

LOCAL PLAN COMMITTEE – TUESDAY, 21 FEBRUARY 2023

Title of Report	SUBMISSION DRAFT LEIC (REGULATION 19) - CONSU	ESTER LOCAL PLAN 2020-2036	
Presented by	Ian Nelson Planning Policy Team Manager 01530 454677 ian.nelson@nwleicestershire.gov.uk		
Background Papers	Submission Leicester Local Plan 2020-2036 (Regulation 19) (January 2023)	Public Report: Yes	
	Local Plan Committee - 10 December 2020		
	Leicester & Leicestershire Authorities - Statement of Common Ground relating to Housing and Employment Land Needs (June 2022)	Key Decision: No	
	Leicester & Leicestershire Authorities - Statement of Common Ground relating to Strategic Warehousing & Logistics Need (September 2021)		
	National Planning Policy Framework (July 2021)		
Financial Implications	Implications None identified. Signed off by the Section 151 Officer: Yes		
Legal Implications	The District Council is a consultee. Any objections made by the Council will be considered as part of the subsequent Local Plan Examination.		
	Signed off by the Monitoring Officer: Yes		
Staffing and Corporate	None identified.		
Implications	Signed off by the Head of Paid Service: Yes		
Purpose of Report	The purpose of this report is to advise members on the content of the Leicester Local Plan (Submission Plan) and to determine whether the Council should formally object to it.		
Recommendations	THAT THE COMMITTEE:		
	(I) THANKS LEICESTER CITY COUNCIL FOR CONSULTING THIS COUNCIL ON THE SUBMISSION LOCAL PLAN;		
(II) OBJECTS TO THE HOUSING, EMPLOYMEN		HE PLAN'S PROVISION FOR MENT AND GYPSY/TRAVELLER	

TRANSIT LAND, FOR THE REASONS SET OUT AT PARAGRAPHS 2.13, 2.19 AND 2.29 OF THIS REPORT AND THAT THESE OBJECTIONS FORM THE DISTRICT COUNCIL'S RESPONSE; AND
(III) AGREES TO THE COMMENTS AT PARAGRAPHS 2.3, 2.20, 2.21 AND 2.28 ALSO BEING SUBMITTED AS PART OF THE DISTRICT COUNCIL'S RESPONSE.

1. BACKGROUND

- 1.1 The Leicester Local Plan (Submission Plan) was published for Regulation 19 consultation on 16 January 2023. The closing date for comments is 27 February 2023.
- 1.2 Regulation 18 consultation previously took place between October and December 2020. Comments were presented to the <u>North West Leicestershire Local Plan Committee on 10</u> <u>December 2020</u>; members resolved to agree the recommendations set out in the accompanying committee report and these were sent to Leicester City Council as the Council's formal response.
- 1.3 As with the 2020 Regulation 18 consultation, this committee report and officers' proposed response to this current consultation focuses upon issues which are of strategic (rather than local to Leicester) significance.
- 1.4 Officers have chosen not to refer to the current government consultation on planning reform and proposed changes to the National Planning Policy Framework (NPPF) (which are considered elsewhere on the agenda) as it is not confirmed as government policy.
- 1.5 The recommendations set out in the report fall in to two categories: **object** or **comment**. As this is a formal stage of the plan making process, this Council must decide whether it objects to a specific aspect of the plan. An **objection** is recommended where an aspect of the Submission Plan is considered to fail one of the tests of soundness and which impinges upon this Council's interests. The Council may be invited to discuss its objections at one of the examination hearings. Elsewhere, **comments** have been made where offices have concerns about an aspect of the Submission Plan, but these are not necessarily matters of principal whereby an objection could be sustained.

2. KEY MATTERS

Plan Period

2.1 It is proposed that the plan should cover the period 2020-2036.

Comment

2.2 At Regulation 18 stage, it was proposed that the plan period was 2019 to 2036. The end date has not changed. As highlighted previously, paragraph 22 of the National Planning Policy Framework (NPPF) states that "strategic policies should look ahead over a minimum 15-year period from adoption." The City Council's latest Local Development Scheme (adopted October 2022) anticipates adoption by March 2024. This would give the Local Plan a timeframe of 12 years from adoption. It is material to note that the Charnwood Local Plan (currently at examination) covers the period up to 2037 and the Local Plan Inspectors have raised the Local Plan timescales as a matter for discussion at the forthcoming examination hearings (due to resume in February 2023).

Recommendation

2.3 **Comment** that Leicester City Council be advised that: a) the timeframe for the Local Plan is not consistent with paragraph 22 of the NPPF; and b) this is likely to be raised as an issue by a Local Plan Inspector at examination stage.

Future development needs

Housing

- 2.4 Policy SL01 states that the city's housing need over the plan period is 39,424 dwellings. Over the plan period 2020-2036 (16 years) this equates to 2,464 dwellings per annum. This figure has been calculated using the government's 'standard method', uses the government's 2021 affordability ratios published in March 2022 and is generally consistent with national policy.
- 2.5 Chapter 5 of the Submission Plan provides more detail on how the need for new homes will be met. It concludes that the city plans to deliver 20,730 homes (1,296 per annum) in the city boundary. This leaves an 'unmet need' of 18,694 homes.
- 2.6 The table below has been adapted from Table 1 of the Submission Plan and summarises how the city anticipates meeting its housing requirement.

Component	Dwellings
Housing Need 2020-2036 (Standard Method 2021)	39,424 (2,464 dwellings per annum)
Completions 2020-22	1,892
Detailed and Outline Planning Permissions	9,410
Windfall Allowance	2,354 (214 dpa for 11 years)
Non-Strategic Allocations	1,230
Central Development Area Capacity Work	6,286
Strategic Sites	1,838
Total Supply (Anticipated supply + completions)	23,010
Local Plan Housing Target (2020-36)	20,730
(Approximate 11% buffer)	
Unmet Need	18,694

- 2.7 The anticipated supply includes the allocation of four strategic sites to deliver a total of 1,838 homes:
 - Policy SL02: Former Western Park Golf Course (412 homes)
 - Policy SL02: Land to the east of Ashton Green (670 homes)
 - Policy SL04: Land north of the A46 Bypass (420 homes)
 - Policy SL05: Land west of Anstey Lane (336 homes)
- 2.8 A housing trajectory is included at Appendix 1 of the Submission Plan and is dated September 2022.

Comment

2.9 Leicester's unmet need figure has increased by almost 11,000 homes since the Regulation 18 consultation in 2020 (where it was 7,742 dwellings). This is because shortly after the Regulation 18 consultation ended in December 2020, the government changed its guidance and required the largest 20 cities and urban centres in England (which includes Leicester) to factor in a 35% uplift when calculating their housing need.

- 2.10 The unmet need figure of 18,694 dwellings corelates with the <u>Leicester & Leicestershire</u> <u>Authorities - Statement of Common Ground relating to Housing and Employment Land</u> <u>Needs (June 2022)</u> which has previously been presented to this committee and was approved at the full Council meeting of 6 September 2022. The Statement of Common Ground includes the caveat that the figure of 18,700 dwellings is an agreed working assumption which requires testing through the Leicester Local Plan.
- 2.11 Whilst the total anticipated supply is identified as 23,010 dwellings, a buffer (or lapse rate) of between 10 and 11% has been factored in to produce a Local Plan housing target of 20,730 dwellings. This is an appropriate approach given not all sites that are allocated/have permission will come forward at the expected rate. A figure of 10% is commonly used by Councils and indeed that has previously been agreed for this Council's emerging Local Plan.
- 2.12 With regards to the other elements of the supply:
 - Windfall allowance this has increased from 150 dpa in the Regulation 18 consultation to 214 dpa and is based upon the average number of homes from windfall sites between 2015 and 2022 (seven years). The figure also accords with the Statement of Common Ground. The housing trajectory at Appendix 1 of the Submission Plan shows that windfall development is factored into the supply from 2025 onwards. This reduces the risk of 'double-counting', which was a concern the Council highlighted at Regulation 18 stage.
 - Non-strategic allocations a supply of 1,240 is anticipated from sites identified at Appendix 6 of the Submission Plan. However, the trajectory does not provide a breakdown of when these sites are anticipated to come forward and the City's Strategic Housing and Economic Land Availability Assessment (SHELAA) provides limited information on these sites. As such it is not consistent with paragraph 68 of the NPPF, which requires Local Plans to identify a sufficient supply and mix of sites, taking into account their availability, suitability and likely economic viability, including specific, deliverable sites (emphasis added) for years one to five of the plan period and specific, developable sites or broad locations for growth for years 6-10 and where possible, for years 11-15 of the plan.
 - Central Development Area Capacity Work the anticipated supply from this source has increased from 4,905 dwellings at the Regulation 18 stage to 6,286 dwellings. The latest figures are underpinned by the comprehensive Central Development Area (CDA) Capacity Study (2022) which assesses appropriate densities and heights in different areas of the city. What is not clear is the availability of 'known' sites in the study. The housing trajectory at Appendix 1 anticipates an average annual supply of 449 dwellings from this source. The comments made above with regard to NPPF paragraph 68 also apply to this source of the city's supply.
 - **Strategic sites** the anticipated supply from these sites has reduced from 2,594 dwellings at Regulation 18 stage to 1,838 dwellings. As with the allocated sites above, information on the site's deliverability is limited and it is not clear which sites will come forward when.

Recommendation

2.13 **Object** to the plan on the basis that it is not consistent with paragraph 68 of the NPPF and fails to fully demonstrate how the Local Plan housing target in Policy SL01 will be delivered over the plan period. More evidence is required on the delivery rates of the specific site allocations (i.e. those sites making up the 'non-strategic allocations' and 'strategic sites' in Table 1 of the Local Plan). In addition, sites making up the Central Development Area supply should be specifically identified, and delivery rates supplied, otherwise this element of the supply is essentially another form of windfall development. Without such evidence, there is a concern that the level of unmet need in the City might increase further, which could potentially result in more pressure for development in North West Leicestershire. As

such, the plan is **not** considered to satisfy the tests of soundness, namely the requirements to be positively prepared, justified, effective and consistent with national policy.

Employment

- 2.14 Policy SL01 identifies the following employment land requirements for the period up to 2036:
 - 46,000 sqm of offices (20,000 sqm of new offices are proposed at the railway Station and 20,000sqm of office floorspace in the Cultural Quarter at St George's. The other 6000sqm has consent in the Waterside character area).
 - 67ha for light/general industry and small scale storage and distribution uses.
- 2.15 The City Council is prioritising residential development in order to minimise unmet housing need. As a result, only around 44ha of employment land is proposed for allocation within the city's boundaries. The remaining 23 hectares will be provided outside the city boundary in Charnwood Borough as agreed in the Leicester & Leicestershire Statement of Common Ground on Housing & Employment Need (June 2022).
- 2.16 Table 8 (page 167) of the Submission Plan lists three strategic sites and three smaller sites which will provide 29.08ha of employment land. With the 23ha to be allocated in Charnwood Borough, this leaves a residual amount of some 14.92ha. The Plan states that "the Council is undertaking Asset Reviews and considering the impact of the flexibility of the E Use class order, to monitor and make provision for the outstanding land" (para 12.23) but provides no further information on how the shortfall will be addressed. The NPPF is explicit that strategic policies should make sufficient provision for employment (paragraph 20a) and set criteria, or identify strategic sites, to meet anticipated needs over the plan period (paragraph 82b). This omission needs to be addressed prior to submission as it is considered that it fails the tests of soundness with respect to being 'positively prepared' and/or 'consistent with national policy'.
- 2.17 In addition, in some places the plan states that the employment land requirement of 67Ha (to 2036) and in others the figure given is 65Ha. For clarity this should be corrected before submission and for the same reason the plan should specify the start date for the requirement.
- 2.18 Policy SL01 states that additional land for strategic distribution uses (over 9,000 sqm) will not be provided within the Local Plan area. Taking account of the city's tight boundaries and the sector's requirement for access to the Strategic Road Network, this is not an unreasonable position to take. It is noted that the City Council continue to work proactively with the other Leicestershire authorities on planning for this sector as confirmed in the Leicester & Leicestershire Authorities Statement of Common Ground relating to Strategic Warehousing & Logistics Need (September 2021) . The City Council may additionally want to consider whether it would be appropriate to safeguard any existing sites specifically for strategic distribution. This may be justified to sustain the overall supply of premises for this sector.

Recommendation

2.19 **Object** to the plan's provision of employment land. The plan fails to demonstrate how the employment land requirement in Policy SL01 will be met in full. There appears to be a shortfall of some 15Ha (industrial and smaller warehousing) in the overall supply. The Submission Plan fails to anticipate how the city's employment needs would be met in full (a requirement of the NPPF) and this could potentially increase the pressure for more development in North West Leicestershire. As such, the Submission Plan is considered to fail the test of soundness as it is not 'positively prepared' and/or 'consistent with national policy'.

- 2.20 **Comment** that the plan should clarify the start date for the employment land requirement figure and confirm the exact amount which this Local Plan needs to meet.
- 2.21 **Comment** that the City Council should consider safeguarding existing strategic distribution sites to sustain the overall supply of premises for this sector.

Gypsies and Travellers

- 2.22 By way of background, a Leicester City Gypsy and Traveller Accommodation Assessment (GTAA) Addendum was prepared in September 2019. At the time of the Regulation 18 consultation, this did not appear to be available online.
- 2.23 As previously reported to this committee (Local Plan Committee, 8 December 2022) transit provision extends beyond being a local issue and tends to be considered at a county level. The GTAA Addendum is now available online and concludes it would still be appropriate to plan for 12 transit pitches (i.e. the same conclusion as the Leicester and Leicestershire GTAA prepared in 2017). This is consistent with the North West Leicestershire GTAA (2022), where it was concluded that Leicestershire as a whole should still continue to plan for its need of 36 transit pitches, and that the most immediate need is in the north west of the county.
- 2.24 The City Council's Regulation 18 Plan did not propose any provision for transit accommodation. However, the Submission Plan identifies two sites which the City Council says are both capable of accommodating 12 transit pitches; the strategic employment site at Beaumont Park (Policy SL06) and a smaller non-strategic site at Thurcaston Road/ Hadrian Road open space (Policy E01).

Comment

- 2.25 The proposed provision of gypsy and traveller transit sites is welcomed. Policy SL06 states that the development at Beaumont Park will provide "[a] gypsy and traveller transit site that could accommodate 12 caravan spaces". Policy E01 for the Thurcaston Road/Hadrian Road site is less clear, stating that it "has been identified for a potential gypsy and traveller transit site."
- 2.26 Whilst officers welcome the proposed provision, the Plan fails to have full regard to the government's Planning Policy for Traveller Sites (2015), specifically Policy B (paragraph 10). As with housing, local planning authorities are required to identify a supply of specific deliverable sites for the first 5 years of the plan and a supply of specific developable sites for years 6-10 and possible 11-15. To assist with this national policy requirement, the following information would be of assistance:
 - It is assumed that both sites, as existing open space, are in the ownership of the City Council and are therefore 'deliverable', but more information on this would be helpful.
 - When in the plan period is the transit provision anticipated to come forward?
 - Would both sites be developed for transit provision; if not, what is the mechanism by which the preferred site would be identified and developed?
 - Both sites are proposed as part of employment site allocations; has any thought been given on where in the site the transit provision would be best located?

Recommendation

2.27 **Comment** that the provision of at least 12 pitches would accord with the findings of the GTAA and that NWLDC supports the proposed provision of transit pitches in the city boundary.

2.28 **Object** to the limited information contained in the Plan on the deliverability of the two identified transit sites. Without this information, the Plan does not accord with paragraph 10 of the government's Planning Policy for Traveller Sites (2015). Furthermore, it is not effective or justified and so fails the test of soundness. The lack of such evidence could increase the pressure for more development in North West Leicestershire.

3 Next stages

2.29 According to the Leicester Local Development Scheme, the City Council anticipates that the Local Plan will be submitted to the Secretary of State in June 2023, with adoption of the plan by March 2024. Leicester's proposed housing supply and the resultant unmet need will be tested at the Local Plan examination.

Policies and other considerations, as appropriate		
Council Priorities:	None	
Policy Considerations:	None	
Safeguarding:	No issues identified	
Equalities/Diversity:	No issues identified	
Customer Impact:	No issues identified	
Economic and Social Impact:	The District Council is working on a new Local Plan that includes a housing requirement which incorporates an element of meeting Leicester's unmet need.	
Environment and Climate Change:	The District Council is working on a new Local Plan that includes a housing requirement which incorporates an element of meeting Leicester's unmet need.	
Consultation/Community Engagement:	Portfolio Holder for Planning	
Risks:	The District Council is a consultee on the City of Leicester Local Plan (Submission Plan). It is important that the District Council engage in the process to ensure that any concerns are raised to protect the Council's interests.	
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