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Your ref:

Dear Ian

Charnwood Local Plan Examination - Response to Matter 10

This statement to Matter 10 (Leicester and Leicestershire Housing and Employment Land Needs) of the examination of the Draft Charnwood Local Plan (“DCLP”) is submitted by Lichfields on behalf of St Philips Land Limited (“St Philips”).

It follows the submission of representations to the earlier Matters, Issues and Questions of the submitted Charnwood Local Plan (July 2021) in respect of land off Cotes Road, Barrow upon Soar, in which St Philips has land interests. For reference, the representations comprising these proposed changes were identified under Representation ID **PSLP/618**.

It should be clarified that, at the Regulation 19 stage, separate representations were made by Marrons Planning on behalf of St Philips, Rosconn Strategic Land, William David Homes and Swithland Homes under Representation ID PSLP/633. However, this representation set out their joint position on Policy DS3 (HA49) with each party making wider representations to the plan through individual representations.

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?

Yes, this figure is a reasonable working assumption, pending further testing through the Leicester Local Plan. It forms the basis of the Housing Distribution Paper and SoCG, of which all HMA authorities are

signatories, and it is not a matter on which the authorities do not agree (see SoCG paragraph 4.1 to 4.3).

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 identified unmet need is a point-in-time calculation based upon local housing need and supply capacity, with the latter component comprising commitments, adopted allocations, emerging allocations and windfalls.

Indeed, the unmet housing need of Leicester City within the *L&L Joint Position Statement* (September 2020) (Appendix G of Exam 43) was calculated at 7,742 dwellings (paragraph 3.4).

Within the *Statement of Common Ground relating to Housing and Employment Land Needs* (June 2021) (Appendix H of Exam 43) it was later recognised that this shortfall would likely increase as a result of the 35% uplift to Leicester City's local housing need.

Consequently, should the scale of identified unmet need either increase or decrease as evidence on land supply evolves, this will be likely addressed in a proportionate manner by the Leicestershire local authorities. As per NPPF paragraph 33, the Charnwood Local Plan will be subject to a review within five years in any event, at which point it will be required to address and accommodate its agreed proportion of unmet need.

Issue 3 – Apportionment of the Unmet Housing Need

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?

Yes, the apportionment of 78 dpa to contribute towards the HMA unmet need is justified by the evidence, robustly based and will support a sustainable pattern of development as per NPPF paragraph 11.

In summary, should the additional 78 dpa be added to the Plan's proposed housing requirement, it would in essence be absorbed within the proposed housing supply which at current is 1,685 dwellings above the 17,776 housing requirement, equating to an over-supply (or buffer) of 1,685 dwellings or 10% across the plan period.

The additional 78 dpa would reduce this over-supply to 530 dwellings or 2.7% across the plan period. A summary of this position is shown below.

Table 1 Proposed housing requirement and supply positions

	Element	Total (dpa)	Total (overall)
Pre-submission (without HMA contribution)	Proposed housing requirement	1,111	17,776
	Proposed housing supply	1,223	19,554
	Buffer / over-supply / headroom	106	1,685 (10%)
Post-submission (with HMA contribution)	Proposed housing requirement (+ 78 dpa / 1,248 overall)	1,189	19,024
	Proposed housing supply	1,223	19,554
	Buffer / over-supply / headroom	34	530 (2.7%)

Source: Charnwood Local Plan and Lichfields

It should first be noted that neither the NPPF nor PPG require local plans to incorporate a supply buffer as the inclusion of such a component is merely considered good practice in plan-making and consequently frequently endorsed by Inspectors.

In this regard, an over-supply of 2.7% may appear relatively unsubstantial compared with other local plans, however St Philips considers that this is more than sufficient given the Borough's historic over-delivery against its adopted housing requirement of 820 dpa which it has exceeded per annum since 2015/16:

Table 2 Annual housing completions since 2015/16

Year	Net Additional Dwellings Provided
2015/16	831
2016/17	943
2017/18	1,107
2018/19	1,117
2019/20	993
2020/21	1,116

Source: Authority Monitoring Report: 1st April 2020 to 31st March 2021 (December 2021) paragraph 7.3

As illustrated above, the Council can clearly demonstrate a strong track record of over-delivery and therefore the need for a large supply buffer becomes less acute. Notwithstanding, should any single component of supply not come forward or if some allocations fall behind the timescales implied by the Council, the housing requirement will still be fulfilled given the flexibility provided by the additional 530-dwelling (2.7%) buffer.

Moreover, St Philips considers it wholly sound and lawful that such a material change could be undertaken post-submission of the Plan and through the Examination in Public process, as based on the following two grounds.

Firstly, NPPF paragraph 32 requires that local plans “*should be informed throughout their preparation by a sustainability appraisal that meets the relevant legal requirements*”. Indeed, the Plan as submitted was subject to a Sustainability Appraisal (Document SD/5) which tested the wider sustainability impacts from the proposed 19,554-dwelling supply – crucially, this position will not

change should the additional 78 dpa be absorbed within the growth strategy as it is only the housing requirement that would be increased and not overall housing delivery.

Additionally, the indirect impact on the constituent HMA authorities of Charnwood accommodating this 78 dpa has been tested through the *Leicester and Leicestershire Authorities Statement of Common Ground: Sustainability Appraisal Report* (June 2022). Given that both documents have already been prepared, there is no further need for additional sustainability appraisal work to address this material change.

Secondly, there have been notable instances where an Inspector has allowed and subsequently endorsed a material change to the housing requirement through the Examination in Public process:

Wycombe District Local Plan (adopted August 2019)

- Policy CP4 of the Plan, as submitted, set out a housing requirement for 10,925 dwellings over the plan period, to be delivered through a housing land supply of 10,927 dwellings.
- MM6 of the Inspector's Report sought to increase the supply from 10,927 to between 11,659 and 11,899 dwellings, representing a maximum **8% increase**. In justifying the change, the Inspector concluded: "*Whilst the HLS contained in Policy CP4 exceeds the requirement by between 734 and 974 dwellings, the level of exceedance is not significant, but would be sufficient to provide a buffer for flexibility and allow the Council to manage the fluctuations in the supply and delivery of new housing over the Plan period.*" (paragraph 40)

Waverley Borough Local Plan Part 1 (adopted February 2018)

- Policy ALH1 of the Plan, as submitted, set out a housing requirement of 9,861 dwellings over the plan period, to be delivered through an equivalent housing land supply.
- MM3 of the Inspector's Report sought to increase the requirement from 9,861 to 11,210 dwellings, representing a **13% increase**.

The case for Charnwood would involve a 1,248-dwelling increase to the housing requirement from 17,776 dwellings and 19,024 dwellings, equating to an approximate **7% increase**. Consequently, such an increase is considered sound and lawful when considering the above examples.

In summary, the apportionment of 78 dpa to contribute towards the HMA unmet need is justified by the evidence, robustly based and will support a sustainable pattern of development as per NPPF paragraph 11.

Yours faithfully



Jon Kirby
Senior Director