

For and on behalf of
Jelson Homes

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

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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 the Strategic Planning Research Unit ('SPRU') of DLP Planning Ltd. SPRU have been instructed to appear at the Examination in Public on these matters on behalf of Jelson Homes.
- 1.2 This hearing statement should be read alongside previous representations to the Regulation 19 consultation submitted on behalf of Jelson Homes.

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 understood that all of the Borough / District Authorities have resolved to sign the SoCG, save Harborough District Council which is to consider the matter in either October or November, and Hinckley and Bosworth Borough Council which has resolved not to sign the SoCG. The County Council’s Cabinet is due to consider a Report of its Chief Executive at a Meeting on 23 September 2022 on this matter. The Report recommends that the Council signs the SoCG. It is understood that the plan-making authorities are awaiting the outcome of the Inspectors’ deliberations on this Matter 10 before taking further decisions on how their Local Plans need to be shaped to address the unmet needs arising in Leicester.

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 The figure of 91,408 is the result of the Standard Method calculation in table 8.1 of the HENA (page 134). It is therefore in accordance with government policy in respect of calculating the minimum requirement.

2.3 At present the proposal is for the whole HMA to simply meet the minimum requirement as set by Government policy. The HENA identifies no “exceptional circumstances” which justify planning for a level of housing delivery that is higher than that required by the Standard Method.¹

2.4 However, there is no requirement to demonstrate “exceptional circumstances” in order to plan for housing provision in excess of this minimum level. In this context it is important to note the role of the area in meeting the wider objectives of the Government.

2.5 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 Government’s target of 300,00 dpa..

2.6 The Government’s target for housing delivery 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; SPRU Analysis

2.7 At present the proposed overall level of provision for the whole of Leicestershire would deliver just a 1.2% increase in housing stock (EXAM45 table 7.1). This is an area that contains one of the of the 20 urban areas that is subject to the urban uplift, a Policy mechanism that is critical to the achievement of the targeted 300,000 dpa.

2.8 If those parts of England which contain the urban areas subject to the uplift do not deliver the

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

housing required as a consequence of the uplift, there is little or no prospect of the Government's central housing objective being satisfied.

- 2.9 Plans should be prepared positively in a way that is aspirational but deliverable.²
- 2.10 Meeting the minimum level of housing need is neither positive nor aspirational.
- 2.11 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 clearly sustainable opportunities that exist in both Charnwood and the wider HMA.
- 2.12 Setting housing requirements above the level indicated by the standard method would 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)

- 2.13 It is not appropriate to substitute different migration assumptions into the Standard Method. The purpose of the analysis in paragraphs 5.39 and 5.41 of EXAM44a (HENA) is to suggest that although these higher rates of migration suggest a higher level of housing requirement this is not considered to be sufficient justification for departing from the minimum local housing need as calculated by the Standard Method based upon the 2014-based projections.
- 2.14 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.

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 (EXAM45) updates the inputs to the standard method to those used in the HNA (EB/HSG/1).
- 2.16 The difference between table 13.1 of the HENA (EXAM44a) which concludes 1,111 dpa for Charnwood and figure 3.1 of the HNA (EB/HSG/1) which suggests 1,105 is due to the 10 year period for calculating household change being different (2021 to 2031 compared to 2020 to 2030) and the application of the updated affordability ratio (20200 compared to 2019).
- 2.17 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.
- 2.18 This marginal increase has continued with the most recent (2021) affordability ratio which would increase the standard method again from 1,111 to 1,156 dpa⁵.
- 2.19 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

² NPPF paragraph 16

³ EXAM45 table 6.5

⁴ EB/HSG/1 Charnwood Housing Needs Assessment paragraph 3.12

⁵

of the minimum requirement.

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?

2.20 The use of the 2021 affordability data would increase the housing requirement from 1,111 dpa to 1,156 an increase of 45 dpa.

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?

2.21 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.

2.22 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. This suggests that the Council’s trajectory is overly optimistic and that the scale of its unmet need could rise above 18,700. However, 18,700 is the best figure currently available and represents a reasonable working assumption for the purposes of examining the Charnwood Local Plan.

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?

3.2 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?

3.3 For a plan to be sound it should be flexible enough to accommodate needs not anticipated in the plan.⁶ 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 housing above the minimum requirement (in the case of Charnwood the ‘minimum requirement’ is 1,156 plus an appropriate proportion of the unmet need).

3.4 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

3.5 Clearly the most effective response at this time would be to ensure the plan provides an appropriate degree of flexibility through the allocations that it makes.

⁶ 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 It is not clear but the reference to ‘interim’ appears to be a reference to the period to 2036 and has been used in the light of the fact that the plan-making authorities have been working jointly on a longer term strategic (but non-statutory) plan which looks beyond 2036. It is our understanding that the distribution contemplated in the Paper and the SoCG is considered by the plan-making authorities to be appropriate for the period to 2036 (which ends only one year short of the period to be covered by the Charnwood Plan).

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?

4.2 It is logical and robust to apportion Leicester’s unmet need on the basis of an analysis of functional relationships but **it is not** logical or robust to apportion in an attempt to address housing and jobs growth balance issues (or commuting issues) that may be occurring beyond Leicester as a consequence of plan-making / planning decisions being taken by other authorities, or based on erroneous assumptions about deliverability.

4.3 Leicester’s unmet need comprises homes that must be delivered to satisfy Leicester’s locally assessed need for housing (the basic Standard Method calculation) and homes that must be delivered to address the ‘urban centres uplift’. There can be no question that Leicester’s need for new homes should be satisfied as close to where the need arises, rather than in locations that are distant from and not well connected to Leicester by sustainable modes of transport. As regards the need arising from the urban centres uplift, the Government made it clear when it introduced this that its rationale included ensuring that “*new homes can maximise existing infrastructure such as public transport, schools, medical facilities and shops*” and “*climate aspirations demand that we aim for a spatial pattern of development that reduces the need for unnecessary high-carbon travel*”. Ultimately, the Government said this is about ensuring 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*”⁷.

4.4 Whilst the NPPG notes that the Government expects the uplift to be met by the cities and urban centres themselves, rather than the surrounding areas, it must be the case that the Government’s underlying objectives for sustainable patterns of growth will only be met by delivering the new homes that are required in locations that have the strongest functional

⁷ Government response to the local housing need proposals in “Changes to the current planning system”
Updated 1 April 2021

relationships with the urban centres to which the uplifts apply and that have effective sustainable transport links with it.

Functional Relationships

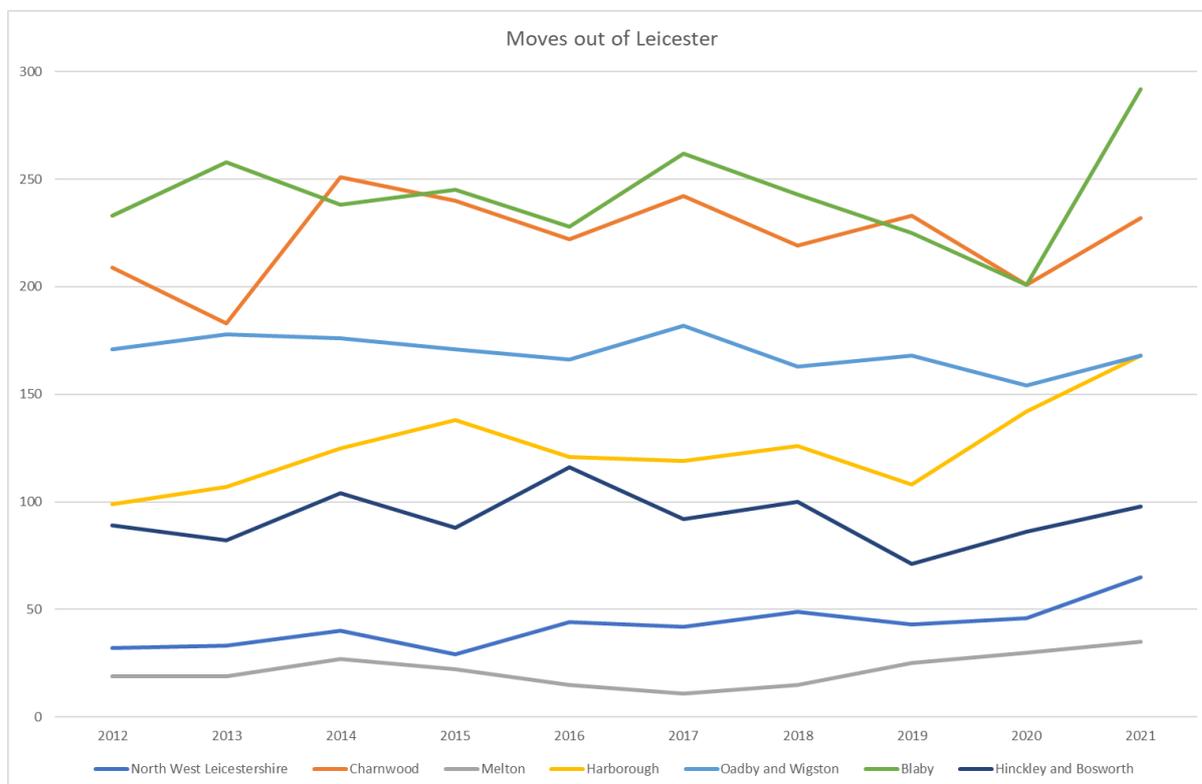
- 4.5 EXAM45 includes an assessment of the functional relationships that the Boroughs and Districts have with Leicester having regard to migration and commuting data. Our Clients consider this to be an appropriate way to assess and quantify functional relationships and have no issue with the findings of EXAM45 in Table 4.5. This, rightly in our view, identifies Blaby, Charnwood and Oadby and Wigston as having by far and away the best functional relationships with Leicester and apports some 74% of the unmet need to these three authorities. This is the correct approach.
- 4.6 Charnwood is shown in the evidence to have the second strongest functional relationship with the City. This is underpinned by:
- a) very strong gross migration flows (73.4 persons per 1000)⁸;
 - b) equally strong commuting flows, with 19.2% of resident workers in Charnwood working in Leicester⁹ and gross commuting flows between Charnwood and the City accounting for 24% of all community flows into / out of Leicester¹⁰
- 4.7 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. We agree that this is the correct figure and the one that should be addressed by the Local Plan.
- 4.8 To further test the analysis in EXAM45, we have investigated home movements to and from Leicester since the census in 2011. The data base used is the Royal Mail Homes Moves from Edge Analytics. This shows a strong and consistent pattern of household moves out of Leicester into Charnwood and Blaby both of which recorded moves of over 200 a year. This contrasts with much lower figures for other areas with the lowest levels of out migration being moves into North West Leicestershire and Melton.

⁸ EXAM 44c L&L HENA Report Appendices (May 22) Table 1.1 page 4

⁹ EB/EMP/1 Leicester and Leicestershire HEDNA 2017 Table 25: Commuting Matrix page 71

¹⁰ Exam45 table 4.4 page 12 .

Chart 1: Moves out of Leicester



Source: Edge Analytics/ Royal Mail Home Movers

4.9 The tables below set out total flows both in and out of Leicester from the other districts in Leicestershire. These reinforce the fact that there is a strong relationship between Charnwood, Blaby and Leicester with high levels of flows both into and out of the city. The data also clearly demonstrates a very different relationship between these three districts and the city compared with the other Leicestershire districts.

Table 2. Total Moves to Leicester 2012–2022

	Total Moves from Leicester 2012–2022	% of moves from Leicestershire
Blaby	2,508	26%
Charnwood	2,328	24%
Oadby and Wigston	1,763	18%
Harborough	1,296	14%
Hinckley and Bosworth	968	10%
North West Leicestershire	441	5%
Melton	228	2%
Total	9,532	100%

Source: Edge Analytics/ Royal Mail Home Movers

Table 3. Moves to Leicester 2012–2022

	Total Moves to Leicester 2012–2022	% of moves to Leicestershire
Blaby	1,487	29%
Charnwood	1,357	27%
Oadby and Wigston	1,041	20%
Hinckley and Bosworth	478	9%
Harborough	452	9%
North West Leicestershire	173	3%
Melton	113	2%
Total	5,101	100%

Source: Edge Analytics/ Royal Mail Home Movers

- 4.10 As well as considering total moves over the last decade the chart below illustrates the flows between Leicester and Charnwood, again these display the strong linkages between the two areas with sustainable moves in both directions. Only Balby has higher levels of flows.
- 4.11 Conversely there are very very low level of moves between other the districts and Leicester as is demonstrated by the similar chart for North West Leicestershire.

Chart 2: Flows between Leicester and Charnwood 2012 to 2021

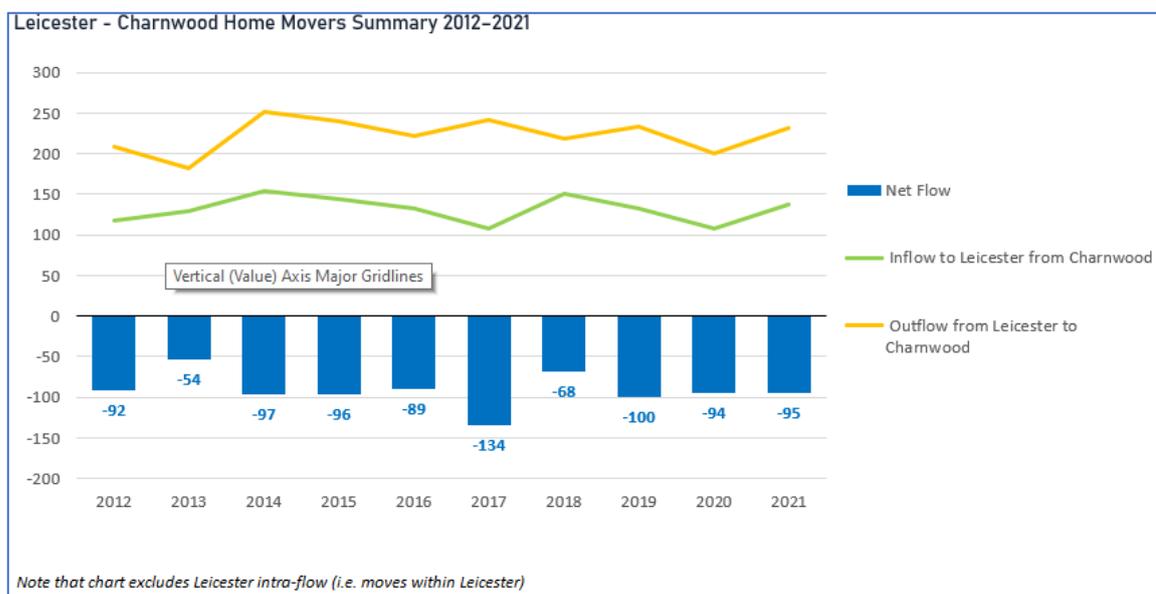
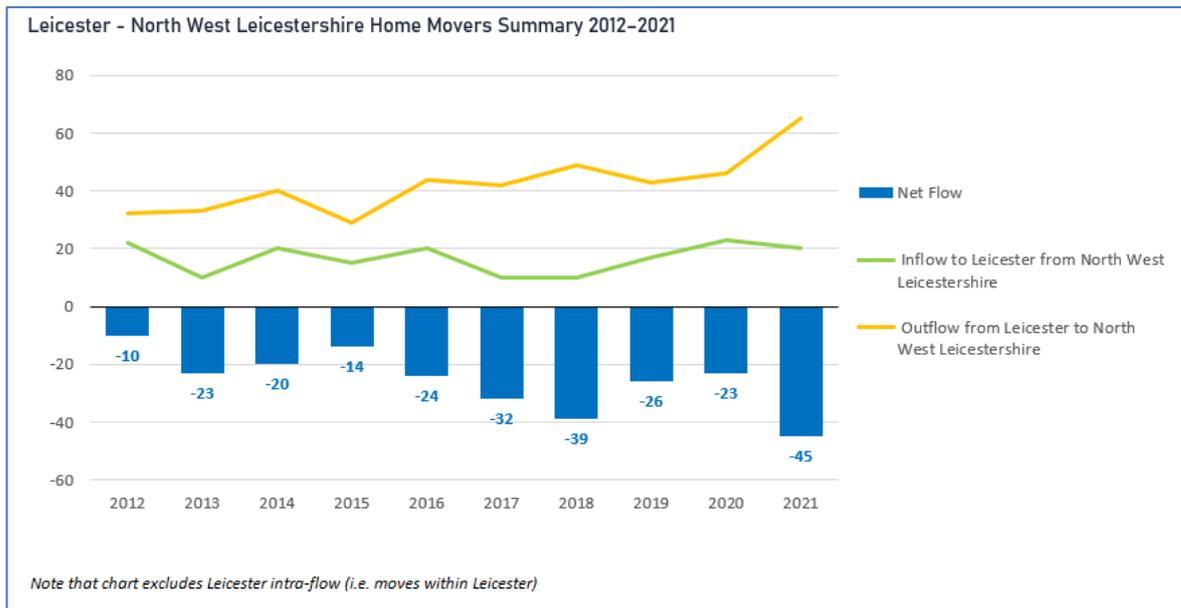
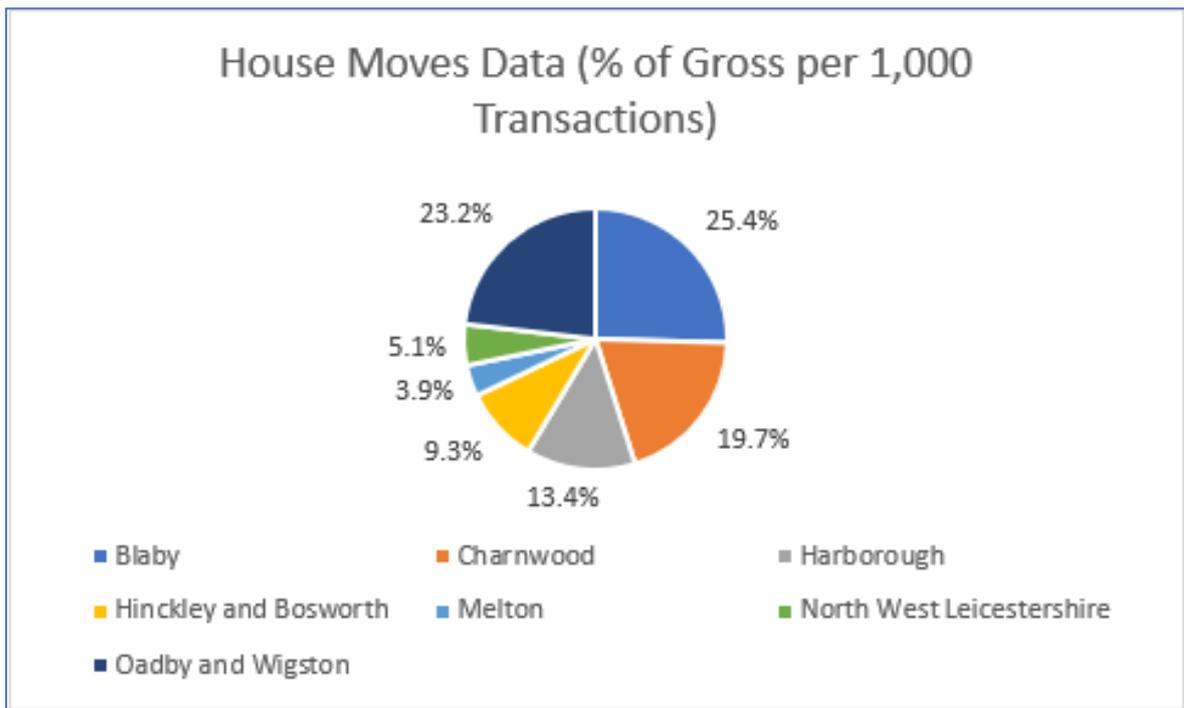


Chart 3: Flows between Leicester and North West Leicester 2012 to 2021



4.12 The chart below sets out all moves in and out of Leicester (per 1,000 transactions) and again this demonstrates that moves into and out of Charnwood represent 20% of all such moves.

Chart 4: Moves between Leicester authorities per 1,000 transactions

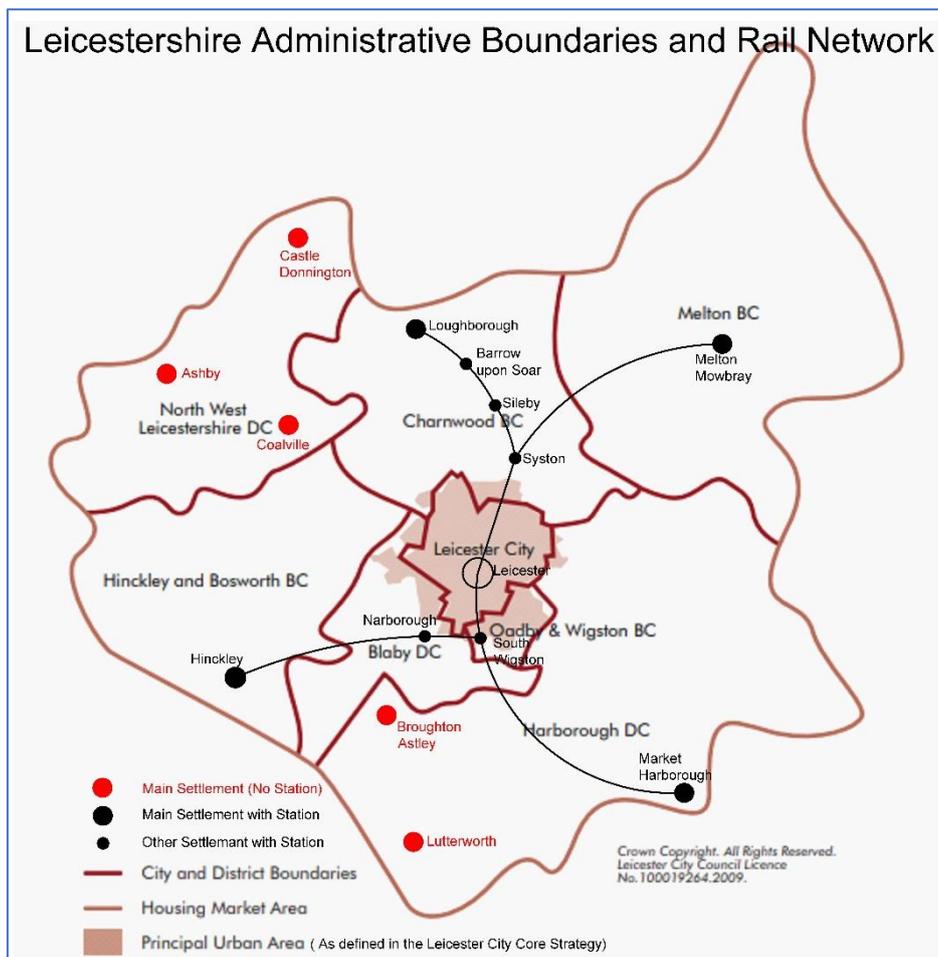


4.13 Finally, on this point, we include below a map which shows Leicester City’s physical relationship with its surrounding Boroughs and Districts, and the main train line connections between the main towns and larger villages to the north, south and west of the City Centre. This shows that:

- a) Charnwood has 4 large settlements with train stations and excellent rail links into the

- City, including a station at Loughborough, the Borough’s principal town and the Council’s stated focus for growth;
- b) No other Borough or District has this level of connectivity with the City;
- c) Oadby and Wigston, Blaby, Melton, Harborough and Hinckley and Bosworth are all connected to Leicester by rail but each only has one station and so the majority of the settlements in these areas are not rail connected and do not have anything like the sustainable transport links into Leicester that Charnwood has;
- d) North West Leicestershire has no rail links to the City;
- e) Neither Melton nor North West Leicestershire have boundaries with the City and are distant from it; and
- f) Charnwood, Oadby and Wigston and Blaby are home to not insignificant parts of the City’s functional urban area.

4.14 In simple terms, the plan on the next page shows just how very good Charnwood’s relationship with the City is and, perhaps critically, how the Borough has multiple settlements that are very well connected to the City Centre, including Loughborough, the principal town. The focus, when apportioning Leicester’s unmet need, should be taking advantage of this relationship and these links and not distributing large parts of the requirement to distant locations that have little or no relationship with the City.



Adjustments to Align Jobs Growth and Housing Growth

- 4.15 EXAM45 states that the HENA indicates that, in Melton and North West Leicestershire, upward adjustments to the housing requirements are justified to support economic growth (EXAM45 paragraph 5.3). It then goes on to say that higher levels of housing provision in North West Leicestershire and Blaby would reduce net-in commuting and minimise the need for workers in those areas to travel (EXAM45 paragraph 5.5). Both assertions may be correct but these are issues that arise in Melton, North West Leicestershire and Blaby as a consequence of the application of economic-led growth scenarios to the data for those particular authorities. If the modelling indicates that those Authorities need to deliver more housing than currently contemplated in order to better balance jobs and housing growth, and achieve more sustainable patterns of development, then this is a matter for these Authorities to address by increasing their housing requirements and allocating an appropriate number of housing sites, in the right locations. It is plainly not appropriate for these issues to be addressed by directing to these Authority areas housing that must be delivered to address needs, and Government objectives, arising in / for Leicester.
- 4.16 Notwithstanding this, EXAM45 proposes that adjustments are made to the amount of the unmet need that is to be accommodated within Blaby (+32), Melton (+3) and North West Leicestershire (+262) to deal with economic growth and commuting issues that arise in these areas (see EXAM45 Table 6.9 Lines 6 and 10).
- 4.17 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 quantities of the unmet need. Of these, North West Leicestershire District (an Authority with a very 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 simply cannot be right. It is totally unsound, completely unrelated to Leicester’s needs and should be disregarded.

Deliverability

- 4.18 We agree that deliverability is a factor to which regard should be had when deciding how the unmet need should be apportioned. However, the approach that has been taken to this matter in Section 6 of EXAM45 is flawed and unsound.
- 4.19 It is clear from EXAM45 Table 6.5 that every Leicestershire Authority save Oadby and Wigston has the land available to accommodate both their own locally assessed housing needs and the Leicester’s unmet need, distributed on a functional relationship basis. Table 6.5 also indicates that the 1,706 homes that Oadby and Wigston may not be able to deliver could be accommodated in either of the other best performing authorities, these being Charnwood and Blaby. On the basis of the data in Table 6.5, there is no issue in terms of land availability.
- 4.20 Notwithstanding this, EXAM45 then goes on to apply what it says are ‘cross-checks’ on the capacity of the ‘market’ to deliver the scale of growth contemplated by the functional relationship distribution and the adjustments made for economic growth. It does so having regard to what the suggested housing requirements would deliver in terms of % growth in the housing stock of each authority and comparing this to historic growth rates achieved within each of the relevant authorities and elsewhere in parts of the East and West Midlands (in the periods 2001 – 202 and 2013 – 2020). EXAM45 looks at data for just 12 authorities, in addition to the Leicestershire authorities that are the subject of the SoCG.
- 4.21 At paragraph 6.19, EXAM45 states that there: “*are very few local authorities which have sustained housing growth rates over 1.4% over a sustained period of 15+ years covering*

different parts of the economic cycle and therefore there are considerable risks to sustaining higher rates of growth than this". It then says a: "*cap of housing stock growth rates at 1.4% seems to 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*". EXAM45 then proceeds to make a final set of adjustments to its proposed apportionment of the unmet need which (i) reduce the level of housing growth proposed in Charnwood to the equivalent of 1.4% of its existing housing stock (an adjustment of -211dpa) and (ii) increase the level of housing growth proposed in Hinckley and Bosworth where Icenl concludes that there is scope to increase the growth from the equivalent of 1% of its housing stock to 1.2% (an adjustment of +85dpa).

- 4.22 There are numerous issues with this part of Icenl's analysis and the assertions that it makes in these paragraphs. We address these under Matter 10.12 below. Suffice it to say here that Icenl's analysis and conclusions are unsound, inappropriately backward looking (not forward looking and aspirational¹¹), are impacted by historic trends in housing delivery that have been influenced by a banking crisis, a major recession and a longstanding planning policy framework that has restricted development in the County and Charnwood in particular, and take no account of the market's actual ability to deliver new homes as evidenced by the market's engagement in this EIP.
- 4.23 There is the land available within the 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.
- 4.24 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 required in North West Leicestershire to address the issues arising there should be in addition to the requirement to provide for Leicester's unmet need.
- 4.25 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.
- 4.26 The suggestion that the market cannot deliver the scale of growth calculated for Charnwood (1400 dpa) is not supported by evidence (see below).
- 4.27 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
- 4.28 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.

¹¹ As required by NPPF paragraph 16b

¹² NPPF paragraph 11 a

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?

- 4.29 The 1.4% is not justified either as a general approach or for Charnwood. The reasons for this are as follows:
- 4.30 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%.
- 4.31 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 which requires a step change in the scale / rate of housing delivery.
- 4.32 Limiting future growth to 1.4%¹³ in Charnwood, 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 Governments policy objectives.
- 4.33 As noted above, the approach is inherently backwards looking and is neither positive nor aspirational¹⁴. It is also not consistent with the available SHLAA evidence which indicates that Charnwood has significantly more land available for housing than would be required to accommodate its proportion of the unmet need, distributed on a functional relationship basis.
- 4.34 Over the last 20 years there have been authorities, amongst those sampled by Iceni, that have achieved an average rate of increase in stock of 1.6% or more. Iceni does not explain why these levels of growth cannot be achieved more widely.
- 4.35 Iceni refers to market absorption but provides no evidence in respect of this.
- 4.36 Iceni refers to over-concentration but this is not borne out by the SHLAA evidence and the representations that have been made by land owners and developers to this Plan, including those made by our Clients about land that is available for development in Charnwood.
- 4.37 Iceni refers to growth of greater than 1.4% leading to unsustainable patterns of development, but this is not borne out by the evidence. Jelson, for example, has a very large site at Cotes(128ha), just 1km to the east of Loughborough, that is suitable for housing, is available and is achievable¹⁵. This site would deliver 1,450 homes, 5.5ha of employment development and all necessary supporting infrastructure. The site is a 20min walk or a 5 minute cycle from Loughborough train station and, from there, Leicester is a 10 min train journey away. There can be no question that this site can deliver housing over and above that currently allocated in the Local Plan, and would do so in a manner that is (i) highly sustainable; (ii) well related to Leicester on account of its excellent public transport links and short journey times; and (ii) would align with Charnwood’s stated objective of focussing growth on Loughborough.
- 4.38 Notwithstanding the fact that EXAM45 identifies a number of authorities that have achieved more than 1.4% growth over the last 7 or 20 years, the sample size used in EXAM45 is small. We have conducted a similar analysis but of a larger number of authorities. Our findings are set out in Table 4 below:

¹³ EXAM45 table 7.1

¹⁴ NPPG Paragraph 16 b

¹⁵ See the detailed representations on Cotes, including a full Deliverability Statement, included in Jelson’s Reg 19 Representations (August 2021).

Table 4. 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

- 4.39 It is noticeable from Table 4 that since 2011 not only has the scale / rate of growth increased, so too has the number of authorities that are achieving noticeably higher rates, including rates well above the 1.4% specified by Icen).
- 4.40 This evidence suggests that Government policy initiatives since 2012 have resulted in higher rates of delivery when compared to the size of the existing stock.
- 4.41 In some cases this is related to increased levels of delivery on urban sites but in many areas, including South Derbyshire (in the Icen Table) and the whole of Oxfordshire, this is due to large urban extensions and other strategic sites starting to deliver.
- 4.42 The area in Table 4 that is directly comparable to 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.
- 4.43 The conclusion that can be drawn from Table 4 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. Amongst the conditions required to achieve these higher rates of growth are the existence of a good range and number of housing sites, including large strategic sites, a positive development plan and a positive, solutions focussed LPA.

- 4.44 This 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%.
- 4.45 Table 5 below sets out the rate of total stock change over 20, 15 and 10 year periods for selected Authorities and similar conclusions can be drawn when 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 5 below suggests that this rate of change has been achieved even in the less favourable policy context from 2006.
- 4.46 South Derbyshire again is a comparator and Table 5 shows this authority delivering a 27.4% increase in the period 2006 to 2021. 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 5 on the next page).

Table 5. 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

- 4.47 Table 6 on the next page sets out the annual rate of change in stock that the council is proposing in EXAM11 and compares this to the annual rate set out in EAXM45 of 1189 dpa and the rate of 14000 dpa.
- 4.48 This provides a further evidence 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.
- 4.49 For 6 of these years the forecast build rate is in excess of 1.6% of the stock.
- 4.50 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 its 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.
- 4.51 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?
- 4.52 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 6. 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

4.53 The table 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 7. 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

4.54 What is clear from all of the above is that the greatest threat to housing delivery in Charnwood is not land availability or the ability of the market to perform and absorb what is planned, but the imposition of arbitrary, ill judged and unsound limits on the area's housing requirement

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?

4.55 The Council has substantial evidence on housing land availability and this has been supplemented by submissions made by Representatives, such as our Clients, who have highly sustainable omission sites that are deliverable. As noted above, this clearly indicates that there is capacity within Charnwood to deliver more housing than is currently proposed in the Plan, and the ability to do so in a sustainable way. However, 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 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..

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?

4.56 The Strategic Growth Plan (EB/DS/6) states that unmet need from Leicester will be satisfied, in part, by development in strategic locations in accordance with the strategy set out in this Plan¹⁶.

4.57 This identifies 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 strategic sites and 8,890 on non-strategic sites).¹⁷

4.58 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.

¹⁶ EB/DS/6 Strategic Growth Plan page 6

¹⁷ EB/DS/6 Strategic Growth Plan Table 4 page 29

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

- 4.59 The SoCG Sustainability report has not informed the apportionment of need, it assesses the impact of distribution that was made in EXAM45¹⁸.
- 4.60 The conclusion of the SA is that the different distribution options perform fairly similarly.¹⁹
- 4.61 These conclusions are dependent upon the assumptions that are made and it is noted for Option 3 Strategic Site Focus and Option 4 Leicester Urban Periphery Focus the assumptions made regarding the negative impact on the orbital and linear routes which are congested in parts at peak times are incorrect²⁰. This assessment fails to acknowledge that the dispersal of Leicester needs to locations which are more distant, more dispersed and poorly connected to the City (as represented by Option 5 the HENA distribution) is likely to have a greater impact on distance travelled by new households who have moved out of Leicester as they will have to travel back into Leicester for work and to maintain their social network. The assessment also does not appear to take sufficient account of the reduced ability to use existing or extended public transport infrastructure which will have a greater rather than a lesser impact on the orbital and linear routes into the city.
- 4.62 In light of this critique it is considered that in the summary table on Transport and Travel²¹ the SA while recognising the positives of locating unmet need near the urban area the negatives effects have been over emphasised and conversely this has under estimated the negative impact of the HENA distribution.
- 4.63 Not only has the SoCG Sustainability Appraisal report (Exam 47a) not informed the apportionment of the unmet need it is not a sound document on which to determine the distribution.

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?

- 4.64 No, it is not justified by the evidence, it is not robust and it will certainly not support a sustainable pattern of development.
- 4.65 The evidence indicates that it is not necessary to anything other than apportion the unmet need on the basis of functional relationships.
- 4.66 The evidence does not support the making of adjustments to the distribution to enable housing that should be destined for Leicester to address economic and commuting issues in North West Leicestershire and Melton.
- 4.67 The evidence does not indicate that the market in Charnwood (or elsewhere) cannot / will not deliver any more than a 1.4% growth in the housing stock.
- 4.68 Critically, to deliver on the Government's policies for sustainable development, and its objectives for the cities and urban centres uplift, every possible effort should be made to accommodate Leicester's unmet need in locations that are as close as possible to where the need arises (or should normally be accommodated in line with NPPG paragraph 35) and where the functional relationships with the City are strongest. Charnwood has the second strongest functional relationship with Leicester, underpinned by its physical location and its

¹⁸ EXAM47a page 41 paragraph 5.6.1

¹⁹ EXAM47a page 41 paragraph 5.6.3

²⁰ Exam 47a SoCG Sustainability Appraisal report page 120 and table pages 121/2

²¹ Exam 47a SoCG Sustainability Appraisal report table pages 121/2

excellent public transport links into the City. Yet 78dpa represents just 7% of the total unmet need. Only Oadby and Wigston and Melton are proposed to take less. All of the other Authorities are proposed greater, and in some cases much greater, proportions of the unmet need. This includes North West Leicestershire (27%), Hinckley and Bosworth (16%), and Harborough (11%), all of which have poor functional relationships with the City and poor links to it (by Charnwood's standards). The apportionment described in EXAM45 is perverse and will lead to unsustainable patterns of growth.

- 4.69 The remedy is to specify the apportionment that appears in EXAM45 Table 4.5.
- 4.70 This will require the Charnwood Plan to allocate more land for housing than it does currently but there is ample land available for allocation, in sustainable locations that are very well connected to Leicester, and Charnwood has a very strong housing market that is more than capable of sustaining the levels of delivery that would be required to satisfy both Charnwood's housing needs and a significant percentage of Leicester's unmet need.
- 4.71 Jelson's land at Cotes is an excellent example of the type of site that is suitable for housing, available and achievable. This land is in the ownership of a housebuilder with a 100 year track record of delivering homes in Charnwood and, as noted above, could deliver a significant number of new homes in a location that is just a 15 minute journey from Leicester city centre. It would be perverse to ignore the social, economic and environmental benefits that would flow from allocating this land, and other sites like it in Charnwood, and, instead, direct housing growth to locations that have little or no relationship with Leicester and its communities.



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