

Appendix C

FAQs - Updated Housing Distribution Paper and associated Statement of Common Ground

1. What is local housing need?

Local housing need refers to the number of homes a local authority requires to meet future demand. Housing need figures are based on a standard methodology set by Government (referred to as the Standard Method). Where a local authority does not have sufficient land available to accommodate its housing need in full, it is considered to have an 'unmet need'.

2. What is the background to this Updated Housing Distribution Paper?

When unmet housing need is declared by a local authority, the Government expects other authorities within the wider Housing Market Area to work together to plan for and deliver the homes needed.

In June 2021 each authority in Leicester and Leicestershire agreed (through a Statement of Common Ground) to a programme of evidence work for apportioning Leicester's unmet need to the surrounding authorities. The relevant evidence work, published in June 2022, included a Housing and Employment Needs Assessment (2022 HENA) which included a Housing Distribution Paper that apportioned the unmet need to 2036. The updated Housing Distribution Paper relates to the 2022 HENA.

3. Why has the Housing Distribution Paper required an update?

In December 2024 the new Standard Method was published alongside a new National Planning Policy Framework (NPPF, 12 December 2024). This changed the overall scale of housing to be provided in the Leicester & Leicestershire Housing Market Area (L&L HMA) by a relatively small amount, however, the distribution across the L&L HMA significantly changed due to the deletion of the 35% urban uplift previously applied to Leicester City. The effect of this was to significantly reduce local housing need in Leicester City, whilst the local housing need in most other Districts and Boroughs significantly increased.

4. Will the updated Housing Distribution Paper be formally agreed by Leicester and Leicestershire Authorities?

The L&L authorities have prepared a Statement of Common Ground to be the mechanism by which the apportionment set out within the updated Housing Distribution Paper would be formally agreed, subject to each individual authority's governance process, to support plan making across Leicester and Leicestershire.

5. What is a Statement of Common Ground?

Local planning authorities are required to engage constructively with other authorities when planning for strategic cross-boundary matters. In this context, Statements of Common Ground (SoCG) are produced during the local plan process to demonstrate to a local plan inspector that effective co-operation with other authorities has been undertaken. In this respect, they provide a written record of progress made on strategic cross-boundary matters and indicate where agreements have (or have not) been reached. The 2022 HENA and accompanying evidence was completed and informed the June 2022 Housing and Employment Need SoCG.

6. Are all Leicester and Leicestershire authorities immediately affected by the updated Housing Distribution Paper and associated Statement of Common Ground?

No. Only those authorities producing local plans for examination under the NPPF December 2024 using the current planning system as governed by the Town and Country Planning Act 1990 (as amended) will be basing their housing requirement on the updated Housing Distribution Paper; these authorities are Blaby District Council, Hinckley & Bosworth Borough Council, North West Leicestershire District Council and Oadby & Wigston Borough Council. The other Leicestershire authorities, whose emerging plans are based on the previous Standard Method, will continue to use the Statement of Common Ground relating to Housing and Employment Needs (June 2022).

7. What housing apportionment is set out in the updated Housing Distribution Paper?

The table below sets out the annualised apportionment of unmet need from 2024 over relevant plan periods. It should be noted that 2046 is used as the default plan end date in the updated Housing Distribution Paper for those authorities not submitting a local plan under the current planning system using the new Standard Method.

	Revised Standard Method dpa (December 2024)	Proposed Housing Requirement dpa	Contribution to Unmet Need dpa	% Contribution	Plan End Date
Blaby	539	654	115	25.1	2042
Charnwood	992	1,133	141	30.8	2046
Harborough	735	797	62	13.5	2046
Hinckley & Bosworth	663	711	48	10.5	2045
Melton	369	388	19	4.2	2046
NW Leicestershire	617	690	73	15.9	2042
Oadby & Wigston	389	389	0	0	2042
Leicestershire Total	4,304	4,762	458	100	

8. Which Authorities will be party to the accompanying Statement of Common Ground?

The accompanying SoCG has been prepared jointly by Leicester City Council and all Leicestershire authorities - Blaby District Council; Charnwood Borough Council; Harborough District Council; Hinckley & Bosworth Borough Council; Melton Borough Council; North West Leicestershire District Council; Oadby & Wigston Borough Council; and Leicestershire County Council. The SoCG will be considered by each individual authority through their governance processes.

9. What is the status of a Statement of Common Ground? Once agreed, does it become legally binding?

A SoCG is not legally binding on any of the authorities. However, it sets out a clear and positive direction on housing (or employment) needs to inform ongoing strategies and local plan making.

10. Why does Leicester City have an unmet housing need?

Leicester City's urban area extends beyond the boundaries of the City Council's administrative area. As is common for local authorities where this is the case, there is insufficient land available within the administrative area of Leicester City to accommodate its housing need in full. As such, Leicester City has an unmet housing need and is required to work with the other authorities in Leicestershire to address the unmet need and agree an alternative distribution of housing provision.

11. How has the proposed apportionment of the housing figures across the Leicestershire authorities been reached?

The methodology used for apportioning the housing need is based on that set out in the 2022 HENA and adjusted to account for the revised Standard Method's approach. The apportionment methodology is set out in the updated Housing Distribution Paper; it has regard to a range of factors, including the functional relationship of each authority area with Leicester City, the balance of jobs and homes in each authority area and deliverability of the distribution of development.

12. Why does each authority need a Statement of Common Ground on unmet need?

In order to get a local plan in place, each individual planning authority must be able to demonstrate effective joint working and that they have complied with the policy guidance set out in the National Planning Policy Framework (NPPF). In this respect, the SoCG will be a critical part of each individual authority's local plan evidence to demonstrate compliance with the aforementioned policy requirements.

13. Will there be an opportunity to comment on the level and apportionment of the housing numbers proposed?

Yes. As noted above, the housing figures set out in the updated Housing Distribution Paper and SoCG will be subject to testing through each authority's local plan process. These local plan preparation processes will include stages of public consultation that will enable all interested parties to provide comments to any planning authority that is preparing a local plan.

14. What if an authority's local plan process identifies that it is unable to provide for the housing land needs apportioned in the Statement of Common Ground?

If an authority's local plan evidence demonstrates that they are unable to accommodate their own needs and their apportionment of unmet need from Leicester in full, the SoCG will be reviewed collectively by the L&L partner authorities and updated as necessary.

15. What happens next?

The Statement of Common Ground relating to housing distribution following the NPPF and new Standard Method published December 2024 will be considered by each individual authority through their governance processes. The figures will then be tested through individual authority Local Plan processes where the new figure is applicable. If an authority's Local Plan evidence demonstrates they are not able to accommodate their own needs and their apportionment of unmet need from Leicester in full, the SoCG will be jointly reviewed and updated as necessary.

15 January 2026