

PAPER NO. 3

REPORT TO THE EXECUTIVE MEETING OF 14 FEBRUARY 2017

Meeting: Executive

Date: 14 February 2017

Subject: Leicester and Leicestershire Housing and Economic Needs Assessment (HEDNA) and the emerging Local Plan

Report of: Stephen Pointer

Portfolio Holder: Councillor Jo Brodrick

Status: For Decision and Recommendation

Relevant Ward(s): All

1 Purpose of the Report

- 1.1 To consider the outcome of the recently completed Leicester and Leicestershire Housing and Economic Development Needs Assessment (HEDNA) for the Local Plan and an associated Joint Statement of Co-operation.
- 1.2 To confirm the consequential plan requirement to meet these needs and the approach to development allocations across the Leicester and Leicestershire Housing Market Area (HMA).

2 Recommendations:

- 2.1 That Executive note the outcome of the recently completed Leicester and Leicestershire Housing and Economic Development Needs Assessment (HEDNA) and that the objectively assessed needs for housing and employment land will form the requirement of the Local Plan (Executive Summary at Appendix A) .
- 2.2 That the Joint Statement of Co-operation linked to ensuring the delivery of housing and employment requirements across Leicester and Leicestershire (attached in Appendix B) be approved on behalf of the Council.

3 Summary of Reasons for the Recommendations

- 3.1 To enable the Executive to note the outcomes of the completed Leicester and Leicestershire Housing and Economic Development Needs Assessment

(HEDNA) (Executive Summary at Appendix A to this report). This evidence will inform the development requirements to be provided for within the emerging Local Plan.

- 3.2 To formally record the support of the Council to a Joint Statement of Co-operation linked to the delivery of housing and employment requirements across Leicester and Leicestershire (Appendix B).

4 Key Facts and Analysis

Leicester and Leicestershire Housing and Economic Development Needs Assessment (HEDNA) (Executive Summary in Appendix A)

- 4.1 The Leicester and Leicestershire local authorities and the Local Enterprise Partnership (LEP) commissioned GL Hearn to carry out a Housing and Economic Development Needs Assessment (HEDNA) to assess future housing needs, the scale of future economic growth and the quantity of land and floorspace required for B-class economic development uses between 2011 and 2031/36. The assessment provides an evidence base to inform the preparation of statutory local plans by individual local planning authorities across the Leicester and Leicestershire Housing Market Area (HMA), a non-statutory Strategic Growth Plan for Leicester and Leicestershire and a refresh of the LEP's Strategic Economic Plan.
- 4.2 The HEDNA establishes the demographic based need for housing in Harborough District projecting forward 10 year migration trends. The projections show a 23.4% growth in population in Harborough District to 2036. The HEDNA finds that there is no need to adjust the level of housing provision upwards to support economic growth. However an upward adjustment of 15% is justified in order to improve the delivery of affordable housing and to improve the supply/demand balance for housing across the District which result in the District being one of the more expensive parts of the County to buy housing. This results in an objectively assessed housing need between 2011-2036 of 514 dwellings per annum or 532 per annum if a period 2011-2031 is used.
- 4.3 The Local Plan must seek to deliver as a minimum, the level of objectively assessed need, taking into account constraints such as land availability. The Strategic Housing Land Availability Assessment (SHLAA) published in 2016, demonstrates that the District has sufficient suitable land to meet this need both to 2031 and 2036. The Local Plan requirement for housing must therefore be equivalent to the level of objectively assessed need of either 532 dwellings pa to 2031 or 514 dwellings pa to 2036. The Council must also be prepared to assist in meeting the housing need of any authority within the

Housing Market Area (HMA) which is demonstrably unable to meet its own housing need. The Statement of Co-operation which is referred to in para 4.7 onwards, serves to bind the Council to joint working with other Councils in the HMA in order to explore how housing need across the HMA, as a whole, can be met.

- 4.4 The Local Plan must also be based on the need to ensure delivery of objectively assessed need for employment land. This means delivery of at least 21.3ha of land for offices, 22.4ha of land for general industrial uses, 7.5ha of land for smaller warehousing/distribution activities and contributing to a minimum requirement of 152ha of land for road based strategic B8 Distribution development across Leicester and Leicestershire over the period 2011-2031.
- 4.5 The Local Plan Executive Advisory Panel has been briefed on the Draft HEDNA as it was being produced. The HEDNA was considered and endorsed by the Leicester and Leicestershire Joint Member Advisory Group on January 26th 2017.
- 4.6 Officers are now finalising the Local Plan based on this newly published evidence of need which will form the plan requirement for housing and employment/business development. The plan will apply to the period 2011-2031 and will include appropriate flexibility in terms of the provision it makes for housing in order to seek to ensure that the requirement is delivered.

Joint Statement of Co-operation (Appendix B)

- 4.7 The Executive will recall that it supported a statement intended to support North West Leicestershire's Local Plan at its meeting in January. This is the first element of a three stage approach to setting out matters of joint agreement between authorities in Leicestershire. The second element is a "Joint Statement of Co-operation" which is being published alongside the HEDNA and commits all authorities to working together positively to help deliver the identified levels of housing and employment need across the Leicester and Leicestershire HMA. The document was also endorsed by the Leicester and Leicestershire Joint Member Advisory Group at its meeting on January 26th 2017 and is now attached for approval of the Executive (Appendix B).
- 4.8 Members of the Executive should note that the Joint Statement of Cooperation will commit HDC to working together with other Councils across the Leicester & Leicestershire HMA on a Strategic Growth Plan. This will involve looking at options to help deliver any demonstrable unmet housing need arising from any of the authorities in the Leicester and Leicestershire HMA and will involve assessing options for additional development in Harborough District. However, members should also note that it is proposed

to include in the Harborough Local Plan a reserve site that is considered suitable to help meet unmet housing needs from elsewhere and as such the Local Plan will seek to anticipate and provide for this possibility, if it is demonstrated that it is required.

- 4.9 Any requirement arising from unmet need from elsewhere in the HMA will be formally identified within a further formal Memorandum of Understanding; this cannot be prepared until any level of 'unmet need' has been identified and a HMA scale spatial distribution agreed. This will be within the context of the Strategic Growth Plan prepared on a Leicester and Leicestershire HMA scale and in the light of associated cross-boundary discussions around suitable spatial distribution options. The formal Memorandum of Understanding arising from this process will commit all partner councils of the Leicester and Leicestershire HMA to giving effect to the agreed spatial distribution of any unmet housing need through Local Plan reviews.

5 Legal Issues

- 5.1 The proposal for a Joint Statement of Co-operation and future Memorandum of Understanding has been referred for external legal opinion by the Joint Strategic Planning Manager and there are no legal or procedural barriers to the approach being proposed.

6 Resource Issues

- 6.1 No resource issues: work on the Local Plan can be undertaken within existing resources.

Equality Analysis Implications/Outcomes

- 7.1 There are no equality issues as a result of the report.

8. Risk Management Implications

- 8.1 The Executive is advised that not accepting the evidence or not basing the Local Plan on it will significantly increase the risk of the Plan not being found sound by an independent planning Inspector when the Plan is examined.
- 8.2 Not endorsing a Joint Statement of Co-operation risks the Council not being able to satisfy the statutory Duty to Co-operate.

9 Consultation

- 9.1 Consultation has been undertaken with the Portfolio Holder and members of the Local Planning Executive Advisory Panel.

10. Options

10.1 Not to accept the evidence of housing and employment need levels set out in the HEDNA – it is recommended this approach is not supported

10.2 Not to support the Joint Statement of Co-operation between the Councils of Leicester and Leicestershire – it is recommended this approach is not supported.

11 Background Papers

11.1 [The full HEDNA report can be found here.](#)

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Previous report(s): None

Information Issued Under Sensitive Issue Procedure: No

Ward Members Notified: NA

Appendices:

A. Leicester and Leicestershire Housing and Economic Development Needs Assessment (HEDNA) Executive Summary, January 2017.

B. Joint Statement of Co-operation, January 2017