



CABINET – 19 DECEMBER 2023

RESPONSE TO MELTON BOROUGH COUNCIL'S LOCAL PLAN PARTIAL UPDATE – ISSUES AND OPTIONS CONSULTATION

REPORT OF THE CHIEF EXECUTIVE

PART A

Purpose of the Report

1. The purpose of this report is to advise the Cabinet on the content of Melton Borough Council's (Melton BC) Issues and Options Regulation 18 Local Plan Partial Update consultation and to seek approval for the response as the views of the County Council.
2. The detailed comments are set out in the Appendix to this report, whilst key comments are highlighted in paragraphs 36 to 74 in Part B of this report.

Recommendations

3. It is recommended that:
 - a) the County Council's response to the Melton Borough Council's Issues and Options Regulation 18 Local Plan Partial Update consultation, set out in paragraphs 36 to 74, and the appendix to this report, be approved;
 - b) the Chief Executive, following consultation with the Cabinet Lead Member, be authorised to make any minor amendments to the consultation response prior to its submission by 7 January 2024.

Reasons for Recommendation

4. The proposed response sets out key comments for consideration by Melton BC in the early stage of its partial update to the Local Plan. It seeks to ensure alignment with the outcomes of the County Council's Strategic Plan and the Leicester and Leicestershire Strategic Growth Plan (SGP), and to influence the content of the Local Plan in the interests of local communities, including to ensure that the Local Plan provides as robust as possible policy framework for securing the provision of the infrastructure and services required to support its successful delivery.

Timetable for Decisions (including Scrutiny)

5. The County Council's consultation response will be submitted to Melton BC ahead of the close of consultation on 7 January 2024.

Policy Framework and Previous Decisions

6. In 2018, the County Council, Leicester City Council, the seven district councils in Leicestershire, and the Leicester and Leicestershire Enterprise Partnership, (LLEP) approved the SGP which provides the long-term vision for planned growth for the area up to 2050. Melton Mowbray is identified as a key centre for regeneration and growth.
7. The Leicester and Leicestershire Strategic Transport Priorities (LLTSTP) was approved by the Cabinet on 20 November 2020. This document has a plan period to 2050 and was developed by the County and City Councils alongside the SGP to ensure that the long-term development needs and associated transportation requirements are co-ordinated.
8. In 2021, the Council and its partners (Leicester City Council, the seven district councils and the LLEP) commissioned the Leicester and Leicestershire Housing and Economic Needs Assessment (HENA). The HENA, published in June 2022, provides evidence that across Leicester and Leicestershire, the projected housing need from 2020 to 2036 is 91,400 dwellings and employment land need from 2021 to 2036 is 344 hectares.
9. The Council's Strategic Plan (2022 to 2026) was approved by the County Council in March 2022. It has five strategic outcomes, including 'Strong Economy, Transport and Infrastructure' and a 'Clean, Green Future' to ensure Leicestershire has the infrastructure to meet the demands of a growing population, whilst looking to tackle climate change, biodiversity loss and unsustainable resource usage.
10. In September 2022, the Cabinet approved the County Council becoming a signatory to a Statement of Common Ground (SoCG) relating to Housing and Employment Land Needs (June 2022), setting out how the City Council's identified unmet needs would be accommodated in the County.
11. In November 2022 the Cabinet considered a report setting out the financial implications for the Council of delivering sustainable and inclusive growth and the approach and principles that the Council would adopt to address and manage these risks. The financial challenges associated with delivering the existing Capital Programme were highlighted, including the need to minimise risks associated with managing the cumulative impacts of growth and the need to ensure all Council forward funding was recovered.
12. In October 2023 the Cabinet considered a report on the latest position in relation to the Melton Mowbray Distributor Road South project. The Cabinet confirmed the County Council's ongoing commitment to Melton BC's existing Local Plan strategy but noted that the County Council was unable to draw down

any further grant monies from the Housing Infrastructure Fund and was unable to proceed at present with the contribution of the Melton Mowbray Distributor Road South.

Resource Implications

13. 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.
14. The Council's current Capital Programme includes over £200m to fund infrastructure projects that support growth in the County.
15. 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.
16. When a Local Plan is in place, the County Council remains heavily dependent on the district council, as the local planning authority, to secure the developer contributions needed to deliver the capital investment. Without significant assurance in this regard the risk of entering into forward funding arrangements, which allow infrastructure to be developed in advance of housing, would not be feasible. Even if such significant assurance could be secured, decisions would need to be taken against the backdrop of the wider pressures on the Council's finances, including those from other local plans, rather than each being considered in isolation.

Circulation under the Local Issues Alert Procedure

17. This report will be circulated to all Members.

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PART B

Background

18. The preparation of Local Plans involves various stages of consultation. This consultation from Melton BC is known as a 'Regulation 18' consultation and forms an early stage in local plan-making. Comments received will inform the Borough Council's policy recommendations ahead of a Pre-Submission Consultation known as a 'Regulation 19' which is expected to be undertaken in Autumn 2024. Submission of the Plan to the Planning Inspectorate is due in Spring 2025, with adoption of the Local Plan anticipated by the end of 2025.
19. The current Melton Local Plan was adopted by the Borough Council in October 2018. It is a legal requirement that Councils review their Local Plan within five years of adoption, to decide whether the plan needs to be updated, either in whole or in part.
20. The outcomes of the five-year review of the Melton Local Plan were considered by Melton BC at its meeting on 28 September 2023. The review concluded that a partial update was required as most of the development management style policies required revision, whilst the Plan's overall strategic policies relating to the spatial strategy, housing targets and allocations continued to be appropriate and did not need an update.
21. The Government is in the process of reforming parts of the planning system, including how local plans are prepared. The Levelling Up and Regeneration Act 2023 gained royal assent in October 2023; however a number of provisions within the Act require secondary legislation that has yet to come forward.
22. The Government has highlighted that Local Plans must be submitted by 30 June 2025 to be examined under the existing planning system, or await the introduction of the new planning system, which is expected to place a considerable delay on progress being made on new local plans.
23. Melton BC intends to commence the next update of the Melton Local Plan as soon as possible after the adoption of the Partial Local Plan Update and this will likely be a full update.

Duty to Cooperate

24. It is currently recognised that should a Housing Market Area (HMA) authority identify, quantify and provide robust evidence to demonstrate an unmet need, it is incumbent upon the HMA authorities to jointly resolve any cross-boundary matters with HMA partners under the Duty to Co-operate. Whilst it is acknowledged that Government intends to reform the planning system, with the Duty to Co-operate due to be replaced (through an as-yet-unformulated 'alignment policy'), the duty currently remains in place.
25. Without a clear aligned approach to delivery, Leicestershire faces high levels of speculative/indiscriminate development with the consequent high risk of

inadequate highway and education infrastructure provision. To avoid this, ongoing commitment from all the local authorities to joint working is therefore crucial, as is their support for a collaborative and coordinated approach to the defining and allocating of infrastructure funding requirements of Local Plans.

26. A Statement of Common Ground (SoCG) relating to Housing and Employment Land Needs (June 2022) has been prepared by the County Council, the City Council and the seven district councils. Guided by the Strategic Planning Group and Members' Advisory Group, the SoCG is still subject to approval via the governance processes of Hinckley and Bosworth Borough Council and Harborough District Council but has been agreed by the other authorities concerned, including the County Council which became a signatory in September 2022. The SoCG sets out the City Council's identified unmet housing need of 18,700 homes and 23 hectares of employment land for the period 2020-2036 to be accommodated in the County.
27. The Charnwood Local Plan 2021-2037 Examination is ongoing. However Inspectors have confirmed in writing, following hearing sessions in October 2022, that they have "no reason to disagree with the HENA's [Housing and Economic Need's Assessment] conclusion that the standard method establishes a minimum local housing need of 91,408 dwellings across the Housing Market Area (HMA) to 2036... based on the evidence at this stage and pending further testing of housing delivery through the Leicester Local Plan Examination, we consider that a figure of 18,700 dwellings represents a reasonable working assumption for the scale of Leicester's unmet housing need from 2020 – 2036."
28. The HENA identifies that Melton BC's average annual unmet housing need contribution 2020 to 2036 should be 69 dwellings.

Overview of content of Melton Borough Council's Local Plan document

29. Melton BC's approach to this Local Plan Partial Update involves a Regulation 18 'Issues and Options' consultation (which is this current consultation) and then a Regulation 19 'Preferred Options' consultation in Autumn 2024. Melton BC anticipates being in a position to submit its Local Plan for examination in the first half of 2025.
30. The outcome of Melton BC's Local Plan review concluded that most of its development management style policies require revision, whilst the Plan's overall strategic policies relating to the spatial strategy, housing targets and allocations continue to be appropriate and do not need an update.
31. The consultation therefore constitutes a partial update but still covers a wide variety of topics with 81 questions posed.
32. This consultation is the first formal consultation stage in preparing the Melton Local Plan Partial Update. It intends to provide consultees the opportunity to consider and comment on existing policies in the current (adopted) Local Plan.

Response to the Melton Borough Council Local Plan document

33. The County Council welcomes the opportunity to comment on Melton BC's Local Plan Partial Update Issues and Options Consultation at this stage of the plan-making process.
34. The close working Melton BC has with other partners in the Leicester and Leicestershire Housing Market Area is recognised and supported.
35. The comments of the County Council in response to the 81 questions posed in the consultation are set out in the Appendix to this report. A summary of the key comments are set out below, covering:
 - Overarching Response
 - Vision and Objectives
 - Sustainability
 - Development Strategy
 - Housing
 - Rural Services
 - Healthy Communities
 - Employment
 - Town Centre and Economic Development
 - Biodiversity, Green Infrastructure and Climate Change
 - Flooding
 - Transport
 - Broadband
 - Design
 - Comments from the County Council as a landowner

Overarching response

36. The majority of the comments made reflect the increased prominence which needs to be given to climate change, carbon zero, renewable energy, active travel, health and well-being, nature recovery (Bio-diversity Net Gain and Local Nature Recovery Strategies), with infrastructure (for example, education) and transport connectivity (including cumulative impact), housing, economic growth, and minerals and waste safeguarding forming other key areas where comments are made.
37. A key point which has been raised is whether it would be more appropriate for Melton BC to undertake a full review of the Local Plan at this stage rather than a partial review given the large number of policies being considered as part of this partial review. However, there is significant strength in enabling the underlying strategy of the adopted Local Plan to remain intact as it provides certainty for guiding development up to 2036, and this is consistent with the County Council's commitment to the existing Local Plan strategy (confirmed by the Cabinet on 24 October 2023).

38. It is considered that on balance it is appropriate to seek assurances from Melton BC that it will commence work on a new Local Plan under the new planning system provided by the Levelling Up and Regeneration Act (which received Royal Assent on 26 October 2023) at the earliest opportunity, to enable the preparation of the future framework to guide development beyond 2036 in the Melton Borough area.
39. Regarding Policy SS4 on the South Melton Mowbray Sustainable Neighbourhood, close working with Melton BC is advised in order to see whether this policy needs to be amended in the future with regard to the Southern Melton Mowbray Distributor Road, in the light of the latest Housing Infrastructure Fund position, including as necessary the safeguarding of its route (i.e. to replace the current broader area identified in the Local Plan).
40. It is noted that the new National Planning Policy Framework (NPPF) is expected to be published before Christmas this year. Therefore, the consultation responses will need to be considered by Melton BC in light of the national planning policy steer provided by the new NPPF.

Vision and Objectives

41. It is strongly agreed that the current Vision and Objectives should be refocused and simplified to take account of the changing context since the adoption of the Local Plan.
42. Specific reference in the objectives to 'economic growth', 'renewable energy' and 'Melton Mowbray and rural areas' is suggested.

Sustainability

43. It is considered that a policy reflecting the presumption in favour of sustainable development should remain in the Plan to clearly evidence commitment to sustainability. The policy helps to underpin the plan and decision-making processes, in compliance with the guidance set out in the NPPF.

Development Strategy

44. The preference to review Policy SS3: Sustainable Communities (unallocated sites) is expressed, and criteria suggested for circumstances under which new homes in the Borough's smallest and least sustainable settlements could be justified.

Policy SS4: South Melton Mowbray Sustainable Neighbourhoods

45. The County Council advises the policy is retained and updated, and will work with Melton BC in order to see whether this policy needs to be amended with regard to the Southern Melton Mowbray Distributor Road in the light of the latest Housing Infrastructure Fund position, including as necessary the safeguarding of its route (i.e. to replace the current broader area identified in the Local Plan).

46. Retention of the Policy is supported as it would make the delivery of education infrastructure more achievable from both a financial perspective and a viable education delivery perspective. The South Sustainable Neighbourhood Masterplan provided sites for two primary schools (one with 210 places and one with 420 places) and a 650-place secondary school. This will need to be reviewed depending on any modifications to the Local Plan and updated to ensure previous proposals are still fit for purpose.

Policy SS5: Melton Mowbray North Sustainable Neighbourhood

47. The County Council advises the policy is retained and updated and will work with Melton BC in order to see whether this policy needs to be amended to continue to make provision for the completion of the Melton Mowbray Distributor Road North-East and ongoing developer contributions towards it.
48. In addition, retention of the Policy would make the delivery of education infrastructure more achievable from both a financial perspective and a viable education delivery perspective. The North Sustainable Neighbourhood Masterplan provides for two primary sites (one with 210 places and one with 420 places) and this will need to be reviewed depending on any modifications to the Local Plan and updated to ensure previous proposals are still fit for purpose.

Policy SS6: Alternative Development Strategies and Local Plan Review

49. The County Council supports the retention of the policy, considers climate action should be embedded wherever possible and could be included as an additional criterion to strengthen the Local Plan and climate change/nature objectives. Caution is noted about triggering a 'search' for an alternative Plan spatial strategy (as opposed to a recast of the Southern Sustainable Neighbourhood Policy), given the previously expressed view of the County Council, including as the Local Highway Authority, that focusing growth on Melton Mowbray is preferable to a more dispersed pattern of growth.

Housing

50. With regard to affordable housing, support is given to updating the policy. Recognition is given to the Leicester and Leicestershire HENA (2022) identifying a continued need for affordable housing throughout the Plan period. It is further noted that evidence shows internal housing space is linked to health outcomes, with opportunities needed for children to play and study. Insufficient space is linked to poor health impacts on mental health and wellbeing.
51. With regard to self-build and custom build housing, Option 3 to address increasing needs and add local-specific criteria is supported, encouraging exemplar sustainable housing options, incentivising self-builders to choose to build low carbon and environmentally friendly designs.

Rural Services

52. Retention and reworking of Policy C7 is supported to provide more clarity. The policy should enable the protection, retention or enhancement of existing community services and facilities or that lead to the provision of additional assets in the interests of making a place more sustainable in terms of minimising the need for travel by car. The policy should also reflect issues that are important to health and wellbeing outcomes, including community cohesion and opportunities for social connectivity.

Healthy Communities

53. The County Council supports the revision of the policy, making health and wellbeing a key thread running throughout the entire Local Plan. The delivery of active travel infrastructure and measures can contribute significantly to improving the health of local communities and consideration should be given as to how a reviewed Local Plan might help support this (and could be cited in future bids for Government for funding for active travel infrastructure and measures). Furthermore, revising this policy will ensure the inclusion of Health Impact Assessments and threshold criteria agreed upon locally, ensuring a clearer process for all.

Employment

54. It is considered that Option 3 to create separate policies for employment allocations and employment development in Melton Mowbray would provide the best opportunity for developing more bespoke criteria which could, for example, in transport terms be related to passenger transport provision and delivery of elements of the emerging Melton Mowbray Local Cycle and Walking Infrastructure Plan.
55. Regarding employment in rural areas, there is support for developing criteria relating to highways and transport matters. Furthermore, the policy can provide an opportunity for embedding climate change action and additionally, rural employment opportunities should align to Leicester, Leicestershire and Rutland's Local Nature Recovery Strategy which is currently under development and being led by the County Council.
56. Given the current limited supply of electric vehicle (EV) charging points, it is considered that if an employment site is adjacent to an existing settlement, there could be exploration as to whether EV charging points on an employment site could be utilised by residents in the evenings/weekends when not being used by people working there.
57. It is advised that a policy covering existing employment sites should be retained. Adding flexibility to the policy is to an extent helpful, however a further disadvantage of more flexibility is that this could result in development that is more intensive in terms of traffic generation in a location that was 'unsuitable', for example due to highway capacity or safety issues, or poor transport connectivity.

Town Centre and Economic Development

58. The County Council strongly agrees with updating and incorporating elements of the Town Centre Vision. Given the importance of an attractive, well-functioning Town Centre in terms of minimising the need for external travel to other places (especially by car), it would be preferable to see a policy retained in the Plan. From a Public Health perspective this could benefit from linking to a strong policy around the location of hot food takeaways. A focus on density and health considerations linked to population health, as adopted in other areas nationally would also be welcomed.

Biodiversity, Green Infrastructure and Climate Change

59. There is a preference for Option 3 to enable more focused aspects of biodiversity and geodiversity. Sites afforded statutory protection should be acknowledged as such and be given that level of protection.
60. The policy should reflect the statutory requirements for Biodiversity Net Gain (BNG) and incorporate requirements arising from the Local Nature Recovery Strategy (LNRS). Development supporting BNG initiatives should be encouraged.
61. The County Council is supportive of a revised policy on Local Green Spaces and would welcome designation of additional Local Green Spaces where deemed appropriate. The assessment of any new spaces should closely link with the LNRS and work towards enhancing local native biodiversity, they could also increase opportunities for community involvement in nature.
62. Similar to sustainability, climate change is a fundamental global and national consideration and as such it is considered that it should be a thread that runs through the entire plan. The update to policy EN8 is also supported to strengthen and promote sustainable and low carbon developments. Resource efficiency and the circular economy are also important in ensuring reduction in climate change impacts.
63. Regarding energy efficiency and low carbon development, Option 3 is preferred as this would make the policy more robust and specific, to ensure all new development meets the highest standards.
64. With regard to energy generation from renewable and low carbon sources consideration should be given to including community energy opportunities within the policy, to further strengthen community benefits and opportunities for local green growth. It is also recommended that the policy aims to maximise prioritisation for local renewable energy generation and storage where appropriate and simplifies the processes for new developments to include this within plans.
65. For renewables, such as biomass, consideration should be given to how this is sourced for the development, to ensure the fuel is truly renewable, limits its

wider impact to the environment and where possible comes from local sources, to limit wider emissions (e.g. transportation).

66. This policy could also include consideration of heat networks for new developments to maximise opportunities to reduce carbon emissions, and the opportunity to positively encourage the generation of renewable energy both from commercial schemes and roof-top sources.

Flooding

67. Poor adaptation to climate change will cost more in the long run due to damage than if appropriate measures are considered and incorporated at the development stage. As such it is considered important to contain the overall strategic approach to planning for flooding and key specific local flooding issues continue to be incorporated.

Transport

68. Ensuring Policy IN1 on the Melton Mowbray Transport Strategy (MMTS) reflects the latest position for delivering transport infrastructure in and around Melton Mowbray is considered a necessity.
69. Furthermore, the need for developments to include sustainable transport infrastructure, good and accessible design and sufficient parking outweighs the extra burden and complexity for developers, and as such the County Council supports the amendment of Policy IN2 to align with national and local guidance.

Broadband

70. A review of Policy IN4 is supported to take account of changes in the NPPF and to reflect the importance of broadband provision across Melton Borough.

Design

71. The County Council welcomes elevating the importance of design and placing a greater responsibility on developers to adhere to its requirements ensuring a consistent standard in development proposals. Having the key strategic design considerations clearly laid out in the Local Plan would also remove uncertainty around requirements and ensure design expectations were clear.
72. Criteria around new developments that specifically aims to improve health and wellbeing outcomes after the construction phase are welcomed, for example, places that enable active travel, and connectivity of place to reduce isolation by design and encourages social interactions.

Comments from the County Council as a landowner

73. The affordable housing policy should be updated as proposed but should contain the exception proviso in relation to viability in order not to act as a constraint on housing delivery. Given the level of affordable housing required to

meet the needs of the Borough, consideration should be given to increasing the overall numbers to help deliver affordable housing needs. The policy should also consider delivery of 100% affordable housing sites and the need for market housing to support rural exception sites where grant funding is insufficient to support delivery.

74. The rationale for the rural services policy is sound. However, it could be reworded in a way that permits limited development to support a local school, for example, rather than concentrating on the conditions for its redevelopment. The policy should also be repositioned within the chapter to follow Self Build policy.

Equality Implications

75. There are no equality and human rights implications arising from the recommendations in this report. Melton BC is working with the County Council and with other partners in the Leicester and Leicestershire HMA to provide for the homes and jobs required in the future.

Human Rights Implications

76. There are no equality and human rights implications arising from the recommendations in this report. Melton BC is working with the County Council and with other partners in the Leicester and Leicestershire HMA to provide for the homes and jobs required in the future.

Environmental Implications

77. The County Council will continue to work closely with Melton BC and other partners to minimise the impact planned growth has on the environmental assets of Leicester and Leicestershire.
78. 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

79. To deal with infrastructure challenges requiring a strategy-led approach, the County Council works closely with the Leicester and Leicestershire Strategic Planning Partnership, which includes Melton BC, Leicester City Council, the other six district councils in Leicestershire and the LLEP.

Background Papers

Report to the Cabinet on 23 November 2018: Leicester and Leicestershire Strategic Growth Plan – Consideration of Revised Plan for Approval

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

Report to the Cabinet on 20 November 2020: Leicester and Leicestershire Strategic Transport Priorities 2020 to 2050

<https://bit.ly/3Uj5oxc>

Report to the Cabinet on 20 November 2020: Draft City of Leicester Local Plan 2020 to 2036

<https://bit.ly/3Uj5oxc>

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 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 24 October 2023: Melton Mowbray Distributor Road South

<https://bit.ly/47ekawG>

Appendix

Leicestershire County Council Officer Comments on Melton Borough Council's Local Plan Partial Update Issues and Options Consultation

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