

Hearing Statement

Harborough Local Plan Examination

Panel Note 8, Matters Issues and Questions (MIQs)

Matter 4: Creating Jobs and Diversifying the Economy

Issue 2: Employment Uses Strategic Warehousing

EQT Real Estate

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1. Introduction

- 1.1. This Hearing Statement responds to Matter 4: Creating Jobs and Diversifying the Economy and Issue 2: Employment Uses - Strategic Warehousing and Questions 1, 2, 3, 4 and 6 contained in the Harborough Local Plan (March 2025) Examination Stage 2 Matters, Issues and Questions (MIQs).
- 1.2. The Statement is made on behalf of EQT Real Estate (previously EQT Exeter) (EQT) which promotes Land off Rugby Road, Lutterworth for strategic B8 development. This Statement follows EQT's Local Plan Regulation 19 representations (May 2025, ID Reference: 13216) in respect of Policy DS02 and criteria 7 and 8.
- 1.3. References to the National Planning Policy Framework (NPPF) in this Statement are to the December 2023 version. We understand the Plan is being examined against it under transitional arrangements in paragraph 234(a) of the December 2024 NPPF, which are carried forward by Annex A of the NPPF published on 17 August 2026. The August 2026 NPPF reduces the minimum plan period to 10 years from adoption (Policy PM2(1) (b)), but that change does not apply to this examination. The relevant test remains a minimum of 15 years from adoption (NPPF (December 2023) paragraph 22).
- 1.4. Matt Claxton, Senior Associate at Broadgrove Planning & Development Limited, will be appearing at the relevant Hearing Session.
- 1.5. The Panel will assess the Plan against the tests of soundness at paragraph 35 of the NPPF, whether it is positively prepared, justified, effective and consistent with national policy. EQT considers that, in respect of strategic warehousing, the Plan fails each of these tests. It does not meet the need agreed through the SoCG. It is not justified by the current evidence or the reasonable alternatives that evidence identifies. Its reliance on a single location and corridor puts delivery at risk. It does not look ahead 15 years from adoption.

2. Matter 4: Issue 2, Question 1

Q1: What is the justification for differentiating between strategic (greater than 9,000sq. metres) and non-strategic warehousing (less than 9,000sq. metres).

- 2.1. EQT supports the 9,000 sq. metre threshold. It is the definition used consistently in the 2021 and 2025 L&L studies (EMP-NLP6), the 2024 Sensitivity Study (EMP-NLP4) and the Leicester & Leicestershire Authorities - Statement of Common Ground relating to Strategic Warehousing Need (March 2026) (SoCG) (SCG-NLP23).
- 2.2. The 9,000 sq. metre threshold is also established in Harborough's policy and decision-making. Adopted policy for Magna Park only permits buildings over 9,000 sq. metres (EMP-NLP4, paragraph 3.3), and the same threshold is applied in development management, for example through condition 20 of permission 19/00250/OUT at Lutterworth East. It also broadly reflects the threshold the market itself uses to define large-format logistics units.
- 2.3. There is an evidenced need specifically for strategic warehousing in Harborough. Strategic and non-strategic warehousing serve different markets, operate at different scales and have different locational requirements. Strategic units need large sites close to the strategic road network (SRN), with sufficient critical mass to support investment in infrastructure (EMP-NLP4, paras 6.16 and 7.5–7.6). These requirements cannot be met by general employment land or by smaller units.
- 2.4. Distinguishing between strategic and non-strategic warehousing ensures that the Plan supports storage and distribution operations across a variety of scales, in line with paragraph 87 of the NPPF. The distinction is therefore justified and consistent with national policy (NPPF paragraph 35(b) and (d)).

3. Matter 4: Issue 2: Question 2

Q2: Our understanding is that the area forms part of the wider ‘Golden Triangle’ which has peculiarly good access to the national road network, as well as rail freight, and thereby to customers. How has the location of large-scale strategic warehousing been considered in the context of the wider Golden Triangle and the cumulative impact of existing and as yet unimplemented permitted strategic warehousing at Daventry International Freight Terminal (DIRFT,) Rugby Gateway and within the A426 corridor?

- 3.1. EQT’s Regulation 19 representations raised the location of strategic warehousing directly. The representations sought additional provision in AO6 at M1 Junction 20, prioritising sites with exceptional connectivity to the strategic road network. The representations highlighted the role of road-based satellite sites in supporting rail freight (Sections 4 to 6).
- 3.2. Area of Opportunity (AO) 6 has no railhead, so it can only serve road-based warehousing. The best road-served sites are those close to rail freight interchanges (RFI). Iceni’s Sensitivity Study (2024) (EMP-NLP4) suggests that residual rail need could be met at satellite road-based sites with good access to an RFI, including M1 Junction 20 (paragraph 6.29). The Junction is 7.8 miles from DIRFT, which the Sensitivity Study describes as ‘strong proximity’.
- 3.3. Despite this, the Plan directs all of Harborough’s new strategic warehousing to Magna Park on the A5. The 2025 Study describes the A5 as ‘largely at capacity’, with no National Highways scheme in place (EMP-NLP6, para 6.39). Warwickshire County Council considers that further growth at Magna Park depends on strategic-scale interventions at, as a minimum, the Cross in Hand and Gibbet Hill roundabouts (para 6.42). The Council’s Strategic Transport Impact Assessment (January 2025) (TRP-NLP1) identifies both junctions as primary impact locations requiring mitigation (Table 5.1). The Panel asks how cumulative impact with DIRFT, Rugby Gateway and the A426 corridor has been considered. The evidence base does not appear to include any such assessment.
- 3.4. NPPF paragraphs 108 and 109 expect transport impacts to be addressed from the earliest stages of plan-making and patterns of growth to be actively managed. The evidence identifies M1 Junction 20 as a second broad location in AO6 (EMP-NLP6, para 7.34), yet the Plan allocates nothing there. EQT does not oppose the allocations at Magna Park. However, distributing some strategic supply to the second broad location would follow the evidence and provide sites in ‘suitably accessible locations’ (NPPF para 87). It would also reduce reliance on a single corridor that the Council’s own evidence identifies as constrained.

- 3.5. The evidence identifies M1 Junction 20 as a reasonable alternative, but the Plan does not take it forward. Cross-boundary cumulative impacts have not been assessed. On this basis the Plan is not justified (NPPF paragraph 35(b)). It is also not effective, because a cross-boundary strategic matter has been deferred rather than dealt with (NPPF paragraph 35(c)).

4. Matter 4: Issue 2: Question 3

Q3: How does the quantum of proposed development relate to the Leicester and Leicestershire Authorities Statement of Common Ground relating to Strategic Warehousing Need (March 2026) (SCG-NLP23).

- 4.1. The Plan does not provide for the strategic warehousing need now identified for Harborough. It is therefore not positively prepared, because it does not, as a minimum, seek to meet the need agreed with neighbouring authorities through the SoCG (NPPF paragraph 35(a)).
- 4.2. The SoCG (SCG-NLP23) apportions 823,400 sq. metres to Harborough for 2023–2046. The Plan allocates 340,000 sq. metres at Magna Park (MP1 and MP2). Together with 257,000 sq. metres of completions and commitments, that gives a total supply of 597,000 sq. metres, leaving a shortfall of 226,400 sq. metres against the full apportionment. Even on the Council's own pro-rated figure to 2041, the residual requirement of 387,400 sq. metres exceeds the allocation by 47,400 sq. metres, equating to circa. 1.3 years supply.
- 4.3. The Plan's figure was set against interim 2024 evidence that has since been superseded. To meet an increased need, the Council now rely on extra supply from April 2024 (up to 52,000sq. metres) and potential extra capacity on proposed allocations MP1 and MP2 (circa. 30,000sq. metres), which when combined both 'have the potential to provide up to 82,000sq. metres of supply flexibility to 2041 and would result in the identified need for strategic warehouses apportioned to Harborough District being met in full.' (Topic Paper, paragraph 9.9).

How the Local Plans Figure was Set

- 4.4. The strategic warehousing need identified in Iceni's Strategic B8 Needs Sensitivity Study (December 2024) (EMP-NLP4) was prepared on an 'interim apportionment' basis (paragraphs 0.1 and 0.2 and paragraph 10.2 of the Topic Paper). It recommended 100–140 ha of additional strategic warehousing land to 2041, equivalent to c.350,000–490,000 sq. metres.
- 4.5. The Draft Local Plan (March 2025) allocates 137.8 ha to deliver 340,000 sq. metres. This was below the interim evidence in floorspace terms from the outset. 340,000 sq. metres is less than the 350,000 sq. metres lower bound identified in the Sensitivity Study. The Council's Topic Paper (para 8.14) states that provision reflects the 'lower bound in terms of floorspace and the higher bound in terms of hectares'.

- 4.6. The Sensitivity Study converts the floorspace requirement into a land figure, assuming a standard density of development (a plot ratio of 0.35). The Plan's allocations are planned at a much lower density, around 0.25 on average. Built at the standard density, the same 137.8 ha would provide around 482,000 sq. metres. The gap is mainly at MP2, which delivers around 285,000 sq. metres on 122 hectares.
- 4.7. The Plan uses land at the top of the recommended range but delivers floorspace below the bottom of it. The amount of land allocated does not show that the need has been met.
- 4.8. That interim evidence has since been superseded by the Leicester & Leicestershire Strategic Distribution Floorspace Needs Update and Apportionment Study (October 2025) (EMP-NLP6) (The '2025 Study') and the SoCG (SCG-NLP23), as summarised in the Council's Strategic Warehousing Topic Paper (March 2026).

What the Evidence Shows

- 4.9. Need across the FEMA has risen substantially. EMP-NLP6 identifies 3,969,400 sq. metres of additional floorspace to 2046, compared with 2,571,000 sq. metres in the 2021 study.
- 4.10. After completions and commitments, the FEMA-wide residual requirement is 3,059,200 sq. metres (c.874 ha at a 0.35 plot ratio), or c.40 ha a year over the period 2024–2046. The Sensitivity Study's equivalent was c.32 ha a year (537 ha over 2024–2041). EMP-NLP6 also records that existing commitments meet FEMA needs only to 2028, so new locations are needed early in the Plan period.
- 4.11. The SoCG apportions 823,400 sq. metres to Harborough for 2023–2046, equivalent to 35,800 sq. metres a year. After 257,000 sq. metres of completions and commitments, 566,400 sq. metres remains.
- 4.12. The Council pro-rates the SoCG total apportionment to 644,400 sq. metres for 2023–2041, with a further 179,000sq. metres (five years of need) to be delivered post 2041 (35,800sq. metres per annum). Taking account of completions and existing commitments (totalling 257,000sq. metres), there is 387,400sq. metres to Plan for (Topic Paper, para 9.8). The residual requirement for the Plan period exceeds the 340,000 sq. metres the Plan allocates.
- 4.13. Table 1 below sets out the Local Plan supply against SoCG need. Scenario B extends the Council's pro-rata figure (644,400 sq. metres to 2041, Topic Paper para 9.8) by one further year at the SoCG annual rate of 35,800 sq. metres (823,400 sq. metres ÷ 23 years), to provide 15 years from adoption in Q2 2027 (NPPF (December 2023) paragraph 22).

Scenario	Period	Need (sq m)	Supply (sq m)	Shortfall (sq m)
A: Council's pro-rata	2023–2041	644,400	597,000	47,400
B: 15 years from adoption	2023–2042	680,200	597,000	83,200
C: Full SoCG apportionment	2023–2046	823,400	597,000	226,400

Table 1: Strategic warehousing supply against SOCG need

- 4.14. The Council accepts the Scenario A shortfall. The Topic Paper (para 9.9) states that supply lasts until mid-2039. To address the shortfall, the Topic Paper indicates that extra supply from April 2024 (up to 52,000sq. metres) and potential extra capacity on proposed allocations MP1 and MP2 (c. 30,000sq. metres) have the potential to provide up to 82,000sq. metres of supply flexibility to 2041. The Topic Paper then indicates that when applying this 'flexibility' the identified need for strategic warehousing would be met in full.
- 4.15. The 52,000sq. metres of flexibility relates to land at Lutterworth East. Here 13 hectares of land is allocated in the adopted Local Plan to provide (Use Class) B8 employment land (up to 52,000 square metres of gross external floorspace) under Policy L1(e). Policy L1(e) requires a separate access from the A4304 to serve the 13ha of employment land and a comprehensive landscaping scheme planted in advance, to provide adequate screening of the development.
- 4.16. The 52,000sq. metres of floorspace was approved under outline planning permission 19/00250/OUT. Condition 20 attached to the outline planning permission restricted the floor space of any single building to no more than 9,000sq. metres. An application (LPA reference 24/00932/VAC) sought to vary condition 20 to allow construction of units above 9,000sq. metres. Planning Committee resolved to approve the application in December 2024, however the decision notice is still pending. Until the decision notice is issued, the permission does not allow strategic-scale units, so Lutterworth East cannot currently contribute to strategic supply. The Topic Paper (paragraph 9.11) also states that the variation will allow either strategic or non-strategic warehousing, further indicating that it is not certain that the full 52,000sq. metres would come forward as strategic warehousing land.
- 4.17. The 13 ha (52,000 sq. metres) at Lutterworth East that the Council relies on as strategic warehousing flexibility to 2041 is already counted as non-strategic employment supply. The Council's Local Housing & Employment Land Evidence Report (EMP-NLP5) includes it in its committed supply (Table 1.7). Appendix A1, Table A1.1 identifies Allocation L1(e), 'Land east of Lutterworth, Gilmorton Road (E of Lutt SDA)', as providing 13 ha of non-strategic B8 land towards the 60 hectare requirement to 2041 (Issue 1). The same land cannot meet both non-

strategic and strategic needs. If it is counted as strategic supply, it must come out of the non-strategic supply.

- 4.18. Even if land at Lutterworth East is included, supply exceeds the Council's pro-rata need to 2041 by only 4,600 sq. metres, equivalent to seven weeks of need (35,800 sq. metres a year).
- 4.19. The Council's other source of 'flexibility' is c.30,000 sq. metres of potential additional capacity on allocations MP1 and MP2 (Topic Paper, para 9.9). This figure derives from the site promoter's representations (representation ID 13938). Those representations indicate that land south of George House, Coventry Road (MP1) could deliver up to 70,000sq. metres (compared with 55,000sq. metres allocated in the Draft Plan) and up to 300,000sq. metres could be delivered at MP2 Mere Lane, Magna Park (compared with 285,000sq. metres allocated in the Draft Plan).
- 4.20. The extra 30,000sq. metres has not been tested through the Plan's evidence base and is not reflected in Policy DS02 or the allocation policies, which provide for 340,000 sq. metres. It is also not reflected in the scheme now coming forward. The EIA Scoping Report for MP2 (25/01765/SCP) assesses 286,012 sq. metres, in line with the allocated 285,000 sq. metres rather than any uplift. Any additional floorspace at Magna Park would also add traffic to the A5, where capacity is raised by the Panel at Q6.
- 4.21. The Topic Paper (paragraph 9.11) also presents the two sources as alternatives ('either... or'), not as combined supply. Even if both were added together, headroom would rise to 34,600 sq. metres only, less than one year's apportioned need.
- 4.22. The Council seeks to address this by relying on a Plan review under Policy IM01 before mid-2039. Relying on this concedes that the Plan as submitted does not meet the Council's own pro-rata need. It defers the matter to a future review rather than dealing with it now, contrary to NPPF paragraph 35(c).
- 4.23. Table 1's Scenario B is the minimum sound position. NPPF (December 2023) paragraph 22 requires strategic policies to look ahead at least 15 years from adoption. The Panel notes (Matter 1, Issue 5 'Plan Period') that adoption in Q2 2027 would breach this if the Plan ends in 2041. Extending the Plan period to 2042 is considered a necessary modification, and the strategic warehousing requirement should rise with it. Without this, the Plan is not consistent with national policy (paragraph 35(d)).
- 4.24. Table 1 Scenario C reflects what the SoCG agrees, that being need apportioned to 2046. The 2025 Study (para 7.34) identifies M1 Junction 20 as a second broad location to meet Harborough's apportionment beyond the Magna Park extension. If additional land is not

allocated now, it should at least be identified, so that the 2041–46 need is accommodated.

- 4.25. In respect of proposed allocation MP2, an Environmental Impact Assessment Scoping Opinion (LPA reference: 25/01765/SCP) has been submitted to Harborough Council to bring forward Land at Mere Lane, Magna Park for strategic warehousing development. The MP2 Scoping Report (see paragraph 6.3) anticipates 286,012 sq. metres being fully operational by December 2031.
- 4.26. Subject to planning permission, this would indicate that 286,012sq. metres of the total allocated floorspace (340,000sq. metres) could be delivered within five years of adoption, 84% of the strategic employment floorspace allocated for the entire Plan period to 2041 and leaving only c.54,000sq. metres of floorspace to be delivered for the remaining ten year period at allocations MP1 and MP2. Whether highway constraints at the A5 could restrict or delay development at this location is also unknown at this stage.
- 4.27. EQT consider that the Plan does not allocate sufficient land to meet the full strategic floorspace needs over the Plan period nor does it provide a meaningful contingency. Dependence on one corridor and one principal location (Magna Park) is also considered to be a significant risk to delivery. In the absence of a meaningful contingency or a broader distribution of supply, the strategic employment strategy is not considered to be positively prepared, justified, effective or consistent with national policy, and the Plan is therefore unsound (NPPF paragraph 35).
- 4.28. To make the Plan sound, EQT considers that the following modifications are necessary:
1. extend the Plan period to at least 2042 and increase the strategic warehousing requirement accordingly (Table 1 Scenario B); and
 2. allocate additional strategic warehousing land with direct access to M1 Junction 20, within the second broad location identified in the 2025 Study, or
 3. As a minimum, identify additional land as a reserve site with early release triggers, so that the need to 2046 agreed in the SoCG (Scenario C) has a deliverable location.

5. Matter 4: Issue 2: Question 4

Q4: What are the locational requirements for strategic warehousing? Is there any synergy to be derived from extending Magna Park? Is the quantum of strategic warehousing (340,000 sqm) which has been planned within the District justified.

Locational Requirements

- 5.1. EQT consider that the evidence is consistent on what strategic B8 needs. Strategic warehousing needs direct or near-direct SRN access; sites of 50 ha or more to support infrastructure and economies of scale (EMP-NLP4, para 6.26); a labour catchment; power; and, where no rail head is available, proximity to a rail freight interchange so road-served 'satellite' sites can support modal shift (EMP-NLP4, para 6.29).

Is there synergy in extending Magna Park

- 5.2. Yes. EQT does not oppose MP1 or MP2. However, not all new supply should come forward in one location. The evidence supports this:
- Strategic B8 should be distributed 'so as to provide a choice of locations to meet occupier demand' and avoid excessive labour competition (EMP-NLP4, paragraph 6.23).
 - The 2025 Study states AO6 'requires 1–2 broad locations to come forward', and that growth should come forward in more than one location at a time (EMP-NLP6, paragraph 7.34–7.35).

Is 340,000 sq. metres justified

- 5.3. EQT consider that the 340,000sq. metres of floorspace is not justified. For the reasons in Section 4 it falls below the interim range in floorspace terms, below the Council's own pro-rata figure, and well below the agreed SoCG apportionment. It also provides insufficient flexibility, contrary to NPPF (December 2023) para 86(d), which requires policies to be flexible enough to accommodate needs not anticipated in the Plan to, amongst other things, enable a rapid response to changes in economic circumstances. The quantum is therefore neither justified nor consistent with national policy (paragraph 35(b) and (d)).

6. Matter 4: Issue 2: Question 6

Q6: Given the existing capacity constraints on the A5, which would require considerable investment to mitigate, is it consistent with national policy to bring forward additional strategic warehousing at a location which is solely dependent on the road network? If so, what certainty is there that such improvements would be forthcoming over the Plan period? When would they be complete and would additional warehousing over that which has been permitted or vacant be developable over the Plan period?

- 6.1. The Plan's entire new strategic supply depends on the A5. The evidence on that corridor indicates:
- It is 'largely at capacity' in Leicestershire and Warwickshire, with no National Highways strategy or scheme in place to provide the necessary infrastructure improvements (EMP-NLP6, paragraph 6.39).
 - Significant s106 contributions from earlier Magna Park phases have not led to any improvements, because no scheme exists (para 6.39).
 - Warwickshire County Council state that further growth in the Magna Park area is dependent on the need for strategic scale interventions on the A5 corridor, at least at the Cross in Hand and Gibbet Hill Roundabouts (paragraph 6.42).
- 6.2. No A5 scheme has been identified, and RIS3 runs only to 2031. There is no certainty that A5 improvements will be delivered in the Plan period and there is no planned fallback if they are not.
- 6.3. In respect of allocation MP2, an Environmental Impact Assessment Scoping Opinion (LPA reference: 25/01765/SCP) has been submitted to Harborough Council to bring forward Land at Mere Lane, Magna Park for strategic warehousing development. The trip rates assessment contained in the supporting EIA Scoping Report is based on 286,012 sq. metres of floorspace. The Scoping Report indicates that subject to planning permission construction would commence in 2027 with first occupation in May 2029. The development would then be fully operational by December 2031.
- 6.4. The Scoping Report programme assumes full operation by December 2031, however no A5 improvement scheme exists to accommodate the additional trips in the short to medium term period.

- 6.5. EQT considers that a Plan relying on MP1 and MP2 alone is not effective, because its new strategic supply may not be deliverable over the Plan period if A5 improvements do not come forward (NPPF paragraph 35(c)).
- 6.6. The Panel asks whether additional warehousing beyond that already permitted or vacant would be developable over the Plan period. On the Council's evidence, further growth at Magna Park depends on A5 improvements for which there is no scheme, funding or programme (EMP-NLP6, paras 6.39 and 6.42). Until a scheme is identified, there is no certainty that MP1 and MP2 are developable within the Plan period. Road-served strategic warehousing is not in itself inconsistent with national policy, and the evidence supports road-based satellite sites close to rail freight interchanges. However, relying on a single corridor that the evidence identifies as constrained does not reflect NPPF paragraphs 108 and 109, which expect transport impacts to be addressed from the earliest stages of plan-making.
- 6.7. Diversifying supply to land within AO6's second broad location, in close proximity to M1 J20 on land which would not be reliant on A5 improvements, could reduce that risk.

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