

NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

CABINET

21 OCTOBER 2014

ADDITIONAL INFORMATION ON AGENDA ITEM 7.

Since the publication of the Cabinet agenda, an email has been received from Pegasus Planning Group, which has been requested to be brought to the attention of Cabinet members ahead of their decision regarding the Memorandum of Understanding relating to the objectively assessed need for housing.

The email from Pegasus Planning reads as follows:

"I write to raise significant concerns with the proposed MoU being recommended for signing at the Cabinet meeting tomorrow evening.

Whilst the GL Hearn SHMA sets out an approach to meeting Full and Objectively Assessed Housing Need (FOAN) across the Housing Market Area (HMA), please be aware of what I believe are serious, undesirable consequences for your District:

- *Through the industry recognised Chelmer model we are using, this identifies that the low level of proposed housing (350 dwellings pa 2001-2031) will only provide a 731 person net increase in the workplace population in the District between 2011 and 2031 – under 37 pa.*
- *The Chelmer model identifies that a housing requirement of just 350 dwellings pa will result in a **decrease** in the population for those aged 35-54.*
- *Data from Cambridge Econometrics projects a growth in the workplace population of the District of 13,400 in the period 2011-2031 (670 pa). The GL Hearn SHMA (see Table 20) utilizes Experian baseline econometric forecasts which projects a 10,296 increase in jobs in the District for the period 2011-2031 (515 pa).*
- *There is thus a huge mis-match between the baseline economic growth projections and the proposed SHMA figure of 350 dwellings pa. This cannot be described as positive planning for NWL, in fact quite the opposite.*
- *This NPPF and PPG compliant modeling to ascertain FOAN does not have regard to the Local Economic Partnership's Strategic Economic Plan for growth in the A42-M1 corridor around Coalville nor the East Midlands Gateway proposal; two of the five flagship county-wide growth areas for economic growth are in your District (East Midlands Enterprise Gateway and the Coalville Growth Corridor). There is thus a policy objective to increase economic growth in the District above the projected levels; if the SEP initiatives are successful – and Growth Deal funding has already been secured based on achieving such growth – then the mis-match identified above will be even more pronounced.*
- *Key consequences of planning for only 350 dwellings are thus likely to be:*
 - *A significant increase in the amount of in-commuting – even more traffic on the roads*
 - *Companies deciding not to locate in the District due shortages of local labour*
 - *Companies moving out of the District due shortages of local labour*
- *The affordable housing need for the District, as identified in the GL Hearn SHMA (table 41), is 327 dwellings pa. This just 23 dwellings pa less than the total amount*

of housing to meet both market and affordable housing needs being suggested in the GL Hearn SHMA.

We are presently completing the Chelmer modeling work and will be producing a report very shortly; I will send this over to you as soon as completed but I wanted to make you aware of our emerging findings in light of the Cabinet meeting tomorrow. I would be grateful for these potential implications to be taken into account.”

The authors of the Leicestershire and Leicestershire SHMA are GL Hearn and their advice is that the Strategic Housing Market Assessment has been prepared as required by the National Planning Policy Framework (NPPF) and the Planning Practice Guidance (PPG) for the relevant Housing Market Area (HMA) covering Leicester and Leicestershire. It adopts the approach recommended in the Planning Practice Guidance – starting with the latest official demographic projections and official data, and then considering whether there is a case to adjust the assessment of housing to take account of evidence from market signals (to support improved affordability), of the need for affordable housing or trends/forecasts for employment growth.

GL Hearn also advise that it will ultimately be a matter for each planning authority through its plan-making processes, including drawing together evidence bases and through liaison with other authorities in the HMA, to determine the eventual and overall level of need in the district.

Each of the planning authorities in the Housing Market Area are cooperating and working with GL Hearn to ensure, in the first instance that the inspector dealing with the Charnwood Local Plan examination has a clear understanding of the methodology adopted by GL Hearn in preparing the SHMA and arriving at the assessment of objectively assessed needs.

Cabinet are therefore advised that the SHMA analysis remains the most sound document for determining the level of housing required in the District moving forward.