



**CABINET – 23 JUNE 2023**

**CHARNWOOD BOROUGH COUNCIL'S LOCAL PLAN**

**JOINT REPORT OF THE CHIEF EXECUTIVE AND THE DIRECTOR  
OF ENVIRONMENT AND TRANSPORT**

**PART A**

**Purpose of the Report**

1. The purpose of this report is to advise the Cabinet of the potential risks to the progress of Charnwood Borough Council's Local Plan, and the County Council's progress towards securing developer contributions and managing development in respect of highways needs in the Borough following a change of administration at Charnwood Borough Council. A new administration has been formed following the May 2023 elections and the Borough Council is yet to publicly confirm its support for the submitted version of the Plan and its commitment to its delivery.

**Recommendations**

2. It is recommended that;
  - a) It is noted that the manifesto for the group which is now the majority group in Charnwood Borough Council's administration included a 'promise' to 'develop a new local plan covering the whole of Charnwood ...';
  - b) Charnwood Borough Council be advised that the County Council's continued support for the Local Plan is conditional on the Borough Council's current administration demonstrating its commitment to the implementation and delivery of the Local Plan – including
    - (i) a public commitment expressed in a formal resolution of the Borough Council;
    - (ii) that resolution including a clear commitment to developing and implementing the identified transport strategies through collection of developer funding via the planning process, including the Interim Transport Contribution Strategy, prior to the Plan's adoption;

- c) Should Charnwood Borough Council withdraw from this commitment either directly or through inaction, the County Council's position as County Highway Authority would need to be reconsidered in respect of the local plan.

### **Reasons for Recommendation**

3. To ensure the County Council's interests are protected, in respect of its responsibilities as County Highway Authority, both in advance and post Charnwood Borough's adoption of its Local Plan.
4. To ensure additional County Council resource dedicated to the Local Plan examination process, interim and long term strategies are not abortive.
5. Any delays to the implementation of the Transport Contributions Strategy risks further developer contributions being missed and continued difficulties in covering shortfalls to highways mitigation, increasing levels of financial risk to the County Council.

### **Timetable for Decisions (including Scrutiny)**

6. The implementation of the interim contributions strategy is sought as soon as practically possible and will be in place until at least Charnwood's adoption of the Plan.

### **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. The report also set out an 'in principle' supportive approach to the draft Local Plan to be taken by the County Council, based on a commitment by Charnwood Borough Council (Charnwood BC) 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 County Council's 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 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 setting out the County Council's position leading up to the commencement of the Examination in Public. The Cabinet inter alia offered the County Council's support for the draft Local Plan at the Examination in Public, noting the scale of the highways and transportation mitigation package.

10. In September 2022 the Cabinet considered the latest position on the Charnwood Local Plan and approved work towards an interim approach to dealing with planning applications in Charnwood and that, as the local planning authority, Charnwood BC's support for implementation of this interim approach be sought.
11. In November 2022 the Cabinet considered a report regarding the financial implications for the County Council of delivering sustainable and inclusive growth. An approach and a set of principles were agreed in order to address and manage risks, including that the district councils integrate the County 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 funded scheme delivery.
12. On 10 February 2023 the Cabinet considered a report regarding the County Council's interim approach to securing developer contributions and managing development in respect of highways and education infrastructure needs in Charnwood Borough, pending the adoption of the Charnwood Local Plan. It was resolved that the approach as set out in the Transport Contributions Strategy and Education Infrastructure Evidence Base, be approved and that the Director of Environment and Transport be authorised to make refinements to the Transport Contributions Strategy as required.

### **Resource Implications**

13. The County 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.
14. The County Council's Capital Programme includes over £200m to fund infrastructure projects that support growth in the County.
15. The previous approach to delivering infrastructure (highways, schools and some community facilities) has required significant forward-funding from the County Council and in the current financial climate this approach is no longer possible.
16. The intention of the proposed modifications to Charnwood BC's Local Plan and associated transport contributions strategy is to manage the cumulative impacts of growth arising from numerous sites identified within the Local Plan. The implementation of the Interim Transport Contributions Strategy would strengthen the Charnwood BC's ability to secure relevant developer contributions as development comes forward in Charnwood Borough in the absence of an up-to-date Local Plan.

### **Circulation under the Local Issues Alert Procedure**

17. This report will be circulated to all Members.

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## **PART B**

### **Background**

18. In September 2021, a Cabinet report outlined that the County Council should adopt an in-principle supportive approach to Charnwood BC's draft Plan on a conditional basis.
19. Charnwood BC submitted its Local Plan for Examination in December 2021.
20. A further report was taken to the Cabinet in June 2022, prior to the Examination in Public (EiP), 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.
21. In June 2022, prior to the EiP, the Cabinet was advised that the key highways and transport conditions detailed in the September 2021 report had been fulfilled, although 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.
22. Following the first week of the EiP 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 Leicester and Leicestershire 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 an increase from the 1,111 dwellings per annum which was included in Charnwood's submitted Plan.
23. Further Hearing sessions took place during February 2023 and covered remaining Matters, Issues and Questions that were not dealt with at the June or October sessions, together with some supplementary questions. The County 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.

### **Interim Transport Contributions Strategy for Developments in Charnwood**

24. The Interim Transport Contributions Strategy for Developments in Charnwood District (approved by the Cabinet in February 2023) was produced with support from Charnwood BC, National Highways and Leicester City Council. Following implementation it is designed to 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 BC (with the agreement of Leicestershire County Council, Leicester City Council and National Highways).

25. The Strategy was prepared in response to ongoing development pressures across Charnwood with the purpose of providing an evidence base for how the Borough Council can seek necessary transport contributions through the development management process 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. This has become necessary because a number of developments identified within the Local Plan are also coming through the planning process ahead its adoption.

### **Charnwood Transport Contributions Mechanism and next steps for the Charnwood Local Plan Examination**

26. Subsequent to the approval of the Interim Transport Contributions Strategy on 10 February 2023, and pursuant to resolution 'b' in the Cabinet report regarding refinements to made for in light of ongoing discussions with Charnwood BC and its implementation through the development management process, officers have been working to implement the strategy whilst managing associated risks. A draft formula for securing infrastructure contributions was shared informally and in confidence with Charnwood BC in April 2023. However to date the Interim Contributions Strategy has not been implemented.
27. On 23 May 2023, a letter from the Inspector to Charnwood BC was published, outlining the next steps for the Examination process. It indicated a need for updates in relation to transport and viability matters and a period of consultation on the outcome of that work, and on a limited number of other matters in advance of a formal consultation on main modifications to the Plan. The letter specifically highlights that the Transport Strategies are not sufficiently detailed or developed to meet the Plan's objective to increase use of the sustainable modes of travel, nor to securing effective mitigation for the effects of the Plan's growth on the Local and Strategic Road Network. The Inspector is therefore seeking the identification and submission of a framework for Transport Strategies for Loughborough Urban Centre, Shepshed Urban Area, North of Leicester, and Soar Valley.
28. It is the position of the County Highway Authority that given the proposed approach to the distribution of development set out within the proposed Local Plan and the number of developments that have already received planning permission that the plan requires modification, as previously submitted to the examination, and that the transport strategies are necessary to support sustainable growth in Charnwood. This position remains unchanged subject to the continued commitment of Charnwood BC.

### **Potential consequences for the County Council arising from the delay in agreement of the mechanism / implementation of the Strategy**

29. Charnwood BC'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. Unplanned development can lead cumulative impacts on infrastructure such as roads and schools that have not been mitigated, in turn impacting on existing residents and communities. The County Council has therefore sought to support Charnwood BC in developing, adopting and implementing a new local plan to help manage this risk.
30. However, in-lieu of a firm commitment from Charnwood BC that it will support the Local Plan approach and the implementation of the Transport Contributions Strategy and its delivery, the County Council will need to reassess its position to support the Local Plan given the financial risk and lack of mechanism to mitigate against the negative impacts of development.

### **Equality Implications**

31. There are no equality implications arising from the recommendations in this report. Charnwood BC 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.

### **Human Rights Implications**

32. There are no human rights implications arising from the recommendations in this report.

### **Environmental Implications**

33. The County Council will continue to work closely with Charnwood BC and other partners to minimise the impact of the planned growth on the environmental assets of Leicester and Leicestershire.
34. 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 as a consultee 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**

35. 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 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- 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>

Report to the Cabinet on 10 February 2023: Interim Approach to Planning Issues in Charnwood Borough - <https://bit.ly/3MI7XXZ>