



## **CABINET – 10 FEBRUARY 2023**

### **RESPONSE TO THE CITY OF LEICESTER LOCAL PLAN (2020-2036) SUBMISSION DRAFT CONSULTATION**

#### **REPORT OF THE CHIEF EXECUTIVE**

#### **PART A**

##### **Purpose of the Report**

1. The purpose of this report is to advise the Cabinet on the content of Leicester City Council's Submission Draft Local Plan (2020-2036), and to seek delegation to the Chief Executive to submit comments to the City Council as the views of the County Council.

##### **Recommendations**

2. It is recommended that:
  - a) The County Council's initial response to the Leicester City Council's Submission Draft Local Plan as outlined in paragraphs 35 to 37 of this report, is agreed as a basis for the formal response to the consultation;
  - b) The Chief Executive following consultation with the Cabinet Lead Member be authorised to submit the County Council's formal response to the consultation on Leicester City Council's Submission Draft Local Plan (2020-2036) by 27 February 2023.

##### **Reasons for Recommendation**

3. Authority to submit the Council's formal response to the Local Plan post-Cabinet, will provide additional time for officers to consider and respond to Leicester City Council in the most productive manner.
4. For the County Council in its role as a key infrastructure provider for transport and education, the additional housing and employment needs arising from accommodating Leicester City's unmet need presents a risk to the County Council and so requires a close partnership approach.
5. The new Local Plan will provide Leicester City Council with a plan-led development strategy to 2036. Given the role of the City of Leicester and functional connectivity to communities living and working in Blaby, Charnwood, Harborough, Hinckley and Bosworth, Melton, North West Leicestershire and

Oadby and Wigston, the content of the Local Plan is particularly important to the entire Leicester and Leicestershire Housing Market Area (L&L HMA).

6. The County Council's response will set out key comments for consideration by Leicester City Council in progressing its new Local Plan. It seeks to ensure alignment with the Leicester and Leicestershire Strategic Growth Plan (SGP), and to influence the content of the Local Plan in the interests of local communities, including to ensure that the Local Plan provides as robust as possible policy platform for securing the provision of the infrastructure and services required to support its successful delivery.

### **Timetable for Decisions (including Scrutiny)**

7. Formal consultation on the City of Leicester Submission Draft Local Plan commenced on 16 January 2023. The consultation period ends on 27 February 2023. Leicester City Council is expected to submit its Plan to the Planning Inspectorate later in 2023.

### **Policy Framework and Previous Decisions**

8. In 2018 the County Council, Leicester City Council, the seven district councils in Leicestershire, and the Leicester and Leicestershire Enterprise Partnership, approved the Leicester and Leicestershire Strategic Growth Plan (SGP) which provides the long-term vision for planned growth for the area up to 2050. The SGP proposes that the City should develop its role as the 'central city', supporting the market towns and rural areas around it. It recognises that more jobs, leisure, arts, culture and entertainment facilities are provided within the city centre.
9. In November 2020 the Cabinet agreed a response to be submitted on behalf of the County Council to a consultation from Leicester City Council relating to its Draft City of Leicester Local Plan 2020 to 2036. In brief, it was considered that on the whole the draft Local Plan was clear, comprehensive and well balanced in its proposals for future planned development. However, there were suggested areas for improvement, clarification and where assurances needed to be given. Key comments included:
  - An expectation that the final Local Plan would provide a robust policy basis for dealing with the cumulative and cross-boundary impacts of growth.
  - Support for strong housing delivery in the Central Development Area and utilisation of brownfield sites and seeking continued and closer working with the City Council and other partners, including on masterplans and the delivery of the identified strategic sites.
  - A suggestion for the inclusion of a further objective regarding the role of the City in the wider Leicester and Leicestershire HMA, maintaining and enhancing connectivity for County residents to services and facilities, such as to the main hospitals.

- A Commitment to working with the City Council to understand the impact of growth for Leicester across the HMA, including its transport system, the infrastructure and measures required to enable and mitigate the impacts of that growth, to ensure there is a robust policy framework in place to underpin development, funding and delivery of such infrastructure/measures, especially where that might be necessary to deal with cumulative and/or cross-boundary impacts.
10. The Leicester and Leicestershire Strategic Transport Priorities (LLTSTP) was approved by the Cabinet on 20 November 2020. This document has a plan period to 2050 and was developed by the County and City Councils alongside the SGP to ensure the long-term development needs and associated transportation requirements are co-ordinated.
  11. In 2021, the Council and its partners (Leicester City Council, the seven district councils and the Leicester and Leicestershire Enterprise Partnership (LLEP)), commissioned the Leicester and Leicestershire Housing and Economic Needs Assessment (HENA). The HENA, published in June 2022, provides evidence that across Leicester and Leicestershire, the projected housing need from 2020 to 2036 is 91,400 dwellings and employment land need from 2021 to 2036 is 344 hectares.
  12. The Council's Strategic Plan (2022 to 2026) was approved by the County Council in March 2022. It has five strategic outcomes, including 'Strong Economy, Transport and Infrastructure' and a 'Clean, Green Future' to ensure Leicestershire has the infrastructure to meet the demands of a growing population, whilst looking to tackle climate change, biodiversity loss and unsustainable resource usage.
  13. In September 2022, the Cabinet approved the County Council becoming a signatory to a Statement of Common Ground (SoCG) relating to Housing and Employment Land Needs (June 2022), setting out how the City Council's identified unmet needs would be accommodated in the County.
  14. In November 2022 the Cabinet received a paper setting out the financial implications for the Council of delivering sustainable and inclusive growth and the approach and principles that it is proposed the Council would adopt to address and manage these risks. The financial challenges associated with delivering the existing Capital Programme were highlighted, including the need to minimise risks associated with managing the cumulative impacts of growth and the need to ensure all Council forward funding was recovered.

### **Resource Implications**

15. The Council has committed significant resources to engaging in and supporting a collaborative approach to strategic planning, which is intended to facilitate the delivery of growth within the County and mitigate the negative impacts of development.

16. The Council's current Capital Programme includes over £200m to fund infrastructure projects that support growth in the County.
17. Delivering infrastructure (highways, schools and some community facilities) has required significant Council forward-funding and in the current financial climate this approach is no longer possible.

### **Circulation under the Local Issues Alert Procedure**

18. This report will be circulated to all Members.

### **Officers to Contact**

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## **PART B**

### **Background**

19. The preparation of Local Plans involves various stages of consultation. This consultation from Leicester City Council is known as a 'Regulation 19' consultation. Comments received will inform the City Council's policy recommendations ahead of submission of the Local Plan to the Secretary of State. Once agreed by the Planning Inspectorate and adopted, the document will replace the current City of Leicester Core Strategy 2014 and saved policies from the previous plan of 2006. It is currently expected that the Local Plan Examination (part of the statutory process prior to formal adoption) will be held later in 2023.
20. In December 2020 Government announced a new Standard Method for the calculation of local housing need, which included a 35% uplift for the 20 largest cities and urban areas in England, including Leicester. For the L&L HMA the latest data as at March 2022 points to a housing need figure of 91,406 (5,713 per year 2020-2036).
21. The Government's Levelling Up White Paper (February 2022) suggested that Local Plans would be made simpler and shorter and that improved data would ensure that they are increasingly transparent and understandable, with more of a focus on housing delivery on brownfield sites and the ability for communities to have a meaningful say on individual planning applications being retained. The Levelling-Up and Regeneration Bill introduced to Parliament in May 2022 then proposed bringing forward a number of these policies, however given they were proposals rather than legislation and could be subject to significant change before becoming law, Government advice remained that authorities should get up-to-date Local Plans in place.
22. In December 2022 the Government began a consultation on reforms to national planning policy, building on what was outlined in the Levelling-Up and Regeneration Bill. These include proposals to updating the National Planning Policy Framework (NPPF) and preparing National Development Management policies. Whilst it is anticipated that a revised NPPF may be introduced in Spring 2023, proposed transitional arrangements would mean Leicester City Council would be submitting its Plan in advance of any 'new-style' examinations commencing.

### **Duty to Co-operate**

23. It is currently recognised that should a Housing Market Area (HMA) authority identify, quantify and provide robust evidence to demonstrate an unmet need, it is incumbent upon the HMA authorities to jointly resolve any cross-boundary matters with HMA partners under the Duty to Co-operate. Whilst it is acknowledged that Government intends to reform the planning system, with the Duty to Co-operate due to be replaced (through an as-yet-unformulated 'alignment policy'), the duty currently remains in place.

24. Without a clear aligned approach to delivery, Leicestershire faces high levels of speculative/indiscriminate development with the consequent high risk of inadequate highway and education infrastructure provision. To avoid this, ongoing commitment from all the local authorities to joint working is therefore crucial, as is their support for a collaborative and coordinated approach to the defining and allocating of infrastructure funding requirements of Local Plans.
25. A Statement of Common Ground (SoCG) relating to Housing and Employment Land Needs (June 2022) has been prepared by the Council, the City Council and the seven district councils. Guided by the Strategic Planning Group and Members' Advisory Group, the SoCG is still subject to the governance processes of Hinckley and Bosworth Borough Council and Harborough District Council but has been agreed by the other authorities including the Council who became a signatory to the SoCG in September 2022. The SoCG sets out the City Council's identified unmet housing need of 18,700 homes and 23 hectares of employment land for the period 2020-2036 to be accommodated in the County.
26. The Charnwood Local Plan 2021-2037 Examination is ongoing, however Inspectors have confirmed in writing, following hearing sessions in October 2022, that they have "no reason to disagree with the HENA's [Housing and Economic Need's Assessment] conclusion that the standard method establishes a minimum local housing need of 91,408 dwellings across the Housing Market Area (HMA) to 2036...Based on the evidence at this stage and pending further testing of housing delivery through the Leicester Local Plan Examination, we consider that a figure of 18,700 dwellings represents a reasonable working assumption for the scale of Leicester's unmet housing need from 2020 – 2036."

### **Overview of content of City of Leicester Submission Draft Local Plan**

27. The new Local Plan will cover the period 2020 – 2036, replacing the existing Core Strategy (2014) and saved policies from the 2006 Local Plan.
28. The plan has been subject to a Strategic Environmental Assessment and a Sustainability Appraisal. The City Council has also produced a Habitats Regulations Assessment/Appropriate Assessment, Equalities Impact Assessment and has undertaken a Public Health Impact Assessment.
29. In the context of the approved Strategic Growth Plan, the Local Plan provides the overall strategic and spatial vision for the future of the Leicester Urban Area and seeks to:
  - Identify broad locations for development
  - Allocate strategic development sites
  - Set clear policies that guide decisions on planning applications
  - Indicate how the plan will be delivered and how progress will be monitored
30. The NPPF requires councils to calculate their local housing needs based on a standard methodology. The identified housing need for Leicester is for 2,464 dwellings per annum between 2020 and 2036, a total of 39,424 dwellings over

the plan period. The Local Plan identifies a target of 1,296 dwelling per annum, equivalent to 20,730 over the plan period, which includes an approximate 11% buffer.

31. The Plan highlights the city centre continuing to be designated as a strategic location for housing, and in addition to recent completions, existing planning permissions and allocations, residential development will take place in the following locations:
  - 6,286 homes in the Central Development Area
  - 1,838 homes across four strategic sites (of which 30% will be expected to be affordable)
    - Former Western Park Golf Course (owned by the City Council)
    - Land East of Ashton Green
    - Land north of the A46 Bypass
    - Land west of Anstey Lane
  - A further 1,230 homes will be built on smaller non-strategic sites elsewhere in the City.
32. The Plan highlights a remaining housing need of 18,694 homes which cannot be met in the City, instead being apportioned to the rest of the housing market area, as per the June 2022 SoCG.
33. The development of strategic employment provision is set to be included at the Former Western Park Golf Course, Land East of Ashton Green, and at Beaumont Park. Priority is being given to minimising unmet housing need and 23 hectares of employment land is therefore due to be provided in Charnwood Borough, as per the June 2022 SoCG.

#### **Initial and overarching response to the submission draft Local Plan document**

34. Leicester City's Regulation 19 Local Plan consultation is due to end on 27 February 2023 and it is considered prudent to make use of this available time in order to best protect the Council's own interests and provide the most productive, useful and constructive information for Leicester City Council, the Planning Inspectorate and other interested parties and individuals in working towards a sound Local Plan.
35. At this stage of local plan-making, the comments of the Council need to focus on compliance and tests of soundness. Paragraph 35 of the NPPF sets out that for a Local Plan to be found 'sound' it needs to be Positively Prepared, Justified, Effective, and Consistent with National Policy. It should be noted that the Council's comments are based on the Local Plan being judged and examined against existing legislation and the July 2021 NPPF, and as such do not pre-propose any amendments to national planning policy that is currently being consulted on.
36. Notwithstanding the further work to be undertaken in advance of detailed comments being submitted to Leicester City Council, the Council's position can be summarised as follows:

- The Council is broadly supportive of the work that has been undertaken by Leicester City Council to bring forward a new and up to date Local Plan, including the production of new evidence since the Regulation 18 consultation in 2020, such as the Residential Capacity Study on the Leicester Central Development Area and the document on Tall Development in Leicester.
- It is considered that a successfully adopted plan is in the best interests of delivering long-term growth across Leicester and Leicestershire and mitigating against its impacts.
- The Council remains supportive of Leicester's role as the 'central city', as identified in the 2018 Strategic Growth Plan and the value in supporting the market towns and rural areas around it.
- The City Centre continuing to be designated as a strategic location for housing is supported.
- The Council is supportive of the City's unmet housing and employment needs identified to be accommodated in the County, in line with the SoCG as agreed by the Council in September 2022.
- The Council maintains that the SoCG demonstrates a reasserted commitment to joint working on long-term strategic planning matters for housing, economic growth and associated strategic infrastructure across Leicester and Leicestershire.
- The County Council as Local Highway Authority for Leicestershire recognises the importance of a Plan-led approach (as it represents the best opportunity to seek to meet the needs of the area's growing and changing population in a managed way) and that it is the responsibility of Leicester City Council, as a Unitary Authority, to identify transport policies that it considers are appropriate to address the challenges that it faces in delivering growth within its administrative boundaries. It is considered however, that the Plan could be strengthened in recognising the importance of:
  - i. effective transport connectivity and accessibility to the City for residents of Leicestershire
  - ii. cumulative and cross-boundary transport impacts of growth.
- As the Education Authority for Leicestershire, the County Council considers the Plan needs to be more robust in identifying locations for new schools and what partnership working is required to fulfil the infrastructure required, particularly where located close to or partially within the County boundary.
- If certain matters are unaddressed there could be potential implications for the deliverability, and thus soundness, of the Plan, should issues in respect of dealing with cumulative and/or cross-boundary impacts ultimately come to delay or even fetter delivery of proposed site allocations at the planning application stage.
- The Council looks forward to working with Leicester City Council to seek to address the issues that it raises in the interests of achieving a robust, adopted Local Plan.



### **Equality and Human Rights Implications**

37. There are no equality and human rights implications arising from the recommendations in this report. Leicester City Council is working with the County Council and with other partners in the L&L HMA to provide for the homes and jobs required in the future.

### **Environmental Implications**

38. The County Council will continue to work closely with Leicester City Council and other partners to minimise the impact of the planned growth on the environmental assets of Leicester and Leicestershire.
39. The impact upon the environment is a key consideration in all planning decisions made within the context of an approved or emerging Local Plan, and the County Council will seek to ensure that opportunities are taken to enhance the environment through biodiversity net gain and sustainable forms of development.

### **Partnership Working and Associated Issues**

40. The County Council works closely with the Leicester and Leicestershire Strategic Planning Partnership, which includes Leicester City Council, the seven district councils in Leicestershire and the Leicester and Leicestershire Enterprise Partnership. A strengthening of partnership working is sought to deal with the transport challenges which require a strategy-led approach with multiple partners, both in Leicester City and the wider area.

### **Background Papers**

Report to the Cabinet on 23 November 2018: Leicester and Leicestershire Strategic Growth Plan – Consideration of Revised Plan for Approval  
<https://bit.ly/3FbUsNL>

Report to the Cabinet on 20 November 2020: Leicester and Leicestershire Strategic Transport Priorities 2020 to 2050  
<https://bit.ly/3Uj5oxc>

Report to the Cabinet on 20 November 2020: Draft City of Leicester Local Plan 2020 to 2036  
<https://bit.ly/3Uj5oxc>

Report to the Cabinet on 22 June 2021: Urgent action taken by the Chief Executive in relation to the Leicester and Leicestershire Statement of Common Ground relating to housing and employment land needs (March 2021)  
<https://bit.ly/3ueF6S8>

Report to the Cabinet on 23 September 2022: Medium Term Financial Strategy - Latest Position  
<https://bit.ly/3EbMySG>

Report to the Cabinet on 23 September 2022: Leicester and Leicestershire Authorities – Statement of Common Ground relating to Housing and Employment Land Needs

<https://bit.ly/3EbMySG>

Report to the Cabinet on 25 November 2022: Managing the Risk Relating to the Delivery of Infrastructure to Support Growth

<https://bit.ly/3EN8P9Z>