

Savills on Behalf of Wilson Bowden Developments

Matter 1: Duty to Cooperate and other legal requirements

Issue 1: Whether the Council has complied with the Duty to Cooperate in the preparation of the Plan

1.1) What are the relevant cross boundary strategic matters that have arisen through the preparation of the Plan (defined as matters having a significant impact on at least two planning areas)?

As recognised in paragraph 2.1 of SCG-10, there is a clear need for strategic (>9,000sqm) warehousing and logistics floorspace to be considered a key strategic matter. CBC have not included large employment sites in their plan because they state that this will be dealt with through a Leicester and Leicestershire Strategic Growth Options and Constraints Mapping study. Whilst this may identify suitable sites of 25ha or more (as stated in EXAM2A, page 5), we consider this to be a distinctly separate issue which should be dealt with in addition to the Borough's own large-scale employment (warehousing and logistics) requirement for units >9,000sqm.

The Plan's primary employment evidence base is comprised of the 2018 Employment Land Review (ELR) and the 2017 Leicester and Leicestershire Housing and Economic Development Needs Assessment (HEDNA).

The scope of the HEDNA was a purely quantitative analysis of employment need, which quantified the need for large (>9,000sqm) Class B8 units across Leicester and Leicestershire. The ELR added further qualitative analysis for Charnwood. The ELR concluded that there is a requirement of 44.5ha of land for industrial and small warehouse use (<9,000sqm) over the Plan period. The ELR (paragraphs 7.39-7.46) confirms that the HEDNA excluded any large warehouse requirements over 9,000sqm. The ELR fails to provide a quantitative need for large employment requirements, and only went as far as to recommend that an additional 10ha site be allocated (ideally with excellent access to the M1) to provide a suitable location for larger scale warehousing (paragraphs 7.41 & 7.42).

In addition to the needs of Charnwood, the Warehousing and Logistics in Leicester and Leicestershire Report 2021 (updated 2022) identified a shortfall of 112ha road-served employment land in Leicester and Leicestershire which it recommends should be planned for (p.192). However, CBC have not stated that this forms part of the evidence base used to identify the Plan's employment need, despite the recommendation that this shortfall should be planned for.

A site of at least 10ha with excellent access to the M1, as recommended by the ELR, has not been allocated in the Plan. We consider that the requirement for this site is a local need to be dealt with as part of this Plan, rather than a strategic need to be deferred to wider Leicestershire work. Therefore, the Plan cannot be considered to be justified or positively prepared, as the recommendations of the evidence base have not been implemented and the wider regional shortfall in road-served sites has not been discussed or dealt with. The larger, more strategic employment site requirement for sites of >25ha is a more strategic matter and the two (large and strategic) should not be confused.

1.2(b)) What outcomes have resulted from engagement and co-operation on the relevant strategic matters and how have these informed the Plan's policies, including in relation to employment?

As a result of the strategic (>25ha) site requirements emerging from the wider evidence for Leicestershire, CBC have failed to include a single site that meets the large-scale site requirement identified in the 2018, namely a site of 10ha or more with good accessibility to the strategic road network, ideally the M1 in their Plan for large-scale warehousing. We understand that this approach has been taken on the basis that this will be captured as part of a regional/sub-regional review being undertaken through the forthcoming Leicester and Leicestershire Strategic Growth Options and Constraints Mapping study. Whilst this study may identify Charnwood as being a suitable location to serve a wider regional and sub-regional strategic employment requirement, it does not address the very clear conclusion in the ELR that CBC should provide at least one site no smaller than 10ha in size (and preferably with excellent access to the M1) for large warehouse requirements arising within the Borough. Therefore, it appears that the outcome of the wider regional/sub-regional employment requirement has resulted in Charnwood failing to plan appropriately for its own large-scale employment requirements on the basis of this being deferred to a wider strategic employment study. We consider these two requirements (strategic and large employment) to be separate in their nature, and hence they should be dealt with separately rather than being conflated.

1.3) Is the process of co-operation demonstrated with clear evidence, including Statements of Common Ground as expected by National Planning Policy Framework paragraph 27 and the Planning Practice Guidance? Do the Statements of Common Ground identify the relevant strategic matters, actions in relation to cross boundary issues, and the outcomes of actions taken?

The Statements of Common Ground produced to date do not reference Charnwood's requirement (as per the ELR) for an employment site of minimum 10ha. Table 2 of SCG/1 (the 2021 SoCG relating to housing and employment land needs in Leicester and Leicestershire) states that Charnwood's employment need (as per the HEDNA and ELR) is 55.9ha. This excludes the 10ha additional site recommended in the ELR for large-scale warehousing provision, which should be considered in addition to the Class B1, B2 and small-scale B8 employment need.

The need for this additional 10ha site is considered to be a Borough-level need, and as such we welcome that it has not been referred to in the wider strategic sites requirement as part of the Duty to Cooperate. However, this need has also not been dealt with through the Local Plan, and is unlikely to be dealt with through the forthcoming Leicester and Leicestershire Strategic Growth Options and Constraints Mapping which will only consider sites of at least 25ha. In addition, the recently released update to the SoCG (released 13th May 2022) also remains silent on the need for sites >9,000sqm. Therefore, we consider that there is a gap in the local and regional evidence base of large-scale (>9,000sqm but <25ha) B8 need in this Plan, and therefore the Plan is not considered to be positively prepared.

1.5) What liaison has taken place between the Leicester and Leicestershire authorities to address the unmet need for housing and employment since the announcement of the cities and urban centres uplift in December 2020? Where is this documented?

The recent Statement of Common Ground between the Leicester and Leicestershire authorities released on 13th May 2022 clarifies the most up to date position on this unmet need, apportioning 23ha of employment land and 1,248 dwellings (between 2020-2036) to Charnwood Borough.

We are concerned that this apportionment of unmet employment need relates only to B1, B2 and 'small B8' (i.e. <9,000sqm) development, seemingly ignoring large-scale B8 sites >9,000sqm. The forthcoming Leicester and Leicestershire Strategic Growth Options study will only consider sites >25ha, leaving an unconsidered gap of sites between 10Ha and 25ha which both the sub-regional work and the Charnwood Local Plan have not adequately investigated.

1.6) Paragraph 3.25 of SCG-1 states that the Leicester & Leicestershire authorities agree that there is a sufficient supply of employment land in the Charnwood Local Plan to accommodate the unmet need for 23 hectares of employment land to 2036. However, page 96 of the Statement of Consultation (SD/13) indicates that the Plan does not accommodate unmet need for employment. What is the correct position?

The Statement of Common Ground relating to housing and employment land needs released on 13th May 2022 clarifies Leicester City Council's unmet employment need of 23ha. It should be noted that this unmet need relates only to Class B1, B2 and 'small B8' (i.e. <9,000sqm) sites: 'large B8' need is being dealt with separately. Table 4 of this SoCG states that all 23ha of this unmet need has been apportioned to Charnwood Borough. We therefore expect that CBC will confirm to the Inspectors that they will be meeting the entirety of Leicester's unmet employment need through this Plan. However, we anticipate that this will all relate to smaller-scale local needs on sites of less than 25ha / delivering units of less than 9,000sqm.

1.10) Will Policy DS2 be effective in its submitted form and are any main modifications necessary to improve its clarity in relation to timescales and its effectiveness? Should the policy include a reference to strategic warehousing and distribution needs?

We are not aware of any review policies that have been included in adopted plans which have successfully resulted in an objective early review being undertaken and scrutinised by an independent Inspector. The preference is to take account of all of the known strategic issues as part of this Plan preparation and to positively plan for reasonable alternatives, either in the form of additional allocations or safeguarded land to meet potential cross-boundary/strategic needs. If a review mechanism is to be included, then we consider that this should be the subject of an independent review undertaken by a Government Inspector (and preferably the one that examines the Plan) rather than the Council.

We consider that CBC should allocate a site of a minimum 10ha with excellent access to the M1 as recommended in the ELR to meet a need for large warehousing, as this would represent a positively prepared Plan.

If DS2 is to be retained, a main modification could include a clause stating that if the Strategic Growth Options research concludes that Charnwood needs to accommodate strategic employment land (25ha+), a further local plan review will be triggered.

1.15) In overall terms, is there evidence to demonstrate that, during the preparation of the Plan, the Council has engaged constructively, actively and on an on-going basis with relevant authorities and prescribed bodies on relevant strategic matters? Has the Duty to Cooperate been met in a manner consistent with paragraphs 24 - 27 of the Framework?

We consider that the Council has worked positively with other LPAs and the Duty to Cooperate has been met. The Council states on page 5 of their letter to the Inspectors (EXAM2A) that 'large B8' requirements (>9,000sqm) will be dealt with through joint working on a forthcoming Leicester and Leicestershire Strategic Growth Options and Constraints Mapping study. We appreciate the need for joint working on strategic matters. However, the scope of this study (sites >25ha as stated in EXAM2A, p.5) means that there will be a gap in consideration of and provision of sites ranging from 10ha-25ha in Charnwood over this Plan period. A large (not strategic) site fitting this description was recommended by the ELR, yet CBC have failed to positively plan for this type of site. In order for the Plan to be sound, it must include a site of at least 10ha adjacent to the M1 to meet the requirements of the evidence base. We are concerned that there is confusion over what is considered large and what is considered strategic.

Issue 2: Whether the Plan has been informed by a Sustainability Appraisal

1.17) Does the Sustainability Appraisal robustly test the Plan against reasonable alternatives for the scale and distribution of housing, employment, retail and other types of development set out in Policy DS1?

The Pre-submission stage Sustainability Appraisal (SD/5) appraised the employment alternatives against the quantity of employment land required in the 2017 HEDNA and the qualitative need for employment land identified in the 2018 ELR. The Sustainability Appraisal recognises (paragraph 5.2.2) that whilst there is sufficient committed/permissioned land in the Borough to meet the quantitative need, there are qualitative issues to consider including the location and type of employment land, as well as the need for flexibility. It is considered that, as the Sustainability Appraisal does not assess individual employment sites in the same way it has done for housing sites, the alternative approaches to Option 4 (allocating a 5ha site north-west of J23 near Shepshed) have not been adequately considered, rendering the Plan unsound.

It is also considered that the findings of the Warehousing and Logistics in Leicester and Leicestershire report (2021, updated 2022) should have been noted and considered as part of the Sustainability Appraisal process as they form a part of the available evidence base and demonstrate a shortfall in rail-served warehousing in the wider sub-region/region. Therefore, the Plan is not justified, as the strategy taken does not adequately consider reasonable alternatives, including the opportunity to allocate a site of at least 10ha to support the requirement for large-scale warehousing.

1.18) What alternative spatial strategy options were considered, which were discounted and are the reasons for this clear? What was the purpose of the ‘additional focussed assessment’ in Appendix G of the Sustainability Appraisal and how has this informed the development strategy in Policy DS1?

With regards to employment, the Pre-submission Sustainability Appraisal identified 3 options which were deemed to be reasonable, one of which sought to “identify new employment land to respond to demand for large scale warehousing” (paragraph 5.2.4). The decision was made to take forward a fourth option instead, which included an allocation of 5ha north-west of Junction 23 of the M1, near Shepshed. The rationale for this approach, as stated by CBC, is to “support flexibility and the spatial strategy (rather than to attract large scale warehouses)” (paragraph 5.2.5).

We consider that Option 4 does not provide a reasonable option for Charnwood’s employment strategy, because the evidence base, as stated in the ELR p.63-64, clearly identifies a need for a site of minimum 10ha to support the need for large scale warehousing, preferably close to the M1 motorway. The Plan does not provide for this local large-scale employment requirement. This recommendation has been ignored in favour of an approach for which the stated rationale is not grounded in the evidence base.

Moreover, the appraisal of employment alternatives contained within Appendix E of SD/5 (and summarised in Table 5.1 of the appraisal) shows that Options 3 and 4 performed very similar in the Sustainability Appraisal. As there are no site-specific assessments of employment sites appended to the Sustainability Appraisal, it is not clear how the decision was reached to discount and include specific sites to support these four options. Other Local Plans currently at Examination stage have undertaken extensive reviews of both strategic and non-strategic employment sites to ascertain their individual merits, for example Shropshire Council’s Sustainability Appraisal.

Overall, the Sustainability Appraisal does not provide a clear justification as to why certain employment sites were discounted or allocated respectively, and therefore the Plan is not justified as it has not adequately explored reasonable alternative strategies and sites. The chosen strategy ignores a key recommendation in the ELR to provide a site of a minimum 10ha with excellent access to the M1, which can be provided at land east of J23.

Issue 3: Whether the Plan has been prepared in compliance with other legal requirements

1.21) Are any adjustments to the Plan period necessary for consistency with the NPPF’s provision that strategic policies should look ahead for a minimum 15 year period from adoption?

The current Plan period is 2021-2037. CBC’s current Local Development Scheme (April 2022) states an intention to adopt the new Local Plan between December 2022 - January 2023. We therefore consider that the Plan period should therefore be extended by at least one year to ensure that it looks ahead for a minimum of 15 years from the date of adoption (likely to be in early 2023), with an additional year’s worth of housing and employment need planned for to reflect this.