

Title of Report	HOUSING AND EMPLOYMENT LAND UPDATE	
Presented by	Joanne Althorpe Principal Planning Policy Officer Sarah Lee Principal Planning Policy Officer	
Background Papers	Leicester and Leicestershire Statement of Common Ground (July 2022) North West Leicestershire: the need for employment land (November 2020) Leicester and Leicestershire Strategic Distribution Study (2021)	Public Report: Yes
Financial Implications	The cost of monitoring housing and employment land are met by existing budgets. Signed off by the Section 151 Officer: Yes	
Legal Implications	The Local Plan must be based upon robust and up-to-date evidence. Signed off by the Monitoring Officer: Yes	
Staffing and Corporate Implications	None identified. Signed off by the Head of Paid Service: Yes	
Purpose of Report	To provide an update on housing and employment land supply as of April 2024.	
Recommendations	THAT THE LOCAL PLAN COMMITTEE NOTES THE HOUSING AND EMPLOYMENT LAND POSITION AS AT APRIL 2024 AS SET OUT IN THE REPORT.	

1.0 BACKGROUND

- 1.1 Local Plans must provide sufficient housing and employment land to meet identified needs. Officers update the position annually, at the start of each monitoring year. Monitoring years run from 1 April to 31 March.

1.2 This report sets out the position at the start of the 2024/25 monitoring year and will inform the Regulation 19 version of the Plan. The report confirms:

For housing:

- how many dwellings were completed in the last monitoring year (1 April 2023 to 31 March 2024).
- how many homes have been completed since the start of the new Local Plan period (1 April 2020 to 31 March 2024).
- the number of homes under construction or with planning permission that is expected to be completed by the end of the plan period (31 March 2040).
- the residual number of homes to be allocated in the Local Plan.

For employment:

- the up-to-date requirement for, and supply of, general employment floorspace
- sites with planning permission for strategic distribution.

2.0 HOUSING

2.1 The new Local Plan requirement for North West Leicestershire is 686 dwellings per year (2020 to 2040). This is set out in the Leicester and Leicestershire Statement of Common Ground (June 2022) and was agreed at a meeting of this Council on 6 September 2022.

2.2 At its meeting on 12 July 2022, this Local Plan Committee also agreed to include a flexibility allowance equal to 10% of the residual housing requirement.

2.3 In the last monitoring year (1 April to 31 March 2024), a net total of 564 dwellings were completed (1 April 2023 to 31 March 2024).

2.4 Since the beginning of the new Local Plan period (1 April 2020 to 31 March 2024), a net total of 2,959 dwellings have been built. This is 215 dwellings above the requirement for the same period (2,744 dwellings / 686 dwellings x four years).

2.5 **Table 1** below updates the housing land supply position as of 1 April 2024.

Table 1: Housing Land Supply Position at 1 April 2024

		No. of dwellings
A	Annual housing requirement	686
B	Housing requirement 2020 to 2040 (A x 20)	13,720
C	Completions 1 April 2020 to 31 March 2024	2,959
D	Residual requirement at 1 April 2024 (B-C)	10,761
E	10% flexibility requirement (D x 10%)	1,076
F	Commitments from major sites (10+ dwellings) 2024 to 2040	6,347
G	Residual requirement to be allocated in Local Plan ((D+E)-F)	5,490

2.6 The commitments referred to in row F are predominantly dwellings currently under construction or with planning permission. The figure also includes:

- One site with a resolution to grant planning permission (101 dwellings at Waterworks Road, Coalville);

- Approximately 1,200 dwellings at Money Hill, currently allocated in the adopted Local Plan;
- Two Neighbourhood Plan allocations (14 dwellings at 31 Main Street Blackfordby and 12 dwellings at St George’s Hill, Swannington); and
- 677 dwellings with planning permission (251 in Kegworth and 426 in Measham) which are expected to be built following the cancellation of the eastern leg of HS2.

2.7 Officers are currently preparing a detailed housing trajectory as part of the annual Five Year Housing Land Supply Assessment.

2.8 Based on the information in Table 1, the Local Plan will need to make provision for a minimum of 5,490 dwellings.

2.9 The Proposed Housing and Employment Allocations for Consultation (January 2024) consulted on potential housing allocations totalling 5,466 dwellings. This figure does not include 1,200 dwellings at Money Hill which are an existing Local Plan commitment and includes 1,900 dwellings at Isley Woodhouse. Following the end of the consultation and as progress is made towards the Regulation 19 plan, officers will be reviewing the suitability of the proposed housing allocations, as well as their capacity and when in the Local Plan trajectory they could be delivered.

3.0 EMPLOYMENT

3.1 As for housing, officers monitor progress on sites which have planning permission for employment uses. Planning permissions for ‘general employment’ are monitored, namely offices, industry and smaller-scale warehousing/distribution (units up to 9,000sqm) and also those for strategic-scale warehousing (9,000+ sqm).

General employment

3.2 The employment land supply has been updated with the permissions granted during the last 12 months (April 2023-March 2024). Table 3 shows this up to date position and compares it with the employment land requirements in the ‘North West Leicestershire: the need for employment land’ report (‘the Stantec study’) which provides the evidence base for the new Local Plan.

Table 3: Employment land supply at 1 April 2024

		Offices (sqm)	Industrial/non-strategic Warehousing (sqm)
A	Stantec Requirement (2017 – 40)	59,590	195,500
B	Losses allowance (2026-40)	3,180	51,577
C	Flexibility margin	10,946	77,653
D	TOTAL REQUIREMENT (A+B+C)	73,716	324,730
E	Net completions (2017 – 24)	13,701	87,471
F	Net permissions	14,644	77,436
G	Allocation (Money Hill)	31,980	42,640
H	TOTAL SUPPLY at 1 April 2024 (E+F+G)	60,325	207,547
	Residual requirement (2024-40)	Up to 13,391sqm (=2.23Ha) *	At least 117,183sqm (=29.3Ha)*

* land areas calculated using the conversion factors (‘plot ratios’) from the Stantec study.

- 3.3 Consistent with previous years, a losses allowance (Line B) is included to compensate for employment floorspace put to alternative uses over the lifetime of the new plan (e.g. empty offices being converted to homes) and also a flexibility allowance (Line C) as a contingency against planning permissions not coming forward when expected and/or delivering less floorspace than anticipated.
- 3.4 The position at April 2023 provided the basis for the recent new Local Plan consultation:

	Offices (sqm)	Industrial/non-strategic warehousing (sqm)
Residual requirement (2023-40)	Up to 10,506 sqm (=1.75Ha)	At least 114,562 sqm (=28.64Ha)

- 3.5 The amount of additional floorspace needed has increased marginally from the April 2023 position. This may seem unexpected, but employment land supply can fluctuate year on year. In this case, the main reason for the office increase is because some planning permissions have expired without being implemented. This is also the case for industry/smaller warehousing although a degree of double counting has also been found and this has been corrected in the 2024 position.
- 3.6 This 2024 position is important because it is likely to be the one used in the next, 'pre-submission' version of the new Local Plan. Whilst on the face of it these figures suggest that the overall amount of employment land needed is broadly the same as outlined in the most recent Local Plan consultation, additional factors require consideration before recommendations on the content of the pre-submission plan are made, including:
- A reasoned position on the likely supply of new office space
 - Employment land capacity at Money Hill
 - More detailed consideration of the representations made during the recent consultation with respect to a) employment land evidence; b) challenges to the Council's employment land supply calculations; c) site-specific matters.

Strategic warehousing

- 3.7 The Leicester and Leicestershire Strategic Distribution Study (2021) identified a need for an additional 768,000 sqm (307 hectares) of strategic scale warehousing at rail served sites and 392,000 sqm (112 hectares) at non-rail served sites across Leicester and Leicestershire for the period 2020-41.
- 3.8 Further work has been commissioned to assess how to geographically meet the needs identified in the study within Leicester and Leicestershire. The outcomes of this work will inform (but not dictate) the plan's approach to strategic distribution and will be reported to a future meeting of this committee.
- 3.9 In the meantime, the sites which currently have planning permission for strategic warehousing are listed below:
- a) G-Park, Ashby (Ex Lounge site) - 63,992sqm (plus ancillary offices)
 - b) Equities Park, Sawley (Land at Netherfield Lane) - 64,660 sqm (plus 8,125sqm non-strategic floorspace)
 - c) Land south of J1 A50 – outline permission for up to 92,500sqm industry/strategic warehousing

- 3.10 These are all road-served sites although sites b) and c) are close enough to East Midlands Gateway for occupiers to potentially make use of the rail freight services there. In addition, land identified under Local Plan Policy Ec1c adjacent to the Aldi Distribution Centre at Sawley has capacity for some 60,000sqm. It is also understood that a brand-new unit at Mercia Park (J11 A42) is currently on the market (18,580sqm).

Policies and other considerations, as appropriate	
Council Priorities:	The Council Priorities (2023-28) which the new Local Plan will help deliver are: <ul style="list-style-type: none"> - Planning and regeneration - Communities and housing - Clean, green and Zero Carbon
Policy Considerations:	The National Planning Policy Framework requires that plans meet the development needs of their area.
Safeguarding:	None discernible.
Equalities/Diversity:	An Equalities Impact Assessment of the Local Plan review will be undertaken as part of the Sustainability Appraisal
Customer Impact:	None discernible.
Economic and Social Impact:	The decision will have no specific impact, however, the new Local Plan as a whole will aim to deliver positive economic and social impacts and these will be recorded through the Sustainability Appraisal.
Environment, Climate Change and zero carbon:	The decision will have no specific impact, however, the new Local Plan as a whole will aim to deliver positive environmental and climate change impacts and these will be recorded through the Sustainability Appraisal.
Consultation/Community/Tenant Engagement:	None.
Risks:	None applicable – this report is to be noted only and no decision is required
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