NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

LOCAL PLAN COMMITTEE – TUESDAY, 27 SEPTEMBER 2022



Title of Report	LOCAL PLAN SUBSTANTIVE REVIEW – DEVELOPMENT STRATEGY						
Presented by	Ian Nelson Planning Policy and Land Charges Team Manager						
Background Papers	National Planning Policy Framework	Public Report: Yes					
	Planning Practice Guidance	Key Decision: Yes					
	Local Plan Substantive Review: Interim Sustainability Appraisal Report of the Spatial Options						
	Employment Options Interim Sustainability Appraisal Report (including Option 2a)						
	Report to Local plan Committee 27 October 2021						
	Report to Local plan Committee 9 December 2021						
	Report to Local plan Committee 12 July 2022						
	Adopted North West Leicestershire Local plan						
Financial Implications	The cost of the Sustainability Appraisal study is met from existing budgets which are reviewed as part of the annual budget setting process.						
	Signed off by the Deputy Section 151 Officer: Yes						
Legal Implications	It is necessary as part of the preparation of the Local Plan to consider reasonable alternatives. 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	The purpose of this report is to consider the outcome from additional work undertaken in accordance with the decisions of this Committee and to determine what the development strategy for housing and employment should be.				
Recommendations	THAT THE LOCAL PLAN COMMITTEE AGREES THAT: (i) OPTION 7B PROVIDE THE BASIS FOR THE HOUSING DEVELOPMENT STRATEGY OF THE LOCAL PLAN REVIEW; AND (ii) OPTION 2A PROVIDE THE BASIS FOR THE EMPLOYMENT DEVELOPMENT STRATEGY OF THE LOCAL PLAN REVIEW				

1 INTRODUCTION

- 1.1 Members will recall that this Committee has previously considered a number of reports regarding the issue of housing and employment provision as part of the Local Plan review.
- 1.2 The purpose of this report is to consider the outcome from additional work undertaken in accordance with the decisions of this Committee (outlined in the next section of this report) and to determine what the development strategy for housing and employment should be.

2 PREVIOUS REPORTS

Local Plan Committee 27 October 2021

- 2.1 This report considered a range of options for how any housing requirement might be distributed across the district. In total some 16 options were identified under four different potential growth options (reflecting the uncertainty at that time regarding the amount of growth to be planned for. These had been subject to a Sustainability Appraisal to understand what the implications might be, from a sustainability point of view, of the different options. In addition to the Sustainability Appraisal, regard was had to a variety of other planning factors in coming to a recommendation as to which was considered, at that stage, to be the preferred approach.
- 2.2 The following was agreed:

At this stage scenarios High 1 and High 2 cover the most likely growth requirement and, for these scenarios, distribution options 3A and 7B respectively would be the most suitable and these should be taken forward for consultation.

2.3 The report can be viewed from this link.

Local Plan Committee 9 December 2021

- 2.4 This report dealt with a number of employment related matters. It was agreed to consult on those matters raised in the report, including "the general employment strategy options" described in the report.
- 2.5 The report can be viewed form this <u>link</u>.

Local Plan Committee 12 July 2022

- 2.6 This report considered some of the responses to the consultation undertaken earlier this year. Amongst other things the following were agreed:
 - (v) A housing requirement of 686 dwellings each year as set out at paragraph 5.2.29 of this report (subject to the Council agreeing the proposed Statement of Common Ground in respect of housing and employment needs) be agreed.
 - (viii) A flexibility allowance of 10% of the residual housing requirement for 2021-40 as set out at paragraph 5.2.41 of this report be agreed.
 - (ix) The fact that land needs to be identified for a minimum of 6,693 dwellings as set out at paragraph 5.2.41 of this report be agreed.
 - (x) The proposal to test a further housing distribution option (option 9c) as set out at paragraph 5.3.28 of this report be noted.
 - (xiii) The proposal to test a further employment distribution option (Option 2a) as set out at paragraph 6.5.30 of this report be noted.
- 2.7 The report can be viewed form this link.

3 HOUSING

- 3.1 This section of the report considers the outcome from the assessment of the further additional housing option (now referred to as Option 10) against both the Sustainability Appraisal (SA), but also other planning factors, consistent with the approach taken in the report of 27 October 2021. For consistency, when looking at other factors such as delivery rates required, the same base date is maintained as that for the assessment of the other options.
- 3.2 As noted at paragraph 2.2 above, the outcome from the 27 October 2021 meeting of this Committee left open which of the options was to be preferred depending upon the scale of growth that needs to be planned for. In terms of the scale of housing growth, this has subsequently been confirmed when Council agreed the Statement of Common Ground at its meeting on 6 September 2022. Therefore, in accordance with recommendation (v) of the 12 July 2022 meeting of this Committee, the housing requirement is 686 dwellings each year.
- 3.3 A housing requirement of 686 dwellings each year is closer to the High 2 scenario (730 dwellings each year) considered in the report of 27 October 2021, than the High 1 growth scenario (512 dwellings each year). This means High1 growth scenario and the subsequent distribution options can be discounted.

- Therefore, Option 10 falls to be considered of against each of those options identified under the High 2 scenario (Options 2b, 3b, 4b, 5b, 6b, 7b, 8 and 9b).
- 3.5 It should be noted that all of the Options under the High 2 scenario are based on a residual requirement of 5,100 dwellings. Allowing for the previous decisions of this Committee as outlined at paragraph 2.6 of this report, the residual requirement will be higher at 6,693 dwellings. However, for consistency with the report to this Committee on 12 July 2022 this report has retained the previous figures. However, it does mean that the requirement figures for individual settlements will be more than previously identified (or as set in the following section for Option 10). This will need to be addressed as part of a future report dealing with potential site allocations.

Additional option

3.6 The additional housing option to be assessed is:

Principal Town (2,056 dwellings), KSC (1,741 dwellings), LSC (771 dwellings) and Sustainable Villages (532 dwellings)

- 3.7 It is important to note that the figures for settlement categories are not absolutes i.e. they could end up higher or lower. At this stage the purpose is to provide some approximate proportions to test the various options for their likely effects.
- 3.8 In effect, Option 10 is a continuation of the development strategy in the adopted Local Plan, save for the fact that the category of Small Village is excluded as these settlements have very little provision in terms of services and facilities. In accordance with the revised Settlement Hierarchy agreed by this committee on 12 July 2022, these settlements are now to be restricted to local needs only development.
- 3.9 In terms of the SA, Option 10 performs as follows:

SA Summary

4significant negative effects – SA2 (Inequalities), SA8 (Sustainable travel), SA11(Climate Change) and SA12 (Biodiversity)

- 1 negative effects SA1 (Health)
- 2 significant positive effects SA4 (Housing) and SA6 (Town Centres)
- 7 Uncertain effects

Comparison of Option 10 against other options

- 3.10 Option 10 is incorporated into a revised Sustainability Appraisal report which can be viewed from this link. In this way it is possible to see how all of the High 2 options perform in one document. Appendix A provides an overview of the outcome of the various options under the High 2 scenario.
- 3.11 It is important to note that the assessment is what is known as a 'high level assessment' and whether there is scope for mitigation measures as part of new development is not considered.
- 3.12 Of the significant negative effects recorded for Option 10, SA2 (Inequalities) is common to most of the other options (2b, 3b, 4b,5b, 7b and 9b), whilst SA8 (Sustainable travel)

is common to three of the other options (3b, 4b and 5b),SA11(Climate Change) is common to four of the other options (5b, 6b,7b and 9b) and SA12 is common to 6 other options (4b, 5b, 6b, 7b, 8 and 9b). Of the other options, four score more significant negative effects than Option 10 (options 4b,5b,7b and 9b) whilst one (8) scores the same and three score theless(2b, 3b and 6b).

- 3.13 In terms of the one negative effect (SA1 Health), this is common to four other options (2b, 5b, 6b and 7b).
- 3.14 In terms of the significant positive effects, two other options (7b and 9b) score the same against SA4 (housing) and one other option (7B) scores the same against SA6 (Town Centres). Only option 8 scores more significant positive effects (3 as compared to 2), whilst one other option (7b) also scores 2.
- 3.15 No positive effects are recorded against any of the SA objectives for Option10. Most other options score at least one positive effects, with only Options 7b and 9b also not recording any positive effects.
- 3.16 In terms of the number of uncertain effects recorded against Option 10 (7 in total), two other options (2b and 6b) have 8 uncertain effects and one other option (3b) also has 7 uncertain effects. The number of uncertain effects recorded for Option 10 is partly due to the fact that the detailed location of any sites is unknown at this stage, whereas a number of the other options under the High 2 growth scenario include a new settlement which offers a greater degree of certainty.
- 3.17 In terms of the outcome from the SA, Option 8 performs best in terms of the number of positive scores, followed (in order) by options 10, 7b and 9b as these are the only options which record any significant positive effects. Of these, Option 10 scores the least negative effects.
- 3.18 In terms of negative effects, Option 2b performs best (i.e. it records the least number of negative effects), followed by (in order) options 10 and 3b, then 8 and 6b. However, as noted above, neither Options 3b nor 6b score any significant positive effects.
- 3.19 Overall, it can be concluded that Option 10 performs better than most of the other options and is most comparable to options 7b, 8 and 9b.

Other considerations

- 3.20 The scale of growth in Coalville under Option 10 (2,063 dwellings) is virtually the same as that under Option 4b. That option would have concentrated growth just in Coalville as the Principal Town and a New Settlement. Such a concentration was considered to be inappropriate as it would have represented a significant risk in terms of deliverability. That is not a risk under this option which would see more dispersed growth.
- 3.21 Under Option 10, the build rate required in Coalville, allowing for what is already committed for the period 2020-31 (3,164 dwellings) and what would be required from the additional development (2,056 dwellings) would be 275 dwellings each year. This is 54% more than the average achieved in the last 10 years (179 per annum). It would be virtually the same as that achieved in the last 5 years (266 dwellings each year). Build rates in Coalville have picked up significantly in the last couple of years as the South-East Coalville development has finally come on stream.

- 3.22 Notwithstanding this significant upturn in build rates, there are doubts about the ability of the market to deliver such a scale of growth in Coalville having regard to build rates, particularly over the longer 10-year period. Furthermore, over the period from 2011 there are only 3 years when 275 dwellings have been built. It is questionable, therefore, as to whether such a build rate could be sustained longer term. A failure to do so would represent not only a risk to the overall plan requirement, but also to the maintenance of a 5-year land supply.
- 3.23 Turning to other settlements, the scale of growth in the Key Service Centres (KSC) of Ashby de la Zouch and Castle Donington (1,741 dwellings) is the second highest after Option 2b (2,040 dwellings) and slightly more than Option 3b (1,530 dwellings).
- 3.24 Under this option the build rate required in the KSC, allowing for what is already committed for the period 2020-31 (2,408 dwellings) and what would be required from the additional development (1,741 dwellings) would be 218 dwellings each year. This is about 25% more than the annual average achieved in the last 10 years (185 per annum) and slightly more than that achieved in the last 5 years (211 dwellings each year). Such a rate was achieved in 4 out of the last 5 years, but prior to that there were only two years where such a build rate was achieved.
- 3.25 The scale of growth under this option would be likely to require identifying a site of 1,400 dwellings west of Castle Donington or 800 dwellings at Packington Nook Ashby de la Zouch.
- 3.26 For the Local Service Centres (LSC) of Ibstock, Kegworth and Measham, the required build rate allowing for what is already committed for the period 2020-31 (679 dwellings) and what would be required from the additional development (771 dwellings) would be 76 dwellings each year. This is below that achieved in the last 10 years (118 each year) and that achieved in the last 5 years (93 dwellings each year) which suggests that, subject to the sites being available, the market would be likely to deliver such a rate.
- 3.27 For the Sustainable Villages, the build rate required would be 28 dwellings each year, which is significantly less than that achieved over the last 10 years (160 dwellings each year) and the last 5 years (103 dwellings each year). It should be appreciated that whilst by their nature Sustainable Villages are generally suitable for some housing, the scale of growth over the last 10 years does not necessarily represent a sustainable pattern of development and reflects the lack of an up-to-date plan which made it difficult for the Council to resist many of these developments.

Which option should be taken forward?

3.28 Paragraphs 9.12 to 9.44 of the 27 October 2021 report considered the merits of each those options identified under the High 2 scenario (Options 2b, 3b, 4b, 5b, 6b, 7b, 8 and 9b) having regard to the outcome from the SA as well as other planning factors. By way of recap the outcome was (references are to the paragraph numbers in the 27 October 2021 report):

Option 2b - Principal Town (3,060 dwellings) and Key Service Centres (2,040 dwellings)

Whilst this option performs well against the SA, (paragraphs 9.15 to 9.18) there are significant concerns regarding deliverability and so this option should be discounted.

Option 3b - Principal Town (2,550 dwellings), Key Service Centres (1,530 dwellings) and LSC (1,020 dwellings)

This site does not perform as well as Option 2b in terms of SA (paragraphs 9.19 to 9.21) and there are significant concerns regarding deliverability, particularly in Coalville and so this option should be discounted.

Option 4b - Principal Town (2,040 dwellings) and New Settlement (3,060 dwellings)

Once again deliverability was a significant concern with development concentrated in only two settlements (paragraphs 9.22 to 9.25) and so this option should be discounted.

Option 5b – Principal Town (2,295 dwellings), New Settlement (2,295 dwellings) and KSC (510 dwellings)

The scale of growth and deliverability in Coalville and a New Settlement was highlighted as particular concern (paragraphs 9.27 to 9.29). It also had the greatest number of significant negative effects n the SA assessment. For these reasons this option should be discounted

Option 6b- Principal Town (1,785 dwellings), New Settlement (1,785 dwellings), KSC (1,020 dwellings) and LSC (510 dwellings)

Whilst scoring well in terms of the SA, this option would concentrate development in Local Service Centres and above (including a new settlement). This would leave a significant number of settlements without any development, potentially to the detriment of those services and facilities in these settlements which rely upon regular customers. Conversely, the pressure upon services and facilities in the higher order centres would be much greater (paragraph 9.31). For these reasons this option should be discounted

Option 7b - Principal Town (1,785 dwellings), New Settlement (1,785 dwellings), KSC (765 dwellings), LSC (510 dwellings) and Sustainable Villages (255 dwellings)

Option 9b - Principal Town (1,020 dwellings), New Settlement (1,785 dwellings), KSC (459 dwellings), LSC (255 dwellings), Sustainable Villages (1,377 dwellings) and Small Villages (204 dwellings)

In SA terms they score virtually the same, although 7b would potentially provide greater benefit to existing town and local centres (SA4). Option 9b would result in a less sustainable pattern of development than option 7b as it would put more development in those settlements with fewer services and facilities and would also require people to use cars, so conflicting with the aims of addressing climate change (paragraphs 9.36 to 9.39).

- 3.29 The report concluded (paragraph 9.45) that "under the High 2 scenario Option 7b should be the preferred option at this stage".
- 3.30 As noted in the report to this committee on 12 July 2022, "Across all categories of responder, there is no overall consensus as to which of the 15 options [under High 1 and High 2] developed is the most appropriate". In addition, no further information has been presented at this time which would change the original conclusion that Option 7b should be the preferred option.
- 3.31 Therefore, Option 7b is now compared to Option 10.

Option 7b or Option 10?

3.32 By way of a recap the two options are presented below:

Option 7b	Principal Town (1,785 dwellings), New Settlement (1,785 dwellings), KSC (765 dwellings), LSC (510 dwellings) and Sustainable Villages (255 dwellings)
Option 10	Principal Town (2,056 dwellings), KSC (1,741 dwellings), LSC (771 dwellings) and Sustainable Villages (532 dwellings)

- 3.33 Essentially Option 10 would require more development in each of the settlement categories than Option 7b, as the new settlement element of the latter would be redistributed.
- 3.34 In terms of the outcome from the SA of these two options, these can be seen at Appendix A. The results are presented below for ease of comparison.

SA Summary

Option 7b

5 significant negative effects – SA2 (Inequalities), SA11(Climate Change), SA12 (Bio/geodiversity) and SA13 (Landscape/Townscape) and SA14 (Land use)

- 2 negative effects SA1 (Health) and SA8 (Sustainable travel)
- 2 significant positive effects SA4 (Housing) and SA6 (Town Centres)
- 5 Uncertain effects

Option 10

4significant negative effects – SA2 (Inequalities), SA8 (Sustainable travel), SA11(Climate Change) and SA12 (Biodiversity)

- 1 negative effects SA1 (Health)
- 2 significant positive effects SA4 (Housing) and SA6 (Town Centres)
- 7 Uncertain effects
- 3.35 From this it can be seen that they score similarly. In summary:
 - A higher number of potential significant negative effects in relation to SA objectives SA13 (conserve and enhance the quality of the District's landscape and townscape character) and SA14 (ensure land is used efficiently and effectively) were recorded for Option 7b due to 1,785 dwellings being located in a New Settlement rather than within an existing settlement area;
 - Both options include development in Sustainable Villages, however, Option 10
 performs more negatively for SA8 (accessibility) as it will direct a higher level of
 growth (532 dwellings) to Sustainable Villages compared to Option 7b (255
 dwellings) and with this higher quantum of new residents there is likely to be a
 greater negative effect on road traffic due to an increase in need for private
 vehicles:

- Both options perform positively for SA4 (good quality homes to meet local need), and SA6 (enhance the vitality and viability of existing town and village centres);
- Both options perform negatively for SA2 (reduce inequalities and ensure fair access and opportunity for all residents), SA11 (climate change) and SA12 (Biodiversity);
- Seven uncertain effects were recorded for Option 10 compared to five for Option 7b. The differences related to SA objectives SA13 (conserve and enhance the quality of the District's landscape and townscape character) and SA14 (ensure land is used efficiently and effectively) whereby Option 7b scored potential significant negative for SA13 and SA14. This is because Option 7b includes the creation of a New Settlement so there is more certainty of the potential effects on these SA objectives. With Option 10 these effects are more difficult to define until the detailed location of new housing development is known.
- 3.36 In respect of other planning factors, as noted above, there are concerns about whether the required build rate under Option 10 in Coalville and also in the KSC, albeit to a lesser extent, could be achieved over the plan period. Under Option 7b the amount of growth in both of these would be less, although not that much less in Coalville (259 dwellings each year compared to 275 dwellings each year under Option 10). This suggests that there may be a need to adjust the Coalville figure down slightly which ever option is chosen. This will need to be considered as part of the next stage when identifying potential site allocations. There are no such concerns under either option in terms of potential build rates at the LSC or Sustainable Villages.
- 3.37 In terms of Option 7b, whilst large scale developments such as a New Settlement proposed under this option do take time to deliver, even if development was not to start until well into the plan period it provides a potential long-term opportunity going well beyond this plan period. Furthermore, the reality is that at the current housing requirement rate the opportunities for large scale development attached to existing settlements are becoming increasingly scarce. Therefore, there is increasingly likely to be a need for a new settlement at some point in the future.
- 3.38 However, Option 7b is not without its risks, particularly the New Settlement element. The development of a new settlement brings with it risks in terms of deliverability, particularly as at this stage we do not know exactly what infrastructure will be required (both on and off-site) to support the creation of a new community. However, it does allow for the provision of infrastructure to be comprehensively planned for from the outset. In addition, large scale sites such as these can take time to begin to deliver. Any slippage in delivery would impact upon the 5-year housing land supply, and so represents a risk to ensuring that the plan does not become out-of-date.
- 3.39 Option 7b spreads growth around a bit more than Option 10 and so is a slightly less risky option.
- 3.40 From an SA point of view, as noted the two options perform similarly. There is less uncertainty in respect of the impact of Option 7b. Whilst it does have more negative scores, as noted above, this is because Option 7b includes the creation of a New Settlement so there is more certainty of the potential effects on the SA objectives. It is possible that when sites are known that Option 10 might not score so well as Option 7b, or they might score the same. Option 7b also performs better in terms of sustainable travel which is an important consideration in respect of seeking to reduce carbon emissions and achieve a net zero district by 2050, a key Council priority. A

significant development like a new settlement has the potential to deliver more infrastructure than the development of smaller scale sites which would be required under Option 10.

- 3.41 The Leicester and Leicestershire Strategic Growth Plan (SGP) is a non-statutory plan which sets out an agreed strategy for the period to 2050 to be delivered through Local Plans. The SGP, which has been endorsed by this Council, identifies the Leicestershire International Gateway which is focussed on the northern part of this District as a key area for growth over the period to 2050. Option 7b includes a new settlement. The only new settlement that is being actively promoted is in the northern part of the district and so would accord with the SGP. Under Option 10 there would still be likely to be growth in the northern part of the district, but it would be at a lesser scale. As noted, a new settlement represents a long-term opportunity which would also accord with the time scale of the SGP which looks to 2050.
- 3.42 In setting out the development strategy to be pursued, it is important to note there is no single right approach, but to satisfy the test of soundness it must be (NPPF paragraph 35) "an appropriate strategy, taking in to account the reasonable alternatives, and based on proportionate evidence". Having regard to those matters discussed above, Option 7b is considered to represent an appropriate strategy for North West Leicestershire and so it is recommended that it be the preferred strategy.

4 DEVELOPMENT STRATEGY OPTIONS FOR EMPLOYMENT

- 4.1 At 12 July 2022 meeting, the Committee received information on the consultation feedback on the four strategy options for employment land included in the Development Strategy and Policy Options consultation document.
- 4.2 The four options are:

Option 1 A continuation of the adopted Local Plan distribution. General employment land allocations would be principally at Coalville, Ashby and Castle Donington (i.e. the settlements at the top of the settlement hierarchy)

Option 2 Allocate employment land at Coalville, Ashby and Castle Donington (like Option 1) and also at Measham/Appleby Magna as a 'new', expanding employment location

Option 3 A more widespread distribution of employment land, including to locations which are currently less well provided for such as the Local Service Centres – Ibstock, Kegworth, Measham – and, potentially, Sustainable Villages.

Option 4 Allocate land in a single/new location for a high quality, mixed-use business park.

4.3 A summary of the consultation responses was included at paragraphs 6.5.4 to 6.5.11 and in Appendix E of the July committee report 'Local Plan Review – Response to Consultation'. The report also sets out the key findings from the interim sustainability appraisal of the 4 options (paragraphs 6.5.12 to 6.5.16) and reaches initial conclusions on the attributes of the options in the round (paragraphs 6.5.17 to 6.5.33).

4.4 To recap:

Overall, Option 2 performed the best in the SA assessment, particularly as it
has the most significant positive effects (3) and scored the best for the Economy
(SA5) and Employment (SA7) objectives.

- The SA found no significant positive effects for Options 1, 3 and 4.
- There was some support for each of the options in the consultation responses, with Options 1 and 3 proving most popular.
- Options 3 and 4 was assessed as having the potential for 'significant negative'
 effects for sustainable transport (SA8) in the SA reflecting the more limited
 access to sustainable modes in the more rural parts of the district, although the
 concentration of development in a single location under Option 4 could
 generate sufficient demand for additional and improved bus services.
- Option 3 may be more likely to result in a reliance on smaller sites, removed from where most people live and would exclude locations which are more popular in market terms, namely Coalville, Ashby and Castle Donington which could impact on the overall deliverability of a strategy based on this option.
- Option 4 is an 'eggs in one basket' approach which could bring significant risks in terms of the amount and timing of employment land availability and very limited market choice.
- Option 1 would support the locations where the market is already strong but would do little to serve local markets elsewhere. Option 2 on the other hand would broaden out the number of locations to a degree, better supporting both choice and delivery.
- Neither Options 1 or 2 address needs in more rural parts of the district.
- 4.5 In the July report officers concluded that Options 3 and 4 should not be taken forward as proposed and this view is sustained.
- 4.6 The Committee agreed that a further option bringing together elements of Options 2 and 3 to include sites in more rural parts of the district, namely at the Local Service Centres, should be tested through the SA process and the findings reported to this meeting. This is Option 2a.

Option 2a Allocate employment land at Coalville, Ashby and Castle Donington/East Midlands Airport, at the Local Service Centres and at a 'new', expanding employment location at J11 M42

- 4.7 A revised version of the <u>Interim Sustainability Appraisal</u> has now been published. The assessment of Options 1 to 4 is unchanged in this version; it simply incorporates an assessment of Option 2a.
- 4.8 The table below summarises the significant positive and negative effects for each option.

	Number significant	Number
	positive effects	significant
		negative effects
Option 1	0	5
Option 2	3	6
Option 2a	3	5
Option 3	0	6
Option 4	0	6

4.9 Having regard to the fact that Options 3 and 4 have already been excluded, Options 2 and 2a have more significant positive effects than Option 1 and notably 2 and 2a both score the best for the Economy (SA5), supporting Local Centres (SA6) and

Employment (SA7) objectives. Options 1, 2 and 2a have similar numbers of significant negative effects. As outlined above, Option 1 does not serve business needs outside the three main centres and overall it is considered that Options 2 and 2a should be favoured above Option 1.

- 4.10 The difference between Options 2 and 2a in the SA is marginal. Potential heritage impacts are found to be slightly more likely for Option 2 but this is based on a high-level assessment and will be addressed through the site selection process when planning constraints will be considered in detail. The SA highlights that larger-scale carbon reduction measures such as District Heat Networks (SA10) are less likely to be achievable on Local Service Centre sites and reflect this with an 'uncertain' score for Option 2a.
- 4.11 Overall these differences are not significant and, in any event, the SA process does not pick up all the planning considerations relevant to the selection of a spatial strategy. As referenced above, Option 2a would see some employment land allocations at the Local Service Centres which could help serve the more rural parts of the district. A greater diversity of sites could also help to deliverability of the strategy, providing a variety of sites of different sizes, in different locations and in a number of ownerships. Linked to this, it could provide an additional degree of market choice above Option 2.
- 4.12 It is recommended that **Option 2a**, allocate employment land at Coalville, Ashby and Castle Donington/East Midlands Airport, at the Local Service Centres and at a 'new', expanding employment location at J11 M42, be agreed as the development strategy for employment and that this will then inform the selection of appropriate sites.

Policies and other considerations,	as appropriate
Council Priorities:	 Our communities are safe, healthy and connected Local people live in high quality, affordable homes Developing a clean and green district
Policy Considerations:	None
Safeguarding:	None discernible
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 decisions, of themselves, will have no specific impact. The Substantive Local Plan Review as a whole will aim to deliver positive economic and social impacts and these will be recorded through the Sustainability Appraisal.
Environment and Climate Change:	The decisions, of themselves, will have no specific impact. The Substantive Local Plan Review as a whole will aim to 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 considerations outlined in the report 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 and Land Charges Team Manager 01530 454677 ian.nelson@nwleicestershire.gov.uk

	Health Health	SA2	Communities CA3	BuisnoH SA4	Economy SA5	Town centres	Employment SA7	8AS Sustainable travel	SA Light/air/ noise	Carbon Emissions	Climate change	Bio/geodiversity	Landscape/ Townscape	Fand use	Heritage assets	Water resources	Natural resources
High 2 Scena	ario																
Option 2b	-		?	+		+		-	?	+	?	?	?	?	?		?
Option 3b			?	+		+			?	+	-	?	?	?	?		?
Option 4b	?		?	+		-			?	+	-				?		?
Option 5b	-		?	+		+			?	?					?		?
Option 6b	-	?	?	+		?		-	?	?				?	?		?
Option 7b	-		?	+ +		+ +		-	?	?					?		?
Option 8	?	++	++	+				++	?	+	-				?		+
Option 9b	?		?	+ +		-		-	?	?					?		?
Option 10	-		?	++		++			?	?			?	?	?		?