

RURAL, ECONOMIC & ENVIRONMENTAL AFFAIRS COMMITTEE

4TH MARCH 2015

REPORT OF HEAD OF REGULATORY SERVICES

FOOD AND FARMING LOCAL DEVELOPMENT ORDER

1.0 PURPOSE OF REPORT

1.1 To report to the Committee regarding the Council's successful submission of an 'Expression of Interest' for funding to support the development of a Local Development Order (LDO) relating to the food industry within the Borough and to seek authority to proceed with a formal submission for support.

2.0 RECOMMENDATIONS

2.1 That the Committee:

- (i) **Notes the Expression of Interest and response from DEFRA;**
- (ii) **Authorises the establishment of a Local Development Order on the basis described at paras 3.8 to 3.11 below and;**
- (iii) **Supports the formal submission for funding.**

3.0 BACKGROUND

3.1 The Council was invited by the LLEP to make an 'Expression of Interest' to DEFRA for funding to support a 'Food and Farming' LDO as a Pathfinder project, intended to test how an LDO can overcome some difficulties for food related businesses in gaining planning permission for expansion. DEFRA are seeking to develop some Pathfinder projects to test how the LDO can create and support Food Enterprise Zones. The invitation had very tight timescales and was therefore submitted in accordance with their timelines. DEFRA responded to the Council's submission on 11th February explaining that the Expression of Interest had been successful and that a formal submission was invited.

3.2 An LDO grants planning permission to businesses which fit within the LDO criteria, which we ourselves specify, and this removes the need for a planning application to be made by the developer for the types of development described in the locations to which the Order relates. In essence, it is an extension of the concept of 'permitted development', but designed to suit local circumstances and local economic priorities.

3.3 DEFRA's intention is that successful LDO's would then be awarded Enterprise Zone status, allowing businesses concerned to access a range of loans, funding and other forms of support to develop their businesses.

3.4 The Council's submission was founded upon the Borough's strong representation in the food sector in terms of employment, the profile of our manufacturers and their products, and on Melton's reputation as the 'Rural Capital of Food'.

3.5 The application also drew from the existing Economic Priorities for the area, notably the LLEP Economic Growth Plan which identifies this sector as a key driver for economic prosperity and growth.

3.6 The LDO would specify the extent of permitted development by size, location and type and would make use of conditions to ensure the appropriate environmental protection (e.g. noise controls, drainage etc) and provision of facilities (e.g. car parking). It would be the subject of consultation within the industry and would be accompanied by guidance notes explaining the scope and limitations, and also a self – assessment form to allow

enterprises to establish their own eligibility. Conditions could also be used to ensure training, up-skilling and job creation initiatives are integral to new development.

3.7 A key focus of the LDO will be to improve integration within the food chain, linking the farmers at the beginning of the food chain, manufacturers who add value to the food, distribution partners who deliver it, businesses/establishments who sell it and customers who benefit from the high quality food products. As highlighted within the LLEP Food and Drink Strategy broader economic priorities relating to food security and food sustainability will also be encouraged, in regards to:

- Growing and making food
- Buying and selling food
- Cooking and eating food

3.8 As such we would propose that the LDO makes different provisions for different types of enterprises involved in food production - from the farm to the consumer – encompassing all elements of the food chain and the linkages between them. Therefore the LDO would make different provisions for the types of enterprise involved, for example:

- Farms – farms already enjoy wide ranging permitted development rights but are constrained by the limitations built into the legislation, the uncertainties and complexities of the ‘prior notification’ procedure to which they are subject. The LDO offers the opportunity to alleviate these limitations in the appropriate circumstances, e.g. by alleviating the need for expansion, processing or retail facilities (subject to defined purposes and limits on scale etc).
- Food processors and manufacturers – similarly removing the need for planning permission for minor works and expansion within existing complexes. These exemptions would vary depending on their purpose (e.g a more generous provision could be made for training facilities than, say, retail). There is also the possibility of allocating sites which could be encouraged to develop (subject to defined parameters regarding use, size etc) on site(s) currently undeveloped. Melton currently has a number of underutilised but serviced brownfield sites that could be stimulated by such a provision, but we could also consider extending this facility to selected greenfield sites in optimum locations and future mixed use site allocations (through the forthcoming Local Plan), which may also have a benefit in assisting with some of the viability and deliverability issues relating to such sites.
- Retail – broadening the opportunities for small scale changes of use in the food sector, either as ancillary to production and manufacture or as retail in their own right.

3.9 With respect to skills specific conditions could be used to incentivise and subsequently measure the contribution to skills advancement in certain areas. Where a development is advanced under the LDO that specifically nurtures or increases skills, for example in artisan food crafts such as butchery, cheese-making or baking, a condition would be applicable requiring details as to how this would be achieved. This could then be monitored to measure the impact, realisation of ambition and the effectiveness of the LDO.

3.10 We would aim to measure success by ‘results on the ground’ in terms of quantifiable measures such as additional floor-space and manufacturing capacity, training and apprentice opportunities, and new jobs and indicators to interrogate the impact of development in the absence of traditional levels of control and the effectiveness of environmental safeguards (e.g. number of complaints; compliance with conditions). The LDO would be time-limited to 2 years in order to allow review of its impact at a fixed point in the future.

3.11 Success would also be measured by the ‘leverage’ capability of the LDO in terms of securing Food Enterprise Zone Status, external investment and funding opportunities through the national Food and Farming Productivity Scheme (FFPS), and the LLEPs Rural Growth fund (EAFRD), which specifically identifies food and drink as a priority sector for

the rural areas. We would anticipate grant opportunities through the Business Gateway model would be promoted to businesses working in the FEZ area and the key needs of the sector will be identified as part of the LLEP's Food and Drink Sector Growth Plan being produced by PERA on behalf of the LLEP.

4.0 POLICY & CORPORATE IMPLICATIONS

4.1 The LDO is considered to be a major opportunity to incentivise the food sector that plays such a significant part in the local economy. The food industry provides employment opportunities and the LDO is a key opportunity to boost employment but also to generate opportunities for entrepreneurs and to develop skills, all of which would impact positively on the Borough's economy.

4.2 The LDO would be developed on a project management basis using the Council's project management toolkit. This would enable it to integrate with existing reporting mechanisms at all stages, and reporting to the Council's senior management and REEA Committee on a regular basis. The Council would develop a project team to include a senior planning professional and representation at Strategic Director level, and would commission the production of the LDO through the relevant stages which would be as follows:

- Consult extensively with key stakeholders and partners (including the industry itself at all levels) in order to optimise the scope and format of the LDO in terms of its likely effectiveness;
- Producing the draft LDO, defining its scope, exclusions/limitations, the statement of reasons and objectives;
- Meeting the consultation requirements for preparing Local Development Orders, as set out in the Town and Country Planning (Development Management Procedure) Order 2010 (as amended);
- Detailing the consultation methods undertaken by the Council to notify relevant stakeholders;
- Providing detail of the consultation responses received during the consultation and how these responses have been considered by the Council;
- Demonstrating that the Council has fulfilled the legal requirements relating to the preparation of Local Development Orders.

5.0 FINANCIAL & OTHER RESOURCE IMPLICATIONS

5.1 DEFRA are offering financial support for the establishment of an LDO. This would comprise a grant of £50,000 which it is anticipated would be utilised as follows:

- Project Co-Ordinator 60%
- Consumables and materials: 20%
- Management, accommodation etc: 20% which would be transferred to the relevant revenue budgets.

6.0 LEGAL IMPLICATIONS/POWERS

6.1 A Development Order (LDO) can be created under sections 61A-61D of the Town and Country Planning Act 1990. An LDO grants permission to businesses which fit with the LDO criteria, and this removes the need for a planning application to be made by the developer.

6.2 The grant would be paid to the Council under section 31 of the Local Government Act 2003.

7.0 COMMUNITY SAFETY

7.1 There are no direct links to community safety arising from this report.

8.0 EQUALITIES

8.1 There are no equalities issues identified

9.0 RISKS

Very High A				
High B				
Significant C				
Low D		1		
Very Low E		2		
Almost Impossible F				
	IV Neg- ligible	III Marg- inal	II Critical	I Catast- rophic

Risk No.	Description
1	The application is unsuccessful
2	The Council is unable to deliver the LDO

10.0 CLIMATE CHANGE

10.1 There are no climate change issues directly arising from this report.

11.0 CONSULTATION

11.1 No consultation has taken place. However extensive consultation and engagement with the industry and other stakeholders would be an integral element of the LDO as part of its initial production and subsequent development.

12.0 WARDS AFFECTED

12.1 All wards are affected.

Contact Officer: J Worley, Head Of Regulatory Services

Date: 16th February 2015

Background Documents: <https://www.gov.uk/government/organisations/department-for-environment-food-rural-affairs>