



LEICESTER & LEICESTERSHIRE HOUSING MARKET AREA  
MEMORANDUM OF UNDERSTANDING RELATING TO  
OBJECTIVELY ASSESSED NEED FOR HOUSING – JULY 2014

REPORT OF DEPUTY CHIEF EXECUTIVE (COMMUNITY DIRECTION)

WARDS AFFECTED: ALL WARDS

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1. PURPOSE OF REPORT

To seek approval of the Leicester and Leicestershire Housing Market Area Memorandum of Understanding relating to objectively assessed need for housing – July 2014.

2. RECOMMENDATION

2.1 To request Executive to:

- Approve the Leicester and Leicestershire Housing Market Area Memorandum of Understanding (MOU) relating to objectively assessed need for housing – July 2014.

3. BACKGROUND

3.1 The Localism Act 2011 created the 'Duty to Cooperate' which places a legal duty on local planning authorities to engage constructively, actively and on an ongoing basis to maximise the effectiveness of local plan preparation in the context of strategic cross boundary matters.

3.2 The National Planning Policy Framework (NPPF) sets out that local planning authorities will be expected to demonstrate evidence of having effectively cooperated to plan for issues with cross-boundary impacts when local plans are submitted for examination by an independent inspector. This could be by way of plans or policies prepared as part of a joint committee, a **memorandum of understanding** or a jointly prepared strategy which is presented as evidence of an agreed position.

4. LEICESTER AND LEICESTERSHIRE HOUSING MARKET AREA – A  
MEMORANDUM OF UNDERSTANDING RELATING TO OBJECTIVELY  
ASSESSED NEED FOR HOUSING – JULY 2014

4.1 The National Planning Policy Framework (NPPF) requires local planning authorities to have a clear understanding of housing needs in their area. To achieve this in respect of housing, the local planning authorities within the Leicester & Leicestershire housing market area have worked collaboratively to prepare a Strategic Housing Market Assessment (SHMA) to assess their objectively assessed housing need.

4.2 The Housing, Planning and Infrastructure Group (HPIG) and its associated Member Advisory Group (MAG) has been giving consideration to the collective approach to support individual authorities in demonstrating that they

have effectively cooperated in planning for issues with cross-boundary impacts in the preparation of their local plans.

- 4.3 In the first instance, HPIG and MAG have endorsed a 'Memorandum of Understanding' to establish an agreed level of housing need (and whether this can be met) to 2028. This Memorandum of Understanding also sets out the intention for further collaborative work to inform local plan reviews where the plan period will extend beyond 2028.
- 4.4 A copy of the Memorandum of Understanding is appended to this Report. This version was endorsed by Member Advisory Group at its meeting on 24 July 2014 and is now being recommended for approval through the decision making processes of the nine local planning authorities within the Leicester and Leicestershire Strategic Housing Market Area.

## 5. FINANCIAL IMPLICATIONS (KP)

- 5.1 A contribution of £8,495 was made by Hinckley and Bosworth Borough Council in 2013/2014 towards the cost of producing the Strategic Housing Market Assessment.
- 5.2 There are no specific costs associated with the agreement of this Memorandum of Understanding though it should be acknowledged that there is the risk that decisions may be challenged through the planning appeal process which may incur costs for the Council.
- 5.3 Any new housing in the Borough will attract New Homes Bonus once the property is bought into the taxable base.

## 6. LEGAL IMPLICATIONS [MR]

- 6.1 Set out in this report.

## 7. CORPORATE PLAN IMPLICATIONS

- 7.1 This report relates to a memorandum of understanding to demonstrate that the borough council is working collaboratively with other local authorities in Leicester & Leicestershire for use during local plan examinations.
- 7.2 The preparation of the Local Plan is of relevance to the delivery of the following aims of the Corporate Plan:
- 1 Creating a vibrant place to work and live
  - 2 Empowering communities
  - 3 Supporting individuals
  - 4 Providing value for money and pro-active services

## 8. CONSULTATION

- 8.1 The MOU has been prepared on behalf of HPIG and MAG, Groups which include membership from each of the nine planning authorities in Leicester and Leicestershire.

## 9. RISK IMPLICATIONS

9.1 It is the Council's policy to proactively identify and manage significant risks which may prevent delivery of business objectives.

9.2 It is the officer's opinion based on the information available, that the significant risks associated with this decision / project have been identified, assessed and that controls are in place to manage them effectively.

Management of significant (Net Red) Risks		
Risk Description	Mitigating actions	Owner
Inability to fulfil the duty to cooperate as it applies to local plan making as required by the Localism Act 2011 and the National Planning Policy Framework.	<ul style="list-style-type: none"><li>• Approve the MOU</li><li>• Continue to work collaboratively with Leicester &amp; Leicestershire authorities in line with section 4 of the MOU</li></ul>	NT

## 10. KNOWING YOUR COMMUNITY – EQUALITY AND RURAL IMPLICATIONS

10.1 There are no equalities or rural implications arising from this report

## 11. CORPORATE IMPLICATIONS

11.1 By submitting this report, the report author has taken the following into account:

- Community Safety implications – None arising from this report
- Environmental implications – None arising from this report
- ICT implications – None arising from this report
- Asset Management implications – None arising from this report
- Human Resources implications – None arising from this report
- Planning Implications – Contained within the body of the report.
- Voluntary Sector – None arising from this report

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Contact Officer: Richard Crosthwaite (ext: 5695)  
Executive Member: Councillor Bray

## Appendix 1

**Leicester and Leicestershire Housing Market Area – A Memorandum of Understanding relating to Objectively Assessed Need for Housing – July 2014.**