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Meeting	LOCAL PLAN COMMITTEE
Time/Day/Date	6.00 pm on Wednesday, 27 January 2021
Location	Remote Meeting using Microsoft Teams
Officer to contact	Democratic Services 01530 454512

AGENDA

Item		Pages
1	APOLOGIES FOR ABSENCE	
2	DECLARATION OF INTERESTS	
	Under the Code of Conduct members are reminded that in declaring disclosable interests you should made clear the nature of that interest and whether it is pecuniary or non-pecuniary.	
3	PUBLIC QUESTION AND ANSWER SESSION	
	To receive questions from members of the public under rule no.10 of the Council Procedure Rules.	
4	MINUTES	
	To confirm and sign the minutes of the meeting held on 10 December 2020.	3 - 6
5	LOCAL PLAN REVIEW - HOUSING REQUIREMENTS	
	Report of the Head of Planning and Infrastructure	7 - 10
6	LOCAL PLAN REVIEW – EMPLOYMENT LAND REQUIREMENTS	
	Report of the Head of Planning and Infrastructure	11 - 18
7	LOCAL PLAN REVIEW – RETAIL CAPACITY STUDY UPDATE	
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8	DISEWORTH VILLAGE DESIGN STATEMENT	
	Report of the Head of Planning and Infrastructure	27 - 34

Circulation:

Councillor J Bridges (Chairman)
Councillor D Harrison (Deputy Chairman)
Councillor D Bigby
Councillor R Boam
Councillor J Hault
Councillor R Johnson
Councillor J Legrys
Councillor V Richichi
Councillor A C Saffell
Councillor N Smith
Councillor M B Wyatt

MINUTES of a meeting of the LOCAL PLAN COMMITTEE held in the Remote meeting using Microsoft Teams on THURSDAY, 10 DECEMBER 2020

Present: Councillor J Bridges (Chairman)

Councillors D Harrison, D Bigby, R Boam, J Houlton, R Johnson, J Legrys, V Richichi and N Smith

Officers: Mr I Nelson, Mr C Elston, Mr C Colvin, Mrs M Long and Woollett

20 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors A C Saffell and M B Wyatt.

21 DECLARATION OF INTERESTS

There were no declarations of interest.

22 PUBLIC QUESTION AND ANSWER SESSION

There were no questions received.

23 MINUTES

Consideration was given to the minutes of the meeting held on 15 October 2020.

It was moved by Councillor J Legrys, seconded by Councillor D Harrison and

RESOLVED THAT

The minutes of the meeting held on the 15 October 2020 be approved and signed by the Chairman as a correct record.

24 LOCAL PLAN OBJECTIVES

The Planning Policy Team Manager presented the report to members. He advised the Committee that over the past months, draft objectives had been considered at meetings of Cabinet as well as this Committee and that all but one of the objectives had been agreed with the only outstanding matter being the wording of Objective 4, which related to sustainable transport. Following the last meeting of the Committee, some suggested alternative wording has been formulated which members were now being asked to confirm following the approval of Cabinet. Subject to the Committee's decision, the agreed set of draft objectives will be included in the next stage of public consultation on the Substantive Local Plan Review.

Councillor Legrys, from whom the suggestion to amend the wording of this objective had originally stemmed, was pleased that compromise wording had been agreed for Objective 4 but he asked that time be allocated to provide clear and concise explanations of what the objectives mean and that they be explained in a user friendly and meaningful manner. He felt that this would help members when responding to queries from the public. The Planning Policy Team Manager advised that the objectives were very high level and work would follow on agreeing the policies and ensuring they fulfilled the criteria set out within them. In response to this, a member referred to an earlier request for a framework of issues and the date by which they would be considered, as this had yet to be received by members and he considered that such a timetable would be helpful to the Committee. The Planning Policy Team Manager was also asked for an idea of the timeframe for when the next consultation

was due to happen and details of other aspects of the review, which would be included in this round of consultation. He was also asked how the Plan would tackle the issue of air quality, particularly given the recent decision of Cabinet to provide a Supplementary Planning Document on air quality in the coming years.

The Planning Policy Team Manager responded to these issues by advising that air quality was already included as part of the Plan but this would be reviewed and amended as necessary, and a Supplementary Planning Document will be compiled following the decision of Cabinet noting that this document on its own will not dictate policy but it will offer guidance on procedures. He advised that he anticipated the next round of consultation to be in the early part of next year and, in relation to the questions relating to content and timetabling of the Plan, it was noted that these would be addressed as part of the following agenda item.

It was moved by Councillor D Bigby, seconded by Councillor N Smith and

RESOLVED THAT

The Local Plan Committee notes the revised wording of draft Objective 4, as set out at paragraph 1.8 of the report, for inclusion in the next consultation stage of the Substantive Local Plan Review.

25 LOCAL PLAN UPDATE

The Planning Policy Team Manager presented the report to members. He took the report in two parts, commencing first with the issues around the Partial Review.

He reported that the hearing sessions at the Examination concluded on 17 September 2020, and at the end of the hearing sessions, officers were requested by the Inspector to prepare a number of main modifications that arose from the various discussions, which took place.

The Inspector asked the Council to undertake consultation on these main modifications and these were published for a 6-week consultation period starting on 30 November 2020. The consultation closes on 10 January 2021. Following the close of the consultation, officers will go through the responses and prepare a schedule for the Inspector. In the event that the Inspector recommends that the revised Local Plan can be adopted this will then be subject to a report to Council for adoption.

A member sought clarification on the references to the Use Classes, and specifically where these had changed, and asked why the specific change of Use Class was not referenced and asked if there were any substantial differences between them and which of the definitions would apply in the Local Plan once the modifications have been agreed. Another member was concerned about the timing of the consultation, given that it was over the Christmas period, access to the consultation and the methodology for responding.

The Planning Policy Team Manager advised that he was not aware of any change to the definition but the Use Classes have been amended to include more Use types. He acknowledged the unfortunate timing of the consultation and confirmed that responses could be submitted in writing or by email and that the on line form was for ease of access to those who wished to use this platform. The Chairman also offered to collate responses and offered this as an additional vehicle for responding to the consultation and urged fellow councillors to spread the word in their communities to encourage participation.

The Planning Policy Team Manager went on to report on the Substantive Review. In response to issues raised by members earlier in the meeting, he advised that the

timetable for the Substantive Review would be reliant on the modifications from the Partial Review. The proposed modifications require submission of the Substantive Review to the Secretary of State within 18 months of whichever is the earliest of a Statement of Common Ground (SoCG) being agreed or 21 May 2021. There is no firm timetable for the agreement of the SoCG, but it is considered unlikely that this would happen before the end of February 2021 at the earliest. On this basis, submission of the Substantive Review would be required by the end of August 2022. If a SoCG is not agreed or slips significantly, then submission of the Substantive Review would be required by 21 November 2022 (i.e. 18 months on from 21 May 2021). It was acknowledged that this a very tight and challenging timetable.

A member understood that some sites which had been refused planning permission both at the Planning Committee and on appeal may now be put forward for development and this, it was felt, would cause considerable confusion and anger to affected local residents. Officers were urged to try and do what they could to prevent this happening as far as they were able. Concerns were also raised about the lack of cross boundary considerations and asked that these be factored in.

A member reiterated concerns around presentation and language and asked that documents be written so that they can be easily understood by the public given that they will be strongly encouraged to respond to the consultation. Issues were also raised in relation to the suggested High 2 scenario, which seeks to take account of the issue of unmet needs from Leicester City and the proposal to build in an additional proportion for growth of 20%. However the report went on the state that, in the event that the proposed changes to the standard method are confirmed by the government, then it is understood that Leicester City would no longer have an unmet need. This was considered contradictory. A member felt that many local residents would be harshly affected in order to meet this projection and he would not want the Committee to go down this route unless it was convinced that there was a good reason for doing so.

The Planning Policy Team Manager confirmed that the references to the unmet need of Leicester City did appear to be contradictory but the reason that these references have remained is due to the fact the government's intentions on 'standard method' were currently unknown, and so, whilst there is a possibility that Leicester City won't be able to meet its needs, then it is considered prudent to factor in a contingency against this

There were mixed views on whether the preference for new development should be spread across a number of sites or whether it should be a dedicated 'new town' given the bolt on effect and loss of identity of some of the local towns and villages and the lack of infrastructure.

Officers were commended for their report and it was moved by Councillor J Legrys, seconded by Councillor V Richichi and

RESOLVED THAT:

That the Local Plan Committee:

- (i) Notes the progress on the Local Plan Partial Review;
- (ii) Notes the suggested timetable for the Substantive Review;
- (iii) Agrees to updating the Local Development Scheme when there is greater clarity in respect of the timetable for the Statement of Common Ground to be agreed by all of the Leicester and Leicestershire Authorities;

- (iv) Agrees to testing the four Growth Options set out after paragraph 3.25 of the report; and
- (v) Notes the proposals to develop the evidence base.

26 CONSULTATION RESPONSE TO LEICESTER CITY LOCAL PLAN

The Planning Policy Team Manager presented the report to members. It was noted that Leicester City Council recently issued a draft Local Plan for consultation ('the Draft Plan') which sets out the vision and objectives for growth of the city between 2020 and 2036. The Draft Plan consultation closed on 7 December 2020. As this was before a meeting of this Committee, officers submitted comments following discussion with the Portfolio Holder for Infrastructure and Planning but on the understanding that they were subject to being agreed by this Committee. The proposed comments were set out in the report.

Members considered it was a good report but one member expressed disappointment that the County Council's comments on the consultation were not appended to the report.

It was moved by Councillor D Harrison, seconded by Councillor J Hault and

RESOLVED THAT:

- (i) Leicester City Council be thanked for consulting this council on its Draft Local Plan; and
- (ii) The recommendations at paragraphs 2.3, 2.12, 2.19 and 2.25 of this report be agreed as the District Council's response to the Draft City of Leicester Local Plan.

The meeting commenced at 6.00 pm

The Chairman closed the meeting at 7.25 pm

LOCAL PLAN COMMITTEE – WEDNESDAY, 27 JANUARY
2021

Title of Report	LOCAL PLAN SUBSTANTIVE REVIEW – HOUSING REQUIREMENTS UPDATE	
Presented by	Ian Nelson Policy Planning	
Background Papers	National Planning Policy Framework	Public Report: Yes
	Planning Practice Guidance	Key Decision: Yes
Financial Implications	The cost of the review is met from existing budgets which are reviewed as part of the annual budget setting process.	
	Signed off by the Section 151 Officer: Yes	
Legal Implications	None from the specific content of this report. In due course the planning policy implications of any housing evidence will be incorporated in a consultation document for the Substantive Local Plan Review. The Local Plan Review process as a whole must accord with the legal requirements set out in legislation and guidance.	
	Signed off by the Monitoring Officer: Yes	
Staffing and Corporate Implications	None identified	
	Signed off by the Head of Paid Service: Yes	
Purpose of Report	To provide an update for Members in respect of the Local Housing Need as a result of the announcement from the Government in respect of changes to the standard method.	
Recommendations	THAT LOCAL PLAN COMMITTEE NOTES: (I) THE REVISED LOCAL HOUSING NEED OF 359 DWELLINGS; (II) THAT THE LOCAL HOUSING NEED IS A MINIMUM FIGURE; (III) THE NEED TO CONSIDER POSSIBLE ADJUSTMENTS TO THE LOCAL HOUSING NEED FIGURE TO ACCORD WITH THE PLANNING PRACTICE GUIDANCE; AND (IV) THE INTENTION TO APPOINT CONSULTANTS TO PROVIDE FURTHER ADVICE ON THIS MATTER	

1 INTRODUCTION

- 1.1 Members will recall that the 10 December 2020 meeting of this Committee considered a report in respect of both the Partial and Substantive Reviews of the adopted Local Plan.
- 1.2 In terms of the Substantive Review, the Committee agreed to test the following four housing growth options

Scenario	Annual Requirement
Low	672
Medium	910
High 1	1,153
High 2	1,384

- 1.3 The scenarios were based on the outcome from the most up-to-date household projections (2018-based) and variations on the standard method, with the high1 scenario being based on the government's preferred approach as set out in the Government consultation of August 2020.
- 1.4 On 16 December 2020 the Government announced that it had decided to further change its approach to the standard method. This method:
- reverts back to using the 2014-based household projections with the 2017 method; and
 - adds in an uplift for the 20 largest cities
- 1.5 This report outlines the requirement for North West Leicestershire resulting from the Government's announcement and the implications for the Substantive Review.

2. OUTCOME FROM THE REVISED STANDARD METHOD

- 2.1 On the basis of information published alongside the announcement, for North West Leicestershire this means that the local housing need reverts back to 359 dwellings per annum. This compares to a figure of 1,153 that would have resulted from the proposed standard method published in August 2020.
- 2.2 For the period we are planning for (2020-39) an annual figure of 359 dwellings would result in an overall Local Housing Need (LHN) of 6,821 dwellings.

3. WHAT DOES THIS MEAN FOR THE SUBSTANTIVE REVIEW?

- 3.1 Members will recall that the 10 December 2020 report noted that it was anticipated that some 8,784 dwellings were projected to be built on the basis of current commitments (i.e. sites with planning permission or allocated in the adopted Local Plan). This exceeds the LHN by about 2,000 dwellings. In theory this means that there would not be a need to allocate any additional land for housing.
- 3.2 However, the Planning Practice Guidance is clear that the LHN figure is a minimum and not a maximum. It also identifies a number of circumstances when it might be appropriate to plan for a higher housing need figure because of:
- growth strategies for the area that are likely to be deliverable, for example where funding is in place to promote and facilitate additional growth (e.g. Housing Deals); or
 - strategic infrastructure improvements that are likely to drive an increase in the homes needed locally; or
 - an authority agreeing to take on unmet need from neighbouring authorities, as set out in a statement of common ground; or
 - where previous levels of housing delivery in an area, or previous assessments of need (such as a recently-produced Strategic Housing Market Assessment) are significantly greater than the outcome from the standard method.
- 3.3 Of the four potential reasons to plan for a higher figure:
- two are definitely met in North West Leicestershire (there is a Strategic Growth Plan in place with a higher housing requirement (510 dwellings per annum) that is, based on the assessment referred to above at paragraph 3.1, likely to be deliverable and recent build rates are in excess of the outcome from the standard method) and
 - one is possible (unmet need from Leicester City).

- 3.4 In respect of the issue of unmet need, as members are aware, Leicester City has declared that it has an unmet need of 7,742 dwellings. The result of an uplift of 35%, because Leicester is one of the 20 largest cities, would be to increase the unmet need within Leicester City and hence the Housing Market Area by about a further 10,000 dwellings (i.e. to about 17,800 dwellings), although this has yet to be confirmed.
- 3.5 Work on a Statement of Common Ground with all of the Housing Market Area authorities dealing with a re-distribution of unmet need had built in some flexibility for an increase equivalent to 100% of the unmet need (i.e. a total unmet need of about 15,500 dwellings), so this uplift is greater still. The implications of the government announcement on the issue of unmet need is being considered by the officer group overseeing the preparation of the Statement of Common Ground.
- 3.6 The changes announced by the Government are welcomed on one level as it provides much needed clarity as to the Government's approach. It also provides an opportunity for the Council to retain control of where new development goes. Under the higher growth scenarios there would have been much less choice regarding which sites to allocate for development. However, this is offset by the fact that in the case of North West Leicestershire the change in the LHN is so significant, additional work is now required which will make the timetable even more challenging.
- 3.7 Irrespective of the outcome from the consideration of unmet need, on the basis of the Planning Practice Guidance advice outlined at paragraph 3.2 above, a figure of 359 dwellings is unlikely to be justifiable and is unlikely to represent positive planning as required by the NPPF.
- 3.8 In terms of identifying a justifiable requirement, it should be noted that a revised Housing and Economic Development Needs Assessment (HEDNA) is being commissioned by the Leicester and Leicestershire authorities as part of work on the Strategic Growth Plan. Amongst other matters, this will provide advice in respect of future housing requirements. However, this will report will not be available until summer 2021.
- 3.9 The timetable for the review which is aiming for submission by November 2022 at the latest is already challenging. We cannot afford to wait until summer 2021 to get a better understanding of future housing requirements. Therefore, consultants will be engaged to provide further advice. Once this work has been completed a further report will be brought back to this committee.

Policies and other considerations, as appropriate	
Council Priorities:	Our communities are safe, healthy and connected Local people live in high quality, affordable homes Supporting businesses and helping people into local jobs Developing a clean and green district
Policy Considerations:	None
Safeguarding:	No issues identified
Equalities/Diversity:	An Equalities Impact Assessment of the Local Plan review will be undertaken as part of the Sustainability Appraisal.
Customer Impact:	No issues identified
Economic and Social Impact:	No issues identified at this stage
Environment and Climate Change:	No issues identified at this stage
Consultation/Community Engagement:	None
Risks:	A risk assessment of the review has been undertaken

	and is reviewed at the officer Project Board meetings.
Officer Contact	Ian Nelson Planning Policy and Land Charges Team Manager 01530 454677 ian.nelson@nwleicestershire.gov.uk

LOCAL PLAN COMMITTEE – 27 JANUARY 2021

Title of Report	LOCAL PLAN REVIEW: ECONOMIC EVIDENCE	
Presented by	Ian Nelson Planning Policy Team Manager	
Background Papers	National Planning Policy Framework Planning Practice Guidance Need for Employment Land Start Up Workspace Demand Report	Public Report: Yes
Financial Implications	The cost of the substantive Local Plan Review is met through existing budgets.	
	Signed off by the Section 151 Officer: Yes	
Legal Implications	None from the specific content of this report. In due course the planning policy implications of the economic evidence set out will be incorporated in a consultation document for the Substantive Local Plan Review. The Local Plan Review process as a whole must accord with the legal requirements set out in legislation and guidance.	
	Signed off by the Monitoring Officer: Yes	
Staffing and Corporate Implications	No staffing implications associated with the specific content of this report. Links with the Council's Priorities are set out at the end of the report.	
	Signed off by the Head of Paid Service: Yes	
Purpose of Report	This report presents the key findings from two economic studies which will form part of the evidence base for the Substantive Local Plan Review and advises on next steps.	
Recommendations	<p>1) THAT THE LOCAL PLAN COMMITTEE NOTES THE FINDINGS OF THE ECONOMIC EVIDENCE FOR THE SUBSTANTIVE LOCAL PLAN REVIEW WITH RESPECT TO FUTURE EMPLOYMENT LAND REQUIREMENTS AND START UP WORKSPACE.</p> <p>2) THAT THE LOCAL PLAN COMMITTEE NOTES THAT FURTHER WORK WILL BE DONE TO ASSESS THE IMPLICATIONS OF THESE FINDINGS FOR THE SUBSTANTIVE LOCAL PLAN REVIEW AND THAT THESE WILL BE REPORTED TO A FUTURE MEETING OF THIS COMMITTEE.</p>	

- 1.1 A key matter for the Local Plan Review to address is the additional need for employment land in the district to cover the new plan period. The National Planning Policy Framework (NPPF) directs that planning policies should “meet anticipated needs over the plan period” (paragraph 81) and also “be flexible enough to accommodate needs not anticipated in the plan”.
- 1.2 The starting point for this process is having an up to date understanding of current and future business requirements and likely changes in the market. When considering employment land such work is focused on the need for offices (i.e. the former B1 use), industrial (B2 use) and warehousing (B8) space. According to the National Planning Practice Guidance (NPPG), such an assessment should not look solely at the amount of new land and floorspace needed, termed ‘quantitative needs’, but also at qualitative considerations which could, for example, relate to identified gaps in the district’s portfolio of business premises or to specific segments of need which are not currently being met by the market.
- 1.3 Currently the most up to date evidence we have is in two separate studies. The Housing and Economic Development Needs Assessment (HEDNA) was published in January 2017 and is concerned with the need for additional offices and industrial space and non-strategic distribution (defined as units of up to 9,000sqm). Strategic warehousing requirements are assessed through the Leicester and Leicestershire Strategic Distribution Study update which dates from 2016. Both studies were produced jointly with the other Leicester and Leicestershire authorities.
- 1.4 Whilst the HEDNA findings are still relevant for measuring the progress of the adopted Local Plan and for planning application decisions, it will not be a reliable basis for the Local Plan Review in the longer term. This is because a) it will not be sufficiently up to date by the time the Local Plan Review is examined; and b) the HEDNA covers the period to 2031/36 and would not cover the full period of the Local Plan Review to 2039.
- 1.5 Further, the HEDNA findings have not been wholly borne out by events. The HEDNA anticipated that a relatively large amount of new office space would be needed whereas a significant market demand for new offices has not transpired ‘on the ground’. In contrast, the demand for industrial and non-strategic warehousing distribution has been stronger than forecast and the supply achieved through completions and extant planning permissions has already surpassed the HEDNA minimum requirement to 2031. There is an apparent mismatch between the HEDNA and the market realities evident since its preparation.
- 1.6 In this context, the consultancy firm Stantec has been appointed to prepare an up to date assessment for the district. The ‘North West Leicestershire: The Need for Employment Land (December 2020)’ study is concerned with offices, industrial uses and non-strategic distribution. The future need for strategic scale distribution is being assessed separately through a county-wide study which is currently in preparation and which will be reported to the Committee separately.
- 1.7 There is also a further stream of work being co-ordinated by the Leicester and Leicestershire authorities to produce a replacement HEDNA. This work is at the commissioning stage and will not report until mid-2021. In view of this timescale, and the need to maintain momentum with our own Local Plan Review, it was considered important to press ahead with our own district-level economic assessment at this point.

2. THE NEED FOR EMPLOYMENT LAND

- 2.1 In common with other economic assessments of this type, the starting point for the Stantec study is an economic forecast which predicts growth in jobs and Gross Value Added (a measure of the value of goods and services) for different employment sectors over future years. The growth is then converted into future floorspace/land requirements using

standardised conversion factors. To provide added rigour, the consultants compared forecasts produced by two different, reputable economic forecasting companies and also sense-checked the findings against comparative data e.g. previous completions and market performance.

2.2 The table below shows the study's findings for the amount of additional employment land/floorspace needed for the 22-year period of the Local Plan Review (2017-39). The study presents the need for industrial and non-strategic warehousing as a combined figure.

	Need (2017-39)	
	Floorspace	Land
Offices (Max)	57,000sqm	9Ha
Industrial/Non-strategic warehousing (Min)	187,000sqm	47Ha

2.3 The figures are presented as overall land area needed (in Ha) and as floorspace figures (in sqm). It is useful to have both measures as, for offices in particular, town centre sites are likely to be developed at a higher density (i.e. more sqm of floorspace per Ha of land) than a business park-style site. Monitoring against both measures gives a more refined understanding of how and whether need is being met.

2.4 The offices requirement is presented as a maximum figure. This is because there are a number of factors which could curtail office demand in the future, namely;

- a) the office market is beset by poor development viability and limited access to development finance such that speculative office development is not currently feasible. This situation is not unique to NWL and is replicated across the country with the exception of the largest city and business centres;
- b) the Covid pandemic is clearly having a current impact on the amount of office space being used as many more people work from home. The consultants anticipate that businesses will continue to use offices but with the possibility that some will re-organise to require less office space in the future. As yet, it is too early to predict the duration and scale of any such impacts; and
- c) the consultants detect a market preference in favour of city centre sites and away from out of town business parks which is where much of NWL's office stock is located (e.g. Pegasus Business Park adjoining East Midlands Airport).

2.5 The industrial forecast is presented as a minimum figure as there are some indications that demand has been suppressed in the past, including as a result of competition from the strategic distribution market which can command higher land values and therefore can outbid other types of uses when sites are being purchased.

2.6 In addition, the study identifies a qualitative gap in the stock of industrial premises in North West Leicestershire. It finds that the district lacks modern, flexible high-specification space which can be future-proofed for changing technologies and which is set in an attractive, landscaped environment rather than a more traditional industrial estate. The study reports that these types of premises are attractive to higher value industrial occupiers. This reinforces the quantitative evidence and points to a need to consider the type and form of development which potential sites could accommodate as well as the overall amount. It is about ensuring an adequate supply of land that can meet needs in the widest sense.

2.7 For interest, we have converted the HEDNA land figures to annual figures and compared these with the equivalent figures in the Stantec study, albeit that the two assessments cover different time periods.

	Need for land/annum	
	STANTEC	HEDNA
Offices	0.4Ha	2.2Ha
Industrial/Non-strategic warehousing	2.1ha	1.0Ha

- 2.8 The Stantec findings appear more aligned with our experience of development demand over recent years. As explained above, the local market for industrial uses has appeared to be quite strong whilst the office market has appeared much more curtailed. The need for additional office space, whilst still a positive requirement, is considerably scaled back whereas the need for industrial/small scale warehousing is more than double that found in the HEDNA. The total annual requirement in the Stantec study (2.5ha) is, however, less than that from the HEDNA (3.2ha).

3. THE NEED/SUPPLY POSITION

- 3.1 The Stantec study covers the period 2017-39 so we need to factor in the development that has happened/been permitted in the intervening period (1 April 2017 to 31 March 2020) to establish the balance of land/floorspace to be found through the Local Plan Review process. The table below shows both the gains and losses over this period and includes the adopted Local Plan allocation at Money Hill to conclude on the amount of land/floorspace that may need to be identified in the Local Plan Review.

Assessment of employment land provision as at 31 March 2020 compared to identified need.

		Offices		Industrial/non-strategic warehousing	
		Sqm	Ha	Sqm	Ha
A	Requirement (2017-2039)	57,000	9.0	187,000	47.0
B	Completions 2017-2020	10,088	4.86	10,024	2.33
C	Losses 2017-2020	312	0.08	25,117	6.92
D	Net completions [B-C]	9,776	4.78	-15,093	-4.59
E	Permissions at 31 st March 2020	19,627	8.08	99,696	29.68
F	Permitted losses at 31 st March 2020	2,292	0.51	83	0.32
G	Net permissions [E-F]	17,335	7.57	99,613	29.36
H	Allocation (Money Hill)	31,980	5.33	42,640	10.66
	Residual requirement/surplus [A-(D+G+H)]	-2,091	-8.68	59,840	11.57

- 3.2 On the face of it, sites with planning permission together with the allocation at Money Hill would be sufficient to meet the balance of new office development needed to the end of the plan period. There would be a need to identify approximately 9.5ha of additional land for industrial/small scale distribution.
- 3.3 The situation may be rather more complex however. Firstly, a number of sites included in the supply have outline permission for a mix of uses (offices, industrial and warehousing). The split between the uses has been assumed in the figures above but it may transpire differently at the reserved matters stage. Similarly the split between uses at Money Hill is based on an assumption at this stage. Therefore, the apparent negative requirement for office space may actually end up as a positive requirement.
- 3.4 Secondly, as already noted the report identifies a qualitative deficiency.
- 3.5 Thirdly, there are some further factors, discussed below, which may point to taking a more flexible approach to the identification of land through the Local Plan Review.
- 3.6 **National Policy:** the NPPF says that Local Plan policies for the economy should build in a degree of flexibility in anticipation of changes in needs, working practices and economic conditions over the plan period which were not foreseen when the plan was prepared (paragraph 81).

- 3.7 **Inherent uncertainties of economic forecasting:** the Stantec study is based on an economic forecasting model but it is not possible for all local, national or global events to be anticipated, as the Covid pandemic has shown, and any forecast produced now is only as good as the information which is available now. Indeed, the long-term implications of the pandemic for the economy are hugely uncertain and cannot be reliably reflected in a forecast being prepared in 2020.
- 3.8 Despite not being a perfect prediction of the future, the Stantec study nonetheless represents a best assessment at this point in time and a reasoned assessment of future needs. Its limitations are the same as for any study aiming to predict what the economy will look like in two decades time.
- 3.9 **Changes to Permitted Development Rights and the Use Class Order:** the Government introduced changes to the Use Classes Order which took effect on 1st September 2020. Uses which were formerly categorised as B1 uses, namely offices, research and development and light industry (being industrial uses which can be carried out in a residential area) are now included in a new Use Class E alongside shops and leisure uses amongst others. This means that premises can change use within this new expanded use class without the need for a planning application or prior notification process. Removing the hurdle of a planning application could trigger an increase in the number of offices and light industrial buildings being put to alternative uses.
- 3.10 As the new Use Class E now encompasses uses which were previously in separate use classes (retail, offices and light industrial), the Local Plan Review may need to be more precise about the particular uses a site is being allocated for.
- 3.11 The Government is also consulting on further changes to Permitted Development Rights to enable the conversion of commercial buildings within the new Use Class E to housing. Currently light industrial units of up to 500sqm can be converted to housing through the Permitted Development Rights route but, if the consultation proposals are confirmed, that size limit would be removed.
- 3.12 The consequences of these confirmed and potential changes are difficult to predict at this stage and are only likely to be fully revealed over time. Of relevance is that there has been little local take up of the existing Permitted Development Rights which enable the conversion of offices to housing with just one significant proposal coming forward for 15 residential units at 117 London Road, Coalville (although this has yet to be implemented). Also there is likely to be some practical limitations to the conversion of any larger light industrial buildings to residential use which could limit the uptake of this new freedom if it is confirmed.
- 3.13 **Unmet need from Leicester:** Leicester City Council has declared it has an unmet employment land need of 23Ha. As with housing, the issue of unmet employment land need will be the subject of further discussion and negotiation between the Leicester and Leicestershire authorities, and will be documented in a forthcoming Statement of Common Ground to help establish any implications for this authority's Local Plan Review.
- 3.14 **New County-wide evidence:** There is the prospect that the HEDNA replacement will result in an alternative set of requirements for North West Leicestershire. The implications of significant conflicts, if any, will need to be considered at a later stage of the Local Plan Review.
- 3.15 These factors could point to, for example, building in additional flexibility into the figures through an additional buffer or safety margin but this requires more work and will be the subject of further reports to this committee at a future date.

4. START UP SPACE

- 4.1 In a separate but complementary workstream, the firm SQW has been commissioned to assess the demand for start-up workspace in the district. This is a specific market segment of demand. In addition to informing the Local Plan Review, the SQW study is relevant to the Council's Economic Growth Plan (2019-21) and specifically to its objective to ensure there is sufficient workspace and support for new enterprises and for business start-ups.
- 4.2 SQW found evidence of occupiers struggling to find small scale industrial units suitable for start-up firms. This is linked to viability issues; the development of small industrial space is constrained by low rental values and high building and fit-out costs, despite there being evidence of strong latent demand. Small businesses are also typically looking for shorter leases with more flexible terms and these are less attractive for many landlords. In common with the Stantec report, SQW found that the values achieved by strategic scale distribution does, to a degree, distort the local market for other uses. The study also found that the existing small industrial units in the district are well occupied with little turnover or new stock, with the notable exception of the Apollo Court development at Vulcan Way, Coalville promoted by the county council and the Leicester and Leicestershire Enterprise Partnership. The overall effect is that the market is not making provision as the risks involved are too high. Indeed, this is a segment of the market that has until quite recently been one where the public sector played an important role. However, the lack of finance has curtailed such provision.
- 4.3 The position for office start-up space is not so clear cut. SQW report, similar to the Stantec study, that the uncertainty associated with Covid-19 means that the future demand for office-based start-up space is much less apparent.
- 4.4 An effect of this overall situation is that businesses may stay for too long in unsuitable accommodation which will impact on their productivity. An overall shortage of smaller scale space may mean that growing businesses do not vacate their start-up premises, blocking their availability for other new, fledgling businesses to move into, or it could mean they move out of the district to find suitable premises.
- 4.5 SQW find that the evidence supports a case to promote the development of small workshop schemes with units up to 100 sqm, some of which should be available on flexible lease terms and with access to business support services. There is also a justification for 'grow on' light industrial space of 150-500 sqm.

5. NEXT STEPS

- 5.1 Further work will be progressed to understand the implications of the findings from these two studies for the economic policies in the Local Plan Review. A key theme in the NPPF is the need for flexibility and there may be a case for the plan to address this through its criteria-based policies and the types and/or amount of land which is allocated for employment purposes. The findings from the new Leicester and Leicestershire Strategic Distribution Study, once finalised, will also need to be addressed.
- 5.2 With respect to start up space, options to consider could include; a) allocating specific sites for start-up premises; b) specifying a proportion of start-up premises as part of the overall mix of employment floorspace on larger sites; and/or c) promoting the provision of start-up space through some form of enabling policy.
- 5.3 In the first two circumstances, viability will be an important factor as it is clear that the market is not willingly delivering the type of floorspace that local start-up businesses need. Separately, the council may want to consider whether it wishes to take a more interventionist approach and act in a partnership with a landowner/developer to deliver a scheme of units itself.

- 5.4 The outcomes from this additional work will be reported to a future meeting of the Local Plans Committee.

Policies and other considerations, as appropriate	
Council Priorities:	The economic policies in the Substantive Local Plan Review will be particularly relevant for the following Council Priority; - Support for businesses and helping people into local jobs
Policy Considerations:	Adopted Local Plan National Planning Policy Framework
Safeguarding:	None specific
Equalities/Diversity:	The Local Plan Review as an entity will be subject to an Equalities Impact Assessment.
Customer Impact:	None specific
Economic and Social Impact:	The decision, of itself, will have no specific impact. The Substantive Local Plan Review as a whole will deliver positive economic and social impacts and these will be recorded through the Sustainability Appraisal. .
Environment and Climate Change:	The decision, of itself, will have no specific impact. The Substantive Local Plan Review as a whole will deliver positive environmental and climate change benefits and these will be recorded through the Sustainability Appraisal.
Consultation/Community Engagement:	In due course the planning policy implications of the economic evidence set out will be incorporated in a consultation document for the Substantive Local Plan Review. The consultation arrangements will be governed by requirements in the Statement of Community Involvement.
Risks:	A risk assessment for the Local Plan Review has been prepared and is kept up to date. As far as possible control measures have been put in place to minimise risks, including regular Project Board meetings where risk is reviewed.
Officer Contact	Ian Nelson - Planning Policy Team Manager 01530 454677 ian.nelson@nwleicestershire.gov.uk

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NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

LOCAL PLAN COMMITTEE – WEDNESDAY, 27 JANUARY 2021



Title of Report	LOCAL PLAN REVIEW – UPDATE TO RETAIL AND LEISURE CAPACITY STUDY 2019	
Presented by	Ian Nelson Planning Policy Team Manager	
Background Papers	Retail and Leisure Capacity Study - 2019 Retail Study Update (2020) Adopted North West Leicestershire Local Plan The Town and Country Planning (Use Classes) (Amendment) (England) Regulations 2020 - https://www.legislation.gov.uk/uksi/2020/757/made	Public Report: Yes
Financial Implications	The cost of the updated capacity study has been met from existing budgets which are reviewed as part of the annual budget setting process.	
	Signed off by the Section 151 Officer: Yes	
Legal Implications	None from the specific content of this report. In due course the planning policy implications of the retail evidence set out will be incorporated in a consultation document for the Substantive Local Plan Review. The Local Plan Review process as a whole must accord with the legal requirements set out in legislation and guidance.	
	Signed off by the Monitoring Officer: Yes	
Staffing and Corporate Implications	None identified	
	Signed off by the Head of Paid Service: Yes	
Purpose of Report	To outline to members: i) the purpose of undertaking an updated Retail Capacity Study, ii) how and when it was undertaken; and iii) outline the key findings and overall conclusions.	
Recommendations	THAT THE COMMITTEE NOTES THE FINDINGS OF THE UPDATED RETAIL CAPACITY STUDY	

1.0 BACKGROUND

- 1.1 The adopted Local Plan includes a number of policies relating to the development of our Town and Local Centres. They identify a hierarchy for the district's centres, detail how development will be managed in these centres, provide a locally evidence based threshold for impact assessments and also seek to ensure an appropriate balance of uses.
- 1.2 The review of the Local Plan which is currently being undertaken will cover the period to 2039 and is being updated to reflect the district's housing, employment, retail and leisure needs up to this period.
- 1.3 To support this review, North West Leicestershire commissioned Lichfield's to prepare a Retail and Leisure Capacity (RLCS). This was published in 2019 and the findings of this study were presented to Local Plan Committee on 27 February 2019 (<https://minutes-1.nwleics.gov.uk/ieListDocuments.aspx?CId=344&MId=1956&Ver=4>). However, given the implications of recent changes, namely new housing and population projections, the impact of the Covid-19 pandemic and changes to the Use Classes Order (UCO), North West Leicestershire commissioned Lichfield's to prepare a partial update of the 2019 Retail and Leisure Capacity Study (RLCS) for the district. The purpose being to have an up to date evidence base to inform the Local Plan Review. Therefore this 2019 study, alongside the Updated Retail Capacity Study (November 2020), will be used to inform future planning policy on retail and town centre matters as well as provide a wider strategy for the future of the district's centres for the period 2036.

2.0 OVERVIEW OF THE STUDY

- 2.1 This 2020 update report provides a partial update of the 2019 study, which has been commissioned to explore the implications of recent changes including new housing, population and expenditure forecasts; potential implications of the Covid-19 pandemic and changes to the Use Classes Order (UCO). This update report should be read alongside the RLCS 2019. The update report clearly identifies the specific sections and paragraph references in the RLCS 2019 report, to be replaced.
- 2.2 The report provides the following:
 - An update of the retail and food/beverage floorspace capacity assessment based on the latest available population and expenditure projections. The retail needs are split between convenience requirements (Consumer goods purchased on a regular basis such as food/groceries and cleaning materials) and comparison requirements (Durable goods such as clothing, household goods, furniture, DIY and electrical goods).
 - A re-examination of the options for accommodating the identified floorspace capacity.

- A review of the potential policy options for the emerging Local Plan Review taking account of updated floorspace capacity projections and recent changes to the Use Classes Order (UCO).

3.0 KEY FINDINGS

Future Floorspace Capacity

- 3.1 This section has used Experian's latest forecasts, including those for population growth, expenditure and special forms of trading (SFT) as well as the potential implications of the Covid-19 pandemic, both short term and long term impacts.
- 3.2 Future floorspace requirements are calculated taking into account future levels of expenditure, population growth, growth in home/internet shopping as well as any existing expenditure surplus. In overall terms, the updated study has concluded any need for new convenience good retail floorspace in the district is likely to relate to population growth or qualitative areas of deficiency. For comparison goods, it is generally considered that higher levels of growth are expected in the future, alongside a growth in special forms of trading such as 'Click ad Collect' and Home Delivery. More detailed requirements are provided below.
- 3.3 With respect to convenience goods, surplus expenditure up to 2036 indicates that there is capacity for additional convenience goods floorspace in the District of 6,473 sq.m gross. The RLCS 2019 suggested a much lower floorspace projection of only 960 sq.m gross. This difference can be accounted for by the recent closure of the Co-op Store on Bridge Road, Coalville and the higher population projections used for the updated Study. The RLCS 2019 used the adopted Office of National Statistics 2014 based Subnational Population Projections which indicated a population increase of +12.8% between 2018 and 2036. However, the most the up to date 2018 projections used to inform the 2020 updated study, suggest a much higher growth of +26.4% between 2018 to 2036.
- 3.4 With respect to comparison goods, surplus expenditure up to 2036 indicates that there is capacity for additional comparison goods floorspace in the District of 4,361 sq.m gross. The RLCS 2019 suggested a higher floorspace projection of 8,068 sq.m gross, due to the higher expenditure growth and a lower growth in turnover efficiency.
- 3.5 With respect to food and beverage floorspace, surplus expenditure up to 2036 indicates that there is capacity for additional food/beverage floorspace in the District of 2,560 sq.m gross. The RLCS 2019 suggested a marginally lower floorspace projection of 2,059 sq.m gross, due to the lower population growth suggested by the ONS's 2014 based SNPP projections.

Accommodating Growth

- 3.6 In terms of accommodating this growth, the table below summarises the floorspace projections by broad location up to 2026, 2031 and 2036. The distribution of floorspace is based on the Districts shopping role and maintaining its existing market share in the sub-region and expenditure patterns.

Table 1: Summary of floorspace projections up to 2026 (sq.m gross)

	Convenience	Comparison	Food/Beverage	Total
Ashby de la Zouch	103	553	128	784
Coalville	2458	501	75	3034
Other NW Leicestershire	625	177	90	892
Total	3187	1231	293	4710

Table 2: Summary of floorspace projections up to 2031 (sq.m gross)

	Convenience	Comparison	Food/Beverage	Total
Ashby de la Zouch	740	1191	724	2655
Coalville	3193	1077	425	4695
Other NW Leicestershire	944	379	514	1837
Total	4877	2647	1663	9187

Table 3: Summary of floorspace projections up to 2036 (sq.m gross)

	Convenience	Comparison	Food/Beverage	Total
Ashby de la Zouch	1342	1962	1114	4418
Coalville	3888	1774	655	6317
Other NW Leicestershire	1243	625	791	2659
Total	6473	4361	2560	13394

- 3.7 As with the previous study, the existing stock of premises should help to accommodate projected growth. This updated report also assumes that existing floorspace can increase its turnover to sales floorspace densities, particularly if a business can maintain recent growth in on-line sales through stores. Vacant floorspace and a growth in sales densities, should help to accommodate residual future growth and therefore not all of the projections in the above tables will require the development of new floorspace.
- 3.8 It is anticipated that following the Covid-19 crisis, there is likely to be an increase in the number of vacancies, reflecting a short-term oversupply of floorspace. In addition, the amount of vacant floorspace in Coalville has increased significantly due to the closure of the Co-op store at Bridge Road. However the longer term floorspace projections at 2026 and beyond, assume the reoccupation of this potential short term uplift in vacant space.
- 3.9 The report suggest that the existing stock of premises will have a role to play in accommodating the projected growth as vacant premises should help to accommodate some of the growth. The RLCS (2019) suggested that reoccupied vacant shop units in total could accommodate up to 3,550 sq. m gross and provided the following breakdown:
- Ashby de la Zouch Town Centre – 750sqm gross
 - Coalville town centre – 2,400 sqm gross
 - Other local centres – 400 sqm gross
- Since the 2019 RLCS, the Co-op store at Bridge Road has closed, increasing the vacant floorspace in Coalville from 2,400 sqm gross to 5,100 sqm gross. This increases the availability of vacant space to 6,250 sqm gross.
- 3.10 If this reduction in vacant units can be achieved, then the overall retail and food/beverage floorspace 2026 projection of about 4,700 sqm gross, for the District as a whole could, in

theory, be accommodated using existing vacant accommodation. Although if these were turned over to other uses or redeveloped then this would not be the case. This therefore implies there is no pressing need to identify major new allocations for retail and food/beverage development in the short to medium term. In addition, the long term projection to 2036 would reduce from about 13,400 sq.m gross to about 7,150 sq.m gross.

- 3.11 The updated combined floorspace projection for this district at 13,400 sqm is marginally higher than the floorspace projection of 11,974 sqm concluded within the RLCS 2019. The mix of floorspace, for the reasons set out in paras 3.3 to 3.5, has however changed significantly, with a much higher requirement for convenience goods floorspace and conversely a lower requirement for comparison goods floorspace.
- 3.12 Some new convenience goods shopping may be required to serve new residential developments in the form of local/ neighbourhood centres, rather than new uses focused in existing town centres. Some of the projected food/beverage floorspace could also be provided in these neighbourhood centres.

Development Opportunities

- 3.13 The RLCS 2019 reviewed potential development opportunities within both Ashby de la Zouch and Coalville Town Centre. These sites provided a theoretical capacity to accommodate 38,000 sq.m gross of retail and food/beverage floorspace, with 14,000 sq.m in Ashby and 24,000 sqm in Coalville. Having regard to these sites together with the potential occupation of 5,100sqm provided by vacant units, accommodation could be provided for nearly five times the projected floorspace capacity up to 2036.

Local Plan Policy Review

- 3.14 The RLCS 2019 included a review of current Local Plan policy. This has been revisited in light of the findings of the update report and taking into account changes to the National Planning Policy Framework (NPPF) and Planning Practice Guidance (PPG) in February 2019, and the fundamental changes to the UCO introduced in August 2020. The following recommendations have been made:

Retail Hierarchy

- The retail hierarchy defined in Policy Ec8 should be retained and remains appropriate based on the scale of facilities in each settlement and the retail floorspace projections in the update study. The policy could provide a clearer indication that a key objective is to maintain the vitality and viability of the centres identified within the retail hierarchy.

Impact Test and Thresholds

- Policy Ec9 sets out a local impact threshold, namely 1000 sqm gross for our town centres and 500 sqm gross for our local centres. The adoption of these lower thresholds is endorsed by the updated floorspace capacity projections and recent market conditions. However the policy wording refers to impact assessments for 'retail, leisure and office development' which is not entirely consistent with the NPPF which only refers to 'retail and leisure uses'. It is therefore recommended that this policy is amended and no longer refers to office development. Notwithstanding the

changes to the Use Classes Order, the policy however should continue to refer to retail and leisure uses rather than the new Use Classes Order.

Town Centre Boundary and Primary Shopping Area

- Adopted Local Plan policy refers to town centre boundaries and primary shopping areas and these remain important when applying the sequential test. The NPPF indicates the first preference for retail uses should be the primary shopping area, and the first preference for other town centres uses is normally the wider defined town centre, which usually includes the primary shopping as well as other parts of the town centre. However since the merger of retail uses with many other main town centre uses the validity of this approach is questionable. For example, a proposed leisure use in Class E will satisfy the sequential test if it is located within the town centre boundary but outside the primary shopping area. The leisure use however could subsequently change to a retail use (Class E) without the need for planning permission.
- In light of the merger of retail uses and other main town centre uses, within the same use class, it is recommended that the Local Plan defines centre boundaries on the proposal map to provide clarification in relation to the need for a sequential and impact assessment. However, if the primary shopping area is retained this should only be in relation to Policy Ec10 - Town and Local centres: Primary Shopping Area – Non-Shopping uses.

Appropriate Mix of Uses

- Policy Ec10 seeks to control non-shopping uses within the defined Primary Shopping Area (PSA) of the district's town and local centres and refers specifically to the need for Shops (Use Class A1) to be the predominant ground floor use within the PSA. The report suggested that this current policy approach could be hampered by the changes to the Use Classes Order. This has resulted in the creation of a new Class E "Commercial, Business and Service" Use Class, which has subsumed the existing Class A1 (Shops), Class A2 (Financial and professional services), Class A3 (Restaurants and cafes), and Class B1 (Business) use classes. Planning permission is not needed to change uses within this Use Class.
- It is suggested that Policy Ec10 be amended to refer to the Class E uses rather than Shops (Class A1) being "the predominant ground floor uses within the town and local centres." In order to counter balance the reduced control on the mix of uses reference to primary shopping areas could be removed. This would allow the policy to protect the loss of Class E uses across the town centre as a whole rather than just the primary shopping area. Other town centres uses, not within Class E e.g. sui generis uses such as takeaways, pubs and bars, would then still be considered against the other criteria in Policy Ec10 and this part of the policy should still refer to the matters/considerations such as "shopping element", "retail character" and "over-concentration of non-shop uses."

- Policy Ec12 considers granting planning permission for the loss of shopping and other main to town centre uses within the district's centres, if the premises have been vacant for at least 6 months, and subject to other criteria. The update study suggests that this policy's objectives are still relevant and not undermined by the Use Class Order changes.
- Policy Ec11 relates to hot food takeaways (previously Class A5). This use is now Sui Generis following the UCO changes. These UCO changes do not undermine the implementation of Policy Ec11 and its objectives relating to the impact on amenity, traffic, safety and the health of local residents remain valid considerations. No changes are recommended to this policy.

4.0 NEXT STEPS

- 4.1 The findings from the updated Retail and Leisure Capacity Study, including the advice in respect of existing policies as outlined in section 3, will now be used to inform the drafting of policies in the Local Plan review and also the review of the town and local centre boundaries that is to be undertaken by officers. The study also specifically provides evidence on potential retail and leisure floorspace requirements which can be fed into our calculations of how much additional retail and leisure land will be required up to 2036. These matters will be the subject of future reports to this Committee.

Policies and other considerations, as appropriate	
Council Priorities:	Insert relevant Council Priorities: <ul style="list-style-type: none"> - Supporting Coalville to be a more vibrant, family-friendly town -
Policy Considerations:	Adopted North West Leicestershire Local Plan Policy Ec8 – Town and Local centres: Hierarchy and management of Development Policy Ec9 – Town and Local centres: Thresholds for Impact Assessments Policy Ec10 – Town and Local centres: Primary Shopping Area – Non-Shopping uses Policy Ec11 – Town and Local centres: Primary Shopping Areas – Hot Food Takeaway Balance Policy Ec12 – Local Centres
Safeguarding:	No issues identified
Equalities/Diversity:	An Equalities Impact Assessment of the Local Plan review will be undertaken as part of the Sustainability Appraisal.

Customer Impact:	No issues identified
Economic and Social Impact:	No issues identified at this stage. The Local Plan Review as a whole will deliver positive economic and social impacts and these will be recorded through the Sustainability Appraisal.
Environment and Climate Change:	No issues identified at this stage The Local Plan Review as a whole will deliver positive environmental and climate change benefits and these will be recorded through the Sustainability Appraisal.
Consultation/Community Engagement:	None
Risks:	<p>The study has been undertaken by an experienced consultancy who have previous experience of working on similar studies elsewhere in Leicestershire and further afield. They also prepared the previous Retail and Leisure Capacity Study (2019) on behalf of the Council.</p> <p>The previous Retail and Leisure Capacity Study was undertaken in 2018 and published in 2019. Given the implications of recent changes, including new housing and population forecasts and potential implications of the Covid-19 pandemic, there are concerns that some elements of the 2019 Study could be considered out of date. Not updating the study, which is a key element of the evidence base for the Local Plan Review, could potentially lead to the reviewed Local Plan being found unsound.</p>
Officer Contact	<p>Ian Nelson Planning Policy and Land Charges Team Manager 01530 454677 ian.nelson@nwleicestershire.gov.uk</p>

Title of Report	DISEWORTH VILLAGE DESIGN STATEMENT	
Presented by	Ian Nelson Planning Policy Team Manager	
Background Papers	Diseworth Village Design Statement Report to Cabinet – 9 June 2020 Planning Practice Guidance Consultation responses to draft Diseworth Village Design statement Report to Cabinet - 12 January 2021	Public Report: Yes
Financial Implications	None identified. The cost of consultation has been met from existing resources	
	Signed off by the Section 151 Officer: Yes	
Legal Implications	Legal considerations considered in the drafting of the report	
	Signed off by the Monitoring Officer: Yes	
Staffing and Corporate Implications	None identified	
	Signed off by the Head of Paid Service: Yes	
Purpose of Report	To consider the responses to the consultation exercise in respect of the revised Village Design Statement for Diseworth and to consider whether it should be adopted as a Supplementary Planning Document.	
Recommendations	THAT THE REVISED DISEWORTH VILLAGE DESIGN STATEMENT BE ADOPTED AS A SUPPLEMENTARY PLANNING DOCUMENT SUBJECT TO THE CHANGES HIGHLIGHTED IN THE REPORT TO CABINET OF 12 JANUARY 2021.	

1. BACKGROUND

- 1.1 Members will recall that the 29 July 2020 meeting of this Committee considered a report in respect of request from Long Whatton and Diseworth Parish Council to adopt a revised Village Design Statement (VDS) for Diseworth as a Supplementary Planning Document (SPD).
- 1.2 The request had been considered by Cabinet at its meeting on 9 June 2020 and they requested that this Committee undertake consultation on the proposed revised VDS. This was agreed.
- 1.3 The revised VDS was subject to consultation between 17 August and 28 September 2020.

- 1.4 The outcome from the consultation was reported to the meeting of Cabinet on 12 January 2021. The report is attached at Appendix 1 of this report.
- 1.5 Cabinet agreed to recommend that this Committee adopt the revised Diseworth VDS as a Supplementary Planning Document in accordance with the Council's Constitution. This is allowed for in the recommendation above.

Policies and other considerations, as appropriate	
Council Priorities:	Our communities are safe, healthy and connected
Policy Considerations:	The draft VDS has been assessed against both the adopted Local Plan and the Council's Design SPD and is considered to comply with their provisions.
Safeguarding:	None identified
Equalities/Diversity:	An Equalities Impact Assessment will need to be undertaken before the VDS can be adopted as SPD. This will be done prior to going to Local Plan Committee.
Customer Impact:	The principal impact would be upon those submitting planning applications in Diseworth as they would need to take in to account the VDS.
Economic and Social Impact:	The VDS has been prepared by the Parish Council with input from the local community. As such it represents the aspirations of the local community as to how future developments should look.
Environment and Climate Change:	The VDS seeks to ensure that the local environment is taken in to account when designing new developments
Consultation/Community Engagement:	The VDS has been subject to consultation both before and after it was submitted to the council
Risks:	None identified
Officer Contact	Chris Elston Head of Planning and Infrastructure chris.elston@nwleicestershire.gov.uk

Title of Report	DISEWORTH VILLAGE DESIGN STATEMENT	
Presented by	Councillor Robert Ashman Planning and Infrastructure Portfolio Holder	
Background Papers	Diseworth Village Design Statement	Public Report: Yes
	Report to Cabinet – 9 June 2020 Planning Practice Guidance Consultation responses to draft Diseworth Village Design statement	Key Decision: No
Financial Implications	None identified. The cost of consultation has been met from existing resources	
	Signed off by the Section 151 Officer: Yes	
Legal Implications	Legal considerations were considered in the drafting of the report	
	Signed off by the Monitoring Officer: Yes	
Staffing and Corporate Implications	None identified	
	Signed off by the Deputy Head of Paid Service: Yes	
Purpose of Report	To consider the responses to the consultation exercise in respect of the revised Village Design Statement for Diseworth and to consider whether it should be adopted as a Supplementary Planning Document.	
Reason for Decision	The preparation of a Supplementary Planning Document is a Cabinet function.	
Recommendations	THAT CABINET RECOMMEND TO THE LOCAL PLAN COMMITTEE THAT THE REVISED DISEWORTH VILLAGE DESIGN STATEMENT BE ADOPTED AS A SUPPLEMENTARY PLANNING DOCUMENT SUBJECT TO THE CHANGES HIGHLIGHTED AT APPENDIX A OF THIS REPORT.	

1. BACKGROUND

- 1.1 Members will recall that the 9 June 2020 meeting of Cabinet considered a report in respect of request from Long Whatton and Diseworth Parish Council to adopt a revised Village Design Statement (VDS) for Diseworth as a Supplementary Planning Document (SPD).
- 1.2 Cabinet agreed to ask the Local Plan Committee to undertake consultation on the proposed revised VDS. This was agreed by the Local Plan Committee at its meeting of 29 July 2020.

2.0 CONSULTATION ON THE REVISED VILLAGE DESIGN STATEMENT

- 2.1 The revised VDS was subject to consultation between 17 August and 28 September 2020.

- 2.2 The consultation was notified by e-mail or letter to a range of stakeholders from the database of consultees held by the Planning Policy team. In addition, the consultation was included on the Planning Policy pages of the Council's website.
- 2.3 In total seven responses were received to the consultation. A summary of the comments received together with the suggested responses is included at Appendix A of this report.
- 2.4 Only one response of any significance was received. This raised concerns regarding the appropriateness of parts of the revised VDS when compared to government guidance as set out in the Planning Practice Guidance. Officers considered that these comments were not unreasonable and therefore put forward to the Parish Council some changes to the wording at pages 2 and 4. The Parish Council has confirmed its acceptance of these proposed changes as set out in Appendix A of this report.

3.0 NEXT STEPS

- 3.1 In terms of governance, formulation of an SPD is an Executive function but adoption is a Council function which has been delegated to the Local Plan Committee.
- 3.2 Therefore, Cabinet are asked to request the Local Plan Committee to approve the VDS as a SPD subject to the change outlined above at paragraph 2.4.

Policies and other considerations, as appropriate	
Council Priorities:	Our communities are safe, healthy and connected
Policy Considerations:	The draft VDS has been assessed against both the adopted Local Plan and the Council's Design SPD and is considered to comply with their provisions.
Safeguarding:	None identified
Equalities/Diversity:	An Equalities Impact Assessment will need to be undertaken before the VDS can be adopted as SPD. This will be done prior to going to Local Plan Committee.
Customer Impact:	The principal impact would be upon those submitting planning applications in Diseworth as they would need to take in to account the VDS.
Economic and Social Impact:	The VDS has been prepared by the Parish Council with input from the local community. As such it represents the aspirations of the local community as to how future developments should look.
Environment and Climate Change:	The VDS seeks to ensure that the local environment is taken in to account when designing new developments
Consultation/Community Engagement:	The VDS has been subject to consultation both before and after it was submitted to the council
Risks:	None identified
Officer Contact	Chris Elston Head of Planning and Infrastructure chris.elston@nwleicestershire.gov.uk

Respondent	Comments	NWLDC Response
<p>Cadwallader family (Andrew Granger & Co)</p>	<p>The draft VDS inappropriately provides commentary on the appropriate location for development within the village. This is a matter for an adopted development plan document, or a neighbourhood plan, not the VDS. The draft VDS goes beyond the scope of a good local design guide as set out in the NPPG. There is a risk that the VDS will conflict with a possible future revision of the North West Leicestershire Local Plan that included Land at Grimes Gate within the Diseworth Limits to Development. The draft VDS should be amended to remove all commentary about the location of development within the village.</p>	<p>The particular concern highlighted relates to statements regarding the Limits to Development at page 4 of the proposed revised VDS. The Planning Practice Guidance identifies that local design guides “<i>set out the general design principles and standards that development proposals should follow in the area, building on policies in the development plan.</i>” It goes on to state that “<i>They are most effective when used alongside other relevant design tools to assess the design quality of proposed schemes</i>” (Paragraph 005 Reference ID: 26-005-20191001).</p> <p>From this, it is clear that local design guides such as VDS is concerned with shaping the quality of development as opposed to being concerned with the principles of development.</p> <p>Previous guidance from the Countryside Commission stressed that a VDS “<i>is about managing change in the village, not preventing it</i>”. As proposed, the wording could be construed as seeking to prevent change.</p> <p>In view of the above, it is agreed that it would, therefore, be appropriate to reword the second recommendation at page 4 to state:</p> <p>“The view of the local community is that it would wish to see <u>new development restricted to within the Limits to Development of Diseworth in the adopted Local Plan (or any new Local Plan)</u> the existing countryside around Diseworth protected against inappropriate development. “</p> <p>At page 2 of the proposed revised VDS, it states that</p>

Respondent	Comments	NWLDC Response
		<p>the VDS is aimed at</p> <p><i>“developers, architects, designers, and builders, to inform them of local views on design, materials and location of new and adapted buildings”</i></p> <p>In view of the considerations above it would be appropriate to amend this state:</p> <p><i>“developers, architects, designers, and builders, to inform them of local views on design, <u>and</u> materials and location of new and adapted buildings”</i></p>
	Amend text at the final paragraph on page 3 of the draft VDS to include the phrase ‘unless material considerations indicate otherwise’.	Planning applications are to be determined in accordance with the development plan unless material considerations indicate otherwise. Therefore, it is not considered necessary to make this change as it is already enshrined in legislation. The VDS as drafted is not considered to be unreasonable.
	Subject to the changes which are being sought, the remaining provisions of the draft VDs are endorsed and in particular its approach to development densities, heritage, housing mix, local character and highways considerations.	Noted
Canal & River Trust	The Plan area does not include any waterways or associated infrastructure owned or operated by the Trust. No comments.	Noted
Castle Donington Parish Council	This is a very comprehensive document. No further comments.	Noted
Environment Agency	No comments	Noted
Leicestershire CC Minerals	There is a small Sand and Gravel Mineral Consultation Area (MCA) just to the north of Diseworth. Policy M11 of	Noted

Respondent	Comments	NWLDC Response
	the Leicestershire Minerals and Waste Local Plan aims to prevent potential mineral reserves from being sterilised by non-mineral development. Due to the Diseworth Village Design Statement not proposing any specific development, the County Planning Authority does not have any further comments to make.	
Natural England	NE offers the following as general advice; <ul style="list-style-type: none"> • Recommends the use of Landscape Character Assessments • National Character Area profiles are useful guidance documents • Design statements can usefully promote improvements in green infrastructure. NE has relevant guidance • Design statements should reference and reflect biodiversity assets in the immediate area, drawing on relevant guidance • Community engagement should inform the formulation of design guidance 	Noted
Coal Authority	No specific comments	Noted

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