



Executive Decision Report

**Leicester & Leicestershire Authorities - Statement of
Common Ground relating to Housing and Employment Land
Needs (April 2022)**

Decision to be taken by: City Mayor
Decision to be taken on: 31 August 2022
Lead director: Andrew L Smith

Useful information

- Ward(s) affected: All
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- Report version number: 1

1. Summary

The purpose of this report is to seek approval of the attached Statement of Common Ground (SoCG) (Appendix A) on Housing and Employment Need.

On 29th April 2022 the Leicester and Leicestershire Members' Advisory Group which oversees the alignment of Joint Strategic Planning work met to consider an important set of reports seeking agreement to a re-distribution across the county to accommodate an increased unmet need of around 18,700 of the City Council's homes.

All the leaders/representatives resolved to recommend approval of the Statement of Common Ground to their respective councils (subject to a relatively minor disagreement on Methodology by one district authority). The SoCG is currently being considered through individual authority governance processes.

2. Recommendation

That the City Mayor considers the report and approves the attached appendices (Appendix A - Statement of Common Ground April 2022).

3. Supporting information

Background

The City Council is due to commence consultation on its Regulation 19 Submission Draft Local Plan later this year. To support the consultation all authorities have worked on Statement of Common Ground which would agree the redistribution of unmet Housing and Employment need within Leicester and Leicestershire.

4. Detailed report

Local Housing Need

The Government has indicated it does not intend to change the standard method for calculating housing need, except for the 20 largest cities and urban areas in England where the need has been increased by 35%.

For Leicester this means that our need has increased by 35% which amounts to 10,000 additional homes between 2020 and 2036 (600 homes per year). The need in the districts has remained largely the same.

In March 2022 the government also published new data (affordability ratios). The Government's standard method for calculating housing need requires this to be taken into account. As a result, housing need in Leicester increased by a further 2,800 homes to 2036. The City's need now stands at 39,421 between 2020 and 2036. When compared to a draft supply 20,720 homes, this leaves an unmet need of 18,700 homes to be accommodated in the Leicestershire Districts/Boroughs. The unmet employment need remains at 23 Hectares.

Although the supply of homes will evolve as we progress our Local Plan, it is not conceivable that we will be able to meet all our need without unacceptable environmental consequences as evidenced by work supporting our Draft Local Plan. The SoCG (Appendix A) is therefore based on a 'working assumption' of the City's unmet need being approximately 18,700 homes and 23 Hectares of employment land. If the unmet need changes significantly in future the SoCG will need to be reviewed and updated as appropriate.

The SoCG is supported by the following studies undertaken jointly by Councils across the city and County which informed the redistribution of unmet need. This included the following:

- Housing and Economic Needs Assessment (HENA)
- Sustainability Appraisal

The short term distribution in the SoCG is informed the HENA and the Sustainability Appraisal with the two other studies currently underway being prepared to review Strategic Growth Options and Strategic Transport assessment which in due course will inform the longer term Strategic Growth Plan (SGP).

Following the publication of the above documents, an error was found within the HENA relating to the calculation of land requirements to accommodate future employment floorspace needs. As a result, all documents were withdrawn to allow for the necessary amendments to be made to the evidence documents.

The SOCG has now been updated to reflect the changes to the HENA and Sustainability appraisal. It should be noted that the updated reports do not change the outcomes for the city.

Affordable housing needs will be met as part of the overall housing need subject to viability as set out in individual Local plans prepared by the relevant planning authority in due course. The Statement of Common Ground does not seek to agree other controversial non-planning matters such as securing City Council nomination rights over the future social housing provision to be provided by the Districts in due course, as discussions with the relevant councils have indicated this would prove to be an unacceptable expectation they would not agree to.

Next steps

The SoCG will need to be considered through each authorities governance processes.

Financial, legal, equalities, climate emergency and other implications

6.1 Financial implications

There are no direct financial implications arising from the recommendation set out in this report

Julie Robinson - Accountant, Ext: 4055

6.2 Legal implications

The City Mayor has authority to approve the Statement of Common Ground which is a strategic document but does not comprise planning policy. The internal legal advice is that in governance terms there are no legal Implications.

The statement of Common Ground forms key evidence to support the submission, examination, and adoption of the Leicester City Council Local Plan. External legal advice is provided on the Local Plan, and planning officers confirm that the external legal advice is that the Council should continue to work together with strategic partners to address the apportionment of the unmet need. External legal advice will continue to be sought as the Local Plan process continues.

Katherine Hall, Legal Services Ext: 370325

6.3 Equalities implications

Under the Equality Act 2010, public authorities have a Public Sector Equality Duty (PSED) which means that, in carrying out their functions, they have a statutory duty to pay due regard to the need to eliminate unlawful discrimination, harassment, victimisation and any other conduct prohibited by the Act, to advance equality of opportunity between people who share a protected characteristic and those who don't and to foster good relations between people who share a protected characteristic and those who don't.

Protected Characteristics under the Equality Act 2010 are age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, sexual orientation.

There are no direct equalities implications arising from the report, however, the future and on-going approach to developments will have equalities implications. The Statement of Common Ground sets out the commitment to continue to work together under Duty to Co-

operate to apportion any unmet need. It is important that new housing developments are well designed and can contribute to a good quality of life and meet the diverse needs of residents. Accessible and inclusive design relating to development schemes will support the general aims of the PSED.

Surinder Singh, Equalities officer, Ext: 37 4148

6.4 Climate Emergency implications

Whilst it is not practical to assess the direct climate change implications of this report and the SoCG it is important to consider the wider context, as housing is responsible for 34.1% of carbon emissions in Leicester, with industry and commerce responsible for a further 34%. Following the city council's declaration of a Climate Emergency in 2019, and its aim to achieve carbon neutrality within Leicester, delivering low carbon and carbon neutral new housing and employment facilities, and associated transport infrastructure, will therefore be vital to meeting these goals and should be taken into consideration wherever relevant.

Aidan Davis, Sustainability Officer, Ext 37 2284

6.5 Other implications (You will need to have considered other implications in preparing this report. Please indicate which ones apply?)

7. Background information and other papers:

Please see appendix A.

8. Summary of appendices:

Appendix A - Leicester & Leicestershire Authorities - Statement of Common Ground relating to Housing and Employment Land Needs (April 2022)

9. Is this a private report (If so, please indicate the reasons and state why it is not in the public interest to be dealt with publicly)?

No.

10. Is this a "key decision"? If so, why?

Yes. It affects Leicester and Leicestershire.