

Decision under Delegated Powers

Officer Requesting Decision

Group Leader Plans Policies and Place making

Officer Making the Decision

Head of Planning and Regeneration

Recommendation

That the Joint Position Statement relating to Leicester's Housing and Employment Land Needs in the Appendix to this report be signed.

Reason

To set out this council's commitment to joint working under the Duty to Cooperate required by the 2011 Localism Act to support Leicester City Council's consultation on their Draft Local Plan. The Statement provides an accurate summary of the jointly agreed position between the authorities in Leicester and Leicestershire on housing and employment need and supply as well as the cooperation that is taking place to agree the distribution of unmet housing and employment need in Leicestershire.

Authority for Decision

Under the provisions of Section 8.1 of the Council's Constitution, the Head of Service has delegated authority to take such action as may in his or her opinion be necessary or appropriate in connection with all operational management matters for those functions and service areas for which he or she has responsibility.

Decision and Date



30 September 2020

Background

The Joint Statement has been prepared to be published alongside Leicester City's Draft Local Plan consultation due to start on 14th September 2020. It has been prepared on behalf of Blaby District Council, Charnwood Borough Council, Harborough District Council, Hinckley & Bosworth Borough Council, Leicester City Council, Leicestershire County Council, Melton Borough Council, North West Leicestershire District Council and Oadby & Wigston Borough Council.

The purpose of this Statement is to set out how the eight local authorities and two highway authorities in Leicester and Leicestershire are working together under the Duty to Cooperate to accommodate a potential unmet need for housing and

employment land identified in the Leicester City Draft Local Plan Consultation (Sept 2020).

The Statement confirms the local housing need for each authority using the government's standard methodology and compares this with completions, commitments and other available land as illustrated in Strategic Housing Land Availability Assessments (SHLAA) for each local authority.

The Statement sets out the scale of unmet housing and employment needs arising in Leicester City and points to the process authorities are engaged in of assessing options for where the unmet could be appropriately distributed.

Nothing in the Joint Statement commits the Council to a specific housing number or a share of any unmet needs that are arising in the Housing Market Area. The redistribution of housing and employment needs will need to be confirmed through a Statement of Common Ground and housing numbers for each authority will need to be tested through local plan processes.

Comments from HR

None

Financial Implications

None

Risk Management

No specific risks have been identified with this report

Key Decision No

Background Papers Joint Position Statement relating to Leicester's Housing and Employment Land Needs

Appendix A

Leicester & Leicestershire Authorities

Joint Position Statement relating to Leicester's Housing and Employment Land Needs

September 2020

1.0 The Leicester and Leicestershire HMA and FEMA

1.1 The Leicester and Leicestershire Housing Market Area (HMA) and Functional Economic Area (FEMA) covers the administrative areas of eight local planning authorities and two highway authorities. The eight local planning authorities are:

-) Blaby District Council
-) Charnwood Borough Council
-) Harborough District Council
-) Hinckley & Bosworth Borough Council
-) Leicester City Council
-) Melton Borough Council
-) North West Leicestershire District Council
-) Oadby & Wigston Borough Council

1.2 The two upper tier authorities in Leicester and Leicestershire, with statutory responsibilities for transportation, education, social care, flooding, minerals & waste planning and public health are:

-) Leicester City Council
-) Leicestershire County Council

1.3 The purpose of this Statement is to set out how the authorities continue to work together to accommodate a potential unmet need for housing and employment land identified in the Leicester City Draft Local Plan Consultation (Sept 2020). The authorities have a long track record of cooperation across Leicester and Leicestershire (L&L) and have adopted a non-statutory Strategic Growth Plan which includes 'notional' housing figures (<http://www.llstrategicgrowthplan.org.uk/wp-content/uploads/2019/01/Final-LL-SGP-December-2018-1.pdf>). It is envisaged a Statement of Common Ground will be completed in 2021, setting out how any unmet need from Leicester will be redistributed amongst the other authorities in L&L.

2.0 Background

Summary

2.1 The National Planning Policy Framework (NPPF) requires local plans, as a minimum, to provide for the objectively assessed need for housing and other uses, as well as any needs that cannot be met within neighbouring areas (unless the NPPF provides a strong reason for restricting development; or the adverse impacts of doing so significantly and demonstrably outweigh the benefits when assessed against the NPPF).

2.2 Plans should be informed by agreements with other authorities so that unmet need from neighbouring areas is accommodated where practical and sustainable to do so,

and based on effective cross-boundary joint working as evidenced in a Statement of Common Ground (SCG).

- 2.3 Leicester City Council is consulting on a Draft Local Plan (regulation 18) in September 2020, with a view to publishing the Submission Version (regulation 19) in 2021. Leicester City declared an unmet housing need in February 2017 which remained unquantified while further evidence was gathered to support the publication of their Draft Local Plan. During this time several authorities have adopted local plans.
- 2.4 The L&L authorities were made aware of the potential scale of unmet need in December 2019. Consultation on the Leicester Draft Local Plan (and associated evidence) was delayed due to the COVID-19 Pandemic and is anticipated to start in September 2020.
- 2.5 Leicester's Draft Local Plan consultation indicates a potential unmet need of 7,742 homes and 23 Hectares of employment land 2019 to 2036. The authorities in L&L have been progressing work on a Sustainability Appraisal to assess options for where this unmet need could be appropriately distributed across L&L. This will inform a Statement of Common Ground setting out how any unmet need from Leicester will be distributed amongst the HMA authorities, which is intended for completion in early 2021.

3.0 Unmet Need in Context

Housing

- 3.1 The Governments current Standard Method for calculating housing need uses 2014-based household projections, and suggests L&L have to provide 82,739 homes (4,867 per year 2019 to 2036). In this context an unmet need in Leicester of 7,742 homes is about 9% of the overall need for L&L over this period.
- 3.2 The NPPF requires authorities to have a clear understanding of the land available in their area to meet housing need through the preparation of a strategic housing land availability assessment (SHLAA). In L&L, the SHLAAs have been prepared using an agreed methodology across the HMA as a whole.
- 3.3 Appendix A and B to this Statement have been prepared using the outputs of the Standard Method for calculating housing need and SHLAAs. It provides a summary of the need for new homes, and the theoretical capacity of both the HMA and each local authority.
- 3.4 To 2036 there is a theoretical capacity for some 174,412 homes across the HMA as a whole (Appendix B). When set against the need of 82,793 (2019-36), it is clear there is considerable flexibility to meet housing need within the HMA, including Leicester's unmet need of 7,742 homes.
- 3.5 Housing supply in L&L is strong. Up to 2031 (Appendix A) there is already sufficient supply in the pipeline to meet the needs of the HMA. The L&L housing need 2019-31 is 58,404 using the standard method. Taking into account commitments, allocations (including emerging allocations in Leicester and Charnwood Draft Plans) and windfalls, there is a supply of 70,371 which is 11,967 (20%) higher than the HMA-

wide need. Leicester City Council is the only authority to declare an unmet need at present.

- 3.6 Up to 2036 (Appendix B) the supply situation remains relatively strong given that most local plans cover up to, or close to, 2031. The L&L housing need to 2036 is 82,739 using the standard method. Assuming as minimum all District and Borough authorities will meet their own housing need, housing commitments, allocations (including emerging allocations in Leicester and Charnwood Draft plans) and windfalls suggest there is a supply of 85,767 which is 3,028 (4%) higher than the HMA wide need.

Employment

- 3.7 The most up-to-date FEMA-wide assessment of employment needs is the Housing and Economic Development Needs Assessment (2017). It identifies a need for 459 to 497 Hectares of employment in L&L (2011-2036). In this context, an unmet need of 23 Hectares is less than 5% and relatively small.

4.0 Changing Context

- 4.1 The Government intends to reform the planning system and is consulting on potential future changes, including:

-) Planning for the Future - White Paper
-) Changes to the Current Planning System

- 4.2 At present these reforms do not impact housing need or emerging Local Plans as they are consultations. The Planning for the Future White Paper sets out plans for fundamental reform of the planning system and explains this would be accompanied by shorter-term measures. The 'Changes to the Current Planning System' consultation sets out potential shorter-term measures to improve the effectiveness of the current system, including a potential new standard method for calculating housing need.
- 4.3 There is no timetable for the reforms and the proposals could change following consultation. Against this background the Government encourages authorities to get up-to-date Local Plans in place and some authorities in L&L are at an advanced stage of plan preparation. In light of the uncertainty surrounding the content and timing of government reforms, the L&L authorities continue to cooperate on how Leicester's current unmet need could be distributed.
- 4.4 If the proposed changes to the Standard Method for calculating housing need (as set out in the 'Changes to the Current Planning System' consultation) are introduced unchanged, it would have implications for unmet need in L&L. For example, Leicester's unmet need for housing would be substantially lower or may not exist. On the other hand, most other authorities would see a significant increase in the number of homes needed.
- 4.5 The emerging situation will be kept under review as work progresses. The Duty to Cooperate is an ongoing process, and although Government reforms may remove the Duty, the Government also recognise the need for further consideration to the way in which strategic cross-boundary issues can be adequately planned for.

Appendix A - Leicester and Leicestershire Housing Land Supply, 2019 to 2031

The table below compares housing land supply to local housing need based on the Governments Standard Method. The calculations are based on data available at 1st April 2019.

	A	B	C	D	E	F	G	H
Authority	Local Housing Need 2019 - 2031	Commitments¹ projected for delivery 2019 to 2031	Allocations in an adopted Plan²	Emerging allocations in a draft plan²	Allowance for small site or windfall development to 2031	Total Projected Delivery to 2031 (B+C+D+E)	SHLAA Capacity to 2031³	Total Theoretical Capacity to 2031 (F+G)
Blaby	4,068	4,935	758		280	5,973	12,150	18,123
Charnwood	12,984	8,734	1,385	5,761	720	16,660	13,948	30,608
Harborough	6,504	4,064	4,526		330	8,920	4,835	13,755
Hinckley & Bosworth	5,484	3,139	185		603	4,039	23,105	27,144
Leicester City	20,544	9,827		7,131	1,800	18,758	0	18,758

Melton	2,412	2,353	2,891		223	5,467	1,108	6,575
NW Leics	4,548	6,647	990		360	7,997	4,052	12,049
Oadby & Wigston	1,860	791	1,449		159	2,399	0	2,399
HMA total	58,404	40,490	12,184	12,892	4,475	70,371	59,198	129,299

¹ Includes sites under construction; with planning permission (including sites with a resolution to grant), as at 31/03/2019

² projected delivery up to 31/03/2031; includes allocated sites from local and neighbourhood plans

³ To avoid duplication SHLAA sites that have planning permission or are allocated in an adopted or emerging plan have been removed from this figure

Appendix B - Leicester and Leicestershire Housing Land Supply, 2019 to 2036

The table below compares housing land supply to local housing need based on the Governments Standard Method. The calculations are based on data available at 1st April 2019.

	A	B	C	D	E	F	G	H
Authority	Local Housing Need 2019 - 2036	Commitments¹ projected for delivery 2019 to 2036	Allocations in an adopted Plan²	Emerging allocations in a draft plan²	Allowance for small site or windfall development to 2036	Total Projected Delivery to 2036 (B+C+D+E)	SHLAA Capacity to 2036³	Total Theoretical Capacity to 2036 (F+G)
Blaby	5,763	5,314	878		480	6,672	15,003	21,675
Charnwood	18,394	10,474	1,990	7,252	1,120	20,836	20,161	40,997
Harborough	9,214	4,064	5,526		640	10,230	8,975	19,205
Hinckley & Bosworth	7,769	3,949	185		938	5,184	30,114	35,298
Leicester City	29,104	9,827		8,985	2,550	21,362	0	21,362

Melton	3,417	2,350	3,886		358	6,594	3,635	10,229
NW Leics	6,443	7,775	1,317		560	9,652	13,707	23,359
Oadby & Wigston	2,635	791	1,449		159	2,399	0	2,399
HMA total	82,739	44,544	15,231	16,237	6,805	82,817	91,595	174,412

¹ Includes sites under construction; with planning permission (including sites with a resolution to grant), as at 31/03/2019

² projected delivery up to 31/03/2036; includes allocated sites from local and neighbourhood plans

³ To avoid duplication SHLAA sites that have planning permission or are allocated in an adopted or emerging plan have been removed from this figure

