

NORTH WEST LEICESTERSHIRE LOCAL PLAN EXAMINATION
HOUSING LAND REQUIREMENTS
IMPLICATIONS FOR LOCAL PLAN ARISING FROM THE PUBLICATION OF THE
HEDNA

1.0 BACKGROUND

- 1.1 The Leicester & Leicestershire Housing Market Area (LLHMA) authorities commissioned a Housing and Economic Development Needs Assessment (HEDNA) in February 2016 in order to replace the 2014 Strategic Housing Market Assessment (SHMA) and the 2013 Leicester & Leicestershire Employment Land Study (referred to as the PACEC Study).
- 1.2 At its meeting on 26 January 2017 the LLHMA Member Advisory group (MAG) agreed to publish the HEDNA report together with a joint statement of cooperation. The HEDNA and Joint Statement of Cooperation were both published on 27th January 2017. A stakeholder event is scheduled for 9th February 2017.
- 1.3 This note summarises the findings of the HEDNA as they relate to North West Leicestershire and the likely implications for the Local Plan.

2.0 SUMMARY OF HEDNA

- 2.1 The principal purpose of the HEDNA is to identify the housing and employment land requirements for the LLHMA for the periods 2011-31 and 2011-36. In addition, it also provides information regarding matters such as the level of affordable housing need, the mix and type of housing required and the needs of different groups of people.
- 2.2 The key findings of the HEDNA as they relate to North West Leicestershire are summarised below. Only those figures to 2031 are included as this is the period covered by the Local Plan.

Housing

- 2.3 The HEDNA identifies the following Objectively Assessed Needs (OAN) for each of LLHMA authorities and the LLHMA as a whole..

Table 1

	OAN 2011-31 (Annual)	Total
LLHMA	4,829	96,520 ¹
Blaby	370	7,400
Charnwood	1,031	20,620
Harborough	532	10,640
Hinckley & Bosworth	471	9,420
Leicester City	1,692	33,840
Melton	186	3,720
North West Leicestershire	481	9,620
Oadby & Wigston	148	2,960

- 2.3 In terms of affordable housing the HEDNA identifies the following level of need for the LLHMA and North West Leicestershire.

¹ HMA total does not match the sum of individual authorities as the OAN for North West Leicestershire and Melton have been subject to an economic uplift from the demographic forecasts.

Table 2

	Level of need 2011-31 (Annual)	Total
LLHMA	2,322	46,440
North West Leicestershire	199	3,980

- 2.4 The following mix of housing types for market housing and affordable housing for North West Leicestershire is suggested by the HEDNA.

Table 3

	1-bedroom	2-bedroom	3-bedroom	4+bedroom
Market Housing	0-10%	30-40%	45-55%	10-20%
Affordable Housing	30-35%	35-40%	25-30%	5-10%

3.0 WHAT DOES THE HEDNA MEAN FOR THE LOCAL PLAN?

Housing requirement

- 3.1 The OAN of 481 dwellings is less than the 520 dwellings allowed for in Policy S1 of the submitted Local Plan but is higher than the OAN identified in the 2014 SHMA (350 dwellings).
- 3.2 Over the whole plan period the OAN reduces from 10,400 dwellings to 9,620 dwellings, a difference of 780 dwellings.
- 3.3 The Council is of the view that whilst the level of provision proposed in the submission Local Plan (requirement) is greater than the OAN it is appropriate for the local plan to retain this level of provision because:
- Having an over provision is consistent with the National Planning Policy Frameworks aim of ‘boosting significantly the supply of housing land’;
 - Such an over provision will provide a degree of flexibility which will ensure that the OAN will be met as a minimum and will also deal with any unforeseen circumstances (for example if a site does not come forward at the rate predicted or if new household forecasts are published);
 - In the event that there were a need to redistribute some development from elsewhere within the LLHMA, and if as a consequence it were agreed that some of the redistribution should go to North West Leicestershire, then the over provision provides headroom which may mean that an early review of the plan is not required.
- 3.4 It is clear, therefore, that based on the HEDNA the Local Plan exceeds the full OAN and thus complies with National Policy in this regard.
- 3.5 This will remain the position unless/until there is a declaration of an unmet need elsewhere within the HMA and the Strategic Growth Plan which the HMA Authorities together with the Leicester and Leicestershire Enterprise Partnership have agreed jointly to prepare, or a Memorandum of Understanding agreed by the HMA

Authorities identifies a requirement for all or part of the declared unmet need to be accommodated within North West Leicestershire and there is insufficient flexibility provided for within the Local Plan, in which case the Local Plan will be reviewed in accordance with Policy S1”.

- 3.6 Maintaining the level of provision as proposed in the submission Local Plan will , based on the projected level of completions (10,592) set out in the housing trajectory (EX/19), result in a level of projected over provision of 972 dwellings (or 10% of the overall requirement). As noted above this will help to provide flexibility.

5-year housing land supply

- 3.7 The housing trajectory (EX/19) is based on a requirement of 520 dwellings per annum. Based on the projected completions this identified that there was estimated to be 5.4 years supply assuming a 20% buffer or 6.17 years assuming a 5% buffer.
- 3.8 The revised OAN of 481 dwellings, which will provide the basis for assessing 5-year supply in respect of appeals, and based on the projected completions set out in the housing trajectory (EX/19) as at October 2016 shows there was 6.69 years supply assuming a 5% buffer or 5.86 years assuming a 20% buffer. Therefore, whichever buffer it is considered should apply the Council can demonstrate a 5-year supply.
- 3.8 Having regard to the rolling 5-year assessment (EX/52) the number of years supply based on an OAN of 481 dwellings (assuming a 5% buffer) varies between 6.69 years at October 2016 and 9.42 years in October 2022, whilst assuming a 20% buffer varies between 5.86 years in October 2016 and 8.24 years in October 2022.
- 3.9 It will be necessary to modify Policy S1 to include reference to an OAN of 481 dwellings per annum. In addition, changes to the text will be required to explain what the HEDNA’s findings are and to set out the approach taken in the Local Plan. These will be dealt with through the proposed main modification requested by the Inspector

Affordable Housing

- 3.10 The annual level of affordable housing need (199) is less than that identified in the 2014 SHMA (212 dwellings) and represent an overall need of 3,980 dwellings. In setting the OAN for all housing the HEDNA has been adjusted upwards in recognition of affordability issues in the district.
- 3.11 The affordable housing trajectory (EX/20) identifies a projected provision of 1,303 dwellings between October 2016 and the end of the plan period. Taking account of affordable housing completions since 2011 (528) this would result in some 1,831 affordable dwellings being delivered directly through the planning system.
- 3.12 As noted in the Councils Position Statement in respect of Matter 4 some 618 affordable dwellings have been delivered from all sources since the start of the plan period. The Position Statement also notes that the Council continues to work with Registered Providers to bring forward additional sites beyond those currently identified including through the release of Council owned land and/or the use of commuted sums. Therefore, the figure of 1,831 affordable dwellings should be regarded as a likely minimum that will be delivered.
- 3.13 It is considered that there does not need to be any change to Policy H4 of the submitted Local Plan as a result of the reduced level of affordable housing need

identified in the HEDNA, although it will be necessary to publish a minor modification to paragraph 7.27 to reflect the HEDNAs findings in place of references to the SHMA.

Housing Mix

- 3.14 Policy H6 of the submitted Local Plan sets out how the Council will seek to ensure that a suitable range of house types and sizes are provided on new housing developments. No specific requirements are included but part (2)(a) is clear that regard will be had to a range of sources of evidence. This includes “the most up-to-date Strategic Housing Market Assessment”. It would be appropriate to publish a minor modification which replaces reference to the SHMA with HEDNA.
- 3.15 In terms of the HEDNAs findings they are broadly the same as those from the SHMA albeit with a small increase in respect of the need for 3 and 4 bed dwellings of market housing and a greater need for 4+ bed affordable dwellings.
- 3.16 There is no need to amend Policy H6 but a minor modification will be required to delete references in paragraphs 7.41, 7.43 and 7.44 to the SHMA and to replace this with reference to the HEDNA, whilst Table will also need to be change to reflect the HEDNA.