

**FULL COUNCIL**

**17 JULY 2013**

**REPORT OF THE CHIEF EXECUTIVE**

**REVIEW**

**OF MELTON LOCAL DEVELOPMENT FRAMEWORK: CORE STRATEGY**

**PREPARATION AND INSPECTION**

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## SECTION ONE: METHODOLOGY

- 1.1 This Review has been set its parameters by Full Council, to understand what happened with the preparation of the Melton Local Development Framework Core Strategy and to take from this learning in going forward. These parameters do not set terms of apportioning blame, but do require acceptance of responsibility for the outcome and that steps be taken to improve processes and approaches in the future.
- 1.2 The review will take the form of a causal analysis and will start with describing the changing legislative context of the Council's preparation of its Local Development Framework (LDF) and in particular the required Core Strategy (CS). It will work through the processes followed to develop the documents telling the Council's journey towards the Examination of the Core Strategy. This will give the Council the opportunity to consider and reflect on those processes, the outputs and outcomes achieved together with the opportunity to learn and review the approach for the future.
- 1.3 Those suggested lessons and issues are set out in Section 5, which together with current knowledge will lead proposals to prepare the new Melton Local Plan (MLP). This will build on work and evidence which it is appropriate so to do from the existing base documents and be supported throughout by Community Engagement and involvement required by statute and beyond.
- 1.4 The methodology employed has been a review of relevant documents, minutes, notes and decisions supported by a series of interviews with interested and affected parties. A schedule of those groups and representatives interviewed is set out in Appendix One to the Review. Without the contribution of those parties the Council would not have the opportunity to review the LDF position in the round. Not all parties could arrange a discussion within the timescale available and some have submitted a contribution in writing. It is noted that this was not due to a willingness to participate, but due to the pressures of other commitments. The Council's thanks to those who were able to participate has been formally expressed.
- 1.5 Comments used within this report have, where stated, been verified with other evidence/comments received. However, on occasions, participants or interested parties had specific/individual issues to bring to the Council's attention or particular views that whilst not indicated by others were relevant in relation to the context, lessons learnt and the approach to be considered for the future. The comments, information and opinion of those interviewed have been used throughout the report to assist the learning and development of the Council's future approach. In general these comments and views are anonymised, save where it is a specific view of that Participant and the source reference is or needs to be clear. This is particularly the case with the Inspector Representative whose helpful information on context, comments on process and current guidance have been attributed in the Review.
- 1.6 The proposed Next Steps in Section 6 details a series of immediate, medium and longer term proposals for the Council to consider, which together with the internal matters to be determined are translated as appropriate into the recommendations in the covering Full Council Report.
- 1.7 A Glossary of relevant terms is set out in Appendix Two.

## SECTION TWO: THE LEGISLATIVE POSITION

- 2.1 The Council started its review of the former Melton Local Plan in 2002/3 within the context of proposed new legislation, the Planning and Compulsory Purchase Bill. This Act passed in 2004 was a key element of the Government's agenda for speeding up the planning system. Under the Act a Local Planning Authority (LPA) must include as Local Development Documents (LDD) in their Local Development Scheme (LDS) those documents which were prescribed together with a Statement of Community Involvement (SCI). These documents set out the Council's policy relating to development and must be prepared in accordance with the LDS.
- 2.2 The Council must have regard to the matters set out within the legislation, including national policies, their own Community Strategy in preparing its local proposals, and to be in conformity with the Regional Spatial Strategy (RSS). A Sustainability Appraisal (SA) of the proposals in each document was to be carried out. This spatial planning approach and group of documents became known as the Local Development Framework (LDF).
- 2.3 Their preparation was supported by a Planning Policy Statement in September 2004 together with a Companion Guide to the Planning Policy Statement which replaced the former Plan Making Manual and were all underpinned by a series of regulations setting out the key aims of the new system and associated transitional arrangements.
- 2.4 In June 2008 a further development of the approach was a new Planning Policy Statement which set out the key ingredients of local spatial planning and how such plans should be prepared. In particular it developed the concept of Core Strategies as a major development document. The Statement was supported by Regulations in the same year which simplified and deregulated the Local Development Plan making procedure, giving the LPA greater freedom to determine the most appropriate way to prepare or revise their DPD.
- 2.5 These Regulations revised the inspection arrangements and were the context within which Councils would have been preparing their plans which included provisions that once documents were submitted to the person carrying out the independent examination there was no opportunity for the LPA to alter the plan even if representations following consultation provide potentially strong reasons for doing so. It was down to the person appointed to carry out the independent examination to recommend modifications, but these could not fundamentally change the nature of the relevant DPD.
- 2.6 The Planning Act 2008 placed a duty on the LPA when preparing their DPD to include policies on climate change which must have regard to National policies and advice contained in guidance issued by the Secretary of State. Further, in 2009 Regulations were introduced which reduced the requirements for Sustainability Appraisals for Supplementary Planning Documents which were seen as a duplication of effort as the Supplementary Planning Document had to be in compliance with an overarching DPD which already had its own relevant Sustainability Appraisal. Also, the SCI was no longer required to be submitted to the Secretary of State for independent examination. These changes were aimed at simplifying the process at that time.
- 2.7 A major change was made to the legislative context in 2011 implementing the policies of the new Coalition Government, with the Localism Act which provided for the abolition of the Regional Planning Tier. The Act introduced the Duty Cooperate on Local Planning Authorities and other bodies such as County Councils which requires them to have regard to activities of those other bodies and at independent examination of the DPD provide evidence that they have complied with the Duty, if their plans are not to be rejected by the Inspector.

- 2.8 Further, the Localism Act requires Councils to publish up to date information direct to the public on their LDS including their compliance with the timetable for the preparation or revision of DPDs. It also changed the Inspection process allowing the LPA to request recommendations for modifications from the Inspector that would make the document suitable for adoption. If this does not occur the Inspector is unable to recommend any modifications.
- 2.9 In March 2012 the National Planning Policy Framework (NPPF) replaced all of the Planning Policy Statements and required Councils to produce a Local Plan for its area, changing the terminology of the Development Plan from CS to Local Plan. The NPPF requires LPA's to use their evidence base to ensure that their Local Plan meets the full, objectively assessed needs of market and affordable housing in the housing market area, as far as is consistent with the policies set out within the NPPF. It further sets out that Local Plans should indicate broad locations for strategic development on a key diagram and land use designations on a proposals map.
- 2.10 As with the changes introduced seven years before with the Planning and Compulsory Purchase Act, the Localism Act and the NPPF altered the Framework under which planning documents were to be prepared, assessed and examined.
- 2.11 These changes were further supported by the Neighbourhood Planning (General) Regulations 2012 which set out the procedure for the designation of neighbourhood areas and neighbourhood forums and for the preparation of Neighbourhood Development Plans and Neighbourhood Development Orders. Further regulations were introduced in 2012 which formally cancelled the Planning Policy Statements and set the planning policy context.
- 2.12 Following initial judicial intervention concerning an earlier provision to revoke Regional Plans, the Regional Strategy for the East Midlands (Revocation) Order 2013 revoked the Regional Strategy for the East Midlands and all directions preserving policies contained in Structure Plans in the corresponding areas. This came into force on 12<sup>th</sup> April 2013.
- 2.13 From the above it can be seen that during the relevant period, the Council was preparing its major Development Plans within two planning policy regimes, one of which was significantly amended. These developed and changed the overall framework at various stages of the plan preparation. The Council was required to comply with these changes and amend its proposals and practices to stay in line and compliant with the relevant legislation.

## SECTION THREE: THE COUNCIL'S JOURNEY

- 3.1 The former Melton Local Plan covered the period 1991 to 2006 and was formally adopted on 23<sup>rd</sup> June 1999. Members were advised in a report to the Rural Economic and Environmental Affairs Committee (REEA) on 22 January 2003 that Local Plans “should be as up to date as possible particularly in view of their status in the determination of planning applications and as a means of encouraging development in appropriate locations”. Therefore, Members approved the review of the then Melton Local Plan with a view to its complete replacement. Members acknowledged that this would be in the context of the Planning and Compulsory Purchase Bill which was introduced into Parliament on 4 December 2002 and required the preparation of LDF which would comprise of a series of LDD supported by supplementary planning guidance.
- 3.2 It was suggested the replacement Local Plan should be based on a key issues approach, carefully targeting those organisations and individuals relevant to the proposals put forward. A series of discussion papers addressing a particular subject would be prepared, the initial three covering Aims and Objectives, Development Strategy, and Village Envelopes and Important Open Areas.
- 3.3 The first of these addressed the importance of the Melton Community Strategy in the new planning process which was shortly to be produced in draft form subject to consultation and set out the aims and aspirations at that time of the Community and Stakeholders.
- 3.4 The discussion paper also set the context of preparation of the Plan within the principles of sustainable development based on the proposition that “the quality of people’s lives and the state of communities is affected by a combination of economic, social and environmental factors”, acknowledging the balance “actions have on society, the economy and the environment”.
- 3.5 During the next three years further discussion papers covering employment and the local economy, Melton Mowbray town centre, countryside, development site criteria, housing opportunity and choice, housing supply and transport, and sport and recreation were presented and consulted upon. This culminated in the Core Strategy Issues and Options document which was consulted upon between April and June 2006.
- 3.6 This document summarised three Options for the strategic location of development in Melton Mowbray and the rural areas. These Options covered splits of 80/20 (Option 1) 70/30 (Option 2) 60/40 (Option 3). The issues with respect to the 80:20 split (Option 1) were summarised as:
- Development has good access to services and facilities, including jobs, shops, healthcare, social care, recreation and education
  - Minimises need to travel and distance travelled
  - Good opportunities for contributions to necessary infrastructure improvements e.g. a bypass for Melton Mowbray, new primary school
  - Provision of affordable homes in Melton Mowbray
  - Good fit with policies and plans at a higher level
  - No opportunity to develop Greenfield housing sites elsewhere (e.g. Rural Centres)
  - Loss of Greenfield land adjoining Melton Mowbray
  - Less infill development in the remaining villages and less brownfield development as a result

The outcome of the consultation on these Options of (61% (Option 1) 21% (Option 2) 10% (Option 3)) was reported to the Melton Local Development (MLDF) Task Group which selected Option 1 as that preferred of the three options consulted upon. This

Option was later supported by the Ptolemy outcomes (transport study) and the Climate Change Assessment (May 2008).

- 3.7 It should be noted that the work carried out by the Council in relation to village envelopes and village boundaries was seen at the time as an exemplar of working with parishes and their communities on this approach. Members dedicated a great deal of time and effort in working with the Parishes and rural communities at this time.
- 3.8 The series of Discussion Papers and the results of the consultation and other responses became part of the “evidence gathering” in the new planning system. These were supplemented by a variety of studies, assessments, relevant strategies and master plan/land allocation exercises which were carried out through to January 2008 with some still to be completed at that time as required in relation to the relevant planning documents. These included the retail study, further traffic studies, strategic flood risk assessment, the town centre master plan and the renewable energy and energy efficiency study.
- 3.9 From the late Summer 2007 the MLDF Task Group began to finalise recommendations toward the Preferred Option consultation which included the split of development between Melton Mowbray and its rural areas, preferred options for Rural Centres and Sustainable Villages, as well as growth options for the town of Melton Mowbray. The document was recommended by a special meeting of the REEA Committee on 28 November 2007 to Full Council to start the formal consultation which commenced at the end January 2008 with a end of consultation mid-March 2008.
- 3.10 Unfortunately, as many are aware on the 30 May 2008 the Council’s main officers were subject to a devastating fire. All of the paper consultations on the Core Strategy (Preferred Options) were lost. This required officers to recreate the consultation evidence base directly with the consultees. Members were advised of this requirement and specifically requested that the submission version of the CS be worked on as a priority. It would be fair to state that such a devastating event did affect the Council’s momentum and associated problems with IT systems also affected this.
- 3.11 This priority was set in the context of the Government’s requirements for a five year land supply as required by a Planning Policy Statements and the circumstances of a recent local enquiry in Leicestershire which highlighted potential challenge as a result of failure to adhere to the land supply requirement. At their meeting on 28 October 2008 the MLDF Task Group discussed making a decision in principle on the direction of growth for the Sustainable Urban Extension (SUE) to Melton Mowbray at a meeting of the REEA Committee at the earliest opportunity to inform the CS. In the context of another debate Members were also reminded that the West was not a growth option for the town as it remained MOD land.
- 3.12 Following this discussion the Task Group required Officers to move towards the submission of a report to the REEA Committee to indicate a decision in principle on the direction of growth. This was encompassed in a recommendation to that Committee on the 1 April 2009 that “the Committee is minded to support Housing Growth Option A (South) along with Employment Growth Option 2 (West) and a Southern and Western bypass between the A606 (Nottingham Road) and A606 (Burton Road) for inclusion in the Melton Local Development Framework Core Strategy (Submission)”. Further additional transport modelling and a SA were also to be required prior to the finalisation of submission together with assurances from the Highway Authority (HA) about the robustness of its traffic modelling. “Members were recommended to utilise the MLDF Task Group to prepare programmes for SUE Masterplanning and an Allocations and Settlement Boundaries Development Plan Document”.
- 3.13 At that meeting Members were advised that “a single urban extension is considered to be the best way of delivering a viable, sustainable, community”. This was specifically stated in the RSS as the way forward for growth and was supported by the evidence.

This was based on an assessment of an Option “D” which was part of the Preferred Options consultation as an option to build in “two or more places”. The study “considered that the fragmented delivery of individual sites represented by Option D to be impractical because the individual sites are too small to support the direct provision of additional services necessary to support an enlarged community”.

- 3.14 Members were further advised that it remained the intention to submit the CS as identifying “broad areas of growth” rather than allocating strategic sites for development which was now permitted within the legislative framework. The main reason for this was that “community engagement had been undertaken on the basis of broad areas of growth and not specific sites.” To now commence this would require further consultation and “further delay the preparation of the Core Strategy”. Members did not comment adversely upon this advice.
- 3.15 The report specifically indicated that there was “very little to choose between Housing Growth Options A (South), Option B (East) and Option C (North), although Option A is marginally preferable”. Members were also informed that with respect to the consultation there was “a preference for Option C (North)” and that overall Option A (South) “is marginally preferred as it is less sensitive in landscape terms and the associated bypass option would still significantly reduce town centre congestion. Housing to the South of the town would also relate well to the preferred employment growth area to the West of Melton Mowbray as well as existing employment areas along Leicester Road. Option A could also deliver a partial bypass option which would link housing growth to that employment growth area”.
- 3.16 With respect to Risk the Committee were advised that “there is little to choose between the strategic housing options, so it is quite possible that the Inspector might not support the Council’s choice. In the circumstances the Council should avoid making any irreversible decisions concerning its housing/bypass and employment choice”. This advice was also available to Full Council.
- 3.17 However, Members whilst expressing “a preference for a single urban extension as the best way of delivering a viable, sustainable community” did not feel able at that time to select between Housing Growth Option A (South) or Option C (North) along with Employment Growth Option 2 (West) and the associated bypass. They required “additional transport modelling and sustainability appraisal work” which “would be considered prior to the finalisation of the Melton Local Development Framework Core Strategy (Submission)”. Programmes for the SUE Master planning were to be prepared together with required assurances from the HA. The Task Group was charged with considering further information on traffic modelling and “to recommend to Full Council its preferred Housing Growth/Bypass Option either Option A (South) or C (North)”.
- 3.18 The Members at the subsequent MLDF Task Group were advised of the progress of the transport modelling and the development of the SA consideration of the direction of growth. The MLDF Task Group also during this period reviewed initial Preferred Options, on a variety of the discussion papers and preliminary preferences in the light of the SA. The topic based papers were brought to the Task Group to consider “the comments received, the results of the sustainability appraisal process, any new evidence, Equality Impact Assessment and how the policy direction being taken fits in with the Vision objectives and other parts of the strategy in general as well as national and regional policy”. These “Towards Core Strategy submission papers” continued to be presented to Members through the remainder of 2009 and on into 2010. This was good practice to audit and reappraise earlier work in readiness for submission. A visit from the Planning Inspectorate was reported to Members with a series of actions that the officers needed to follow (paragraph 5.5, Section 5 below refers).
- 3.19 When recommending to Full Council its proposal for the Direction of Growth the Task Group considered the transportation, landscape, viability and sustainability issues in

relation to both of the remaining options. They carried out site visits and held a detailed discussion of the Options.

- 3.20 It was accepted by Members that despite the further work requested of officers and the consultants “that there was still little to choose between the Northern and Southern growth options”. However, Members had heard that

“both potential development options (North and South) are likely to be fully mitigated with each of the bypass options in congestion terms. However, the level of mitigation achieved for the Southern development is slightly lower with the partial bypass in place”.

“Daily traffic levels within the town centre are forecast to be lower, on average, with the Northern development and partial bypass in place compared to a similar Southern scenario”.

“The reduction and delay based congestion across the model area for the Southern development was significantly lower than that achieved by the Northern development with the partial bypass. This is particularly the case in terms of relieving congestion that is located within, and on approaches to, the town centre”.

“That the partial bypass solution associated with the Northern growth option would cost some £10M compared to £14M for a Southern partial bypass solution”. It was noted that the costs might be lower if the partial bypass were provided as part of the development. Members were aware that only a three-quarter bypass would mitigate congestion to around 2004 levels.

- 3.21 With respect to the SA, Members were advised once again that “the most sustainable option is Housing Growth Option A (South)” in that this option scored highly in relation to “the economic and social SA objectives” it also had “minimal impact on the countryside, biodiversity levels, natural resources and flood risk”. In sustainability terms Option C (North) “scored highly in terms of access to services as it is close to a number of existing services” and that “the bypass associated with this option represents the best highway strategy out of the three options”. However Members were advised that development in this location “could lead to a detrimental impact on the setting of the listed building, recorded protected species and could also sterilise the small area of sand and gravel reserves located towards the South East of the site”.
- 3.22 With respect to viability Members were advised that in general terms “a SUE is considered to be financially viable” but that due to the “similarities of each growth area, the financial appraisals are indistinguishable and it was not possible to identify if any one area has any particular advantage in terms of commercial viability and delivery”. However, it was minuted that “Members noted that the indicative cost of the Northern partial bypass option was less than the Southern option”.
- 3.23 Members took the view “that the environmental disadvantages associated with housing growth to the North, e.g. impact on the Melton Country Park, listed building, and its setting, and biodiversity, could be mitigated when designing the layout of the development and bypass”. Furthermore, “Members felt that the sensitivity of the landscape to the North of the town has been adversely affected by the new John Ferneley College building and that this had a significant impact on the balance between the North and South growth options when considering landscape issues”. This view was held taking into consideration the Landscape Character Assessment Report undertaken by ADAS in 2006.
- 3.24 In short, the Task Group determined “with uncertainty over the availability of public funding for a bypass, development to the North of the town could provide for a partial bypass solution between Nottingham Road and Melton Spinney Road. The new road would need to be provided as part of the development and would not only deal with the

new housing but, unlike the Southern growth option, would provide relief to the traffic congestion in the town centre”.

- 3.25 Furthermore this road could then be incorporated into a three-quarters bypass between the A607 (Thorpe Road) and the A606 (Burton Road). A three-quarter bypass (with either development to the North or South) being the only bypass solution which would mitigate congestion to around 2004 levels”. Members noted the likely increase in through traffic and the impact on certain communities which sit on this route.
- 3.26 An interview with the three remaining Councillors who sat on the relevant Task Group during this process has confirmed this summary remains their view and was how they voted at Full Council. Members indicated that as there was little to choose between the two options in front of them issues were “finely balanced”, they balanced the benefits of the Northern bypass as set out in the extracts above to put their strategy and approach together. They firmly accepted that a single SUE was required and that traffic management for the scheme, congestion reduction and provision of the bypass were key factors within that strategic recommendation. Members considered the period between 1 April and 18 November allowed the traffic information to be fully tested and an understanding of the SA issues acquired. Members reiterated their view of the impact of John Ferneley College in that it could be “viewed from all quarters”. Members were also concerned about taking the benefits for the Twinlakes Park in its proximity to the Northern growth/bypass option.
- 3.27 The Members accepted that the three-quarter bypass was an aspiration, a desire to show that Melton wished to move beyond the road mitigation for the SUE development. This put a marker down. However, Members accepted there was some confusion around how this subsequent element of the decision came to fruition.
- 3.28 The recommendations of the MLDF Task Group were reported to Full Council on 18<sup>th</sup> November 2009, together with a full explanation of the evidence base. These comments made above from the Members were contemporaneously reflected in the major statement made by the Chairman of the Task Group at the Full Council meeting when the Chairman confirmed that the Task Group shared ownership of the report with the Lead Officer “he explained the reasoning for the proposal that the bypass and the housing development needed to be linked and in the same area. He advised that it would only be a commercially viable opportunity for a developer if the housing and the bypass were connected. He further advised that the bypass to the North would alleviate traffic around the town centre and there were fewer such benefits for a bypass to the South. He stated that the Task Group was unanimous in its agreement to the recommendations. He explained that it was the aim of the Task Group to deliver sustainable housing development with planning gain”.
- 3.29 Following a debate concerning the three-quarter bypass element of the recommendation an amendment to remove this proposal was put forward and lost following a vote, Full Council approved as the preferred Housing Growth Option the “Sustainable Urban Extension to the North of Melton Mowbray. The development should provide for a partial bypass between Nottingham Road and Melton Spinney Road which would then be incorporated into a three-quarter bypass between the A607 (Thorpe Road) and the A606 (Burton Road) as shown at Appendix B of the report”.
- 3.30 During 2010 following an offer from Prospect Leicestershire, the Economic Development Partnership to support Masterplanning of the SUE the Task Group and the REEA Committee oversaw much of this work.
- 3.31 In January 2010 officers advised Members “that the County Council” was being asked to undertake further evidence related to the impact of through traffic on settlements around Melton Mowbray. This was an interest area of Members in the light of their Full Council decision on the preferred Housing Option of C (North). Also, at this time a challenge from a neighbouring Parish Council was made to the Council’s decision and

although this was not formalised, Members wished to deal with the matter and reports through to Committees and Full Council were made.

- 3.32 In July 2010 the first attempted revocation of the RSS was made which indicated that several policies may need to be revised including confirmation that the Council's housing figures were correct. Members indicated that "the housing figures and the decision making process from which they were reached should be revisited to confirm MBC is satisfied with these and they can be defended in case of challenge". Officers advised "that the RSS Housing Figures were founded on evidence and had been through a consultation process, any alteration would require a sound evidence base". Furthermore, "the RSS figure was not challengeable, having gone through a formal examination and adoption process". Members noted "that the RSS housing numbers had been agreed by a Full Council, formulated from an evidence base and undergone a consultation process; any changes would need to be supported by a new evidence base". By October 2010 the position was still confused and the Task Group determined that "Core Strategy policy area should be reviewed. Emerging National planning policy initiatives should be tracked to enable implications for the CS to be considered in a timely manner". Members noted that the Localism Bill was scheduled to be released in November 2010.
- 3.33 Work continued in the ensuing months on the Masterplanning for the SUE, the preparation of the Infrastructure Schedule arising and related to the Masterplanning detailed traffic modelling work using the LLITM traffic model. Member also considered the position of the RSS and the new developing planning framework the draft NPPF.
- 3.34 In November 2011 REEA Committee considered a detailed report concerning the "housing requirement figure for Melton". Officers advised in the context of this discussion that "government advice is that local planning authorities should continue to proceed with all due speed towards the introduction of an up to date development plan document for their area. Delays introduced by the removal of the RSS and associated housing figures should not be allowed to introduce lengthy hold ups in the adoption of Core Strategies". Furthermore, "a recent High Court ruling has found it to be unlawful to prepare a Core Strategy without having regard to the housing figure contained within the Regional Plan".
- 3.35 However, Members were advised that "it is possible that the Regional Plan will have been abolished by the time the Core Strategy reaches examination". "In the light of these factors (MBC) need to consider the housing requirement for Melton and how to proceed with plans for housing". Following consideration of a detailed paper setting out the rationale for the Council's housing numbers and its evidence base, Members resolved to "continue to propose a housing requirement of 170 dwellings per annum for Melton in that it resolved "that the Melton Core Strategy be prepared to reflect the East Midlands Regional Plan housing requirement of 3,400 dwellings between 2006 and 2026".
- 3.36 The Council moved its CS a further stage towards submission with its decision to agree to publication of the CS in accordance with the relevant regulations. This major debate within the Council, with a large public gallery estimated to exceed 300 people, closely debated the merits of moving forward with the CS. Significant concerns were raised by some Members arising from a variety of planning, sustainability and community issues. A motion was put forward to defer the decision for publication for a period of six months to allow further work by the REEA Committee and the MLDF Task Group to resolve the "uncertainties" relating to the Member and community concerns.
- 3.37 This motion was amended to approve publication together with further work being carried out upon the "implementation of the road infrastructure identified in the CS which was not "directly attributable to the SUE". A formal recorded vote was taken upon the amendment which was carried. No further amendments were made to that

successful motion and therefore the Council proceeded through to the publication stage of the CS which included full public consultation for the statutory period.

- 3.38 In 11<sup>th</sup> September 2012 the Council considered whether to move the CS to formal submission. A motion to “postpone the final decision on the CS” pending consideration of a variety of issues, these included amongst others the highways model used, proposals for development of housing in the South of the town and that the emerging planning policy from the government had moved. An amendment was proposed during the debate on the motion to formally submit the Core Strategy such submission to take into account in that submission the comments of the MLDF Working Group (formally the MLDF Task Group) and resolve to incorporate these into the submission document. This amendment was carried and the Council proceeded towards the vote on this formal submission motion as the substantive motion. This was subject to a recorded vote and was carried.
- 3.39 The Council formally submitted its CS documents on 26<sup>th</sup> September 2012.

## SECTION FOUR: THE INSPECTION PROCESS

- 4.1 As part of the Inspection process a Pre-Examination meeting is held. In Melton's case this took place in mid-June 2012. The Pre-Examination Inspector carries out what can be called a desk top check of the CS but does not do a full test of soundness. The purpose is to give advice to the LPA on matters that it should deal with prior to formal submission. In mid-2012 this was quite important as the NPPF had been adopted in March and the future of the RSS was uncertain.
- 4.2 The Inspector advised that the CS "seems more or less right, it is simple with the correct the level of detail; the Monitoring and Implementation framework is excellent. There are no major issues and the best course of action is to continue towards submission". (Officer Note.)
- 4.3 On certain important details of the submission of the CS the Inspector recommended that the Council prepare a Statement of Co-operation to meet the Duty and recommended that the details of the Area Action Plan (AAP) which would show the LPA knew some detail as to how the SUE would be delivered such as phasing of the road, "remain in the background, but it should be referred to so the Inspector is aware of its existence". He formally advised that whilst "the desire was to see a single plan document, but at the stage Melton has reached with the Core Strategy production, it is best to continue". With respect to the NPPF the Inspector advised that the LPA should make sure that "missing policies are covered" by way of "tagging" these for future work in the text. The presumption in favour of sustainable development from the Planning Inspectorate's model policy should be included verbatim, together with "the 12 core principles of planning from the NPPF". Some of these changes would amount to major modifications which would, if the Inspector at the Examination was minded to accept them, require further consultation.
- 4.4 With respect to the important issue of housing need and housing figures, the Inspector was advised that the RSS figures had been used and commented "that evidence could still be relied upon". The issue of the plan period was raised but he indicated that "this should not be contentious" and "the LPA should push ahead with the CS".
- 4.5 This gave the officers significant confidence in the CS and they moved towards seeking Full Council consent for submission (paras 3.36-3.38 above refer). The Inspector Representative interviewed as part of this Review has commented that the Council's expectations were "not wrong", but "it did not work out that way..." He further said in June 2012, the Council perhaps should have been moving more closely towards "objectively assessed need", however, the advice received was "not wrong" and the need to address Housing Requirements was "happening in a lot of examinations".
- 4.6 After submission at the end of September 2012 the Council was surprised not to have received an appointment for a Pre-Hearing Meeting. It was believed this was normal practice and would give the Inspector hearing the Examination an opportunity to discuss matters relating to the CS. The Council requested such a meeting and it was held in mid-December 2012. Those taking part have described the meeting as "very processy" or "procedural in nature". Indeed at the start of the meeting the Inspector advised that the purpose of the Pre-Hearing Meeting was to "explain and discuss procedural and administrative matters for the management of the examination" and that he would not be discussing the content or merits of the CS or the representations at this meeting".
- 4.7 Subsequently the Inspector Representative consulted as part of this Review has advised with respect to the Pre Hearing Visit that it is "more common practice not to have one" that they have "no significance either way" and that they are only about programme organisation. He commented that a change in practice at the Inspectorate had taken place approximately 18 months ago. It is fair to say that this is perhaps not generally known or fully understood in the industry as several interviewees have commented they would have expected more at this meeting or another specifically called "Exploratory

meeting” where the concerns expressed later by the Inspector could have been discussed with the Council.

- 4.8 The Examination itself was spread over eight days, from 26<sup>th</sup> February to 15<sup>th</sup> March 2013. It should be noted that the Examination did not sit for full days on some of the dates allocated. Each day or party day had a specific purpose and theme with different Participants in attendance dependent upon the issues to be discussed. Significant days included Day One where Legal and Procedural requirements and Procedural Matters were discussed which concentrated greatly on the missing chapter in the SA appraisal and the impact of this upon Participant’s representations. It has been commented with respect to this day that the Inspector allowed significant evidence outside of legal and procedural matters to be heard, however, he did require that the Council provide a further document which explained “more resiliently the change from Option A (South) to Option C (North)”. This note needed to be “succinct” and to be ready for a subsequent relevant hearing date.
- 4.9 The “settlement hierarchy” was discussed on the second day of the hearing when there was debate about the 80/20 split between rural and urban housing developments. During this day the “flexibility” of the spatial strategy was questioned. In particular the Inspector questioned “the effectiveness of having a strategy based all in one place if it did not offer much flexibility”.
- 4.10 On day three of the inquiry, Housing Policy was discussed and the Inspector “stated that the plan was dated and used household projections from 2004 and invited comments” from Participants. The Council put forward its reliance upon the RSS figures but noted its “imminent revocation” and although this was the case, explained how “the 170 dwellings per annum was in line with the current projections and towards the upper end of the 197 per annum suggested in the potential range of housing requirement by year”. There was further debate at this session focusing on major urban areas for development and the impact this had on rural housing growth.
- 4.11 The SUE policy was discussed mid-way through the Inquiry and detailed discussions took place around the SA issues relating to agriculture, landscape and biodiversity taking into account matters raised concerning the Country Park and deliverability of the Northern SUE, its infrastructure needs, particularly the provision of a bypass. The document requested on the first day which set out the justification for the selection of the Northern SUE was also available for discussion on this day.
- 4.12 At subsequent sessions, Sustainable Travel and the Strategic Road Infrastructure were discussed and a focus around the sustainability of the Northern SUE in relation to transport benefits was raised with other Participants, including points relating to the benefits of a similar development to the South.
- 4.13 As other policies and matters were discussed, the main participants cross-referenced issues relating to the SA, Infrastructure, alternative options, and concerns relating to impact.
- 4.14 On the final day, the Inspector advised of his Preliminary Conclusions which indicated on a range of major issues he had not been persuaded by the Council’s arguments. These included the failure to meet the “objectively assessed needs” as required by the NPPF with respect to the Housing Requirement. This was supported by his views on household forecasts and the imminent revocation of the RSS. He said the NPPF requirement for LPA’s to “significantly boost the supply of housing” was not met.
- 4.15 He was concerned over the timeframe of plan which should have been 15 years and not the 12-13 years the plan could offer “at best”. He had concerns about the housing trajectory on the basis of the information supplied to him by those representing both the Northern and Southern Consortia. Furthermore, the 80/20 split had not been subject to “much detailed evaluation of the three options advanced for the apportionment of

development” and “needed to be reviewed”. His concerns relating to a “significant proportion” of housing development being focused in the SUE presented a “significant risk that the delivery of the Strategy could be jeopardised”.

- 4.16 Finally, he stated he was not supportive of the SUE to the North on grounds that it was not sustainable due to landscape, agriculture and biodiversity issues, that the timescale for delivery was not realistic and transport studies offered little to differentiate in traffic mitigation. He also felt that the Southern SUE offered benefits in relation to the evidence from the transport studies. In short, the Inspector stated “that the sustainability credentials of the South were better. The CS proposal for the Northern SUE” was not as sustainable and cannot be supported”. For these reasons and other additional matters, the Inspector found the CS “unsound”.
- 4.17 The Inspector indicated that these issues could not be put right in a matter of weeks and therefore suspension was, in his opinion, not a realistic option. The Council was aware of longer suspensions which may have permitted such work to be carried out. The Inspector was made aware of these longer time periods including one up to 18 months, but he felt matters could not be resolved through a suspension and recommended withdrawal.
- 4.18 On 15<sup>th</sup> April 2013 following a debate at Full Council, the Council resolved to withdraw the submitted Core Strategy.
- 4.19 The overwhelming majority of those interviewed have expressed surprise at this outcome. Some have indicated that if the examination was “that bad it should have been stopped” or “adjourned” for further evidence, or that the Council “could have plugged the gaps with some reports”. One interviewee has asked why did the Inspector let the enquiry continue for so long if it was “so wrong”. Participators interviewed also commented on the fact that a great deal of detail was asked for that they had not been asked to provide for other examinations of this nature, however this was not followed up by requests “for a lot of work to be done” during the Examination to sustain the Inspector’s views.
- 4.20 The Inspector Representative has advised that the process of dealing with an Examination and the issues that are raised lies with the Inspector. Exploratory meetings, adjournments or further action by the Inspector can take place early in an enquiry process or during the Examination or at the end of it. Melton was “within this spectrum and the Inspector acted “as soon as he was ready”. When dealing with matters there is always an “overlapping and contradictory state of play” and the Inspector must have time to form his views of the evidence. The Melton Inspection was held within the context “a rapidly changing environment” including the impact of the NPPF as it developed.
- 4.21 The Council must acknowledge that the Examination process was properly held and the Inspector carried out his role within the proper rules and guidelines. The surprise of many of those present may be of some consolation to the Council. It is appropriate in the light of the outcome that the Council carry out as requested a detailed review of its position and that it considers the learning from the circumstances arising from the inspection process and the examination. This is set out in subsequent sections of the Review Report.

## SECTION 5: 'THE LEARNING'

This section sets the learning in the context of the earlier parts of the Review pulling together key themes. Some points will include the benefit of reflection which may be considered as "hindsight", however the issues raised are evidenced contemporaneously particularly by those taking part in the Review.

### 1.0 TIMESCALES

- 1.1 The Council started its preparation towards the "New Local Plan" for Melton in January 2003 following preparatory work by officers in 2002. At that time there was a change in planning policy as new legislation was being introduced which would create the LDF for planning policy and planning guidance. The Council used this new Framework approach to develop its planning policy documents. The process was managed through submission of LDS which generally set the direction of work for the ensuing year in particular and later periods additionally.
- 1.2 During 2003-2008 the Council prepared a variety of discussion papers and undertook associated relevant studies. In 2006 the Council carried out an Issues and Options Consultation for the CS, which brought together the various discussion papers, along with other evidence into a single document. In January 2008 formal consultation on the Preferred Options for Growth of Melton Mowbray and other related matters commenced. Following a period necessary to recreate evidence after the fire at the Council's Headquarters in May 2008 the selection of the Preferred Option took place in 2009 narrowing to two options in April 2009 and a formal preferred option in November 2009.
- 1.3 Although the Council accepted its Preferred Option in 2009, there was still further work to do with respect to the preparation of the first document for inspection and in readiness for further documents which the Council wished to submit in reasonably quick succession, such as the APP. The Council did not submit the CS for inspection until 27<sup>th</sup> September 2012, with the final hearing being held in February/March 2013.
- 1.4 This represents a considerable period of time – almost 11 years and during this period the Council was grappling with two major changes in the legislative planning process. The latter of which the "on/off" revocation of the RSS and the implementation of the NPPF (one month after the Council approved its CS for consultation prior to submission) created a difficult context for the Council to move towards its Examination. In particular, representatives of the Northern Development Consortium have indicated that they felt the period from 2009 to 2013 was "too long" for the remaining work that needed to be done.
- 1.5 In particular, four of the interviewees indicated that they considered the views of the Planning Inspectorate were "hardening" in the six months before the Council's Examination as a result of the NPPF. Contributors have indicated that Inspectors were taking a "literal line with the NPPF" and expecting formal "objectively assessed need" despite the length of plan preparation. One contributor added that there was "a material change in planning process as the Inspectors' views hardened".
- 1.6 Consultants and others interviewed also advised that the experience in Melton has had some wider repercussions. In their opinion many Councils are now pausing with their LDF and CS approaches. Further, that there are "a lot of suspensions" and the context had "gone quiet". Indeed, the Inspector Representative from PINS advised that "most examinations are running into serious problems, most struggling, the catch up is affecting (Councils). The NPPF is putting LPA's in a very difficult place. Most inspections are problematic".
- 1.7 The Inspector Representative advised that the best way to approach planning in the current context and framework is to meet the NPPF tests particularly that around "objectively assessed need" with the LPA "always engaging with the latest evidence, not

because (the LPA) have to keep changing their plan but from a point of view of flexibility". A LPA should be "ready to allow change at hearing and during the plan period". He further advised that with respect to "timing for the future, the length of time and complexity of the Plan needed to be taken into account. There was a need to bring evidence together, and conclusions should be consistent".

- 1.8 Flexibility in approach needs to be maintained. The Inspector advised that each new piece of evidence or intervening factor should be seen as "an opportunity" with respect to locations of growth, the question should be asked is "is it likely to be better than the chosen locations. If so, (the Council) need to know its value, but also the deliverability". The Inspector Representative considered that the Council should not "lose the big picture relating to this, things move on..... (the Council) must be ready to react to the changing circumstances".
- 1.9 This was reinforced by the fact that the Council was outside the recommended 15 years for its Plan Period, being approximately 12/13 years in length at the expected time of adoption. Whilst the Pre-Examination Inspector had not foreseen an issue with this in June 2012, it did transpire as an issue for the Inspector at the Examination and affected both the Period requirement of itself and the Housing Requirement.
- 1.10 In short, the Inspector advised that "pace is important". The Council were "too long in a period of rapid change" and "had difficulty in catching up".
- 1.11 The **learning** from the timescale taken in preparation of the CS and the Council's approach to dealing with change was that:
  1. The Council should use the most up to date current evidence and be flexible in terms of refreshing and revisiting its decisions.
  2. The Council must be consistently aware of the "bigger picture" in relation to its overall aims for the MLP.
  3. To maintain pace a Programme Plan should be in place. This needs to be introduced and followed, but in a flexible context.
  4. Work must be comprehensive enough to cover all bases so that it is ready to be used should opportunities arise.
  5. The Council should proactively consider opportunities and be ready to embrace change if a better, more deliverable opportunity or opportunities arise.
  6. Streamlining procedures would assist with achieving the timescales involved.

## **2.0 TELL THE STORY**

- 2.1 Several of those interviewed, including the Inspector Representative have said, or advised, that the Council needed to explain its major decisions contemporaneously. The Northern Consortia advises that it asked the Council in 2009/10 to explain its "reasoning", to "explain how this relates to (the Councils) objectives and say how this points to your direction/decision". One consultant has called this the "plan story" showing clearly what was done over the period with additions as stages are reached, housing selected, options put forward, SA carried out, preferred options considered at each stage, showing the reasoning for these decisions.
- 2.2 It can be suggested that the Task Group minutes of 22 September 2009 give that reasoning, backed up by the Full Council debate of November 2009. However, this shows the Members decisions at a high level and does not relate that back to the detail of the information received and understood as part of that decision over what was many

years of work and consideration. Nor does this record specifically address the further more detailed planning issues, such as those of concern latterly to the Inspector.

- 2.3 The Inspector Representative advises the Council's "building blocks appeared to be correct, where the evidence suggests one route, then (the Council) need to grapple with this and show why" a decision is made. The fact that the SA was "finely balanced" and that those factors related in large measure to environmental matters which are in the planning systems "predominant", places the need for this contemporaneous work in sharper focus. It was accepted that this was a balancing act and should have been reasoned and set out at the time. Both the Council and the consultants URS provided statements to the Inspector at the Examination, but these did not have the opportunity to build on a contemporaneous "story" which put the major work of the Council into context.
- 2.4 After the decision to place the direction of growth to the North of Melton Mowbray the Council commenced, following some discussions with funders and interested parties a Master planning exercise of this area. Intentions at this time were that this work would support the deliverability, viability and developability of the selected direction of growth as well as form the evidence base for an AAP which would allocate land in relation to the Northern SUE. The general consensus is that this work may not have "added the value that was intended".
- 2.5 The aim of this master planning was to assist the Council in it dealing with the Northern Consortia in relation to their arrangements in the context of the planning decisions and planning systems. The consultant instructed to assist the Council in the preparation of the Masterplan has indicated that he considered the document was "a technical exercise to respond to Member concerns as at 2009". This included examination of "landscape, agricultural land, the edges of the town, the setting of the historic building and management of the SUE outcomes". A Governance arrangement was put in place with groups looking at Infrastructure, Housing and Transport. It is possible that this document could have filled the gap identified in relation to the "story" in 2010/11.
- 2.6 However, the consultant stated that he felt this work took "longer than it should" and that "it got away from (the Council) a little bit". The move to the detail on highways matters particularly the junctions promoted a level of consultation which affected resources for work on the CS although at the time this was considered to be part of the necessary evidence base. It has been further commented that this piece of work "could have worked" but that "it did not meet the landowners needs" and "did not join the dots together". The work "started well" the "spirit was good, an exemplar" but it "lost its way" it "got out of hand" whilst taking "energy and effort".
- 2.7 This Masterplanning work was not submitted to the Inspector. At the time it was intended that this would form part of the later AAP. This followed the advice of the Pre-Examination Inspector who advised this work "should remain in the background, but it should be referred to, so the Inspector is aware of its existence". This also followed the Council's legal advice which indicated that whilst the AAP work was necessary as the Council intended in accordance with its LDS to move forward with this document quite quickly, to submit too much detail may be seen as pre-determination.
- 2.8 The Council did submit for the Examination.
  - The Four Concept option plans produced for public consultation:
  - The SUE Baseline Opportunities and Constraints Report providing the basis to the Masterplanning process by looking at all existing evidence and identifying those areas which provide opportunities or constraints to the masterplanning process. For example, the Biodiversity Study was used to identify the non-statutory designated site of nature conservation in the Country Park and the action

recommended no further encroachment onto the Country Park and establishment of a buffer zone.

- The Melton Mowbray SUE Option Appraisal Report which appraises a series of options using criteria such as design, landscape impact, environmental impact, infrastructure, waste transport, delivery and viability. The report set out the findings of the appraisals and demonstrates the rationale for the preferred Masterplan option.
- The Melton Mowbray SUE Planning Strategy and Risk Register setting out the preferred planning strategy options for the Masterplan; a broad indication of the likely advantages and risks of pursuing the preferred approach and a project risk register.
- The Melton Mowbray SUE Preferred Option Report showing a review of all options and taking account of the views of stakeholders and the public this identifies the preferred concept option a collection plans and diagrams such as the constraints (including ecology, flood risk, rights of way, topography, landscape character and key views)
- Schools and community facilities; concept options; and, proposed preferred option.

The Council was not at a stage of having a preferred agreed Option, therefore this was still work in progress and the Inspector was aware of this point in the Examination.

However, this evidence was not persuasive to the Inspection in the context of the broad direction of growth.

The **learning** from these matters is:

1. That the Council should tell its story illustrating why decisions have been made and what is the evidence base and how the decision links to this.
2. The “story” should be openly published with the relevant evidence in understandable format once the decision is made.
3. This should allow the Council to work from an open informed position with those who support or those with concerns or issues be they residents, interest groups, developers or land owners.
4. The Council should control its workstreams maintain pace and focus doing what is necessary whilst adding appropriately to its evidence base.

### **3.0 HOUSING NUMBERS**

3.1 The legislative framework the Council was working within during the currency of the majority of the period of preparation of the CS was that the RSS set the housing numbers for an administrative area such as Melton. Taking into account the calculations of homes built, homes with planning permission and other relevant factors in the latter stages of moving towards submission this calculation indicated a requirement for 1,000 houses to be built during the plan period through to 2026 in the allocated SUE.

3.2 The “Housing Requirement figure for Melton” was considered by the REEA Committee at its meeting of 16 November 2011. The Committee was given relevant government advice concerning proceeding “with all due speed towards the introduction of an up to date DPD” and a warning that “delays introduced by the removal of the RSS and associated housing figures should not be allowed to introduced lengthy hold ups in the adoption of the Core Strategy”. Furthermore, Members were advised that a recent High Court ruling had found it to be unlawful to prepare a CS without “having regard to the housing figure” contained within the RSS. “Members noted that the RSS may be abolished by the time the CS went for examination and therefore a full and formal review of Housing Requirements was carried out by Members (paragraphs 3.34-3.35 refer).

- 3.3 As part of this review Members noted that the Housing Requirements of the RSS of 170dpa fell towards the higher range of the most recent market study and stood the test against other factors such as employment growth. Members were made aware that the most recent figures would need to “go through a process of extensive consultation to examine the various options for development in the Borough, local opinion and the housing requirement figures which would result”. It was considered that this did not sit well with the recent government advice to “have plans in place as soon as possible to deliver development that reflects the vision and aspirations of the local community”. In the light of this and taking into account where the Housing Requirement figure sat within the evidence base, Members resolved to retain the RSS Housing Requirement.
- 3.4 The Council adopted these requirements in its CS which it approved for consultation in February 2012 and asked the Inspector at the Pre-Inspection visit in June 2012 whether the RSS figures could still be relied on as an evidence base. The Pre-Submission Inspector indicated that “this shouldn’t be contentious and we should push ahead with the CS”. Officers indicated a review would take place at an early date and the Inspector advised that a paper should be produced showing this process based on an updated Strategic Housing Market Allocation Assessment.
- 3.5 Officers were further encouraged in this regard when the examination of the Blaby CS in October 2012 indicated that the Inspector confirmed the use of the RSS figures as the sound evidence base. It was accepted for Melton that there would be a need for an early review of the housing numbers taking into account both the developing Housing Market position and the plan period/land supply. This was approved at the REEA Committee in January 2013. Consultants have indicated that this was a “standard default position” for Councils who were moving towards adoption of a CS when further work would be needed upon Housing Requirements.
- 3.6 A further issue related to housing numbers concerned the view that the allocation as it then stood was flawed with respect to provision of housing in the rural areas. Consultants on behalf of Melton North Action Group (MNAG), Participants at the Examination advised that the allocation was close to meeting the allowance for small sites so there would be no development in the sustainable villages from an early point in the plan period. The Council’s Interim Manager was concerned about this and offered a solution to the Inspector with respect to the remaining allocation which would enable 40% of the remaining homes to be provided in the sustainable villages. The Interim Manager further advised that the precision of allocating percentages is not usual practice, commenting that “most” Councils would provide “indicative detail” which would allow a certain element of flexibility with rural provision. This point was also one exercising several rural communities which felt their sustainability and development was not adequately catered for within the Plan.
- 3.7 At this time the Council was also concerned with its Five Year Lane supply, several discussions were held at the MLDF Task Group during this period concerning this matter. Also a local appeal had been lost, although others were successfully defended. This gave concern to Members and Officers as to the potential fragility of this position.
- 3.8 The Inspector Representative has commented that the Council was “not wrong” to rely upon the advice of the Pre-Submission Inspector. He further advised that the Council should, when looking at its housing requirements, “scoop the figures in now” so that only small adjustments may need to be made to the Plan at submission as appropriate. A Council would be “consistent with National policy to take a top figure, the optimum basis, but should not undermine deliverability” he further commented it was easier to “scale-back” than for a Council to “play catch-up”.

The **learning** from this is more difficult. The advice received is that the Council complied with the legislative requirements, took a measured view, checked its Housing Requirements at the appropriate time but was still found wanting in relation to these

matters. The learning should perhaps be related to paragraph 1.4 above, which illustrates the “hardening” of the inspection view of compliance with the NPPF requirements for “objectively assessed need”. However, **learning** can be taken from:

1. The need to be flexible in approach to Housing Requirements and need and in the initial stages of preparation to ensure that all evidence relating to known or potential changes is taken into account and is part of the process. This should avoid the need to play “catch-up” with respect to major evidence changes.
2. Whist percentage allocations may not appear to be as precise as specific numbering they can be turned into such numbers and therefore “indicative detail” should be considered as this may give more flexibility to meet community need.
3. Ensure that the bigger picture is assessed (five year land supply) so that optimum advice is given and not that related to short-term expedient measures.
4. Keep the evidence base in line with a proper and defensible Plan Period.

#### **4.0 SUSTAINABILITY APPRAISAL**

- 4.1 The Council had particular difficulties with respect to the SA used within its decision making. The professionals advise that such an appraisal for a direction of growth approach is affected by “the ability to predict effects accurately” and is “limited by an imperfect understanding of the baseline”. Minimal assumptions should be made in determining the SA, therefore issues which could affect the broad direction of growth were taken into account even if at a later stage the baseline evidence shows that a particular factor can be adequately mitigated.
- 4.2 It is accepted that the Council was entitled to take a different view from the interpretation put forward in the SA. As stated in Government guidance “ultimately the significance of an effect is a matter of judgement and should require no more than a clear and reasonable justification”. Therefore, there is no provision within the relevant directives guidance or regulations which states that the option identified as the “best performing” or “most sustainable” in the SA report should be the one adopted.
- 4.3 In Melton’s case the appraisal was a desk-based exercise informed by the evidence base provided to the professionals. The appraisal is undertaken on the assumption that detailed sustainability issues would be more appropriately assessed at the site allocation or the planning application stage. In early examples of SA methodologies an attempt was made to create a sense of “scientific rigour” by using a scoring and/or weighting process for appraising policies or broad locations. The Council’s consultants URS used such an approach for the 2009 SA.
- 4.4 Those consultants now consider this gave a sense of “false precision”. The professional advisors have moved away from this appraisal methodology for policies and broad locations advising that attempts to score the likely significant effects gives this “false precision”. The consultants advised the Inspector of this change of view at the Examination and stated “if we were to undertake this appraisal now, four years later, we would take a different approach”. However, the Inspector found the approach robust and persuasive.
- 4.5 It was clear from the SA reports on the preferred options, the consultants advised that “there is little between the four options for the growth of housing”. In the further report commissioned at the request of Members to look in more detail at Option A (South) and C (North). Option C (North) scored negatively on a number of environmental objectives, which meant that overall it did not score as highly as Option A (South). These issues related to detrimental impacts on the setting of a listed building, presence of recorded species on the site and sterilisation of a small area of sand and gravel reserves. Flood risk was also raised as an issue. However, the SA report considered that mitigation

measures could be put in place to address all of these issues. Subsequently these issues have been addressed through such mitigation. The consultants point out that the objectives against which Option A (South) scored worse in this 2009 appraisal relate to locational factors which cannot be as easily addressed by mitigation.

- 4.6 The Inspector was very much concerned at the impact of the evidence concerning landscape issues with respect to the Northern SUE. He stated in his Preliminary Conclusions letter to the Council that “In terms of landscape, the northern area is categorised as having the highest value landscape around the town, this was confirmed in ..... 2006 and again in 2011”. In April 2011 the Council’s consultants ADAS advised with respect to John Ferneley College following the decision. “Whilst it is recognised that the new school buildings are visually apparent from a number of viewing points, the farmland fringe description is still valid. The new school buildings were also developed within the existing school grounds and therefore had no direct impact on the physical characteristics of the surrounding area. The rolling landscape of fields and hedges and the mixed pasture and arable land remain unaffected by the development”.
- 4.7 URS, the consultants, accept that there is a role for democratic leadership in these decisions. Members honestly looking at the options, can come to a different conclusion. They “do not need to slavishly follow the evidential conclusions (of the SA) but there must be a reasoned route through”. The Inspector’s Representative made a similar point, he said that the SA “should not stop Members choosing other benefits”, he added “normally (Members) should go with the evidence, (but this) should not determine the outcome of the Plan. (Members) should be engaged with (the process)”. It is, he concluded, “not wrong in principle to do this”.
- 4.8 However, both the consultant and the Inspector Representative say that this decision should be “transparent” to enable those interested to see how the Council has made its decision. MNAG made a similar point. The Council had appointed professionals to advise and guide them and they considered there was a lack of understanding as to why the Council made particular important decisions not taking this advice. The transparency was not assisted by the fact that there was poor communication/PR surrounding the decisions made in 2009. URS make a similar point indicating that it should have been apparent to the public that Members were “working to the evidence” and making an “honest appraisal”. This would assist the public to better understand the decision making.
- 4.9 It is suggested that this point links quite closely to that concerning the need at appropriate times to ensure that there is a clear contemporaneous record of Member decisions which are broader than the minutes/records of meetings and are in the public domain to enable further discussion and consideration of concerns to build an understanding within the community. As the Inspector Representative said Members can make an alternative decision but they must be seen to “grapple with the evidence and say why” they have made such a decision.
- 4.10 There was unfortunately a further issue with the final submission SA in that it was missing a concluding chapter – Chapter 8 (actually submitted as part of Chapter 3, when remedied). This chapter would have pulled together “the Council’s view on the way in which the appraisal influenced plan development”. There was cross-referencing of this Chapter within the report but its omission was an error. URS have taken full responsibility for this error and have advised that this “was not due to a lack of understanding of the requirements of the SEA directive”. This omission was remedied during the pre-examination process and was ready for the Inspector at the hearing.
- 4.11 It is clear, however, that this affected the preparation by Council Officers for the inspection itself. Legal matters had to be researched, examined and explained as well as dealing with the concerns of Participators and others that this Chapter had not been available for their consideration in adequate time before the Examination. Persuasive case law (Cogent Land LLP v Rochford DC and Bellway Homes Limited) supported the

Council's late inclusion of this part of the document and whilst it has to be accepted the Inspector was not comfortable with this omission and the resultant issues and concerns, he did not base his conclusions in any major way upon this omission.

- 4.12 This omission "side-tracked" the Council from its major preparation and created an issue for the Council in the early sessions of the Examination process. No process goes smoothly but this was a significant issue to be dealt with.

Whilst problems do occur and need to be properly dealt with in any long running process, there is **specific learning** associated with this matter.

1. A contemporaneous record of the justified and evidenced based reasoning of the Council in making particular decisions should be made. This is part of the Council's "story" and should be made available to the public, particularly those with concerns so that they can understand the reasoning behind the decision.
2. When requesting consultants to carry out work for the Council, a quality check on the final product by relevant professionals should be carried out. Case law had developed sufficiently to enable the Council to handle this matter but this may not have been the case.
3. As there was no clear justification from the Council prior to the Inspection other than in standard documentation submitted and the relevant minutes of meetings, there was no contemporaneous fully evidenced rebuttal that could be made to the Inspector's focus on the landscape and other environmental issues. Consideration should be given at Member level concerning the submission of key documents relating to the focus of work to ensure the correct picture is given to the Inspector.

## 5.0 HIGHWAYS

- 5.1 The Inspector was advised by the HA that the transport work commissioned has shown "marginal differences" between a Northern or Southern SUE but also that both can be "mitigated against to a greater or lesser extent with different bypass options". Further, a Northern SUE would result in shorter journey lengths and a greater proportion of the journey staying in the town resulting in lower concentrations of CO2 emissions across the County. The proposed bypass would aid connectivity as it would "enable greater options" for East/West movements which currently puts added pressure on Norman Way. The "Northern SUE would conform more with the principles of a SUE by retaining more trips within the town. This "fits with the principle behind the NPPF" by encouraging journeys by sustainable means.
- 5.2 This evidence was supplied by the use of three traffic models, Ptolemy, Saturn (MVA) and the latest Leicester and Leicestershire Integrated Transport Model (LLITM). Each study contributed to the highways evidence base presented. Concern has been expressed that there were three traffic/transportation studies carried out. Comment has been made that this did present "so much evidence which could be used to undermine the approach". Indeed the HA may agree with this suggestion and have indicated that they initially advised against the use of the LLITM model as the main decision of the direction of growth had been made.
- 5.3 Other commentators have suggested that a "summary position" or a "statement of common ground" would have helped explain more fully the highways position and illustrated to the Inspector that the parties were "talking as one". From the HA perspective there was seen as a need to set out the "story" for the housing choice and indicate that the story is "different" and that the Council was "sorting issues out in a different way". The strategic right of Members so to act should have set the context for this evidence.

- 5.4 The HA participated in the Masterplan group with principles agreed by the time of the inspection between the HA, the Council and the Developer Consortium. This is supported by the Northern Consortium who stated in their submission “the presumption of contribution from the SUE to facilitate delivery of the relief road is agreed”. The HA has noted that MNAG “did not challenge the HA” upon the highways evidence. However, the Group have advised that they felt the Masterplanning was a “major concern” with respect to “mitigation which did not appear to be in the costings”.
- 5.5 Members were advised in the Front-loading Report from the Planning Inspectorate in July 2009 that “the impression should not be given that the bypass is the main reason for the decision to locate the majority of the development at Melton Mowbray” but also that the “credibility of the traffic models need to be proven” and “the feasibility of the SUE, the infrastructure needed, who will provide this and when the scheme will deliver development needs to be assessed”.
- 5.6 The latter point was being dealt with through the Masterplanning activity which was subject to public consultation and therefore raised certain expectations that these matters would be dealt with as part of the CS consideration rather than part of a more detailed AAP later in the process.
- 5.7 The Inspector appeared to accept this point as the HA considered he endorsed their performance as satisfactory in the context of the CS work.

The **learning** from this aspect of the Council’s work is:

1. The time taken to complete the CS resulted in the use of three traffic models. This placed a plethora of evidence in the inspection arena. This was not seen as helpful to the Council’s position by the HA.
2. The Master planning work dealing with the detail of junction improvements for the AAP became understandably linked in the minds of others to the evidence base for the CS.
3. The story of the CS decision its links to the highways and transportation benefits was made but not fully and adequately explained as part of the contemporaneous and later story of the CS approach and submission.

## **6.0 CAPACITY AND OFFICER APPROACH**

- 6.1 One of the interviewees has made the point that as Melton is a “small Council, experience is lacking” of the requirements of major planning enquiries. The Council’s officers have “not gained or lack knowledge of what to look for” as is the case in larger district councils. Two interviewees mentioned the officer turnover, particularly that six-eight months before the inspection as having “an impact”, however, one of the two interviewees added that the Council was “still dealing with the same evidence base”. To deal with this difficulty the Council engaged an experienced and knowledgeable planning policy manager for the interim period of the inspection. This officer was much encouraged by the feedback from the Pre-Submission Inspector in relation to the work to be done and was able to negotiate the Council through to the Examination, however, as seen in Section 4, the deep seated concerns of the Inspector could not be assuaged. The Inspector gave specific thanks to the Interim Manager, as well as to the team.
- 6.2 The Council’s Planning Policy Team is seen as small, and although resources have been added such as that related to Affordable Housing provision, the challenge to the Team to meet the revised Plan timetable is significant.
- 6.3 However, the Northern consortium has commented that the officers have been good “in keeping partners together and moving forward the evidence base/Masterplanning. They comment their “spirit was good” and the process was an “exemplar” of this type of

engagement. A related comment indicated they were “proactive” in the “use of the work done on the evidence base”. “Energy” was shown even at times of slippage in the Programme.

- 6.4 The however, those with concerns did not feel so well engaged. MNAG in particular have raised major concerns in this area. There was a feeling that the Group was “not listened to”, there was a perception of officers, that they considered the Group did not wish to engage with the Council. The Group has heavily criticised the planning policy approach. MNAG has commented that throughout they wished to engage and have acknowledged such an offer was made by the Chief Executive but their direct experience with the Council did not show this to be always the case.

The **learning** from this mixed opinion is suggested to be:

1. A programme of continuous development is undertaken for relevant officers to upgrade their knowledge and experience of major planning enquiries.
2. Horizon scanning and understanding of current inspection approaches and requirements is regularly carried out.
3. The supportive comments concerning aspects of the work be captured as “good practice” for future use.
4. Close oversight be given to engagement with groups, organisations and specific individuals to ensure the Council’s approach is appropriate and respectful.
5. A review of resources is carried out to ensure there is sufficient capacity to deliver to the new plan timetable.

## **7.0 COMMUNITY ENGAGEMENT**

- 7.1 It has been commented that the Council’s consultation and engagement approach was “too traditional” in that it did not, particularly in the latter years “engage the public properly”. The Council’s first Consultation Strategy published in January 2003 focussed at the time on consultation with the business sector, voluntary sector and public sector. It also stated “Parish Councils play a particularly important role in the consultation process as they are in a good position to represent the views of local people and businesses”. “With respect to other parties” the Council would maintain “a list of other individuals and groups who wish to be consulted on the Local Plan”, hard to reach groups would be represented by existing bodies such as the Youth Forum and the Disabled Access Group and possibly “a developing Senior Citizen’s Forum”.
- 7.2 The early consultation at this time included the Aims and Objectives of the MLDF and consultation was proposed to be through a Focus Group consisting of representatives of the Council, partner organisations and the voluntary/community sector. It was stated that “as none of these discussion papers raise issues that directly affect property rights, e.g. housing or employment land allocations, a public meeting is not appropriate”. Whilst this can be seen as a strategy “of its time” several of those interviewed and who have offered advice to the Council have stated that engagement of the public in the overall approach and “spatial strategy” of their town and community is important almost as a touch stone for future decisions and actions.
- 7.3 The Council was working with Stakeholders and Partners on the Melton Community Strategy under which the LDS would sit in the Plan hierarchy and this was subject to community involvement. It is clear that in todays approaches to community engagement the community feel they have a role, should they wish to take it in the direction of travel of the area. The Council’s current statement of Community Development said “our entire community, from the individual to families and groups, and from the entrepreneur to businesses, who invest in the area, should be given the opportunity to actively influence

the plans that are put in place. We want to strengthen community involvement in planning. We want to provide pro-active opportunities for the community to have a constructive input into the shaping of policy and our decision making processes”.

- 7.4 As stated in paragraph 6.4 above MNAG the group representing those residents with most concerns did not feel part of the process. They considered that the Council should have carried out more PR after the April 2009 decision as well as that in November 2009. The representatives of the Group “accept they should have realised” this was happening but felt local PR should have been carried out by Councillors. A key learning point from the Group is that the public should have been made aware of this potential major decision and its impact. The Group suggested the analogy of an “archery target” in that businesses, selected voluntary sector stakeholders and Parishes are in and around the “bulls eye” of the target, they have a “tap in” to the decision making. However, residents and developing groups such a MNAG were at the “outside ring” of engagement, understanding and relevance. They suggest that this is a whole-Council decision and steps should be taken during the process to “keep other Members engaged with the progress of thinking and decisions”. In order to ensure local community engagement they suggested that a briefing note is sent out automatically to local Councillors so that they can engage and raise awareness within their local community.
- 7.5 These comments were endorsed by other consultees who put the greater need for stakeholder and community engagement in the context of the developing planning policy position. It is commented that previous development plan systems were “less idiosyncratic” and “provided a greater degree of certainty” through National Policy and regulations. By 2010 this had gone. There was “a need to evolve a structured process” and “along the way give to industry/local communities consultation to build up as much consensus as possible”. The Inspector formed a view that there was “insufficient opportunity for communities/stakeholders to contribute”. This appeared to make him “wary” of the findings and possibly undermined his faith in the justification of the plan.
- 7.6 This position was reinforced by the fact that there was little “internal consultation” within the Council with those engaged or directly related to the Community. These were the aims of extending the role of the Planning Policy team by making clear links with those engaged and involved with the community and this was part of the Council’s response to the planning changes in 2010. In practice this did not prove to be effective. Partly due to the stage the Council had reached with its CS in that relevant additional officers were “fed into existing groups” but their contribution was not classed as relevant to the deliverables and they “could not really influence” as a result of the decisions already made. Approaches to consultation were “traditional desk top” and opportunities to look for “common ground” or innovation were not readily available.
- 7.7 That being said an external consultant has confirmed that with respect to community engagement the Council “did what was necessary as part of the Local Plan process, absolutely”. This is endorsed by the knowledge of internal officers, however, a comment from MNAG was that “every consultation was the absolute minimum” and to obtain better engagement the Council “should extend this”.

The **learning** from this is significant, although this should be set in the context of the developing local plan framework and understanding of the community role at that time with the developing wish by sections of the community to be involved.

1. There should be broad community/stakeholder engagement based on developing information sources, awareness and knowledge.
2. Greater PR should be undertaken throughout the process but particularly at major decision points. The Council should use all means of communication available.

3. Support should be given to the democratic role of Members to engage with their communities. Regular briefing notes and further community engagement training may be considered.
4. Opportunities to learn and engage with the community need to be better understood in other discipline areas not specifically connected to this activity. More staff training and support should be provided to ensure this is better carried out.
5. “Intuitive reviews” should be carried out to consider where we “are at” with the community and stakeholders to develop continued understanding of impact.

## SECTION SIX: NEXT STEPS

- 6.1 It is proposed in the light of the learning evidenced and the comments and engagement from the relevant parties and participants that the Council should consider the following steps, some as initial actions, others in the medium to long term and throughout the plan process.
- 6.2 It is further suggested that an Annual Review of the Council's progress against meeting the requirements, together with identifying any further difficulties and further learning is carried out during the MLP Process.

### INITIAL ACTIONS

1. The Council should commence the process to prepare a new Melton Local Plan which should include a full review of all the options for growth based on new and as appropriate existing evidence with a refresh as required of relevant Policies.
2. Settle the phased timetable.
3. Resources: The Council should acknowledge the changing environment within which the Council has to deal with development which may, in the early period of the MLP process, be affected by applications and appeal decisions. This suggests a strategic decision by the Council to relocate its Planning Policy resource within Regulatory Services. This is to capture the synergies and required close working between planning policy and development control officers to ensure the MLP which will include land allocations as well as some more detailed requirements adequately reflects the development control environment as well as strategic planning need. This was the initial intention in 2010, but it was due to responses from those within the Team to reflect the Coalition Government's Localism Agenda that the relocation within the Communities and Neighbourhoods took place. To enable this to be done effectively, a Senior Regulatory Services Manager is required to support the Head of Service. This will also add to the capacity of the Team as well to the Service overall and enable it to set its work within the overall context.

Therefore, the proposal should not lose sight of the fact that the preparation of the MLP should be a "whole organisation" requirement resulting in the need to engage with teams and officers in many sections of the Council. This will both use the Council's existing skills effectively and develop these within other discipline areas. It should, as much as possible in a small Council, create resilience and lead to some improvements in the sustainability of services.

The Council is advised by the Inspector Representative to prepare a "proportionate evidence base" which gives "sufficient evidence at the time the decision is made" but there is also a need to bring the evidence together effectively to evidence conclusions especially on key issues. This involves "testing the evidence base throughout and standing back and asking how does it all add up".

4. Governance: The Council has been advised by one of its consultants interviewed that there is a developing view with respect to "plan governance". This is that the Local Plan will become the "pre-eminent plan" and should be supervised at a very high level within the Council. There should be what is euphemistically called "a Mothership policy" which is a high level policy worked up with the community and stakeholders as to what they would like to see for its area in the context of the emphasis on growth. This is a development on the original visioning/aims and objectives approach as a result of greater understanding and impact of the localism agenda.

This point was endorsed by the representatives of the Northern Consortium who said the Council needs to examine its growth within the context "where do we want to be as a community". This gives a reference point for future decisions. Furthermore, the Council

was advised by Consultant's interviewed to look towards more formal arrangements in the form of Memorandum of Understanding with the Highways, Highways Agency, Environment Agency and other bodies. And to have proper consultation and engagement with neighbouring authorities including jointly at Member level as appropriate. This work could set the scene for the MLP, give a reference point throughout the period and developing relationships with major stakeholders.

5. Awareness and Understanding: The community and stakeholders will require to understand the impact of growth in Melton Borough following the decision to move towards preparation of the MLP. This will include Housing Requirements and in due course Employment Allocation. It is proposed that early work explaining this to the community and key stakeholders takes place. This is informed by relevant statistical evidence such as census figures and economic growth as well as the selected plan period. It is suggested that this work commence early with the community and that it will inform the community view of growth and the community "spatial portrait" of the Borough.

## **MEDIUM TERM ACTIONS**

6. Communications: A Communications Plan and approach is required to assist the community, stakeholder and interested party engagement. Primarily this will be through the Reference Groups as proposed by Full Council but will include all options for communication including use of traditional and social media. Such an approach will need to sit with, and alongside, the required SCI which is part of the MLP regulatory process.

The aim of the Plan would be to develop understanding of the planning process, give clarity to lines of accountability and as defined by Members, allow the Council "space to think" in terms of assimilating all national policy, planning guidance, consultation outcomes, relevant evidence base and local views in determining direction and policy.

MNAG have indicated that in their view there should be "more information in the public domain". Whilst noting that Members need "thinking time" in their view there was "too much thinking time without any democratic follow up" previously. This approach would include an opportunity not only to have awareness and information on the Council's decisions but also understanding and the ability to question and appropriately follow up. This would keep lines of communication and engagement open whilst accepting within the timetable and overall accountability of the Council, decisions would have to be made.

7. Supported Community Engagement: Consensus would develop around certain decisions, the implications of those decisions would need to be taken into account as the plan developed further but there would also be an opportunity to identify, explore and properly explain those areas of further concern. Openness would include the ability for all groups to hear and understand the views of each. Training and development will be needed in several ways.

Shout4Residents have confirmed in principle that they would wish to be engaged in the process on behalf of local residents in South Melton. However, they have said to do this properly they must "have information to engage and tell people". They are "willing to listen and understand (and to) do this properly they must work on the evidence".

This will require training for community representatives and guidelines from the Council as to how they can take part. Care would need to be taken on "translating jargon into local relevance". Further, they ask the work to be broken down in phases with a continued overview at each of the stages. They would wish the Council to consider a small budget to pay for necessary charges in terms of taking forward this engagement and encouraging community involvement. MNAG have also confirmed they "want to contribute to the process" and to move on. South Melton Action Group have also expressed through their Chair a willingness to engage, as have the Friends of the

Country Park who have also advised formally in writing of their issues and concerns which will be advised at an early stage to the Chair of the Relevant Reference Group.

For Community Engagement and involvement to work properly, there must be respect and understanding between the Groups and the Council. Understanding develops through an acceptance of each other's roles particularly the statutory role of the Council in making decisions for which it is accountable within a political context. It is hoped that through an appreciation of the views of all interested parties and Groups that a consensus on key issues can develop and when there is divergence of opinion, understanding and respect between the parties can produce compromise.

As indicated previously, training would also be useful for relevant officers and Members as required, together with use of existing community engagement and involvement skills within the Council.

8. Examination Options: The Inspector Representative has advised the Council that the examination did not simply provide an alternative plan for the Council. The Council "cannot just go South without properly weighing the evidence again". The view from the Inspector has an "historical context" and some planning merit. Therefore the Council needs to review all of the known options and ensure there is a sufficient evidence base should those options which may be discounted present themselves later as an opportunity.

As part of the process the Council should look at all the Options as appropriate and carry out relevant robust Options Appraisals which will include SA and consultation of those options selected to go forward. This preferred option selection should feed into the final decision on the MLP and the overarching SA. There should be a process which comes to an "evidence based outcome" which includes community involvement.

9. Process: The Inspector Representative advised the Council in reviewing its processes and carrying out its preparation of the MLP that it could "reuse what it had got, lift and drop" but must move towards "specific land allocations as required by this document". He advised against putting "all eggs in one basket" and proposed "flexibility as the key". This should help deal with risks if the Council's evidence base is broad enough at each stage. This could be brought forward and relied on at a later time. Flexibility means revisiting decisions and taking "opportunities" as they arise.

He further advised that the Council should "scoop figures in now". It is easier to make "small adjustments" later in the process. To be consistent with National Policy, the Council should work to the "optimal basis, but not to undermine deliverability". The Council should not be afraid to challenge the evidence to ask "how has that influenced the outcome? Did it?" It should not be "afraid to say "what does this evidence mean and how does this impact?"

## **LONGER TERM/AND THROUGHOUT**

10. Contemporaneous Record: The Council should ensure that the rationale and explanation for each decision is specifically linked to planning justification and that the main evidence is set out. This should be contemporaneous and tell the Council's story in relation to the preparation of the MLP.
11. Keeping Pace: It is important that the Council keeps pace with proper project planning but that it also listens and challenges what the evidence and the community are saying in relation to major decisions. It should keep its flexibility which should be enabled through the work programme to ensure it can take opportunities easily to provide the optimum solution for the Borough and the town.
12. "Intuitive reviews" at regular points should be carried out to ensure the Council is not missing a wider point either through the evidence base or community/stakeholder view

or intelligence. This may require reconsideration or further explanation to gain understanding of the decision/approach adopted.

13. The Duty to Co-operate should be evidenced throughout at a high level including senior officers and leading/relevant Members as required.
14. At the close of the MLP process and at relevant stages, the Council should consider engaging PINS or agreed “critical friend(s)” to test the plan, its relevant soundness and its adherence to the original policy direction set in partnership with the community and stakeholders.

## WELLAND INTERNAL AUDIT CONSORTIUM

Date: 5<sup>th</sup> July 2013

### Melton Core Strategy Independent review of management involvement

#### Introduction

The Council has been developing the Melton Core Strategy (in a number of iterations) since 2003. The relevant central government policies and drivers have shifted during this time, but the Council has engaged specialist advice and used professionally qualified consultants and officers to manage the process.

In April 2013 the Planning Inspector rejected the Council's Cores Strategy submission and an Extraordinary Council meeting was held. Members commissioned the Chief Executive to review the process and try to identify where lessons could be learned before proceeding with re-drafting the Core Strategy. Alongside that review, the Chief Executive considered that Members would benefit from independent assurance on the oversight role of the senior managers involved in the process – specifically the Chief Executive, and one of the Strategic Directors.

The purpose of this report is to provide independent assurance that the level of involvement of senior managers in the process of developing the Core Strategy was appropriate, and that senior management received relevant information on a timely basis and reported promptly to Members where necessary. This report is incorporated into the Chief Executive's review report.

The scope included an examination of:

- The timeliness, content and regularity of reports provided to senior management by officers and specialists involved in the development of the Core Strategy
- The role of senior managers in keeping Members informed of progress and impact of any Member decisions made regarding the Core Strategy
- The appropriateness and clarity of reports or briefings to Members

**The scope is limited to the role of senior management in the development of the Core Strategy, and does not comment on the content of the Core Strategy itself, or the decision making process.**

#### Findings

##### Timeliness of reporting

The minutes of meetings of the Melton Local Development Framework Task Group and subsequent Project Highlight Reports identify key stages of the decision making process and the topics discussed.

There were three fundamental issues raised by the Planning Inspector leading to his rejection of the Core Strategy:

- the assumption basis for the number of new homes to be built in Melton (reliance on the Regional Spatial Strategy [RSS] figures) and failure to comply with the National Planning Policy Framework;
- the remaining timeframe for the Core Strategy (being less than 15 years by the time of submission & adoption)
- the decision for the location of the SUE to the North with the Western Employment Growth Area

Each of these issues had been identified and discussed in detail throughout the Core Strategy development.

There is evidence through meeting minutes that the planned withdrawal of the RSS announced in 2010 by the Coalition Government was discussed by the Task Group in July 2010, and that reasoned consideration of the impact took place. The minutes show that consideration of the actions and responses of other local councils in the area was undertaken and it was agreed that the RSS figures would still be relevant, were the best estimates that were practically available, and costs of further studies on housing needs would cause unnecessary delay to the completion of the Strategy. Minutes of the Task Group on 3 November 2011 refer.

The publication of the National Planning Policy Framework (NPPF) referred to by the Planning Inspector that replaced the RSS was heavily delayed and was not published until March 2012, six months before the Melton Core Strategy was submitted for examination, by which time the Strategy was substantially complete and the pre-submission review was already arranged. The RSS was formally revoked in law on 20 March 2013, the same week as the Inspection of the Core Strategy.

The issue around the timeframe of 15 years was recognised and was discussed at the same time as the issue of housing needs in November 2011. Legal advice was obtained and it was agreed that the Council would acknowledge this in the monitoring arrangements and ensure an early review of the Core Strategy once adopted.

The decision making process for eventually selecting the SUE to the North was supported by consideration of alternatives, transport modelling, consultation, and a range of studies over a number of years. All were reported through the Task Group and on to Members in a timely fashion.

The Task Group met regularly (as often as fortnightly during some key development periods), and detailed minutes are available.

#### **Role of management in the preparation of the Core Strategy**

The Chief Executive was not directly involved in the development of the Core Strategy. Up until 2010, the relevant Head of Service at the time was the lead senior officer for the Council, reflecting his professional background in planning. From 2011, the Strategic Director was the lead senior officer, as the Chief Executive considered she had the appropriate project management skills and experience to bring about the process to a delivered Core Strategy document for submission, working with appropriate senior planning professionals.

There was clear evidence of senior officer involvement in the Task Group for developing the Core Strategy, and evidence of regular reporting from that Member / Officer group on to the REEA committee when decisions were required. The Chief Executive confirmed that she

received regular briefings from the relevant Head of Service, and subsequently through 1:1 meetings with the Strategic Director on progress and any problems arising.

The Core Strategy was reviewed by a Planning Inspector on 19 June 2012, prior to formal submission in September. The notes from the pre-submission meeting with the Planning Inspector recorded that he stated it was “more or less right” and there were no major issues. In his opinion, the best course of action for the Council was to “proceed with submission”. He presented a list of advisory notes on specific areas of the Core Strategy that should be revised, and suggested that a ‘tracked changes’ document be created to show where updates had been made. The outcome of the meeting was an action list to be completed prior to submission of the Core Strategy.

The Strategic Director was at the feedback meeting with the Planning Inspector, and arranged for the above to be completed. The Core Strategy with the tracked changes is available on the Council’s website, along with all other documents relating to the development of the Core Strategy over the past ten years. There is appropriate evidence that the Strategic Director facilitated the officers and experts involved in the Core Strategy to respond to points raised by the Planning Inspector at the pre-submission review.

### **Clarity of reporting to Members**

Regular reporting to the Council’s REEA Committee took place throughout the development of the Core Strategy and evidence supports that the minutes and recommendations of the Task Group are reflected in the REEA Committee report minutes.

All reports reviewed included clear statement of options and detailed information on the supporting evidence for the proposal and any alternatives. Standard reporting templates were used which identify the risks, equality and legal implications.

There is appropriate evidence that full reviews of the options to support various Housing Growth Options and Employment Growth Options were considered up to March 2009. There was originally a marginal preference from the Task Group (and a proposal to the REEA Committee to this effect) for Option A (South) for housing and Option 2 (West) for employment, which was discussed at some length. Committee decision on 1 April 2009 was to support either Option A or Option C (North), but to request assurances from the Highways Agency about road provisions and to wait for the additional transport modelling and sustainability appraisal work to be completed before a final decision was made.

A report from the Task Group on 22 September 2009 recommended to Full Council that Option C and Option 2 should be adopted. A press release to this effect was made on 23 September 2009. A special meeting of Council took in public on 18 November 2009 and the minutes recorded provide evidence of debate and consideration. The Council made the decision in accordance with the recommendation based on the evidence and consideration of reasonable alternatives. Evidence of timely consultation with key stakeholders was recorded and press releases on progress on decisions were delivered via appropriate media.

The Chief Executive provides regular briefings to the Conservative Committee Chairs on all issues the Council faces, and minutes reflect that Members were updated on progress and issues relating to the Core Strategy. The briefings were also made available to all political parties.

Members have been regularly updated on progress since the submission, during the inspection process and following the withdrawal of the Strategy as a result of the letter from the Planning Inspector stating his opinion that the Core Strategy document is unsound.

## Conclusions

There is appropriate evidence that the senior management – specifically the Chief Executive and the Strategic Director – acted properly with an appropriate level of involvement during the process of developing the Core Strategy. They received relevant information on a timely basis and reported – and continue to do so - promptly to Members where necessary.

**Report prepared by Rosanne Fleming (CPFA; CMIIA); Independent Audit Specialist acting on behalf of Welland Internal Audit Consortium.**

## APPENDIX ONE

### SCHEDULE OF GROUPS/REPRESENTATIVES INTERVIEWED

- Member Representatives of Melton Local Development Framework Task Group
  
- Representatives of Northern Development Consortia
- Representatives of Southern Development Consortia
  
- Leicestershire County Council Highways
- URS Consultants
- Prospect Leicestershire Consultant
- Council's Interim Planning Policy Manager
  
- Inspectorate (PINNS) Representative
  
- Melton North Action Group (MNAG)
- Shout 4 Residents
  
- Strategic Director
- Head of Communities and Neighbourhoods
- Representative of Planning Policy Team
  
- Telephone email contact made with:  
Chair of South Melton Action Group  
Chair of Friends of the Country Park

Unable to arrange interview with:

Councillor O'Callaghan in his capacity as Participant in the Examination

**APPENDIX TWO**

**GLOSSARY OF TERMS**

A	<p>Allocation and Settlement Boundaries</p> <p>Area Action Plan (AAP)</p>	<p>A Development Plan Document setting out housing and other land use allocations and defines settlement boundaries.</p> <p>Area Action Plans are Development Plan Documents focussing on the implementation of key development opportunity areas and are relevant to a wide range of circumstances including urban expansion areas.</p>
C	Core Strategy (CS)	<p>A Development Plan Document setting out the high level development strategy and associated primary policies for the Borough.</p>
D	<p>Duty to Co-operate</p> <p>Development Plan Document (DPD)</p>	<p>A requirement introduced by the Localism Act that local authorities and other public bodies work together on planning issues in ways that reflect genuine shared interests and opportunities to make common cause.</p> <p>A statutory planning document, subject to rigorous procedures of community involvement, consultation and independent examination, which are adopted after receipt of the inspector's binding report. Once adopted, development control decisions must be made in accordance with them, unless material considerations indicate otherwise.</p>
E	Examination	<p>A statutory assessment in public of the DPD submitted by the local authority. Undertaken by an independent inspector, appointed by the Secretary of State.</p>
F	<p>Full Council</p> <p>Five Year Land Supply</p>	<p>The formal meeting of all Councillors of Melton Borough Council.</p> <p>The National Planning Policy Framework requires Local Planning Authorities to identify and maintain a 5 year supply of specific deliverable housing sites against their housing requirements, with an additional buffer of 5%</p>
H	<p>Highway Authority (HA)</p> <p>Housing Requirements</p>	<p>Leicestershire County Council who has responsibility for road highways, highways development and transportation.</p> <p>The number of houses to be built to meet the objectively assessed housing needs for market and affordable housing in an area, as required by the National Planning Policy Framework.</p>
K	Key Diagram	<p>Diagrammatic interpretation of the spatial</p>

		strategy as set out in a local authority's Core Strategy.
L	<p>Local Planning Authority (LPA)</p> <p>Local Development Documents (LDD)</p> <p>Local Development Scheme (LDS)</p>	<p>The public authority whose duty it is to carry out specific planning functions for a particular area.</p> <p>The generic name for all documents contained within the suite of documents which form the Local Development Framework.</p> <p>Document setting out the timetable, targets and milestones for the preparation of Local Development Framework documents.</p>
M	<p>Melton Local Development Framework (MLDF)</p> <p>Melton Local Plan (MLP)</p> <p>Melton Community Strategy (MCS)</p> <p>Melton Local Development Framework Task Group (MLDF Task Group)</p> <p>Masterplanning</p>	<p>The portfolio of Local Development Documents containing the Borough Council's policies for meeting the economic, environmental and social aims for their area as it affects the development and use of land.</p> <p>A Development Plan Document which plans for the future development of the Borough incorporating strategic policies; land allocations; settlement boundaries; town centre policies; and, development management policies.</p> <p>An overarching strategy document developed with the Community by the Council and its Partners through a body called the Melton Community Partnership. This document set out the Vision and key aims and objectives for the Melton Borough area.</p> <p>A Group of members dedicated to working through the proposals for the Local Development Framework and Core Strategy on a Task and Finish Approach.</p> <p>Process of providing a clear framework for the later detailed design of a development area or large site.</p>
N	<p>National Planning Policy Framework (NPPF)</p> <p>Neighbourhood Plans</p>	<p>Document setting out the Government's planning policies for England and how these are expected to be applied, replacing previous Planning Policy statements and Guidance (PPS/PPGs). It must be taken into account in the preparation of local plans and is a material consideration in planning decisions.</p> <p>A plan prepared by a Parish Council or Neighbourhood Forum for a particular neighbourhood area.</p>
O	Objectively Assessed Need	The National Planning Policy Framework requires that Local Plans should meet

		objectively assessed need (robustly measured development needs) with sufficient flexibility to adapt to rapid change.
P	<p>Planning Policy Statement</p> <p>Plan Making Guide</p> <p>Proposals Map</p>	<p>Government statements and guidance on national planning policy, now replaced by the NPPF.</p> <p>DCLG publication providing guidance on the legal requirements, government policy, and, good practice for creating development plans.</p> <p>A DPD in map format illustrating the policies and proposals of other DPDs and 'saved' policies that have a geographic designation or specific land use implication. The map will be an Ordnance Survey base map and where necessary include inset maps.</p>
R	<p>Regional Spatial Strategy (RSS)</p> <p>Rural Economic and Environmental Affairs Committee (REEA)</p>	<p>Established the planning strategy at the regional level, informing the preparation of LDFs, local transport plans and subregional strategies and programmes, now revoked. All DPDs were required to conform generally to the RSS.</p> <p>Policy Committee which oversaw and approved Planning Policy recommendations to Full Council as required.</p>
S	<p>Statement of Community Involvement (SCI)</p> <p>Sustainability Appraisal (SA)</p> <p>Sustainable Urban Extension (SUE)</p> <p>Strategic Housing Market Assessment (SHMA)</p>	<p>Establishes a local authority's strategy on community and stakeholder consultations on the LDF documents and also planning applications.</p> <p>Assesses the social, economic and environmental impacts of the policies and proposals of LDDs. It is an iterative process that commences from the outset of document preparation.</p> <p>The planned expansion of a city or town to create more sustainable patterns of development; that create "... places where people want to live and work, now and in the future. They meet the diverse needs of existing and future residents, are sensitive to their environment, and contribute to a high quality of life. They are safe and inclusive, well planned, built and run, and offer equality of opportunity and good services for all."</p> <p>A requirement of the NPPF for local planning authorities which allows them to assess their full housing needs, working with neighbouring authorities where housing market areas cross administrative boundaries.</p>