

Matter 2 – Spatial Strategy - Housing

March 2018

Local Plan Examination Matter Statement



Issue 1: Whether the Spatial Strategy is the most appropriate having regard to all reasonable alternatives and the evidence base.

(Representors may find it helpful to have regard to the Local Plan Spatial Strategy Statement (LP6/09) produced by the Council and the Joint Statement of Co-operation Relating to Objectively Assessed Need for Housing November 2017 (LP2/04)).

Q1. Is the LP timeframe of 2011 to 2031 appropriate and justified?

Council response;

1. Yes. The Council considers that the Local Plan timeframe of 2011 to 2031 is appropriate and justified.
2. This note should be read in conjunction with the Council's Local Plan Spatial Strategy Submission Statement (LP6/09), specifically paragraphs 2 to 11.
3. The Council would highlight its ongoing commitment to delivering sustainable development and growth to meet its own needs - as well as under the Duty to Cooperate, the potential to meet a proportion of any unmet needs within the Leicester and Leicestershire Housing Market Area (HMA) should there be an evidence need to do so - through a plan led approach that is positive and proactive. Throughout the production of the Submission Local Plan the Council has endeavoured to remain in sync with the government's drive to adopt and deliver Local Plans expediently. The Council is also committed to adopting and delivering its Local Plan without undue delay.
4. During the early stages of Local Plan production the Council allowed for flexibility in its Plan timeframe and suggested that the Plan period could be up to 2036, depending on the availability of up to date and robust evidence base. During the later stages of its Local Plan production it was recognised that, unless the Council unduly delayed its Local Plan production, the Plan period could not extend beyond the period 2031 due to the availability and uncertainty of evidence base, specifically that relating to highway and transport infrastructure and availability of deliverable land. The availability and uncertainty of evidence base post 2031 for Local Plan purposes was an understanding shared by each of the local authorities (including the highways authorities) situated within the HMA. The Council would also highlight that, the local authority areas of North West Leicestershire District (recently

examined and Inspectors Report produced) and Harborough District (recently submitted to the Planning Inspectorate) both have Plan periods up to 2031.

5. Due to the availability of evidence base and the uncertainty surrounding land availability, under the Duty to Cooperate, each of the local authorities within the HMA agreed to produce a wider scale strategic approach (the Strategic Growth Plan (LP2/02)) that sought to deliver sustainable growth within the HMA post 2031. As the consultation document for the Strategic Growth Plan states, much of the housing and employment needs of the HMA up to 2031 are already provided for and will be delivered through adopted and / or emerging Local Plans. It also states that, any additional housing and / or employment needs post 2031 will need to be satisfied, primarily in strategic locations.

6. The Council and its HMA partner authorities have recently produced and published the Leicester and Leicestershire Joint Position Statement on Housing and Employment Land Supply 2011 to 2031 (C2). The position statement was produced to evidence and illustrate the HMA's commitment to delivering the Objectively Assessed Needs identified in the Leicester and Leicestershire HEDNA up to 2031, as well as setting out the current situation in relation to Leicester City's declared unmet housing need. In particular, the table on page 5 of the statement confirms that up to 2031 the HMA can (at least) meet the Objectively Assessed Need for housing within the HMA, taking account of Leicester City's declared unmet need for housing up to 2031.

538 words not including title.

Q2. Is the overall housing requirement figure of 2960 / 148 dwellings per annum (dpa) justified having regard to the Leicester and Leicestershire Housing and Economic Development Needs Assessment (HEDNA) (LP2/01)?

Council response;

7. Yes. The Council considers that the housing requirement set out in the Submission Local Plan justified and has full regard to the Objectively Assessed Need (OAN) for housing figure identified within the HEDNA (LP2/01).

8. The HEDNA follows the guidance set out in the National Planning Practice Guidance and takes the official Government Household Projections, published in July 2016 as its starting point. The HEDNA (LP2/01) then takes account of market signals and factors such as migration, economic growth and affordable housing.

9. The HEDNA identifies a demographic need figure for housing (based on 10 year migration trends) for the Borough of 123 for the period 2011 to 2031. The HEDNA then applies an affordability adjustment of 25 (20% uplift) to the Borough's housing need figure of 123 to get to the Objectively Assessed Need for housing figure of 148.

10. All local authorities within the Leicester and Leicestershire HMA have endorsed the OAN figures set out within the HEDNA for the period 2011 to 2031 and are all working towards meeting their own individual OAN for housing as well as the overall HMA OAN for housing. To note, the OAN figures identified within the HEDNA were assessed and examined at the recent North West Leicestershire Local Plan Examination. The Inspector considered the HEDNA sound and robust evidence base.

11. The Council and its HMA partner authorities have recently produced and published the Leicester and Leicestershire Joint Position Statement on Housing and Employment Land Supply 2011 to 2031 (C2). The position statement was produced to evidence and illustrate the HMA's commitment to delivering the OAN identified in the Leicester and Leicestershire HEDNA up to 2031, as well as setting out the current situation in relation to Leicester City's declared unmet housing need.

12. The 148 annual Plan requirement set out within the Council's Submission Local Plan, meets the housing OAN figure identified in the HEDNA (LP2/01) in full.

313 words not including title.

Q3. Have all reasonable alternatives been considered to address the provision of sufficient affordable housing?

Council response;

13. Yes. The Council considers that the reasonable alternatives have been considered to address the provision of sufficient affordable housing. Through growth allocated within the Submission Local Plan the Council has sought to maximise the delivery of affordable housing.

14. The Council's three Direction for Growth areas, are proposed as the most sustainable growth locations, taking account of all available evidence base. Regarding the provision of affordable homes, the Submission Local Plan proposes a split target approach, with the settlements of Oadby and Wigston having the highest percentage targets (30% and 20% on qualifying sites respectively, as summarised below). With two of the proposed Direction for Growth areas being situated within the settlement of Oadby (30%) and the other within Wigston (20%), the Council considers that, in addition to the Direction for Growth areas sustainable locations, the delivery of affordable housing will be maximised over the Plan period up to 2031.

15. To ensure that the Council maximises opportunities for affordable housing delivery within the Borough area over the Plan period, the Submission Local Plan at Policy 13 Affordable Housing requires all residential developments of 11 or more to provide a percentage of affordable housing provision on site. The Council's Affordable Housing Viability Assessment (LP7/01) does suggest that the threshold could be lowered to 5 or more within the Borough area, subject to site viability, however to ensure that the delivery of growth is not unduly burdened, the Council uses the nationally set threshold of 11 or more.

16. Due to the distinctly different market conditions of the three settlements, specifically relating to land values and site viability, the affordable housing policy prescribes three affordable housing percentages depending on which settlement the proposed development is situated. The settlement of Oadby due to its extremely healthy land values, has an affordable housing percentage requirement of at least 30 per cent, Wigston has at least 20 per cent and South Wigston with its much lower land values, has at least 10 per cent.

17. Taking account of the just the three Direction for Growth areas proposed within the Submission Plan, the following minimum number of affordable homes will be provided between the period April 2017 and March 2031.

Growth area	Total number of homes		Percentage of affordable housing applicable	Number of affordable homes to be provided
	Phase 1	Phase 2		
Wigston Direction for Growth Area	450	at least 600	20%	at least 210
Cottage Farm Direction for Growth Area	150	at least 250	30%	at least 120
Stoughton Grange Direction for Growth Area	at least 300	n/a	30%	at least 90
Total				at least 420

18. In addition to the three Direction for Growth areas, the Submission Local Plan, allocates smaller residential development growth, as well as residential development growth within the town centre of Wigston and the district centre of Oadby. Combined, these allocations will provide approximately 100 additional affordable homes throughout the Borough up to 2031.

19. Taking account of the above, it can illustrated that there will be delivery of at least 520 new affordable homes over the remaining Plan period up to 2031. It should be noted that the 520 figure does not take account of affordable homes that will be provided through windfall development, and neither does it take account of development with current extant planning permission (other than Phase 1 Wigston DfG and Phase 1 Cottage Farm DfG). To put the above affordable housing delivery into context, the Council's Core Strategy, for the period 2009 to 2026, specified the delivery of 160 new affordable homes.

580 words not including title.

Q4. Table 1 of The Joint Statement of Co-operation Relating to Objectively Assessed Need (OAN) for Housing November 2017 (LP2/04) brings together the OAN as defined in the Housing and Economic Development Needs Assessment (HEDNA) for each authority area and the theoretical capacity relating to that area. For Oadby and Wigston, the OAN and theoretical capacity are the same. Is the LP therefore sufficiently flexible to ensure delivery of sufficient housing to meet the OAN / housing requirement over the plan period?

Council's response;

20. Yes. The Council considers that the Submission Local Plan is sufficiently flexible to ensure delivery of sufficient housing need to meet OAN / housing requirement over the Plan period. The footnote to Table 1 in the Joint Statement of Co-operation (C2) states that '*the final figure will be determined by each authority through the Local Plan process*'. This is in relation to delivery of the HMA OAN for all local authorities.

21. Paragraph 4.2.11 of the Submission Local Plan identifies an additional number of dwellings that could be delivered up to the end of the plan period or beyond. These are:

- Within the settlement boundary of Kilby Bridge (up to 40 dwellings)
- Phase 3 of the Wigston Direction for Growth (approximately 300 dwellings)
- Windfall sites (70 dwellings) (*please see paragraph 23 below)

22. The Council considers that this does allow for sufficient flexibility to ensure delivery of sufficient housing to meet the OAN over the plan period particularly when balanced with the significant infrastructure constraints that exist within the Borough.

23. In relation to windfall sites, as the Council has stated in its response to Matter 2 Issue 2 Question 4, an extremely conservative approach / estimate of 14 homes per annum over a 5 year period was utilised (70 new homes). Using the information set out in the Council's response to Matter 2 Issue 2 Question 4, if the 14 new homes per year was applied over the remaining Plan period an additional 126 new homes would be provided on top of the 70 already specified (196 in total). On reflection, the Council considers that the use of the (extremely) conservative figure of 14 new homes per year should in fact be applied across the remaining Plan period, and not just for the first 5 year period. The Council's initial 5 year period approach would be correct at the time at which the Local Plan

would be adopted, however, would not be consistent with national planning policy and guidance that sets out that 5 year supply should be calculated on a ongoing 'rolling' basis. For clarity, the Council would propose that 14 new homes per year over the remaining Plan period (196 in total) should be used in calculating 5 year supply and Plan period supply. The South East Leicestershire Transport Study Phase 2 (Document Library reference LP5/01) indicates that a large number of routes and junctions in and around the Borough are predicted to become stressed or severely stressed over the course of the plan period (see for example paragraphs 2.17 to 2.28).

24. Paragraph 7.1 of the South East Leicestershire Transport Study Joint Position Statement (LP5/02) notes that strategic growth beyond that identified to 2031 (i.e. above the plan requirement of 2,960) is likely to have a significant further impact on the local highway network across the south east Leicester Principal Urban Area. Therefore it suggests that further assessments would be required taking into account proposals in the Leicester and Leicestershire Strategic Growth Plan (i.e the A46 expressway) that are likely to relieve existing pressures on the local highway network.

25. For this reason, flexibility is considered in the context of enabling dwellings to continue to be brought forward in the event of an allocated site failing to deliver, rather than enabling delivery of dwellings significantly over and above the housing requirement set out in the plan.

26. Whilst it is acknowledged that this might be a more unusual situation in the theoretical context of plan making, it does reflect the very real highway constraints that exist in the Borough and the nature of the Borough in relation to its size, location and largely built up urban form.

605 words not including title.

Q5. Is the principle of identifying 'direction for growth areas' sound?

Council's response;

27. Yes. The Council considers that the principle of identifying 'Direction for Growth areas' is sound and brings with it significant sustainability benefits.

28. The Borough area is predominately compact and urban in character. The entire urban areas of the Borough are situated within the Leicester Principal Urban Area, therefore large scale housing growth options within the current extent of the urban areas are extremely limited. Thus, to meet the identified OAN for housing identified within the HEDNA, greenfield allocations are required. Evidence underpinning the Submission Local Plan also sets out that in order to deliver all of the proposed growth over the Plan period up to 2031 a number of highway and transport mitigation measures are required.

29. The Council, in corroboration with the Highways Authority for the Borough area, considers that the most effective and appropriate mechanism for delivering the required transport and highway mitigation measures is larger scale growth, ie the Direction for Growth areas, that can contribute towards mitigation provision.

30. Other benefits of the larger scale growth planned on the Direction for Growth areas, that would less than likely be provided on smaller growth sites include; the assured provision of a high number of affordable homes throughout the Plan period; large scale provision of on-site and / or off-site open space and sports facilities; the increased potential provision of selfbuild and custom build housing; provision of a new primary school, as well as significant off-site contributions towards other education facilities within the Borough; the provision of a new local retail centre; provision of new employment land; provision of, and significant contributions towards community facility buildings within the Borough; the potential to improve and / or provide new bus routes and stops.

31. It should be noted that although referred to as 'Direction for Growth areas' these areas do actually form allocations within the Plan.

283 words not including title.

Issue 2: Whether the Council will be able to demonstrate a five year housing land supply on adoption of the LP.

Q1. When calculating the five year housing land supply, is it appropriate in the context of Oadby and Wigston to (a) apply a 5% buffer and (b) only apply the buffer to the LP base requirement and not any shortfall (as set out in the Council's response to the Inspector's Initial Questions to the Council (Q7) [https://www.oadby-wigston.gov.uk/pages/local_plan_examination])?

Council response;

32. a) Yes. In addition to the Council's response to the Inspector's Initial Questions, the Council considers that it is appropriate to note planning policy set out within both the existing National Planning Policy Framework (LP1/01) (NPPF) and the consultation National Planning Policy Framework draft (draft NPPF) that was published in March 2018.

33. The existing NPPF states that local authorities should '*identify and update annually a supply of specific deliverable sites sufficient to provide five years worth of housing against their housing requirements with an additional 5% (moved forward from later in the Plan period) to ensure choice and competition in the market for land. Where there has been a persistent under delivery of housing, local planning authorities should increase the buffer to 20% (moved forward from later in the Plan period) to provide a realistic prospect of achieving the planned supply and to ensure choice and competition in market for land.*'

34. Facts illustrate that there has not been persistent under delivery of housing within the Borough, as illustrated on page 6 of the Council's Residential Land Availability Assessment 2017 (LP7/02). This is because the Council has a history of proactive and positive housing delivery. Prior to January 2017 when the latest Housing and Economic Development Needs Assessment (HEDNA) was published, the Council was exceeding its housing delivery target for the Core Strategy Plan period 2006 to 2026.

35. Upon publication of the HEDNA the Council sought to evidence the full delivery of the annual Objectively Assessed Need (OAN) for housing of 148. The Council considers that it has done this robustly through the production of the Local Plan. The Submission Local Plan therefore prescribes an annual requirement of 148.

36. Although the Council has not been planning for 148 new homes annually from 2011 (as the annual housing requirement was 90 up until the publication of the OAN for housing of 148 in the HEDNA), the Council considered it positive planning to apply 2011 as the base date for the Submission Local Plan, as this is consistent with the base period of the HEDNA. The Council also considered it positive planning to factor in any housing delivery under supply from the base date of 2011 for future housing delivery. Due to the circumstances involved, the Council does not however consider it appropriate to apply a 20% buffer.

37. Although the draft NPPF (published March 2018) is not yet adopted policy the Council's approach is seemingly supported by the wording set out in the document, which suggests that a 20% buffer should only be applied where there has been significant under delivery of housing over the previous three years. The draft NPPF goes onto suggest that this will be measured against the Housing Delivery Test, where it indicates that delivery was below 85% of the housing requirement.

38. For the purpose of this note, calculations, using information from the Council's Residential Land Availability Assessment 2017 (LP7/02), suggest that for the period April 2014 to March 2017 the Council delivered 92% of the OAN for housing (148) identified in the HEDNA.

b) Yes. The Council considers that it is appropriate to apply the buffer prior to applying any deficit / backlog.

39. In addition to the above, specifically that the Council has only been planning for the annual OAN for housing of 148 at the earliest since January 2017, when the HEDNA was published, the Council does not consider that it is appropriate to add a buffer to a deficit as well as the annual housing requirement.

40. At paragraph 47 of the NPPF, it is stated that local authorities should identify five years' worth of housing against their housing requirement with an additional buffer. Paragraph: 035 Reference ID: 3-035-20140306 of the National Planning Practice Guidance, does not suggest a preferred methodology in dealing with past under delivery.

41. The Council considers that the approach of applying the deficit / backlog after the buffer directly reflects the wording of the NPPF, specifically paragraph 47. As stated above, paragraph 47 applies a buffer to the housing requirement. The annual housing requirement

set out within the Submission Local Plan is 148 new homes. The annual housing requirement set out in the Plan is not 148 plus any additional backlog / deficit.

42. In addition, the Council's approach has been accepted by Inspector Geoffrey Hill BSc DipTP MRTPI in the Planning Inquiry APP/L2440/A/14/2216085 that took place between November 2014 and January 2015.

729 words not including title.

Q2. Is the Council's preferred approach of meeting the existing shortfall over the remaining plan period (the Liverpool approach) rather than over 5 years (the Sedgefield approach) justified?

Council's response;

43. Yes. The Council considers that the preferred approach of using the Liverpool Approach is justified.

44. The Council notes that the National Planning Practice Guidance (NPPG), at paragraph: 035 Reference ID: 3-035-20140306, sets out that '*local planning authorities should aim to deal with any undersupply within the first 5 years of the plan period where possible*'. However, due to the circumstances whereby the Council was not planning for the annual Objectively Assessed Need for housing of 148, prior to the publication of the HEDNA in January 2017 at the earliest, it is not considered appropriate to unduly burden the Council with the Sedgefield approach towards under delivery. Further information relating to this is contained within the Council's response to Matter 2 Issue 2 Question 1.

45. In addition to the above, the Submission Local Plan sets out (in the Local Plan Housing Trajectory on page 29) that the deficit (against the OAN for housing of 148 annually from the 1st April 2011) as at 1st April 2017 will be negated during the monitoring year 2021/2022, therefore within the first 5 year period of the Plan.

46. Further information relating to this question can also be found in the Council's response to Question 7 of the Inspectors Initial Comments document.

206 words not including title

Q3. Does the LP clearly express how 5 year housing land supply will be calculated?

Council responses;

47. Yes. The Plan period requirement of 2,960 for the 20 year period 2011 to 2031 is clearly prescribed throughout the Submission Local Plan Policy 2 Spatial Strategy for Development within the Borough, specifically at paragraph 4.2.6. In addition, the annualised housing requirement of 148 is clearly illustrated within the Local Plan Housing Trajectory on page 29.

48. It is this requirement that is then used to calculate 5 year land supply as per national planning policy and guidance.

49. In addition, on an annual basis, the Council produces annual monitoring documentation, namely the Residential Land Availability Assessment (LP7/02), the Strategic Housing Land Availability Assessment (LP7/03) and the Housing Implementation Strategy (LP7/04). These documents combined assess and set out the Council's position in relation to 5 year housing land supply as of the 1st April each year.

134 words not including title

Q4. Is the LP sufficiently flexible to ensure delivery of, and to maintain, a five year housing land supply?

Council response;

50. Yes. The Council considers that the Submission Local Plan is sufficiently flexible to maintain a rolling five year supply of housing land.

51. As set out in Local Plan Policy 2 Spatial Strategy for Development within the Borough, to allow for choice, competition and flexibility, the Plan allocates three separate greenfield Direction for Growth areas throughout the Borough. Policy 2 sets out residential site allocations within the three Town and District centres as well as other smaller residential site allocations throughout the Borough's urban areas. Table 1: Housing Delivery for the Plan period, also illustrates housing commitments with extant planning permission.

52. In addition, paragraph 4.2.11 of the Submission Local Plan illustrates further development opportunities at Kilby Bridge (up to 40 additional homes), Phase 3 of the Wigston Direction for Growth (approximately 300 additional homes) and on windfall sites (70 additional homes).

53. Relating to the windfall element of the Plan, the Council has provided further information within its Local Plan Spatial Strategy Submission Statement (LP6/09) (paragraphs 13-26).

54. As stated previously, the Council has taken a very conservative approach to a windfall allowances even though evidence suggests that between the period April 2008 and March 2017 a large proportion of the Borough's annual housing delivery (61 per cent or 57 homes) was located on windfall sites (please see paragraph 3.10 to 3.13 of the Council's latest Housing Implementation Strategy (HIS) (LP7/04). As suggested in the Council's latest HIS 2017 (LP7/04) the Council only utilised 25 per cent (14) of the 57 per annum average. In addition, the Local Plan only identifies the windfall allowance for a 5 year period ($14 \times 5 = 70$) of the entire Plan period up to 2031. It is clear, however that evidence suggests that many more new homes could come forward within the Plan period that would be defined as windfalls.

55. Making use of the information set out above (and in the Housing Implementation Strategy (LP7/04)) the Council could in fact evidence the use of at least 14 dwellings per year over the entire remaining Plan period rather than just the initial five year period (please see the Council's response to Matter 2 Issue 1 Q4). The use of such would equate to nearly 200 (196) additional homes located on windfall sites.

56. For the purpose of this note, if the full windfall average (57 homes), set out above, was to be utilised for forecasting housing delivery on windfall sites, for the remaining Plan period up to 2031, delivery of homes attributed to windfall sites could be up to 798.

422 words not including title.

Q5. Do the housing delivery monitoring indicators contain a timely trigger that will ensure measures are put in place promptly should the LP not be effective in maintaining a five-year housing land supply?

Council response;

57. Chapter 12 Monitoring Framework of the Submission Local Plan does not currently have a trigger for 5 year housing land supply. With the requirement (and penalties) for a local planning authority to maintain a rolling 5 year housing land supply being prescribed in both the National Planning Policy Framework and the National Planning Practice Guidance, the Council considered it inherent within the planning process, that should the Council not be maintaining a rolling 5 year supply of housing land, land would be brought forward from later in the Plan period.

58. On reflection, the Council proposes an additional monitoring trigger for Spatial Objective 8: A balanced housing market. In response to Matter 3 Question 6 the Council set out proposed changes to the Monitoring Framework.

Spatial Objective	Key relevant policies	Other related policies	Target(s)/ Threshold(s)	Potential risk(s) to delivery	Possible action if target is not met
Spatial Objective 8: A balanced housing market	<u>Policy 2 – Spatial Strategy for Development within the Borough:</u> Policy 11 – Housing Choices; Policy 13 – Affordable Housing; Policy 16 – Gypsies, Travellers and Travelling Showpeople	Policy 2; Policy 5; Policy 12; Policy 15; Policy 17; Policy 18; Policy 20; Policy 21; policy 46	<u>The Council will maintain a rolling 5 year supply of housing land in conformity with national planning policy and guidance. In doing so the Council will also take account of the housing trajectory set out within Policy 2 of this Plan.</u> Proposed development	Economic downturn Unforeseen physical constraints. Unplanned growth of out of Borough residential development. Tightening of finance availability. Site becomes unattractive to the market for	Identify the problem and / or cause of poor performance. Consider a review of the planning policy itself. Be more proactive in liaising with landowners and developers. If appropriate to do so, bring forward other sites allocated within the Plan sooner than

			<p>sites that have a gross site size of 0.3 hectares and larger and are not situated within any of the above locations will be required to achieve an average density of at least 30 dwellings per hectare.</p>	<p>residential development.</p> <p>Site releasing infrastructure delays.</p> <p>Land values drop considerably meaning developers begin to build at lower densities.</p>	<p>envisaged.</p> <p>Stimulate demand for new development opportunities through active promotion <u>and call for sites processes.</u></p>
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Q6. Does the housing trajectory align with the Infrastructure Delivery Plan (LP6/18)? (also see Matter 12)

Council response;

59. Yes. The Infrastructure Delivery Plan (IDP) has been prepared in consultation with all internal and external service delivery partners. The Draft IDP was consulted upon alongside the Pre-Submission Local Plan Public Consultation period between November and December 2017 and there were no representations submitted recommending significant changes to the Plan. The IDP is a 'live' document and can therefore be updated and amended to reflect the latest position for each infrastructure project included.

60. Therefore, the Council is confident that the housing trajectory and the IDP align and it is reassuring that the IDP is a 'live' document that will be regularly reviewed and updated to reflect the latest housing trajectory.

110 words not including title