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# Harborough District Local Plan Examination in Public

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Hearing Statement – Matter 3 – Merton College and Leicester Diocesan Board of Finance (Rep ID 7652/7653)

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## 1. Introduction

- 1.1. Savills is instructed to make these representations on behalf of Merton College, Oxford and Leicester Diocesan Board of Finance in relation to their land interests to the north-east of the Kibworth Harcourt, hereafter 'the site'. The site comprises a total site area of circa 182 hectares and is capable of delivery for a strategic development area for circa 1,600 homes, employment uses, associated open space and a bypass, based on the Aspinall Verdi Residential Options Viability Interim Report (One) (April 2016).
- 1.2. Using the same numbering as in the Matters and Issues document, we set out below a response to the questions that are relevant to our case. Representations were duly submitted to the Submission version of the Local Plan dated 2 November 2017. This statement should be read in the context of those representations. The comments set out below are in addition to those in the earlier representations.
- 1.3. With this Hearing Statement, the following documents submitted to the examination area relied upon:
  - Updated Housing Trajectory (31 March 2018) (Examination Ref: HSG14)
  - 5 Year Housing Land Supply report (as at 31 March 2017), July 2017 (Examination Ref: HSG1)
  - Sustainability Appraisal (Examination Ref: S6a, S6b, S6c)

## 2. Discussion of Matters

### Question 3.1 – What is the current 5 year housing land supply position?

- 2.1. An updated 5 year housing land supply (YHLS) position (as at 31 March 2018) should be calculated by the Council for discussion at the Examination Hearing Session.
- 2.2. Using the data set out in the Document HSG14 Updated Housing Trajectory as at 31st March 2018 we estimate the Council's 5 YHLS position as:
- Housing requirement of 557 dwellings per annum (dpa) x 5 years = 2,785 dwellings;
  - Plus shortfall of 857 dwellings between 2011/12 – 2017/18 (557 dpa x 7 years = 3,899 minus actual completions of 3,042 dwellings) = 3,642 dwellings;
  - Plus 20% buffer of 728 dwellings for persistent under delivery = 4,370 dwellings (874 dpa)
  - Projected HLS of 4,289 dwellings (2018/19 – 2022/23) = 4.9 years (4,289 divided by 874 dpa)
- 2.3. This estimation is based on no adjustments to the Council's own assumptions on lead-in times, lapse rates and/or delivery rates. If any assumptions are incorrect then the Council's 5 YHLS will reduce below 4.9 years. If during the Examination the Council cannot demonstrate a 5 YHLS on adoption of the Local Plan then the Plan is not justified and therefore cannot be found sound.

### Question 3.2 – Is the methodological basis for calculating the 5 year housing land supply sound?

- 2.4. No, the Council's methodology basis for calculating the 5 YHLS as set out in the Document HSG1 5 YHLS Report (as at 31 March 2017) dated July 2017 is not sound. The Council's calculation uses the objectively assessed housing need (OAHN) figure of 532 dpa rather than the housing requirement of 557 dpa.
- 2.5. Paragraph 47 of the NPPF sets out that 5 YHLS should be calculated on annualised housing requirement, the Council should therefore be using the figure of 557 dpa. This should be in addition to any accrued shortfalls from the start of the plan period (2011/12 – 2017/18) in accordance with the NPPG (ID 03-035) and, in the case of Harborough, a 20% buffer should be applied for persistent under delivery, as set out in the NPPF, to both the annualised housing requirement and the shortfall.
- 2.6. As set out in the answer to question 3.1 above, using the housing requirement figure of 557 dpa does not give the Council a 5 year housing land supply. The Plan is therefore not justified and cannot be found sound. If there is any additional under delivery or the Council's assumptions are incorrect on lead-in times, lapse rates and/or delivery rates then this figure would reduce further.

### Question 3.3 – Is the plan resilient and flexible enough to maintain 5 or more years' supply of deliverable housing land going forward?

- 2.7. The Plan itself is not resilient and flexible enough to maintain 5 or more years' supply of deliverable housing land going forward.

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- 2.8. As set out above, the Council currently cannot demonstrate a 5 YHLS on adoption of the Plan. If any of the Council's assumptions are incorrect on lead-in times, lapse rates and/or delivery rates the 5 YHLS would reduce further.
- 2.9. An increased contingency in the overall housing land supply should be provided by the allocation of more housing sites. This could increase projected housing land supply for the Council and therefore increase the Council's 5 YHLS.
- 2.10. The sustainability of the Harborough District Local Plan submission version was assessed via the Sustainability Appraisal (SA), published in September 2017 (S6a Harborough PS Sustainability Appraisal Report). The Sustainability Appraisal contains an appraisal of site options. The final options for housing and employment strategy involved reliance on the delivery of Sustainable Development Areas (SDAs):
- Option A: East of Lutterworth SDA and Scraftoft North SDA
  - Option B: Kibworth North and East SDA and Scraftoft North as a reserve site
  - Option C: allocate all 3 SDA's with Scraftoft as a reserve
- 2.11. The SA sets out the performance of each alternative against various sustainability topics and the effects are predicted to be broadly the same for each option at a district level. The choice of Alternative A takes account of the predicted SA effects, and is justified on the basis that it allocates development for the plan period and beyond in locations which meet strategic objectives for Lutterworth, the Leicester Principal Urban Area, Harborough District and, potentially, Leicestershire as a whole. At the same time this approach offers contingency against any potential delay in delivering the East of Lutterworth SDA and against the likely shortfall in employment land provision. However, considering the projected housing land supply, the Council should increase the contingency and consider the allocation of developable reserve sites with a suitable mechanism to allow their release during the plan period, as may be necessary. The SA demonstrates that the site at Kibworth North and East is a sustainable option for delivering housing and should therefore be considered as a reserve site. The inclusion of a SDA at Kibworth would be likely to increase significantly the robustness of the plan to providing more flexibility and a clear contingency to assist the Council in demonstrating an adequate housing land supply in the latter half of the plan period.
- 2.12. An early review, as proposed by the Council in Policy IMR1, is not an appropriate policy mechanism by which to provide resilience and flexibility because of the slow response time of such reviews. The Council should also consider the allocation of developable reserve sites together with an appropriate release mechanism as recommended by the LPEG Report. The LPEG Report proposed that "*the NPPF makes clear that local plans should be required not only to demonstrate a five year land supply but also focus on ensuring a more effective supply of developable land for the medium to long term (over the whole plan period), plus make provision for, and provide a mechanism for the release of, developable Reserve Sites equivalent to 20% of their housing requirement, as far as is consistent with the policies set out in the NPPF*" (para 11.4 of the LPEG Report).

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