
Charnwood Local Plan Examination

Matter 10 – Leicester and Leicestershire Housing and Employment Land Needs

Define Planning and Design Ltd on behalf of Bloor Homes Ltd

Matter 10, Issue 1: The Assessment of Housing Need:

Question 10.4: Is the minimum local housing need figure for Charnwood from 2020 to 2036 of 1,111 dwellings set out in the HENA (Table 13.1) robust and justified? Does the evidence in the HENA update any of the assumptions used in the Charnwood Housing Needs Assessment (EB/HSG/1)?

The minimum local housing need (LHN) of 1,111 dwellings identified for Charnwood Borough is based on the standard method-derived figure from 2021; which was utilised in the submission version of the Local Plan (SLP). The HENA and Statement of Common Ground (SoCG) between the Leicester and Leicestershire (L&L) authorities highlights that this figure should be utilised due to the SLP having been submitted for examination.

That aligns with the Government's Planning Practice Guidance (PPG), which states that "*local housing need calculated using the standard method may be relied upon for a period of **2 years from the time that a plan is submitted to the Planning Inspectorate for examination.***" That means the LHN will be valid until December 2023. In any event, the most up-to-date standard method-derived LHN (1,156 dwellings per annum (dpa)) broadly aligns with that value, and thus there are no material reasons that would justify departing from the 1,111 dpa figure.

Question 10.5: Notwithstanding that the Charnwood Local Plan has been submitted for Examination, is the use of 2020 affordability data for Charnwood (HENA para 8.13) justified? Would the use of 2021 affordability data for Charnwood feeding into the standard method affect the calculation of housing need for Charnwood in Table 8.1? If so, how?

Please refer to Bloor Homes Ltd's (BHL) response to Question 10.4 that highlights that the LHN figure of 1,111dpa is appropriate and accords with the PPG's guidance, and that the latest LHN of 1,156dpa broadly aligns with that value in any event.

Matter 10, Issue 2: The Scale of the Unmet Need for Housing

Question 10.7: Is the 18,700 dwelling figure a reasonable working assumption for Leicester’s unmet need from 2020 to 2036 as set out in the Housing Distribution Paper (paragraph 3.7) (Exam 45) and the SoCG (paragraph 3.19), pending further testing through the Leicester Local Plan? Is it a reasonable basis on which to apportion the unmet need across the Leicestershire authorities?

The 18,700 dwelling figure attributed as Leicester City Council’s (LCC) unmet need is generated from its LHN of 39,420 dwellings, less the 20,721 dwelling capacity that LCC identified in its Draft Local Plan.

That is an entirely appropriate basis on which to determine the scale of LCC’s unmet need. Indeed, whilst it is recognised that the exact scale of LCC’s unmet need will inevitably alter as LCC’s own Local Plan comes forward and is eventually subject to examination, the 18,700 dwelling figure is based on a robust evidence base that has considered the housing needs of the city and seeks to maximise the capacity for residential development within its own jurisdiction. The identified scale of unmet need and its apportionment across the L&L authorities on that basis is, therefore, entirely appropriate and it is reasonable for the examination of the Charnwood Local Plan to continue by utilising that figure.

Question 10.8: Why is an unmet need of 15,900 dwellings tested through the Sustainability Appraisal (Exam 47a) and how was this figure arrived at? Has the figure of 18,700 dwellings been tested?

The June 2021 SoCG between the L&L authorities identified that LCC’s unmet housing need, at that point in time, was 15,900 dwellings in the 2020-2036 period; based on LCC’s LHN (37,457 dwellings) and housing capacity at that point.

Therefore, the Sustainability Appraisal (SA) tested three housing scenarios developed from that base figure, as follows:

- Growth Scenario A: Unmet need of 15,900 dwellings;
- Growth Scenario B: Unmet need of 20,000 dwellings (25% uplift);
- Growth Scenario C: Unmet need of 7,950 dwellings (50% reduction).

The SA concluded (at paragraph 5.6.3) that *“the different distribution options perform fairly similarly, with each having strengths and weaknesses”* and that *“relatively speaking, the HENA distribution option performs as well or better than the alternatives for most sustainability topics.”*

The SA found when assessing Growth Scenario A that significant positive effects are likely for housing and employment outcomes. Whilst it found that some likely negative effects, none of those were significant in nature, with some effects still ‘uncertain’. Moreover, in comparing the likely effects with the ‘reduced scale of growth’ scenario (Scenario C), it appears that the relative positive and negative effects of each scenario balance one another out. Indeed, Scenario A will garner additional significant positive effects in relation to housing and employment and potentially some additional moderate positive effects in relation to climate change. With that said, there are less negative effects associated with the lower level of growth in relation to the environmental factors.

In relation to Growth Scenario B, the SA finds that some effects of a greater magnitude are expected when compared to Growth Scenario A, both positive and negative. Indeed, whilst increased negative effects in relation to biodiversity, landscape, and potentially minerals may be expected, the SA states that *“positive effects upon health and wellbeing, transport, housing and economy are predicted with more certainty”*. Moreover, the SA confirms that mitigation and the potential to spread growth across a larger number of sites means that not all sustainability themes would see the anticipated exaggeration of effects that are associated with the higher level of growth.

As detailed in the examination documents, the most recent unmet need figure of 18,700 dwellings was not established at the point of the SA testing those scenarios. However, the SA states that the values that were tested are “*sufficiently similar [to the new figure] to allow the authorities to understand the implications of different distributions*” and that “*it is therefore considered unnecessary to undertake a further round of appraisal*” relating specifically to the 18,700 dwelling value.

The SA recognises that the unmet need figure of 18,700 dwellings falls between Scenarios A and B. As such, the likely effects of that level of growth will sit between those predicted for each scenario. Indeed, the 15,900 dwelling figure is not a threshold such that additional effects will arise immediately after that value, and instead the change in effects will be graded.

In any case, it is also noted that each Local Authority will consider the exact distribution of housing as part of their own Local Plan Reviews, and so further mitigation against any likely negative effects can be in-built through the identification of the most appropriate spatial strategies and sites to accommodate growth. Moreover, the Local Authorities will have the opportunity to implement the necessary development management policies or site-specific requirements required to mitigate effects.

As such, the SA’s findings give great certainty that the 18,700 figure is appropriate on the basis of the significant testing that has been undertaken.

Question 10.9: If the scale of the unmet need of 18,700 dwellings changes as a result of the Leicester Local Plan Examination, how would this be addressed by the respective Leicester and Leicestershire local authorities under the Duty to Cooperate? What would the implications be for plan making in other authorities in the Housing Market Area?

The scale of the unmet need arising from LCC will inevitably continue to evolve over the coming years; particularly once LCC’s own Local Plan advances to examination and its capacity is assessed in further detail by the Local Plan Inspector(s). However, an unmet need of 18,700 dwellings is a robust working assumption for the basis of this Local Plan examination.

Indeed, it is critical that progress is made in bringing Local Plans forward, to ensure that plans are adopted and that allocation sites can begin to deliver much-needed housing to meet the housing needs arising across the L&L area. Conversely, pausing plans to consider each update to LCC’s unmet need figure will only delay the delivery of that housing and will ultimately fail to respond to the acute housing needs across the area. It is important that the Charnwood Local Plan’s examination continues based on the 18,700 dwelling unmet need figure.

With that said, the SoCG will need to be regularly reviewed moving forward and other Local Plans that are less advanced must respond appropriately to the updated findings. However, there should also be a recognition in those plans that future reviews (whether partial or full) might be needed to address the changing circumstances as they arise, and fundamentally to ensure that the identified housing needs of the L&L area are addressed when and where required.

Matter 10, Issue 3: Apportionment of the Unmet Housing Need

Questions 10.10: The Housing Distribution Paper (paragraph 7.3) (Exam 45) refers to the proposed distribution of the unmet need as an 'interim arrangement'. What does this mean, is it justified and how would any changes to the evidence or other circumstances be dealt with?

As set out in response to Question 10.9, the exact figure for LCC's unmet housing needs will inevitably evolve in the coming years. The 18,700 figure is, however, an appropriate working assumption for the purposes of the Charnwood Local Plan examination.

Questions 10.11 and Questions 10.12:

BHL supports the logical and robust approach that has been taken in the Housing Distribution Paper, which has accounted for a number of appropriate factors in order to formulate the proposed distribution.

Question 10.13: Have land supply, capacity and constraints been assessed in the apportionment of the unmet need? If not, how will these matters be addressed?

The SoCG between the L&L authorities sets out the total theoretical capacity of each authority, which comprises commitments, allocations in adopted plans, emerging allocations in draft plans, allowances for small site windfall development, and the potential supply set out in authorities' Strategic Housing Land Availability Assessment (SHLAA) documents. Each of those sources will have accounted for land supply, capacity and constraints.

Moreover, potential development sites that have been identified in emerging plans or by SHLAAs will be further tested through Local Plan Reviews, which themselves will take account of those factors.

Question 10.16: Overall, is the apportionment of 78 dwellings per year to Charnwood over the period 2020-2036 to contribute towards the unmet need of 18,700 dwellings justified by the evidence, robustly based and will it support a sustainable pattern of development as required by NPPF paragraph 11?

Apportioning 78dpa of LCC's unmet needs to Charnwood is considered to be entirely appropriate, and has clearly been justified based on a substantive evidence base.

With that said, the examination should seek to understand CBC's proposed mechanism for delivering that contribution towards the unmet needs arising from LCC. The SLP clearly set out CBC's intention for the emerging plan to specifically respond to CBC's own housing needs, and in that regard it set out a purported supply of 19,461 dwellings against its overall housing requirement of 17,776 dwellings; allowing for a buffer of 9.5%.

CBC intended for LCC's unmet housing needs to be considered through a future local plan review at the appropriate time and, therefore, the SLP proposed to include an early review mechanism in Policy DS2. That policy suggests that a review would be triggered within 6 months of L&L authorities agreeing to the apportionment of LCC's unmet needs, would commence within 12 months of that trigger, and would be submitted within 36 months of the date of the initial commencement.

The principle of that approach remains appropriate, particularly when taking account of the context in the Borough and the need to ensure that the Local Plan is adopted as soon as possible in order to respond to CBC's own housing needs. Indeed, CBC's inability to demonstrate a five year supply of housing highlights that there is a clear need to stimulate the delivery of housing at the earliest possible point to begin to re-establish a five year supply of housing and redress recent under-provision. Given that the plan's examination is well advanced, it would be inappropriate to unnecessarily delay its adoption and the delivery of housing.

As such, any attempt to seek to respond to the 78dpa apportionment figure through the emerging Local Plan Review would both be contrary to CBC's intentions for this plan to solely respond to CBC's needs

(as above) and would also effectively 'reset' the examination process by necessitating further evidence gathering / site assessment and public consultation periods, in turn delaying housing delivery.

Thus, the approach taken by the SLP and principally Policy DS2, in seeking to facilitate a future review to deal with LCC's needs, remains appropriate. With that said, the Inspectors may wish to consider the exact review mechanisms to ensure that a partial / full review can come forward in shorter order than is currently proposed. That would reflect the importance of quickly responding to LCC's unmet needs; which have been particularly long-standing.