

# **HARBOROUGH LOCAL PLAN 2011-31 EXAMINATION**

## **HEARING STATEMENT – MATTER 2**

On behalf of:  
**Manor Oak Homes**

**Respondent ID: 7562**

Date:  
**September 2018**

Reference:  
**LR/00915/LP Examination Matter 2**



## 1.0 Introduction

1.1 This statement is prepared on behalf of Manor Oak Homes in relation to Matter 2: The Housing Requirement and its Delivery. Under this matter, the Inspector asks five questions, which we respond to in turn below.

## 2.0 Is the uplift of 25 dpa associated with growth at Magna Park appropriate?

2.1 An uplift associated with Magna Park is appropriate, and in the view of Manor Oak Homes, it could and should be higher than the current proposals for 25 dpa.

2.2 The Magna Park Employment Growth Sensitivity Study (2017) explains that currently 19% of workers at Magna Park live in Harborough District and identifies the uplift that would be required in the housing requirement if this level of containment were to be maintained or enhanced to encourage the sustainable delivery of the planned employment growth at Magna Park, as follows:

- 19% self-containment = uplift of 7 dpa, giving a housing requirement of 539 dpa
- 25% self-containment = uplift of 25 dpa, giving a housing requirement of 557 dpa
- 35% self-containment = uplift of 55 dpa, giving a housing requirement of 587 dpa

2.3 Based upon the current level of containment, it is evident that in the absence of any uplift, the strategy for employment growth at Magna Park would result in an increased proportion of employees commuting from outside the district. Accordingly, an uplift is appropriate; the question therefore is whether that uplift should maintain the currently low level of self-containment within the district (19%), which is recognised to be unsustainable, or increase the level of self-containment to a more sustainable level of 25% or 35%.

2.4 NPPF paragraph 182 is clear that to be considered justified and therefore sound, plans should pursue the most appropriate strategy, when considered against the reasonable alternatives. While the Council has assessed the level of housing growth needed to achieve each level of self-containment, neither the Sensitivity Study nor the Sustainability Appraisal assess the relative impacts or benefits of the different containment levels. Without such an assessment, the 25 dpa uplift cannot be considered to be the most appropriate strategy to achieve Local Plan Objective 2 for sustainable economic growth and there is nothing to say that the uplift should not be greater i.e 55 dpa to achieve 35% containment. Indeed, as recognised by the Sensitivity Study, the forecast need for a shortfall in Leicester and Oadby and Wigston to be redistributed to other authorities within the HMA *"would affect workforce growth in different areas, and therefore any upward adjustment to housing provision in Harborough would both support workforce growth therein and contribute to meeting unmet need from other areas."* Accordingly, it is clear that

there is wider and important benefit to be achieved from a greater uplift of 55dpa (achieving 35% self-containment).

***Proposed Change***

- 2.5 To ensure that the Plan is justified and effective, consideration should be given to a further uplift in the housing requirement associated with growth at Magna Park to support workforce growth and contribute to meeting unmet needs from other areas;

**3.0 What are the risks to the achievement of the plan's housing delivery, in terms of infrastructure or other impediments to delivery?**

- 3.1 Central to the proposed spatial strategy is the delivery of SDAs at Scraftoft and Lutterworth East. It is well documented that by virtue of scale and nature, urban extensions require longer lead in times to account for the resolution of landownership issues, obtain necessary consents and enable the provision of infrastructure. The result is that their delivery is invariably slower than anticipated. The SDAs at Scraftoft and Lutterworth East will be no exception and it is their ability to commence quickly and deliver housing as the Council anticipates that represent the key risk to the achievement of the Plan's housing delivery.
- 3.2 Manor Oak Homes, like other objectors, is aware that there are outstanding issues surrounding the means by which necessary infrastructure to support the SDAs will be provided, but the information available on this within the public domain is limited. From the information that is available, it is understood that in relation to Lutterworth East the purchase/ CPO of third party land is necessary to provide a new bridge over the M1 motorway. The result is that there can be no certainty when this matter will be resolved, and delivery can commence. Given the importance of the SDAs to the delivery of the overall strategy, Manor Oak Homes urge the Inspector to thoroughly examine these issues to ensure the Plan is effective.
- 3.3 Although not an impediment to the delivery of the proposed strategy, there exists significant constraint in local education provision in certain parts of the district. Manor Oak Homes consider that the strategy being pursued, which fails to allocate any housing requirement to certain sustainable settlements, misses opportunities to resolve some of the key problems areas, particularly Kibworth, and in so doing promote the most sustainable pattern of development. Please see the statement prepared in relation to Matter 6 for further detail.

**4.0 Are the assumptions about delivery start dates and rates from the SDAs reasonable?**

- 4.1 Having regard to the points raised in response to the question above and industry evidence, Manor Oak Homes do not consider that the delivery start dates and rates for the SDAs are reasonable and believe

that the SDAs will deliver fewer homes than the Council’s trajectory predicts resulting in a potential shortfall over the plan period of circa 627 homes.

4.2 It is noted that the Council has published an updated housing trajectory (Ref: HSG14) to replace that contained in Appendix G of the submitted Local Plan. In its Responses to the Inspector’s Initial Questions Q1 - Q23 (Ref: IC3), the Council states that the reason for this revised trajectory is to take into account the changes in supply during 2017/18. However, on closer inspection it appears that the Council has also scaled down its delivery predictions for the Lutterworth SDA by 246 homes during the plan period to 1,254. While this reduction is to be welcomed, there is no explanation of this change in the Council’s responses, nor in the Schedule of Proposed Modifications (Ref: S4), and we remain of the view even with this proposed reduction that the delivery predictions are unrealistic.

**Scraptoft North**

4.3 Policy SC1 allocates 1,200 homes at Scraptoft North SDA for delivery during the plan period and this remains unchanged in the Council’s latest housing trajectory. A recent report from Lichfields (<http://lichfields.uk/media/1728/start-to-finish.pdf>) identifies that the average planning approval period for schemes of 1,000-1,500 dwellings is 4.8 years with an additional 0.9 years from approval to first delivery (i.e. 5.7 years total).

4.4 We understand the Council has issued an EIA Scoping Opinion following a Scoping Request for 1,200 dwellings on the site (Ref: 17/00796/SCP), but this request included no timescales for an application or delivery thereafter. The SDAs represent a central tenet of the proposed development strategy and in view of this and the level of outstanding objection regarding them, we assume an application will not be finalised and submitted until the adoption of the Local Plan, which is currently targeted for April 2019. Assuming submission at this time, the industry average approval time for a scheme of 1,000-1,500 dwellings of 5.7 years would mean that development would not get underway until the start of 2025 (**Table 1**). This would leave just over 6 years until the end of the plan period, during which time we would expect a site of this size to deliver approximately 100 dwellings per year. As detailed in the table below, this would see Scraptoft North deliver approximately 633 dwellings during the plan period, well below the 1,200 dwellings upon which the emerging plan is based.

**Table 1: Predicted Delivery at Scraptoft North SDA**

	19/ 20	20/ 21	21/ 22	22/ 23	23/ 24	24/ 25	25/ 26	26/ 27	27/ 28	28/ 29	29/ 30	30/ 31	Total	
ARP Forecast	Planning Approval						33	100	100	100	100	100	100	<b>633</b>
Housing Trajectory (Ref: HSG14)	Planning Approval	94	108	120	120	120	140	140	140	118	100		<b>1200</b>	

**Lutterworth East**

- 4.5 Policy L1 allocates Lutterworth East for 2,750 dwellings of which 1,500 dwellings are to be delivered during the plan period. This figure has since been reduced to 1,254 dwellings.
- 4.6 The Lichfields’ report identifies that the average planning approval period for schemes of 2,000+ dwellings is 6.1 years with an additional 0.8 years from approval to first delivery (i.e. 6.9 years total). There are issues surrounding land acquisition and potential compulsory purchase, which are likely to delay the submission and progression of a planning application for the Lutterworth SDA. However, even if an application were to be submitted upon plan adoption, development would not start until early 2026, leaving just over 5 years until the end of the plan period, during which time we would expect a site of this size to deliver approximately 160 dwellings per year. As **Table 2** shows, this would see Lutterworth East deliver approximately 827 dwellings during the plan period, 427 below the trajectory.

**Table 2: Predicted Delivery at Lutterworth SDA**

	19/ 20	20/ 21	21/ 22	22/ 23	23/ 24	24/ 25	25/ 26	26/ 27	27/ 28	28/ 29	29/ 30	30/ 31	Total
ARP Forecast	Planning Approval						27	160	160	160	160	160	<b>827</b>
Housing Trajectory (Ref: HSG14)	Planning Approval				38	99	108	167	176	194	235	237	<b>1254</b>

***Proposed Changes***

- 4.7 The SDAs will deliver fewer homes during the Plan period than the Council predicts and to ensure the Plan is positively prepared and effective additional sites should be allocated.

**5.0 Is it sound to rely on the headroom provided by the currently calculated supply of 12,948 dwellings (IC3) to cater for both unmet need from Leicester and any contingency allowance for slower than anticipated delivery from allocated and committed sites?**

- 5.1 No, these are two separate issues that should be dealt with as such in the Local Plan to ensure that it is positively prepared and effective in delivering the district’s housing requirement, as well as any unmet need in the Housing Market Area. To achieve this, Leicester’s unmet need should be included within the Plan’s housing requirement now, following which, a contingency should be applied to the revised requirement to cater for slower than anticipated delivery from allocated/committed sites.
- 5.2 Paragraph 5.1.10 explains that the housing supply of 12,800 (since increased to 12,948) includes a 15% contingency above the housing requirement of 557 dpa to cater for unforeseen circumstances affecting the supply of housing in the district. As expected this contingency is intended to compensate for lower

than expected delivery on allocations/commitments, changing economic circumstances and to provide flexibility and choice in the housing market; factors that relate to the supply of housing. However, it is also expected to make provision for any shortfall from neighbouring authorities, a factor that relates to need rather than supply. This is neither an appropriate nor adequate means by which to deal with a shortfall in need.

- 5.3 The most up-to-date published forecast of Leicester's unmet need<sup>1</sup> indicates that in order to meet its own need, as well as any shortfall, Harborough will need to deliver 12,800 dwellings. Based upon the current supply figure of 12,948 this would leave little contingency to deal with supply side issues rendering the Plan ineffective in delivering its housing requirement. To rectify this, the Plan should deal with any contingency for under provision in supply separately, and in addition to, any provision made for meeting Leicester's shortfall.

### ***Proposed Changes***

- 5.4 There is a need to ensure Leicester's unmet need is included within the housing requirement for the Local Plan and the most positive approach to meeting this need would be to delay the adoption of the Local Plan until the MoU has been agreed. Based on current forecasts, Harborough's revised housing requirement should be 12,800 dwellings or 640 per year plus contingency.

## **6.0 Given that the housing requirement would be the basis for the calculation of the 5 year housing land supply, should it be increased beyond 11,140 dwellings or 557 dpa now in order to allow for a proportion of unmet need for Leicester, or should there be a trigger in the plan which increases the requirement once the amount of unmet need has been quantified?**

- 6.1 Regardless of any unmet need from Leicester, and given the issues surrounding a strategy focussed on the delivery of SDAs, and the importance of a contingency to ensure sufficient flexibility to respond positively to supply side issues over the plan period, the 5 year housing supply should be calculated on the basis of the 12,800 dwelling requirement (subject to any review of this figure) rather than the 11,140 dwellings.
- 6.2 To ensure the Plan is up-to-date, positively prepared and effective and that efficient use is made of public resource, the unmet need from Leicester should prior to the adoption of the plan be quantified and the housing requirement increased accordingly. This would represent the most robust, pro-active approach to boosting supply and planning sustainably to meet need.

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<sup>1</sup> Appendix H: Leicester & Leicestershire Joint Position Statement on Housing & Employment Land Supply 2011 – 2031, Duty to Co-operate Statement (8<sup>th</sup> March 2018) – Ref: S2

- 6.3 A Memorandum of Understanding (MoU) is currently being prepared by the 9 local authorities in the HMA that will agree the distribution of unmet need from Leicester. In its responses to the Inspector's Initial Question 2 (Ref: IC3), the Council state that ideally the distribution of housing need across the Housing Market Area (HMA) would have been agreed already through the MoU, but that due to unforeseen delays with the preparation of Leicester's Local Plan this has not been possible. This belies the fact that significant progress has been made with Leicester's Local Plan recently and that their draft Local Plan is expected later this year. The result is that the MoU is likely to be agreed prior to the adoption of the Harborough Local Plan, and in any event, the Council already have a good indication of what level of housing they will need to make provision for to meet any shortfall<sup>2</sup>. To proceed on the basis of the current housing requirement when the level of unmet need is likely to be confirmed in the very near future would be short-sighted and not in the interests of securing a sound plan.
- 6.4 If the Inspector decides that the Plan should proceed on the basis of an early review mechanism, we would ask that they give careful consideration to the current mechanism proposed at Policy IMR1, which Manor Oak Homes considers to be inadequate. Despite this clear indication of the likely level of unmet need from Leicester, Policy IMR1 would only apply if there is insufficient flexibility already provided for within the Plan to meet any unmet need. This is important as the proposed 12,800 dwelling requirement (including contingency) is identical to the current forecast of Harborough's OAN + Leicester's unmet need (excluding any contingency).
- 6.5 It is recognised that the Council is in a difficult situation with regards to the lack of certainty regarding Leicester's unmet need. However, the approach chosen is clearly unsound as it neither makes appropriate provision for Leicester's unmet need within the housing requirement, nor does it include an appropriate review mechanism to ensure the forecast unmet need is included in the Plan's housing requirement at the earliest opportunity. The Plan should make provision for Leicester's unmet need in its adopted housing requirement. The most appropriate and positively prepared strategy would be to delay the adoption of the Plan until the MoU has been agreed.

### ***Proposed Changes***

- 6.6 A revised housing requirement plus contingency should be used as the basis for calculating 5 year supply.

## **7.0 Conclusion**

- 7.1 The consequence of these changes is that the Plan will need to allocate additional land to ensure it can deliver the increased housing requirement. Additional land in sustainable locations exists to meet that

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<sup>2</sup> The latest Joint Position Statement (8<sup>th</sup> March 2018) included at Appendix H to the Duty to Cooperate Statement (Ref: S2), demonstrates that for the HMA to meet its housing need, based on the most up-to-date evidence of Leicester's unmet need, Harborough would need to deliver 12,800 homes to 2031 or 640 per annum.



additional requirement, not least Manor Oak Homes land West of Warwick Road and at Windmill Farm, Kibworth. The former being the subject of a current outline planning application for up to 400 dwellings, together with land for a new primary school (Ref: 18/01260/OUT). Our client's sites are deliverable within the Plan period and could provide a key benefit in closing the gap between the housing requirement and current forecast supply, as well as providing important assistance in meeting the local identified need for a new primary school given the inability of the existing school to expand to deal with current and forecast demand.