



CABINET – FRIDAY 16 DECEMBER 2022

ORDER PAPER

ITEM DETAILS

APOLOGIES FOR ABSENCE

Mr. N. J. Rushton CC

1. MINUTES (Pages 3 - 8)

Proposed motion

That the minutes of the meeting held on 25 November 2002 be taken as read, confirmed, and signed.

2. URGENT ITEMS

None.

3. DECLARATIONS OF INTEREST

Members of the Cabinet are asked to declare any interests in the business to be discussed.

4. MEDIUM TERM FINANCIAL STRATEGY 2023/24 TO 2026/27 PROPOSALS FOR CONSULTATION (Pages 9 -10 and supplementary report pages 3 - 110)

Proposed motion

- a) That the proposed Medium Term Financial Strategy, including the 2023/24 revenue budget and capital programme, be approved for consultation and referred to the Overview and Scrutiny Committees and the Scrutiny Commission for consideration;
- b) That the Director of Corporate Resources, following consultation with the Cabinet Lead Member for Resources, be authorised to -
 - i. agree a response to the draft Local Government Finance Settlement;
 - ii. decide on the appropriate course of action with regard to the Leicester and Leicestershire Business Rates Pool in 2023/24 and subject to agreement by all member authorities, to implement this;
- c) That each Chief Officer in consultation with the Director of Corporate Resources and following consultation with the relevant Lead Member(s), undertake preparatory work as considered appropriate to develop the savings

set out in the draft MTFS, including preparing for consultation, to enable the Cabinet and Council to consider further those savings to be taken forward as part of the MTFS and implemented in a timely manner;

d) That a further report be submitted to the Cabinet on 10 February 2023.

5. **NORTH AND EAST MELTON MOWBRAY DISTRIBUTOR ROAD - COST IMPLICATIONS** (Pages 11 - 40)

- *Comments have been received from a member of the public, Mr. John Marriott, which are attached to this Order Paper.*

Proposed motion

- a) That the latest position regarding progress with and costs of the North and East Melton Mowbray Distributor Road (NE MMDR) scheme be noted;
- b) That the three options for the Council, all of which have significant financial consequences, be noted;
- c) That Option 1, to progress to delivery, is approved subject to confirmation by the Department for Transport that the Full Business Case for the NE MMDR is approved, and that the Large Local Majors funding for the scheme will be released;
- d) That subject to c) above, the Director of Environment and Transport, in consultation with the Director of Corporate Resources and following consultation with the relevant Cabinet Lead Member, be authorised to undertake the necessary actions to construct the NE MMDR;
- e) That in the light of the Council's extremely serious financial position set out in this report, the Directors of Environment and Transport and the Director of Corporate Resources, following consultation with the relevant Cabinet Lead Members, be authorised to prioritise current available developer funding towards the delivery of the scheme and pursue additional funding, including with Melton Borough Council, the local Member of Parliament, the Department of Transport and developers;
- f) That the Director of Corporate Resources be authorised to manage the financial arrangements for the funding of the scheme using the range of treasury management options available to minimise the cost of providing gap funding for the project.

6. **LEICESTERSHIRE HIGHWAY DESIGN GUIDE REFRESH: APPROVAL TO UNDERTAKE ENGAGEMENT** (Pages 41 - 58)

Proposed motion

- a) That the key influencing factors on the development of the new Leicestershire Highway Design Guide (LHDG) as set out in Part B of the report, with particular reference to matters that need to be addressed in respect of the potential for increased maintenance liabilities on the Authority, be noted;

- b) That the early work undertaken to date as part of the full refresh of the LHDG, particularly in respect of commuted sums and existing LHDG principles and policies be noted;
- c) That an engagement exercise be undertaken on the Draft Leicestershire Highway Design Guide Principles and any other policy, technical and procedural matters necessary for the development of a new LHDG.

7. REVIEW OF THE LEICESTERSHIRE MINERALS AND WASTE LOCAL PLAN
(Pages 59 - 316)

Proposed motion

That the findings of the Report of the Review of the Leicestershire Minerals and Waste Local Plan (LMWLP), and that the LMWLP does not need to be updated, be noted.

8. RECOMMISSIONING OF SEXUAL HEALTH SERVICES - PROPOSAL FOR CONSULTATION (Pages 317 - 334)

Proposed motion

- a) That the draft model for the delivery of sexual health services as outlined in this report be agreed for consultation;
- b) That a further report be submitted to the Cabinet in April 2023, providing a summary of the consultation findings and presenting the final service model for approval.

9. ITEMS REFERRED FROM OVERVIEW AND SCRUTINY

None.

10. ANY OTHER ITEMS WHICH THE CHAIRMAN HAS DECIDED TO TAKE AS URGENT

None.

Officer to contact

Jenny Bailey
Democratic Services
Tel: (0116) 305 6225
Email: jenny.bailey@leics.gov.uk

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Email from Mr. John Marriott, 15 December 2022.

The Melton Northern Distributor Road Conundrum

The County Council is now in a dire financial position; essentially down to a few factors:

- A complete lack of integration between transport and planning throughout government;
- A drive for more housing without considering the location or the transport and social implications;
- The extraction of land value by a few speculators meaning that there is little value left to fund essential services or infrastructure;
- Short lived and ill-thought out Government competitive funding streams, that prioritise road capacity increases, without considering the wider consequences;
- A government approach to Transport Appraisal which places most value on journey time savings;
- A desire to build more highway infrastructure in the belief that it will mitigate traffic and is somehow essential;
- Decades of failure to put into practice stated ambitions to improve alternatives to using cars and design developments appropriately from the outset.

The Cabinet Report is recommending that the County Council should proceed with the construction of the MM DR North and East. This has severe financial consequences for other services across the whole county and it will place a significant burden on current and future generations.

I suggest the report is deficient in its examination of the alternatives. There are a number of statements which are not supported by the information provided and these need clarification.

There are now a number of authorities across the country which are in a similar predicament having fallen into the same trap of following Government mantra without understanding the risks. These include Cumbria (£134m), Oxfordshire (£218m), Gloucestershire (£249m) and Mid-Devon (£8.2m). Some have managed to secure additional funding, although it is by no means clear that this will be sufficient to deliver the schemes as envisaged.

It is time to think very hard about climate change commitments and the environment. This will require a complete reappraisal of the "Growth at any cost" agenda and the full integration of land use planning and transport around social and truly sustainable objectives.

The Melton Distributor Road as proposed is certainly not essential and represents extremely poor value for Leicestershire.

I understand that the government can't even produce guidance on Local Transport Plans. To have any credibility it is essential that these must be statutory documents prepared in conjunction with Local Plans or their replacement.

I hope you can draw this to the attention of the Cabinet. I have copied this to Lynne Stinson as she has informed me that the people listed as contacts in the report are currently indisposed.

Regards

John Marriott

Three attachments

The County Council was misled by traffic modelling and Government Transport Appraisal Guidance

The outcome of the Jacobs Report on Melton in 2016 was to:-

1) Propose a Northern Distributor Road which connects any northern development to the A606 leading northwest to Nottingham. This is by far the worst of the three roads heading west out of Melton as it has a hilly and very curvy alignment and a poor safety record. It passes through the villages of Upper and Lower Broughton and the settlement of Ab Kettleby.

(The Melton to Nottingham bus service has recently been withdrawn.)

2) Not propose a direct link from an NDR to either the A6006, which leads via the Asfordby bypass to the A46, which can serve Nottingham, Loughborough and Leicester, or with a short western extension over the river and railway, to the A607 Leicester Road.

3) Instead, propose the Northern distributor is extended via an Eastern Distributor Road, joining the A606 near Burton Lazars. This heads south east and has a relatively minor role as Oakham is the only place of much significance in Rutland, with Stamford and the A1 considerably further away.

4) In addition propose a Southern Distributor Road, which connects the A606 Burton Road to the A607 Leicester Road. This is already the most heavily used route out of Melton, but it leads into the substandard road system around Barkby, Queniborough, Syston and East Goscote and the A46 Hobby Horse junction. This is an area where considerable development has already been committed and more is proposed. An Eastern and Southern Distributor would create a very circuitous route from any northern development towards Leicester. The likelihood is that traffic from the northern part of Melton would use minor roads to reach Asfordby or the Salt Road to Six Hills and the A46.

In any rational analysis future development would have been located to the west of Melton, not the north and south. It would have included a river and rail crossing to facilitate access to either the A6006 and A607 and the majority of Leicestershire.

The A607 would be suitable for adaptation to a route which prioritised public transport, walking and cycling. This could work in conjunction with the A6006 offering an alternative to the A46 and beyond for other traffic.

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Land Value Capture

What is "land value capture"? How does it work? And why have so many communities across the world applied this financial approach? This video explains land value capture and provides examples from within the "toolbox" of instruments available to governments. It shows how communities have used land value capture to promote social equity and finance affordable housing, infrastructure, and other public goods.

<https://youtu.be/KVMGzkSgGXl>

2021-02-25 Talk to Oxford Civic Society, Bob Colenut. A long term advocate.

https://www.youtube.com/watch?v=c_0Y1g8DK_o

Agricultural Land Value 2021

Farmers Weekly

<https://www.fwi.co.uk/business/markets-and-trends/land-markets/find-out-average-farmland-prices-where-you-live>

| Leicestershire | Quality | Arable land | Pasture land |
|----------------------------|---------|-------------|--------------|
| Average land values (£/Ha) | Prime | £24,500 | £20,400 |
| | Average | £23,100 | £17,700 |
| | Poor | £21,700 | £16,300 |

Converted from £/acre to £/Hectare 1 Ha = 2.47 Acres

Average land values 2021 (£/acre)

Prime: £9,900 Average: £9,350 Poor: £8,800

Prime: £8,266 Average: £7,150 Poor: £6,600

Development Value Policy Appraisal - DHLUC

<https://www.gov.uk/government/publications/land-value-estimates-for-policy-appraisal-2019>

Note This includes an estimate of a 'typical' residential site in each of England's local authorities, along with an average industrial and agricultural land value for England.

Values of individual sites are highly sensitive to plot-specific characteristics and the report does not present estimates of market value. As a result the estimates are not suitable for use other than for policy appraisal.

Spreadsheet

| Leicestershire Districts | £ / Ha | Uplift compared to Average arable above (£23,100 / Ha) |
|---------------------------|------------|--|
| Blaby | £2,150,000 | 93 |
| Charnwood | £1,370,000 | 59 |
| Harborough | £2,650,000 | 114 |
| Hinckley and Bosworth | £1,530,000 | 66 |
| Leicester | £1,460,000 | 63 |
| Melton | £950,000 | 41 |
| North West Leicestershire | £1,230,000 | 53 |
| Oadby and Wigston | £1,710,000 | 74 |

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/923759/VOA_land_values_2019.xlsx

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Notes on 16th December Cabinet Report

NORTH AND EAST MELTON MOWBRAY DISTRIBUTOR ROAD COST IMPLICATIONS

(The 25th November 2022 cabinet report "Managing the Risk relating to the Delivery of Infrastructure to support growth" is of direct relevance to these comments. That notes that the Council proposes to adopt many changes to the way it seeks to fund infrastructure. It is less clear as to whether it is willing to change its approach to seeking alternatives to infrastructure that reduce the need to travel and help mitigate climate change.)

Stated purpose of report

To seek a decision on whether to progress with the next steps in the delivery of the MMDR scheme.

Requires confirmation from DfT of approval of FBC and it is expected that funding will be released in early February 2023. (8)

The implications of any delay or change are not stated.

Land Value Capture

There is a huge difference between the value of typical agricultural land and its value with planning permission for housing. In Leicestershire agricultural land is said to range between £16,000/Ha (poor pasture) and £25,000/Ha (good arable). With residential planning permission the Government (MHCLG) state the value would be £0.95m/Ha in Melton (2019 figure). A growth factor of between 40 and 60. The Blaby and Harborough values are stated to be £2.15m and £2.65m respectively!!

<https://www.gov.uk/government/publications/land-value-estimates-for-policy-appraisal-2019>

With 30 units per Ha the land value uplift in Melton could exceed £30k per unit. Most of this value is normally captured by land speculators leaving little for necessary, let alone desirable, infrastructure or the facilities needed to make a place attractive. Subsequent viability studies by developers/speculators are often used to show there is insufficient residual value left to provide things like affordable housing or local facilities, even when these had been offered.

The proposal is to prioritise developer funding to delivery of this specific scheme.

Can you confirm the existing developer contribution towards the Distributor Road is only £8,653 per dwelling?

How was this arrived at?

When does this fall due?

Is it index linked? If so, what is it the index linked to?

Can it be index linked retrospectively?

What developer contributions have been received already?

Is there any indication that developers have sought, or are intending to seek, to make contributions earlier than anticipated to minimise liabilities?

Propose to pursue additional funding with MBC, MPs and developers.

This is not new.

What realistic prospect is there of getting sufficient additional funding that would make any significant difference to the current financial situation?

Identify an appropriate package of transport measures. (9)

What other contributions have been sought to mitigate the impact of this development on the surrounding area?

Where are these set out and what are the funding implications?

Said to promote sustainable growth in the Borough and growth in Leicestershire and the East Midlands. (3)

The development does not show any sign of being sustainable in the normal meaning of the word. It is an exaggeration to state that one short road near Melton will have any noticeable effect on the whole county or region.

Claim the road still represents value for money. (4)

"based on current information a decision to proceed with the scheme will provide most benefit for the investment and meet the objectives outlined above."

This has not been demonstrated.

"The County Council's borrowing requirement will increase as a result of the Scheme" (6)

The implications of this are underplayed and appear to be underestimated.

The Cabinet report states the County Council's capital programme needs to be "rationalised" (18).

There is no explanation of how this would be achieved or which schemes have been, or would be, removed.

The MTFs report going to this Cabinet (16/12/2022) Agenda Item 4 (193) states it only shows the short term. To give the full picture this should be extended to show the most important envisaged commitments for a longer period. (194) states there will be an additional revenue cost of £7m per annum.

In (MTFS 171) it states that the Capital Programme "includes some of the infrastructure funding for 2, out of 7 district local Plans". It notes that further plans cannot be added to the programme without appropriate funding.

Which are the two districts?

What is the infrastructure envisaged for those districts and what are the costs?

To put this into context, what is the envisaged infrastructure requirement for the other 5 districts?

District Councils have been encouraged to include and support many projects which envisage funding will be available to mitigate the impact of proposed development.

This is no longer tenable. It therefore casts doubt on the soundness of the Local Plans and whether they have been "positively prepared." This is a matter which should be examined at a Local Plan inquiry.

It notes that resources will be focussed on schools as they are a statutory responsibility. (171)

This obviously has implications for all other areas of the County and potential commitments.

The multiple planning applications for the Melton North and South developments are at various states of approval. Few have been fully approved. Most appear to have outline approval with all matters reserved.

If the County Council decides to not fund the MMDR the developers would not walk away. There is a precedent for this - Terry Yardley Way in Loughborough. The developers had no option but to fund the scheme fully.

Other Points

It is not obvious that there has been any serious consideration of where people would choose to work or how they would travel. There is no evidence of any attempt to balance houses / employment or consider their relationship. In Melton the two housing developments seem extremely likely to depend on very high levels of car use. This mirrors that of most recent developments, even those much closer to a far greater range of facilities.

With the design proposed it is inevitable that this will encourage very high levels of car ownership. This is likely to create an environment where cars dominate the street scene and parked cars are likely to discourage walking and cycling and prevent any bus penetration. This is just not acceptable for developments claiming to be sustainable and which could easily take over 20 years to deliver.

There is no sign of any serious attempt to reduce traffic generated by development or assess how it could be reduced. Very high levels of car use expected. Melton - Nottingham bus has been cut - many other services may be cut too. No commitment to funding bus services.

The MM DR North and East junctions are badly designed. Four of the 6 have five arms. This is demonstrably poor practice on small roundabouts. It appears the MMDR South proposes at least another five small roundabouts although the available lack detail. A route with 11 roundabouts over such a short distance is unlikely to be seen as attractive on a route intended to offer a better alternative for through traffic.

The provision of a shared cycleway / footpath alongside the DDR and around the roundabouts is not at all consistent with Active Travel England requirements or LTN1/20.

There is very little sign of any useful local facilities in either proposed development and experience shows that what is proposed or offered may not be delivered and cannot be guaranteed.

NPPF

The Melton Plan and the Distributor were proposed prior to the current version of National Planning Policy Framework (NPPF 2021)

Most of the changes were minor but planning applications should have regard to the policies. The following are most relevant to this matter. (emphasis added)

73. The supply of large numbers of new homes can often be best achieved through planning for larger scale development, such as new settlements or significant extensions to existing villages and towns, **provided they are well located and designed, and supported by the necessary infrastructure and facilities (including a genuine choice of transport modes).**

Promoting Sustainable Travel

104 Transport issues **should be considered from the earliest stages of plan-making** and development proposals, so that (*inter alia*):

a) the potential impacts of development on transport networks can be addressed;

c) opportunities to promote walking, cycling and public transport use are **identified and pursued**;

105 The planning system should actively manage patterns of growth in support of these objectives. Significant development should be focused on locations which are or **can be made sustainable, through limiting the need to travel and offering a genuine choice of transport modes.**

Conclusion

Much more work needs to be done before a decision is made regarding future progress.