



Council	Thursday, 23 February 2017	Matter for Information and Decision
----------------	---------------------------------------	--

Title: **Statement of Cooperation and Objectively-Assessed Need**

Author: **Adrian Thorpe (Planning, Development and Regeneration Manager)**

1. Introduction

- 1.1. The publication of the Housing and Economic Development Needs Assessment (January 2017) (HEDNA) concluded the 1st stage of calculating Local Plan housing and employment need. The HEDNA was prepared by the consultants GL Hearn on behalf of all of the Leicester and Leicestershire local authorities and the LLEP. This 1st stage identifies an Objectively Assessed Need (OAN) for both housing and employment at a housing market area wide and local authority level. This OAN is then taken through a number of subsequent stages to eventually arrive at a Local Plan target. For the purposes of this committee report only housing will be mentioned.
- 1.2. The 2nd stage of calculating Local Plan housing need relates to an assessment that all of the Local Authorities within the Leicester and Leicestershire Housing Market Area (HMA) are required to undertake. This assessment relates to the amount of appropriate land available for housing need up to the year 2036 within the HMA. It should be noted that this assessment only relates to the availability of land and does not take account of other factors such as current road and highway infrastructure capacity for any additional vehicle movements that would be produced by further housing development within the Borough. Such an assessment would be taken account of at a later stage.
- 1.3. Once the 2nd stage is complete and each of the local authorities within the HMA has identified the amount of available land appropriate for future housing development in its area, the identified land figures are cross referenced with the identified OAN in the HEDNA to establish whether or not each of the local authorities can meet its own OAN (3rd stage). Information relating to this stage is contained within Appendix 1 – The Joint Statement of Cooperation.
- 1.4. The Joint Statement of Cooperation sets out which local authorities within the HMA cannot accommodate its own OAN (having an unmet need) and which local authorities can accommodate their own OAN. This stage only takes account of appropriate land supply.
- 1.5. The further stages of the process then require local authorities to take account of other evidence base, such as transport and highways infrastructure, as well as agreeing collaboratively (through a Memorandum of Understanding) which local authorities within the HMA can accommodate any unmet housing need arising from any local authorities that cannot meet their own need.

2. Recommendations

It is recommended that Members:

- 2.1. Approve the Joint Statement of Cooperation;
- 2.2. Note the outcome of the HEDNA which identifies that the annual Objectively Assessed housing need for the Borough is 148 dwellings from 2011 up to 2031 and 155 dwelling

from 2011 up to 2036; and

- 2.3. Note the further work being undertaken by the Council to identify a Local Plan housing target. Examples of further work are identified in paragraphs 3.10 to 3.16 of this report.

3. Information

- 3.1. The purpose of this Joint Statement of Co-operation is to set out how the local authorities will collaborate to ensure that the necessary joint evidence is in place to support the preparation of Local Plans. It is intended to provide evidence of effective co-operation on planning for issues with cross-boundary impacts. The document has been received by the Members' Advisory Group overseeing the preparation of the Strategic Growth Plan and will proceed through the normal governance procedures of individual authorities.
- 3.2. The HEDNA report identifies two different sets of annual OAN figures (for housing) for both the HMA and each local authority within the HMA. The figures illustrate the identified housing need. One set of figures is based on data running from the year 2011 to the year 2031 and one set of figures is based on data running from the year 2011 to the year 2036. The two sets of annual figures are outlined below.

Annual Figures	2011 to 2031	2011 to 2036
HMA annual OAN figure	4,829	4,716
Oadby and Wigston Annual OAN figure	148	155

- 3.3. To put the above OAN figures into context, the Council's current adopted Core Strategy plans for 90 new dwellings per year over the 20 year Plan period (2006-2026). For a similar 20 year period (2011-2031) the HEDNA identifies the need for 148 new homes per annum. This HEDNA figure is approximately 65 per cent greater than the current adopted target as set out within the Council's Core Strategy. Higher housing need figures are seen across the HMA and are due to a range of factors including market signals and affordable housing need.
- 3.4. The 1st stage identifies that the annual OAN for the Borough of Oadby and Wigston is 148 new homes up to 2031 and 155 new homes up to 2036. Note, this is a policy off need figure and does not take account of land supply or further evidence base. Policy off means that the figures illustrated within the HEDNA have not taken consideration of any planning policy and are purely based on demographic trends and market signals.
- 3.5. With the HEDNA having identified the OAN (the 1st stage), an assessment was then undertaken to find out whether or not the Borough could accommodate the 148 or 155 new homes identified annually. This assessment was based upon appropriate land supply only and had the base date of 1st April 2016. The assessment used the annual OAN figures of 148 and 155 to produce a total OAN need of 2960 and 3875 which was then compared to total potential supply of 2799. All other local authorities within the HMA undertook the same assessment also.
- 3.6. The assessment took account of various elements of land supply across the HMA, including completions since 2011; current housing developments with planning permission (included sites under construction); current housing allocations; units identified within the most recent Strategic Housing Land Availability Assessment (SHLAA); and, an element of windfalls where a local authority had robust evidence to do so. Windfalls can be defined as new homes that are built on an ad hoc basis and have not been planned for or have been built on land that has been identified for housing development. Examples of windfalls are conversions and splitting of existing

housing plots.

- 3.7. The breakdown of each local authorities 2nd stage assessment is contained within Appendix 1, however the summary table below illustrates the HMA supply total and the Borough of Oadby and Wigston's supply total.

Supply Table	OAN 2011 to 2031	OAN 2011 to 2036	Potential Supply	Surplus / Deficiency up to 2031	Surplus / Deficiency up to 2036
HMA figure	96,580 (4,829)	117,900 (4,716)	207,092 (10,355)	+110,512 (5,526)	-
Oadby and Wigston figure	2,960 (148)	3,875 (155)	2,799 (140)	-161 (-8)	-1,076 (-43)

Note: figures in brackets are annual figures. The supply annual figures are for the period 2011 to 2031.

- 3.8. As can be seen from the above table (and the Statement of Cooperation in Appendix 1) the Borough does not (as of 1st April 2016) have sufficient appropriate land available to build all of its housing need (OAN) identified within the HEDNA during either of the timescales. It must be noted that the figures illustrated within the Joint Statement of Cooperation assume that every single unit comes forward and is completed during the timescales. Therefore, using the current supply figures for the Borough area, minus 161 units (up to 2031) and minus 1,076 (up to 2036) is a best case scenario of unmet need. Assuming all land will come forward over such long periods of time is not a prudent approach as many factors can play a role in housing delivery. A more prudent approach would be for the Borough to factor in a potential non delivery percentage.
- 3.9. Although the Joint Statement of Cooperation does identify an unmet need for the Borough of Oadby and Wigston, it does also identify a surplus of 110,512 units across the HMA. It could therefore be assumed that any unmet need identified in the Joint Statement of Cooperation could be met elsewhere within the HMA.
- 3.10. To ensure that as robust an approach as possible has been taken by the Council regarding potential land supply, further work in addition to that necessary to inform the Joint Statement of Cooperation is being carried out. This additional piece of work will take account of additional sites submitted to the Council during the most recent Local Plan consultation stage that took place between November and December 2016. All of the sites submitted are being assessed against the Council's SHLAA methodology for their appropriateness. Although the assessment has yet to be finalised, it is unlikely that the additional number of appropriate sites would be sufficient to meet the unmet need illustrated in Appendix 1.
- 3.11. With the Council now having a good indication of the potential land supply within the Borough, evidence base documentation needs to be taken into account in order to fully assess the ability to meet the OAN identified within the HEDNA in the Borough.
- 3.12. With the Borough being a dense highly urbanised environment and being located directly adjacent to Leicester City, the capacity of current transport and highway infrastructure is fundamental in calculating a Local Plan target. The Council is currently in the process of commissioning further transport and highway infrastructure evidence base work; jointly with Harborough District Council and Leicester City Council. Initial joint transport evidence base work (with the same local authorities), undertaken by Edwards and Edwards Consultants in autumn 2016, suggests that the majority of the junctions within the Borough area are either at

capacity or very close to their capacity. The Council now needs to assess how many homes above the current annual target of 90 prescribed in the Core Strategy that the Borough's transport and highways infrastructure can accommodate.

- 3.13. The further transport and highway infrastructure evidence base will assess the current capacity of the highway network within the Borough and will illustrate areas where improvements to the current highway network are required before development can come forward. The work will also attribute a potential cost for each piece of highway improvement. This cost will then be taken account of to ensure that all of the potential housing development sites are viable and deliverable. If significant investments are needed to the highway network then this could render housing development unviable.
- 3.14. The further transport and highways infrastructure evidence base will also take account of the potential development plans in Harborough District and Leicester City. It is commonly known that any development within these other local authorities can have significant impacts on the Borough's highway network, for example the A6 in Oadby and the Welford Road and Newton Lane in Wigston.
- 3.15. Once the further transport and highways infrastructure evidence base has been completed, the Council will be in a position to declare its Local Plan housing target. This target along with all of the other HMA local authority targets will be formalised within an agreed Memorandum of Understanding (MOU). The MOU will also agree which local authorities within the HMA can accommodate any unmet housing needs of those authorities that have them.
- 3.16. The MOU is a key piece of evidence that will prove to the Inspector at a Local Plan Examination that each of the local authorities within the HMA is contributing positively to meeting the HMA OAN prescribed within the HEDNA.

4. Next Steps

- 4.1. The Council will commission the further transport and highways infrastructure evidence base work that is required to ascertain a Local Plan housing target
- 4.2. The Council will continue to work collaboratively with all of the local authorities within the HMA to ensure that any unmet need is accommodated within the most appropriate location.

Background Documents:-

Leicester and Leicestershire Authorities Joint Statement of Co-operation Relating to Objectively Assesed Need for Housing

Email: jamie.carr@oadby-wigston.gov.uk

Tel: (0116) 257 2652

Implications	
Financial (CR)	The further work required will have a cost attached, however these costs have been taken account of during the budget making process.
Legal (AC)	No direct implications.
Risk (AT)	CR1 Decreasing Financial Risk and C 4 Reputation Damage: The purpose of the statement of Co-operation and the governance arrangements that have been establish between the local authorities in the Housing Market Area is to mitigate against these risks
Equalities (AT)	An Equality Assessment is not required for the Joint Statement of Cooperation or the further work.

	Equality Assessment:- <input type="checkbox"/> Initial Screening <input type="checkbox"/> Full Assessment <input checked="" type="checkbox"/> Not Applicable
--	---