

MELTON LOCAL PLAN (ISSUES AND OPTIONS)

INFRASTRUCTURE DELIVERY PLAN

1 Introduction

- 1.1 This document is the first stage of the Infrastructure Delivery Plan (IDP) which will seek to identify the infrastructure necessary to support the growth proposals in the new Melton Local Plan, as well as determining the estimated cost of this infrastructure and potential sources of funding.
- 1.2 This IDP will form part of the appropriate evidence base which underpins the Local Plan and will be a working document. It will be revised and amended as necessary to ensure infrastructure provision keeps pace with the growth of the Borough and the availability of resources, both public and private, which will be needed for delivery.
- 1.3 The new Melton Local Plan will set out the long-term spatial vision for the Borough and the strategic policies required for delivering that vision. The Plan should set out how much development is intended to happen where, when, and by what means it will be delivered. This will include the number of houses to be built along with other development needs such as employment, retail, leisure, and community uses. The amount and type of essential infrastructure needed to support this development will also be determined, having regard to evidence of need.
- 1.4 The Local Plan must be based on a sound and credible evidence base which informs its preparation and provides details which can also be used to support the Infrastructure Delivery Plan (IDP). New evidence and guidance will become available as the plan progresses and this will be incorporated as necessary.
- 1.5 The IDP contains details of the physical, social and green infrastructure required to facilitate the amount of development proposed in the Borough through the Melton Local Plan. This corresponds with the Government's intention, as outlined in the National Planning Policy Framework (NPPF), that Local Plans should plan positively for the development and infrastructure required in the area. It identifies the importance in ensuring that there is a reasonable prospect that planned infrastructure is delivered in a timely fashion. To facilitate this, local planning authorities are required to understand district-wide development costs at the time Local Plans are drawn up.
- 1.6 The IDP will be formulated through consultation with the providers of infrastructure, including other departments within the Borough Council, the County Council, and external providers such as utilities, emergency services and healthcare providers. The Leicester and Leicestershire Enterprise Partnership will also have an important role to play in supporting economic growth and ensuring the necessary infrastructure is present to support this growth through funding.
- 1.7 Melton Borough Council will investigate the potential for the introduction of a Community Infrastructure Levy in the Borough and the Infrastructure Delivery Plan will be produced in a manner which will allow this to be fully explored and used as supporting evidence.

2 Infrastructure Delivery Planning – Background

2.1 Infrastructure delivery planning has been a formal part of the planning process since 2000 and has gained increasing prominence and importance. The Localism Act, National Planning Policy Framework (NPPF) and National Planning Policy Guidance (NPPG) all recognise the importance in ensuring that the necessary infrastructure is delivered to support development and economic growth.

2.2 The NPPF recognises that it is crucial that Local Plans plan positively for the infrastructure requirements of an area, alongside its development needs. It requires that:-

“Local planning authorities should work with other authorities and providers to:

- *assess the quality and capacity of infrastructure for transport, water supply, wastewater and its treatment, energy (including heat), telecommunications, utilities, waste, health, social care, education, flood risk and coastal change management, and its ability to meet forecast demands; and*
- *take account of the need for strategic infrastructure including nationally significant infrastructure within their areas.” (para 162)*

2.3 The NPPF goes on to emphasise the importance of ensuring that planned infrastructure is delivered. To enable this it recognises that local planning authorities should understand development costs as Local Plans are drawn up and plan for infrastructure and development policies at the same time, assessing the viability of requirements. This Infrastructure Delivery Plan is being produced to help achieve these aims.

2.4 The National Planning Policy Guidance (NPPG) provides further direction on infrastructure planning and states that the plan should be realistic about what infrastructure can be achieved and when. This includes identifying how infrastructure can be funded and brought on stream at the appropriate time; and, ensuring that the requirements of the plan as a whole will not prejudice the viability of development.

2.5 It identifies that early discussion with infrastructure and service providers is particularly important to help understand their investment plans and critical dependencies. This should include the Local Enterprise Partnership to help consider the strategic issues facing the area, including the prospects for investment in infrastructure.

2.6 The NPPG states that the Local Plan should make clear, for at least the first five years of the Plan, what infrastructure is required, who is going to fund and provide it, and how it relates to the anticipated rate and phasing of development. This information can then be used to assist in reviewing the plan and in development management decisions. It recognises that for the later stages of the plan period less detail can be provided as the position regarding the provision of infrastructure is less certain.

2.7 It confirms that the details of planned infrastructure provision can be set out in a supporting document which can be updated regularly. However, the key infrastructure requirements on which delivery of the plan depends should be contained in the Local Plan itself.

- 2.8 The NPPG also states that viability evidence should accompany a Local Plan, showing how the policies in the plan have been tested for their impact on the viability of development. This would allow infrastructure funding and the viability of policies to be addressed in a comprehensive and coordinated manner.

3 Preparing the Infrastructure Delivery Plan (Methodology)

- 3.1 The Melton Infrastructure Delivery Plan will be published in support of the new Melton Local Plan and will ensure that the necessary infrastructure requirements to accommodate the growth contained in the development strategy for the Borough are identified. It will contain the most current assessment of infrastructure needed to support development in the Borough.
- 3.2 The NPPF emphasises that the development which has been identified through the spatial strategy for the Borough should be deliverable. It continues to underline that development should not be threatened by an unreasonable scale of obligations and policy burdens. The infrastructure identified through this document is considered necessary to ensure that the development included within the Local Plan can be delivered effectively.
- 3.3 The Infrastructure Delivery Plan (IDP) will assess all infrastructure items listed to ensure that they are necessary to support the new development which has been set out in the Local Plan and are not addressing existing infrastructure deficits. Whilst new development cannot be required to fund existing deficits, infrastructure provided to support new development can contribute to meeting the wider needs of the community. As required by the Community Infrastructure Levy (CIL) guidance, the existing infrastructure capacity will also be examined and any potential spare capacity in the system will be taken into account when determining the net requirement for items of infrastructure.
- 3.4 The items which appear in the IDP, their suggested timing for delivery, and, an indication of cost will be informed by a suite of evidential studies and consultation with a wide range of stakeholders including:
- All utility companies;
 - All emergency services;
 - East Leicestershire and Rutland Clinical Commissioning Group;
 - Leicestershire County Council services (including Highways, Education and Waste in particular);
 - Environment Agency;
 - Leicester and Leicestershire Enterprise Partnership; and,
 - Melton Borough Council services.
- 3.5 The Localism Act and the NPPF both state that public bodies have a duty to cooperate on planning issues that cross administrative boundaries, particularly those which relate to strategic priorities. This will be undertaken through engagement with neighbouring local authorities and other public bodies through the Local Plan process; the Melton Infrastructure Delivery Plan will be published as part of this consultation process.
- 3.6 The IDP will identify the income streams available to fund infrastructure requirements. This will include the capital programmes of the Council and other infrastructure delivery agencies which are expected to make a contribution to

identified infrastructure requirements. Existing funding provided by planning obligations (Section 106 agreements) will also be included.

- 3.7 From April 2015, the use of planning obligations to fund a single item of infrastructure will be restricted; pooled contributions will only be allowed from up to five separate planning obligations (S106 agreements). This limit also applies to general pooled infrastructure contributions, such as to education or library facilities, which are currently obtained through the S106 route. The Community Infrastructure Levy (CIL) has been introduced to allow local authorities to levy a tax on new development which could fund these items. The money can be used for a wide range of infrastructure, but only that which is needed as a result of development. It should be employed to support and incentivise new development. The introduction of a Community Infrastructure Levy (CIL) to provide an additional funding stream will be fully investigated and progressed alongside the new Melton Local Plan.
- 3.8 Stakeholder Engagement
Throughout the process of producing the new Melton Local Plan infrastructure providers will be invited to comment on the issues, options and proposals during formal public consultations. It is likely that more focussed consultations will also take place in the process of considering options and those around any proposed strategic development sites in particular.
- 3.9 In addition to this the Council have held – and continue to hold - individual conversations with the Local Education Authority, Highways Authority, Social Services, healthcare providers, Network Rail, the Environment Agency, Severn Trent (Water Supply and Sewerage), the National Grid (Gas) and Western Power Distribution (formerly Central Networks) (Electricity Supply), the Police, Fire and Ambulance services, the Leicester-shire and Rutland Sports Partnership and the Waste Authority. Regular meetings will also be arranged with landowners and the promoters of any strategic sites to consider the deliverability of infrastructure required to support the development and potential funding arrangements.
- 3.10 Evidence Base Studies
There have been a number of studies undertaken to support the Local Plan which have provided information about the likely infrastructure requirements. A number of further studies including transport modelling work and a study on the open space and recreation needs of the Borough are currently underway and will inform infrastructure requirements. Further studies and a number of bespoke pieces of work by agencies, such as the Education Authority to model the demographic effects of proposed housing growth and its impact on school capacity, will provide additional detail on requirements.
- 3.11 Analysis of the evidence base studies in combination with advice from infrastructure providers will allow the Council to undertake a two-stage process to infrastructure planning. Firstly we need to understand and record the planned investment partners are going to make within the Borough as part of their existing planned capital investment strategies; generally as shown in their respective published capital programmes. Secondly, having established this baseline level of investment, alongside our evidence base studies, we will consider what additional investment will be required to support the growth proposals of the Local Plan.
- 3.12 The requirements for infrastructure identified will be backed up by an evidence base adequate to justify them. Where it is likely infrastructure will be funded via development contributions we will need to check that the contribution would meet the following tests for planning obligations of being:-

- necessary to make the development acceptable in planning terms
- directly related to the development; and
- fairly and reasonably related in scale and kind to the development.

3.13 Viability Assessment, Prioritisation and Delivery Decisions

It is important to note that the infrastructure planning process should not be limited to mitigating the impact of housing growth proposals through developer contributions. It should consider all public investment in infrastructure, along with funding from other sectors. Nevertheless, developer contributions either direct or via the proposed Community Infrastructure Levy mechanism will be an important resource for gap-funding infrastructure deficits.

- 3.14 Given the prevailing economic conditions, and the recent poor housing market in particular, it is likely that at least in the early part of the plan period the resources available to fund infrastructure will be inadequate to deliver all of the identified requirements. It is therefore necessary to prioritise the infrastructure critical to ensure development can proceed.
- 3.15 Melton Borough Council aims to deliver all the infrastructure requirements needed to support sustainable and high quality development. However, if it is not possible to achieve this we will need to prioritise those infrastructure elements which are critical for the development to progress; these elements will be identified as essential. The remaining elements will be identified as desirable elements, those necessary to support new development but with the precise timing and phasing of when they are delivered being less critical as development can commence ahead of their provision.
- 3.16 As development proposals are refined through the Local Plan preparation process we will undertake viability assessments of strategic developments to judge which elements of infrastructure will be affordable at different points in the development process. This will be an iterative process, allowing for a regular review of viability and the introduction of more desirable elements of infrastructure as improved developer trading conditions, or availability of additional public resources permit.
- 3.17 Management of the Process
There will be a need to oversee and co-ordinate the provision of infrastructure and to inform decisions on the relative priorities of different infrastructure elements. This role will be undertaken by the Melton Local Plan Working Group who will have responsibility for ensuring robust governance arrangements around infrastructure delivery including risk assessment, risk management and contingency planning. The potential for the creation of an “infrastructure delivery group” will be developed. This could comprise representatives from the Council, infrastructure provider partners, the Local Strategic Partnership, the LLEP, and, the major developer interests on strategic sites.

4 **Assessment of Infrastructure Needs**

- 4.1 The assessment of the infrastructure needed to support the Local Plan proposals will be summarised in the form of an Infrastructure Schedule. This will list the identified Infrastructure Projects; Total Capital Cost; Committed Funding; Net Funding Gap; Lead Delivery Agency; and, Proposed Phasing. An example of the proposed layout has been attached as Appendix 1; the projects listed are illustrative and may be altered as evidence directs.

- 4.2 Work which has previously been undertaken has formed the starting point for the assessment but this will need to be updated. The need for infrastructure can rapidly change over time and, whilst highlighting requirements previously identified is useful, it is not truly reflective of the current situation. As decisions are taken through the Local Plan, on issues such as the amount and location of development, it will be possible to undertake more focussed consultation with the providers of infrastructure.
- 4.3 The infrastructure requirements examined by the Infrastructure Schedule will include the following:
- 4.4 Highways and Transportation
The Local Plan will be used to guide decisions on matters such as the location of new housing and businesses, along with the infrastructure to support them, but it is important to remember that, whilst existing issues such as traffic congestion will need to be taken into account, the Local Plan's primary role is not to provide solutions to current problems. Equally, new developments cannot be used to fund infrastructure which would address existing deficits or problems but must simply mitigate their own impact.
- 4.5 There are a variety of methods which can be utilised to reduce the impact of development and relieve congestion. These include measures such as improvements to footpaths, cycleways and public transport networks; using design to minimise the need to use cars for shorter trips; measures to reduce car use, such as travel plans; and, parking provision; along with the provision of new road infrastructure. Some of these measures will cost significantly more than others, for example, the cost of funding for a new bypass around the town would be substantial.
- 4.6 Leicestershire County Council (LCC) is the local highway authority for the Borough and sets out its transport priorities through the Leicestershire Local Transport Plan 3 (LTP3). The County Council, supported by a number of transport studies, have previously identified that the road network in Melton Mowbray is operating close to capacity, resulting in journey times which are unreliable and have a detrimental impact upon the local economy. There have been substantial junction improvement schemes along Norman Way, Melton Mowbray in recent years, but a number of junctions still operate close to capacity in the town. Additional transport evidence is currently being compiled which will seek to provide a more detailed analysis of the situation and provide the basis for proposed solutions.
- 4.7 Melton Borough Council's current spatial strategy for development focuses strategic housing and economic growth upon Melton Mowbray. Whilst the future strategy has not been determined it is highly likely that a significant proportion of development will continue to be focussed upon the town. To ensure that this growth can be accommodated, road infrastructure for Melton Mowbray may be required as a component of the Melton Local Plan.
- 4.8 LCC is unable to promote any new major schemes for public funding in the Borough within the current economic climate, and this is likely to be the situation for a number of years. As there is currently no major scheme programme for public funding the Borough Council must use other sources of funding available to deliver essential highways infrastructure and enable proposed growth to occur.
- 4.9 Whilst there is unlikely to be any investment available to entirely fund major schemes, LCC has historically attracted investment of approximately £10m per annum to the County road network. LCC officers have advised that in the future the majority of this investment (60 to 70%) will be directed to the Principle Urban Area (PUA) and the

main centres of Coalville, Hinckley and Loughborough. Precise figures cannot be determined but these assumptions can be utilised to forecast likely investment in Melton Borough over the plan period to 2036.

- 4.10 Highway modelling work will be needed to understand how development should be mitigated and this will be an important component of infrastructure planning. It is likely that much of the required investment in highways and transportation in the Borough will be focused on the proposed strategic development sites.
- 4.11 Historically there has been the desire by the community for the provision of a bypass to relieve traffic congestion in the centre of Melton Mowbray. Traffic modelling of the area was previously used to assess the possibility of a bypass for the town to relieve the impacts of development. Going forward we will need to consider a series of options to address traffic congestion, which could include the provision of a bypass in the future. This would need to be evidenced as the most appropriate means of accommodating growth and addressing traffic issues for the town.
- 4.12 Education
National policy in relation to education provision aims to offer choice and diversity for the community. Leicestershire County Council, as the local education authority, undertakes modelling work to assess the available capacity of schools in the Borough. This advice will be used to inform the requirements for primary and secondary school places along with the cost of provision of these requirements. The details will be regularly updated as more information is confirmed through the preparation of the Local Plan.
- 4.13 Primary
There are 25 primary schools in the Borough with 6 primary schools in Melton Mowbray and 16 schools in more isolated village locations. The smallest school in the Borough has capacity for 49 pupils and the largest has capacity for 593 pupils; currently there are 4 schools with less than 50 pupils on roll.
- 4.14 Six schools are forecast to have a deficit of places within the next five years, of these 3 are in Melton Mowbray, and a number of solutions are being explored to provide the additional places. The other 3 are in rural village locations, in the case of Bottesford and Long Clawson this growth is largely attributable to housing in these locations. Bottesford Primary has already been extended by one classroom to cope with the additional numbers, and further work may be required in the future.
- 4.15 Whilst there is considerable in and out catchment movement across the majority of schools in the Borough, the area is also a net 'loser' of children to other districts and this has helped mitigate the impact of the rising birth rates in recent years.
- 4.16 Future planned growth in the Borough is still uncertain in terms of precise numbers and location. Currently, in Melton Mowbray the cumulative impact from known housing development proposals would result in a significant deficit of primary school places which would justify provision of a new primary school. There are also a number of other proposals from developers, which are not as well progressed, which may have a similar impact. Given the location of these proposals, and to avoid pupils having to cross the town, it may be that future developments require the provision of two additional schools in the town.
- 4.17 In the rural area a number of schools are likely to require additional places but a single large development would be needed to make the provision of a new school necessary in a particular location.

- 4.18 Secondary
There are currently 4 secondary establishments in the Borough; John Ferneley College, Long Field Academy and Bottesford Belvoir High School are all 11-16 providers; the Melton Vale Post 16 Centre provides post 16 education. All the secondary schools in the Borough are Academies.
- 4.19 John Ferneley College is forecast to have a deficit of places within the next 5 years; however, it operates a shared catchment area with the Long Field Academy, and the total number of places available exceeds the forecast number on roll for the combined schools.
- 4.20 The Belvoir High School is forecast to be full and is showing a slight deficit of 13 places during the next 10 years; the situation at the school will continue to be reviewed, and measures will be taken to address the issues if this trend continues and the deficit of places grows.
- 4.21 At secondary school level the required places resulting from development are unlikely to justify a new school and could be accommodated at existing school sites. However, robust forecasting so far in the future for this age group creates uncertainties. On this basis the potential for safeguarding land to enable school extensions should be investigated.
- 4.22 Special
There is an area Special School located in Melton Mowbray (Birch Wood School), and a unit for pupils with Moderate Learning Difficulties attached to Sherard Primary School.
- 4.23 These results were informed by previous levels and locations of housing growth and will need to be updated regularly as more information has been confirmed through the preparation of the Local Plan.
- 4.24 Health
The Health and Social Care Act set out a number of changes to healthcare provision with local GPs taking more control of budgets and making decisions about what services their local communities require. In April 2013 the East Leicestershire and Rutland Clinical Commissioning Group (ELR CCG) took on full responsibility for commissioning healthcare services for residents in Melton. The ELR CCG also has responsibility for managing an NHS budget and monitoring contract performance of the services commissioned.
- 4.25 The now abolished Primary Care Trust (PCT) had previously advised that the community health services required for development would be provided by mobile clinical staff based at St Marys Hospital. Additional space for GP consulting rooms would also be needed to support the housing growth. The PCT also advised the only feasible solution to providing this space would be an extension to the existing multi-disciplinary health facility in Melton Mowbray, Latham House.
- 4.26 This information is now dated and the Leicestershire and Rutland Clinical Commissioning Group will be consulted through the plan preparation process.
- 4.27 Utility Companies
Previous meetings with Severn Trent (water supply and sewerage), Western Power Distribution (formerly Central Networks) (electricity), and, the National Grid (gas) had indicated that there were barriers to overcome to support planned growth around

Melton. Some localised reinforcement of their networks was considered necessary and would be dealt with as part of the normal costs of development, not as an abnormal development cost.

- 4.28 Whilst these discussions had indicated that no immediate issues were identified, the situation for the provision of utilities can rapidly change and is highly dependent upon the location of development. Further consultation will be undertaken when more certainty is available upon distribution and amount of development.
- 4.29 Open Space and Recreation
The evidence contained in the Melton Open Space, Sport and Recreation Study will identify a range of formal and informal outdoor play space and recreational facilities (indoor and outdoor) as being necessary to support housing growth. These requirements will then be included within the IDP taking account of the Leisure Vision for Melton.
- 4.30 Green Infrastructure
A number of projects have been identified in the Council's Green Infrastructure Strategy which will be pursued through Local Plan policies. Many of these initiatives benefit from support from voluntary groups so the identified capital investment required may be more modest but they will be given consideration during development of the IDP.
- 4.31 Melton Country Park
Both the Melton Open Space, Sport and Recreation Study, and, the Green Infrastructure Strategy for Melton Borough identify Melton Country Park as a major recreational asset. The housing growth in the Borough and associated increased population will add to the use of this facility. An extension of the Park may be recommended to accommodate additional demand and will require inclusion.
- 4.32 Waste Disposal
Leicestershire County Council previously identified a requirement for an enhanced and expanded civic amenity site to support growth. This could be met by an extension to an existing site, or the relocation and expansion of the existing facility to a new site. The cost was previously accounted for at an amount per dwelling and will be requested again once more details on the amount and location of development in the Borough have been determined
- 4.33 Police/Fire/Ambulance
Leicestershire Constabulary have advised that the main issue facing the police will be resourcing requirements needed to serve the growth proposed. Detailed engagement with the police in infrastructure planning for the new Local Plan will be undertaken when definite proposals can be discussed.
- 4.34 Earlier consultations with the fire and ambulance services indicated that there were no requirements for capital investment to support housing growth proposals. These services will be consulted once more when more details of proposed development are known.
- 4.35 Broadband
Access to superfast broadband can be an issue in the Borough, especially in the more remote rural areas. However, a partnership has been developed between Melton Borough Council, Leicestershire County Council, economic bodies, and voluntary and charity organisations to bring fibre broadband to as many premises in

as possible. It is anticipated this will deliver high-speed fibre broadband to 96% of homes and businesses in Leicestershire by the end of March 2016.

4.36 Other Items

The following items are not considered to be infrastructure; however, they are policy-driven costs on the development which could be reflected in viability assessments.

i) Affordable Housing

The funding of affordable housing has been subject to recent radical change. Dialogue with the Homes and Communities Agency and representatives from the Registered Providers of affordable housing will be required to better understand how the funding regime will affect development viability in Melton.

ii) Lifetime Homes

Lifetime Homes are building design standards which improve the comfort and convenience of homes and support the changing needs of individuals and families at different stages of life. These can add to development costs, especially on smaller sized dwellings.

iii) Code for Sustainable Homes

The continued roll-out of the code for sustainable homes may impose additional costs on developments in Melton which must be reflected in viability assessments. These standards are currently under review and more information will be known once the results of this review are published and decisions undertaken by Government.

5 **Assessment of Funding Streams**

- 5.1 As discussed above, planning obligations from development schemes, either paid directly through a S106 agreement, or indirectly through a proposed Community Infrastructure Levy (CIL) will be an important – but not the only – source of funding for infrastructure.
- 5.2 The mainstream budgets of partner organisations continue to represent a significant source of investment in the Borough, even in these times of austerity for the public sector. A review of the capital programmes of public service providers contained in the Infrastructure Schedule will be undertaken to show the investments in Melton Borough by a range of providers over the next two-to-three years. It is our aim that Local Plan proposals will influence the capital spending of these organisations to bring closer alignment between planned public investment and planned growth.
- 5.3 Over recent years the funding landscape has been relatively dynamic with the Government making new and innovative tools available. These have increased the potential sources of funding to finance infrastructure, thus maximising investment possibilities. The types of funding initiatives which may be available to support the delivery of infrastructure include New Homes Bonus and local asset backed vehicles using local authority owned land and buildings and public sector asset disposals.
- 5.4 In addition, funds are increasingly promoted via the Leicester and Leicestershire Enterprise Partnerships (LLEP). The LLEP's Strategic Economic Plan (SEP) sets out how various funding streams will be utilised to build on the area's competitive advantage and tackle major risks to the economy. Such initiatives include the EU Structural and Investment Fund (EU SIF), City Deal, Local Growth Fund, European Agricultural Fund for Rural Development (EAFRD), and, the Growing Places Fund. These could be used to secure funding to support growth aspirations as opportunities

present themselves. It is likely that other funding streams will be made available through the LLEP as the Government envisages Enterprise Partnerships as the best vehicle to drive economic growth.

- 5.5 Other schemes also exist which may provide sources of funding and we will investigate all potential opportunities. For example, the East Leicestershire LEADER, which operates in the Borough, is looking to establish a programme to deliver jobs and growth in rural areas and may provide investment to certain schemes using Rural Development Programme funding.

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ITEM 3A – APPENDIX B

Appendix 1: Example Infrastructure Schedule

Ref.	Infrastructure Projects (to support growth proposals in the Melton Local Plan)	Total Capital Cost (£M)	Committed Funding (£M)	Funding Source	Net Funding Gap (£M)	Lead Delivery Agency	Proposed Phasing		
							2011 -16	2016 -21	2021 -26
	TRANSPORT								
Sub- total									
	HEALTH								
Sub- total									
	EDUCATION								
Sub- total									
	GREEN INFRASTRUCTURE/OPEN SPACE								
Sub- total									
	WASTE								
Sub- total									
	TOTAL								