

# AGENDA ITEM 15

## FULL COUNCIL

22<sup>nd</sup> JULY 2015

### REPORT OF THE HEAD OF REGULATORY SERVICES

#### MELTON LOCAL PLAN EVIDENCE UPDATE

##### 1.0 PURPOSE OF REPORT

- 1.1 This report seeks approval for a number of technical evidence base documents for use in informing the preparation of the Preferred Options (Draft Local Plan) scheduled for public consultation in October 2015.

##### 2.0 RECOMMENDATIONS

- 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 technical evidence to inform the Melton Local Plan.**

##### 3.0 KEY ISSUES

###### Context

- 3.1 The Planning and Compulsory Purchase Act (as amended) 2004 requires Local Planning Authorities to prepare a development plan for their area. At present this development plan is provided by the saved policies of the Melton Local Plan 1999, read in conjunction with the National Planning Policy Framework (NPPF) and the National Planning Practice Guidance (NPPG).
- 3.2 Following the withdrawal of the Melton Core Strategy from its examination in public in April 2013, it was resolved on 17 July 2013 to commence work on a new comprehensive Local Plan for the Borough alongside a commitment to engage as many people in the process as possible. This included establishing the Melton Local Plan Reference Groups and the creation of the Melton Local Plan Working Group (MLPWG) to oversee the process. A timetable was agreed at this point to progress the plan in stages aiming for adoption in the spring / summer 2017.
- 3.3 Preliminary engagement on the Local Plan was completed in February 2014. On the 30 April 2014 Council approved a draft vision for the Borough. Between October 2014 and January 2015 extensive consultation was undertaken on the Melton Local Plan Issues and Options. This consultation generated approximately 300 responses and 9,000 comments on the key issues and choices facing the development of the Borough.
- 3.4 Informed by numerous engagement workshops with the Melton Local Plan Reference Groups officers are now developing the next formal stage of Local Plan work. This will be a further 12 week public consultation on the Preferred Options (Draft Local Plan). This stage will provide a chance for people to have their say on the preferred development strategy, draft policies and site allocations to guide the development of the Borough up to 2036. It will form part of the process in meeting the requirements of Regulation 18 of the Town and Country Planning Regulations 2014 and provide the Council with the opportunity to adjust the plan before it is

published formally, inviting representations to be considered by an Inspector as part of the public examination.

### **The role of the Local Plan Evidence Base and Studies Already Considered**

- 3.5 The NPPF makes clear that Local Plans must be founded on a robust and credible evidence base. The Local Plan evidence base will be used to demonstrate to an Inspector that the Local Plan is sound i.e. whether it is positively prepared, justified by the evidence, effective and consistent with national policy. The Local Plan evidence base comprises a number of technical studies which look in detail at all issues to be addressed by the Local Plan including, the local housing market, economy, environment and infrastructure needed to support growth. Further studies will be prepared and updated up to, during and beyond the Local Plan examination.
- 3.6 Since July 2013, Full Council has already considered a number of Local Plan evidence base reports. These are listed and summarised in the table at Appendix 1 and will not be covered in detail in this report. However, the evidence within these reports will also inform the Preferred Options (Draft Local Plan).

### **Melton Local Plan Evidence Updates**

- 3.7 Included as Appendix 2 are short summaries of the findings of the following evidence base reports:
- a) 5 year Housing Land Supply Update
  - b) Employment Land Study
  - c) Settlement Roles and Relationships Study
  - d) Alternative Large Scale Strategic Sites Study
  - e) Melton Retail Study
  - f) Strategic Flood Risk Assessment
- 3.8 The full and detailed reports are available in the Members Room and can be downloaded through the web-link at the top of each summary. However the following section provides a short summary of findings of each study and sets out the main implications for the Preferred Options (Draft Local Plan).

### Melton Preferred Options Draft Local Plan Implications

#### **5 year housing land Supply Update (Appendix 2a)**

- 3.9 The NPPF requires Local Plans to set targets for development based upon an Objective Assessment of Need (OAN) and to provide a flexible and responsive land supply to ensure those targets can be met. The Strategic Housing Market Assessment (SHMA) identifies a need for 245 homes a year, running from 2011 up to 2036.
- 3.10 Since 2011, 351 new homes have been built in the Borough, compared with an OAN of 980, resulting in a shortfall of 629 homes (2011 is the key date because it represents the start date for the new plan ; the “plan period”). At present the Borough Council cannot demonstrate a five year land supply. It has a supply of deliverable sites (mainly with planning permission or under construction) of approximately 2 years, which is some way short of the NPPF requirement which is 5 years plus 20%. Up until the Local Plan is in place this can only be addressed by

granting planning permission for new development.

- 3.11 Housing allocations in the Local Plan will boost the housing land supply. However, with the Local Plan not scheduled to be adopted until 2017, any further under delivery up until that point will also need to be made up over the plan period. The likely scenario is that the persistent under delivery of housing development in the Borough since 2011 will see the Local Plan target moves closer to a figure of approximately 300 homes a year (not withstanding further updates to the OAN) as the shortfall needs to be made up over the plan period. For the Local Plan to be found sound at examination it will be necessary to convince an Inspector that Melton can deliver development of this scale, which is a significant risk associated with the overall Melton Local Plan.

### **Employment Land Study (Appendix 2b)**

- 3.12 The Melton Employment Land study (ELS) assesses the demand, supply and need for employment land up to 2036 (Objectively Assessed Need or OAN) informed by dialogue with local businesses to understand their growth aspirations and site requirements.
- 3.13 The ELS assesses the existing supply of land in the Borough and suggests there is currently around 20ha of deliverable land. Based on an assessment of the historical take up of land in the Borough, the study suggests that there will be a need to allocate around 31ha of additional employment land through the Local Plan.
- 3.14 The study recommends that this need is best met through the following allocations in the Local Plan:
- a) An extension to the employment land at Asfordby Business Park/Holwell works of approximately 10ha (B1, B2 or B8 uses).
  - b) As the prestige employment site; an extension to the Leicester Road Industrial Estate of approximately 20ha (mix of B1, B2 or B8 uses).
  - c) An allocation of 1ha in Melton Mowbray to meet a small demand for offices and start-up business space.
- 3.15 Whilst the study does not suggest allocations in the rural areas, it recommends a positive and flexible approach to allow businesses to expand appropriately whilst ensuring Melton Mowbray remains the economic focus of the Borough.
- 3.16 Housing and economic development are related. Providing new homes in the right locations has the potential to influence the availability of the labour force, it also impacts on the distances that people need to travel for work. The ELS and the SHMA provide the most up to date OAN for housing and economic development. The Local Plan will need to set out a strategy which seeks to ensure those needs are met through the most sustainable pattern of development, in the most sustainable way.

### **Settlement Roles and Relationships Study (Appendix 2c)**

- 3.17 The Settlement Roles and Relationships Report assesses the roles and relationships between Melton's settlements by comparing the services, employment opportunities and accessibility of each community. It suggest 5 distinct settlement roles exist in the Borough as follows:

**Table 1: Suggested Settlement Roles**

Main Urban Area	Melton Mowbray
Primary Rural Service Centre (Bottesford, Asfordby, Long Cl. Waltham)	Villages that are capable of acting as a local service centre in rural areas. It has a level of services identified as 'essential', supported by services that are 'desired'. It will have good access to public transport and opportunities to access employment. They are capable of serving basic day to day needs of the residents living within the village or close-by.
Secondary Rural Service Centre (Somerby, Frisby, Croxton Kerrial, Wymondham, Asfordby Hill, Stathern)	A village that is well connected to Towns and Primary Service Centres. It has a regular bus service to nearby Towns and Cities as well as a regular local service. They will have a level of 'essential' services mixed with those that are 'desired' to support and attract residents from neighbouring settlements. Residents are generally drawn to the nearby towns and cities for the majority of their retail, leisure and employment needs.
Rural Supporter	Rural villages which provide some services to meet every day to day needs locally. Services may be shared with neighbouring service centres offering support in retaining those services. Generally have a good access that can be gained through cycling, walking and public transport. Residents generally travel to attractions to meet their basic needs but enjoy a tranquil environment.
Rural Settlement	Small villages and hamlets that have very little or no services.

3.18 The report considers how each type of community has developed in the last 20 years to assess how they and/or the Borough could become more sustainable over the plan period which is likely to be 25 years. This is achieved through an appraisal against the emerging Melton Local Plan vision and objectives.

3.19 The report concludes that an increase in development focussed on the Main Urban Area of Melton Mowbray is likely to have the greatest benefit and ability to realise the Melton Local Plan vision. This would have the potential to generate a critical mass of new homes where the majority of new jobs would be provided in the Borough. An increase in development would also mean a higher likelihood that new development would be able help fund strategic infrastructure to mitigate its impact but also to help address existing issues. It also suggests that there could be some benefit in Secondary Rural Service Centres accommodating additional growth if it meant that services and employment could be made more accessible, particularly to the south of the Borough. Table 2 sets out a suggested broad pattern of distribution alongside the historical pattern of growth.

**Table: Suggested Broad Pattern of Development Distribution for testing**

Role	Historical			Suggested Future		
	1994-2014	Av. Per Settlement	Av. Each Year Per Settlement	2011-2036	Av. Per Settlement	Av. Each Year Per Settlement
Main urban Area (Melton Mowbray)	1943 (55%)	1943	97.2	3981 (65%)	3981	159.3
Primary Rural Service Centre (Bottesford, Asfordby, Long Cl. Waltham)	703 (20%)	176	8.8	919 (15%)	230	9.2
Secondary Rural Service Centre (Somerby, Frisby, Croxton Kerrial.,	176 (5%)	29	1.5	306 (5%)	51	2.0

Wymondham, Asfordby Hill, Stathern)						
Rural Supporter	352 (10%)	20	1.0	613 (10%)	34	1.4
Rural Settlement	352 (10%)	7	0.4	306 (5%)	7	0.3
Totals	3517	N/A	N/A	6125	N/A	N/A

3.20 The report recommends that this broad pattern of development distribution would have highest likelihood of the vision being realised over the plan period and therefore recommends it should be tested through the Preferred Options (Draft Local Plan) consultation and the Sustainability Appraisal.

### **Alternative Large Scale Strategic Sites Study (Appendix 2d)**

3.21 The 'Assessing Large Scale Development Sites' paper considered 11 alternative options for large scale development. All sites except 'directions of growth' to west and east of Melton Mowbray have been put forward by landowners and developers through the Strategic Housing Land Availability Assessment (SHLAA).

3.22 The study assesses the 'sustainability' of each option by scoring them against the emerging vision and objectives and concludes that urban extension options in the form of new sustainable neighbourhoods to Melton Mowbray have the greatest potential to realise the vision and objectives and enhance the sustainability of the Borough. Specifically it suggests they provide the opportunity to strengthen Melton Mowbray's role as the main social and economic focus of the Borough and would provide opportunities to support infrastructure investment. They also have the greatest potential to locate homes adjacent to jobs, thus reducing the risk of lengthy commuting.

3.23 The assessment concluded that the 'Melton North' and 'Melton South' sustainable urban extensions options offer the best opportunity to ensure strategic scale growth is delivered in new sustainable neighbourhoods. They are most able to deliver the outstanding requirements for new housing and employment development and, because of their scale, are able to support the range of services & facilities, public transport and green infrastructure that help to encourage communities to form and reduce the need to travel.

3.24 The 'new settlement' options at Dalby and Normanton airfields and Six Hills were considered too remote from higher order centres resulting in dependency on private cars to access employment and important services and facilities. In addition, there is considerable uncertainty that these proposed new settlements have the ability to provide an appropriate mix of uses, including new employment, education and health services 'on site'. These options also had considerable uncertainty regarding transport choice (including public transport) resulting in reliance on private cars. Specifically they would not provide development where it is felt to be most needed.

3.25 Further work will need to be undertaken to establish whether the sites that perform best through this assessment are deliverable, in terms of the quantity of development required and the ability to afford associated infrastructure (including transport improvements) without undermining the site's viability. Furthermore, further testing of all options will be needed through Sustainability Appraisal process and much will depend on further work needed to understand infrastructure

challenges and how they may be overcome over the plan period.

### **Melton Retail Study (Appendix 2e)**

- 3.26 This study sets out retail needs in the Borough up to 2036 taking account of the current supply in convenience (food and beverages) and comparison (any other goods, including clothing, shoes and furniture) goods floor space and projected population increase.
- 3.27 The study also classifies the Borough's retail offer in accordance with the hierarchy of centres and definitions of the NPPF. It concludes that Melton Mowbray is the Main Town Centre, with Asfordby and Bottesford identified as Primary Rural Centres and Waltham on the Wolds and Long Clawson as Secondary Rural Centres within the terms of the NPPF. The study also recognises that beyond this there is a wider network of other villages that fulfil service functions across the Borough.
- 3.28 Overall the study concludes that it will not be necessary for the Local Plan to make allocations for additional retail development over the plan period. Instead it sets out a series of recommendations and opportunities for meeting future retail provision. The Bell Centre is listed as an opportunity on the basis of its location within the Town Centre and current high vacancy rates. Furthermore, the Bell Centre could be utilised to offer larger units, as identified by the study as being in short supply and in demand from the more national retailers.
- 3.29 In relation to larger residential developments, the report concludes that should urban extensions to Melton Mowbray be pursued any significant development to the south could sustain a new local centre or neighbourhood parade, restricted to A1-5 use classes. This would offer local level top-up shopping (convenience) to the new community. To the north any development would already be well served by the existing convenience offer. Therefore should significant development be pursued in the north of the Borough any significant retail provision should be limited.
- 3.30 The study also advises on thresholds for retail impact testing as part of applications for permission for retail development. For Melton Mowbray it suggests a 200 square metre (gross) threshold operating on a cumulative basis. In relation to the rural areas, the study recommends a flexible policy approach which seeks to retain existing provision and services, but also allows them to enhance their offer, moderately. A zero threshold for impact assessments is recommended. The study also notes that retail provision in the south of the Borough is more limited generally and appropriate opportunities for improvements and enhancements to the Borough's southern villages and settlements should be considered positively.
- 3.31 As required by the NPPF the study also makes recommendations on the extent of the Melton Mowbray Town Centre and shopping frontages.
- 3.32 All these recommendations will feed directly into draft policies to guide retail development in the Borough.

### **Strategic Flood Risk Assessment (Appendix 2f)**

- 3.33 The NPPF requires that Local Plans are informed by an up to date strategic assessment of flood risk. The Strategic Flood Risk Assessment (SFRA) includes updated flood risk maps, an assessment of flood defences, a review of historic

flooding incidents and flood hazards, an assessment of the potential increase in flood risk due to climate change and an assessment of the alternative large scale development site options consulted on as part of the Melton Local Plan Issues and Options consultation.

- 3.34 The SFRA does not identify any 'show-stopping' flooding constraints in the context of the proposed levels of growth. It does, however, make recommendations in relation to potential mitigation measures that would help to mitigate any impacts including the use of sustainable drainage systems (SuDS), incorporating green infrastructure; and seeking to ensure that detailed design incorporates measures to avoid areas at the highest risk of flooding, including hazard free access to sites for vehicles in the event of flooding.

### **Next Steps (Remaining Evidence)**

- 3.35 Further studies are still in the final stages of preparation which will be needed to inform the Preferred Options (Draft Local Plan) and Sustainability Appraisal, specifically these are:
- a) A review of the all of the Borough's Protected Open Areas, Local Green Space and the Landscape Setting of the Boroughs settlements where new allocations may be needed;
  - b) A comprehensive assessment of the Borough's need for and quality of exiting provision of open space, sport and recreation facilities, together with requirements for new development;
  - c) Detailed transport studies which identify the preferred solution to address the transport challenges already identified together with a strategy for funding over the plan period;
  - d) A detailed Infrastructure Delivery Plan which will assess all infrastructure requirements and set out how they will be addressed over the plan period as new development comes on stream.
- 3.36 It is intended that these studies will be reported to Full Council in September 2015, prior to the Preferred Options (Draft Local Plan) being considered by Full Council in October 2015.
- 3.37 These studies will need to be kept up to date and where necessary may be reviewed over the duration of the preparation of the Melton Local Plan and beyond.

## **4.0 POLICY AND CORPORATE IMPLICATIONS**

- 4.1 These studies start to give a picture of the key challenges facing the development of the Borough and how the Local Plan may be able to guide development to address them.
- 4.2 Whilst they give an indication of the likely direction of travel, further work is required to draw upon this evidence and to select the preferred development strategy and draft policies for the Borough. To assist this and in part justify the Preferred Options (Draft Local Plan) a Sustainability Appraisal Report (Preferred Options) will be prepared and published alongside the Draft Local Plan. This will test and assist with testing and refining the alternatives and assessing their social, economic and environmental effects. This exercise will be informed by this evidence.

4.3 These studies are not only relevant to the Melton Local Plan; they provide an evidence base to inform all of the Borough Council's activities and communities wishing to develop their own strategies for the development of their areas through Neighbourhood Plans, and provide evidence to inform decisions on planning applications.

## **5.0 FINANCIAL AND OTHER RESOURCE IMPLICATIONS**

5.1 There are no financial or resource implications arising from this report. The studies have either been produced in house using the resources of the Regulatory Services Team or have been financed through funds allocated in the Local Plan budget.

## **6.0 LEGAL IMPLICATIONS/POWERS**

6.1 The evidence updates are now material considerations in determining planning applications for relevant development.

6.2 The Town and Country Planning (Local Planning) (England) Regulations 2012 requires that plans are prepared based on evidence.

## **7.0 COMMUNITY SAFETY**

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

## **8.0 EQUALITIES**

8.1 The Local Plan is being subject to a detailed equalities impact assessment through each stage of preparation.

## **9.0 RISKS**

9.1

<b>L I K E L I H O O D</b>	<b>A</b>	<b>Very High</b>				
	<b>B</b>	<b>High</b>				
	<b>C</b>	<b>Significant</b>			1, 3, 4	
	<b>D</b>	<b>Low</b>		2		
	<b>E</b>	<b>Very Low</b>				
	<b>F</b>	<b>Almost Impossible</b>				
			<b>Negligible 1</b>	<b>Marginal 2</b>	<b>Critical 3</b>	<b>Catastrophic 4</b>

**IMPACT**

<b>Risk No</b>	<b>Risk Description</b>
1	Any evidence is open to challenge and scrutiny as part of the Local Plan Examination.
2	Evidence needs to be kept up date otherwise the risk of challenge is increased.
3	Evidence is challenged as part of wider Leicestershire Duty to Cooperate
4	Evidence becomes out dated by development proposal advancing ahead of the Local Plan which are inconsistent with the emerging strategy

## 10.0 CLIMATE CHANGE

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

## 11.0 CONSULTATION

11.1 The consultation involved in each of the Evidence Base documents is explained in detail in each individual technical report. The evidence will inform consultation on the Preferred Options (Draft Local Plan) late September / early October 2015 in accordance with regulation 18 of Town and Country Planning (Local Planning) (England) Regulations 2012 as amended.

## 12.0 WARDS AFFECTED

12.1 All.

Contact Officer

Luke Fleming (Local Plan Manager)

Date: 14 July 2015

Appendices :  
1 - List of Evidence already considered by Council  
2a - 5 Year Housing land Supply Update  
2b - Melton Employment Land Study Summary  
2c - Settlement Roles and Relationships Report Summary  
2d - Large Scale Development Site Options Report Summary  
2e - Melton Retail Study Summary  
2f - Strategic Flood Risk Assessment Summary

Background Papers: None