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| Title of Report | LOCAL PLAN – HOUSING AND EMPLOYMENT LAND UPDATE | |
| Presented by | Councillor Keith Merrie 07596 112270 Keith.merrie@nwleicestershire.gov.uk | |
| Background Papers | <p>Authority Monitoring Report Authority Monitoring Report - North West Leicestershire District Council (nwleics.gov.uk)</p> <p>Local Plan Committee – 12 July 2022 Agenda for Local Plan Committee on Tuesday, 12th July, 2022, 6.00 pm - North West Leicestershire District Council (nwleics.gov.uk)</p> <p>Statement of Common Ground Publication of Statement of Common Ground relating to Housing and Employment Land Needs - Strategic Growth Plan LCC Strategic Growth Plan LCC (llstrategicgrowthplan.org.uk)</p> <p>North West Leicestershire: the need for employment land (November 2020)</p> <p>Development Strategy and Policy Options consultation document</p> <p>National Planning Policy Framework (publishing.service.gov.uk)</p> | <p>Public Report: Yes</p> <p>Key Decision: No</p> |
| Financial Implications | The cost of monitoring and updating information regarding housing and employment land are met from within existing budgets. | |
| | Signed off by the Section 151 Officer: Yes | |
| Legal Implications | The Local Plan must be based on 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 | |

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| Purpose of Report | This report provides an update for Local Plan Committee in respect of the position as of April 2023 regarding both housing and employment land requirements. |
| Recommendations | THAT THE LOCAL PLAN COMMITTEE NOTES THE POSITION AS AT APRIL 2023 REGARDING BOTH HOUSING AND EMPLOYMENT LAND AS SET OUT IN THE REPORT. |

1.0 BACKGROUND

- 1.1 A key aspect of the new Local Plan will be to ensure the provision of sufficient housing and employment land to meet the identified needs for the plan period (2020-40). This report outlines the position as of April 2023. In doing so it takes account of up-to-date information regarding completions and sites with planning permission so as to identify the remaining amount of land that will need to be identified as part of the Local Plan.
- 1.2 A future report to this committee will identify the preferred sites that it is suggested be taken forward for consultation with local communities and other stakeholders.

2.0 HOUSING

- 2.1 The provision of land for housing is monitored by officers on an ongoing basis. Updates are reported as part of the Authority Monitoring Report (AMR) which is published in late December each year. This covers the period 1 April in the preceding year up to 31 March in the current year. The latest therefore covers the period 1 April 2021 to 31 March 2022.
- 2.2 As outlined above, this Committee will shortly be presented with a report which identifies those sites which officers consider should be proposed as part of the new Local Plan. However, rather than relying upon data from 2022, it will be based on more up to date information as at 1 April 2023. This report summarises the current position.
- 2.3 In terms of the overall amount of new housing to be provided in the plan period (2020-40) , this is based on the figure in the Statement of Common Ground (SoCG) that has been proposed to address the issue of unmet needs in Leicester City. The meeting of this Council on 6 September 2022 formally considered and agreed the SoCG. Therefore, the housing requirement for the Local Plan is confirmed as being 686 dwellings each year.
- 2.4 This committee has previously also agreed (12 July 2022) to include a flexibility allowance equal to 10% of the residual housing requirement.
- 2.5 Based on the above, the following table represents the position in respect of housing supply as at 1 April 2023.

Table 1 – housing land position as at 1 April 2023

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|---|---------------|---|
| Annual requirement | 686 dwellings | A |
| Total requirement 2020-40 (A x 20) | 13,720 | B |
| Completions 2020-22 | 2,396 | C |
| Remaining as at April 2021(B – C) | 11,324 | D |
| Flexibility allowance @ 10% of D | 1,132 | E |
| Projected completions 2023-31 | 4,711 | F |
| Projected completions 2031-40 | 1,426 | G |
| Total projected completions 2022-40 (F + G) | 6,137 | H |
| Remaining provision required (D + E - H) | 6,319 | |

- 2.6 Therefore, based on the above, the Local Plan will need to make provision for a minimum of 6,319 dwellings. This will require the identification of sufficient sites to be confident that the

required number will be achieved. Therefore, it is unlikely that the sites put forward will match this figure exactly; such an exact approach is not appropriate.

3.0 EMPLOYMENT LAND

General employment

- 3.1 As for housing, officers monitor progress on sites which have planning permission for employment uses. For these purposes, planning permissions are monitored for 'general employment', namely offices, industry and smaller-scale warehousing/distribution. The latter relates to units of up to 9,000sqm floorspace. Strategic-scale warehousing (9,000+ sqm) is also monitored and this is discussed further below. Monitoring is updated at April each year.
- 3.2 One of the key pieces of evidence for the new Local Plan is an updated assessment of how much additional general employment land is needed to meet the needs of the economy 2017-2039. The [North West Leicestershire: the need for employment land \(November 2020\)](#) ('the Stantec study') quantifies the amount of floorspace/land needed for offices and for industry/small scale warehousing combined. The Committee agreed that the Stantec study is primary evidence for the new Local Plan at its meeting on 12 July 2022.
- 3.3 The Stantec study was prepared at a point when the proposed end date of the new Local Plan was 2039. Subsequently the Committee decided to extend this by a year to 2040. In response, officers have 'rolled forward' the Stantec requirement by an additional year.
- 3.4 When considering the amount of employment land to plan for, it is common practice to add a losses allowance to compensate for the amount employment land which will be put to alternative uses over the lifetime of the plan (empty offices being converted to homes for example). A flexibility allowance is also a prudent contingency against planning permissions not coming forward when expected and/or delivering less floorspace than anticipated. The Committee has seen and noted this approach previously (12 July 2022). The table below sums the three elements to establish how much additional floorspace is needed for the period 2017-2040.

Table 2: General employment land requirements

| | | Offices sqm | Industrial/non- strategic Warehousing sqm |
|----------|----------------------------------|------------------------|---|
| A | Stantec Requirement (2017-40) | 59,590 | 195,500 |
| B | Losses allowance (2025-40) | 3,716 | 60,088 |
| C | Flexibility margin | 11,819 | 84,206 |
| D | TOTAL REQUIREMENT (A+B+C) | Up to 75,125sqm | At least 339,794sqm |

- 3.5 As the Stantec requirement starts from 2017, the floorspace that has been built or has been granted planning permission in the meantime needs to be deducted, up to the end of March 2023. Employment land which is allocated at Money Hill, Ashby in the adopted Local Plan (Policy Ec2) also needs to be accounted for to establish the overall supply position at April 2023.

Table 3: General employment land supply as at April 2023

| | | Offices sqm | Industrial/non- strategic Warehousing sqm |
|---|----------------------------------|----------------|---|
| E | Net completions (2017-23) | 23,069 | 112,667 |
| F | Net permissions at 31 March 2023 | 9,570 | 69,925 |
| G | Allocation (Money Hill) | 31,980 | 42,640 |

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|----------|---|------------------|-------------------|
| H | TOTAL SUPPLY (E+F+G) at 1 April 2023 | 64,619sqm | 225,232sqm |
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- 3.6 The Total requirement (D) minus the Total supply (H) gives us the amount that the new Local Plan needs to make provision for (I) shown in Table 4 below.

Table 4: General employment land requirement – April 2023

| | | Offices sqm | Industrial/non-strategic Warehousing sqm |
|----------|---|-----------------------------------|---|
| I | Residual requirement (2023-40) at 1 April 2023 | Up to 10,506sqm (=1.75Ha)* | At least 114,562sqm (=28.64Ha)* |

- 3.7 This reveals that a substantial proportion of the total requirement for both offices and industrial/smaller warehousing has already been secured through the permissions granted to date and the land allocated at Money Hill.

Strategic Distribution

- 3.8 By way of a recap, the Development Strategy and Policy Options consultation document (January 2022) contained an initial policy option which proposed that 50% of the outstanding Leicester and Leicestershire requirement for road-served strategic distribution floorspace be met in the district. This would equate to approximately 106,000sqm. Having reviewed the consultation responses, the Committee reaffirmed this as a working provisional figure at its meeting on 12 July 2022.
- 3.9 This position pre-dates current work by the Leicester and Leicestershire authorities on an apportionment of the outstanding Leicester and Leicestershire requirement across the authorities' area. This work is on-going but not yet complete.
- 3.10 Officers would hope to have the benefit of this work before advising Members further on the approach to Strategic B8 for the new Local Plan. However, if any Leicestershire-wide work is not completed promptly, or if agreement cannot be reached between the authorities on the distribution, it remains a risk that the Committee will need to take a unilateral decision on the approach to take.

| Policies and other considerations, as appropriate | |
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| Council Priorities: | <ul style="list-style-type: none"> - Support for businesses and helping people into local jobs - Local people live in high quality, affordable homes |
| 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: | No issues identified |
| Economic and Social Impact: | The decision, of itself, will have no specific impact. 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 and Climate Change: | The decision, of itself, will have no specific impact. The new Local Plan as a whole will aim to deliver |

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| | positive environmental and climate change impacts and these will be recorded through the Sustainability Appraisal. |
| Consultation/Community Engagement: | None |
| Risks: | None applicable – this report is to be noted only and no decision is required. |
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