

**Housing Topic Paper**  
**TCP2**



Harbours Local Plan  
2011-2031  
Submission

# HARBOROUGH LOCAL PLAN 2011-31

## TOPIC PAPER: HOUSING

### 1. PURPOSE AND STRUCTURE

- 1.1 Topic Papers are an important source of information helping to outline and explain how policies in the Proposed Submission version of the Harborough Local Plan (2011-2031) have been prepared. For each topic the papers tell the 'end to end' story of how the policies have evolved, setting out the important milestones along the way.
- 1.2 Preparation of the plan has taken place over several years. The Topic Papers set out, for each topic identified, the approach taken to developing policies and the response to various overlapping factors that have been relevant to the process, such as:
  - Updating or refinement of evidence as the plan was being prepared. Decisions at different points in the plan preparation process can only take account of evidence available at that point in time.
  - Changes in planning legislation, regulations and government policy and indications of future changes, such as the Housing White Paper.
  - Development proposals emerging during plan preparation, which may present alternatives not previously considered, and as part of the development management process.
  - Taking account of how evidence and emerging proposals relate to plan-making activities in nearby authorities as part of the Duty to Co-operate.
  - The relationship with infrastructure provision, including the existing position, programme for future work and sources of available and required funding.
- 1.3 The Council has prepared a series of Topic Papers. The Spatial Strategy Topic Paper sets out the context to the plan's preparation as a whole. This is then supplemented by Topic Papers relating to Housing, Business and Employment, Countryside Protection, and Transport. There is also a separate Duty to Co-operate Statement and a Consultation Statement.
- 1.4 The intention is to signpost rather than to duplicate the detailed technical evidence which is already available in the evidence base and not to repeat the Explanation given under each policy in the Local Plan itself. The main aim is to assist the Inspector carrying out the examination into the Local Plan, as well as others taking part in the Examination Hearing. It is assumed that these parties are familiar with the National Planning Framework and the national Planning Practice Guidance, so these are not repeated.
- 1.5 The Topic Papers have a common structure:
  - identifying the topic(s) covered and the Local Plan policies concerned (Section 2),
  - describing the main issues addressed in the paper (Section 3),
  - listing of that part of the evidence base especially relevant to the topic(s) (Section 4),
  - addressing the issues in the main body of the report (Section 5), and
  - making concluding remarks (Section 6).

### 2. THE TOPIC AND POLICIES

- 2.1 This Topic Paper addresses Housing and covers the formulation and justification for the following policies:
  - SS1 Spatial strategy
  - H1 Provision of new housing

- H2 Affordable housing
- 2.2 It does not address policies GD4 Housing in the countryside, H3 Rural exception sites, H4 Specialist housing, H5 Housing density, mix and standards, and H6 Gypsy, Traveller and Travelling Showpeople accommodation. Policy GD4 is covered under the Topic Paper on Countryside Protection and the other policies are adequately justified by the Explanations in the Local Plan and the supporting evidence documents listed there.

### 3. THE MAIN ISSUES

- 3.1 The following key questions are addressed in the Section 5 of this Topic Paper:
- What assumptions about Objectively Assessed Need for housing were made at each stage in the plan preparation process and what was the justification for them?
  - What figures for OAN, housing requirements and provision are used in the Submission Plan and why?
  - How were the housing targets for each settlement arrived at?
  - How were the housing site allocations arrived at?
  - What is the latest position with regard to the housing delivery and permissions, the housing trajectory and 5 year land supply?
  - How was the affordable housing policy derived and justified?

### 4. KEY EVIDENCE STUDIES

- 4.1 There is a comprehensive evidence base that sits behind the Local Plan. All the documents are listed and are available from the Council's website at the following url:
- [http://www.harborough.gov.uk/directory/4/our\\_policies\\_plans\\_and\\_strategies/category/29](http://www.harborough.gov.uk/directory/4/our_policies_plans_and_strategies/category/29)

- 4.2 The key evidence documents relevant to this topic are:

5 Year Housing Land Supply report (as at 31 March 2017), July 2017 (HSG1)  
 Duty to Cooperate Statement (S2)  
 Harborough Strategic Housing Land Availability Assessment (SHLAA), May 2016 (HSG5)  
 Windfall Analysis, September 2016 (HSG6)  
 Leicester and Leicestershire Housing and Economic Development Needs Assessment (HEDNA), 2017 (HSG8)  
 Local Plan Viability Assessment, 2017 (HSG10)  
 Magna Park Employment Growth Sensitivity Study, 2017 (HSG12)  
 Memorandum of Understanding (MoU), 2017 (HSG2)  
 Site Appraisal Methodology, 2016 (PRE8)

### 5. EVOLUTION OF HOUSING POLICIES

#### Objectively assessed need

- 5.1 The Leicester and Leicestershire Housing and Economic Development Needs Assessment (HEDNA) (HSG8), published in January 2017, meets the requirement to have a clear understanding of the housing needs in our area (NPPF, para 159). It was jointly commissioned by all Leicester and Leicestershire local authorities and the Local

Enterprise Partnership (LLEP) and prepared by GL Hearn (GLH) along with Justin Gardner Consulting (JGC) and Oxford Economics (OE). The HEDNA provides a consistent, objective assessment of need for housing (OAN) following the approach prescribed by Government in Planning Practice Guidance on Housing & Economic Development Needs Assessments<sup>1</sup>.

- 5.2 The HEDNA identified Leicester and Leicestershire as the relevant Housing Market Area (HMA) and Functional Economic Market Area (FEMA) for plan-making purposes. It assessed housing need, both for the HMA and for individual local authorities within it. It identified an OAN of 96,580 dwellings between 2011-31 across the Leicester and Leicestershire HMA (4,829 dwellings per annum (dpa)) (Table 89). This gave an OAN for Harborough of 10,640 (532 dpa) for the period 2011-2031.
- 5.3 The HEDNA assessed housing need across the HMA leaving aside factors related to land availability, infrastructure and capacity. Its starting point was the 2014-based household projections, published by Government in July 2016. Taking account of 10 year migration trends and 2014-based headship rates, this provided a demographic need for housing in Harborough of 463 dpa (Table 13). Adjustments were then considered to support the Planned Growth Economic Scenario. However, this suggested a lower level of need than the demographic projections, so there was no need to uplift the housing need across the HMA or within Harborough. An upwards adjustment of 15% was applied to Harborough's housing need to help address affordability issues and to respond to an analysis of market signals, resulting in the OAN for Harborough of 532 dpa (Table 89).
- 5.4 The HEDNA was tested through the North West Leicestershire Local Plan Examination. The Inspector's Report, published in November 2017<sup>2</sup> concludes that the judgements made within the HEDNA for North West Leicestershire are justified and support the resulting OAN.
- 5.5 The evolution of previous evidence relating to housing needs in Harborough prior to the preparation of the HEDNA are summarised at Appendix A for information.

#### Housing requirement

- 5.6 The OAN for Harborough, as identified through the Leicester and Leicestershire HEDNA is met in full through the Local Plan. In addition, the Local Plan provides for a further requirement of 500 dwellings (25 dpa) over and above the OAN, in order to meet the housing requirements generated by growth at Magna Park, taking into account Objective 2 of the Local Plan particularly reducing the need for out-commuting and self containment of communities (from 19% to 25% in future). This requirement is identified by the Magna Park Employment Sensitivity Study, May 2017 (HSG12).
- 5.7 Preparation of the Magna Park Employment Sensitivity Study followed a Duty to Cooperate Workshop in May 2017 with neighbouring authorities. The workshop highlighted that further work was required to ensure the relationship between employment growth in the strategic distribution sector and housing was sound and clearly evidenced and that any resulting Duty to Cooperate matters could be addressed. The study undertaken by GL Hearn analysed the housing implications of three alternative levels of strategic distribution growth in the District (100,000, 400,000 and 700,000 sqm floorspace). The study analysed these on the basis of three

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<sup>1</sup> <http://planningguidance.communities.gov.uk/blog/guidance/housing-and-economic-development-needs-assessments/>

<sup>2</sup> Report on the Examination of the North West Leicestershire Local Plan (October 2017), The Planning Inspectorate, para 123:

[https://www.nwleics.gov.uk/files/documents/local\\_plan\\_inspectors\\_report\\_october\\_2017/INSPECTOR%27S%20REPORT%20FINAL%20OCTOBER%202017.pdf](https://www.nwleics.gov.uk/files/documents/local_plan_inspectors_report_october_2017/INSPECTOR%27S%20REPORT%20FINAL%20OCTOBER%202017.pdf)

alternative assumptions about commuting into Magna Park from outside Harborough District (levels of 'self-containment of 19% (as existing), 25% and 35%. The results of the study are shown in Table 1 below. To ensure the scale of work was proportionate, not every combination of scenarios was analysed.

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	Scenario A: 100,000 sqm	Scenario B: 400,000 sqm	Scenario C: 700,000 sqm
Scenario 1: 19% self-containment	489	513	539
Scenario 2: 25% self-containment	N/A	N/A	557
Scenario 3: 35% self-containment	495	539	587

*M*

*Magna Park Employment Sensitivity Study Results: Annual Housing Requirements for Harborough (dpa)*

- 5.8 The study concluded that, with a self-containment assumption of 25%, the highest level of development (700,000 sq.m.) would result in a modest increase in housing need for Harborough of 25 dwellings per annum and negligible increases to neighbouring authorities, which are described as 'well within the error margins of any modelling work on housing need, and are of a sufficiently small scale to be considered inconsequential' (Magna Park Employment Growth Sensitivity Study, para 5.17).
- 5.9 The requirement for 25 dpa within Harborough associated with growth at Magna Park can be absorbed within the flexibility allowance already built into the housing provision in the Local Plan. This requirement will contribute towards meeting the total OAN for Leicester and Leicestershire identified through the HEDNA. As such, no additional housing across the HMA as a whole is required to accommodate growth at Magna Park. The study is described in more detail in the Business and Employment Topic Paper. The addition of this requirement to the OAN resulted in a total housing requirement of 11,140 (557 dpa).

Housing land provision

- 5.10 The Local Plan provides for the housing requirement of 557 dpa, plus a significant contingency in the supply of housing land to allow for future circumstances affecting the supply of housing land and to take account of future unmet housing need arising from within the HMA, in accordance with NPPF para 47. The list of future circumstances allowed for by the contingency is set out in para 5.1.10 of the Plan. They include unforeseen circumstances resulting in a delay in bringing sites forward and to enable effective functioning of the market and a choice of sites. The contingency provides for a total of 12,800 dwellings during 2011-31, which is 15% above the housing requirement of 557 dpa and 20% above the OAN of 532 dpa.
- 5.11 The conclusions of the HEDNA are agreed by all the HMA authorities through the Leicester and Leicestershire Joint Statement of Co-operation Relating to Objectively Assessed Need for Housing, dated November 2017 (Appendix B of the Duty to Cooperate Statement (S2)). This Joint Statement confirms that, with the exception of Leicester City Council, all authorities are able to accommodate their own housing needs in the period 2011-31 (para 2.8). It also confirms that there is considerable flexibility to meet the OAN for housing across the HMA. The Joint Statement explains that should an HMA authority identify, quantify and provide robust evidence to demonstrate an unmet need in the future, it will be incumbent upon the HMA

authorities jointly to resolve any cross-boundary matters with HMA partners under the Duty to Co-operate. Further detail is set out in the Duty to Cooperate Statement.

- 5.12 The scale of unmet housing need to 2031 arising from Leicester City is not yet known. A letter dated 13 February 2017 was received from Leicester City’s Head of Planning which stated that:

*“Whilst the City is currently unable to provide a definitive figure for the shortfall in the city (in advance of work on the emerging local plan), the scale of the need set out in the HEDNA is of such magnitude that it is concluded that there will be an unmet need arising in the city.... The City Council looks forward to working closely with yourselves and the other HMA partners on ensuring the full OAN for the HMA is accommodated within the HMA by ensuring emerging plans are flexible enough to respond to addressing any unmet need which may be required to be addressed within those plans.”*

- 5.13 Once the scale of unmet need from Leicester City is identified and an HMA scale spatial distribution agreed, this will be set out within a formal Memorandum of Understanding. This is expected later in 2018.
- 5.14 In March 2017 a letter was also received from Oadby and Wigston’s Planning, Development and Regeneration Manager formally declaring that Oadby and Wigston have an unmet housing need of at least 160 to 2031. However, on 2 November 2017, The Head of Planning at Oadby and Wigston Borough Council wrote to all local authorities within Leicester and Leicestershire confirming that on the basis of their soon to be published Pre-Submission Local Plan, they are able to accommodate their housing needs, and as such, have no unmet need during the period to 2031.

Standardised approach to calculating housing need

- 5.15 Immediately prior to publication of the Proposed Submission Local Plan, the Government published a consultation document entitled ‘Planning for the Right homes in the right places’<sup>3</sup>. This followed on from the earlier Housing White Paper and provides further clarification of proposals, including those relating to the standardised approach for calculating local housing need and associated transitional arrangements.
- 5.16 Alongside the consultation document, the Government published a data table showing the resulting housing need for each local authority using the proposed methodology. The results for Harborough and for each local authority within the Leicester and Leicestershire HMA are shown in Table 2 below, together with a comparison with OAN calculated by the Leicester and Leicestershire HEDNA.

Table 2: Comparison between current OAN and proposed housing needs using the standardised methodology for Leicester and Leicestershire

Leicester and Leicestershire HMA Local authorities	Current OAN (dpa 2011- 2031) (HEDNA, January 2017, Table 89)	Housing need consultation table using proposed standardised methodology (dpa 2011- 2031) (DCLG, September 2017)	Change from current HEDNA figures to consultation figures (dpa 2011- 2031)
Blaby	370	345	-25
Charnwood	1031	1045	14

<sup>3</sup> <https://www.gov.uk/government/consultations/planning-for-the-right-homes-in-the-right-places-consultation-proposals>

<b>Harborough</b>	<b>532</b>	<b>542</b>	<b>10</b>
Hinckley & Bosworth	471	469	-2
Leicester City	1692	1626	-66
Melton	186	207	21
Northwest Leics	481	360	-121
Oadby & Wigston	148	133	-15
<b>HMA Total</b>	<b>4911</b>	<b>4727</b>	<b>-184</b>

5.17 This table shows use of the proposed standardised methodology would result in a slight increase of 10 dpa in Harborough's housing needs from the current OAN (HEDNA, Table 89) from 532 dpa to 542 dpa. Across the HMA, use of the proposed standardised methodology would result in a small decrease from 4911 to 4727 dpa. Proposed transitional arrangements would allow Local Plans (such as Harborough's) which will be published on or before 31 March 2018 (or before the final revised Framework is published – whichever is the latest) to continue using the current approach. As such, the Proposed Submission Local Plan is prepared on the basis of the OAN as set out in the latest HEDNA (January, 2017).

#### Settlement-level housing figures

5.18 Initial settlement-level housing figures were calculated based upon the settlement hierarchy and preferred option for meeting housing and employment needs. Adjustments were then made to take account of: the emerging results of the Sustainability Appraisal; land availability; recently made Neighbourhood Development Plans; and other localised evidence including the application of GD2 criteria. The inputs to this process and detailed methodology are described in more detail below.

5.19 The settlement hierarchy classifies each settlement in the District according to its relative sustainability. This was informed by a series of settlement profiles (PPL1), which brought together information concerning the function and key characteristics of each settlement, together with an audit of its services and facilities. Settlements at the top of the hierarchy have the greatest level of services and facilities and considered to be the most sustainable and suitable to accommodate relatively higher levels of development than those further down the settlement hierarchy. The assessment methodology is set out at Appendix F of the Local Plan. This has resulted in the following settlement hierarchy:

- Principal Urban Area – settlements forming part of the Leicester Principal Urban Area (Thurnby, Bushby and Scraftoft)
- Sub Regional Centre (Market Harborough)
- Key Centres (Lutterworth, Broughton Astley)
- Rural Centres (Billesdon, Fleckney, Great Glen, Houghton on the Hill, Husbands Bosworth, The Kibworths and Ullesthorpe)
- Selected Rural Villages (16)
- Other villages and rural settlements.

The Local Plan identifies a housing figure for each settlement in the settlement hierarchy down to and including Selected Rural Villages.

5.20 The settlement hierarchy was the basis upon which 9 alternative distribution options for meeting housing and employment needs were identified. These options considered both distributions based on the current strategy (as set out in the adopted Core Strategy) and variations from that strategy (Set A). They also included 3 options which included alternative locations for a Strategic Development Area (SDA) of at

least 1,000 dwellings and associated infrastructure, with the remaining housing distributed according to the current distribution (Set B). Set C included 3 different combinations of two SDAs, again with the remainder according to the current strategy. These options are described in more detail in the Spatial Strategy Topic Paper.

- 5.21 These options were consulted upon in September / October 2015 (PRE3). The results of that consultation (PRE4), assessment of the nine options (PRE10), further assessment of the selected four options (PRE6 and Pre7) and process for arriving at the preferred option is described in more detail in the Spatial Strategy Topic Paper (TCP1). This resulted in the preferred option, upon which the Proposed Submission Local Plan is based. The preferred option is a hybrid option of Option 6, involving an SDA East of Lutterworth, and a variation of Option 4, including Scraftoft North SDA, with the remaining housing provided in sustainable settlements in the District.
- 5.22 Each of the nine distribution options met Harborough's housing need in full, as evidenced at that time. Housing figures for each settlement under each option were included in the Options consultation paper. These were subsequently updated for the preferred option once the HEDNA was complete and the full housing requirement and total planned housing land provision figure was known, in order to provide 12,800 dwellings during the plan period. The methodology for deriving the updated settlement-level housing figures is set out at Appendix B.
- 5.23 The mathematically-derived settlement-level housing figures were then subject to further testing to take account of: land availability; the emerging results of the Sustainability Appraisal; settlement profiles and other localised evidence. The Sustainability Appraisal undertook an appraisal of each of the four selected options, in order to inform their further assessment and the choice of a preferred option. Section 13 of the SA Report (September 2017) (S6) describes the methodology for this assessment. The sustainability effects of the selected options were assessed by considering the varying levels of growth at each settlement (Selected Rural Village and above in the settlement hierarchy) under each of the four alternative selected options. Section 14 of the SA Report describes the findings of this assessment, which are summarised in Table 14.1. Section 14.9 sets out the actions taken to mitigate negative effects identified. Mitigation included recommending minor reductions in housing targets for Bitteswell, Swinford, Hallaton and Foxton to mitigate potential effects on the character of the built and natural environment in these villages. The reductions were then redistributed throughout the remaining settlements using the same methodology as used originally.
- 5.24 Land availability (as evidenced through the SHLAA, 2016 (S5)) was used to test further the deliverability and achievability of the settlement-based figures. Dunton Bassett was found to have insufficient capacity of known sites, and the figure adjusted downwards accordingly. Further downward adjustments to figures for a number of Selected Rural Villages were made, in consultation with development management officers, to take account of recently made Neighbourhood Plans and the application of policy GD2 criteria to SHLAA sites in settlements with very limited land availability. The shortfall from these reductions (around 150 dwellings) was then redistributed using the same methodology as had been used originally. Further details of the downward adjustments made to the housing provision figures of Selected Rural Villages are set out at Appendix C. Figures were rounded to the nearest 5 to avoid spuriously precise figures.

### Housing Allocations

- 5.25 The Plan allocates land for a total of 3,870 of the 4,660 residual dwellings required in order to provide a total of 12,800 dwellings over the plan period. The Plan identifies the remaining 790 within settlement-specific housing provision figures. Together with



existing commitments and completions, this provides for 5 years of specific deliverable sites and sufficient specific developable sites or broad locations for growth for years 6 – 10 and years 11 to 13, thus meeting the requirements of NPPF para 47.

- 5.26 The SHLAA assessed the suitability, availability and achievability of a range of potential housing sites, in accordance with NPPF, para 159. Sites identified as deliverable or developable within the SHLAA and with a potential capacity of over 50 dwellings were further assessed in order to identify potential housing sites for allocation. Taking forward the outcome of the Local Plan Scoping Consultation (PRE2 and PRE9), only sites of a strategic scale required to ensure delivery of a settlement's housing figures and ensure delivery of the overall housing land provision were considered for allocation.
- 5.27 Each site was assessed in terms of their sustainability effects, as evidenced through the Sustainability Appraisal (SA) (S6). Each potential site was assessed using the SA site appraisal framework, developed in the SA Scoping Report. This was based upon an objective assessment of the constraints and benefits associated with each site. The results of this assessment are set out at Technical Appendix A of the SA and summarised at Appendix F of the SA.
- 5.28 Following this assessment, sites were considered further in terms of their conformity with the criteria set out in the emerging Local Plan policy GD2: Settlement development. This criteria-based policy applies to proposals for new development within and on the edge of sustainable settlements to ensure that development takes place on suitable and sustainable sites. It was considered an appropriate method of assessing potential housing allocations, to ensure they meet the same criteria to be applied through the development management process. The criteria used were those of the emerging GD2 policy at that time. Evidence from the Landscape Character Assessment was used to inform the assessment of criteria relating to landscape setting, landscape character area and natural boundaries. Evidence from the SHLAA was used to assess criteria relating to access arrangements.
- 5.29 Further details of the methodology, the list of sites assessed and results of the assessment are set out Site Appraisal Methodology: Assessment of potential site to deliver housing allocations, 2017 (PRE8). This assessment was undertaken to inform the assessment of the selected options. It identifies the possible site allocations which would be required to deliver housing under each of the four selected options. The results of the assessment for options 4 and 6 were taken forward under the preferred hybrid option and used to inform the housing allocations within the Proposed Submission Local Plan.
- 5.30 Due to the inclusion of the two SDAs in the preferred option, a number of the potential allocations, particularly in the smaller settlements, were no longer required. Discussions with parish councils actively in the process of preparing neighbourhood plans helped to inform the choice of strategic sites to be allocated in the Local Plan, whilst ensuring some flexibility to ensure the choice of non-strategic sites could be made through the relevant neighbourhood plan. The rationale for identifying specific sites is set out at Chapter 16 of the SA report for each settlement. Amendments to individual site capacity assumptions were made based on the latest information concerning potential capacity of specific sites. For example, the limit on the scale of development at Burnmill Farm was based on advice given by the highway authority in response to consultation during the preparation of the SHLAA.
- 5.31 This assessment resulted in the list of allocated housing sites set out at Policy H1 of the Proposed Submission Local Plan:
- Overstone Park, Market Harborough – about 600 dwellings;

- East of Blackberry Grange, Northampton Road, Market Harborough – about 350 dwellings;
  - Burnmill Farm, Market Harborough – a maximum of 90 dwellings;
  - Land at Arnesby Road, Fleckney – about 130 dwellings.
- 5.32 Each housing allocation is supported by a site-specific criteria-based policy in section C of the proposed Submission Local Plan. These allocations complement the allocation of the two SDAs at East of Lutterworth and Scraftoft North, the choice of which is set out in detail in the Spatial Strategy Topic Paper.

### Housing Delivery

- 5.33 The expected delivery rate for each SDA and allocated housing site is set out in the housing trajectory at Appendix G of the Local Plan in accordance with NPPF para 47.
- 5.34 The delivery rates take account of anticipated lead-in times for each site, together with anticipated annual delivery. These have been informed by evidence from the latest SHLAA and liaison with each site promoter. In relation to delivery of the two SDAs, detailed work programming has taken account of timescales around the planning approval process and the delivery of site-opening infrastructure together with other site-specific factors requiring further work prior to the commencement of development
- 5.35 Thereafter, the projected delivery of the SDAs is based on detailed assumptions concerning:
- *The attractiveness of the site and location to the market;*
  - *The number of outlets per site* (or phased subdivisions of the site in the case of East of Lutterworth), as advised by the promoters; and
  - *The provision of affordable housing*, including low cost home ownership products. This has been assumed to be provided in proportion to the delivery of the market housing. Although in practice some affordable provision might be postponed until later in the plan period to enable more resources to be devoted to early infrastructure provision, it was not possible to factor in this in advance of agreed delivery and phasing arrangements, required as part of the masterplan.
- 5.36 With regard to the delivery of commitments in the form of large sites and allocations with planning permission (including the Market Harborough SDA) and awaiting section 106 agreements, the trajectory for the next five years is based on the 5 year land supply information agreed with the developers through the regular six monthly monitoring process.
- 5.37 The housing trajectory includes a windfall allowance, in accordance with NPPF para 48. This provides for a total of 225 dwellings during the plan period (25 pa from 2022/3. The forecast of delivery on windfall sites takes account of past rates of delivery and excludes residential gardens, sites identified as deliverable or developable within the SHLAA and sites in Rural Centres and Selected Rural Villages, delivery of which will contribute towards provision of the settlement-based housing set out in Policy H1. Further details of the calculation of the windfall allowance are set out within the 5 Year Housing Land Supply Statement (HSG1) and Windfall Analysis, September 2016 (HSG6).
- 5.38 Delivery will be monitored bi-annually and reported in the AMR, in accordance with Policy IMR1 and the performance monitoring framework set out in Appendix K of the Local Plan, and where necessary stated remedial action will be taken. The trajectory will be updated with the latest information as at 31 March 2018.

## Affordable Housing

- 5.39 Policy H2: Affordable Housing seeks to balance the provision of identified housing needs, in accordance with NPPF para 50, with the need to ensure deliverability. This is to avoid overburdening developments by a scale of obligations which would threaten economic viability and ensure competitive returns for a willing landowner and developer, in accordance with NPPF para 173. This is achieved through the balancing of the conclusions of the HEDNA and the Local Plan Viability Assessment, 2017 (HSG10).
- 5.40 The HEDNA calculated affordable housing need by adding together the current unmet housing need and projected future housing need and then subtracting from this the supply of affordable housing arising from turnover of existing stock, in accordance with the Planning Practice Guidance<sup>4</sup>. Table 39 of the HEDNA shows the results of this calculation, with total affordable housing needs across the HMA of 2,322 net need per annum (for 2011 – 31) and 206 per annum in Harborough District. 206 dpa is equivalent to approximately 39% of the OAN of 532 dpa, resulting in a policy requirement for 40% of relevant dwellings to be affordable. This slight uplift to 40% recognises the difficulty in delivering against the full need given the extent of existing commitments and completions and that small sites of 10 or fewer will only contribute to meeting affordable housing needs in the circumstances set out in criteria 4 of policy H2. In accordance with NPPF para 159, the HEDNA also provides evidence of the range of tenures needed. Table 43 identifies a need across the HMA for 20% of the affordable housing need requiring Intermediate housing and 80% social / affordable rented. For Harborough the tenure split identified through the HEDNA was 23% Intermediate and 77% social / affordable rented.
- 5.41 Both the total percentage requirement and the tenure split identified through the HEDNA were tested through various iterations of the Local Plan Viability Assessment to determine their impact upon viability and therefore deliverability. Whilst an earlier iteration of the viability assessment (HSG11) , identified some issues with viability, the final Local Plan Viability Assessment (2017) found both the SDAs and all the hypothetical typologies to be viable. All produced both a positive residual land value and a value above the theoretical threshold land value when tested against the cumulative impact of all policies on viability including the 40% affordable housing requirement and tenure mix identified within the HEDNA (rounded to 25% / 75%) set out in Local Plan Policy H2.
- 5.42 Following the Housing White Paper's requirement that a minimum of 10% of all homes on individual sites are affordable home ownership products, the 25% Intermediate requirement was assumed to include starter homes and other affordable home ownership products. This results in 10% of the overall housing numbers being low cost home ownership products.

## 6. CONCLUDING REMARKS

- 6.1 Housing policy H1 together with the housing elements of SS1 provide a positive strategy for meeting both Harborough's housing needs and contributing to meeting the needs of the Leicester and Leicestershire Housing Market as a whole. The policies provide land for 20% more dwellings than needed to meet the objectively assessed housing need, as set out in the Leicester and Leicestershire HEDNA (2017). This provides a contingency to deal with unexpected issues affecting the delivery of housing land and contributes to meeting the as yet, unquantified unmet needs arising from Leicester City.

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<sup>4</sup> Planning Practice Guidance Paragraph: 022 Reference ID: 2a-022-20140306

6.2 The Plan is based on clear evidence: from the HEDNA in relation to housing needs; from the SHLAA in relation to housing land availability; from the Viability Assessment in demonstrating the viability of all policies including those relating to affordable housing; and from the Settlement Profiles, SHLAA, Sustainability Appraisal and Landscape Character Assessment in relation to the choice of housing sites and distribution of housing development throughout Harborough's settlements.

6.3 Policies have been informed by formal consultation and ongoing liaison with a number of bodies, most notably in relation to housing issues:

- neighbouring authorities and those within the Leicester and Leicestershire Housing Market Area;
- Parish Councils preparing neighbourhood development plans; and
- the site promoters of the two SDAs.

Detailed and ongoing discussions have identified and overcome constraints, in order to ensure effective delivery of the allocated housing sites and, most crucially, the two SDAs.

#### **Appendices:**

**Appendix A:** Evolution of evidence relating to Harborough's housing need

**Appendix B:** Methodology for calculating housing requirements for the preferred option

**Appendix C:** Adjustments to some Selected Rural Villages' housing figures

## Appendix A: Evolution of evidence relating to Harborough's housing need

The following table outlines the evolution of housing need evidence, which informed each stage of the preparation of the Local Plan.

*Table 3: Evolution of evidence relating to Harborough's housing need*

<b>Latest evidence of housing need</b>	<b>Local Plan Preparation Stage</b>	<b>OAN for Harborough dpa (plan period total)</b>	<b>OAN for Leicester and Leicestershire dpa (plan period total)</b>	<b>Housing requirement</b>
East Midlands Regional Plan (March 2009)	Scoping Consultation (PRE2) (March – April 2013)	350 dpa (7,000)	4,020 dpa (80,400 2006 – 2026)	N/A
Harborough Housing Requirements Study (March 2013) <sup>5</sup>	Analysis of Scoping Consultation responses and officer recommendations (PRE2) (June and July 2013)	440 dpa (8,800)	N/A	N/A
Leicester and Leicestershire Strategic Housing Market Assessment (2014) <sup>6</sup>	Options Consultation Document (PRE3) (September – October 2015)	475 dpa (9,500)	3,775 – 4,215 dpa (75,500 – 84,300)	N/A
Leicester and Leicestershire Strategic Housing Market Assessment (2014)	Options Assessment and recommendation on 4 Selected Options (PRE10) (May 2016)	475 dpa (9,500)	3,775 – 4,215 dpa (75,500 – 84,300)	15% flexibility allowance applied in addition, pending finalisation of HEDNA
Leicester and Leicestershire Housing and Economic Development Needs Assessment (HEDNA) (January 2017)	Proposed Submission Local Plan (S1)	532 dpa (10,640)	4,829 dpa (96,580)	Letter from Leicester City Council confirming that there will be unmet need arising in the city. (February 2017)

<sup>5</sup> Archived evidence, available at:

[http://www.harborough.gov.uk/directory\\_record/464/harborough\\_housing\\_requirements\\_study](http://www.harborough.gov.uk/directory_record/464/harborough_housing_requirements_study)

<sup>6</sup> Archived evidence, available at:

[http://www.harborough.gov.uk/directory\\_record/2989/leicester\\_and\\_leicestershire\\_strategic\\_housing\\_market\\_assessment\\_2014](http://www.harborough.gov.uk/directory_record/2989/leicester_and_leicestershire_strategic_housing_market_assessment_2014)



re-calculated as at 31.3.2018, all such permissions will be included in the updated commitment and completion figures.

The resulting settlement-level housing figures are set out below.

*Table 4: Initial settlement-level housing figures prior to further testing*

<b>A: Settlement</b>	<b>B: Settlement hierarchy</b>	<b>C: Settlement-level housing requirement 2011-31</b>	<b>D: Commitments and completions to 31.3.17</b> (updated with large permissions granted May 2017 in Fleckney, the Kibworths and Great Bowden)	<b>E: Residual provision</b> (subject to further testing and rounding, to inform H1)
Scraptoft, Thurnby and Bushby	PUA	1,092	948	1,200*
Market Harborough	SRC	4,093	2,928	1,165
Lutterworth	KC	868	753	1,500*
Broughton Astley	KC	496	607	-111
Billesdon	RC	107	95	12
Fleckney	RC	482	187	295
Great Glen	RC	389	355	34
Houghton on the Hill	RC	159	93	66
Husbands Bosworth	RC	119	123	-4
The Kibworths	RC	583	857	-274
Ullesthorpe	RC	101	122	-21
Bitteswell	SRV	50	9	41
Church & East Langton	SRV	40	8	32
The Claybrookes	SRV	76	8	68
Dunton Bassett	SRV	82	8	74
Foxton	SRV	49	21	28
Gilmorton	SRV	98	70	28
Great Bowden	SRV	115	200	-85
Great Easton	SRV	70	38	32
Hallaton	SRV	62	14	48
Lubenham	SRV	87	50	37
Medbourne	SRV	51	18	33
North Kilworth	SRV	63	85	-22
South Kilworth	SRV	49	27	22
Swinford	SRV	58	16	42

Tilton	SRV	62	25	37
Tugby	SRV	35	16	19

*\*Figures for Lutterworth and Scratpft are not residual figures, but represent the number of houses within the relevant SDA to be delivered within the plan period.*

Where the level of commitments and completions in a settlement exceeded the total requirement, this would leave a nominal minus figure. To overcome this, a zero requirement was recorded and the 'extra' supply (i.e. zero minus the negative requirement) was redistributed to the remaining settlements as per the weighting outlined above. This slightly reduced the requirement for each other settlement.

Settlement-level housing figures were then subject to Sustainability Appraisal and further testing and appraisal in order to inform the settlement-level housing provision figures set out in Policy H1. Further details are set out at Appendix B.



## Appendix C: Adjustments to housing figures for some Selected Rural Villages

Initial settlement-level housing figures were calculated based upon the settlement hierarchy and preferred option for meeting housing and employment needs. Adjustments were then made to take account of: the emerging results of the Sustainability Appraisal; land availability; recently made Neighbourhood Development Plans; and other localised evidence including the application of GD2 criteria.

Details of the downward adjustments made to the housing figures for relevant Selected Rural Villages are set out in Table 4 below.

*Table 5: Adjustments to housing figures for some Selected Rural Villages*

Settlement	Original target	Revised target	Reason
Bitteswell	41	30	Potential impact on conservation area (as identified through the SA). One SHLAA site considered to conform with GD2, but at reduced capacity.
Church and East Langton	32	30	Lack of SHLAA capacity. Potential additional windfalls, including brownfield site in East Langton.
The Claybrookes	68	50	One SHLAA site considered potentially acceptable but at a reduced capacity, together with development of a potential brownfield non SHLAA site identified through pre-application.
Dunton Bassett	74	40	Lack of SHLAA capacity. One SHLAA site available and considered unsuitable, following refusal of planning permission on the grounds of impact on a listed building. Recent appeal dismissed. Target can be met through both infill and non SHLAA site identified through pre-application inquiry.
Foxton	28	10	Impact on conservation area. Made Neighbourhood Plan in place, meeting some of original target.
Hallaton	48	30	Impact on conservation area, as identified by SA. Two SHLAA sites considered suitable at reduced capacity, plus infill development.
South Kilworth	22	20	Lack of SHLAA capacity. Sites to be found through Neighbourhood Plan and/ or infill.
Swinford	42	35	Impact on conservation area and suitability of SHLAA sites. 9 dwellings since committed, one SHLAA site considered suitable at reduced capacity, plus infill.
Tugby	19	15	Lack of SHLAA capacity. Sites to be found through infill.