

REPORT TO THE LOCAL PLAN EXECUTIVE ADVISORY PANEL MEETING OF
24th July 2017

Meeting: Local Plan Executive Advisory Panel
Date: 24th July 2017
Subject: Harborough District Local Plan: Draft Proposed Submission – Employment Sensitivity
Report of: Interim Strategic and Local Planning Manager
Portfolio Holder: Cllr. Jo Brodrick
Status: For advice
Relevant Ward(s): All

1. Purpose of the Report

1.1 For the Local Plan Executive Advisory Panel (the Panel) to advise the Executive in relation to the issue of the sensitivity of future growth at Magna Park in terms of the need for further housing development in Harborough District, in neighbouring districts and in other districts in Leicester and Leicestershire, Coventry and Warwickshire, in the context of the Duty to Cooperate.

2. Advice to the Executive

2.1 **Subject to any further comments received from Duty to Cooperate partners and considered at the Panel meeting on 23rd August 2017, that the Executive be minded to recommend to Council that Policy B2 as set out in Appendix A be incorporated into the Proposed Submission Local Plan.**

3. Reasons for Advice

3.1 In May 2017 a Duty to Cooperate Workshop with neighbouring authorities highlighted that further work was required to support the Draft Proposed Submission Local Plan and Policy BE2 relating to strategic distribution. There was a clear need to ensure the relationship between employment growth and housing was sound and clearly evidenced and that any resulting Duty to Cooperate matters could be addressed.

3.2 At Local Plan Executive Panel on the 19th June 2017 a revised Policy BE2 was presented with the aim of ensuring that the provision for strategic distribution in the Harborough District is soundly and positively managed by the Local Plan to ensure that housing and employment development are in balance, thus achieving sustainable development objectives. The policy

identified that a quantum, expressed in terms of square metres of strategic employment land near to Magna Park, was required in order that such a balance could be sought. However it was not able to quantify this level in the absence of further research. This has therefore now been undertaken by GL Hearn to understand the housing implications of strategic distribution growth in the District.

- 3.3 Ensuring that the need for Strategic Distribution in the Harborough District is soundly and positively managed will also enable certainty to be provided concerning other strategic distribution sites within the Leicester and Leicestershire FEMA (Functional Economic Market Area) and other non-FEMA authorities that are adjacent to the Harborough District. This will contribute to ensuring that wider economic objectives across the FEMA are not undermined as well as ensuring the legal tests associated with the statutory of the Duty to Cooperate are fully met.

4. Key Facts

- 4.1 The Draft Proposed Submission Local Plan contains the following:
- Strategic Priority SP3: Meeting regional and national demand for strategic distribution (logistics) development,
 - Key Issue 3: Facilitating growth in the economy (Including contributing significantly to wider sub-regional requirements for road-based strategic distribution, and reducing the dependence of Harborough's residents on commuting); and
 - Local Plan Objective 2 (Employment): Policy BE2 supports this objective and furthermore the Employment Sensitivity Study identifies the impacts on Leicester and Leicestershire HMA (Housing Market Area) and other non HMA authorities that are adjacent to Harborough.
 - Policy BE2 aims to build on all the elements mentioned above to protect the existing Magna Park and set criteria, including a limit to development, for further development in the vicinity.
- 4.2 The Employment Sensitivity Study considers three different levels of Strategic Distribution (B8) growth scenario at and around Magna Park. It also considers the impact of achieving more sustainable commuting patterns, thus increasing the level of self containment in the District as part of the Local Plan's wider aims and objectives. The study ascertains the job growth and housing need impacts of each scenario for Harborough, our Leicester and Leicestershire partner authorities and neighbouring authorities in other counties, namely Rugby, Daventry, Nuneaton & Bedworth, Coventry and North Warwickshire. These are areas where a high level of the workforce travel to Magna Park for employment.
- 4.3 The study is not yet in its final form but the emerging conclusions of Employment Sensitivity Study have informed the revised Policy BE2 attached to this report at Appendix A. The quantum of strategic distribution growth now proposed for the plan period within Policy BE2 is 700,000 sq m. gross of additional strategic distribution floorspace.
- 4.5 The quantum of strategic distribution has considered the inter relationship with housing needs. The conclusion from the Employment Sensitivity Study is that at the Leicester and Leicestershire level, the HEDNA's objectively assessed housing needs (OAN) conclusions remain true and robust both for the

Leicester and Leicester HMA and the Harborough District. It is currently being clarified the extent to which there are any consequential effects relating to the strategic distribution of housing in the Leicester and Leicestershire HMA. This matter will be addressed, if there is a need to, through ongoing Duty to Cooperate processes with other Council's across the HMA and around it in the coming weeks. Any matters arising will be brought back to Panel for consideration at the meeting currently programmed for 23rd August 2017.

- 4.6 Any strategic re-distribution indicated would not increase the OAN for the Harborough District but would lead to a 5% increase in housing requirement for the District (on which the 5 year supply would in future be judged). However, the total amount of housing provision in the Local Plan (640 p.a. and 12,800 in total) is sufficient to cover this increase. Although not specifically identified as such, the flexibility allowance of 20% above OAN that was previously agreed could allow for this 5%, plus 10% nominally available to meet unmet needs arising from other authorities, and a 5% buffer to cater for unforeseen circumstances (such as non-delivery of some sites, changes in density, choice etc.). It is considered that the latter could be justified by the evidence and would not be seen as unsound.
- 4.7 Following receipt of the Panel's views on the proposed Policy BE2 attached at Appendix A, it will be important to use the final Employment Sensitivity Study as a vehicle for discussion with Duty to Cooperate partners. In order to help meet the legal requirements of the Duty to Cooperate, further engagement is to be undertaken to discuss the emerging conclusions of the Employment Sensitivity Study. Local Plan Executive Advisory Panel will be provided with an update to these discussions on the 23rd August 2017, at which time it will be able to finalise its advice to the Executive concerning Policy BE2 that will address this matter in the Proposed Submission Local Plan.

5. Legal Issues

- 5.1 The Proposed Submission Local Plan is to be published under Regulation 19 of the Town and Country Planning (Local Planning) (England) Regulations 2012. It is the Plan that the Council wishes to submit for examination. A statement of procedural and legal compliance, a self-assessment of soundness and legal compliance and a Duty to Cooperate Statement are all to be submitted to the Secretary of State in advance of the Examination.

6. Resource Issues

- 6.1 Preparation of the new Local Plan is expected to be undertaken within existing staff resource levels, including additional agency staff and specialist consultants as required.

7. Equality Analysis Implications/ Outcomes

- 7.1 The Local Plan will support the sustainable provision of new homes and jobs and assist the Council in meeting its duties under the Equality Act 2010 and Housing Act 2004.

8. Risk Management Implications

- 8.2 A timely decision on approving the Proposed Submission Local Plan for publication for a period of public representation will help avoid delay to the

Local Plan submission / examination / adoption process with consequent beneficial effect on the following Corporate Risks:

CR 08 Risk of challengeable planning decisions being taken relating to planning applications for residential development / Risk of planning appeals being upheld relating to residential planning applications.

CR 10 Local Plan Risks: lack of a sound Local Plan may lead to sporadic development and the inability to defend appeals.

9. Consultation

9.1 Consultation has taken place with the Local Plan Executive Advisory Panel on the emerging proposals for Strategic B8 within Policy BE2 on the 19th June 2017. Some consultation has also taken place with Duty to Cooperate partners and further consultation with them will take place before the policy is finalised, any matters arising will be brought back to Panel for consideration at the meeting currently programmed for the 23rd August 2017. The Council's retained lead Counsel has also been consulted. Liaison with statutory consultees and Duty to Cooperate partners is also ongoing.

10. Options

10.1 The option of not revising Policy BE2 Strategic Distribution would delay publishing the Local Plan at this stage and would be likely to result in further delays and risks as outlined in paragraph 8.2 above. The option of not including a quantum of development in Policy BE2 would conflict with the requirement for the Local Plan to be internally consistent by balancing housing and employment development within the plan period. Failure to do so could lead to the plan being found unsound, leaving the Council unable to ensure a planned strategy is in place to positively manage the delivery of future development in a sustainable way that is also in the public interest.

11. Background Papers

[Leicester and Leicestershire Housing and Economic Development Needs Assessment \(HEDNA\) - January 2017](#)

[Magna Park Employment Growth Sensitivity Study: GL Hearn - currently in draft form.](#)

Previous report(s):

[Report to Local Plan Executive Advisory Panel 19th June 2017: Harborough District Local Plan: Draft Proposed Submission](#)

Consultation undertaken with Planning Portfolio Holder: Y

Information Issued Under Sensitive Issue Procedure: N

Ward Members Notified: N

APPENDICES

A. Revised Policy BE2 Strategic Distribution