

## Melton South Sustainable Neighbourhood Masterplan

<b>Corporate Priority:</b>	Corporate Strategy 2020 to 2024: Delivering sustainable and inclusive growth in Melton
<b>Relevant Ward Member(s):</b>	All
<b>Date of consultation with Ward Member(s):</b>	
<b>Exempt Information:</b>	No
<b>Key Decision:</b>	No
<b>Subject to call-in:</b>	No Not key decision

### 1 Summary

- 1.1 The adopted Melton Local Plan established the requirement to create the South Melton Sustainable Neighbourhood (SN); a significant part of the overall growth aspirations to meet future needs by delivering housing, infrastructure and employment land.
- 1.2 Local Plan policy SS4 states that a masterplan of the proposed SN should be agreed in advance of, or as part of the submission of a planning application in the SN, in order to coordinate the provision of its content and composition. This includes the quantum and location of housing and employment, the route and provision of the Melton Mowbray Distributor Road 'southern link', the location of the primary school, community facilities, open spaces and other elements that are integral to a comprehensive development of this scale.
- 1.3 During 2019, the Council worked with the developers and County Council to deliver a credible and viable masterplan acceptable to all parties. Regrettably no agreement has been reached and consequently no suitable masterplan has been produced thus far. In February 2020 the Council was advised by the County Council that one of the conditions of accepting the Housing Infrastructure Funding (HIF) for the southern link of the Melton Mowbray Distributor Road was an appropriate development strategy, and that the masterplan was therefore required prior to the County Council being able to accept the

grant. This position was confirmed at the County Council's Cabinet on 24<sup>th</sup> March 2020 and subsequent conversations have established a 3 month timetable for the masterplan to be produced. There remains a lack of clarity on the scope and level of detail required to meet the HIF conditions, and the Council is actively seeking clarification from the County Council on these specific requirements. Nevertheless, it is necessary for Melton Borough Council to do what it can to deliver the masterplan and enable the County Council to accept the HIF.

- 1.4 The purpose of this report is to update Cabinet on Melton Borough Council's proposed approach to deliver the masterplan and to assist the County Council in meeting the conditions required to accept the HIF.

## **2 RECOMMENDATION(S)**

That Cabinet:

- 2.1 Acknowledge the existing requirement, established within the Local Plan, to produce a masterplan for the Melton South Sustainable Neighbourhood.
- 2.2 Acknowledge that, in line with current understanding, to meet the requirements of the Housing Infrastructure Funding, that the Melton South Sustainable Neighbourhood masterplan needs to be completed and approved by the end of June 2020.
- 2.3 Acknowledge the key issues that the Melton South Sustainable Neighbourhood masterplan needs to address and endorse the approach Melton Borough Council is going to take to deliver it and the requirements and expectations placed upon partners and developers in delivering it within the required timescales.
- 2.4 To note that in line with the appropriate provisions within the Contract Procedure Rules the Council has appointed a consultant to support development of the Masterplan. The decision takes into account previous work undertaken and time constraints and the costs of appointing the consultant will be funded from the Local Plan reserve.
- 2.5 Delegate authority to the Director for Growth and Regeneration in consultation with the Leader to make any amendments to the timescales, deliverables and contents of the masterplan following changes in advice and guidance provided by Homes England and through discussions with Leicestershire County Council.

## **3 Reason for Recommendations**

- 3.1 The Melton Mowbray Distributor Road 'southern link' was the subject of a bid for funding under the Housing Infrastructure Fund in 2019. The bid was successful and was presented to Leicestershire County Council Cabinet for acceptance on 24th March 2020. The County Council Cabinet resolved that the HIF award would be accepted only if Melton Borough Council agrees to the County Council's proposal that they undertake, at their own expense, a fresh masterplanning exercise on the understanding that the Borough Council will cooperate fully.
- 3.2 Transferring responsibility for delivery of the masterplan to the County Council is not appropriate. The masterplan is a planning document directly associated with the Local Plan. It is appropriate and necessary that it is undertaken by the Borough Council as Local

Planning Authority through the engagement of key stakeholders, including the County Council, which as the key infrastructure agency, is essential.

- 3.3 Delivery of a masterplan would, subject to confirmation by the County Council, meet the requirements of them being able to accept the HIF to support the earlier delivery of the southern section of the Melton Mowbray Distributor Road.
- 3.4 Delivery of a masterplan will support the wider aspirations of the Local Plan and delivery of homes and infrastructure required within the community.

## **4 Background**

- 4.1 A masterplan for the Melton South Sustainable Neighbourhood (SN) was established as a necessary element of the Local Plan policy in order to co-ordinate its content and delivery. The Local Plan was adopted in October 2018 and work on master planning (for both the South SN and 'Melton North' SN) commenced in January 2019. This comprised a steering group of officers from Melton Borough Council and Leicestershire County Council and a wider group that included key stakeholders, including the developers.
- 4.2 Consultants were appointed in April 2019 and engaged with the Steering Group and stakeholders to produce initial drafts of masterplans (for both Neighbourhoods) in May 2019 for consultation and comment. In the case of 'Melton South' the relevant developers opposed the content of the initial draft masterplan (July 2019) and proposed to provide detailed information demonstrating that its content would render the scheme unviable. No detailed representations were received for a number of reasons, not least because of the difficulties surrounding the infrastructure requirements in relation to highways and education, and the amount of different scenarios that would require testing. Melton Borough Council has repeatedly worked to clarify these specific requirements with the County Council since that time but this has proved challenging.
- 4.3 The Melton Mowbray Distributor Road 'southern link' was the subject of a bid for forward funding under the Homes England HIF in 2019. The bid was successful and to support the funding package the Council has been working with the County Council to establish a pioneering infrastructure agreement which has now been agreed in principle.
- 4.4 The protracted and uncompromising nature of discussions with some of the key stakeholders to date has hampered progress in delivering a masterplan for 'Melton South'. The collective failure to make progress has been unhelpful up to this point, but has over recent weeks created a more fundamental risk to the County Council's ability to accept the HIF and enter into an appropriate contract with Homes England.
- 4.5 Despite requests to the County Council, Melton Borough Council has not been provided with the relevant conditions associated with the HIF award from Homes England, but understand that it requires a delivery strategy demonstrating how the development facilitates the funding of the Distributor Road 'southern link' and how it would come forward. It is understood that a masterplan was not specifically required in name, however the County Council has interpreted the requirement as a need for a masterplan. At their Cabinet meeting of 24<sup>th</sup> March 2020, the County Council stated that they intend to provide a response to Homes England on the HIF award no later than 31<sup>st</sup> May 2020. It should be noted they have not explicitly stated that the masterplan must be completed by this date, and subsequent informal correspondence has confirmed the document can be provided within 3 months.

- 4.6 Meeting the requirements of the HIF award is highly desirable. The award would make a valuable contribution towards the infrastructure needs of the SN and therefore create the potential for more rapid development. The alternative 'piecemeal' approach (as envisaged when the Local Plan was developed and adopted) would be dependent upon the respective developers and would be influenced by external factors and their build out programmes, with no guarantee over timetables for delivery or completion. Furthermore, it would likely result in abortive works to upgrade Kirby Lane, and potentially a road of lesser 'quality'.
- 4.7 The Housing Infrastructure Fund award has a significant bearing on the financial inputs of the masterplan. The County Council's need for a new secondary school to serve the Sustainable Neighbourhood, along with other smaller developments in the wider school catchment area, requires resolution and also affects the masterplan in terms of its location and the 'trigger points' identified for its provision.

## **5 Main Considerations**

- 5.1 Leicestershire County Council's Cabinet considered whether to accept the HIF on 24<sup>th</sup> March 2020. Melton Borough Council was the subject of some unjustified criticism in the Cabinet report, which did not match the Council's own view on events and failed to recognise the challenge faced in reconciling the competing demands of all stakeholders. The County Council resolved that the HIF award would be accepted only if Melton Borough Council agreed to the County Council's proposal that they undertakes, at their own expense, a fresh master planning exercise on the understanding that the Borough Council will cooperate fully.
- 5.2 In responding to this proposal, it is recognised that, as the local planning authority, transferring the Council's statutory responsibility was not a credible option. Indeed, as the champions and guardians of the local area, transferring responsibility would also not be in the best interests of the Borough or the communities we serve. Accordingly, on 2<sup>nd</sup> April 2020 Melton Borough Council made a counter offer; proposing a joint approach with a shared governance and delivery team. The proposal included suggestions as to the scope of the project, the approach to be adopted for stakeholder engagement, suggestions as to the appointment of specialist consultants, the key deliverables along with an indicative timetable for meeting and delivery.
- 5.3 The Council has, as yet, received no feedback on its proposed approach and therefore, whilst regrettable, it is increasingly clear that the attempts to build a consensus through a more collaborative approach will not deliver the required outputs in time. Accordingly, and as the local planning authority, Melton Borough Council will proceed unilaterally, directing the process as necessary. The Council will continue to engage with all relevant stakeholders as consultees but will ultimately determine the appropriate balance of competing priorities and needs to facilitate adoption within the required time; such that the conditions associated with the HIF can be met.
- 5.4 To ensure delivery of the masterplan on schedule, whilst individual requirements are duly considered during development, all stakeholders will need to engage meaningfully and within the timescales set out below and within the more detailed project plan which will be communicated directly to them.
- 5.5 The Council will proceed on the basis of the following plan and timescales:

Stage 1: Mobilisation (commenced) (by 27<sup>th</sup> April 2020)

- Agree governance and approach
- Agree scope and brief
- Appoint consultant

Stage 2: Development of draft masterplan (by 18<sup>th</sup> May 18<sup>th</sup> 2020)

- Review the work done so far
- Engage with stakeholders to confirm infrastructure requirement
- Prepare a revised parameters plan identifying key content

Stage 3: Final masterplan document (31<sup>st</sup> May 2020)

- An illustrated document narrating the context, baseline analysis, process, consultation summary, options considered, explanation of key parameters, the final spatial plan setting out scale and quantum of key elements of development, infrastructure requirements, (e.g. schools, open spaces, allotments etc.) against the adopted policy requirements and key design principles.
- Key principles of delivery strategy including phasing, principles of developers contribution distribution over a period of time, key triggers, funding sources, basic cash-flow strategy

Stage 4: Cabinet approval (17<sup>th</sup> June 2020)

- This will be presented to Cabinet for approval and adoption by the Council.

5.6 Once approved the Council will continue to work with relevant stakeholders to bring forward planning applications and deliver the site.

5.7 It should be noted that the masterplan approved by the Cabinet will set out the principles to guide the developments and will be material consideration for determination of planning applications. It will require further public consultation if it is to be adopted as a Supplementary Planning Document (SPD). Due to the timetable for the production of the Masterplan its completion as SPD is not possible. However the Council can review after completion whether the additional steps required to achieve this are necessary and desirable. SPD 'status' would allow the document greater weight in any subsequent decision making on planning applications.

## 6 Options considered

6.1 **Continue with masterplan but undertake a full procurement exercise for consultant support:** Due to the timetable required to complete the masterplan, there is insufficient time to undertake a full procurement and then familiarise any new consultant with the background and issues within the required time. It is therefore appropriate to utilise the appropriate provisions within the Contract Procedure Rules to directly appoint the contractor, with pre-existing knowledge, utilised in 2019. As part of providing satisfactory assurance for any work produced, the Council will also seek independent validation of the master plan produced.

6.2 **Take no further action on masterplanning:** the Housing Infrastructure Fund award provides a unique opportunity to 'forward fund' the link road which is the Neighbourhood's largest and most expensive infrastructure requirement. Its provision would facilitate and

stimulate the development of the Sustainable Neighbourhood and avoid the piecemeal approach referred to elsewhere. In addition it would provide the final element of the town's major highways infrastructure well in advance of timetables previously envisaged. It is therefore preferable to secure this funding to support delivery.

## **7 Consultation**

- 7.1 No public consultation has been undertaken in relation to the proposals set out to date but future consultation may be necessary should the masterplan be considered for a Supplementary Planning Document.

## **8 Next Steps – Implementation and Communication**

- 8.1 The recommended proposals will be pursued immediately. In particular the timetable and approach set out at paragraph 5.5 above will be conveyed immediately to key stakeholders in order that progress can be made at the required pace.
- 8.2 To this end it is proposed that a series of fixed, regular and frequent arrangements for liaison between consultants, our officers and those of key partners and stakeholders are arranged.

## **9 Financial Implications**

- 9.1 It is estimated that the work may extend to £15,000. No budget has been assigned to this work. However it is closely aligned to the Local Plan and can be drawn from the Local Plan reserve. This is an estimated reserve for all of the projects associated with the Local Plan and other planning policy and it is considered that given its priority, in the event of insufficient funds overall, other projects can be postponed or delayed. It is relevant to note that in the current circumstances a series of projects intended for 2020/21 are being delayed and it is likely that these can be revised in order to free-up funds in the current financial year without having to draw further on the reserve in year. It is also important to note that the reserve is currently projected to run out in 2021/22. Should a Local Plan review be required, money will need to be found to support this
- 9.2 Financial Implications reviewed by: Director for Corporate Services – 20.4.20

## **10 Legal and Governance Implications**

- 10.1 Oversight and governance of this activity would be provided by the Portfolio holder. The final approval of the masterplan would require a decision of Cabinet.
- 10.2 There is a risk of not completing the masterplan in accordance with the required timetable if the Council sought to undertake and appoint consultants who were not already aware of the masterplan and had worked extensively on it. There is therefore a requirement for compatibility with existing services. It may not be possible for a consultant other than the consultant previously procured to be able to undertake the work due to the specialist and historical nature of the work. Any exemption to the Contract Procedure Rules based upon "No genuine competition" has been approved by the Director for Corporate Services and the Director for Governance and Regulatory Services.

10.3 Legal Implications reviewed by: Monitoring Officer - 20.04.2020

## 11 Equality and Safeguarding Implications

11.1 No equality or safeguarding issues have been identified to date.

## 12 Community Safety Implications

12.1 No community safety issues have been identified to date.

## 13 Environmental and Climate Change Implications

13.1 This report is significant to environmental impact and climate change. The Sustainable Neighbourhood and Melton Mowbray Distributor Road are both important elements of the approach to sustainable development particularly in terms of travel patterns and traffic flow. The Local Plan, and the allocation of the Sustainable Neighbourhoods has been sustainability appraised prior to its adoption, and the Development Plan has been considered to be the most sustainable approach to development in the Borough.

## 14 Other Implications (where significant)

14.1 None

## 15 Risk & Mitigation

Risk No	Risk Description	Likelihood	Impact	Risk
1	Partners and/or stakeholders are not able to / will not engage within the available timetable	Significant	Critical	Medium Risk
2	A masterplan prepared without the stakeholders engagement may not be delivered as approved	Significant	Critical	Medium Risk
3	HIF bid is not accepted by LCC	Significant	Critical	Medium Risk

		Impact / Consequences			
		Negligible	Marginal	Critical	Catastrophic
Likelihood	Score/ definition	1	2	3	4
	6 Very High				
	5 High				

4 Significant			1,2,3	
3 Low				
2 Very Low				
1 Almost impossible				

Risk No	Mitigation
1	A regular and frequent programme of engagement with key stakeholders and partners is proposed. All parties are aware of the pressing timetable.
2	The issues are known to all parties from previous work and all key agencies will be involved in seeking resolution. The masterplan document like any other planning document will be material consideration to planning applications, but each planning application will be determined on its own merit.
3	The masterplan delivery mechanism takes account of the deliverability with and without HIF. While HIF is critical for bringing forward the delivery, at this stage it is anticipated that the masterplan can be delivered without the HIF funding. This will have some impact on the number of dwellings and contribution to other infrastructure requirements.

## 16 Background Papers

16.1 Melton Local Plan Policy SS4

## 17 Appendices

17.1 None

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