



Policy, Finance and
Development
Committee

Tuesday 22nd July
2014

Matter for
Information

Title: Strategic Housing Market Assessment and
Strategic Housing Land Availability Assessment update

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1. Introduction

1.1 This report provides an update on:

a) work that has been undertaken jointly with other Leicester and Leicestershire councils to establish the level of **need** for future housing provision in each council area within the Leicester and Leicestershire Housing Market Area (HMA), and

b) work that has been undertaken by Borough Council officers to establish the **availability of land** in the Borough, which is an important factor in determining the ability of the Council's ability to plan to meet the level of need in the Borough.

2. Recommendations

2.1 It is recommended that Members note the contents of this report.

3. Information

Leicester and Leicestershire Strategic Housing Market Assessment (SHMA)

3.1 The purpose of a SHMA is to provide a 'policy off' assessment of future housing need and the required mix, size and tenure of households, in order to inform future development of planning policies. The SHMA considers the level of objectively assessed housing need to 2031 and 2036.

3.2 SHMAs are required to be carried out based on a Housing Market Area. Therefore this work has been jointly procured and managed by all councils within the Leicester and Leicestershire Housing Market Area. The work has been overseen by officers through the Housing Planning and Infrastructure Group and Members have been involved through the joint Member Advisory Group. The work has been undertaken by experts GL Hearn and the conclusions of the study were considered by Members at the Member Advisory Group on 26th June 2014.

3.3 The following tables show the level of objectively assessed need that the study has identified per annum from 2011 to 2031 and 2036 . It should be noted that these figures represent the level of need that has been identified and not the policy targets for housing provision in local plans.

Table 84: OAN Conclusions, 2011-31

Homes Per Annum, 2011-2031	Demographic-Led Household Projections to 2031	Higher Market Affordability Pressures	Supporting Proportionate Economic Growth	Affordable Housing Need per Annum	Affordable Need as % Demographic-Led Projection	OAN Range	
Leicester	1,249		1,057	527	42%	1,250	1,350
Blaby	356		388	352	99%	360	420
Charnwood	814		690	180	22%	810	820
Harborough	415	✓	454	212	51%	415	475
Hinckley & Bosworth	375		467	248	66%	375	450
Melton	202	✓	253	74	36%	200	250
NW Leicestershire	284		372	212	75%	285	350
Oadby & Wigston	79		173	163	206%	80	100
LLLPA	3,774		3,854	1,966	52%	3,775	4,215

Table 85: OAN Conclusions, 2011-36

Homes Per Annum, 2011-2036	Demographic-Led Household Projections to 2036	Higher Market Affordability Pressures	Supporting Proportionate Economic Growth	Affordable Housing Need per Annum	Affordable Need as % Demographic-Led Projection	OAN Range	
Leicester	1,231		1,031	496	40%	1,230	1,330
Blaby	336		363	349	104%	340	400
Charnwood	774		665	174	22%	770	780
Harborough	396	✓	433	208	53%	400	460
Hinckley & Bosworth	353		431	245	69%	350	420
Melton	194	✓	239	71	37%	195	245
NW Leicestershire	267		352	209	78%	270	330
Oadby & Wigston	75		173	160	213%	75	95
LLLPA	3,626		3,687	1,913	53%	3,630	4,060

- 3.4 For Oadby and Wigston the objectively assessed need is between 80 and 100 dwellings per annum to 2031 and 75 and 95 dwellings per annum to 2036.
- 3.5 The review of the Council's Local Plan will cover the period to 2036 and therefore the objectively assessed need to 2036 is of most relevance. The 'policy off' objectively assessed need is expressed as a range, and therefore the exact figure that will ultimately be translated into a 'policy on' target will need to be supported by appropriate evidence. This evidence will include the availability of land in the Borough (see paragraphs 3.7 to 3.10) and the ability of current and planned infrastructure (eg highways) to enable housing growth to be accommodated.
- 3.6 For comparison, the current 'policy on' target that is contained in the adopted Core Strategy for the Borough is 90 dwellings per annum.

Strategic Housing Land Availability Assessment (SHLAA)

- 3.7 The Strategic Housing Land Availability Assessment (SHLAA) is an evidence base document that contributes to the Borough's Local Plan. The National Planning Policy Framework requires local planning authorities to ensure that the Local Plan is based on adequate, up to date and relevant evidence base.
- 3.8 For monitoring purposes the Council updates the SHLAA on an annual basis to illustrate the Council's position relating to 5 year land supply and future delivery of housing. In light of the outcomes of the SHMA and the Charnwood Core Strategy Examination in Public (see paragraph 3.12), an interim review

assessment was undertaken to ensure that the Council had the land available to provide the level of housing required relating to the objectively assessed need.

- 3.9 It must be noted that the SHLAA is a **policy off** evidence base document and also does not take account of infrastructure capacity, for example the capacity of existing road networks.
- 3.10 Up to 2031 the SHLAA indicates that there is the land potential to provide the objectively assessed requirements as set out in the SHMA, however once policy matters are taken into account and infrastructure modelling has taken place this may not still be the case.

Next Steps

- 3.11 Given the requirements of the Duty to Co-operate, it is essential that the Borough Council works in partnership with other councils in the Housing Market Area in order to translate the 'policy off' figures identified in the SHMA to a 'policy on' target that can be included in the Local Plan.
- 3.12 In the short term a Memorandum of Understanding (MOU) is currently under preparation. This will focus on the period to 2028 and its primary role will be to provide the evidence required by the Planning Inspector presiding over Charnwood Borough Council's Core Strategy Examination. The Inspector has currently suspended this Examination pending the completion of the SHMA and agreement between Housing Market Area councils as to how and where the level of growth will be accommodated until 2028. The MOU is likely to indicate that all councils in the Housing Market Area have sufficient land to accommodate the higher end of the objectively assessed need identified in the SHMA until 2028 and confirmation from Leicestershire County Council that there is sufficient highway infrastructure capacity to accommodate this level of growth to 2028 based on the current locational strategy of urban concentration and regeneration that is reflected in all adopted plans in Leicester and Leicestershire.
- 3.13 In the longer term work will also be undertaken in parallel to:
- a) Undertake transport modelling to support those Councils preparing or reviewing local plans covering the period to 2031
 - b) Prepare a longer term growth strategy which will identify the most appropriate strategy for the location of growth to 2036 and beyond involving a more comprehensive assessment of future infrastructure capacity, employment and commuting patterns, land availability etc and transport modelling to assist in the consideration and evaluation of options that will come forward as part of this work.
- 3.14 Given that the Borough Council is looking reviewing its Local Plan to 2036 the longer term growth strategy will be required to evidence the plan.
- 3.15 In addition to the evidence that is required to be undertaken jointly, evidence specific to the Borough will also be required to inform the Local Plan, for example, a flood risk assessment. Preparation of this evidence will proceed in parallel to this joint work.

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Implications	
Legal (KG)	Partnership agreements/cost sharing agreements etc will be drawn up and entered into where necessary in relation to work that is undertaken jointly. Evidence is essential in order to support the policies that will be included in the Local Plan
Financial (PL)	Costs associated with joint working and evidence gathering should be bid for during the annual budgeting process.
Equalities (KG)	Consultation will be undertaken at appropriate stages in the plan making process and where necessary an Equality Impact Assessment will be carried out.
Risk (AT)	There are risks to the Council's timescales for preparing a Local Plan as a result of external factors that might influence joint working. In addition, there is a need to strike a balance between the specific matters affecting Oadby and Wigston Borough Council and other councils in the Housing Market Area which can sometimes present a risk to the Borough.