



EXAMINATION OF THE HARROW LOCAL PLAN 2021-2041

HEARING STATEMENT

MATTER 3: PLAN VIABILITY, THE SA AND THE APPROACH TO SITE SELECTION

ISSUE 4

5 June 2025

Matter 3 Plan Viability, the SA and the approach to site selection

Issue 4: Is the Plans approach to viability, the SA and site selection justified and effective?

Questions:

Plan Viability and Infrastructure

4.1 Has the viability assessment been prepared in accordance with national policy and guidance?

- 4.1.1 Yes, the viability assessment (EBLE02) been prepared in accordance with national policy and guidance. Paragraph 1.2 of the assessment sets out that *‘The study takes account of the impact of the Council’s planning requirements, in line with the requirements of the National Planning Policy Framework (‘NPPF’); the National Planning Practice Guidance (‘PPG’), the RICS Guidance Note ‘Assessing Viability in Planning under the National Planning Policy Framework for England (2021)’ and the Local Housing Delivery Group guidance ‘Viability Testing Local Plans: Advice for planning practitioners’.*

4.2 What evidence is there to support the cost increase of 0.4% for the purposes of the 15% biodiversity net gain?

- 4.2.1 The evidence to support the cost increase of 0.4% for the purposes of the 15% biodiversity net gain is the DEFRA Impact Assessment¹ of the BNG requirements under the Environment Act 2021. Paragraphs 4.31 and 6.24-6.26 of the Local Plan Viability Assessment (EBLE02) addresses the cost increase associated with the proposed 15% biodiversity net gain requirement in the draft Plan. Specifically, it refers to a 0.4% cost increase that is considered to be in line with the DEFRA Impact Assessment which achieves 15% biodiversity net gain or (b) the cost of 2 biodiversity credits per hectare (Para 6.24 of EBLE02), whichever is greater (the viability assessment identifies a cost of £25,000 per biodiversity credit based on DEFRA consultations).

¹ [Net gain impact assessment](#)

4.3 What has informed the £2500 per residential unit Section 106 costs identified at paragraph 4.28 of document EBLE02?

- 4.3.1 The £2,500 per residential unit Section 106 costs has been informed by the typical allowance used for site specific viability assessments in the borough and is considered an appropriate allowance for the purpose of a plan-level viability assessment. Para 4.28 of the Local Plan Viability Assessment (EBLE02) addresses this identifying that the been based on previous agreed S106 costs and discussions with the Council. It is important to note however that although based on best available evidence, S106 costs are very site and scheme specific, and the actual amounts will of course be subject to site-specific negotiations when schemes are brought forward through the development management process.
- 4.3.2 A further cross check has been made against four recent or active applications / S106 agreements, which has found a range between £1,234 and £2,300 per residential unit (excluding any obligations considered elsewhere within the viability assessments i.e. BNG and net zero carbon).

4.4 In terms of policy CN1, what evidence is there to support the offsetting tested at £95 and £880 per tonne of carbon emissions? The viability report refers to ‘analysis by other London Boroughs’ at paragraph 4.19 of the viability report. What is this analysis and is it part of the evidence base?

- 4.4.1 The evidence to support the offsetting tested at £95 and £880 per tonne of carbon emissions in relation to policy CN1 is two-fold, namely the London Plan (£95) and the Delivering Net Zero (May 2023) (EBBC04) (£880).
- 4.4.2 Firstly, in relation to £95 per tonne of carbon, Policy SI2 (Minimising greenhouse gas emissions, the London Plan (2021) sets out that (footnote 155) that where boroughs do not have a price for offsetting carbon, a nationally recognised non-traded price of £95/tonne has been tested as part of the viability assessment for the London Plan which boroughs may use to collect offset payments. For the draft Harrow Local Plan, this was tested as a baseline position (i.e. no locally set carbon offset rate) as it would apply to new development within the borough regardless of any Local Plan requirements.
- 4.4.3 Secondly, in relation to £880 per tonne of carbon, this figure is included on page 244 of the Delivering Net Zero (May 2023) study (EBBC04). The rate is set at a level that incentivises the achievement of net zero carbon on-site [as per the energy hierarchy and London Plan Policy SI 2 Minimising greenhouse gas emissions] so that this will be more cost effective than an offset contribution of £880 per tonne over 30 years).

4.4.4 The rate within the London Plan (£95 per tonne) is considered insufficient as an incentive for carbon reduction to be achieved on-site nor is it sufficient to fund carbon emissions reductions offsite on a 1:1 basis (i.e. offset contribution per tonne paid by the development being sufficient to fund offsetting measures offsite that achieve a tonne of carbon reduction).

4.5 The viability report refers to the testing of two different scenarios in terms of the approach to net zero carbon and BREEAM (paragraph 4.17). As this document identifies a range of additional capital costs of achieving net zero carbon, what is the reason that the upper limit of 7% has not been tested? Is this a justified approach?

4.5.1 The reason that the upper limit of 7% has not been tested is because the 7% uplift would only apply in limited circumstances (i.e. two out of eight building typologies modelled). Furthermore, within those two, the 7% uplift would only be applicable for one scenario (of technology selection) and that other lower-cost options / scenarios exist and would be selected on a case-by-basis. Such an approach is justified as the two scenarios modelled for the purposes of viability testing (3% and 5%) are considered to reflect the majority of scenarios likely to occur in Harrow. The 5% upper limit of the range has also been applied in other recent local plan viability assessments in other London boroughs and found sound.

4.6 Have all the necessary policy requirements been taken into account?

4.6.1 Yes, it is considered that all the necessary policy requirements have been taken into account. This is reflected in Appendix 1 of the study (Review of cost impacts of emerging policies) which considered each draft Local Plan policy for cost implications that needed to be reflected in the viability assessments. These are in-turn summarised in Table 2.58.1: Emerging policies with cost implications. Chapter 4 then identifies the implications of these requirements with respect to costs (i.e. BNG / net zero carbon) or assumptions (i.e. requirement for 25% family sized housing) for incorporation into the viability testing.

4.7 To what extent does the evidence base demonstrate that the requirements of policy HO4 concerning the delivery of affordable housing are viable?

4.7.1 The evidence base (EBLEO2) demonstrates that the requirements of policy HO4 concerning the delivery of affordable housing are viable. Paragraph 8.5 states: *The results do not point to any particular level of affordable housing that most schemes can viably deliver and we therefore recommend that the emerging target is broadly deliverable over the plan period (recognising also that the policy incorporates the London Plan 'fast track' target of 35%), and applied on a 'maximum viable proportion' basis taking site-specific circumstances into account.*

- 4.7.2 This reflects the Council's current practice and also the approach in the 2021 London Plan and as a consequence the Council is not proposing to change its approach to seeking affordable housing from the approach in the adopted plan and the London Plan.

4.8 What has been used to inform the typologies selected and are these reflective of the growth planned within Harrow?

- 4.8.1 The typologies selected have been informed by several considerations: namely:
- (a) the outcomes of the site allocation process and associated design-led capacity testing for these sites.
 - (b) the small sites policy (HO3) (i.e. sites below 0.25 ha) as these sites account for 375 dwellings per year in the draft Plan.
 - (c) The evidence base informing the plan, including identified need for employment and town centre uses.
- 4.8.2 The typologies are therefore reflective of the growth planned in Harrow as they are informed by site allocations and capacity testing, small sites policy and identified need for non-residential uses.
- 4.8.3 The Viability assessment identifies at para 4.1 that the 48 development typologies tested across the borough were informed by past development types and current pipeline sites, to reflect the development expected to come forward under the new Local Plan.

The SA and the Approach to Site Selection

4.9 The Site Selection Paper (EBH03) identifies the approach adopted to site selection throughout the Plan. Have the individual site allocations been chosen according to a robust site selection methodology?

- 4.9.1 Yes, the Council has chosen the individual site allocations according to a robust site selection methodology as it reflects the guidance within the *Housing and Economic Land Availability Assessment* (HELA) Planning Policy Guidance (PPG) (set out in paragraph 2.7 of EBH03) and shown in Figure 1 (Page 5) of the Site Selection Paper.
- 4.9.2 Chapter 4 of EBH03 sets out the 5-stage site selection methodology, namely:
- 1. Site identification
 - 2. Initial site eligibility sifting
 - 3. Site selection and suitability assessment
 - 4. Detailed assessment (including site availability and deliverability)
 - 5. Capacity identification

4.9.3 Chapter 4 then documents the outcomes of each stage with respect to site inclusions / exclusions, and subsequent allocation of individual, and the reasons / justification for this as the conclusion of the robust site selection methodology.

4.10 Are the allocated sites identified at Chapter 11 of the Plan and mix of uses proposed justified and in what way do they reflect the outcomes of the SA and testing of reasonable alternatives through the site selection methodology?

4.10.1 Yes, the allocated sites identified at Chapter 11 of the Plan and mix of uses proposed are justified because they have been identified through a robust site selection methodology, as addressed in the response to Matter 1, issue 2, question 2.7.

4.10.2 Furthermore, the mix of uses proposed in the allocation sites is considered justified as they will provide appropriate levels of floorspace within their respective locations (for example, mixed use developments within town centres to ensure active frontages) and reflect the evidence base with respect to the need for non-residential floorspace (EBLE01 Harrow Economic Needs Study Update 2025 and EBLE03 West London Employment Land Review Aug 2022). Furthermore, where the Infrastructure Delivery Plan (EBITO1) has set out a need for infrastructure to address a shortfall / support new development, site allocations have sought to incorporate this, further providing an appropriate mix of uses.

4.10.3 The site allocations reflect the outcomes of the IIA and testing of reasonable alternatives through the site methodology as the IIA has tested reasonable alternatives for the overall level of development in the borough (which influenced site selection) and tested individual sites against the IIA framework and made recommendations which were included in any subsequent site allocation.

4.10.4 In terms of site selection, the IIA tested three potential spatial strategies, namely:

- (a) the preferred strategy (based on accommodating 16,040 homes over the Plan period, being the London Plan annualised target for Harrow (802) over 20 years);
- (b) Alternative 1- retain the existing spatial strategy under a lower growth scenario;
- (c) Alternative 2 - seek to go beyond the level of development identified in the proposed strategy / London Plan (to seek to meet a greater proportion of the Borough's objectively assessed housing need). However, doing so would require developing Green Belt, designated open space and/or MOL sites, employment land and sites in less sustainable locations, or require development at densities and heights significantly above the predominately suburban nature of most of the Borough., and two alternative strategies.

- 4.10.5 All three spatial strategy options are described within 'Chapter 6 Alternatives' of the IIA Report (core document reference CSD03a) and Table C2-1 in 'Appendix C: Summary of Policy Alternatives Assessment' (core document reference CSD03e).
- 4.10.6 Allocation of additional sites in the green belt, MOL or employment land sites would correspond to Alternative 2. The IIA identified a number of potential minor or significant positive effects of the preferred strategy and no potential negative effects. The IIA identified that Alternative 2 had potential to result in many of the same positive effects but could also result in potential significant negative effects in relation to biodiversity and geodiversity (IIA objective 10); historic environment (IIA objective 11); landscape and townscape (IIA objective 12); and water and soil (IIA objective 13). Alternative 2 therefore performs less well in the IIA compared to the preferred spatial strategy.
- 4.10.7 In the Council's site selection methodology, the Site Suitability Assessment identified and excluded sites with potential environmental. 11 sites were excluded from the Site Suitability Assessment based on criteria that considered if they were located within designations such as Green Belt, MOL, open space, industrial land and contrary to Local and London Plan policies.
- 4.10.8 The preferred spatial strategy performs similarly to spatial strategy Alternative 1 (i.e. continue with existing spatial strategy to deliver 12,829 homes). It performs less positively with regards to landscape and townscape (IIA objective 12) but more positively than spatial strategy Alternative 1 for air, noise and light pollution (IIA objective 7) and climate change (IIA objective 8) (see p58-61 of the IIA Report core document reference CSD03a, summary of assessment in 'Appendix C Summary of Policy Alternatives Assessment' core document reference CSD03e p2-5, and detailed assessment in 'Appendix E: Assessment of Alternative Local Plan Policies' core document reference CSD03g). The preferred spatial strategy was selected, as this seeks to prioritise the delivery of sufficient sites on previously developed land, within the most accessible locations of the existing built-up area, to address the Boroughs housing needs (16,040 homes), particularly family and affordable homes. This will ensure development is delivered within locations where infrastructure capacity exists, promotes the use of sustainable modes of transport, reduces CO2 emissions and the impacts of climate change.
- 4.10.9 The IIA assessed a total of 41 reasonable alternative site options that the Council considered suitable and available for potential allocation via the Local Plan process. All 41 of the sites are proposed to be allocated due to the scale of the Borough housing needs and a lack of reasonable alternative site options, to meet the scale of development required.

4.10.10 All allocations were assessed against the IIA Framework and where appropriate, amendments made to allocations where potential minor negative or uncertain impacts were identified in the IIA process (i.e. for example, inclusion of sustainable transport requirements where the IIA identified potential negative or uncertain effects with respect to public transport accessibility).

4.11 Does the evidence demonstrate that there is a realistic prospect that each of the allocations will be deliverable within the Plan period? If this is not the case, is the allocation justified?

4.11.1 Yes, the evidence indicates that there is a realistic prospect that each of the site allocations will be deliverable during the Plan period. The LPA's response to Matter 5 Issue 8 addresses this in more detail for each individual sites. The Site Selection Methodology outlines the process adopted by the LPA from the outset to ensure that potential site allocations have a realistic prospect of being deliverable within the Plan period. This included consideration of all 'known' sites (i.e. unimplemented site allocations or extant / recently lapsed permission) and directly approaching these owners as part of the call for sites process, as well as sites where there has been recent active engagement with the LPA (i.e. pre-application engagement) (see paragraphs 4.4-4.6 of the site selection methodology).

4.11.2 Once the call for sites process was completed (Stage 1) and sites sifted (stage 2) and suitability assessed (Stage 3, consideration was given the site availability and deliverability (Stage 4). This had regard to land ownership, whether pre-application discussions have occurred on the site or planning permission has been sought, planning permissions granted, existing leases on site, landowner intentions, and site marketing, as identified in call for sites. Table 5 of the site selection methodology provides a summary of the outcomes of these considerations and the LPA's response to Matter 5 Issue 8 provides and update / further detail on each individual sites.

4.12 With regards to the sites that will be delivering in years 1-5 of the Plan period, are the timescales identified justified by the evidence base?

4.12.1 Yes, the timescales identified for sites delivering in years 1-5 are justified by the evidence base and the is covered in the LPA's response to Matter 5 Issue 8.

4.13 In terms of the site assessment and selection, paragraph 11.9 of the Plan advises that sites in the Green Belt or Metropolitan Open Land were excluded. This statement also appears within EBH03 however this statement does not appear to be correct in relation to the inclusion of sites GB1 and GB2? Could the Council please explain how the approach to sites within the Green Belt and Metropolitan Land has been consistently applied through the site selection methodology?

4.13.1 The approach to sites within the Green Belt and Metropolitan Open Land (MOL) has been consistently applied through the site selection methodology.

4.13.2 The site selection methodology reflects the NPPF, NPPG and London Plan, as well as the preferred spatial strategy. These seek to direct development to brownfield land and avoid inappropriate development on Green Belt or MOL.

4.13.3 The site selection methodology therefore excludes sites that would be inconsistent with the NPPF, NPPG and London Plan, which includes Green Belt and MOL (see Table 1 of the site selection methodology).

4.13.4 The site selection methodology however acknowledges at Appendix B that sites (GB1 and GB2) are existing allocations within the Harrow Local Plan (2012) and as such are proposed to be carried over into the draft new Local Plan as there remains an intention from the landowners for development to occur on these sites during the plan period.

4.14 Document EBH03 states that site capacity has been calculated using a number of sources including a 10% uplift in residential capacity where design led capacities have been used. What is the justification for this approach? For some of the sites listed at table 5, the evidence base states that a 10% uplift has not been applied. What is the justification for this?

4.14.1 The justification for the 10% uplift in residential capacity where design led capacities have been used is outlined in the response to Matter 6 Issue 12, question 12.13.

4.14.2 As per the Proposed Modifications (LBH/ED9) the 10% residential uplift has been applied to all site allocations.

The IDP

4.15 Document EBIT01 summarises an infrastructure schedule at appendix 1. However, it is not clear from the items listed when they are expected to be delivered over the plan period. The annotation ranks these as essential/critical/ desirable/tbc/In. Please could the Council provide greater clarity in relation to these points. This can be done by setting out what the above terminologies mean in practical terms in and in terms of time frame. Secondly, can the Council set out what infrastructure is expected to come forward during years 1-5, 6-11 and 11 plus of the Plan period and how this relates to the site allocations proposed by the Plan.

4.15.1 These categorisations mean the following:

- (a) *Critical Infrastructure*: Critical in enabling new housing and employment developments, without which new developments would be significantly delayed or considered unacceptable in planning terms
- (b) *Essential Infrastructure*: Essential for mitigating the direct impacts of developments and to avoid the unacceptable overuse of existing facilities or services in the area
- (c) *Desirable Infrastructure*: Important for achieving sustainable communities and would contribute towards people's health and social wellbeing or enhancement of the natural environment

4.15.2 The IDP identifies 'red-RAG' risks to infrastructure provision for health and some educational infrastructure (namely SEND provision) which need intervention in the short-term as it will impact planned growth. Health and education projects are therefore identified as either critical (based on immediate requirements from statutory obligations around schools, or identified priorities of the NHS) or essential (as identified by the infrastructure providers); such projects are anticipated to be delivered within the short term (i.e. 0-5 years) given they respond to an immediate pressure.

4.15.3 The provision of the majority of infrastructure types covered by the IDP is considered as a low risk to planned growth as it is being controlled through current infrastructure planning or delivery processes; these have an 'amber' RAG status and the majority of specific infrastructure projects are identified as 'essential' to reflect the fact they are necessary to support development in the borough generally but are being appropriately managed with respect to its provision. The timeframes for such projects are essentially throughout the life of the plan as they deal with ongoing pressures of development as it occurs over the plan period.

4.15.4 Desirable projects are those that would enhance infrastructure provision in the borough but are neither critical nor essential. Approximately a quarter of the identified projects fall within this category. Given their nature, there are generally no firm timeframes.

- 4.15.5 Projects marked as 'NA' with respect to priorities have generally been completed. TBC reflects the fact that the IDP schedule was a snapshot in time when it was finalised prior to Regulation 19 consultation and the priorities were not available for those projects at the time. 'In' is a typo and should have been 'TBC'.
- 4.15.6 In terms of the second part of the question, infrastructure projects identified as critical are anticipated to come forward within the short-term (0-5 years), essential infrastructure projects are anticipated to come forward throughout the life of the plan as they address the ongoing demands of development in the borough (noting that the majority infrastructure types are identified as being an 'amber' RAG status – where the impact of planned growth is being controlled through current infrastructure planning or delivery processes).
- 4.15.7 The IDP (EBIT01) sets out a RAG (Red, Amber, Green) status for infrastructure within the borough. The RAG rating for infrastructure was taken into consideration when drafting the site allocations and included where required / appropriate. Infrastructure on these sites will be delivered within the timeframes specified within Matter 5 Issue 8. The Council will work with strategic partners and other Council departments to deliver wider infrastructure as identified in the Infrastructure Delivery Plan (EBIT01) to support new development outside of the allocations.
- 4.16 Several of items listed as 'link to associated evidence base' do not work – can the Council revise these to ensure the correct document links are provided and if necessary, add these to the evidence base. Please provide a separate list of the documents referred to within the response to these MIQs.**
- 4.16.1 The IDP schedule has been updated so to fix any links that do not work. Timeframes have also been updated to reflect the current status of projects identified within the schedule, as the IDP is a dynamic document that will be updated throughout the life of the plan.
- 4.16.2 The updated schedule is attached as Appendix 1 (separate document).

Appendix 1 – Updated Infrastructure Delivery Plan Infrastructure Schedule (June 2025)

See separate document.