

Planning Prospects Ltd
(on behalf of Gladman Developments Ltd)

Matter 3 Hearing Statement
Harborough Local Plan

Five Year Housing Land Supply

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 **GLADMAN**

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Matter 3 – Five Year Housing Land Supply

1.1. Q3.1 What is the current 5 year housing land supply position?

- 1.1.1. The Council has provided at HSG1 (in its emerging Local Plan Evidence Base) its 12 July 2017 5 Year Housing Land Supply Paper (2017 5YHLS). This takes into account the requirements of the former 2012 NPPF and covers the period from 1 April 2017 to 31 March 2022.
- 1.1.2. The 2017 5YHLS uses the Council's identified Strategic Housing Requirement for the District 2011 to 2031 of 10,640 (or 532 dpa). It adds the shortfall in delivery of 734 homes accrued since 2011 (the start of the emerging Plan period) and applies the Sedgfield method which includes the entire shortfall to be delivered in the next 5 years in reference to the Planning Practice Guidance paragraph 3-035-20140306, which states that Local Plan Authorities should "*aim to deal with any undersupply within the first 5 years of the plan period where possible.*"
- 1.1.3. In reference to 2012 NPPF paragraph 47 the 2017 5YHLS applies a 20% buffer to the 5 year supply (with shortfall) as a result of the persistent under delivery of housing since 2006/07.
- 1.1.4. To update the Council's position as of the 31st March 2018, the Council has provided an updated Housing Trajectory which forms part of its emerging Local Plan Evidence Base (at HSG14). This includes completions from the monitoring year 2017/18 and enables a 5YHLS calculation for the period 1 April 2018 to 31 March 2023. However, no calculation is provided in the emerging Local Plan Evidence Base.
- 1.1.5. Planning Prospects note that on the 17th of August 2018 the Council published a 2018 5YHLS Paper (2018 5YHLS) which takes into account the requirements of the revised 2018 NPPF and covers the period from 1 April 2018 to 31 March 2023. In doing so the 2018 5YHLS correctly measures the Council's supply against its identified Local Housing Need (LHN) as required by paragraph 73 of the rNPPF, where the Council's adopted strategic policies are more than 5 years old. The 2018 5YHLS uses the standard method of calculating the LHN in accordance with the rNPPF Annex 2 definition. The 2018 5YHLS sets out the Council's latest published 5 year housing land supply position in the absence of an up-to-date strategic policy setting a housing requirement.
- 1.1.6. However, Paragraph 213 of the rNPPF sets out that "*the policies of the previous Framework will apply for the purpose of examining plans, where those plans are submitted on or before 24 January 2019*". This applies to the examination of the submitted Harborough Local Plan.
- 1.1.7. With this in mind, the Council acknowledge that the emerging Plan's housing requirement of 11,140 dwellings (or 557 dpa) forms the basis for the calculation of the 5 year housing land supply in support of the emerging Local Plan¹, on the assumption that the emerging Local Plan will be adopted. The

¹ Set out in the Council's response to Inspector's Initial Question 1

emerging Local Plan housing requirement is calculated by adding the uplift of 25dpa associated with the growth of Magna Park to the HEDNA OAN of 532 dpa.

- 1.1.8. Gladman have set out in their Hearing Statement for Matter 1² that the full OAN for Harborough, taking account of the local adjustment factor for the Magna Park Sensitivity Study should be a minimum of 581dpa.
- 1.1.9. On the basis of the above, and using the Council's 2017 5YHLS methodology (i.e. in accordance with the 2012 NPPF applying a 20% buffer where despite stronger delivery in 2017/18 the Council has delivered its housing requirement in just 5 of the last 12 (Plan period) years resulting in a cumulative shortfall of 295 homes over the Plan period to date; and using the Sedgefield method to deliver the entire shortfall in the next 5 years) alternative 5 year requirements for Harborough using the Council's suggested housing requirement and Gladman's suggested housing requirement are set out below:

Harborough 5 Year Supply Requirement	HDC Housing Requirement 2011 to 2031	Gladman Housing Requirement 2011 to 2031
Total Requirement	11,140	11,620
Annual Requirement	557	581
Requirement from Start of Plan Period (2011 to 2018)	3899	4067
Completions within Plan Period	3042	3042
Shortfall within Plan Period (2011 to 2018)	857	1025
Total Five Year Requirement (2018 to 2023)	3642	3930
Annual Requirement (2018 to 2023)	728	786
5 Year Requirement + 20% NPPF buffer	4370	4716
Annual Requirement + 20% NPPF buffer (2018 to 2023)	874	943

- 1.1.10. Using these figures, Planning Prospects have calculated the Council's 2018 housing land supply using the HSG14 Housing Trajectory, which identifies a 5 year supply of 4,289 homes, as follows:

SDC 5 Year Housing Supply	HDC Housing Requirement 2011 to 2031	Gladman Housing Requirement 2011 to 2031
Total Five Year Requirement (2018 to 2023)	3642	3930
Annual Requirement (2018 to 2023)	728	786
5 Year Requirement + 20% NPPF buffer	4370	4716
Annual Requirement + 20% NPPF buffer (2018 to 2023)	874	943
Housing Supply - HDC		
Supply	4289	4289
Supply in years (+20% buffer)	4.91	4.55
Shortfall/Surplus (+20% buffer)	-81	-427

² Calculation of the Objectively Assessed Needs for Housing

- 1.1.11. The above shows that using the Council's identified housing requirement and supply of housing land, Harborough will not have a 5 year supply of deliverable housing land if the submitted emerging Local Plan is adopted. If Gladman's alternative requirement is used, the Council's suggested supply falls even further below the 5 year minimum required upon the adoption of the emerging Local Plan.
- 1.1.12. Looking at the supply side, Planning Prospects note that HSG14 includes the same assumed delivery from "commitment" sites as the Council's 2018 5YHLS but with regard to the assumed delivery from windfall sites, the HSG14 Trajectory only includes an allowance from 2022/23 (Year 5 of the 5 year period) in comparison with the 2018 5YHLS trajectory which includes a windfall allowance from 2019/20 (Year 3 of the 5 year period).
- 1.1.13. The Council's 2018 5YHLS includes at its Appendix 3 its site assessments for each of the large sites (5 or more dwellings) included in its 5 year supply. At Appendix 4 is the Council's identified current capacity from small sites, and at Appendix 5 is the Council's justification of windfall allowance. Set out at Appendix 1 of this Hearing Statement, is a list of disputed sites following Planning Prospects' initial assessment and judgement of each of the Council's identified large "commitment" sites. This has resulted in **a discount of 378 units** from 5 sites over the five year period.
- 1.1.14. In addition to the discounts made to the Council's identified large sites, Planning Prospects consider that the Council's assumed delivery from the Scraftoft North SDA (which is not included in the Council's 2018 5YHLS) is overly ambitious. We have set out our concerns with regard to delivery from large scale strategic sites in detail in our Hearing Statement for Matter 2³ in reference to a Report prepared by Hourigan Connolly in 2014 on behalf of Gladman. With this in mind, and in the absence of any site-specific evidence to support the Council's assumed delivery from this site, Planning Prospects have optimistically assumed delivery at a rate of 40 dpa from this site which **reduces delivery in the 5 year period by 122 homes** from this site also.
- 1.1.15. However, notwithstanding that if the emerging Local Plan were to be adopted the emerging allocation sites would be adopted allocation sites, the Council's Trajectory (HSG14) provides no evidence to support inclusion of any of the emerging allocation sites as deliverable specifically within the 5 year period. As it stands these sites could (should) be deducted from the 5 year supply until clear evidence is provided to support their inclusion. Planning Prospects reserves the right to assess any evidence if it is produced by the Council but in the meantime has retained these sites in the 5 year supply to emphasise the Council's inability to demonstrate a 5 year supply (even with these sites) but highlight that the Council's identified supply could be reduced further if evidence is not provided for these sites.
- 1.1.16. The Council's Trajectory (HSG14) also includes 33 homes from emerging "Total Provision in Rural Centres and Selected Rural Villages" within its 5 year supply. However, there is no explanation of

³ Housing Requirement and Delivery

what these sites are or evidence to support their inclusion. With this in mind, Planning Prospects have **reduced delivery in the 5 year period by 33 homes** from this source.

- 1.1.17. Paragraph 48 of the 2012 NPPF allows Local Authorities to make an allowance for windfall sites in the five year supply *'if they have compelling evidence that such sites have consistently become available in the local area and will continue to provide a reliable source of supply. Any allowance should be realistic having regard to the Strategic Housing Land Availability Assessment, historic windfall delivery rates and expected future trends...'* (our emphasis underlined). The Council's Evidence Base document HSG6 sets out the Council's windfall analysis from September 2016. For large sites, HSG6 reviews windfall permissions between 2011 and 2016 in identifying a windfall allowance of 10dpa from large urban sites. For small sites, windfall permissions from 2012/13 and 2013/14 are assessed to identify a windfall allowance of 15dpa from this source in urban areas and open countryside. In Planning Prospects' view the Council has provided no detailed assessment of future certainty of supply from windfall development such that there is no evidence provided to make a case for adding windfall to the Council's supply where only some (somewhat dated) evidence of past delivery is relied upon.
- 1.1.18. Appendix 4 of the Council's 2017 5YHLS (HSG1) sets out the total capacity from small sites with planning permission (under 5 units) in the District. Appendix 4 of HSG1 sets out that a 10% lapse rate discount (or non-implementation discount) is applied to reflect that not all small sites with planning permission are delivered. HSG6 (in setting out the Council's windfall analysis) also sets out that delivery from small sites with planning permission is not always forthcoming with 10% of permissions granted between 2012/13 and 2013/14 not commencing (lapsing). Planning Prospects support application of a lapse rate in these circumstances where it is not practical to individually assess all small site permissions due to their high number and often low level of developer response. A more proportionate response to deal with small sites with planning permission is to apply a lapse (or non-implementation) rate, in this case 10%, to the existing stock of small sites with planning permission.
- 1.1.19. The Table below sets out a summary of the housing land supply estimate in Harborough as presented in the Council's HSG14 Trajectory by comparison with Planning Prospects' own assessment:

Housing Supply 1st April 2018	Deliverable Sites (2018-23)		Difference
Large "commitment" sites	3,547	3,169	-378
Emerging Allocations	357	235	-122
Small Sites	327	327	0
Total Provision in Rural Centres and Selected Rural Villages	33	0	-33
Windfall Allowance	25	0	-25
TOTAL SUPPLY	4,289	3,731	-558

- 1.1.20. Planning Prospects' evaluated deductions as set out above have resulted in a reduction of Harborough's supply from 4,289 to 3,731 a difference of 558 dwellings.

- 1.1.21. Taking into account the above and contested (component) supply sites, set out in the Table below is a five year housing supply calculation using the Council’s housing requirement and Gladman’s OAN respectively⁴:

SDC 5 Year Housing Supply	HDC Housing Requirement 2011 to 2031	Gladman Housing Requirement 2011 to 2031
Total Five Year Requirement (2018 to 2023)	3642	3930
Annual Requirement (2018 to 2023)	728	786
5 Year Requirement + 20% NPPF buffer	4370	4716
Annual Requirement + 20% NPPF buffer (2018 to 2023)	874	943
Housing Supply - HDC		
Supply	4289	4289
Supply in years (+20% buffer)	4.91	4.55
Shortfall/Surplus (+20% buffer)	-81	-427
Housing Supply - PPL		
Supply	3,731	3,731
Supply in years (+20% buffer)	4.27	3.96
Shortfall (+20% buffer)	-639	-985

- 1.1.22. This demonstrates that against the Council’s latest published Housing Trajectory (HSG14) upon adoption of the submitted emerging Local Plan, Harborough will be unable to identify a five year supply of deliverable housing land against either measure of requirement. If an appropriate and robust assessment of the Council’s identified supply is undertaken, the Council will be some way from demonstrating a five year supply of deliverable housing land upon adoption of the emerging Local Plan, and the shortfall will be significant.

1.2. Q3.2 Is the Methodological Basis for Calculating the 5 Year Housing Land Supply Sound?

- 1.2.1. We have set out above that we consider the methodology set out in the Council’s 2017 5YHLS Paper (Evidence Base document HSG1) complies with the 2012 Framework and PPG.

1.3. Q3.3 Is the Plan Resilient and Flexible Enough to Maintain 5 or More Years’ Supply of Deliverable Housing Land Going Forward?

- 1.3.1. We have set out above (in response to Question 3.1) that we do not consider that the Council is able to demonstrate a 5YS upon adoption of the emerging Local Plan. We have also set out in responding to Matter 2 that the emerging Plan’s heavy reliance on delivery from just two SDA sites in particular

⁴ As identified in paragraph 1.1.8 earlier in this Statement

puts the emerging Plan's housing strategy at risk of failing, meaning the homes required in the District over the Plan period will not be supplied.

- 1.3.2. With this in mind, Planning Prospects consider that additional small to medium scale allocations should be identified in the emerging Local Plan to offer additional choice in the market and to ensure that the supply of homes in the District is boosted significantly in line with the Government's objective and as set out in the NPPF⁵. Doing so will ensure the emerging Plan is positively prepared, justified, effective and consistent with national policy.

⁵ 2012 and 2018

APPENDIX 1 – Disputed Large “Commitment” Sites List

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Ref No	Address	2018/19	2019/20	2020/21	2021/22	2022/23	Total within Years 1-5	HDC's Deliverability Summary	PPL Deliverability Summary	PPL 5YS	Disputed Supply
11/00112/OUT and 17/00177/REM	Land at Airfield Farm	0	10	60	120	120	310	Greenfield. S106 agreed. 18.01.2016. Projection provided by developer 10.06.2016. Subsequently lowered for the first year due to pre-commencement requirements. A reserved matters application for Phase 1 (79 dwellings) has been approved.	Notwithstanding the assumed delivery of 60 dpa per outlet is very optimistic the projection provided by the developer dates back to June 2016. RM submitted on behalf of Hallam (promoter) and William Davis but only for 79 dwellings of the 845 homes approved in outline. The only marketing or press PPL have seen for the airfield relates to provision of an agricultural show ground. The site is not marketed on William Davis' website. No evidence to support inclusion of 310 units in the 5 year period. That said RM have been approved for 79 units which could be delivered in the 5 year period (notwithstanding the lack of marketing from the housebuilder).	79	231
16/01819/OUT	Land north of High Acres, Billesdon	0	12	12	11	0	35	Greenfield. The build rate has been provided by the developer (18.04.2018)	Application pending since November 2016. Committee resolution to grant in October 2017. No evidence that outline permission is forthcoming.	0	35
16/01143/OUT	Land south of Station Road, North Kilworth	0	0	9	9	4	22	Greenfield. Erection of up to 22 dwellings. The build rate has been provided by the developer (27.04.2018)	Applicatin pending since July 2016. Committee resolution to grant in December 2016. No correspondence on the Council's application webpage since November 2016. No evidence that outline permission is forthcoming.	0	22
15/01665/OUT (allowed at appeal) and 18/00768/REM (pending)	Land at Coventry Road, Lutterworth	0	5	40	40	40	125	Greenfield. Erection of up to 250 dwellings. A RM application for Phase 1 is currently being considered by the Council. The build rate has been estimated.	RM for 67 dwellings submitted on behalf of Mulberry Property Developments Ltd approved 27 July 2018. NMA also approved to allow for phased implementation and some conditions have been discharged for Phase 1 only. Marketed by Mulberry as a "collection of 60 homes". No evidence to support inclusion of 125 units in the 5 year period particularly given phased implementation and associated discharge of conditions. 67 homes have RM approval and could be delivered in the 5 year period.	67	58
17/01256/OUT	Land at Ullesthorpe Road, Gilmorton	0	0	0	10	22	32	Outline application for residential development of up to 42 dwellings with associated access, POS, car parking, landscaping and drainage (Access to be considered). The build rate has been estimated.	Application pending since July 2017. Went to committee in January 2018 but amended plans have since been submitted (May 2018). No PP and no evidence that outline planning permission is forthcoming.	0	32
Total							524			146	378