

## FULL COUNCIL

25 FEBRUARY 2015

### REPORT OF THE HEAD OF REGULATORY SERVICES

#### LEICESTERSHIRE STRATEGIC DISTRIBUTION STUDY

#### 1 PURPOSE OF THE REPORT

- 1.1 This report updates Council on the Leicestershire Strategic Distribution Study which was commissioned jointly by all Leicestershire Planning Authorities and the County Council, under the 'Duty to Cooperate' arrangements (as overseen by the Members Advisory Group).

#### 2 RECOMMENDATION

- 2.1 **That Council notes that the information in this report is a material consideration in determining planning applications for relevant development, and approves it as evidence to inform the Melton Local Plan.**

#### 3 BACKGROUND

- 3.1 The study was commissioned as part of the programme of work towards the production of Local Plans across the County. The Study is a material consideration and as such will be used to inform decision making on planning applications, and forms part of the evidence base to assist in the development of the Melton Local Plan.
- 3.2 This paper provides a summary of outputs of the study; Part A (Review & Research), Part B (Planning for Growth), Final Report (Strategy for Growth & Support). The paper ends by outlining recommendations for consideration, which includes a stakeholder event.
- 3.3 The study was commissioned to strengthen the evidence base for this sector; to help understand its specific development requirements for large scale distribution (units > 9,000m<sup>2</sup>) and as a platform for joint working and strategic planning.
- 3.4 The Executive Summary and a full copy of the Final Report form Appendix A to this report.
- 3.5 In summary the study evidences the importance of the sector, provides a recommended strategy to meet forecast need under a high replacement scenario, and encourages a positive and collaborative approach to plan for and deliver growth to 2036.
- 3.6 The Part A report essentially gives the 'baseline' position of the sector in Leicestershire. In brief it provides;
- an overview of the sector and its organisation nationally (including air freight);
  - a review of the current market;
  - establishes the existing supply of large scale (over 9,000m<sup>2</sup>/100,000ft<sup>2</sup>) warehouses in Leicestershire;
  - examines freight flows to / from the area by transport mode;

- describes the key locational characteristics of commercially attractive strategic logistics sites;
- provides an overview of the contribution the sector makes to employment (quantity & quality) and GVA;
- summarises the relevant policy context.

3.7 The Part B report concerns planning for change and growth. In summary it provides;

- an overview of the key challenges and opportunities facing the sector;
- an account of rail and highway infrastructure developments;
- Freight flow forecasts to 2036;
- Forecasts of land use requirements for the sector to 2036;
- An analysis of existing & future supply (identifying the gaps) for rail-served & road only sites;
- An assessment of broad areas where new development of commercial logistics sites could be located – identifying Key Areas of Opportunity;
- An estimate of the potential economic benefits (employment & GVA) of forecast growth.

3.8 The final report provides a summary of the key issues, findings and forecasts from Parts A and B, and makes recommendations for a strategy designed to maintain and enhance the county's established competitive advantage. The main focus is the identification and allocation of additional land required to 2036. In brief the report covers; policy advice, sites selection guidance, and other softer measures.

3.9 Four over-arching conclusions are drawn in the report;

- the need to identify and allocate new land to maintain and enhance the sector through Local Plans;
- a requirement to continue long-term strategic and collaborative planning across Leicestershire (and potentially with neighbouring authorities);
- the need to begin preparatory work immediately; and
- the necessity to ensure that rail / road infrastructure enhancement schemes are ultimately delivered.

## **4 POLICY AND CORPORATE IMPLICATIONS**

4.1 The Study will provide evidence and be used as a material consideration when determining planning applications and for the production of policies for the Local Plan. However, it should not be read in isolation and particular attention will need to be given to the infrastructure implications that may arise from any proposal or site selection. Therefore it needs to be understood in conjunction with the other evidence studies that are coming forward, especially the Highways-based impact assessments and the Melton Employment Land Study which is due to be completed in April 2015.

## **5 FINANCIAL AND OTHER RESOURCE IMPLICATIONS**

5.1 There are no financial implications arising from this report and the receipt of this study. The study has been met from the funds allocated in 2014/15.

## **6 LEGAL IMPLICATIONS/POWERS**

6.1 The document is now a material consideration in determining planning applications for relevant development. The document provides detailed

evidence to support and inform the assessment of proposals. The policy context for such proposals is set principally by the NPPF and NPPG which contains policies on making provision for the need for economic growth and for implications for the environment and upon infrastructure.

**8 COMMUNITY SAFETY**

8.1 There are no direct community safety implications as a direct result of this report.

**9 EQUALITIES**

9.1 There are no direct Equalities implications as a direct result of this report.

**10 RISKS**

10.1 Without the evidence contained within the Study, the Council would be reliant on ad-hoc assessment of proposals under the criteria set out in the NPPF.

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

Risk No.	Description
1	Strategic distribution proposals in inappropriate locations
2	A disjointed approach to strategic distribution across Leicestershire

**11 CLIMATE CHANGE**

11.1 There are no direct climate change issues arising from this report, other than that the intelligence provided by the report includes data on optimum transport patterns and the associated use of fuel.

**12 CONSULTATION**

12.1 No consultation has been undertaken as part of this report.

**13 WARDS AFFECTED**

13.1 All wards are affected