



Full Council	Tuesday, 30 March 2021	Matter for Information and Decision
---------------------	-----------------------------------	--

Report Title: **Leicester & Leicestershire Statement of Common Ground Relating to Housing and Employment Land Needs (March 2021)**

Report Author(s): **Jamie Carr (Planning Policy Manager)
Adrian Thorpe (Head of Built Environment)**

Purpose of Report:	To highlight that a Statement of Common Ground (SoCG) has been prepared by the Leicester and Leicestershire authorities to support the Charnwood Local Plan. The key strategic matters covered in the SoCG under the Duty to Cooperate are; L&L Housing and Employment Needs to 2036; Unmet Need to 2036; and the process of apportioning unmet need to 2036. In addition, the report seeks approval for the Borough Council to sign the SoCG as a factual statement.
Report Summary:	<p>The report summarises the purpose of the current SoCG, as well as sets out the key points of the SoCG.</p> <p>The report sets out for the Leicester and Leicestershire area:</p> <ul style="list-style-type: none"> • The housing and employment need; • The housing and employment (theoretical) supply; • Any declared and evidenced unmet need; and, • The process by which apportionment of unmet need will occur. <p>The report concludes by suggesting that all local authorities within Leicester and Leicestershire are committed to continuing their long, well established and effective record of collaborative working, to ensure that unmet need is apportioned in a sustainable and well planned manner.</p>
Recommendation(s):	That approval is given for the Borough Council to sign the Leicester & Leicestershire Statement of Common Ground relating to Housing and Employment Land Needs (March 2021) (Appendix 1 to this report).
Senior Leadership, Head of Service, Manager, Officer and Other Contact(s):	<p>Adrian Thorpe (Head of Built Environment) (0116) 257 2645 adrian.thorpe@oadby-wigston.gov.uk</p> <p>Jamie Carr (Planning Policy Manager) (0116) 257 2652 jamie.carr@oadby-wigston.gov.uk</p>
Corporate Objectives:	<p>Building, Protecting and Empowering Communities (CO1) Growing the Borough Economically (CO2) Providing Excellent Services (CO3)</p>
Vision and Values:	<p>"A Stronger Borough Together" (Vision) Accountability (V1)</p>

	Teamwork (V3) Innovation (V4)
Report Implications:-	
Legal:	There are no implications directly arising from this report.
Financial:	There are no implications arising from this report.
Corporate Risk Management:	Political Dynamics (CR3) Reputation Damage (CR4) Regulatory Governance (CR6) Economy / Regeneration (CR9)
Equalities and Equalities Assessment (EA):	There are no implications directly arising from this report. EA not applicable.
Human Rights:	There are no implications directly arising from this report.
Health and Safety:	There are no implications directly arising from this report.
Statutory Officers' Comments:-	
Head of Paid Service:	The report is satisfactory.
Chief Finance Officer:	The report is satisfactory.
Monitoring Officer:	The report is satisfactory.
Consultees:	None.
Background Papers:	None.
Appendices:	1. Leicester & Leicestershire Statement of Common Ground relating to Housing and Employment Land Needs (March 2021)

1. Introduction

- 1.1 Charnwood Borough Council is due to submit its Local Plan for public examination in the near future. Charnwood Borough Council require a Leicester and Leicestershire Statement of Common Ground (SoCG) relating to; Leicester and Leicestershire Housing and Employment Needs to 2036; Unmet Need to 2036; and the process of apportioning unmet need to 2036, to demonstrate that all of the authorities are working together to meet the requirements of the Duty to Co-operate.
- 1.2 For the avoidance of doubt, the SoCG referred to throughout this report, is Appendix 1 to this report.
- 1.3 A similar version of this report, together with the recommendation, is being considered by each of the partner authorities.
- 1.4 Due to a government announcement on the 16th December 2020, Leicester City's housing need has increased by 35 per cent. As a result, not only has its housing need increased but so has its unmet housing need.
- 1.5 It should be noted that the SoCG does not apportion and / or distribute unmet need to

Leicestershire local authorities; it is a factual statement that sets out; need; supply (theoretical); the scale of unmet need from Leicester City; and the process by which unmet need will be dealt with (paragraph 3.19 to paragraph 3.25 of the SoCG).

2. Summary of the Statement of Common Ground

- 2.1 The purpose of the SoCG is to support those authorities in Leicester and Leicestershire that are seeking to produce a Local Plan in advance of the apportionment of Leicester City's unmet need for both housing and employment. The SoCG sets out how the local authorities will collaborate further to ensure that the necessary joint evidence is in place to support subsequent Local Plans. The SoCG is intended to provide evidence of effective co-operation on planning issues with cross-boundary impacts. For clarity, Charnwood Borough Council is currently the only local authority within Leicester and Leicestershire that is to submit a Local Plan prior to apportionment being agreed.

Leicester and Leicestershire Housing Need

- 2.2 The SoCG sets out that the authorities all agree that the most appropriate way to calculate local housing need is by using the current standard method set out in Government guidance, which currently uses the 2014 based household projections.
- 2.3 Using the government published standard method ensures that housing need is calculated in a consistent manner across the whole of Leicester and Leicestershire, in addition, it puts the authorities at less risk from challenge; which would be increased should an alternative method for calculating need be used.
- 2.4 The local housing need totals for each authority are set out in Table 1 of the SoCG.
- 2.5 The total number of homes required across the Leicester and Leicestershire area, is 88,320 new homes for the period 2020 to 2036. This equates to 5,520 new homes per year. Of this total, 2,341 new homes per year is attributed to Leicester City; which is around 600 new homes a year higher than its need prior to the 35 per cent uplift announced by the Government on the 16th December 2021.

Leicestershire and Leicestershire Housing Supply

- 2.6 The National Planning Policy Framework (NPPF) requires local authorities to have a clear understanding of the land available in their area to meet housing need. To achieve this, each of the local authorities within Leicester and Leicestershire have prepared Strategic Housing Land Availability Assessments (SHLAA) using an agreed methodology.
- 2.7 Across Leicester and Leicestershire, the SoCG illustrates that there is theoretical capacity for upwards of 170,000 new homes for the period 2020 to 2036. When set against the housing need target of 88,320 new homes, it is clear that there is sufficient capacity. Therefore, the SoCG states that the authorities agree that there is flexibility to meet the Leicester and Leicestershire housing need within the housing market area, including any unmet need.
- 2.8 The table at Appendix B of the SoCG illustrates the theoretical housing land supply across Leicester and Leicestershire.

Leicester and Leicestershire Employment Need

- 2.9 The SoCG sets out that the authorities all agree that the most appropriate way to calculate employment need is using the jointly prepared Leicester and Leicestershire Housing and Economic Needs Assessment (HEDNA), unless a more recent assessment has been undertaken.

- 2.10 Table 2 of the SoCG illustrates the employment need for each of the Leicester and Leicestershire local authorities. The table also sets out the total employment need for the whole Leicester and Leicestershire area, which is between 372 ha and 392 hectares.

Leicester and Leicestershire Employment Supply

- 2.11 The SoCG states that all of the local authorities within Leicester and Leicestershire agree that the employment land needs for the area can be met within the area.

Unmet need for the period 2020 to 2036

- 2.12 The SoCG sets out that the Leicester and Leicestershire local authorities all agree that the only authority within Leicester and Leicestershire to have declared and quantified an unmet need (with evidence) is Leicester City.
- 2.13 Due to the Government announcements made on the 16th December 2020, the scale of Leicester City's unmet housing need has increased from 7,742 new homes to over 16,500 new homes. However, as expressed within the SoCG, the Leicester and Leicestershire authorities are content that there is sufficient theoretical land available to meet the needs of the Leicester and Leicestershire area, including unmet need, for the period 2020 to 2036.
- 2.14 The unmet employment need declared by Leicester City is in the region of 23 hectares of employment land (B2 General Industrial and B8 Small Warehousing units less than 9,000 sqm).
- 2.15 As expressed within the SoCG, the Leicester and Leicestershire authorities are content that the employment land needs of Leicester and Leicestershire can be met within the Leicester and Leicestershire area, including unmet need.

Apportionment of Leicester City's unmet need

- 2.16 Due to the scale of change to Leicester City's unmet housing need, stemming from the Government announcements on the 16th December 2020, apportionment of unmet need has yet to be undertaken.
- 2.17 However, as set out within the SoCG, the authorities remain committed to cooperating on strategic cross boundary matters, including agreeing the redistribution of any unmet housing and employment need.
- 2.18 The SoCG highlights that the authorities agree to carry out the following programme of work to inform the apportionment of unmet need from Leicester City to the Leicester and Leicestershire local authorities:
- Housing and Economic Needs Assessment
 - Strategic Growth Options and Constraints Mapping
 - Strategic Transport Assessment
 - Sustainability Appraisal
- 2.19 The SoCG suggests that the evidence base work will be commissioned during Spring 2021 and used to inform a Statement of Common Ground apportioning unmet need, which is anticipated to be completed in Winter 2021/2022.

3. Conclusion

- 3.1 Due to the Government's recent announcements in relation to Leicester City's housing need

uplift, the apportionment of unmet need has not been undertaken. The announcement changed the 'goal posts' overnight and has meant the local authorities within Leicester and Leicestershire need to undertake further evidence base work before apportionment can occur in a sustainable and well planned manner.

- 3.2 The local authorities within Leicester and Leicestershire have a long well established and effective track record of joint working and are committed to this continuing.
- 3.3 The SoCG is a factual statement that sets out the current 'state of affairs' in relation to need, supply, unmet need and apportionment within the Leicester and Leicestershire area.