

Gladman Developments Ltd

Matter 3 Hearing Statement

(Questions 3.2 and 3.4)

Melton Local Plan

Overall Requirements for Housing and Employment Land



January 2018

Matter 3 – Overall Requirements for Housing and Employment Land

1.1. Q3.2 Are relevant parts of Section 4.7 and Policy SS6 a sound basis for addressing housing, employment and other needs that may arise in the Borough, the Housing Market Area and elsewhere in the future? Are they fully consistent with the joint statement of co-operation for the Leicester and Leicestershire Authorities, updated in November 2017? Should Policy SS6 be more specific about what would trigger a review of the Plan and the timescale for review in order to address such needs?

- 1.1.1. Gladman consider that the relevant parts of Section 4.7 and Policy SS6 are an unsound basis for dealing with the housing and employment needs of the borough or HMA in the future for a number of reasons. Although we support the recognition of Six Hills as a potential alternative site, it is considered that in order to deliver the full housing needs of the borough across the Plan Period, the Six Hills site needs to be an allocation within the Melton Local Plan.
- 1.1.2. Focussed Change 3 (FC3) proposes changes to Section 4.7 to reflect the fact that updated evidence, in the form of the Leicester and Leicestershire HEDNA, has been published. The changes also set out that the Council is committed to working collaboratively with the other authorities in the HMA through the Strategic Growth Plan (SGP).
- 1.1.3. Gladman support the collaborative approach of the Leicester and Leicestershire authorities and support the preparation of the SGP. However, we have serious concerns that the SGP, as currently drafted, does not address the issues of unmet housing needs across the HMA and it appears to be simply a bidding document (see para 1.1.4 below).
- 1.1.4. As set out in our Hearing Statement on Matter 1, the consultation draft SGP published recently on North West Leicestershire's website does not seek tackle the key issue of addressing unmet housing needs in Leicestershire and their redistribution to other authorities. Instead it focuses more on strategic infrastructure and its delivery, with Page 30 stating:
- "Together with the Strategic Transport Plan and Local Industrial Strategy, the Strategic Growth Plan will be used as a bidding document to secure funding for essential infrastructure and services in our area"
- 1.1.5. Therefore, given the current situation with the progress and content of the SGP and the fact that the Local Plans for many of the Leicester and Leicestershire authorities are progressing without

tackling the issue of identified unmet housing needs from Leicester City, this raises significant concerns regarding the soundness of the Melton Local Plan

- 1.1.6. This issue is most clearly demonstrated by reference to the draft SGP. This document states on Page 5 that:

“Only Leicester City Council has declared that it will be unable to meet its housing needs. We are confident, however, that any shortfall in the period 2011-31 can be met through Local Plan allocations in other areas”.

- 1.1.7. However, the scale of unmet need in Leicester City is considerable and although it has not yet been quantified, the draft updated Statement of Cooperation November 2017 (Appendix 1) shows that it could be as great as 15,000 dwellings.

- 1.1.8. If, as is happening, all of the Local Plans for the Leicester and Leicestershire authorities for the period 2011 to 2031 are adopted prior; to the adoption of the SGP, the signing of a new Memorandum of Understanding and the quantification of the unmet need from Leicester City, then it is difficult to see how the SGP can be confident that the unmet need can be met through Local Plan allocations in other areas.

- 1.1.9. Gladman remain of the view that the SGP is the correct vehicle for considering these strategic issues and for identifying deliverable sites to inform the Memoranda of Understanding (MOU), rather than these issues being dealt with by the MOU alone, which may not be the subject of public consultation and may not be scrutinized in any public forum. There would consequently be no formal mechanism for the distribution of unmet housing needs across the HMA, leaving the resolution of this issue outside of the plan led process. This is both unacceptable and contrary to the Framework.

- 1.1.10. It is Gladman’s view that the SGP has failed to fulfil its potential as a strategic planning document by deferring the issue of the geographical distribution of unmet housing need to a Memorandum of Understanding. The MOU is still in preparation and has yet to be published or signed by the Leicester and Leicestershire authorities and there is no guarantee that it will eventually be signed by all parties. It is unknown why the SGP has not been used as the primary means of approaching these issues and therefore, there is considerable uncertainty regarding the distribution of housing growth across the HMA that must be clarified to ensure that up-to-date local plans can be put in place across the area.

- 1.1.11. Local Plans are already in place in North West Leicestershire, Charnwood, Hinckley and Bosworth and Blaby, all with end dates of 2031 or earlier. Oadby and Wigston, Melton and Harborough have all submitted their Local Plans for Examination, most with end dates of 2031. The exception is Melton, which has an end date of 2036. None of the adopted or submitted Local Plans make any specific provision for unmet housing needs from Leicester City and although some contain early review policies, such as North West Leicestershire, it will still take a considerable length of time

- before Plans are in place which positively address Leicester City's immediate and significant unmet housing needs.
- 1.1.12. This constitutes an entirely unsatisfactory approach to strategic planning and completely contrary to the Government's agenda of addressing the housing needs of this Country and tackling the broken housing market. The already identified unmet housing need in Leicester City represents real people with real housing needs both now (from 2011, the base date of the Housing Need figure for Leicester City, until 2015/16 Leicester had a backlog of almost 3,000 dwellings - See Appendix 2) and in the future. In the context of national policy, it must be regarded as unacceptable for these people to have to wait for a further round of Local Plan reviews before their housing needs even begin to be addressed.
 - 1.1.13. In fact, as majority of the Leicester and Leicestershire Local Plans which have been adopted have a plan period running to 2031 or earlier and the Melton Local Plan would run until 2036, if adopted, it is inevitable that Melton's Local Plan would be out of kilter with the other plans in the HMA. The Plan would run to 2036 and this will do nothing to help meet the unmet needs of Leicester City.
 - 1.1.14. If the time period to 2036 is to be maintained then realistic additional allocations such as Six Hills should be formally allocated now, in order to maintain a deliverable pipeline that would also assist in meeting Leicester's unmet needs.
 - 1.1.15. It is therefore Gladman's view that all Leicester and Leicestershire authorities must act now and do as much as they possibly can, through this round of plan making, to at least start to address these unmet needs. The corollary of this for the Melton Local Plan is to plan to meet the full needs for housing as identified in the updated Housing Needs work i.e. 280 dwellings per annum and having an effective and rapid review mechanism to ensure that the Local Plan can be reviewed and put in place as expeditiously as possible to address unmet housing needs through a plan led process.
 - 1.1.16. Moving to the second strand of questioning around the review mechanism set out in Policy SS6, Gladman do not consider this to be positively prepared or effective and as a consequence it is considered unsound.
 - 1.1.17. Gladman contend that the wording of any review mechanism needs to be clear, easily understandable, effective and be enforceable. This issue was discussed at length at the North West Leicestershire Local Plan Examination with the Inspector keen to ensure that any review policy was meaningful.
 - 1.1.18. North West Leicestershire have subsequently adopted their Local Plan including a revised wording for the local plan review mechanism. However, things have moved on since the adoption of that plan in that the draft SGP has now been published and which fails to deal with the issue of the distribution of unmet housing needs.

- 1.1.19. Gladman consider therefore, that any review mechanism should be based upon the North West Leicester Plan Policy (Policy S1 - Appendix 3) which should contain a start date, an end date that is in the control of the Local Planning Authority and which sets out the consequences of failing to meet the target dates.
- 1.1.20. However, given the recognition that there will be unmet housing need within the HMA and the fact that Melton Borough Council were perfectly aware of these issues when they decided to submit their Local Plan (before Leicester City's unmet housing need was quantified), it is Gladman's contention that the review of the Local Plan must be almost immediate and completed in an expeditious manner.
- 1.1.21. The Melton Local Plan Review Mechanism should therefore read:

The Borough Council will commence a review of this Local Plan (defined as being publication of an invitation to make representations in accordance with Regulation 18 of The Town and Country Planning (Local Planning) (England) Regulations 2012) within 3 months of the adoption of this Local Plan (whichever is the later). The Plan Review will be submitted for examination within one year from the commencement of the review. In the event that the reviewed plan is not submitted within one year then this Local Plan will be deemed to be out of date.

1.2. Are the references in Policy SS6 to specified locations as potential alternative or long-term options justified?

- 1.2.1. Gladman consider that Melton Borough Council has recognised, through the inclusion of Policy SS6, that their housing allocations and list of very modest reserve sites, may not be sufficient to meet the housing needs of the borough or wider HMA. They therefore considered that action needed to be taken to identify potential additional sites for further exploration.
- 1.2.2. Gladman agree that something ought to be done to ensure that the housing needs of the borough and HMA are met and that this should happen sooner rather than later, especially as Leicester City's unmet housing needs are immediate and significant (see paras 1.1.7 above).
- 1.2.3. In the light of the evidence Gladman have presented on the housing requirement (Matter 3 Hearing Statement), housing supply (Matter 6 Hearing Statement) and the outcome of the Sustainability Appraisal (Matter 1 Hearing Statement), we respectfully request that the Council introduce a new policy into the Local Plan relating specifically to the allocation of the Six Hills Garden Village. The introduction of a positive plan-led approach to allocate Six Hills Garden Village through this Local Plan, would act to set the parameters to enable the timely and sustained delivery of the garden village proposals, together with accompanying community infrastructure to meet the needs of the borough as well as the wider HMA.

- 1.2.4. Six Hills is a site that the Council themselves recognise as a suitable candidate, worthy of further consideration for allocation (Policy SS6). It offers a suitable alternative option to additional allocations in either Melton Mowbray or the larger villages, which are all taking a considerable level of new development over the Plan period. It would also ensure that the Plan, which has an end date of 2036, has the flexibility it needs to address the unmet needs of Leicester City, once they are quantified, without the requirement for a lengthy Local Plan Review.

Leicester & Leicestershire Authorities

Joint Statement of Co-operation Relating to Objectively Assessed Need for Housing

November 2017

1.0 The Leicester and Leicestershire HMA

1.1 The Leicester and Leicestershire Housing Market Area (HMA) covers the administrative areas of eight local authorities and two highway authorities. The eight local planning authorities are:

- Blaby District Council
- Charnwood Borough Council
- Harborough District Council
- Hinckley & Bosworth Borough Council
- Leicester City Council
- Melton Borough Council
- North West Leicestershire District Council
- Oadby & Wigston Borough Council

1.2 The two highways authorities are:

- Leicester City Council
- Leicestershire County Council

1.3 The purpose of this Joint Statement of Co-operation (the 'Joint Statement') is to support those authorities which are seeking to produce a Local Plan in advance of the Strategic Growth Plan (SGP), and to set out how the local authorities will collaborate further to ensure that the necessary joint evidence is in place to support subsequent Local Plans. 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 as necessary.

2.0 Background

Duty to Cooperate

2.1 The Joint Statement is intended to provide evidence of effective co-operation on planning for issues with cross-boundary impacts. A Housing and Economic Development Needs Assessment (HEDNA) has been completed, the purpose of which is to identify the Objectively Assessed Need (OAN) for housing and employment for the HMA and Functional Economic Market Area (FEMA) in the periods 2011-2031 and 2011-2036. In the case of Leicester & Leicestershire, the HMA and FEMA are coincident. The HEDNA was commissioned jointly by the nine local authorities together with the Leicester & Leicestershire Enterprise Partnership (LLEP).

Objectively Assessed Need for Housing

- 2.2 The National Planning Policy Framework (NPPF) requires local planning authorities to ensure that their Local Plans meet the full OAN for market and affordable housing in the HMA as far as is consistent with the policies set out in the NPPF (paragraph 47).
- 2.3 To enable an understanding of capacity to accommodate additional housing, the NPPF further requires local planning authorities to prepare a Strategic Housing Land Availability Assessment (SHLAA) to establish realistic assumptions about availability, suitability and likely economic viability of land to meet the identified need for housing over the plan period (paragraph 159). In Leicester & Leicestershire, the SHLAAs have been prepared using an agreed methodology across the HMA as a whole.
- 2.4 Table 1 has been prepared using the outputs of the joint HEDNA and SHLAAs. It provides a summary of the agreed OAN for housing, and the theoretical capacity of both the HMA and each local authority; the theoretical capacity has been derived from an understanding of existing commitments and SHLAA information. The partner authorities agree that the OAN for the HMA (and each local authority) is that set out in the table.
- 2.5 The HEDNA explains that the OAN is set at the level of the HMA although the OAN for each local authority is also identified; the OAN for each individual authority is considered to be secondary to that of the HMA as a whole. Table 1 indicates that the OAN for the HMA as a whole, based on demographic analysis, is some 96,580 dwellings for the period 2011-31 (4,829 dpa). For the period, 2011-2036, the figure is some 117,900 dwellings (4,716 dpa).
- 2.6 A similar analysis has been undertaken of the need for housing based on the economic development needs of the area; in this case, it has been concluded that the need for new housing, based on economic development needs across the FEMA, is lower than the demographic need. On that basis, there is no need for adjustment of this figure at the level of the HMA/FEMA although there is some misalignment at the level of individual authorities. As a result, there may be an alternative distribution of housing to meet economic needs whilst still ensuring that the demographic need of 4,829 or 4,716 dpa is met across the HMA/FEMA as a whole in line with paragraph 47 of the NPPF.
- 2.7 In terms of the housing capacity, Table 1 also indicates that there is a theoretical capacity for some 207,069 dwellings across the HMA as a whole. When this is set against the OAN of 96,580 (2011-31) and 117,900 (2011-36) dwellings, it is clear that there is considerable flexibility to meet the defined housing need across the HMA.
- 2.8 It is recognised that the ability of each local authority to meet its own OAN will vary. Table 1 demonstrates that, theoretically, and with the exception of Leicester City Council, all authorities are able to accommodate their own needs in the period 2011-36. In the period 2011-36, neither Leicester City Council nor Oadby & Wigston Borough Council will be able to meet their needs. It is important to note, however, that further testing will be required by the respective authorities through their Local Plan processes. Should an HMA authority identify, quantify and provide robust

evidence to demonstrate an unmet need in the future, it will be incumbent upon the HMA authorities jointly to resolve any cross-boundary matters with HMA partners under the Duty to Co-operate.

- 2.9 Following publication of the HEDNA, both Leicester City Council and Oadby & Wigston Borough Council declared that they would not be able to accommodate their full objectively assessed needs (OAN) for housing within their own boundaries. Letters were sent out by Leicester City Council in February 2017 and by Oadby & Wigston Borough Council in March 2017, to all other authorities within the Leicester & Leicestershire Housing Market Area, setting out the position and their formal declarations of unmet housing need. Since that time, and based on evidence, Oadby & Wigston Borough Council has determined that it will be able to accommodate its needs in the period 2011-2031 but not in respect of the period 2011-36. Oadby & Wigston Borough Council issued a further letter in November 2017 confirming its position. Both Leicester City Council and Oadby & Wigston Borough Council are yet to formally and finally evidence the extent of their unmet need, however it is necessary to include provision to accommodate unmet need arising from these two Council areas, for the relevant periods, within the HMA as a whole; this may include an element of a flexibility allowance in local plans currently in preparation, should the need arise.
- 2.10 In terms of determining housing targets to be included in their Local Plans, local planning authorities should take account of the requirements of both national policy and local circumstances, including the need to base Local Plans on a strategy that seeks to meet the OAN for housing. In this regard, it is recognised that all authorities are at different stages of plan preparation and that this situation must be accommodated. In determining their housing target over the relevant plan period, therefore, each authority will take into account the HEDNA and other relevant evidence.
- 2.11 In addition, the nine local authorities and the LLEP have jointly agreed to produce a Strategic Growth Plan, a non-statutory strategic plan looking forward to around 2050. As part of their work on the Strategic Growth Plan, the partner organisations may choose to redistribute development across the HMA as appropriate but the process of preparing the Strategic Growth Plan is not anticipated to be complete until the end of 2018 and will not, therefore, be available for all authorities to use prior to preparing their Local Plans. At the same time, Government has made it clear that it wants Local Plans for individual authorities to be in place without delay; and where no Local Plan has been produced, Government may choose to intervene in the process. As a result, the partner organisations understand that some authorities might wish to progress their Local Plans in advance of the Strategic Growth Plan.
- 2.12 The Written Ministerial Statement by the Minister for Housing and Local Government (21 July 2015) re-emphasises that Local Authorities cannot plan in isolation and must work together to provide the land for the housing needed across HMAs. It states: *“As we have made clear in planning guidance a commitment to an early review of a Local Plan may be appropriate as a way of ensuring that a Local Plan is not unnecessarily delayed by seeking to resolve matters which are not critical to the plans soundness or legal competence as a whole”*. It also refers to a note prepared by the Planning

Advisory Service which local authorities should consider; this sets out circumstances in which Local Plans have been found sound, subject to a commitment to an early review.

- 2.13 Taking this into account, the HMA authorities reached agreement in summer 2016 on appropriate trigger mechanisms that would be inserted into all Local Plans coming forward before the Strategic Growth Plan. In this respect the partner authorities agree that should the Strategic Growth Plan identify a significant change which would require local authorities to re-consider the amount of housing and employment land, an early review or partial review of affected Plan(s) will be brought forward to address this matter, unless there is sufficient flexibility already provided for within the Plan. Such flexibility may, for example, be secured by a Local Plan that specifies a requirement which materially exceeds the FOAN identified by the HEDNA. The agreement is based on the principle that the trigger mechanisms would be applied on a consistent basis across the HMA, ensuring that all Local Plans submitted in advance of the Strategic Growth Plan contain the necessary flexibility to respond to any significant change that might arise.

Table 1: OAN as defined in HEDNA (January 2017) and Theoretical Capacity based on assumptions set out in notes.

	OAN* ¹ (2011- 2031)	OAN* ¹ (2011 - 2036)	Theoretical Total Capacity* ²
Blaby	7,400	9,025	24,096* ³
Charnwood	20,620	24,850	34,756* ³
Harborough	10,640	12,850	30,578* ³
Hinckley & Bosworth	9,420	11,350	25,498* ³
Leicester City	33,840	41,700	26,230* ³
Melton	3,720	4,250	36,650* ³
Northwest Leics	9,620	11,200	26,301* ³
Oadby & Wigston	2,960	3,875	2,960* ³
HMA Total*⁴	96,580	117,900	207,069*³

*¹ The OAN is set out in the agreed HEDNA (January 2017)

*² This figure is based on information on completions, commitments, windfalls (in some authorities) and SHLAAs as at 1st April 2016.

*³ The final figure will be determined by each authority through the Local Plans process.

*⁴ The Total received OAN for the HMA is lower than the sum of the OAN for individual authorities because the OAN for Melton BC and North West Leicestershire DC has been increased in the HEDNA to meet economic needs locally.

Note:

It should be noted that nothing in this statement should be taken to prejudice any representations made by individual authorities on any partner Local Plan.

Signed by:

	OBO Blaby District Council
	OBO Charnwood Borough Council
	OBO Harborough District Council
	OBO Hinckley & Bosworth Borough Council
	OBO Leicester City Council
	OBO Leicestershire County Council
	OBO Melton Borough Council
	OBO North West Leicestershire District Council
	OBO Oadby & Wigston Borough Council

Appendix 2

Net Housing Completions in Leicester City 2011/12 to 2015/16 set against the HEDNA OAN 2011-2031

Year	Net Completions	HEDNA OAN	New dwellings above or below OAN
2011/12	977	1,692	-715
2012/13	1,147	1,692	-545
2013/14	1,126	1,692	-566
2014/15	1,162	1,692	-530
2015/16	1,131	1,692	-561
Total	5,543	8,460	-2917

Appendix 3

Policy S1 of the Adopted North West Leicestershire Local Plan 2011-2031

Policy S1 – Future housing and economic development needs

Over the plan period to 2031 provision will be made to meet the housing and employment land needs of the district as identified in the Leicester and Leicestershire Housing and Economic Development Needs Assessment (January 2017).

This means that:

- provision will be made for the development of a minimum of 9,620 dwellings (481 dwellings per annum) which is the Objectively Assessed Need (OAN) and Housing Requirement for the district;
- provision will be made for 66 hectares of land for employment purposes (B1, B2 and B8 of less than 9,000sq metres)

Provision will also be made for 7,300sq metres for shopping purposes.

The Council will continue to work collaboratively with the Leicester & Leicestershire Housing Market Area (HMA) authorities to establish the scale and distribution of any additional provision that may be necessary in North West Leicestershire and elsewhere in the HMA as a result of the inability of one or more authority to accommodate its own needs as identified in the Leicester and Leicestershire Housing and Economic Development Needs Assessment.

The District Council will commence a review of this Local Plan (defined as being publication of an invitation to make representations in accordance with Regulation 18 of The Town and Country Planning (Local Planning) (England) Regulations 2012) by the end of January 2018 or within 3 months of the adoption of this Local Plan (whichever is the later). The Plan Review will be submitted for examination within two years from the commencement of the review. In the event that the reviewed plan is not submitted within two years then this Local Plan will be deemed to be out of date.

WHERE SHOULD DEVELOPMENT GO?

- 5.13 A core principle of the NPPF is to “focus significant development in locations which are or can be made sustainable”. To help do this we define a settlement hierarchy to distinguish between the roles and functions of different settlements and to guide the location of future development, although it should be appreciated that the scale and location of most new development that is needed is already committed.

Policy S2 – Settlement Hierarchy

The following Settlement Hierarchy will be used when assessing the suitability of a settlement for new development, with the general principle being that those