

**CABINET – 10 MARCH 2017****LEICESTER AND LEICESTERSHIRE STRATEGIC GROWTH PLAN:
JOINT STATEMENT OF CO-OPERATION****REPORT OF THE CHIEF EXECUTIVE****PART A****Purpose of the Report**

1. The purpose of this report is to seek the Cabinet's approval of the Joint Statement of Co-operation Relating to Objectively Assessed Need for Housing.
2. The Joint Statement of Co-operation confirms the commitment of partner organisations to collaborative working across Leicester and Leicestershire and has been prepared to accompany the publication of the Housing and Economic Development Needs Assessment (HEDNA); a key piece of evidence which will inform the preparation of the Leicester and Leicestershire Strategic Growth Plan and Local Plans in Leicester and Leicestershire.
3. The ten partners which have agreed to prepare a Strategic Growth Plan are the seven district councils of Leicestershire, Leicester City Council, Leicestershire County Council, and the Leicester and Leicestershire Enterprise Partnership (LLEP).

Recommendation

4. It is recommended that the Joint Statement of Co-operation Relating to Objectively Assessed Need for Housing be approved.

Reasons for Recommendation

5. To ensure that all partners demonstrate commitment to providing for their objectively assessed housing needs and, if they are unable to be accommodated within the local authority area within which they arise, that a collaborative approach is taken to resolving the provision of unmet need.

Timetable for Decisions (including Scrutiny)

6. The Joint Statement of Co-operation was considered by the Members' Advisory Group (member representatives from the ten partner organisations) on 26 January 2017 and it was agreed that it could be published and proceed through the governance arrangements of partners. All partner organisations are being recommended to approve the Joint Statement of Co-operation, via meetings of their Executive or equivalent, during February and March 2017.

7. The Scrutiny Commission will consider the Joint Statement of Co-operation on 8 March 2017 and its comments will be reported to the Cabinet.

Policy Framework and Previous Decisions

8. The Cabinet considered the Combined Authority proposal in November 2015; the Strategic Growth Plan is a key component of the Leicester and Leicestershire Combined Authority proposal.
9. In June 2016 the Cabinet approved the Strategic Growth Statement for consultation. The Strategic Growth Statement formed the first stage of a three-stage approach for the preparation of the Leicester and Leicestershire Strategic Growth Plan.

Resource Implications

10. There are no resource implications arising from this report. Officer time and funding for the HEDNA have been contributed by all partners.

Circulation under the Local Issues Alert Procedure

11. A copy of this report will be circulated to all members under the Members News in Brief Service.

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PART B

Context

12. The Council, working with Leicester City Council, the seven district councils, and the LLEP, is preparing a Strategic Growth Plan (SGP) for Leicester and Leicestershire.
13. This exercise is being overseen by a Members' Advisory Group (MAG), comprising representatives from each of the local authorities, together with the LLEP whose representative attends as an observer. The MAG is supported by a Strategic Planning Group, made up of senior officers from the local authorities. The MAG is responsible for assisting in the proper execution of the statutory Duty to Co-operate, by which local planning authorities and other key stakeholders, including the County Council, are required to co-operate on strategic planning issues, including employment and housing land provision, affecting Local Plans.
14. One of the key pieces of evidence to inform the SGP for Leicester and Leicestershire is the Housing and Economic Development Needs Assessment (HEDNA). This was commissioned early in 2016 and was completed in January 2017.
15. The HEDNA provides information on the quantity of housing and employment land needed from 2011 to 2031 and 2011 to 2036, the type, tenure and size of new dwellings needed, and the quantity and type of employment land needed. It identifies the 'Objectively Assessed Need' for housing and employment land.
16. The Joint Statement of Co-operation, published at the same time as the HEDNA on 27 January 2017, is appended to this report. The Joint Statement of Co-operation demonstrates how local authorities intend to address the matter of spatial distribution in the event that one or more authorities declare an unmet need.
17. The MAG considered the HEDNA and Joint Statement of Co-operation at its meeting on 26 January 2017 and agreed that both documents could be published and that agreement to the Joint Statement of Co-operation could be sought through the governance arrangements of partners.
18. A final Memorandum of Understanding between partners will be published when agreement has been reached regarding the spatial distribution of housing and employment.

The Statement of Co-operation

19. The Statement of Co-operation relates to the eight local planning authorities (Leicester City Council and the seven district councils) and two highway authorities (Leicester City Council and Leicestershire County Council). The purpose of the Joint Statement of Co-operation is to support those authorities seeking to produce a Local Plan in advance of the Strategic Growth Plan, and to set out how the local authorities will collaborate further to ensure that the

necessary joint evidence is in place to support subsequent Local Plans. It provides evidence of effective co-operation on planning for issues with cross-boundary impacts; the 'Duty to Co-operate'.

20. The Statement of Co-operation refers to the need for local planning authorities to ensure that their Local Plans meet the full Objectively Assessed Need (OAN) for market and affordable housing in the Housing Market Assessment (HMA) as far as is consistent with the policies set out in the NPPF (paragraph 47, "boosting significantly the supply of housing land" by meeting OAN, identifying deliverable sites, how they will be delivered and at what density). It then refers to the need to understand the capacity to accommodate additional housing through Strategic Housing Land Availability Assessments (SHLAAs) to establish realistic assumptions about availability, suitability and likely economic viability of land to meet the identified need for housing over the Local Plan period.
21. Table 1 in the Appendix to this report has been prepared using outputs from the HEDNA and SHLAAs and provides a summary of the agreed OAN for housing and the theoretical capacity for the HMA and each local authority. This shows an OAN of 96,580 dwellings for the period 2011 to 2031 for the Leicester and Leicestershire HMA, an OAN of 117,900 dwellings for the period 2011 to 2036 for the Leicester and Leicestershire HMA, and a theoretical total capacity of 206,908 dwellings for the Leicester and Leicestershire HMA. The theoretical capacity will be determined by each local authority through its Local Plans process.
22. A similar analysis has been undertaken of the need for housing based on the economic development needs of the area. The overall conclusion of this is that there may be a need for an alternative distribution of housing to meet economic needs; this would ensure that the demographic need of 4,829 or 4,716 dwellings per annum is met across the HMA/Functional Economic Market Area (FEMA) as a whole, in line with paragraph 47 of the NPPF.
23. In terms of housing capacity, there is a theoretical capacity for some 206,908 dwellings across the HMA as a whole, a figure which is considerably greater than the OAN figures to 2031 and 2036 for the HMA.
24. The Statement of Co-operation recognises that the ability of each local authority to meet its own OAN will vary. It refers to the agreement by partners to produce a SGP looking forward to 2050 and to the insertion of an appropriate trigger mechanism in all Local Plans coming forward before the SGP to ensure there is flexibility to respond to any significant changes that might arise.

Equality and Human Rights Implications

25. There are no equality and human rights implications arising from the recommendations in this report. An Equality and Human Rights Impact Assessment (EHRIA) will be undertaken at key stages in the preparation of the Strategic Growth Plan.

Environmental Implications

26. A Sustainability Appraisal/ Strategic Environmental Assessment/ Habitats Regulation Assessment is to be undertaken, and will inform the preparation of the Strategic Growth Plan.

Background Papers

16 June 2016: Cabinet Report: Leicester and Leicestershire Strategic Growth Plan – Strategic Growth Statement

<http://politics.leics.gov.uk/documents/s119790/FINAL%20Strategic%20Growth%20Statment.pdf>

Appendix

Joint Statement of Co-operation Relating to Objectively Assessed Need for Housing (January 2017)

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