
LEICESTER AND LEICESTERSHIRE STRATEGIC GROWTH PLAN

Scrutiny Commission Oct 2018

Comments by CPRE Leicestershire (Addendum)

Since the Campaign to Protect Rural England in Leicestershire submitted its further evidence to the Scrutiny Panel in relation to the Strategic Growth Plan (SGP) for Leicestershire the Government released its consultation on the approach to Housing Need.

The immediate, and main, effect of their proposals would be to require local authorities to apply the 2014 Housing Need projections as opposed to the 2016 projections from the Office of National Statistics.

The Government's reasoning seems to be that since the 2016 figures do not meet its house building aspirations of 300,000 houses per annum they should be set aside for the moment on policy grounds.

This, of course, is a consultation and we have yet to see what all the responses will be and how the Government will act subsequently. CPRE will respond nationally to the consultation in due course but CPRE Leicestershire would make the following preliminary comments.

1. We are concerned that the Government is not acting on the most up to date independent demographic evidence. This is a break with past practice and does not suggest an evidence-led approach.
2. A major criticism from Government appears to be that there is no assumed reduction in household size as opposed to previous projections and that this is because the latest projections only rely on two census dates. However, this criticism runs two ways. Previous projections assumed that household size would continue to decrease in line with the reductions seen since 1971. These were driven by long term sociological changes, some of which may well plateau.
3. There is a further associated assumption that a levelling off in household formation is a recessionary effect and will adjust itself if more houses are

- built. This does not take account of the impacts of wider social (and economic) changes which may remain post-recession.
4. The calculation of housing need already adds in a significant increase in housing to take account of housing affordability.
 5. There are areas of the country, such as Oxford-Cambridge, where, as the consultation admits, they have aspirations to build significantly above the need in the area impacting on need elsewhere.
 6. The amount of housing allocated does not equate to actual house building as it does not account for windfall sites, which in urban areas such as Leicester may play a significant part in providing for housing need, for example, due to industrial or retail restructuring opening up new land or leading to mixed redevelopments.
 7. It ignores the downsides to over-allocation of housing land, i.e. environmental, transport growth and hollowing out of cities.

Our preliminary view is that there are serious flaws in the approach being suggested, which will not necessarily lead to more homes but may well lead to more allocations on unsuitable sites in the countryside in unsustainable locations.

We are also not convinced it is more likely to lead to the right houses to meet the need to those who need particular accommodation (notably housing for elderly people and for younger groups coming into the market)

We do not support the use of the more up to date figures simply because they reduce the overall numbers but because we believe they will lead to the need in Leicestershire being addressed, but in a more sustainable manner.

We also reiterate that the economic evidence from the HEDNA does not demonstrate a pressing need for higher housing numbers.

And it is the wrong approach more broadly. Any adjustment to the basic demographic figures should be justified through evidence and there should be a clear methodology for creating the outputs. It should not come about from out of date figures being used because they happen to fit the policy requirement of Government.

However, even if the Councils were to accept the Government's consultation approach for the immediate period, the SGP takes that approach forward to 2050. There is little certainty about demographic needs over so long a time period, (especially as no one seems to be suggesting that household size, wherever it ends up, can continue to fall forever.) A more cautious approach to long term need is required.

In our view, the proper approach at this stage is not to agree the SGP and we set out why in our main response to the Committee, which includes transport, economic and environmental arguments as well as a housing case.

Following the consultation and Government's response councils may need to take stock, but that should be done in a measured way and not be pre-judged now.