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For and on behalf of
Gloebal Limited and Lagan Homes Limited

**Charnwood Local Plan 2020-2036
Examination in Public
Matter 10: Leicester and Leicestershire Housing and Employment Unmet Land Needs**

**Prepared by
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September 2022



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CONTENTS	PAGE
1.0 Introduction.....	4
2.0 Issue 1 – The Assessment of Housing Need	5
3.0 Issue 2 – The Scale Of Unmet Need	8
4.0 Issue 3 – The Apportionment Of Unmet Housing Need	9

1.0 INTRODUCTION

- 1.1 This response to Matter 10 of the Inspectors' MIQs in respect of the Charnwood Local Plan (CLP) 2021-37 Examination has been prepared by DLP Planning Ltd. DLP have been instructed to appear at the Examination in Public on these matters on behalf of Gloeбал Limited and Lagan Homes Limited.
- 1.2 This hearing statement should be read alongside previous representations to the Regulation 19 consultation and Matter 1 Hearing Statements submitted on behalf of Gloeбал Limited and Lagan Homes Limited. For reference these submissions comprise:
- Gloeбал Limited
 - Regulation 19 representations (PSLP/562 and PSLP/563) submitted by DLP Planning Ltd on behalf of Gloeбал Limited
 - Matter 1 written statement submitted by DLP Planning Ltd on behalf of Gloeбал Limited
 - Lagan Homes Limited
 - Regulation 19 representations (PSLP/162) submitted by Geoffrey Prince Associates Ltd on behalf of Cawrey Homes.
 - Matter 1 written statements submitted by DLP Planning Ltd on behalf of Lagan Homes Limited.

2.0 ISSUE 1 – THE ASSESSMENT OF HOUSING NEED

10.1 What is the up to date position with the signing of the SoCG (Exam 43) by the Leicester and Leicestershire authorities (including the County Council)? Are there any implications for Plan preparation by the authorities and if so, what are they?

2.1 It is important that the SoCG is signed by all authorities. This is particularly important given that the final distribution is ‘policy-based’ rather than being based on demographic and market indicators.

10.2 Is the HENA (Exam 44a) assessment of Leicester and Leicestershire’s housing need from 2020 to 2036 (91,408 dwellings) based on a robust assessment of relevant factors? Are there any exceptional circumstances which would justify planning for a lower or a higher figure?

2.2 It is very important for the Inspectors to note that there is no requirement to establish “exceptional circumstances” to plan for a level of housing higher than that required by the Standard Method.¹

2.3 At present the proposal is that for the whole HMA is to simply meet the minimum requirement as set by Government policy.

2.4 In England the increase in stock has been just 0.8% over the last 20 years although this has increased to 0.9% in the last five years. This is significantly lower than the 1.2% increase in stock level required to deliver the 300,000 dpa as proposed in Government policy.

2.5 National policy therefore requires a 33% increase in the rate of growth in the dwelling stock nationally.

Table 1. Past changes to Stock Compared to Government Policy Objective of 300,000 dpa

	Annual Rate of change from 300,000 dpa	2001 to 2021	2006 to 2021	2011 to 2021	2016 to 2021
England	1.21%	0.8%	0.8%	0.8%	0.9%

Source: ONS; Gov.uk Live Table 125; DLP Analysis

2.6 At present the proposed overall level of provision for the whole of Leicestershire is just 1.2% (EXAM45 table 7.1). This is in a location with one of the of the 20 urban areas that is subject to the urban uplift which is one of the policy initiatives to secure the Government’s overall objective of 300,000 dpa.

2.7 If an area which contains one of the urban areas subject to the uplift cannot plan for a higher level that the average required to meet the 300,000 dpa target it is inevitable that this policy target will not be met.

2.8 Plans should be prepared positively in a way that is aspirational but deliverable.²

2.9 Meeting the minimum level of housing need is neither positive nor aspirational.

2.10 It is noted that the potential surplus in supply is about 80,000³ and there would appear to be little justification for not planning to deliver above the minimum level given the number of

¹ NPPF paragraph 61; PPG ID: 2a-015-20190220

² NPPF paragraph 16

³ EXAM45 table 6.5

clearly sustainable opportunities that exist in both Charnwood and the wider HMA.

- 2.11 Allocating above the minimum level will provide a greater range of sustainable sites that will provide market choice and ensure that the minimum level of housing need is delivered.

10.3 What implications, if any, do the levels of net migration in the 2018 Sub National Household Projections compared with the 2014 projections (on which the standard method is based) have for the standard method of assessing housing need for Leicester and Leicestershire? Is the use of an alternative internal migration assumption justified and if so, why? (Table 5.13)

- 2.12 The result of the standard method calculation is not altered by importing alternative migration assumptions. These do not form a separate input at any step within the calculation. The Government has recommended continued use of the 2014-based projections to provide stability for plan-making purposes and it is the 10-year change in households at Step 1 of the calculation that generates a consistent result across all Leicestershire authorities, irrespective of the analysis of migration trends within the evidence base. Paragraphs 5.39 and 5.41 in EXAM44 confirm that the analysis does not support any departure from the methodology to calculate minimum local housing need; the 2014-based projections which drive the Standard Method are not ‘too high’.
- 2.13 The implications of the analysis undertaken by the HENA are therefore only relevant to the demographic characteristics of the population generated by the result of the standard method and not the minimum local housing need figure subject to consideration in terms of distribution.
- 2.14 Fluctuations in migration trends will be highly sensitive to the rate and location of housebuilding across the County in previous years. This has to be viewed in the context of an overall lower total estimated households to 2021 versus outputs from the 2014-based projections, indicating a suppressed growth relative to the inputs to the standard method. Expected future changes require satisfying the minimum expectations on national policy to meet unmet needs generated by the application of the urban uplift for Leicester city at step 4 of the calculation for the purposes of plan-making i.e., looking forward. Meeting these needs in a sustainable way and as close as possible to where they arise may appropriately require increased assumptions for migration (and different characteristics by age and sex) into adjoining authorities such as Charnwood.

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)?

- 2.15 The HENA update does not fully document the situation of worsening affordability in Charnwood as it presents findings for the authority based on the calculation of local housing need at the submission date of the Plan (1,111dpa) (ID: 2a-008-20190220).
- 2.16 When considering the overall level of housing to be planned for (including unmet need) it is appropriate to consider the implications of increasing affordability ratios on future calculations of the minimum requirement.
- 2.17 This is not a new issue. The HNA⁴ (EB/HSG/1) highlights a similar issue with the earlier work and the consequence of the rising affordability ratio is the gradual increase in the output of the standard method.

⁴ EB/HSG/1 Charnwood Housing Needs Assessment paragraph 3.12
09.20.Le5198-5PS.DLP.Charnwood Local Plan EiP Matter 10 Final

- 2.18 Statements to Matter 1 of the Examination on behalf of both our clients highlighted that the proposed level of contribution towards Leicester's unmet needs, at 78dpa, would in-fact be largely masked by worsening trends in affordability reflected in the calculation of the standard method (1,156dpa vs. 1,111dpa). It also remains far from certain whether all Leicestershire authorities will agree contributions towards the distribution of unmet needs within two years from the date of submission of the Charnwood Local Plan or before worsening affordability affects the calculation of minimum annual local housing need within their Plans.
- 2.19 The HENA Update should therefore utilise the most up-to-date inputs to the calculation of the standard method to consider overall housing needs and the level of provision required to support the sustainable redistribution of unmet needs to Charnwood. Any discrepancy between the latest calculation of minimum annual local housing needs and the provision that the Local Plan includes based on the submission date is at the very least a material consideration for the assessment of the deliverability and flexibility in supply and the extent of the overall buffer in provision that should be identified.
- 2.20 Worsening affordability, in the context of planned provision in Charnwood that could sustainably support higher levels of delivery, does not for example support the proposed cap on distribution based on the growth in dwelling stock (see Q10.12 below).

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?

- 2.21 As above the use of the 2021 affordability data would increase the housing requirement by 45 dpa. This however represents more than half of the additional dwellings that EXAM45 suggests are required to meet Charnwood's share of Leicester's unmet needs.

10.6 What are the implications, if any, of Charnwood having a 12% increase in population 2011-19 but a 9.2% increase in dwelling stock over the same period as indicated in the HENA (Table 5.16)? Does this point to a level of suppressed household formation which would justify an uplift in the level of need? Does this trend have any implications for the future distribution of development as indicated at paragraph 5.36 of the HENA?

- 2.22 The 2021 census recorded some 73,800 households an increase of 10.9% compared to the 66,516 households in 2011. This compares to the 2014 household projection of 76,252 households. There are fewer households that have formed or at least have been able to find accommodation within the district than previously projected.
- 2.23 The population in Charnwood has increased from 166,100 (2011 Census) to 183,900 (2021 Census estimate) - an increase of 10.7%. This indicates constraints upon the extent of population growth below the levels of population change previously projected and contained within official estimates.

3.0 ISSUE 2 – THE SCALE OF UNMET NEED

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?

3.1 This is a question that can only be fully tested and answered through the Examination and adoption of the emerging City of Leicester Local Plan, which at present is expected to provide around 41% of the 20,721 dwellings figure provision within the city on emerging allocations. It should be noted that the trajectory at Appendix 1 of the 2020 Draft Plan forecast completion of 1,733 dwellings in 2019/20 and 2020/21 with the number of homes delivered (using the HDT measurement) being 1,448 and 1,050 dwellings respectively.

3.2 This would indicate the potential for overoptimism in forecast delivery and as a result adds weight to detailed testing of the ‘whole plan’ buffer in overall provision contained within those Plans proposing contributions towards *minimum unmet needs, including Charnwood*. 18,700 should be treated as the best figure currently available for the purposes of a working assumption on that basis.

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?

3.3 The Council should answer this question noting our response to 10.7 above.

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?

3.4 For a plan to be sound it should be flexible enough to accommodate needs not anticipated in the plan.⁵ By far the simplest way of achieving the flexibility required is to ensure that a plan has a good mix of sites and seeks to provide a level of supply above the minimum requirement (in this case the latest calculation of local housing need including the estimated unmet need from Leicester).

3.5 Alternatives to simply increasing the level of provision by selecting additional sites from the identifiable deliverable supply could be as follows:

- a) An early review policy
- b) Identify a number of reserve or safeguarded sites
- c) Full plan review

3.6 Clearly the most effective response at this time would be to ensure the proposed allocations provide sufficient flexibility.

⁵ NPPF Paragraph 82 d

4.0 ISSUE 3 – THE APPORTIONMENT OF UNMET HOUSING NEED

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?

4.1 We understand that the distribution, as set out in EXAM45 and notwithstanding our objections in this response, and agreement in the Statement of Common Ground reflects that this is to be considered appropriate for plan-making purposes in the period to 2036. This reflects an outcome of the Duty to Cooperate and broadly accords with the timescales for the submission version Charnwood Local Plan.

4.2 As highlighted above, to be sound a plan has to be flexible enough to accommodate needs not anticipated in the plan.⁶ The mechanisms for achieving this are discussed above but the most efficient approach would be to allocate above the minimum requirement (including the unmet need from Leicester).

4.3 Other, currently non-statutory, arrangements which may take a longer-term view of the strategy beyond 2036 could appropriately be dealt with as part of future plan reviews.

10.11 Are the following factors set out in the Housing Distribution Paper a robust and logical basis for the apportionment of the unmet need of 18,700 dwellings to 2036:

- **the functional relationships between the respective Leicestershire authorities and Leicester City based on migration and commuting patterns;**
- **balancing the provision of jobs and homes;**
- **deliverability, based on potential supply, the rate of housing growth and adjustments to support a sustainable and deliverable distribution of development. Are there any other relevant factors which should be taken into consideration?**

4.4 It is important to recognise that the unmet need from Leicester, if it cannot be met within the city itself⁷, should be provided for under an approach that allows people to live nearby the services they rely on, making travel patterns more sustainable. The rationale for this approach⁸ is to ensure that new homes can maximise existing infrastructure such as: public transport, schools, medical facilities and shops.

4.5 On the above basis it is considered that the conclusions from EXAM45 are incorrect, and that any redistribution should be based upon the functional relationship between the adjoining councils and Leicester.

4.6 The “redistribution” of unmet need resulting from the objectives of Government policy for the urban uplift to meet a perceived shortfall in labour in North West Leicestershire is misconceived as it treats these households simply as numbers rather than recognising that they are strongly linked both socially and economically to Leicester city itself. Without recognising these important connections steps 2 and 3 of the approach are not only contrary

⁶ NPPF Paragraph 82 d

⁷ Paragraph: 035 Reference ID: 2a-035-20201216

⁸ Government response to the local housing need proposals in “Changes to the current planning system”

Updated 1 April 2021

to the guidance but are also unlikely to achieve the policy outcomes of increasing the supply of housing for the residents of Leicester in terms of proximity to services and sustainable travel patterns.

- 4.7 Table 1.1 of EXAM44c page 4 highlights the strong relationship in terms of gross migration flows between North West Leicester and South Derbyshire (64.5 persons per 1000) and that this is significantly more important than the district's relationship with Leicester at just 14.2 persons per 1000.
- 4.8 Conversely Charnwood's relationship with Leicester is very strong at 73.4 persons per 1000.
- 4.9 In terms of commuting the relationship between Charnwood and Leicester is also strong with 19.2% of resident workers in Charnwood working in Leicester⁹. gross commuting flows between Charnwood and the City accounting for 24% of all community flows into / out of Leicester¹⁰.
- 4.10 Conversely only 5% of workers resident in North West Leicester work in Leicester. As such "relocating" 80 dpa from Leicester to North West Leicestershire is unlikely to meet the needs of those in the city.
- 4.11 Table 4.5 in EXAM45 indicates that Charnwood should be required to deliver an additional 289dpa (over and above its locally assessed housing need) to help satisfy Leicester's unmet housing need and reflect these functional relationships.
- 4.12 Step 3 of EXAM45 conflates three very different factors these being:
- a) The requirement for additional dwellings to support local employment growth as is the case for North West Leicestershire¹¹; and
 - b) Avoid potential issues of overconcentrating development to a degree where issues of market absorption could potentially arise and limit the ability of local authorities to meet housing targets and/or result in unsustainable patterns of development; and
 - c) The assertion that it is appropriate that local authorities contribute equitably to meeting unmet need from Leicester
- 4.13 The evidence is that any additional housing provided to meet the employment growth in North West Leicestershire is unlikely to be occupied by those moving out of Leicester and as such cannot be counted as meeting Leicester's unmet need. This uplift should be in addition to the requirement to provide for Leicester's unmet need.
- 4.14 Taking the approach detailed in these parts of Table 6.9 would result in perverse outcomes. For example, it would result in the two Authorities with by far and away the worst functional relationships with Leicester taking additional parts of the unmet need. Of these, North West Leicestershire District (an Authority with a poor functional relationship with Leicester – the next to worst) would take 27% of the unmet need. This compares with the 7% that EXAM45 suggests should be directed to Charnwood – the Authority with the second best functional relationship. This cannot be considered sound.
- 4.15 The suggestion that a growth rate of 1.4% will result in an over concentration of development is simply an assertion and not supported by the findings of the SHELAA.
- 4.16 The suggestion that the market cannot deliver the scale of growth calculated for Charnwood (1400 dpa) is not supported by evidence (see below). There is the land available within the

⁹ EB/EMP/1 Leicester and Leicestershire HEDNA 2017 Table 25: Commuting Matrix

¹⁰ Exam45 table 4.4 page 12.

¹¹ EXAM45 paragraph 6.21

relevant local authority areas to accommodate Leicester's unmet need and no evidence at all to suggest that housebuilders cannot deliver, and the market cannot absorb the amount of housing that is required on the basis of the functional relationship apportionment.

4.17 The suggestion that Local Authorities should contribute equitably to meeting Leicester's unmet need is contrary to the NPPF's requirement that all plans should promote a sustainable pattern of development that seeks to meet the development needs of their area.¹²

4.18 While EXAM45 paragraph 6.20 states that the purpose of the adjustment is that there should be an equitable distribution of Leicester's unmet need this is not what is proposed in Table 6.9 row "Additional dpa" in terms of the strength of relevant functional relationships.

10.12 Is the proposed 1.4% 'cap' to the redistribution of housing provision justified as a general approach and in relation to Charnwood in particular? What effect does the 1.4% cap applied to Charnwood have on the redistribution of the residual unmet need across the other Leicestershire authorities?

4.19 The 1.4% is not justified either as a general approach nor for Charnwood.

4.20 As highlighted earlier in this submission to achieve the Government's target of 300,000 dpa there will need to be an increase England's housing stock of 1.21% (300,000 additions to present stock 24,873,320 Table 125). This represents a significant increase (33%) from the long-term growth of 0.8%.

4.21 An approach that seeks to restrain growth on the basis of past performance measured against the percentage increase in total stock cannot be regarded as sound when judged against the clear policy objective of the Government and previous constraints on housing land supply.

4.22 The approach suggested in EXAM45 that seeks to limit future growth to 1.4%¹³ in a location which shares an extensive boundary with one of the of the 20 urban areas that is subject to the urban uplift will clearly frustrate Government policy objectives.

4.23 The approach is inherently backwards looking and is neither positive nor aspirational¹⁴.

4.24 At the start of the 20-year period there was a very different policy regime and there was no real recognition of the emerging housing crisis and certainly no policy response to it. Over the last 20 years there have been few authorities that have achieved an average rate of increase in stock of 1.6% or above. What is noticeable from Table 2 below is that since 2011 not only has the percent increase in stock increased but so has the number of authorities that achieve these higher rates and that the rates of stock growth are also increasing.

4.25 This evidence suggests that the impact of Government policy initiatives since 2012 has resulted in higher rates of delivery when compared to size of existing stock.

4.26 In some cases, this is related to increased levels of delivery on urban sites but for others such as South Derbyshire and the whole of Oxfordshire this is due to large urban extensions and other strategic sites starting to deliver.

4.27 The conclusion that can be drawn from the evidence is that locations, especially those next to larger urban areas, can achieve much higher rates of growth than 1.4% when measured against their existing stock (see Table 2). One of the conditions for achieving these higher rates of growth is the existence of a range of sites including large strategic sites.

¹² NPPF paragraph 11 a

¹³ EXAM45 table 7.1

¹⁴ NPPG Paragraph 16 b

- 4.28 The area that is directly comparable to the situation in Charnwood is South Derbyshire which contains the southern extension to Derby. This has achieved a rate of net additions to stock above 1.6% over the last 20 years and this has increased to 2.4% in the last 4 years.
- 4.29 It would appear that the greatest risk for Charnwood of not achieving a rate of housing provision of 1.6% increase in stock is simply not planning for this level of development.
- 4.30 The evidence is fully supportive of the market being able to deliver a growth rate of 1.6% of stock and there is no justification for imposing a lower level of growth of 1.4%.

Table 2. The Annual Rate of Stock Increase

	2001 to 2021	2006 to 2021	2011 to 2021	2016 to 2021
City of London	1.9%	2.1%	2.9%	3.0%
Tower Hamlets	2.4%	2.3%	2.1%	2.7%
Vale of White Horse	1.3%	1.5%	1.8%	2.4%
Salford	1.2%	1.5%	1.5%	2.4%
South Derbyshire	1.7%	1.6%	1.7%	2.4%
Newham	1.4%	1.5%	1.7%	2.1%
Stratford-on-Avon	1.3%	1.2%	1.5%	2.1%
Cherwell	1.1%	1.2%	1.5%	1.9%
Uttlesford	1.6%	1.6%	1.7%	1.9%
Dartford	1.5%	1.5%	1.6%	1.9%
Wokingham UA	1.0%	1.1%	1.3%	1.9%
Daventry	1.1%	1.1%	1.4%	1.9%
Harborough	1.3%	1.4%	1.5%	1.8%
Tewkesbury	1.3%	1.4%	1.6%	1.8%
Central Bedfordshire UA			1.5%	1.8%
North West Leicestershire	1.2%	1.3%	1.5%	1.8%
Maidstone	1.3%	1.3%	1.3%	1.8%
Greenwich	1.1%	1.1%	1.4%	1.8%
South Norfolk	1.4%	1.5%	1.6%	1.7%
Bracknell Forest UA	0.9%	1.0%	1.2%	1.7%
South Oxfordshire	0.9%	1.1%	1.3%	1.7%
Bedford UA			1.5%	1.7%
Corby	1.5%	1.7%	1.6%	1.6%
Ribble Valley	1.0%	0.9%	1.3%	1.6%
Eastleigh	1.1%	1.1%	1.1%	1.6%
Oxfordshire	1.0%	1.1%	1.3%	1.6%
Horsham	1.2%	1.2%	1.4%	1.6%
South Northamptonshire	1.1%	1.0%	1.3%	1.6%
Test Valley	1.2%	1.2%	1.5%	1.6%
West Oxfordshire	1.2%	1.2%	1.1%	1.6%
Wychavon	1.1%	1.1%	1.4%	1.6%

Source: GOV Table 125

- 4.31 Similar conclusions can be drawn if one considers the total increase in stock over the Plan's proposed period for provision 2020 to 2036. To deliver the 1,400 dpa based on the distribution of Leicester's need according to its functional relationship with Charnwood would require a 29% increase in the stock over 15 years. Table 3 below suggests that this rate of change has been achieved even in the less favourable policy context from 2006.

- 4.32 South Derbyshire again is a comparator delivering a 27.4% increase in the period 2006 to 2021.
- 4.33 This suggests that the level of 28.9% is achievable especially given the number of authorities who have recently managed to increase their outputs (see Table 2 above).

Table 3. Total Change in Stock

	20 Year Change on total Stock	15 Year Change on total Stock	10 year % change in total stock
City of London	45.8%	35.9%	32.5%
Tower Hamlets	61.2%	41.6%	22.7%
Vale of White Horse	30.3%	24.9%	19.7%
Salford	28.0%	24.8%	16.3%
South Derbyshire	41.3%	27.4%	18.1%
Newham	30.8%	24.3%	18.4%
Stratford-on-Avon	28.7%	20.2%	16.0%
Cherwell	25.7%	20.4%	16.6%
Uttlesford	36.1%	27.3%	18.2%
Dartford	34.6%	25.3%	17.6%
Wokingham UA	21.9%	17.9%	13.8%
Daventry	25.1%	18.5%	14.7%
Harborough	29.6%	24.0%	15.7%
Tewkesbury	29.7%	24.1%	16.9%
Central Bedfordshire UA			16.0%
North West Leicestershire	27.6%	20.7%	16.1%
Maidstone	29.0%	21.3%	14.3%
Greenwich	24.2%	17.1%	14.8%
South Norfolk	31.7%	25.9%	16.7%
Bracknell Forest UA	19.3%	16.3%	12.7%
South Oxfordshire	19.7%	17.0%	13.9%
Bedford UA			15.7%
Corby	35.2%	28.8%	17.0%
Ribble Valley	22.3%	14.0%	13.4%
Eastleigh	25.0%	18.2%	11.9%
Oxfordshire	22.8%	17.7%	13.2%
Horsham	27.4%	19.5%	15.4%
South Northamptonshire	25.3%	16.8%	13.4%
Test Valley	26.4%	20.5%	16.2%
West Oxfordshire	27.0%	19.1%	11.6%
Wychavon	23.8%	18.3%	15.1%

Source: GOV Table 125

- 4.34 Table 4 provides a further indication that the ceiling of a 1.4% increase in net stock is ill conceived as the Council's own trajectory (Exam 11) forecasts much higher rates of dwelling growth for 8 of the next 15 years. These are 8 continuous years from 2024/5 to 2031/2.
- 4.35 For 6 of these years the forecast build rate is in excess of 1.6% of the stock.
- 4.36 In respect of actual numbers of units being delivered the Trajectory in EXAM11 suggests that over 1400 dwellings will be delivered in the middle seven years of the plan period and this is forecast to fall to just 680 dwellings in the last year (2035/6). It is entirely unrealistic that the market will have reduced to such an extent that only 680 dwellings could be delivered. It

would be more realistic for the build rate to continue if there is continuing unmet need at a rate 1,400 dpa.

- 4.37 What is unclear from the evidence presented by the council (EXAM11 and EXAM45) is that if the market can deliver completions in excess of 1.6 % of total stock for most of the first part of the plan period and up to 2.36% why would the market not be able to maintain this rate in the latter part of the plan period?
- 4.38 There is no indication from the council that the rates of delivery in EXAM11 are now considered to be too high and that there needs to be a re-examination of the 5 year land supply on the date of adoption.

Table 4. Comparison of Annual Stock Change – Submission Draft Plan Housing Trajectory and Distribution Options

Charnwood Proposed Exam 11 trajectory	2021	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36	2036/37
Estimated total completions (Exam 11)	0	792	691	839	1157	1420	1853	1991	1778	1428	1466	1421	1235	1013	897	808	680
Total Stock	77,466	78,258	78,949	79,788	80,945	82,365	84,218	86,209	87,987	89,415	90,881	92,302	93,537	94,550	95,447	96,255	96,935
Annual increase in total stock	0	1.02%	0.88%	1.06%	1.45%	1.75%	2.25%	2.36%	2.06%	1.62%	1.64%	1.56%	1.34%	1.08%	0.95%	0.85%	0.71%

Charnwood Proposed Exam 45 Table 6.9	2021	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36	2036/37
Provision Proposed Interim Redistributed Housing Provision	0	1189	1189	1189	1189	1189	1189	1189	1189	1189	1189	1189	1189	1189	1189	1189	1189
Total Stock	77,466	78,655	79,844	81,033	82,222	83,411	84,600	85,789	86,978	88,167	89,356	90,545	91,734	92,923	94,112	95,301	96,490
Annual increase in total stock	0	1.53%	1.51%	1.49%	1.47%	1.45%	1.43%	1.41%	1.39%	1.37%	1.35%	1.33%	1.31%	1.30%	1.28%	1.26%	1.25%

Charnwood Proposed Exam 45 table 4.5	2021	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36	2036/37
Provision for Redistribution based on Functional Relationship to Leicester	0	1400	1400	1400	1400	1400	1400	1400	1400	1400	1400	1400	1400	1400	1400	1400	1400
Total Stock	77,466	78,866	80,266	81,666	83,066	84,466	85,866	87,266	88,666	90,066	91,466	92,866	94,266	95,666	97,066	98,466	99,866
Annual increase in total stock	0	1.81%	1.78%	1.74%	1.71%	1.69%	1.66%	1.63%	1.60%	1.58%	1.55%	1.53%	1.51%	1.49%	1.46%	1.44%	1.42%

Source: Table 125/Exam 11/ Exam 45

- 4.39 Table 5 below sets out the summary position on the trajectory (EXAM11) and the initial distribution of the unmet need (EXAM45 Table 4.5) and the final distribution:

Table 5. Summary of assumptions

	2021 (Table 125 Stock)	2036/37 (trajectory)	Average Annual	Total Increase
Charnwood Proposed Exam 11 trajectory	77,466	96,935	1.4%	25.1%
Provision Proposed Interim Redistributed Housing Provision Exam 45 table 6.9	77,466	96,490	1.4%	24.6%
Provision for Redistribution based on Functional Relationship to Leicester Exam 45 table 4.5	77,466	99,866	1.6%	28.9%

Source: Table 125/Exam 11/ Exam 45

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

- 4.40 No. The potential to make further allocations in Charnwood so that issues of delivery can easily be overcome has not been taken.
- 4.41 At 40,812 dwellings in the potential supply¹⁵ has the largest reservoir of potential supply. Meeting the housing need for 22,401 (1400 dpa) would require just over half of these sites dwellings to be allocated. This is without prejudice to numerous instances where the Council has already acknowledged the potential to increase the capacity for development on sites already proposed for allocation in the submission Draft Plan or where there are outstanding objections from promoters in advance of the potential increase in capacity being assessed at sustainable locations within the settlement hierarchy¹⁶.
- 4.42 There is also no shortage of deliverable sites that could be allocated to meet this higher level of need as is clearly apparent by the number of “omission sites” being promoted at this examination that would form part of an appropriate strategy consistent with the submission version Plan (for example additional land within the Leicester Urban Area)¹⁷.
- 4.43 As there has been no analysis / assessment of the precise quantum of land that would need to be allocated to accommodate Charnwood’s element of the unmet need, or any assessment of specific site options. This work would need to be done, and consulted on, once a decision is taken on the proportion of the unmet need that Charnwood must accommodate (see also response to Q10.15 below).
- 4.44 A wider range of sites and making the most of those presently allocated within Charnwood is a much better way of addressing concerns regarding delivery as opposed to artificially relocate the demand to locations and other authorities which have weaker links with the main urban area whose needs are being met.

10.14 What role will the review of the Strategic Growth Plan (EB/DS/6) have in the distribution of housing growth across the Leicester and Leicestershire Housing Market Area in the longer term?

- 4.45 This states on page 6 that unmet need from Leicester will be satisfied, in part, by development in strategic locations in accordance with the strategy set out in this Plan.
- 4.46 This identifies a that after 2031 Charnwood will continue to play a central role in meeting housing growth as it is to deliver the highest level of new dwellings in the County (10,000 on

¹⁵ EXAM45 table 6.5

¹⁶ See e.g., HA33 and HA35

¹⁷ For example, land at Gorse Hill, Anstey

strategic sites and 8,890 on non-strategic sites).¹⁸

- 4.47 Notwithstanding this, the Strategic Plan is a non-statutory document. It has not been subject to any independent examination or testing and cannot be afforded any weight in the examination of the Charnwood Local Plan.

10.15 How has the SoCG Sustainability Appraisal report (Exam 47a) informed the apportionment of the unmet need?

- 4.48 The SoCG Sustainability report has not informed the apportionment of need it assesses the impact of distribution that was made in EXAM45¹⁹.
- 4.49 The conclusion of the SA is that the different distribution options perform fairly similarly.²⁰
- 4.50 In the case of our clients' respective interests and Shepshed and within the Leicester Urban Area at Anstey the evidence base for the submission version Local Plan is clear that both locations could support higher levels of growth than currently proposed. These conclusions are not affected by the broad nature of the exercise undertaken as part of the Duty to Cooperate process.
- 4.51 This is without prejudice to the point that the SoCG Sustainability Appraisal report (Exam 47a) has not informed the apportionment of the unmet need. EXAM47a does not provide a sound basis upon which to determine that the apportionment to Charnwood should not be increased or that an increase in the distribution of growth within Charnwood would be less sustainable than the overall distribution currently proposed across Leicestershire outlined within the SoCG.

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?

- 4.52 The level of unmet need from Leicester is a result of "step 4" in the Standard method referred to as the Urban Uplift. In order to determine if the resulting distribution is in accordance with planning policy and guidance it is important to have regard to the Government's aims and objectives for proposing such an uplift.
- 4.53 The PPG²¹ states that the Government expects the increase in the number of homes to be delivered in urban areas themselves, rather than the surrounding areas, unless it would conflict with national policy and legal obligations. This should mean the prioritising of brownfield and other under-utilised urban sites ensuring that homes are built in the right places, to make the most of existing infrastructure, and to allow people to live nearby the service they rely on, making travel patterns more sustainable.
- 4.54 The Government's rationale for the uplift is set out in "Changes to the current planning system"²². This sets out three strong reasons for the approach
- a) building in existing cities and urban centres ensures that new homes can maximise existing infrastructure such as public transport, schools, medical facilities and shops.
 - b) there is potentially a profound structural change working through the retail and commercial sector, and it is expected that there will be more opportunities for creative

¹⁸ EB/DS/6 Strategic Growth Plan Table 4 page 29

¹⁹ EXAM47a page 41 paragraph 5.6.1

²⁰ EXAM47a page 41 paragraph 5.6.3

²¹ Paragraph: 035 Reference ID: 2a-035-20201216

²² Government response to the local housing need proposals in "Changes to the current planning system"

use of land in urban areas to emerge.

- c) The Government's climate aspirations demand that we aim for a spatial pattern of development that reduces the need for unnecessary high-carbon travel. We have heard support for these objectives.

4.55 The Government go onto explain that the increase in the number of homes to be delivered is expected to be met by the cities and urban centres themselves, rather than the surrounding areas. In considering how need is met a sequential approach is suggested:

- a) Brownfield and other under-utilised urban sites should be prioritised to promote the most efficient use of land.
- b) Development should align with the character of local neighbourhoods in urban areas and support the building of green homes.
- c) Ensure that homes are built in the right places, to make the most of existing infrastructure, and to allow people to live nearby the services they rely on, making travel patterns more sustainable.

4.56 The Government suggest that local planning authorities should co-operate on this basis.

4.57 There is strong evidence that Charnwood is well placed to meet Leicester's unmet need in a sustainable way given its clear functional relationship with the city. To do so would be in accordance with NPPF2021 paragraph 11b.

4.58 However only meeting 78 dpa of the unmet need while "displacing" some 80dpa²³ to North West Leicester an area with comparatively very poor functional relationship with Leicester is contrary to this paragraph. The outcomes of the SoCG and proposed apportionment is therefore not justified for the reasons outlined in this response.

4.59 The evidence indicates that it is not necessary to do anything other than apportion the unmet need on the basis of functional relationships. The remedy is to specify the apportionment that appears in EXAM45 Table 4.5.

²³ EXAM45 table 6.9



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