Melton Borough Core Strategy  
Public Examination

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Dear Mr. Rai,

Inspector’s Preliminary Conclusions on Melton Core Strategy

1. A Pre Hearing Meeting into the Melton Core Strategy was held on 18 December 2012. At that meeting I said that I would be focussing on whether the Core Strategy met the tests of soundness as set out in paragraph 182 of the NPPF.¹  
The four tests of soundness are:

(I) **Positively prepared** – the plan should be prepared based on a strategy which seeks to meet the objectively assessed development and infrastructure requirements, including unmet requirements from neighbouring authorities, where it is reasonable to do so and consistent with achieving sustainable development;

(II) **Justified** – the plan should be the most appropriate strategy, when considered against the reasonable alternatives, based on proportionate evidence;

(III) **Effective** – the plan should be deliverable over the period and based on effective joint working on cross-boundary strategic priorities; and

(IV) **Consistent with national policy** - the plan should enable the delivery of sustainable development in accordance with the policies in the Framework.

¹ National Planning Policy Framework
2. From all the evidence submitted and including various site visits, I consider that there are matters of fundamental concern with the Melton Core Strategy which cannot be overcome through changes (main modifications). The main concerns are outlined in the following paragraphs:

3. The plan is not based on a strategy which seeks to meet objectively assessed development and infrastructure requirements. The assessment of the housing requirement in the Core Strategy is not `NPPF compliant’. Moreover, the proposed level of housing provision fails to meet the objectively assessed needs as required by the NPPF. Paragraph 47 of the NPPF requires Local Planning Authorities to ensure that their local plans meet the full, objectively assessed needs for market and affordable housing in the relevant housing market area (HMA). Relevant evidence includes the SHMA (EB24), SHLAA 2012 with excluded sites (EB77a) and the Leicester and Leicestershire Housing Requirements Project (EB21). Relevant evidence to help inform this assessment includes the 2008 household projections. Benchmarking these projections against the 2011 Census data suggest that the projections underestimate population growth and therefore household and dwelling requirements.

4. The Core Strategy proposes that 170 homes a year are provided over a plan period ending in 2026. Paragraphs 4.3 - 4.8 of the Core Strategy explain why alternative growth figures identified in the Leicester and Leicestershire Housing Requirements Project have not been selected. Given the revocation of the East Midlands Regional Plan (as of 12 April 2013), it is important that the Core Strategy makes provision to meet objectively assessed housing needs.

5. The Leicester and Leicestershire Housing Requirements Project (EB21) set out projections for a range of scenarios from trend based growth to a 10% employment growth option. The Final Report concluded that for the HMA, the provision of between 4,000 and 4,500 homes a year would represent a positive planning framework which would ensure that housing provision did not constrain the ability of the sub-region’s economy to achieve a level of growth above the baseline forecast. This approach would be consistent with the Government’s aspirations to grow the economy.

6. With the release of the 2011 Census data, it is also possible to benchmark the projections in EB21 against the actual population recorded in the Census at 2011. For Melton the Census shows a population of 50,376 at 2011. This is above all the scenario projections set out in the Leicester and Leicestershire Housing Requirements Project (EB21). A further source of evidence is the 2008 household projections. For Melton the projections indicate a 3,000 increase in households between 2006 and 2026.

7. These household increases need to be converted into likely dwelling requirements. A nationally accepted model set out by the NHPAU requires the consideration of constrained demand, second homes and vacancies. Applying this methodology indicates that the Core Strategy significantly underestimates the full objectively assessed housing needs for the area and that provision should be increased to 200 dwellings per year to provide some 4,000 homes over the period to 2026.

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2 National Housing and Planning Advice Unit
8. Furthermore, past build rates for the period 2006-2012 show that this level of provision is achievable. The average completion rate for 2006-2012 was 212 dwellings per year, with a peak of 284 dwellings completed in 2008-2009. The Regional Strategy uses 2004 based projections which I consider to be seriously out of date.

9. A further issue of serious concern is the **timeframe** of the plan. The plan period covers the 20 years from 2006-2026. The Local Development Scheme 2012 Timetable Update indicated that the Core Strategy is expected to be adopted in May 2013, with the Sustainable Urban Extension Area Action Plan in December 2013 and the Land Allocations and Settlement Boundaries DPD in December 2014. At its meeting on 9 January 2013, the Rural, Economic and Environmental Affairs Committee approved a revised Local Development Scheme (SD13a). This now indicates adoption of the Core Strategy in July 2013 and proposes the production of a Melton Mowbray North Local Plan, with adoption scheduled for April 2014, and a ‘telescopd’ Melton Local Plan, which will effectively merge a review of the Core Strategy, rolling it forward to 2031 or 2036 along with site allocations and policies. The revised Local Development Scheme envisages that this document will be adopted in February 2016.

10. At best therefore the plan has a timeframe of 12 - 13 years. The revised Local Development Scheme means that, other than for the proposed sustainable extension, other site allocations will not be identified in an adopted development plan document until February 2016. Paragraph 157 of the NPPF indicates that a 15 year time horizon is preferable. I consider that there is an essential need to plan for at least a 15 year period to take account of long term requirements. Indeed the need to plan for a 15 year period and take account of longer term requirements is recognised in the recent report to the Rural, Economic and Environmental Affairs Committee on the revised Local Development Scheme, 2013. In the context of the revocation of the East Midlands Regional Plan, and taking account of the available evidence to identify the objectively assessed housing needs for the HMA, and extending the plan by two years to 2028, I consider that provision should be made for 4,400 dwellings at an annual rate of 200 dwellings per year. This increased requirement would mean around an additional 1,000 homes would need to be provided for as part of the Strategy.

11. In terms of the housing trajectory, the AMR 2013 provides the latest position. This provides for a 5.4 years supply and a surplus of 75 dwellings for the period 2013-2018. I seriously question the assumptions on delivery from the identified components of supply both for years 0-5 and 6-10 in relation to existing commitments, SHLAA sites and assumptions on small sites provision. The Table submitted by Pegasus to the Examination highlights these concerns site by site. The amended timetable for the delivery of the northern SUE\(^3\) presented to the Examination reduces the supply to 4.96 years before any consideration of the robustness of assumptions of delivery from the other components of supply. This confirms the need for the Core Strategy to provide greater flexibility to ensure the delivery of objectively assessed needs in accordance with the NPPF.

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\(^3\) Sustainable Urban Extension
12. I have serious concerns about the apportionment of 80% of total development to Melton Mowbray and 20% to the Rural Centres and Sustainable Villages. Whilst there appears to have been some detailed assessment and evaluation undertaken in respect of the various options for the SUE, there does not appear to have been much detailed evaluation or assessment of the three options advanced for the apportionment of development between Melton Mowbray and the Rural Centres/Sustainable Villages and it is unclear as to the evidence upon which the decision for an 80%:20% apportionment is based. I consider the assessment of the three options is subjective and unreliable. The excessive constraint on new open market housing, particularly within the Rural Centres may have implications for the delivery of new affordable housing.

13. Policy CS2 is too inflexible and does not accord any preference to Rural Centres above Sustainable Villages in terms of housing sites. Changes are needed to the Strategy to enable consideration of market housing allocations where appropriate to deliver a proportion of affordable housing in high need areas. This would ensure a more appropriate distribution of housing in the rural areas. Rural Centres need a specific housing provision to provide a robust basis for Neighbourhood Planning. Moreover, with 80% of the development directed towards Melton and a significant proportion of that development to be delivered by way of a SUE, there is a significant risk that delivery of the strategy could be jeopardised, in the event, for whatever reason, the SUE cannot be delivered or delivery is delayed.

14. A key component of the Core Strategy is the proposal for a SUE to the north of Melton. The direction of growth for this SUE is shown on the Key Diagram and Policy CS23 sets out the requirements associated with the SUE. From the evidence submitted to the Examination I cannot support this overall strategy for several reasons:

   • The proposed northern SUE is not sustainable on the basis that it has an unacceptable impact on the landscape, agricultural land and biodiversity. The proposal is contrary to advice in the NPPF about the use of such resources.

   • In terms of landscape, the northern area is categorised as having the highest value landscape around the town, this was confirmed in EB45 in 2006 and again in 2011. The NPPF specifically deals with the value of landscape at paragraphs 109, 110 and 170.

   • In terms of agricultural land (EB7), the northern SUE includes substantial amounts of Grade 3a land which is noted as the best and most versatile and which should be safeguarded (NPPF paragraph 112). The southern SUE contains less Grade 3a land – (the Northern SUE 17.9%: the Southern SUE 12.7%).

   • In terms of biodiversity EB41 includes the grading of the various land parcels. Northern sites BC are graded higher than areas F and G in the southern areas and whilst Area A has a lower grading, consultation with the maps within the document shows that Area A includes substantial biodiversity resources. The cutting off from the open countryside of the Country Park will also have an adverse effect upon biodiversity.
ecological land offset required for the northern SUE is 22.9 hectares whereas the offset required for the southern SUE is 9.3 hectares demonstrating the requirement for more substantial mitigation in the north.

• In my view, the assessment made in EB86 by Scott Wilson on pages 70 and 71 in relation to the growth options was robust and in accordance with the NPPF paragraph 165.

• Further, the timescale for the delivery of the northern SUE is unrealistic and the proposal has not proven to be viable in accordance with the requirements of the NPPF paragraph 173. There is no detailed analysis of viability of the scheme including the provision of infrastructure, the S106 requirements, and the normal site development costs. On this basis I consider that the Core Strategy is flawed because there is no certainty that it can be delivered.

• The requirements set out within the infrastructure delivery plan are not adequate to meet the Leicestershire Police Authority’s infrastructure requirements. Changes to the plan are necessary to meet the objectively assessed development and infrastructure requirements of the Police. The current Core Strategy is unsound because of the inadequate consideration of the need for additional Police infrastructure and is in conflict with paragraph 182 of the NPPF.

• A number of transport studies have been undertaken to consider options for a SUE to Melton Mowbray and associated bypass to support the Core Strategy. Overall it can be concluded that a partial northern bypass would provide a slightly greater level of traffic relief within Melton Mowbray Town Centre compared to a partial southern bypass. However, the mitigation provided improves significantly, and is very similar, for either SUE with a half or three quarters bypass option. There is therefore little to differentiate the traffic mitigation benefits by the bypass, particularly for the longer alignments.

• To achieve the greater level of traffic mitigation, Policy CS11 of the Core Strategy sets out a strategy to provide a half bypass. This is identified as a route between Leicester Road and Thorpe Road. (Sections 3–9). This decision was in part influenced by the apparent deliverability of the northern part of this route, with the partial bypass between Nottingham Road (Point 6) and Melton Spinney Road (Point 8) to be funded by the SUE.

• However, the various traffic studies have identified that the alternative of a southern half bypass would provide similar traffic mitigation benefits to Melton Mowbray. Furthermore, a southern partial bypass is equally deliverable under a similar strategy as set out in Policy CS11, funded by a southern SUE. Such an approach would not only avoid the potential environmental impacts identified in the Sustainability Appraisal as associated with a northern SUE, but it would also be the least expensive once the SUE funded sections of the bypass are taken into account.
Finally, the transport studies show that the southern SUE comes out as better located in terms of accessibility to sustainable transport modes. It has better opportunities to provide walking and cycling to local amenities and accessibility for buses is much better. Both developments would be expected to enhance the existing provision, and this would be more expensive, in my view, for the northern SUE because greater effort will be required to bring the provision to an acceptable level. It is also the case that the southern SUE is better related to the existing and proposed areas of employment, the Town Centre and the Railway Station.

In short, the sustainability credentials of the southern SUE are better. For all the above reasons, the Core Strategy proposal for a northern SUE is not sustainable and cannot be supported. The Core Strategy is therefore fundamentally unsound as the evidence base does not support the strategy – paragraph 182 of the NPPF refers.

The Core Strategy is also unsound with respect to sustainable economic growth. The Council has chosen to select a northern SUE and a western Employment Growth Area. Failure to prioritise the economy when the growth options were selected has compromised the vision, objectives and delivery of the Core Strategy. The cumulative effects of the preferred growth options are identified in EB86. The report details the logic of, and the positive synergy that is created, when the southern housing growth option and the western employment growth option work together. EB86 paragraph 5.2.23 provides a written summary of the effect. The fourth bullet point states “The cumulative impact on reducing the need to travel, improving access to public transport and reducing traffic congestion is positive. The bypass to be developed as part of the housing growth option and the location of the employment growth option will ensure traffic congestion is relieved in the town centre. Both would also implement new public transport provisions”.

EB80 states that “Other than Melton Mowbray, the key destinations for employment for residents of the borough are Nottingham and Leicester, plus southwards on the A1 or M1 corridors in places such as Northampton and Corby”. It is logical to conclude that a southern SUE is better placed to allow residents to access the majority of these areas, especially the PUA around Leicester. In my view it is illogical to select a northern SUE and a western Employment Growth Area. When the combined effects of the Council’s decisions are reviewed in total the only logical conclusion is that the Core Strategy does not reflect the most appropriate strategy for Melton. The Core Strategy would not create optimal conditions for a sustainable and developing economy and that several elements of the vision and objective of the Plan have been compromised.

The Sustainability Appraisal (SA) is not examined for soundness. Any shortcomings in the SA should be directed to the soundness of the plan. You cannot retrofit the process. What is required is for the SA to be done throughout the plan. The objectors have identified a number of shortcomings in the SA process. It is unclear how the SA process influenced the final plan. Because the final SA report (SD7a) acknowledges (pages 43 and 44) that the Core Strategy is in conflict with the SA of the Direction of Growth Options (pages 40 and 41). The

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4 EB80 page 4
SA identified a southern housing growth option as the best. The final Core Strategy Plan and final SA report do not recognise new evidence base documents, or revisions to earlier studies, which should have caused the Council to review its preferred options for housing growth. In my view the SA process appears to contain serious errors. Critically it is not evident that the sustainability considerations have informed the site selection process. This makes the plan very vulnerable to legal challenge.

18. My overall conclusion is that the plan is unsound because:
   - the strategy does not seek to meet the objectively assessed development and infrastructure requirements of the area.
   - the strategy is unjustified as the most appropriate strategy when considered against reasonable alternatives, based on proportionate evidence.
   - reasonable alternatives, including a western growth option, were not fully considered.
   - the plan is not consistent with national policy in that it does not enable delivery of sustainable development in accordance with the policies in the NPPF.

19. It is also worth recording three other matters: (i) the Core Strategy attracted significant opposition at the public consultation stage with a 2,500 signature petition submitted against the preferred option (ii) when serious shortcomings were identified in the SA, at the Pre Hearing Meeting held in December 2012, this again attracted a significant number of fundamental objections from local residents, and (iii) the plan is seeking to deal with an extremely complicated situation but fails to deal properly and comprehensively with circumstances which are likely to arise. The number and extent of the Main Modifications required would be so significant as to amount to the plan being re-written.

20. Given the totality of the further work required including revision of the evidence base, the review of housing and employment growth options, further transport modelling, sustainability appraisals, viability work on selected sites, a completely new implementation programme and at least two rounds of public consultation, I consider that the changes required are so significant that I am unable to deal with the matter through modifications and that the best course of action is for the Council to consider withdrawing the plan. Part of my concern with the submitted plan relates to the uncertainty about delivery/capacity on the SUE. A new Local Plan which included site allocations would allow some of this uncertainty to be resolved.

I should be grateful if you would let me know your intentions as soon as possible (through the Programme Officer). I have asked the Programme Officer to furnish all those who made representation with a copy of this letter, and to put it on the Melton website.

Yours sincerely,

Harold Stephens

Inspector

cc Steve Carnaby, PINS