

Leicester & Leicestershire Authorities - Statement of Common Ground relating to Housing Distribution following NPPF and new Standard Method published December 2024 (December 2025)

1.0 The Leicester and Leicestershire HMA and FEMA

1.1 The Leicester and Leicestershire Housing Market Area (HMA) and Functional Economic Market Area (FEMA) covers the administrative areas of eight local planning authorities and two transport authorities. The eight local planning authorities responsible for plan making are:

- Blaby District Council
- Charnwood Borough Council
- Harborough District Council
- Hinckley & Bosworth Borough Council
- Leicester City Council (Unitary)
- Melton Borough Council
- North West Leicestershire District Council
- Oadby & Wigston Borough Council

1.2 The two upper tier authorities in Leicester and Leicestershire (L&L), with statutory responsibilities for transportation, education, social care, flooding, minerals & waste planning and public health are:

- Leicester City Council (Unitary)
- Leicestershire County Council

1.3 This Statement has been prepared jointly by the eight plan making authorities and Leicestershire County Council as an additional signatory given their statutory responsibilities, hereafter referred to as “the authorities”. The Map in Appendix 1 shows the location and administrative areas covered by this statement. The Leicester & Leicestershire Housing & Economic Needs Assessment (June 2022), to which the Updated Housing Distribution Paper (November 2025) relates, identifies this area as the Leicester & Leicestershire HMA and FEMA.

2.0 Background and Context

2.1 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 for in the L&L Housing Market Area (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. The effect of this was to significantly reduce Local Housing Need (LHN) in Leicester City, whilst the LHN in most other Districts and Boroughs significantly increased.

2.2 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 arrangements¹. This Duty to Cooperate Statement (DtC Statement February 2025) is available at Appendix 2.

- 2.3 The L&L Housing & Economic Needs Assessment June 2022 (HENNA 2022) was based on the assessment of local housing need using the Standard Method in March 2022. This showed a need for 5,713 dpa across the HMA. The HENA 2022 Housing Distribution Paper set out an agreed methodology for apportioning Leicester City's unmet housing need (at the time of 18,700 homes) and 23ha of employment need (2020 to 2036). Following publication of the new Standard Method and the reduction in Leicester City's LHN, the scale of unmet housing need was significantly reduced. It was therefore necessary to revisit the HENA's Housing Distribution Paper to inform the Local Plans which are utilising the new Standard Method and will be submitted by the December 2026 deadline, together with future Local Plan reviews within the HMA.
- 2.4 The authorities agreed to commission an update to the HENA 2022 Housing Distribution Paper to inform the apportionment of unmet need under the new Standard Method (December 2024).

3.0 Purpose

- 3.1 In accordance with paragraph 25 of the NPPF (2024), the key strategic matters addressed in this statement are: Duty to Cooperate and joint working; L&L housing needs to 2046 under the new Standard Method (December 2024); unmet need to 2046; and apportionment of unmet need to 2046. This statement has been prepared in accordance with paragraph 28 of the NPPF (2024) and will support the submission of four local plans in Leicestershire directly affected by these matters – Blaby District Council, Hinckley & Bosworth Borough Council, North West Leicestershire District Council and Oadby & Wigston Borough Council – by the 31 December 2026 deadline. These four local plans are referred to as Tranche 3 Local Plans in the DtC Statement (February 2025) and hereafter in this statement. This statement will be reconfirmed and updated for subsequent authorities' local plans.

4.0 Key Strategic Matters on which the Authorities agree

Duty to Cooperate and Joint Working

- 4.1 The authorities agree there is a long track record of effective joint working on cross-boundary strategic matters across L&L and that these include the key strategic matters identified in this statement. The authorities have continuously engaged with each other on the strategic matters set out in this statement and throughout the preparation of Local Plans across the area. This is most clearly evidenced by:
 - The continued function of the L&L Members Advisory Group and Strategic Planning Group
 - The joint preparation of evidence, including the update to the 2022 Housing and Economic Needs Assessment (2025), L&L Strategic Distribution Floorspace Needs Update and Apportionment (2025), South Leicestershire Joint Transport Evidence

¹ As set out in Annex 1 of the December 2024 NPPF.

(2025), Strategic Growth Options and Constraints Mapping Study (2023), and Strategic Transport Assessment Stage 1 (2023).

- The adoption of a non-statutory Strategic Growth Plan 2018
- The L&L Authorities - Statement of Common Ground relating to Housing and Employment Land Needs (June 2022) (Appendix 3)²
- The agreement of Joint Statements of Cooperation in 2017, 2018, 2020 and 2021 (available on the [Strategic Growth Plan website](#))

4.2 More information and details of engagement will be set out in individual authority's Duty to Cooperate/Maintaining Effective Cooperation Statements that accompany local plans. Authorities will continue to engage on an ongoing basis.

[L&L Housing Needs to 2046 under the new Standard Method \(Dec 2024\)](#)

4.3 The authorities agree that local housing need is derived using the standard method and that for the 2024-2046 period is as set out in Table 1 below. This table does not apply for local plans being prepared in accordance with the Transition Arrangements set out in Annex 1 of the NPPF (2024) where the previous standard method calculation applies. Individual local plans may have a shorter plan period than to 2046.

Table 1: Local Housing Need, Standard Method, May 2025

Local Planning Authority	Total Housing Need	Houses per year
	2024-2046	2024-2046
Blaby District Council	11,858	539
Charnwood Borough Council	21,824	992
Harborough District Council	16,170	735
Hinckley and Bosworth Borough Council	14,586	663
Leicester City Council	34,936	1,588
Melton Borough Council	8,118	369
North West Leicestershire District Council	13,574	617
Oadby and Wigston Borough Council	8,558	389
Leicester and Leicestershire HMA Total	129,624	5,892

4.4 The authorities agree that the NPPF 2023 and L&L Statement of Common Ground relating to Housing and Employment Land Needs (June 2022) apply to local plans that reached examination or Regulation 19 on or before 12 March 2025. This is set out in the DtC Statement (February 2025). For local plans that reached Regulation 19 after 12 March 2025 but before 31 December 2026, the NPPF 2024 (or relevant future iterations)

² Appendices E to J of the June 2022 Statement of Common Ground are available on the Strategic Growth Plan website

and this Statement of Common Ground will apply. These two Statements of Common Ground will co-exist to enable full local plan coverage across L&L.

4.5 Leicester City Council will begin a Local Plan Review immediately following the adoption of the Leicester City Local Plan 2020 to 2036. This will be informed by additional evidence in due course that will be used to identify the full housing capacity for that review.

Housing Distribution Update and Unmet Need to 2046

4.6 This L&L Statement of Common Ground is supported by evidence from the HENA Updated Housing Distribution Paper (UHDP) produced by Lceni on behalf of the authorities and published on the [Strategic Growth Plan website](#). The update provides a new Housing Distribution Paper to that published to accompany the L&L HENA published in June 2022. The authorities agree that the UHDP sets out the apportionment of Leicester City's unmet housing need in the L&L HMA arising from the use of the new Standard Method up to 2046.

4.7 The UHDP recalculates the level of unmet need for Leicester City from 2024 to 2036 to be a total of 2,455 dwellings, based on the new standard method and housing provision figures set out in the Leicester Local Plan. The UHDP also sets out the approach that has been used to identify a housing capacity for the City after 2036. Leicester City has a continuing unmet need for housing; using a proportionate evidence base the UHDP indicates that for the period 2036 – 2046 Leicester City has an estimated unmet need of 8,230 dwellings.

4.8 Oadby & Wigston Borough Council has undertaken further evidence to assess the housing capacity and developable and deliverable land within the Borough to accommodate the increase in Local Housing Need from 189 to 389 homes per year. From the evidence available at this time, for the purpose of this Statement of Common Ground, it has been assumed that Oadby & Wigston will just be able to meet its own need from a land supply position but not be able to accept any unmet need from Leicester. Evidence gathering is still being undertaken by the Council in relation to accommodation of the uplifted LHN and when complete, consideration will need to be given to the outcome of this by the HMA authorities.

Housing Requirement Figures for Tranche 3 Local Plans – Apportionment of Unmet Need to 2046

4.9 The authorities agree that the apportioned contributions to unmet need established through the UHDP and set out in Table 2 below will be used by those authorities submitting a local plan for examination under the NPPF December 2024 using the current planning system as governed by the Town and Country Planning Act 1990 (as amended).

4.10 As circumstances change through the availability of new evidence this will be considered by the authorities and future Statements of Common Ground may be needed. However, to enable proactive, timely local plan-making for the four Tranche 3

Local Plans, the figures in Table 2 below will be used and remain in place for the submission of the four Tranche 3 Local Plans before 31 December 2026. The housing requirement for individual Tranche 3 Local Plans will depend on their plan periods, as the contribution to unmet need is different for the period to 2036 and the period *after* 2036.

Table 2: 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	

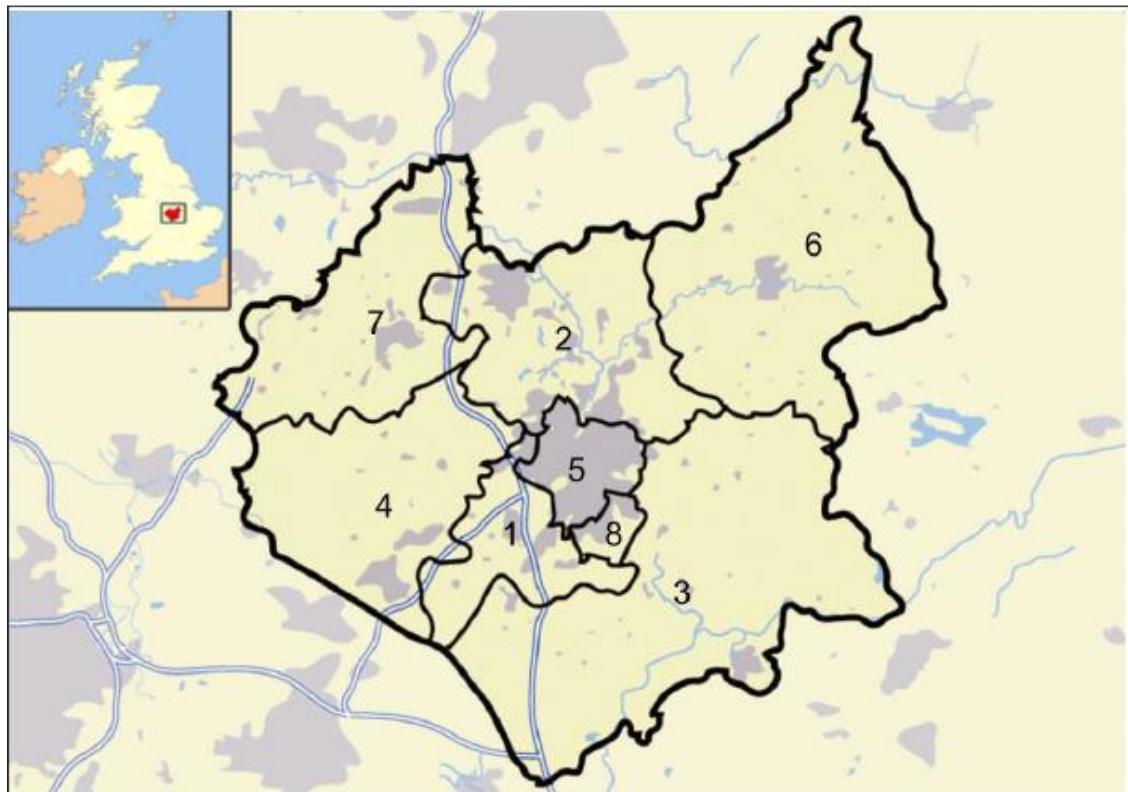
*NB 2046 is used as the default plan end date in the UHDP for non-Tranche 3 local plans.

5.0 Maintaining and Updating this Statement

- 5.1 The authorities acknowledge that this statement is necessary to progress the four Tranche 3 local plans under the current planning system as governed by the Town and Country Planning Act 1990 (as amended).
- 5.2 A new local planning system will be introduced early in 2026 together with the introduction of Spatial Development Strategies, through which local housing needs will be distributed across a geography that is yet to be determined. The formal duty to produce Spatial Development Strategies is expected in Spring 2026 through secondary legislation, following the expected royal assent of the Planning and Infrastructure Bill.
- 5.3 Government is seeking full coverage of up-to-date local plans, and the Tranche 3 local plans are at an advanced stage of preparation. The authorities agree that the figures set out in Table 2 will be tested through each Tranche 3 authority's local plan process.
- 5.4 This statement will be reconfirmed and updated for subsequent authorities' local plans through the joint working of the authorities.

Appendix 1

Map showing administrative areas covered by 2025 Statement of Common Ground relating to Housing Distribution under the new Standard Method



Key to Map

1. Blaby District Council	5. Leicester City Council
2. Charnwood Borough Council	6. Melton Borough Council
3. Harborough District Council	7. North West Leicestershire District Council
4. Hinckley and Bosworth Borough Council	8. Oadby and Wigston Borough Council

Appendix 2

DUTY TO CO-OPERATE STATEMENT **TRANSITIONAL ARRANGEMENTS IN RESPECT OF UNMET NEED**

BLABY DISTRICT COUNCIL
CHARNWOOD BOROUGH COUNCIL
HARBOROUGH DISTRICT COUNCIL
HINCKLEY AND BOSWORTH BOROUGH COUNCIL
LEICESTER CITY COUNCIL
LEICESTERSHIRE COUNTY COUNCIL
MELTON BOROUGH COUNCIL
NORTH-WEST LEICESTERSHIRE DISTRICT COUNCIL
OADBY AND WIGSTON BOROUGH COUNCIL

1. Purpose

- 1.1 The purpose of this joint statement is to support the progression and adoption of our current and future Local Plans and Spatial Development Strategy (SDS).
- 1.2 To confirm the agreed position of all partner councils on arrangements to deal with existing unmet need and to confirm the agreed way forward through the Dec 2024 NPPF transitional period into the new Planning system.
- 1.3 This statement will be used to provide an updated position to appointed Inspectors for Plans currently being Examined, and for use in preliminary discussions with PINs for emerging Plans.

2. Background

- 2.1 L&L councils have a long standing and exemplary track record in joint planning as evidenced by the preparation and adoption of the [Strategic Growth Plan LCC](#) and the [2022 Publication of Statement of Common Ground relating to Housing and Employment Land Needs - Strategic Growth Plan LCC | Strategic Growth Plan LCC](#)
- 2.2 L&L councils are keen to maintain momentum on Local Plan making, are committed to supporting plan progression through the changing legislative context and to begin to make preparations for emerging SDS requirements.
- 2.3 This statement confirms how all partners have agreed to progress 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 as set out in Annex 1 of the December 2024 [National Planning Policy Framework - GOV.UK](#)

3. Current position

- 3.1 The current position in respect of Plan preparation and adoption in the area is set out in Table 1 Plan Tracker below:

Table 1: L&L DtC Plan Tracker

Tranche	Council	Plan stage/LDS Position	Relevant NPPF/Plan system	Agreed Mechanism to determine Unmet Need to support Plan	Comments
Tranche 1: Already Submitted. Projected adoption 2025	Charnwood Borough Council	Main Examination Hearings completed 2024; to be reconvened early 2025 Adoption Spring/Summer 2025	Dec 2023 NPPF	June 2022 SoCG Examination Document EX43	Reconvened hearing session to consider CIL Viability Assessment report in early 2025
	Leicester City	Main Examination Hearings completed November 2024 Modifications Consultation planned Spring 2025 Adoption Summer 2025	Dec 2023 NPPF	June 2022 SoCG Examination Document SCG/1	Commitment to Immediate Review on adoption of Plan
Tranche 2: Submission anticipated 2025. Projected Adoption 2026	Melton	Partial Review Reg 19 Consultation to be concluded by February 2025	Dec 2023 NPPF (Transition Period Under para 234 of 2024 NPPF)	June 2022 SoCG	
	Harborough	Reg 19 Consultation March 2025	Dec 2023 NPPF (Transition Period Under para 234 of 2024 NPPF)	June 2022 SoCG	

Tranche	Council	Plan stage/LDS Position	Relevant NPPF/Plan system	Agreed Mechanism to determine Unmet Need to support Plan	Comments
Tranche 3: Submission anticipated 2026, Projected Adoption 2027/28+	Blaby	Reg 19 Consultation: July 2025	December 2024 NPPF (post transition)	Future SoCG to replace 2022 SoCG based upon new Standard methodology and L&L HENA/capacity evidence	Provisions of 2022 SoCG remain valid until replaced by new SoCG
	Hinckley & Bosworth	Reg 19 Consultation: to be confirmed	December 2024 NPPF (post transition)	Future SoCG to replace 2022 SoCG based upon new Standard methodology and L&L HENA/capacity evidence	Provisions of 2022 SoCG remain valid until replaced by new SoCG
	North- West Leicestershire	Reg 19 Consultation to be confirmed	December 2024 NPPF (post transition)	Future SoCG to replace 2022 SoCG based upon new Standard methodology and L&L HENA/capacity evidence	Provisions of 2022 SoCG remain valid until replaced by new SoCG
	Oadby & Wigston	Consultation on Regulation 19 Plan concluded February 2025	January/February 2025 Reg 19 consultation carried out under Nov 2023 NPPF. Call for Sites and new capacity assessment work to be undertaken during 2025 to inform new Plan/further Reg 19 under December 2024 NPPF (post transition)	2025 Reg 19 carried out under 2023 NPPF; complies with 2022 SoCG commitments which remain valid until replaced with future SoCG based upon new Standard methodology and HENA/L&L capacity evidence	Provisions of 2022 SoCG remain valid until replaced by new SoCG/new Plan

Tranche	Council	Plan stage/LDS Position	Relevant NPPF/Plan system	Agreed Mechanism to determine Unmet Need to support Plan	Comments
Tranche 4: Future Plans	New Spatial Development Strategy (SDS)	2025 1) Geography Scoping 2) Initial evidence gathering	New Planning system TBC	Strategic Plan will supersede SoCG approach and confirm Strategic Housing distribution	Potential Funding/Pilot Bid to MHCLG?
	Plans delayed or deferred due to LGR/Devolution	Not currently anticipated	New LURA/ P&Inf Bill/Devolution Bill Planning system TBC	In line with future SDS	
	Plans failed to be found sound from Tranches 1-3	Not currently anticipated	New LURA/ P&Inf Bill/Devolution Bill Planning system TBC	In line with future SDS	

4. Agreed Position

- 4.1 The partners **agree** that for Local Plans progressing and adopted under the 2023 NPPF (Tranche 1 of Table 1 above) and those under the transitional arrangements as set out in Para 234 of Annex 1 of the 2024 NPPF (Tranche 2 of Table 1 above), the scale and distribution provisions for unmet need as set out in the 2022 Statement of Common Ground remain valid and in force.
- 4.2 The partners **agree** that progression of Local plans beyond the Transitional arrangements of the December 2024 NPPF will need to be informed by updated needs and capacity assessments relevant to those plans and the partners commit to working together to accommodate the area's needs once those results are known.

Leicester & Leicestershire Authorities - Statement of Common Ground
relating to Housing and Employment Land Needs (June 2022)

1.0 The Leicester and Leicestershire HMA and FEMA

1.1 The Leicester and Leicestershire Housing Market Area (HMA) and Functional Economic Area (FEMA) covers the administrative areas of eight local planning authorities and two transport authorities. The eight local planning authorities responsible for plan making are:

- Blaby District Council
- Charnwood Borough Council
- Harborough District Council
- Hinckley & Bosworth Borough Council
- Leicester City Council (Unitary)
- Melton Borough Council
- North West Leicestershire District Council
- Oadby & Wigston Borough Council

1.2 The two upper tier authorities in Leicester and Leicestershire (L&L), with statutory responsibilities for transportation, education, social care, flooding, minerals & waste planning and public health are:

- Leicester City Council (Unitary)
- Leicestershire County Council

1.3 This Statement has been prepared jointly by the eight plan making authorities and Leicestershire County Council as an additional signatory given their statutory responsibilities, hereafter referred to as “the authorities”. The Map in Appendix D shows the location and administrative areas covered by this statement. The Housing & Economic Needs Assessment 2022 (HEN) identifies this area as the Leicester & Leicestershire HMA and FEMA.

2.0 Purpose

2.1 The key strategic matters addressed in this statement are; Duty to Cooperate; L&L Housing and Employment Needs to 2036; Unmet Need to 2036; and the Apportionment of unmet need to 2036. This statement will be reconfirmed and updated as necessary for subsequent authorities’ Local Plans.

3.0 Key Strategic Matters on which Authorities Agree

Duty to Cooperate

3.1 The authorities agree there is a long track record of effective joint working on strategic matters across L&L. The authorities have continuously engaged with each other on the strategic matters set out in this statement and throughout the preparation of Local Plans across the area. This is most clearly evidenced through:

- The establishment of the Leicester & Leicestershire Members Advisory Group
- The joint preparation of evidence, including the Housing & Economic Needs Assessment (2022), Strategic Growth Options & Constraints Study (2022), and Strategic Transport Assessment (2022).

- The adoption of a non-statutory [Strategic Growth Plan 2018](#) which includes 'notional' housing figures.
- The preparation of a Joint Sustainability Appraisal to consider reasonable alternatives for apportionment of Leicester's unmet need to 2036.
- The agreement of Joint Statements of Cooperation in 2017, 2018, 2020 and 2021 (Appendix E, F, G and H)

3.2 More information and details of engagement will be set out in individual authorities Duty to Cooperate Statements that accompany Local Plans. Authorities will continue to engage on an ongoing basis.

[The June 2021 Statement of Common Ground \(Appendix H\)](#)

3.3 The June 2021 Statement (Appendix H) was agreed by all authorities and included the following:

"The authorities agree to carry out the following programme of work to inform the apportionment of unmet need from Leicester to the L&L Districts/Boroughs:

- *Housing and Economic Needs Assessment*
- *Strategic Growth Options and Constraints Mapping*
- *Strategic Transport Assessment*
- *Sustainability Appraisal*

This work will be commissioned in Spring 2021 and used to inform a Statement of Common Ground apportioning unmet need which is anticipated to be completed in Winter 2021/2022."

3.4 The Housing & Economic Needs Assessment (HENNA) and the Sustainability Appraisal are now complete. These are the key pieces of evidence informing this Statement of Common Ground apportioning Leicester's unmet need to 2036.

3.5 The Strategic Transport Assessment and the Strategic Growth Options & Constraints Mapping take a longer-term perspective that will inform the next steps for the [Strategic Growth Plan](#) to 2050 and will form part of the strategic evidence for Local Plans. This work will be completed later this year.

[L&L Housing Need to 2036](#)

3.6 The authorities agree the appropriate way to calculate local housing need is using the current standard method set out in government guidance which currently uses the 2014 based household projections. The authorities agree that local housing need (2020 - 2036) is as follows:

Table 1: Local Housing Need

Local Planning Authority	Total Housing Need 2020 – 2036	Houses per year
		2020 - 2036
Blaby District Council	5,456	341
Charnwood Borough Council	17,776*	1,111*
Harborough District Council	8,544	534
Hinckley and Bosworth Borough Council	7,552	472
Leicester City Council	39,424	2,464
Melton Borough Council	3,696	231
North West Leicestershire District Council	5,952	372
Oadby and Wigston Borough Council	3,008	188
Leicester and Leicestershire HMA Total	91,408	5,713

* In accordance with government guidance Charnwood's Local Housing Need is set using the data from 2021 (including household growth for the 2021-31 and 2020 affordability ratio) as it submitted its Local Plan for Examination in December 2021.

- 3.7 The Government's current standard method for calculating housing need suggests L&L need to provide 91,408 homes (5,713 per year 2020 to 2036).
- 3.8 The NPPF requires authorities to have a clear understanding of the land available in their area to meet housing need through the preparation of a strategic housing land availability assessment (SHLAA). In L&L, the SHLAAs have been prepared using an agreed methodology across the HMA as a whole.
- 3.9 Appendix A and B to this Statement have been prepared using the outputs of the standard method for calculating housing need and SHLAAs. It provides a summary of the need for new homes, and the theoretical capacity of both the HMA and each local authority.
- 3.10 To 2036 there is a theoretical capacity for some 173,721 homes across the HMA as a whole (Appendix B). When set against the need of 91,408 (2020-36), the authorities agree there is flexibility to meet L&L housing need within the HMA, including unmet need.

L&L Employment Need to 2036

- 3.11 The authorities agree the appropriate way to calculate employment need is using the jointly prepared Housing and Economic Needs Assessment 2022 (HENa) unless an up-to-date local assessment has been undertaken. Based on the HENa and local assessments of employment land need the authorities agree the need is as follows:

Table 2: Employment Land Needs

	Need		Total	Source
	B1	B2/B8 (small)		
Blaby	9.1	29.0	38.1	2021-36 need, HENA 2022
Charnwood	7.5	35.7	43.2	2021-36 need, HENA 2022
Harborough	6.8	39.3	46.1	2021-36 need, HENA 2022
H&B	4.2	53.4	57.6	2021-36 need, HENA 2022
Leicester	46,100 sqm (2.3 ha)	67.3	69.6	2019-36 need, City EDNA 2020
Melton	2	38.1	40.1	2021-36 need, HENA 2022
NWL	8.9	31.8	40.7	2021-36 need, HENA 2022
O&W	1	3.1	4.1	2021-36 need, HENA 2022
L&L Total	41.8	297.7	339.5	

3.12 Table 2 above shows L&L have to provide 340 hectares of employment land to 2036. Appendix C has been prepared using outputs from the HENA and local assessments of employment need, and employment land supply. It provides a summary of the need for new employment land, and the supply of both the FEMA and each local authority. To 2036 there is a supply for some 354 hectares across the FEMA as a whole (Appendix C). When set against the need of 340 (2021-36), the authorities agree there is flexibility to meet L&L Employment Need within the FEMA, including unmet need.

Unmet need to 2036

3.13 The authorities agree that Leicester City Council is the only authority in the HMA to have declared and quantified (with evidence) an unmet need 2020 to 2036. Assisting Leicester to meet its unmet need is therefore a key element of the Duty to Co-operate across the HMA.

3.14 Leicester City Council consulted on a Draft Local Plan (regulation 18) in September to December 2020, with a view to publishing the Submission Version (regulation 19) in 2021. Leicester City declared an unmet housing need in February 2017 (Appendix I) which remained unquantified while further evidence was gathered to support the publication of their Draft Local Plan. During this time several authorities have adopted local plans.

3.15 The L&L authorities were made aware of the potential scale of unmet need in December 2019. Consultation on the Leicester Draft Local Plan (and associated evidence) was delayed due to the COVID-19 Pandemic until September to December 2020.

3.16 Leicester's Draft Local Plan consultation indicates a potential unmet need of 7,742 homes and 23 Hectares of employment land (B2 General Industrial and B8 Small Warehousing Units less than 9,000 sq.m) 2019 to 2036.

3.17 However, immediately after the consultation closed in December 2020 the Government published a new standard method for calculating housing need. The new method increased Leicester's housing need by 35%, adding a further 9,712 homes to their need between 2020 and 2036 (607 homes per year).

3.18 Although the supply of homes in Leicester may evolve as their local plan progresses, providing for this amount of additional homes in the City would require more than a doubling of the allocations set out in their recent Draft Local Plan. In this context the City consider that it will not be possible to meet NPPF policy obligations of a sound and deliverable plan, and so in the revised PPG context (Paragraph: 035 Reference ID: 2a-035-20201216) it will be necessary to seek to agree a Statement of Common Ground to deal with the recent increase in housing need.

3.19 Leicester's standard method Local Housing Need figure is now 2,464 homes per year generating a need for 39,424 dwellings over the 2020-36 period (see Table 1 above). This includes the 'cities and urban areas uplift' and the 2021 affordability ratios published in March 2022. Appendix A and B, and the June 2021 Statement of Common Ground (Appendix H) was informed by the evidence from the Leicester's Draft Local Plan which sets out the City's capacity to accommodate growth over this period as 20,721 dwellings. An unmet need of 18,700 dwellings is therefore identified based on the evidence at the current time. An unmet need figure of 18,700 dwellings is a reasonable working assumption for the City's unmet housing need to 2036.

3.20 The authorities acknowledge that the quantity of Leicester's unmet need may change as the Local Plan progresses (e.g. as evidence on land supply is developed further or the need for homes changes (see section 4.0 below)). The authorities therefore agree a working assumption of Leicester's unmet need of 18,700 homes and 23 Hectares of employment land (2020 – 2036). These figures are subject to testing through the Leicester Local Plan.

Apportionment of Leicester's Unmet Need (2020 – 2036)

3.21 The authorities agree the L&L Statement of Common Ground Sustainability Appraisal (2022), the Housing & Economic Needs Assessment (2022) and the associated Housing and Employment Distribution Papers provide the latest cooperatively produced evidence to inform the apportionment of Leicester's unmet needs.

3.22 This work is based on the agreed working assumption of an unmet need from Leicester of 18,700 homes. The work considers housing provision across the HMA as a whole having regard to a range of factors including, the functional relationship of each District/Borough with Leicester City, the balance of jobs and homes in each district/borough, and deliverability of the distribution of development. When all of these factors are brought together, they address the unmet need and result in a redistributed housing provision that differs from the standard method starting point. This evidence has informed the following apportionment:

Table 3: Apportionment of Leicester City's Unmet Local Housing Need 2020 to 2036

Local Planning Authority	Average Annual unmet housing need contribution 2020 to 2036 (dwellings)*
Blaby District Council	346
Charnwood Borough Council	78
Harborough District Council	123
Hinckley and Bosworth Borough Council	187
Melton Borough Council	69
North West Leicestershire District Council	314
Oadby and Wigston Borough Council	52
Total	1,169

*Note: the figures are presented as annual averages 2020-36. This does not imply that an authority's unmet need apportionment must be phased evenly over this period. It will be for each Local Plan to determine appropriate phasing.

3.23 The authorities agree that the figures in the Table 3 above represent the agreed apportionment by District/Borough (apart from Hinckley & Bosworth – see Matters Not Agreed in Section 4 below), of the unmet housing need for Leicester, in order to meet the overall objectively assessed need for additional housing within the Leicester and Leicestershire Housing Market Area to 2036. These figures are subject to testing through each individual Local Planning Authority's plan making.

3.24 Based on the agreed working assumption of an unmet need from Leicester of 23 hectares of employment land (B2 - General Industrial and B8 - Small Warehousing units less than 9,000sq.m), the joint evidence has informed the following apportionment:

Table 4: Apportionment of Leicester City's Unmet Employment Need 2020 to 2036

Local Planning Authority	Apportionment (Hectares)
Blaby District Council	0
Charnwood Borough Council	23
Harborough District Council	0
Hinckley and Bosworth Borough Council	0
Melton Borough Council	0
North West Leicestershire District Council	0
Oadby and Wigston Borough Council	0
Total	23

3.25 The authorities agree that the figures in the Table 4 above represent the agreed apportionment by District/Borough, of the unmet employment need for Leicester, in order to meet the overall objectively assessed need for employment land within the Leicester and Leicestershire FEMA to 2036. These figures are subject to testing through each individual Local Planning Authority's plan making.

4.0 Key Strategic Matters on which Authorities Do Not Agree

4.1 Hinckley & Bosworth Borough Council (HBBC) do not agree to the step in the HENA Housing Distribution Paper (2022) methodology from paragraph 6.21 to 6.24 and the subsequent table 6.9 which apportions 187 dwellings per year of Leicester's unmet housing need. HBBC note the capping of the redistribution of Charnwood's numbers to 1189 and believe that the accommodation of the resulting 187 dpa shortfall should be tested as part of each LPAs Local Plan process, including the current Charnwood Local Plan. HBBC consider that an apportionment of 102 dwellings per year (85 dwellings per year lower than the apportionment in Table 3) to be an initial justified apportionment of Leicester's unmet need for HBBC to test through their Local Plan work and through further strategic work. HBBC disagrees with the methodology from para 6.21 to 6.24 and the subsequent table 6.9 as it is not suitably justified and does not follow the evidence. The use of stock growth is not a measure of deliverability. It does not consider housing need, does not reflect market demand or the deliverability of developing housing in a particular area. The capping of redistribution based on 1.4% stock growth levels is considered to be arbitrary and is not supported by the evidence. Para 6.24 seeks to justify the uplift for HBBC by referencing job opportunities but this has already been considered earlier in the methodology.

4.2 HBBC is of the view that the June 2021 SoCG was clear that the apportionment of unmet need would be informed by 4 pieces of work. Only two of these pieces have been completed, the HENA and the SA. Therefore, as reflected in this Statement, the apportionment is a starting point for testing and may be amended based on the completion of the Strategic Growth Options and Constraints mapping work and the Strategic Transport Assessment and the subsequently updated Sustainability Appraisal and the outcome of any local plan 'testing'.

4.3 The other authorities do not agree with HBBC and consider the apportionment of 187 dwellings per year in Table 3 is justified by the evidence.

5.0 Maintaining and Updating this Statement

5.1 The authorities acknowledge the Government intend to reform the planning system and have previously consulted on potential future changes, including the Planning for the Future - White Paper (August 2020). The Levelling Up and Regeneration Bill, introduced to Parliament on 11th May 2022, proposes a number of reforms to the planning system, including potentially repealing the 'duty to cooperate' contained in existing legislation.

5.2 At present these reforms do not impact housing need or emerging Local Plans as they are proposals (rather than legislation) and could be subject to significant change before achieving Royal Assent and becoming law.

5.3 Government advice is that authorities should get up-to-date Local Plans in place (Appendix J) and some authorities in L&L are at an advanced stage of plan preparation.

- 5.4 The authorities agree the Duty to Cooperate is an ongoing process, and should the amount of unmet need change significantly, the apportionment of unmet need will be jointly reviewed to assess whether it needs updating. The process for updating and maintaining this statement will be managed through ongoing joint work between the authorities.
- 5.5 The above apportionment (Table 3 and 4 above) is intended to be implemented through individual local plans. These figures will therefore need to be tested through each authority's Local Plan process. The authorities agree that if an authority's local plan process identifies that it is not able to provide for their own objectively assessed needs as well as any unmet need apportioned in this statement (as set out in paragraph 11b of the NPPF), the apportionment of unmet need will need to be jointly reviewed and updated as necessary. The process used for this review will be proportionate to the scale of the issue and should not cause undue delay to the preparation of Local Plans.

Appendix A - Leicester and Leicestershire Housing Land Supply, 2020 to 2031

The table below compares housing land supply to local housing need based on the Governments Standard Method.

	A	B	C	D	E	F	G	H
Authority	Local Housing Need 2020 - 2031	Commitments ¹ projected for delivery 2020 to 2031	Allocations in an adopted Plan ²	Emerging allocations in a draft plan ²	Allowance for small site or windfall development to 2031	Total Projected Delivery to 2031 (B+C+D+E)	SHLAA Capacity to 2031 ³	Total Theoretical Capacity to 2031 (F+G)
Blaby	3,751	4,467	758		240	5,465	5,408	10,873
Charnwood	12,221	7,080	1,385	7,894	640	16,999	10,529	27,528
Harborough	5,874	3,693	4,332		864	8,889	5,873	14,762
Hinckley & Bosworth	5,192	2,692	557		584	3,833	15,902	19,735
Leicester City	27,104	9,047		6,602	1,650	17,299	0	17,299
Melton	2,541	2,704	3,145		189	6,038	1,108	7,146
NW Leics	4,092	5,862	790		320	6,972	3,821	10,793
Oadby & Wigston	2,068	1,010	1,203		189	2,402	0	2,402
HMA total	62,843	36,555	12,173	14,496	4,676	67,897	42,041	109,938

¹ Includes sites under construction; with planning permission (including sites with a resolution to grant), as at 31/03/2020

² projected delivery up to 31/03/2031; includes allocated sites from local and neighbourhood plans

³ To avoid duplication SHLAA sites that have planning permission or are allocated in an adopted or emerging plan have been removed from this figure

Appendix B - Leicester and Leicestershire Housing Land Supply, 2020 to 2036

The table below compares housing land supply to local housing need based on the Governments Standard Method.

	A	B	C	D	E	F	G	H
Authority	Local Housing Need 2020 - 2036	Commitments ¹ projected for delivery 2020 to 2036	Allocations in an adopted Plan ²	Emerging allocations in a draft plan ²	Allowance for small site or windfall development to 2036	Total Projected Delivery to 2036 (B+C+D+E)	SHLAA Capacity to 2036 ³	Total Theoretical Capacity to 2036 (F+G)
Blaby	5,456	4,918	984		440	6,342	18,956	25,298
Charnwood	17,776	8,820	1,990	9,024	1,040	20,874	19,938	40,812
Harborough	8,544	3,693	5,679		864	10,236	9,819	20,055
Hinckley & Bosworth	7,552	2,992	1,497		949	5,438	23,130	28,568
Leicester City	39,424	9,865		8,456	2,400	20,721	0	20,721
Melton	3,696	2,704	3,891		334	6,929	3,635	10,564
NW Leics	5,952	7,013	1,427		520	8,960	13,281	22,241
Oadby & Wigston	3,008	1,010	1,203		189	2,402	3,060	2,402
HMA total	91,408	41,015	16,671	17,480	6,736	81,902	91,819	173,721

¹ Includes sites under construction; with planning permission (including sites with a resolution to grant), as at 31/03/2020

² projected delivery up to 31/03/2036; includes allocated sites from local and neighbourhood plans

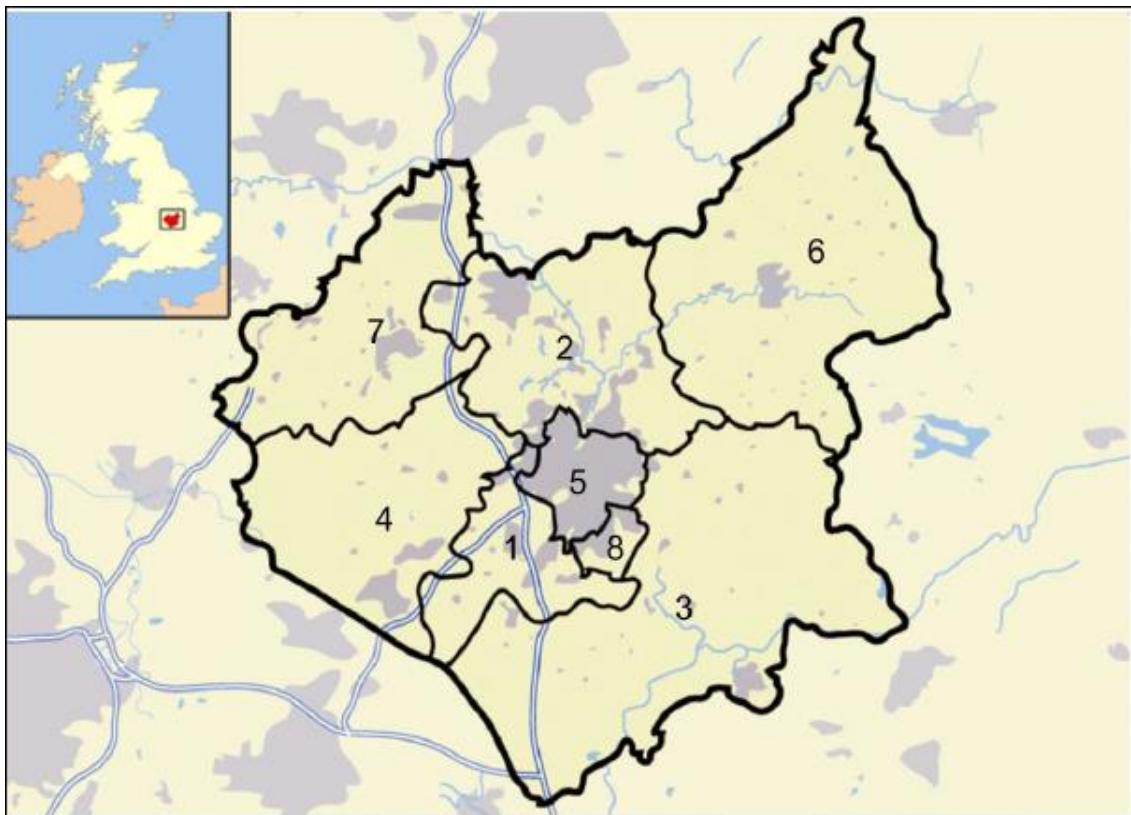
³ To avoid duplication SHLAA sites that have planning permission or are allocated in an adopted or emerging plan have been removed from this figure

Appendix C - Employment Demand and Supply Balance 2021 to 2036 (excluding Strategic Warehousing)

	Need		Supply		Balance		Notes*
	B1	B2/B8 (small)	B1	B2/B8 (small)	B1	B2/B8 (small)	
Blaby	9.1	29.0	10.5	13.3	1.4	-15.7	2021-36 need, HENA '21 . Supply based on permissions pipeline. Mixed permissions divided by use class. Supply at April 2020
Charnwood	7.5	35.7	15.1	66.7	7.6	31.0	2021-36 need, HENA '21. Supply based on Local Plan trajectory Exc. Loughborough Science and Enterprise Park.
Harborough	6.8	39.3	18.0	41.7	11.2	2.4	2021-36 need, HENA '21 . Supply based on net permissions pipeline at April 2020
H&B	4.2	53.4	4.2	38.9	0.0	-14.5	2021-36 need, HENA '21. Supply based on Local Plan Reg19 Feb '22
Leicester	46,100 sqm (2.3 ha)	67.3	43,000 sqm (2.1 ha)	44.0	-3,100 sqm (- 0.2 ha)	-23.3	2019-36 need / office supply, City EDNA '20 (sqm, converted to ha at 2.0 ratio) Industrial supply based on Local Plan Reg19 Feb '22.
Melton	2	38.1	2.6	34.4	0.6	-3.7	2021-36 need, HENA '21 . Supply based on permissions and allocations pipeline. Supply at April 2020
NWL	8.9	31.8	17.1	36.5	8.2	4.7	2021-36 need, HENA '21 . Supply based on permissions and allocations pipeline. Supply at April 2020
O&W	1	3.1	2.8	5.7	1.8	2.6	2021-36 need, HENA '21 . Supply based on permissions and allocations pipeline. Supply at April 2020
L&L Total	41.8	297.7	72.4	281.2	30.6	-16.5	Excludes 50 ha at Loughborough Science and Enterprise Park. Excludes -44,600 sqm offices for Leicester

Source: Various as identified in notes

Appendix D – Location and Administrative Areas



Key to Map Two

1. Blaby District Council	5. Leicester City Council
2. Charnwood Borough Council	6. Melton Borough Council
3. Harborough District Council	7. North West Leicestershire District Council
4. Hinckley and Bosworth Borough Council	8. Oadby and Wigston Borough Council