

Please ask for: Sir Peter Soulsby
Direct Line: 0116 454 0001
Our Ref: 2023/September/PK/PS/MH
Date: 12th September 2023



Via email: p.knowles@harborough.gov.uk

Cllr Phil Knowles
Leader
Harborough District Council
The Symington Building
Adam and Eve Street
Market Harborough
Leicestershire
LE16 7AG

Dear Phil,

Leicester Local Plan Submission – Leicester and Leicestershire Statement of Common Ground Housing and Employment Need.

Thank you for you inviting me to your offices recently to discuss the Housing and Employment Statement of Common Ground (SoCG). It was very good to meet you and colleagues.

As discussed, the city intends to submit its Local Plan to Government by mid-September. This follows many years of preparation, supported by excellent work with yourselves and other council partners to establish and maintain a ground-breaking, robust, strategic planning framework for Leicester and Leicestershire through very challenging political territory. It would of course be very helpful if there were a full set of SOCGs on submission of our Local Plan to help inform the appointed inspector/s of our agreed position, and to this end I was very pleased to note your Cabinet support of the report recommending approval of the SoCG to your Council meeting on the 18th September.

I agreed to provide you with more details as to how we have looked at all our options for maximising housing growth within the city's very tightly drawn boundaries.

Leading Delivery

We see housing delivery as a top priority for the council and share the desire to prioritise Brownfield land delivery as far as possible. Last November our Council declared a Housing Crisis [City council declares housing crisis \(leicester.gov.uk\)](https://www.leicester.gov.uk/city-council-declares-housing-crisis/) We also see new and denser housing development on brownfield land in and around our city

OFFICE OF THE CITY MAYOR

Leicester City Council
115 Charles Street, Leicester, LE1 1FZ

themayor@leicester.gov.uk www.leicester.gov.uk

centre as an absolutely key component of our plans to strengthen the centre in the face of ongoing challenges seen by all centres across the country. The Local Plan provides a critical plank upon which many further sites will be unlocked for us to promote delivery.

I am particularly proud of our positive and proactive intervention in the delivery of good quality development, particularly the extensive Waterside regeneration programme delivering a combination of student flats, apartments to buy and rent and family homes.

This area required diligent intervention and we pursued an extremely extensive (and expensive) Compulsory Purchase Order to acquire dozens of underused land interests and to secure a complex regeneration funding pack which I am pleased to say is well on the way to successful completion. More details on this exemplar project can be found via these links - [Transforming the Waterside \(leicester.gov.uk\)](#)
[Waterside | New Build Homes Near Leicester | Keepmoat](#)

I would very much welcome the opportunity to show you and your members around the area and share lessons learnt in the 10 years or so we have been promoting the scheme with our partner developer Keepmoat.

Ashton Green is another area where the Council is successfully acting as master developer and promoter. We are into the third phase of this very substantial scheme and our experience in development promotion allows us fully to understand the costs and challenges of delivery.

These areas have required proactive support and funding from the Government, Homes England, the LLEP and other sources. We continue to meet Homes England, in particular, to seek such funding opportunities and to explore further regeneration and CPO possibilities.

This has shown us how important is an ambitious local plan to unlocking further development opportunities to deliver much needed housing and I remain committed to pushing the scope for both council led and private sector delivery through the current Local Plan.

Local Plan

Officers have given two previous presentations to your members in November 2020 and December 2022, both of which went into some detail about the keys issues we faced and the process we followed in formulating our plan. However, I appreciate that these were given prior to the local elections in May. I have attached a copy of these presentations so that they can be read in conjunction with this letter. We would be very pleased to meet with them again on any occasion when you think it would be useful.

As part of the process of adopting a new plan in Leicester, four consultation exercises have been carried out. At each consultation stage we ran a 'Call for Sites' seeking submission of deliverable sites for inclusion in the plan. Due to the built-up nature of the City, few unconstrained sites are available, and these exhaustive exercises have not resulted in a significant number of new site submissions. This situation is not

uncommon in tightly bounded city contexts and contrasts strongly with rural district contexts where very many developers will be competing to promote allocations on land where they own or hold options for development. It also contrasts with the situation of those urban areas that, as metropolitan districts, saw significant boundary extensions in the early 1970s.

Initial options were consulted on in 2014, before a further consultation in 2017 looked at possible sites in the city that could be allocated for future development. A consultation in 2020 set out draft policies and recommended sites that could be developed to seek to meet Government targets, which have increased considerably over the course of preparing for a new Local Plan. That exercise showed us that an unmet need of almost 8,000 houses was unavoidable in the context of our evidence base and analysis.

As you are aware, whilst we have been developing the Plan, through the 'Urban Uplift' the Government increased our housing need by 35%, adding a further 9,712 homes to our need between 2020 and 2036. In March 2022, it then published more new data which increased housing need in the city by a further 2,800 homes. This has been very challenging indeed.

It means that the overall 'housing need' for Leicester between 2021 and 2036 is 39,424 homes in total. Our supply includes existing planning permissions and other commitments. Of the new local plan allocations, 6,668 (71%) homes are proposed on brownfield sites in the city, with 2,686 (29%) planned on greenfield sites.

Having been designated in 1972/3 as a non-metropolitan district, Leicester is a city with very tight boundaries, so there is simply not enough space for the amount of homes and employment land the Government says we must provide. Despite this, we have left no stone unturned to make best use of the land we do have – for example by utilising brownfield sites where we can, providing more homes in the central development area and revisiting our policy on tall buildings and densities.

We have an excellent record of housing delivery in the city, having delivered an average of 1168 homes per year over the last 10 years. We have worked to strike a balance between providing the homes and jobs needed for Leicester to continue to thrive, and protecting our important heritage, biodiversity and green spaces.

The Urban Uplift expects us to deliver almost 2,500 homes very year. In the context of the above track record of actual delivery, we believe this to be plainly impossible to achieve – even if the sites were available and being promoted as deliverable.

Graphics in the attached presentations confirm we are not starting from a blank piece of paper. The city centre residential population has grown by 45% between 2011 and 2021 – this has been secured through successful development of easier and less constrained sites and building conversions. Our Local Plan supply already includes unimplemented permissions on most of the currently vacant sites. Those few remaining substantial brownfield sites are highly constrained, especially by flood risk, contamination and viability. We have and will continue to pursue active dialogue with

Homes England and the Environment Agency on these sites, but no easy options are available to overcome the constraints.

Central Development Area

Substantial investment (over £100 million) in the Central Development Area (CDA) through the 'Connecting Leicester' project has also contributed to making the city centre area more attractive for housing. In addition, there has also been significant investment in the Highcross shopping centre, the Curve & Phoenix Arts Centre and St Margaret's Bus station, with further planned investment around the Railway Station and Market areas. We plan to continue investment in the central area, particularly in the face of the challenges facing city centre retailing following the impact of Covid – the acceleration of on-line shopping trends and less office workers in the city centre due to increased home working. Housing delivery is a fundamental component to bring footfall and activity to help address these challenges.

The aim of Central Development Area is to enable the city council to direct, optimise and encourage investment whilst managing development appropriately within a local context. High quality design will be used to help create certainty and developer confidence whilst maximising development on brownfield land. It will be the focus of major housing development and has been informed by detailed assessments which provide realistic future patterns of development and predicted housing numbers. These assessments looked at maximising the amount of residential development, and as a result we have increased minimum density targets within this area from 50 dwellings per hectare to 75 dwellings per hectare.

The detailed supporting evidence for the CDA has been checked and validated by independent planning consultants PlanIT IE. These studies have looked at sites, (as per requirements in the NPPF) that have a reasonable chance of coming forward during the plan period noting that the housing targets for the CDA are only minimums not maximums. The council therefore expects that additional sites will come forward now and in future local plans which have yet to be identified but these are accounted for in our proposed windfall calculations. This could include additional city centre brownfield sites which are not currently available for development or additional conversions i.e. above city centre shops. However, the council needs to balance this with ensuring that the city centre has a wide range of uses such as shops, offices, and leisure activities to protect its vitality as well as make sure projections for windfall are evidenced appropriately.

The plan also allows for tall development, although we do have significant constraints where harm will be caused to the city's important historical character. This will be subject of future supplementary planning guidance following the adoption of the plan which will be consulted on separately.

We have increased the projected supply in the CDA from 4,905 to over 6,280 on the latest plan (this is over and above existing planning consents in the supply). We would like to pursue more but it is important to recognise that this element of the plan supply is not backed up by individual promoters and therefore those seeking to undermine our

plan (and with an intention to increase pressure on requirements to be met by districts) will closely scrutinise and challenge us on the evidence of viability/deliverability of this supply. It is therefore in all our interests not to over-estimate the potential of the city centre on the basis of assertions about delivery of development not backed up by evidence.

Wider City allocations

Outside the Central Development Area, the Plan site allocations have been allocated for development across the city following a rigorous analysis of around 1056 sites in Leicester. The identification of these were sourced from both internal and external sources, including extensive 'call for sites' exercises since 2014; responses to local plan consultations; and land identified as potentially suitable from our own Estates Department.

These sites however include many which were subject to significant constraints.

The starting point of our site analysis utilised the Leicester and Leicestershire joint SHELAA methodology to assess the suitability, availability, and achievability of all 1056 sites.

A smaller pool of 433 sites were then identified as potentially suitable following this exercise, before more extensive work followed with internal and external specialists to further explore the potential of each site and provide a range of constraints impacting on these sites. Our final site allocation decisions have been made taking into account the identified constraints, all consultation comments (including those representations from Harborough) at each stage of plan preparation and the overall strategic housing need.

This selection process has maximised the available land in the city, including both brownfield and greenfield land, including a range of parks and open spaces. Our approach has ensured that we have optimised housing development whilst also maintaining a fair and proportionate approach across the city.

The council has had to make some difficult decisions to arrive at the final list of around 60 site allocations. These are predominantly located on council owned land with a small handful of sites being promoted through private ownership due to the lack of available third party owned site despite the repeated Call for Sites exercises. Our planning, development and specialist officers have worked closely together to ensure that the sites can be delivered within the timeframe of the plan, an approach which has equally been applied to the relatively few external landowners promoting sites.

The inclusion of a number these sites has led to considerable criticism and opposition.

More details of the process that we have gone through to allocate sites are contained in a housing topic paper and site allocation documents that will be published alongside the local plan when it is submitted later this month.

Other Matters

In terms of other cross boundary issues you mentioned, it is acknowledged that there will be significant pressures from new growth in Leicestershire on roads and other important infrastructure such as schools and open spaces, green wedges and sports facilities.

Our plan acknowledges this and commits the council to collaborate with our neighbouring authorities on the provision of required cross boundary infrastructure needed to support future growth. Obviously the as yet undefined 'Alignment Policy' which may eventually replace the Duty to Co-operate could be an important mechanism for us to work through in our ongoing Leicester and Leicestershire Partnership and I fully recognise the City will need to recognise that the unmet need taken across the County will need to receive its fair share of this funding through a properly undertaken strategic planning process – we are best placed to do this together.

I hope this provides more clarity as requested. I note that we have a Members Advisory Group meeting on 14th September where we will be updating on progress in respect of the proposed submission of the Local Plan and on SOCGs.

I sincerely welcome your ongoing support in this matter and look forward to working in constructive partnership with Harborough. If you would like to discuss this further, now, or at any time, please do not hesitate to contact me.

As I have said, we are also more than happy to discuss issues again and answer further questions for your members more generally.

Yours sincerely,



Peter Soulsby
City Mayor