

**NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL**

**CABINET – 21 OCTOBER 2014**

Title of report	<b>MEMORANDUM OF UNDERSTANDING RELATING TO OBJECTIVELY ASSESSED NEED FOR HOUSING</b>
Key Decision	<p>a) Financial No</p> <p>b) Community Yes</p>
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Purpose of report	To seek approval from Members for the authority to sign the Leicester and Leicestershire Housing Market Area Memorandum of Understanding relating to the objectively assessed need for housing.
Reason for Decision	<p>In developing their Local Plans, authorities must demonstrate the Duty to Co-operate ((Localism Act 2011).</p> <p>To demonstrate how the District Council is working with other local planning authorities in the Housing Market Area in accordance with the requirements of the Duty to Cooperate.</p>
Council Priorities	<p>Business and Jobs</p> <p>Green Footprints Challenge</p> <p>Homes and Communities</p> <p>Value for Money</p>
Implications:	None
Financial/Staff	None
Link to relevant CAT	None
Risk Management	None
Equalities Impact Screening	None

Human Rights	None
Transformational Government	The Memorandum of Understanding outlines how the Council is working with other local planning authorities in the Housing Market Area. Each individual authority will be responsible for delivering their own planning services
Comments of Head of Paid Service	The report is satisfactory
Comments of Section 151 Officer	The report is satisfactory
Comments of Monitoring Officer	The report is satisfactory
Consultees	The Strategic Housing Market Assessment (SHMA) and Strategic Housing Land Availability Assessment (SHLAA) documents have been the subject of public consultation with Various stake holders; estate agents, planning consultants, commercial property agents, landowners, developers, local businesses and other stakeholders including Parish and Town Councils who were consulted in respect of the SHMA and SHLAA. Leicestershire County Council has been consulted to provide specialist highways and ecological input.
Background papers	<a href="#">Strategic Housing Market Assessment (SHMA)</a> <a href="#">Strategic Housing Land Availability Assessment (SHLAA)</a> <a href="#">National Planning Policy Framework (NPPF)</a> <a href="#">Localism Act 2011</a>
Recommendations	<b>THAT CABINET RECOMMENDS TO FULL COUNCIL THAT THE SIGNING OF THE LEICESTER AND LEICESTERSHIRE HOUSING MARKET AREA MOU RELATING TO THE OBJECTIVELY ASSESSED NEED FOR HOUSING BE DELEGATED TO THE CHIEF EXECUTIVE /DIRECTOR OF SERVICES IN CONSULTATION WITH THE PORTFOLIO HOLDER</b>

## 1.0 Background

- 1.1 It is a government requirement that all local planning authorities must prepare a local plan which sets planning policies in a local authority area. Independent planning inspectors must examine all local plan documents that local authorities in England prepare. The examination is the last stage of the process for producing a local plan.

- 1.2 The Government aim is for every area to have a clear local plan which sets out local people's views of how they wish their community to develop, consistent with the framework and against which planning applications for planning permission will be judged.
- 1.3 Local plans must be positively prepared, justified, effective and consistent with national policy in accordance with the National Planning Policy Framework.
- 1.4 The first test at an examination in to the Local Plan is whether the process followed has satisfied the Duty to Cooperate as required by the Localism Act 2011. A failure to satisfy the Duty to Cooperate will result in a plan being found unsound. It is not a matter which can be redressed retrospectively.
- 1.5 It is essential, therefore, that all of the local planning authorities in the Leicester and Leicestershire Housing Market Area (HMA) cooperate on those matters which are of strategic importance. There is a strong track record locally, of officers from all Leicestershire authorities having worked constructively together to ensure the necessary evidence to support local plans can be put in place as quickly as possible; and, as part of this, to identify a clear and agreed approach to establishing and formally agreeing the levels of housing need across the (HMA) to carry forward into all local plans. For example, the Strategic Housing Market Assessment (SHMA) and the Strategic Land Availability Assessments (SHLAAs) have both been revised in 2014, to provide the basis for identifying the housing needs across the HMA.
- 1.6 However, it is necessary in order to demonstrate compliance with the Duty to Cooperate to formally set out how the duty has been complied with. To do this a Memorandum of Understanding (MOU) has been developed. The purpose of the MOU document is to formally record and make public, the local authorities' agreement to the distribution of objectively assessed housing need and to support the resumption of the Examination of the Charnwood Borough Local Plan, whilst providing a strong platform for moving forward on other plans.

## **2.0 Establishing the level of future housing need**

- 2.1 The SHMA work has been undertaken on behalf of all the authorities in the HMA by G.L. Hearn. This reflects the requirements of the NPPF and the more recent National Planning Practice Guidance. It establishes levels of housing need to 2031 and 2036. The SHMA is now completed and the Planning Officers Forum (POF) and the Strategic Planning Group (SPG) which oversaw the work are content with the findings. The revised SHMA was presented and endorsed at the meeting of the Members Advisory Group (MAG) on 26 June 2014.

## **3.0 Understanding the capacity to accommodate the levels of growth in the SHMA**

- 3.1 Each planning authority has undertaken a SHLAA to an agreed common methodology. Based upon these technical SHLAA assessments and transport capacity work led by the County Council, all authorities are able to accommodate the upper figure in table 3.4 of the MOU within their own area.

#### **4.0 Leicester & Leicestershire Housing Market Area – Memorandum of Understanding relating to Objectively Assessed Need for Housing**

4.1 The MOU document, attached at Appendix A, has been drafted and its content agreed by all of the Leicestershire authorities, the County Council and the LLEP. The MOU includes the following key elements:

- An introduction, setting out national planning policy and explaining the document's purpose;
- A brief explanation of the position on the key evidence that has informed the authorities' position on need/unmet need, i.e. through the SHMA, SHLAAs and infrastructure capacity work;
- The stated position on the levels of need/unmet need to 2028, including any caveats with regard to the timescales for the majority of plans; and
- The stated position on the other two stages of the three-stage approach, which are agreed as being necessary to support the majority of plans across the HMA.

4.2 Members of the MAG discussed the MOU document at their meeting on 24 July 2014 and have endorsed the approach to future growth across the HMA.

4.3 An objective view has also been sought from the Planning Advisory Service, who agrees that this is the most appropriate approach to take in the circumstances. The other question raised about the MOU is the status of any figures included in it. Legal advice is that as long as the MOU does not stray into spatial options or approaches within the HMA it is an evidence, rather than policy, based document. This status is reinforced by reference to key evidence from the SHMA and SHLAAs/transport modelling and would not, therefore, fetter authorities following Charnwood BC in consideration of their own local plan targets. The MOU provides a good basis for future iterations, which are likely to be needed to support subsequent plan reviews across the HMA.

#### **5.0 Further work planned to support Local Plan reviews**

5.1 To inform agreement on levels of growth between 2028 and 2031, further transport modelling will be completed by the County and City highway authorities. This work is currently being commissioned and is referred to in more detail in section 4.0 of the MOU document

#### **6.0 Longer Term Growth Strategy Beyond 2031**

6.1 Beyond 2031 a longer term strategy for the spatial development of the HMA will be developed. Plans for the development of this are underway.

#### **7.0 Governance procedures**

7.1 Each authority that is party to the MOU agreement is seeking approval through its own governance procedures.