



CABINET – 3 FEBRUARY 2026

LEICESTER AND LEICESTERSHIRE AUTHORITIES – STATEMENT OF COMMON GROUND RELATING TO HOUSING DISTRIBUTION

REPORT OF THE DIRECTOR OF ENVIRONMENT AND TRANSPORT

PART A

Purpose of the Report

1. The purpose of this report is to seek the Cabinet's approval for the County Council to become a signatory to a Statement of Common Ground (SoCG) produced by the Leicester and Leicestershire local authorities relating to housing distribution following the National Planning Policy Framework (NPPF) and new Standard Method published in December 2024.

Recommendations

2. It is recommended that the Cabinet:
 - a) Approves the County Council becoming a signatory to the *Leicester and Leicestershire Authorities - Statement of Common Ground relating to housing distribution following the National Planning Policy Framework and new Standard Method published December 2024 (December 2025)* as set out in Appendix A;
 - b) Notes the completion of associated evidence work on the Updated Housing Distribution Paper, which has informed the Statement of Common Ground, as set out in Appendix B.

Reasons for Recommendation

3. On 27 November 2025, the Government confirmed that the Duty to Co-operate will not be retained under the current plan making system and will cease to apply when new plan making regulations come into force (expected later in 2026). Notwithstanding this change, the National Planning Policy Framework (December 2024) requires "maintaining effective co-operation" across administrative boundaries (see paragraphs 24 to 28 below). Planning Inspectors are expected to continue to examine plans in line with these policies. In this context, Statements of Common Ground remain an appropriate method to document cross-boundary strategic matters, record areas of agreement and disagreement, and set out next steps, demonstrating that effective and ongoing joint working has taken place. This is particularly important for the County

Council due to its responsibilities for highway and education matters, given the scale and criticality of infrastructure dependencies.

4. This SoCG has been prepared jointly by the nine local authorities in Leicester and Leicestershire. It will directly support Blaby District Council, Hinckley and Bosworth Borough Council, North West Leicestershire District Council and Oadby and Wigston Borough Council in the submission of their respective Local Plans to the Planning Inspectorate before the end of December 2026.

Timetable for Decisions (including Scrutiny)

5. Determination of the SoCG will need to be considered through all partners' respective governance processes and this is expected to be completed over the coming months.

Policy Framework and Previous Decisions

6. In September 2022, the Cabinet approved the County Council becoming a signatory to the Leicester and Leicestershire Statement of Common Ground on Housing and Employment Land Needs (June 2022). The SoCG sets out the collaboration undertaken to reach agreement on strategic housing distribution and other matters in line with the Government's Duty to Co-operate (DtC), supporting progress on respective emerging Local Plans.
7. In February 2025, the County Council became a signatory to a Duty to Cooperate Statement: Transitional Arrangement in Respect of Unmet Need (see Annex 2, within Appendix A to this report) The Statement updated and confirmed the agreed position of all partner councils on arrangements to deal with existing unmet need and to confirm the agreed way forward through the December 2024 NPPF transitional period into the new planning system. This statement has been used to provide an updated position to appointed Inspectors for Plans currently being examined, and for use in preliminary discussions with the Planning Inspectorate for emerging Local Plans.

Resource Implications

8. The County Council has committed significant resources to engaging in, and supporting, a collaborative approach to strategic planning in order to facilitate the delivery of growth within the County and to mitigate the negative impacts of development, to the extent that it is reasonably possible to do.
9. As set out in the report to the Cabinet in December 2025 on strategic spatial and transport planning, securing the delivery of infrastructure (whether transport or otherwise, such as education, waste and health), to support the needs of Leicester and Leicestershire's growing population is becoming ever more challenging. This is particularly the case where strategic transport infrastructure is required to seek to mitigate the cumulative impacts of development sites across a relatively wide area of the County. The County Council seeks to achieve a more coordinated approach to locations for growth and prioritisation of its delivery relative to the prioritisation of investment in the

infrastructure and services necessary to support it.

10. The Director of Corporate Resources and the Director of Law and Governance have been consulted on the content of this report.

Circulation under the Local Issues Alert Procedure

11. This report will be circulated to all Members.

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PART B**Background**

12. The local authorities in the Leicester and Leicestershire Housing Market Area (HMA) (Leicestershire County Council, Leicester City Council, Blaby District Council, Charnwood Borough Council, Harborough District Council, Hinckley and Bosworth Borough Council, Melton Borough Council, North West Leicestershire District Council and Oadby and Wigston Borough Council) commissioned a Housing and Economic Needs Assessment (HENNA) in 2021.
13. The published HENA (June 2022) was based on an assessment of local housing need using the Standard Method as of March 2022. This demonstrated a need for 5,713 dwellings per annum across the Leicester and Leicestershire HMA. An accompanying Housing Distribution Paper provided an interim redistribution of unmet housing needs arising from Leicester and was the basis for an SoCG relating to housing and employment need for the period 2020-2036, to support the preparation of Local Plans.
14. The County Council became a signatory to this SoCG on Housing and Employment Land Needs (June 2022) following the Cabinet's approval in September 2022.
15. In December 2024, the new Standard Method was published alongside a new NPPF. This changed the overall scale of housing to be provided for in the HMA by a relatively small number; however, the distribution across the HMA significantly changed due to the deletion of the 35% urban uplift (announced by the previous Government in December 2020). The effect of this was to significantly reduce local housing need in Leicester City, whilst the need has significantly increased in most district council areas.
16. Following the publication of the new NPPF, the authorities prepared the 'Duty to Co-operate Statement – Transitional arrangements in respect of unmet need' (February 2025). This confirms and clearly sets out how all partners are progressing Local Plans and, in particular, how to deal with the matter of unmet need in the absence of specific reference to this issue in the transitional arrangements.
17. Partners considered that it was necessary to revisit the HENA's Housing Distribution Paper and commission an update to inform the Local Plans which are utilising the new Standard Method and will be submitted to the Planning Inspectorate by the December 2026 deadline, together with future Local Plan reviews within the HMA.
18. This new SoCG does not replace the June 2022 SoCG; rather, it will co-exist to enable progress towards full Local Plan coverage across Leicester and Leicestershire.

19. The Government intends to enact regulations to bring forward the Levelling Up and Regeneration Act 2023 in early 2026 and it is understood that the DtC will no longer apply at this point. However, Local Plans will still need to meet the existing tests of soundness as set out in the NPPF, including that Local Plans are positively prepared and effective, i.e. for authorities to address any issues around unmet need and demonstrate effective joint working, as evidenced by the SoCG.
20. It is considered that changes to wider planning reforms do not negate the need for partners to consider the revised housing distribution and produce a new SoCG.

Statement of Common Ground

21. This SoCG (Appendix A to this report) has been prepared by the Leicester and Leicestershire HMA partners, in accordance with the NPPF (2024).
22. The key strategic matters addressed include the DtC and joint working; Leicester and Leicestershire housing needs to 2046 under the new Standard Method (December 2024); unmet need to 2046; and apportionment of unmet need to 2046.
23. The SoCG will support the submission of four Local Plans in Leicestershire directly affected by these matters, these being for Blaby District Council, Hinckley and Bosworth Borough Council, North West Leicestershire District Council and Oadby and Wigston Borough Council – all of which need to be submitted to the Planning Inspectorate by 31 December 2026.
24. The SoCG highlights the long track record of effective joint working on cross-boundary matters across Leicester and Leicestershire, which includes production of the 2018 Strategic Growth Plan, joint preparation of evidence and numerous joint statements of cooperation.
25. The SoCG sets out the local housing need for each Local Planning Authority for the period 2024-2046; however, the application of this housing need does not apply to the Local Plans already submitted or being prepared in accordance with the Transition Arrangements set out in Annex 1 of the NPPF (2024) where the previous standard method calculation applies, these being the Local Plans for Charnwood, Leicester City, Melton, and Harborough.
26. The SoCG is supported by evidence from the HENA Updated Housing Distribution Paper (UHDP) produced by Iceni on behalf of the authorities (Appendix B) and published on the [Strategic Growth Plan website](#), alongside a Frequently Asked Questions document. The update provides a new Housing Distribution Paper to accompany the HENA published in June 2022. Based on technical guidance and local evidence, the UHDP recalculates the level of unmet need for Leicester City from 2024 to 2036 to be a total of 2,455 dwellings (2,455 dwellings / 12 years = 205 dwellings per annum) and using a proportionate evidence base, estimates an unmet need of 8,230 dwellings from 2036 to 2046 (8,230 dwellings / 10 years = 823 dwellings per annum).

27. The authorities agree that the apportioned contributions (as per the table below) to unmet need established through the UHDP will be used by those four authorities (Blaby, Hinckley and Bosworth, North West Leicestershire and Oadby and Wigston) which are intending to submit their Local Plan for examination under the 2024 NPPF using the current planning system. The figures set out will be tested through the authorities' respective Local Plan processes.
28. The SoCG will be reconfirmed and updated for subsequent authorities' Local Plans or if there are significant factors that necessitate updates sooner, through the joint working of the authorities.

Table 1 – Annualised Apportionment of Unmet Need from 2024 over relevant plan periods

	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	

Conclusion

29. The County Council is supportive of the SoCG in that it reasserts commitment to joint working on long-term strategic planning matters and positively supports progress towards a suite of up-to-date Local Plans across Leicester and Leicestershire, thereby reducing the risk of greater levels of unplanned and speculative growth that would present further challenges for the provision of infrastructure and services.
30. Notwithstanding this, the County Council has a significant role in delivering the necessary infrastructure to support growth in Leicestershire and recognise a number of strategic spatial and transport planning challenges in addressing the impact of growth on local communities, both in the short and long-term. These challenges, and proposals for future work, were included in a report to the Cabinet in December 2025. Proposals include preparation of the Spatial Development Strategy; sharing details about initial evidence work undertaken by the Local Transport Authority with the district councils (as Local Planning Authorities) and developers; and to undertake initial scheme feasibility and

development work, and to also share the outcomes as they emerge with the district councils and developers.

31. Finally, it is important to note that the HENA does not identify specific locations or sites for future housing delivery; that is a matter for individual local plans to address. Neither does the County Council becoming a signatory to the SoCG signify its support or otherwise for a particular Local Plan. Plans will continue to be subject to statutory requirements for consultations and Examination in Public, through which the Authority will continue to have the ability to express its views as necessary and appropriate.

Equality Implications

32. There are no equality implications arising from the recommendations in this report.

Human Rights Implications

33. There are no human rights implications arising from the recommendations in this report.

Environmental Implications

34. The County Council will continue to work closely with partners to minimise the impact of the planned growth on the environmental assets of Leicester and Leicestershire.

Partnership Working and Associated Issues

35. The County Council works closely with the Leicester and Leicestershire Strategic Planning Partnership, which includes the seven district councils in Leicestershire, Leicester City Council and the Leicester and Leicestershire Business and Skills Partnership. There is a long track record of effective joint working on cross-boundary strategic matters across Leicester and Leicestershire.

Background Papers

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/4q1btPg>

Report to the Cabinet on 16 December 2025: Strategic Spatial and Transport Planning - <https://bit.ly/4qlA4yD>

Publication of Statement of Common Ground relating to Housing Distribution following NPPF and new Standard Method published December 2024 (December 2025) - <https://bit.ly/4pSSTbO>

Appendices

Appendix A: Leicester and Leicestershire Authorities - Statement of Common Ground relating to housing distribution following NPPF and new Standard Method published December 2024 (December 2025)

Appendix B: Updated Housing Distribution Paper (November 2025)