

FULL COUNCIL

18TH SEPTEMBER 2014

REPORT OF HEAD OF REGULATORY SERVICES

MELTON LOCAL PLAN – MEMORANDUM OF UNDERSTANDING

1 PURPOSE OF THE REPORT

- 1.1 The purpose of this report is to outline the Memorandum of Understanding (MOU) between the local authorities in the Leicester and Leicestershire Housing Market Area (HMA); and, to adopt it as an agreement under the Duty to Co-operate to work together to meet the objectively assessed need for housing in the Housing Market Area.

2 RECOMMENDATION

- 2.1 **Approve for adoption the Memorandum of Understanding (Appendix 1) as an agreement that the levels of need for additional housing can be met in Melton Borough over the period 2011–2028.**
- 2.2 **To note the work that will be undertaken to develop a longer term growth strategy for the Housing Market Area to 2036.**

3 BACKGROUND AND CONTEXT

- 3.1 Under the guidance of the Members Advisory Group (MAG) and supervised by the Housing, Planning and Infrastructure Group (HPIG), officers from all Authorities across the Leicester and Leicestershire Housing Market Area (HMA) have worked constructively to ensure the necessary evidence to support local plans can be put in place as quickly as possible. In particular, to ensure that there is a clear and agreed approach to establishing and formally agreeing the levels of housing need across the HMA to carry forward into local plans.
- 3.2 The Charnwood Local Plan examination has been suspended until 1 December 2014, pending completion of the SHMA and agreement across the HMA on growth levels and any requirement for redistribution. Under the now revoked Regional Plan, Charnwood BC were allocated additional housing growth around the Leicester Principal Urban Area; if the Charnwood Local Plan is found unsound this additional growth may be allocated elsewhere. The Inspector has indicated recently that he expects the authorities to demonstrate an agreement in a Memorandum of Understanding on future growth levels across the HMA to 2028, in accordance with the end date of the Charnwood Plan.

- 3.3 Beyond 2028, a similar agreement on the distribution of strategic growth will be required under the Duty To Cooperate to enable the adoption of Local Plans across the HMA in the future, this includes the Melton Local Plan.
- 3.4 There are a number of pieces of evidence required to enable an agreement to be reached on the future levels of housing growth. The critical elements of this are the Strategic Housing Market Assessment (SHMA) to identify the levels of objectively assessed need for future housing growth; Strategic Housing Land Availability Assessments (SHLAAs) to assess the available land capacity to accommodate future development; and, infrastructure capacity work to ensure infrastructure can satisfactorily absorb the additional levels of growth identified.

SHMA – Establishing the level of future housing need

- 3.5 The SHMA was undertaken on behalf of all the authorities in the HMA by consultants, GL Hearn, and has now been completed. It establishes levels of housing need to 2031 and to 2036.

SHLAA – Understanding the land capacity to accommodate growth

- 3.6 Each Planning Authority has undertaken a SHLAA to an agreed common methodology. Based upon the SHLAA work, officers of the District and City Councils have indicated that they can accommodate the upper levels of need included in the SHMA to at least 2031 and this position has been presented to the MAG. The MAG has agreed this approach and this has given rise to the MOU as presented in Appendix 1, but it falls to each Authority to formally accept the position, and the MOU, individually. This forms the central purpose of this report.

Transport Infrastructure

- 3.7 The County Council is satisfied that at a strategic level, transport modelling indicates that the levels of growth included in the SHMA to 2028 can be accommodated without significant adverse effects. Beyond 2028, however, further work is needed to assess whether sufficient transport capacity exists in several particular locations (in and around Melton is one recognised location),. This does not discount the fact that at a local level development will require mitigation to prevent unacceptable impacts upon the highway network in specific locations.

Conclusion

- 3.8 Local plans across the HMA are at various stages of production and updating. This lends itself best to a three-stage approach in agreeing the strategic growth across the area and will enable the necessary supporting evidence to be in place for plans as they come forward. The current MOU will address the first of these stages; the three stages are as follows:

A) Set out the levels of growth to 2028 in the Memorandum Of Understanding, in support of Charnwood's Local Plan.

The MOU will enable the Charnwood Plan examination to resume, and is attached as Appendix 1. It will also provide a good platform for subsequent

updates to support other plans. The figures that need to be considered in relation to the MOU are set out in the table below.

Local Authority	SHMA (2011-2028)	
	Per Year	Total
Blaby District Council	360-420	6,120 - 7,140
Charnwood Borough Council	810-820	13,770 - 13,940
Harborough District Council	415-475	7,055 - 8,075
Hinckley and Bosworth Borough Council	375-450	6,375 - 7,650
Leicester City Council	1,250-1,350	21,250 - 22,950
Melton Borough Council	200-250	3,400 - 4,250
North West Leicestershire District Council	285-350	4,845 - 5,950
Oadby and Wigston Borough Council	80-100	1,360 - 1,700
HMA TOTALS	3,775-4,215	64,175 - 71,655

B) Further transport modelling work to be undertaken to assess capacity to accommodate growth to 2031.

This will assess the locations, identified through SHLAA work and draft plans, which are likely to come forward towards the end of relevant plan periods. It will provide the necessary evidence that plans with 2031 end dates are deliverable. It is intended that this work will start and be completed as soon as possible. County Council officers are developing a timetable for the project, which will be overseen by a Project Team.

C) Beyond 2031 a more fundamental review of infrastructure capacity and spatial options will be developed

Beyond 2031 there is a need to articulate a longer term strategy for the spatial development of the sub-region to ensure that opportunities for future economic growth are maximised. This longer-term growth strategy is needed because of known challenges about continuation of the existing spatial strategy. This is particularly the case with regard to urban and infrastructure capacity beyond 2031.

4. NEXT STEPS

- 4.1 The transport work referred to in B) and C) will be commissioned and overseen by HPIG, with Project Teams reporting to this Group. It will provide the evidence needed for plans covering the period up to 2036, including the Melton Local Plan.
- 4.2 The Duty to Cooperate is an on-going commitment to work together on the strategic priorities for the area that is tested through the Development Plan process. Therefore, the MOU will be kept under regular review by the partnership to ensure continued joint working on strategic priorities.
- 4.3 The MOU will also be influenced by actual delivery of development year on year, for example, if homes or development plans are not delivered as expected in the short term there will be a need to review the implications for all local authorities and take action accordingly.

5 POLICY AND CORPORATE IMPLICATIONS

- 5.1 Agreement on the distribution of development across the HMA will be required to ensure that the Melton Local Plan is found sound at Examination. This MOU represents the first step in the process and if agreement is not reached then there will be serious concerns that the new Melton Local Plan may be found unsound in the future.

6 FINANCIAL AND OTHER RESOURCE IMPLICATIONS

- 6.1 There are no significant financial or resource implications arising from this report. The work required for future stages is part of Local Plan preparation and will be funded jointly by the Leicester and Leicestershire Housing Market Area authorities.

7 LEGAL IMPLICATIONS/POWERS

- 7.1 There are no legal implications from this report.

8 COMMUNITY SAFETY

- 8.1 There are no significant community safety implications arising from this report.

9 EQUALITIES

- 9.1 There are no direct equalities impacts arising from the report.

10 RISKS

The MOU will be an important component in ensuring that the Melton Local Plan is found sound at Examination; therefore agreement is crucial in ensuring the Plan's success. The risks, in this context are set out below:

Probability



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

→
Impact

Risk No.	Description
1	There is no agreement on distribution of development across the HMA and the Melton Local Plan is found unsound at Examination.

11 CLIMATE CHANGE

11.1 There are no climate change implications arising from this report.

12 CONSULTAION

12.1 The MOU will form part of the evidence base in support of the Melton Local Plan and will be available when consultation is undertaken on the Plan and through the Reference Groups.

13 WARDS AFFECTED

13.1 This report refers to matters that affect the whole Borough.

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Date: 1st August 2014

Appendices:
Appendix 1 Leicester & Leicestershire Housing Market Area – Memorandum of Understanding