

Charnwood Local Plan Examination

Matter 10: LEICESTER AND LEICESTERSHIRE HOUSING AND EMPLOYMENT LAND NEEDS

Land off Gaddesby Lane, Rearsby

Prepared by Fisher German LLP on behalf of Clarendon Land

Project Title

Land at Gaddesby Lane, Rearsby

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1. Introduction

1.1 This Hearing Statement has been prepared on behalf of Clarendon Land in respect of their land interests at Gaddesby Lane, Rearsby, as illustrated on Figure 1 below. The site is a draft allocation in the emerging Local Plan, for 47 dwellings under Policy HA66.



Figure 1: Local Plan Policies Map Extract

1.2 The site is located close to the village centre, in close proximity to the village’s services and facilities, including bus stops, public houses, village hall and school.

1.3 An outline planning application for the development of up to 65 dwellings (including affordable housing), with all matters reserved other than access, together with associated landscaping and other infrastructure has been submitted to, and validated by, the Council (P/22/1168/2). The application is supported by a suite of detailed technical evidence confirming that the proposal can be delivered without undue impacts.

1.4 Land, immediately adjacent to the proposed allocation, is available and could deliver additional homes, should the Council need to find further land to support an increase in housing numbers.

- 1.5 The Neighbourhood Plan for Rearsby was made on the 9th December 2021, following a successful referendum on the 28th October 2021 in which 277 (94%) people voted in favour and 18 (8%) voted against. Whilst the Neighbourhood Plan does not specifically allocate the land at Gaddesby Lane, it has acknowledged that the site is an emerging allocation in the Local Plan and makes a significant contribution to meeting Rearsby's housing needs, negating the need for any specific allocations within the Neighbourhood Plan itself. When discussing future housing needs the Plan states at 4.23 that "the housing allocation for 47 dwellings in the draft Local Plan alongside windfall development will ensure that sufficient land to meet residential need is available in the right locations".

2. MATTER 10: LEICESTER AND LEICESTERSHIRE HOUSING AND EMPLOYMENT LAND NEEDS

Issue 1: The Assessment of Housing Need

Q10.2: 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?

- 2.1 It is considered that there is no specific justification to support a reduction to the HENA assessment of Leicester and Leicestershire's Housing Need. Leicestershire is not severely constrained, and there are more than sufficient available and deliverable housing sites across the County to ensure that Leicester and Leicestershire's housing need, is delivered as a minimum figure for Plan making.
- 2.2 Whilst one constituent member of the Leicester and Leicestershire authorities, Leicester City, is unable to meet its identified needs, this does not mean that the quantum as a whole is unjustified or undeliverable. This is acknowledged and demonstrated through the Statement of Common Ground relating to Housing and Employment Land Needs (Exam 43 L& L So CG Relating to Housing and Employment Land Needs (June 2022)).

Q10.3 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)

- 2.3 The PPG is clear that there is an expectation that the Standard Method should be used, and that other methods to calculate housing need will only be acceptable in exceptional circumstances. The Government was well aware, during recent revisions to planning policy, that there were differing outcomes emanating from the 2016 and 2018 projections but chose to keep the 2014 household projection for calculating Local Housing Need (LHN). This was in response to the need to deliver 300,000 dwellings per annum nationally and to ensure issues such as suppressed household formation rates, overcrowding, affordability, etc could be rectified. It is recognised that there are some allowances to utilise updated demographic information however this should only

occur in exceptional circumstances. Exceptional circumstances do not exist across the Leicester and Leicestershire Authorities.

Q10.5 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?

- 2.4 Since the Plan was submitted, and prior to the commencement of the Examination, updated affordability data for 2021 was published. This resulted in an increase from 7.89 in 2020 to 8.41 in 2021; an increase of 6.6%. This results in an increase in LHN, as established from the Standard Methodology, from 1,111 dwellings per annum to 1,156 dwellings per annum; an increase of 4%.
- 2.5 The PPG is clear that when establishing a housing requirement, using LHN as the starting point, the “most recent median workplace-based affordability ratios, published by the Office for National Statistics at a local authority level, should be used” (PPG Housing and economic needs assessment). In this case obviously the most recent figures are those within the 2021 data. The cost-of-living crisis is likely to significantly impact affordability in the coming years, thus the need for more housing and more affordable housing will become even more apparent. As such, it would seem entirely sensible to adopt the higher figure (2021 figure), albeit the PPG is clear the Council can continue to utilise the submitted figure for two years post submission.

Q10.6 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?

- 2.6 As set out in our Matter 4 representations, there is significant justification for adopting a higher housing requirement than base LHN. The fact that Charnwood’s population has increased disproportionately when compared against household formation likely demonstrates that there are issues in relation to household suppression in Charnwood. If not addressed, the problem will only worsen.

- 2.7 It is however accepted that this is a separate issue directly relating to Charnwood's own LHN, not unmet needs arising from Leicester City and are separate needs that both require meeting. Increasing the housing need figure to meet one, by definition cannot be argued to be meeting the other. If a dwelling is occupied by a household moving from the City, then clearly it will not be available to serve the needs of those living within suppressed households within Charnwood.
- 2.8 Given they are distinct identified needs, it is not considered that it should have any relevance on the distribution of development. Both require satisfying and Charnwood has suitable and available land to meet the needs of both.

Issue 2: – The Scale of the Unmet Need for Housing

Q10.7: 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?

- 2.9 Whilst not yet examined, the figure provided by Leicester City is the most robust figure available, thus a sensible figure to utilise. There is clearly an acceptance from all but one of the Authorities A that the figure is robust, given it formed the basis of the SoCG. There has been no credible suggestion of an alternative figure. The only alternative to using this figure would be to effectively pause all Plan making in Leicestershire until such a time as Leicester City's Local Plan had completed examination. This would delay Plan making for a number of years and would be entirely reliant on the Leicester City Local Plan going through examination. This is not an appropriate approach to adopt given the associated delays, high-levels of uncertainty and the immediate need in Charnwood to meet housing need.

Q10.9: 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?

- 2.10 This issue could be handled in two ways. The first would be to agree a new distribution of unmet need through an updated SoCG. The second and preferred would be for the current levels to be fixed as a percentage of the overall need, with that percentage automatically applied to any revised unmet need. The preferred approach would be quicker and negate the need to go through

significant further delay associated with preparing a revised Statement of Common Ground. Regardless of the approach adopted, policies within the individual Local Plans should be clear that changes to the quantum of unmet need will be implemented through scheduled Local Plan reviews (every 5 years). Review policies within individual Local Plans should however stipulate that should the change be so sizeable, say in excess of 20%, then this should activate an immediate Local Plan review.

Issue 3: – Apportionment of the Unmet Housing Need

Q10.11: 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?

2.11 We consider the approach adopted by Icenl within the Leicester & Leicestershire’s HENA Housing Distribution Paper (June 2022) to be sound in so far as it relates to the functional relationships between the respective Leicestershire authorities and Leicester City based on migration and commuting patterns and the balancing the provision of jobs and homes. This approach is evidenced based and produces a logical quantified housing figure. We do however object to the imposition of the proposed ‘cap’ for the reasons set out in respect of Q7.12 below.

Q7.12: 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?

2.12 Whilst we largely agree with the methodology adopted by Icenl, we have concerns in respect of the proposed 1.4% cap informed by housing stock growth rates.

2.13 The report has acknowledged that Charnwood has both sufficient land and a very strong relationship with Leicester City which when quantified equated to about 25%, depending on the various method of assessment; despite Charnwood being 1 of 6 Leicestershire authorities.

However, through the implementation of the cap the unmet need provision to Charnwood is limited to just 78 dwellings per annum. This equates to 6.7% of the overall total of annual distributed unmet need; a figure significantly lower than the initial Stage 1 redistribution figures prepared by Iceni which, based on a blended average of gross migration and commuting, resulted in a redistribution of unmet needs to Charnwood of 289 dwellings per annum.

- 2.14 The rationale for the cap is not supported by any evidence, only possible scenarios which may occur if growth rates occur above 1.4%, as such it is not sufficiently justified. The report sets out that there are rarely examples where housing provision stays above 1.4% for an extended period, but it must be noted that Charnwood lies adjacent to one of the fastest growing cities in the UK which has already been unable to meet its own needs. In this context we consider that higher levels of growth are possible. the proposed 'cap is not sufficiently justified and will lead to a distribution of housing out of kilter with the clear evidence set out within the same report. This approach therefore is not justified or effective and thus is not sound.

Q10.16: 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?

- 2.15 No. For the reasons discussed above the apportionment of 78 dwellings per annum is not appropriate. The application of the proposed 'cap' of 1.4% is based on theoretical concerns and is not supported by robust evidence. The quantified and justified evidence for Charnwood results in circa 289 dwellings per annum for Charnwood. Whilst there may be some justification for this to be moderated, the reduction to 78 is not justified.
- 2.16 Whilst the Council's intention to meet Leicester City's unmet needs is supported, the base figure in the SoCG is not appropriate and a higher figure is clearly required. Failure to do so will result in a strategy that will be demonstrably less sustainable than the initial distribution set out by Iceni. The justification for the proposed 'cap' is not supported by robust evidence and not sound.