



CABINET – 10 FEBRUARY 2023

**INTERIM APPROACH TO PLANNING ISSUES IN CHARNWOOD
BOROUGH**

REPORT OF THE CHIEF EXECUTIVE

PART A

Purpose of the Report

1. The purpose of this report is to seek the Cabinet's approval of the County Council's interim approach to securing developer contributions and managing development in respect of highways and education needs in Charnwood Borough, pending the adoption of the Charnwood Local Plan (expected later in 2023).
2. The proposed interim approach consists of a Transport Contributions Strategy and an Education Infrastructure Evidence Base which set out how the County Council will secure developer contributions and support delivery of necessary infrastructure, pending the adoption of the new Charnwood Local Plan. The key documents are set out in the appendices to the report with key matters highlighted in paragraphs 22 to 29 below.

Recommendations

3. It is recommended that
 - a) The County Council's interim approach to securing development contributions and managing development in respect of highways and education needs in Charnwood Borough, pending the adoption of the Charnwood Local Plan, be approved;
 - b) The Director of Environment and Transport, following consultation with the relevant Cabinet Lead Member, be authorised to make such refinements to the Strategy as might be required in the light of ongoing discussions with Charnwood Borough Council about its implementation through the development management process.

Reasons for Recommendation

4. To ensure the County Council's interests are protected, on a policy basis, especially during the extended period of Charnwood Borough Council having no adopted Local Plan.

5. Any delays to the agreement of this interim approach risk further developer contributions being missed and the continuation of difficulties in covering shortfalls to highways mitigation and delivery of additional pupil places.

Timetable for Decisions (including Scrutiny)

6. Subject to approval, the interim approach will be implemented as soon as practically possible and will be in place until at least Charnwood's adoption of their Plan expected later in 2023.

Policy Framework and Previous Decisions

7. In September 2021, the Cabinet considered a report setting out the County Council's proposed response to the Pre-Submission Charnwood Local Plan. That report included detail of the policy framework within which the Plan sits, and also relevant previous decisions made by the Cabinet. The report also set out that the County Council should adopt an 'in principle' supportive approach to the draft Local Plan, based on a commitment by Charnwood Borough Council to complete further work between then and the Examination in Public and to certain other conditions, including in respect of highways and transportation matters.
8. In May 2022, the Cabinet noted with concern the increasing pressures on the Capital Programme relating to infrastructure required to support housing and economic growth in the delivery of planned growth. The report set out some of the elements required to manage the financial risk to the County Council.
9. In June 2022 the Cabinet considered a report on Highways and Transportation matters in respect of the Charnwood Local Plan, providing background and set out the County Council's position leading up to the commencement of the Examination in Public.
10. In September 2022 the Cabinet considered the latest position on the Charnwood Local Plan and resolved that work towards an interim approach to dealing with planning applications in Charnwood be approved and that, as the local planning authority, Charnwood Borough Council's support for its implementation be sought.
11. In November 2022 the Cabinet considered a report regarding the financial implications for the Council of delivering sustainable and inclusive growth and that the Council's previous approach to delivering infrastructure and growth was no longer sustainable. An approach and a set of principles were agreed, in order to address and manage these risks, including that the district councils integrate the Council's requirements relating to delivery of statutory infrastructure in their Local Plans and that the entire cost of statutory infrastructure projects would be recovered from developers (and other appropriate sources) and sufficient contributions secured before the County Council funds scheme delivery.

Resource Implications

12. The Council has committed significant resources to engaging in and supporting a collaborative approach to strategic planning, which is intended to facilitate the delivery of growth within the County and mitigate the negative impacts of development.
13. The Council's proposed Capital Programme includes over £200m to fund infrastructure projects that support growth in the County.
14. The previous approach to delivering infrastructure (highways, schools and some community facilities) has required significant Council forward-funding and in the current financial climate this approach is no longer possible.
15. The approach proposed in this report will strengthen the Council's ability to secure relevant developer contributions in the Charnwood Borough in the absence of an up to date Local Plan.

Circulation under the Local Issues Alert Procedure

16. This report will be circulated to all Members.

Officers to Contact

Tom Purnell
Assistant Chief Executive
Tel: 0116 305 7019 Email: tom.purnell@leics.gov.uk

Julie Thomas
Head of Planning and Historic and Natural Environment
Tel: 0116 305 5667 Email: julie.thomas@leics.gov.uk

Tim Smith
Strategic Planning Manager
Tel. 0116 305 7219 Email: tim.smith@leics.gov.uk

PART B

Background

17. Charnwood Borough Council submitted its Local Plan for Examination in December 2021, following a Cabinet report in September 2021 which outlined an in-principle supportive approach to the draft Plan on a conditional basis. A further report was taken to Cabinet in June 2022, prior to the Examination in Public, noting that key highways and transport conditions set out in the September 2021 report had been fulfilled, whilst noting that it would be necessary to accept a proportionate and reasonable deterioration in traffic conditions as a result of developments being permitted prior to the overall mitigation package being put in place.
18. Following the first week of the Hearing in June 2022, weeks two and three were adjourned to allow for consultation on Leicester and Leicestershire's Housing and Employment Land Needs, and on the evidence underpinning the Statement of Common Ground, with this matter then being covered at the Hearing sessions on 25 and 26 October 2022. As a result of those sessions, the Inspector has agreed a minimum local housing requirement for Charnwood of 1,189 dwellings per annum to 2036 (as agreed in the Statement of Common Ground). This is up from the 1,111 dwellings per annum which was included in Charnwood's submitted plan.
19. The next hearing sessions are scheduled to start on 7 February 2023 and run through until a programmed close on 23 February 2023. These sessions will cover remaining Matters, Issues and Questions that were not dealt with at the June or October Hearing sessions, together with some supplementary questions. The Council produced written statements which were submitted to the Charnwood Local Plan Examination, referring to the draft Interim Transport Contributions Strategy as a means to deal with the situation in advance of the Plan being adopted.

Potential consequences for the County Council arising from the delay and in-lieu of any agreed interim approach

20. Charnwood Borough Council's current Local Plan is now nearly seven years old, and the Borough Council is also unable to demonstrate a five-year supply of housing land. Under the National Planning Policy Framework (NPPF) a local planning authority in such a situation is in a relatively poor position to seek to resist speculative, unplanned sites coming forward through the planning process.
21. The pause in the examination process and consequential delays to the adoption of the Local Plan (expected later in 2023) has led to a period where potential further speculative/unallocated sites are and may continue to come forward in Charnwood. This means there is no mechanism to secure the appropriate developer contributions towards necessary infrastructure, in the context of the financial challenges facing the Council and a constrained ability to cover any shortfalls to mitigation schemes.

Interim approach to planning issues in Charnwood

22. The proposed interim approach is based on two documents setting out the Council's approach to securing developer contributions, in order to protect the Council's interests and support delivery of necessary infrastructure, pending the adoption of the new Charnwood Local Plan:
- An Interim Transport Contributions Strategy to provide a policy basis for how the Council can seek transportation contributions
 - An Education Infrastructure Evidence base which sets out the education infrastructure required to meet the pupil yield from identified development sites in the Borough

Transport Matters

23. An Interim Transport Contributions Strategy for Developments in Charnwood District (Appendix A) has been produced with support from Charnwood Borough Council, National Highways and Leicester City Council. Subject to approval it will be in place until at least Charnwood's adoption of its Local Plan and until superseded by the more detailed transport strategies set out through the proposed main modifications to the Local Plan put forward by Charnwood Borough Council (with the agreement of Leicestershire County Council, Leicester City Council and National Highways).
24. The Strategy has been prepared in response to ongoing development pressures across Charnwood. The purpose of the Strategy is to provide a policy basis for how the Council can seek transportation developer contributions towards the local plan mitigation package in advance of an adopted plan and/or associated detailed area transport strategies to be developed in support of this, including setting out the broad approach to implementation of the strategy.
25. In essence, the Strategy brings together in one place:
- The contents of the County Council's written statement on transport matters in response to Matter 8 of the Local Plan Examination in Public, which summarises the transport evidence underpinning the Local Plan and the proposed transport mitigation strategy and was as appended to the June 2022 Cabinet report* (the transport mitigation strategy as agreed by Charnwood Borough Council, Leicester City Council and National Highways).
 - The Main Modifications to the Draft Charnwood Local Plan that were agreed with Charnwood Borough Council, Leicester City Council and National Highways as per the Supplemental Transport Statement of Common Ground (June 2022) to facilitate the funding and delivery of the transport mitigation strategy, also as appended to the June 2022 Cabinet report*.

- Scheme drawings prepared by Jacobs on behalf of Charnwood Borough Council for the local plan-wide highway mitigation package/schemes*.
- Cost estimates of the above schemes prepared by AECOM*; which together provide the context for:
- A contributions 'policy' similar in concept to the equivalent one in the adopted Interim Melton Mowbray Transport Strategy (approved by the Cabinet in July 2021)

* These documents are also in the public domain on the Charnwood Local Plan Examination in Public web pages

Education Matters

26. The Children and Family Services Department has produced a document (Appendix B) setting out the Council's evidence and interim approach to securing developer contributions towards the delivery of Education infrastructure required to meet the pupil yield from identified development sites pending the adoption of a new Charnwood Local Plan.
27. This document should be read in conjunction with the Local Plan Education Infrastructure Solution table (Appendix C) which identifies the site locations proposed in Charnwood's Local Plan and the Education Provision Solution for the pupils that will be yielded from the developments.
28. The Council will seek contributions from housing developers to meet the cost of Education infrastructure arising as a consequence of development to ensure that education (including primary, secondary, post-16 and SEND) and early years provision remains sustainable.
29. Costs to education provision will be based on the current yield rates, cost multiplier or construction costs at the time the application is granted planning permission.

Equality and Human Rights Implications

30. There are no equality and human rights implications arising from the recommendations in this report. Charnwood Borough Council is working with the County Council and with other partners in the Leicester and Leicestershire Housing Market Area to provide for the homes and jobs required in the future.

Environmental Implications

31. The County Council will continue to work closely with Charnwood Borough Council and other partners to minimise the impact of the planned growth on the environmental assets of Leicester and Leicestershire.
32. The impact upon the environment is a key consideration in all planning decisions made within the context of an approved or emerging Local Plan, and the County Council will seek to ensure that opportunities are taken to enhance

the environment through biodiversity net gain and sustainable forms of development.

Partnership Working and Associated Issues

33. The County Council works closely with the Leicester and Leicestershire Strategic Planning Partnership, which includes Leicester City Council, the seven district councils in Leicestershire and the Leicester and Leicestershire Enterprise Partnership. A strengthening of partnership working is sought to deal with the infrastructure challenges which require a strategy-led approach with multiple partners, both in Leicester City and the wider area.

Background Papers

Report to the Cabinet on 22 June 2021: Urgent action taken by the Chief Executive in relation to the Leicester and Leicestershire Statement of Common Ground relating to housing and employment land needs (March 2021)

<https://bit.ly/3ueF6S8>

Report to the Cabinet on 20 July 2021: Development of an Interim Melton Mowbray Transport Strategy

<https://bit.ly/3j71mf6>

Report to the Cabinet on 17 September 2021: Response to the Charnwood Borough Council Pre-Submission Charnwood Local Plan (2021-2037) Consultation and minutes of that meeting

<https://bit.ly/3PHXqNr>

Report to the Cabinet on 24 June 2022: Charnwood Local Plan (2021 TO 2037) – Highways and Transportation Matters and minutes of that meeting

<https://bit.ly/3v20P0a>

Report to the Cabinet on 23 September 2022: Charnwood Local Plan (2021 – 2037) Latest Position

<https://bit.ly/3EbMySG>

Report to the Cabinet on 23 September 2022: Medium Term Financial Strategy - Latest Position

<https://bit.ly/3EbMySG>

Report to the Cabinet on 23 September 2022: Leicester and Leicestershire Authorities – Statement of Common Ground relating to Housing and Employment Land Needs

<https://bit.ly/3EbMySG>

Report to the Cabinet on 25 November 2022: Managing the Risk Relating to the Delivery of Infrastructure to Support Growth

<https://bit.ly/3EN8P9Z>

Appendices

Appendix A - Interim Transport Contributions Strategy for Developments in
Charnwood District

Appendix B - Education Infrastructure Evidence

Appendix C - Education Infrastructure Solution table