 and 2024)
- National Planning Practice Guidance

C. Government Regulations and Acts:

- Town and Country Planning Act
- Planning and Compulsory Purchase Act 2004

D. Newcastle-under-Lyme Local Plan Submission / Examination Documents

- Final Draft Local Plan [CD001]
- Local Plan Policies Map [CD002]
- Housing and Economic Needs Assessment [ED001, ED001a, ED001b]
- Strategic Employment Sites Assessment [ED002]
- Local Plan Viability Assessment [ED004]
- Strategic Housing and Employment Land Availability Assessment [ED006 & ED006a]
- Gypsy and Traveller Accommodation Assessment [ED018]
- Gypsy and Traveller Site Selection Report [ED019]
- Nationally Described Space Standards Topic Paper [ED026]
- Plan Strategy Housing Topic Paper [ED031]
- Plan Strategy Employment Topic Paper [ED032]