

EXTRAORDINARY MEETING OF FULL COUNCIL

1st SEPTEMBER 2016

REPORT OF THE HEAD OF REGULATORY SERVICES

CONSIDERATION OF SETTLEMENT ROLES AND RELATIONSHIPS

1.0 PURPOSE OF REPORT

- 1.1 The purpose of this report is to convey the results of the updated and amended approach to the settlement roles and relationships for the Borough following the issues raised through the consultation and engagement on the Emerging Options (Draft Plan).

2.0 RECOMMENDATIONS

2.1 It is recommended that:

- i) **Council approves the methodology and resulting ‘settlement hierarchy’ to inform the spatial distribution of development across the Borough as set out in this report, and directs that the Local plan is prepared on the basis**

- ii) **Council directs that the Local plan is prepared on the basis of 15% (322) of the number of dwellings to be provided outside of Melton Mowbray as an allowance for ‘windfall sites’, and that the remaining dwelling provision (1822) is dealt with through allocated sites;**

- iii) **Council approve the proportionate approach to sharing development out depending on settlement size (paras. 3.19 – 3.20 below);**

- iv) **Authority is delegated to the Head of Regulatory Services to make any necessary changes required for clarification or where updated evidence is provided on facilities, services or constraints that may amend the resulting hierarchy prior to be Local Plan being presented.**

3.0 KEY ISSUES

3.1 Background to Spatial Strategy

3.2 The Spatial Strategy in the new Melton Local plan provides the direction for growth and change in the Borough over the 20 years to 2036. The spatial strategy focuses the majority of the Borough's housing and employment development on the town of Melton Mowbray (65% of the housing requirement and most of the employment development), and recognises the important role of the villages within the Borough to contribute to the delivery of housing and to continue to provide some local development to support the housing and employment needs of the rural parts of the Borough. This development is necessary to support the role of existing villages and to ensure that they continue to function and thrive. The spatial strategy therefore apportions the remaining 35% of the housing development required to the villages.

3.3 The Settlement Roles and Relationships report April 2015 was prepared to evidence the approach taken in the Emerging Options Melton Local Plan to group settlements with similar services into four categories and apportion housing development within each grouping. The Emerging Options went on to identify a number of potential housing allocation sites in the villages identified as Primary and Secondary Rural Service Centres, from which allocations would be determined. The Council gave a commitment to reviewing the approach set out in the Emerging Options and to determining housing allocations when the Emerging Options consultation began in January this year.

3.4 Consultation and Engagement

3.4.1 Consultation and engagement has taken place throughout the preparation of the Plan. Key points were drawn out of the responses and officer analysis is provided as to the actions considered necessary to respond appropriately to the comments made. These are included as Appendices A-1 to A8 to this report). In addition to the consultation, during March, a Reference Group meeting and a Parish Council and Neighbourhood Plan group Meeting were held to provide input into the review of the Settlement Roles and Relationships report. These meetings identified some common themes regarding participants view of the most important services and facilities that contribute to sustainability within villages within the context of Melton Borough.

3.4.2 The Reference Group and Parish Councils were also asked to complete a new survey of village facilities within their area. The responses to this survey,

together with those provided in October have been captured on a revised Village Facilities Matrix (included as Appendix B).

3.5 Outcomes of Consultation – Essential Criteria

3.5.1 Having reviewed the consultation responses and the information gleaned from the Reference Group and Parish Council meeting, officers have reviewed the approach and made changes to it which address some of the issues raised by consultation responses – particularly combining service centres, and combining the rural settlements and smaller rural supporter villages into a single category; and reconsideration of the criteria used for assessing villages, based upon identifying settlements with four ‘essential criteria’ relating to service and facility provision comprising:

- primary school;
- access to employment opportunities;
- fast broadband and
- a community building.

The essential criteria have been used to identify ‘Service Centres’ and ‘Rural Hubs’. A Service Centre is a village with all 4 of the essential criteria, whilst Rural Hubs must have at least 3 out of 4, with one of those being a primary school. This approach was considered by the Melton Local Plan Working Group at its meeting of 13th July 2016 and it was recommended it should form the basis for the distribution of housing in the Local Plan.

3.5.2 It is important to note that the need for a shop in the smaller settlements was not considered to be essential by the Reference Group and Parish Council and Neighbourhood Plan group meeting, and by a number of the consultation responses. The reason for this range from the increased use of online shopping, the rural nature of the Borough and examples of the instability in the provision of such facilities. It is accepted that in such rural locations, that there will inevitably be some reliance on the private car for carrying out day to day tasks. This is also acknowledged in the NPPF and has been cited in recent appeal decisions.

3.5.3 The importance of public transport was however recognised by the Reference Group and Parish Councils and by a number of consultation responses, especially for those without access to a private vehicle or for those unable to drive. Access to a reasonable level of public transport to nearby settlements with a more extensive service and facility range is therefore identified as an essential criteria for both Service Centres and Rural Hub categories. It is also accepted that what is a reasonable level of public transport provision has to be reflective of the rural nature of the area.

3.5.4 An additional criteria was added to the assessment process to recognise the role of those settlements located within 500m of a Service Centre or 2.5km of the town centre of Melton Mowbray as locations which are close enough to access a wide range of services which can be accessed more easily within the rural context.

3.6 Settlement Hierarchy

3.6.1 In applying the revised approach the following hierarchy is now proposed:

- **Melton Mowbray** (urban area);
- **Service Centres** (villages that act as a local service centre in the rural area. It has the essential services and facilities (Primary school, employment, community building, Broadband and regular public transport to nearby towns) as well as a number of other important and desirable services such that it is capable of serving basic day to day needs of the residents living in the village and those living in nearby settlements.) These villages should have all four of the Essential criteria and a good range of important and other facilities.
- **Rural Hubs** (A village which has a range of essential and important local services which serve the basic needs of people living within it and nearby settlements, which can be accessed by cycling and walking. (This includes settlements within 0.5km of a Service Centre and those within 2.5km of the centre of Melton Mowbray). Residents will generally travel to nearby towns and cities to meet their retail, leisure and employment needs. These villages will have 3 out of the 4 essential criteria and a range of other facilities or easy access to other facilities within nearby settlements forming a cluster or hub of village facilities
- **Rural settlements** (Small villages or hamlets that have little or no local services, where residents are entirely dependant upon travelling to a nearby settlement or town or city for work, recreation and service provision.)

3.6.2 Applying this methodology to the updated facilities matrix would result in 12 Service Centres, 7 Rural Hubs and 55 Rural Settlements. These are detailed in Appendix C. Under this methodology the Service Centres and Rural Hubs are as follows:

Service Centres	Rural Hubs
Asfordby	Ab Kettleby
Bottesford	Asfordby Hill
Croxton Kerrial	Easthorpe
Harby	Frisby on the Wreake

Hose	Gaddesby
Long Clawson	Great Dalby
Old Dalby	Thorpe Arnold
Scalford	
Somerby	
Stathern	
Waltham	
Wymondham	

3.7 Housing Numbers and Distribution

3.7.1 The required number of homes to be delivered in the Borough during the plan period is 6125, with 65% of those located in Melton Mowbray and the remaining 35% being located elsewhere in the rural area. This equates to 2144 dwellings to be accommodated in the villages.

3.7.2 Some development is expected to come forward as windfall sites however, demonstrating the delivery of homes is key to the plan being found sound at Examination in Public, and a high reliance on windfall sites poses a risk to being able to demonstrate deliverability of the housing requirement. It is therefore recommended that the part of the overall housing requirement which will be delivered through windfall sites is reduced. Overall it is recommended that the allowance for windfall development in the plan should be no more than 10% for the Borough (5% in Melton Mowbray and 15% for the rural area). National policy advises that an allowance for windfall development should only be included in the five year land supply where there is strong evidence that such sites will continue to come forward. Based on past delivery rates and the 'relaxing' of restrictions on small site development in the smaller villages brought about by policy SS3, it is expected that windfalls will continue to provide a proportion of the Borough's annual housing requirement.

3.7.3 Subtracting 15% (322) of the 2144 housing figure to allow for these windfall sites coming forward means that allocated sites should provide capacity for 1822 dwellings in the Service Centres and Rural Hubs.

	Requirement (2011-2036)	Windfall allowance	Residual to be allocated
Melton Mowbray	3981	200 (5%)	3781
Rural Area	2144	322 (15%)	1822
Borough Total	6125	522 (9%)	5603

- 3.7.4 One of the objectives of the plan was to distribute development across settlements, with a view to enhancing sustainable communities (where applicable), support service provision and in order to provide housing choice and assist with deliverability (by allowing opportunities for multiple developments to proceed concurrently over a wide geographical area). The Emerging Options document proposed to achieve this by allocating housing development on the basis of the existing settlement size in the 'Primary Service Centre' category. This is considered to be a 'fair' and proportionate approach to allocation and, whilst receiving a degree of opposition from consultation, has not attracted high levels of criticism in principle.
- 3.7.5 It is proposed that we follow the same approach to distribution for all of the settlements identified by the revised analysis as Service Centres or Rural Hubs. Following this process, information on existing populations has been compiled and an estimate of the number of households in each settlement can be calculated.
- 3.7.6 The calculation of the resultant allocation is currently underway. The resultant quantities will then form the basis for the allocation of housing to individual sites in the villages identified, which follows from a comparative analysis of the available sites that have been promoted through the Strategic Housing Land Availability Assessment (SHLAA) process. Details of the results of this process, and the sites it indicates are the preferable options, will be presented at a future meeting of Council and subsequently, subject to agreement, will feature in the Local Plan submission version.
- 3.7.7 Whilst this exercise is underway, Members will appreciate that there are a range of issues that mean that the approach may not be able to be followed in full. As identified above, under this approach, 1822 dwellings need to be accommodated, however there will be examples where settlements cannot accommodate an apportionment and these will need to be reallocated. This may result from the extent of availability of suitable sites, but also physical constraints including Landscape Character, Heritage Assets, Flood Risk etc. The site assessment exercise will incorporate these factors and adjust the level of development accordingly, to reflect the ability of a settlement to accommodate the amount of new development.

3.8 The importance of a 5 year housing supply.

- 3.8.1 The advice we have received from PAS and DCLG is that the provision of 5 year land supply are given the highest priority. Sites identified to achieve this will need to be supported by evidence to demonstrate their deliverability especially within the 5 year supply period. At present we have a supply of 1046 homes (just 2.3 years) and will need a further 1150 homes on genuinely

deliverable sites in order to meet the five year requirement. This has the potential to further impact on the apportionment because there may be circumstances where settlements do not have sites that meet that criteria and they will need replacing by sites that do.

3.9 Policy SS6 – trigger points for review

3.9.1 The above policy was considered by the Working Group at its meeting on 11th August 2016. It was agreed that the approach was appropriate but there was concern that the policy needed to emphasise the deliverability of alternative options, necessary in order that they could make an early impact if the sites identified in the Local Plan were failing. It was agreed to adjust the wording to reflect this within the policy, by developing the text to read: *“Potential alternative or long term options that will be explored to examine their suitability, availability and deliverability include:.....”* Prior to listing the alternative options i.e

“Potential alternative or long term options that will be explored to examine their suitability, availability and deliverability include:

- *Previously considered large scale site options at Normanton airfield, Dalby airfield and Six Hills;*
- *‘Suitable’ small sites within the rural area; and*
- *Land to the west of Melton Mowbray”*

4.0 POLICY AND CORPORATE CONSIDERATIONS

4.1 The Melton Local Plan Emerging Options provided the vehicle to engage with people on the preferred approach to addressing the issues and challenges which need to be dealt with through the Local Plan. The responses received through consultation throughout the preparation of the plan so far has informed the spatial strategy in terms of setting out a revised settlement hierarchy and identifying the number of dwellings to be provided in each settlement dependent on existing settlement size. The consultation responses will also influence the content and wording of policies.

4.2 A Sustainability Appraisal Report (Preferred Options) will be prepared and published alongside the Draft Local Plan. This will test and assist with testing and refining the alternative approaches and assessing their social, economic and environmental effects. This exercise will be informed by this evidence.

5.0 FINANCIAL AND OTHER RESOURCE IMPLICATIONS

- 5.1 There are no significant unknown financial or resource implications arising from this report. The Local Plan will be an intensive exercise, which will have a significant resource implication. However this will be met through the existing budget provisions.

6.0 LEGAL IMPLICATIONS/POWERS

- 6.1 The Town and Country Planning (Local Planning) (England) Regulations 2012 and the National Planning Policy Framework require that plans are prepared based on evidence. The settlement hierarchy has been informed by consultation responses and with engagement through Reference Groups, Parish Councils and Neighbourhood Development Panels. This community engagement is a requirement of Regulation 18 of the Planning and Compulsory Purchase Act (as amended) 2004 and the Town and Country Planning Regulations 2012.

7.0 COMMUNITY SAFETY

- 7.1 There are no direct community safety implications as a direct result of this report.

8.0 EQUALITIES

- 8.1 The Local Plan Submission version that will be influenced by the spatial hierarchy addressed in this report will however require an Equalities Assessment.

9.0 RISKS

9.1 The following risks have been identified:

L I K E L I H O O D	A	Very High				
	B	High				
	C	Significant		1.2		
	D	Low				
	E	Very Low				
	F	Almost Impossible				
			Negligible 1	Marginal 2	Critical 3	Catastrophic 4

IMPACT

Risk No	Risk Description
1	Respondents to the consultation and those involved in the Reference Groups and Neighbourhood Development Panels are not satisfied with the response provided and will repeat their points at Submission Plan stage
2	The resultant changes alter the initial settlement hierarchy and the distribution of development, attracting a fresh body of representation

10.0 CLIMATE CHANGE

10.1 There are no direct climate change issues arising from this report.

11.0 CONSULTATION

11.1 The proposed approach within this report is a response to consultation responses received to the Local Plan Emerging Options consultation January – April 2016. The Submission Version of the Local Plan will be subject to a statutory 6 week consultation in accordance with the Town and Country Planning Regulations 2012.

12.0 WARDS AFFECTED

12.1 All Wards are affected.

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Date: 23rd August 2016

Appendices:

Appendix A1: Key Points Raised in Consultation on Emerging Options and Officer Response

Appendices A2 – A8 : full analysis of consultation responses

Appendix B : Settlement Matrix

Appendix C : full 'settlement hierarchy'