

REPORT TO THE EXECUTIVE MEETING

Meeting: Executive
Date: 19th September 2012
Subject: Strategic Development Area Masterplan.
Report of: Derek McKenzie
Portfolio Holder: Janette Ackerley
Status: Implementation

1.0 Purpose of the Report

1.1 To inform Members of the outcome of the options appraisal exercise for the Strategic Development Area (SDA), including public consultation, and to seek approval for a preferred approach to proceed to the next stage of preparing a masterplan, which is to be adopted as a Supplementary Planning Document (SPD) to aid in the determination of planning applications for the subsequent development of the site.

2.0 Recommendations

- 1 That the SDA comprise the highest possible amount of houses in order to maximise its ability to meet the majority of Market Harborough's future housing land requirement;
- 2 The area of the SDA comprise a combination of residential Options B, C and D and provide for between 1,500 and 1,800 houses in the period up to 2031;
- 3 That housing numbers across the SDA be phased, providing up to 1000 houses in the period 2012 – 2022, and between 500 and 800 houses in the period 2023 – 2031;
- 4 That employment Option G of up to 13.4ha to be taken forward as the location for meeting a significant proportion of Market Harborough's future employment land supply;
5. That the consortium of landowners and developers with interests in the SDA be invited to jointly prepare a detailed Master plan; and
6. That Corporate Management Team review the resources required in order to effectively manage the delivery of the master plan and the risks associated at this critical stage, and in liaison with the Portfolio Holder allocate from the LDF Reserve Fund the necessary resources required.

3.0 Summary of Reasons for the Recommendations

- 3.1 The principle of an SDA is already set out in the adopted Core Strategy. The next stage involves the preparation of a masterplan to provide more detail than what is currently set out in the Core Strategy in order to more effectively guide the development of this significant strategic area for Market Harborough. All of the residential and commercial options have been thoroughly assessed and whilst the results of this exercise show that there is little separation in terms of the matrices scores, when other factors are taken into consideration, it is felt that the development of a larger area would provide the most appropriate overall approach.

4.0 Background

- 4.1 The Harborough District Local Development Framework Core Strategy (adopted November 2011) provides the basis for a SDA to the north west of Market Harborough. Policy CS13 requires that at least 1,000 dwellings and a range of community facilities be provided within a new community that whilst having its own distinctiveness, is linked to and is an integral part of the town. The general location of the SDA was chosen in recognition of the constraints associated with other parts of the town and the limited scope from brown field opportunities within the town. It is also a key aim of the SDA to reduce the need to travel by car and to take into consideration the potential impact of growth in general. It is therefore an objective of the SDA not to prejudice the provision of a future link road between the A4304 and B6047. The intention is to incorporate all of these components into a master plan that would be adopted as a Supplementary Planning Document (SPD) to assist the development process once the precise boundaries and scale of the SDA are defined.
- 4.2 To assist this process, two important groups were formed. These include a Project Board (PB), consisting of landowners and / or developers with an interest in the area; and a Community Partnership Group (CPG) consisting of elected local community representatives. With the support of these groups, an Options Workshop was held in May 2012 to generate discussion around possible options for the SDA area. The outcome of this Workshop fed into the preparation of a range of residential and employment options for the SDA which were the subject of public consultation during July 2012.
- 4.3 The consultation sought views on four residential options and two employment options, and a summary of each is provided below. Plans of each option are set out in Appendix 1.

Residential Options

Option A – Airfield Farm, which proposes 1,000 houses shaped by a current outline planning application. It proposes two accesses onto the B6047, one of which crosses over the canal.

Option B – A larger site promoted by the main landowners/developers, which proposes 1,739 houses. It includes two accesses onto the B6047, which includes one crossing the canal, and an access onto the A4304 effectively providing a link road. Access onto the A4304 has two options that include one at the top of Lubenham Hill in line with a current detailed planning application, and one at the bottom of the hill closer to Lubenham.

Option C – Similar to Option B, produced at a development options workshop with a wide cross section of the community, with slightly more housing (1,800), but with no extra access onto the B6047 over the canal.

Option D - Similar to Option B, derived from a landscape assessment report, but with fewer houses (1,500) and more landscaping.

Employment Options

Option F – This includes a 10ha site that occupies the eastern part of the showground site with access onto the B6047.

Option G – This includes a slightly larger site (13.4ha) on land adjacent to the eastern edge of the show field site with access onto the B6047.

Housing Land Supply

- 4.4 The reason for the varied housing numbers in each of the residential options that sees a range of between 1000 houses (Option A) and 1,800 houses (Option C) at opposite ends is in recognition of the fact there are acknowledged constraints in and around Market Harborough; and that in accordance with the provisions of Core Strategy Policy CS2 “Delivering New Houses” provision needs to be made for at least 3,300 houses in Market Harborough for the period up to 2028. As of 31 March 2012 the remaining housing land requirement for Market Harborough was 1,343 houses. Should a further 3 year roll forward be required to 2031 for comparable purposes with other sub-regional studies on-going, it is likely that this would result in an additional 451 dwellings for Market Harborough, which would increase the housing land requirement to 1,794 houses. As such, in order to provide for the longer term needs of Market Harborough, part of the assessment process looks at the potential to provide development in excess of the minimum of 1,000 dwellings set out in the Core Strategy.

Employment Land Supply

- 4.5 The Core Strategy is not prescriptive on the amount of new employment to be provided to 2028, giving commitment to review then confirm a portfolio of sites to meet identified shortfalls. The context for the approach is the Leicester and Leicestershire HMA Employment Land Study 2008 (L&L HMA ELS), which recommended an additional 5ha of new employment provision to 2028.
- 4.6 Initial indications from review work and updated evidence (L&L HMA ELS Update 2012, currently at draft stage), is that shortfalls are likely to occur to 2031 requiring new provision in excess of past amounts in Harborough. Findings suggest new models and approaches to securing employment site infrastructure and delivery, emphasising a focus on priority geographical areas and leverage opportunities.

Consultation on the Options

- 4.7 A consultation event on the proposed Options took place between the 25 June 2012 and the 16 July 2012, which included a series of consultation events held in Market Harborough, Great Bowden, Foxton and Lubenham. At these events, officers were on hand to provide information to members of the public and to discuss issues relating to the consultation. Approximately 200 people attended these events.
- 4.8 As a result of this, only 187 representations were received, which is less than 1% of the town's population. The majority of these were from Lubenham and the Lubenham Hill area who are mainly in support of residential Option A and employment Option G. A summary schedule of comments made is attached as Appendix 2, which gives an indication of issues raised. A number of stakeholders also took part in the consultation exercise and a summary of their representations forms Appendix 3.

5.0 Options Appraisal

5.1 In order to try and adopt an open and transparent approach to assessing the merits of each option, a scoring matrix was devised, which relies on providing a score across a broad range of criteria intended to identify the overall degree of sustainability. Initially, a total of 26 indicators for the residential options were created (split into social, environmental, economic and other impacts). Each option was scored against each indicator, with a positive impact scoring 2, neutral impact scoring 1 and negative impact scoring 0, with the intention being that the options with the highest overall scores regarded as sustainable. The social impact indicators included: community support; stakeholder support and connectivity with town. The environmental impacts included: landscape; vehicular access points and traffic generation. The economic impacts included: creation of jobs and impact on farming. Other impacts included: meeting short to medium term needs; meeting medium to long term needs; relationship to town and separation. In order to assess the commercial / employment options the matrix was altered to included relevant indicators for those land uses. The initial results of this exercise apportioned the following scores to each option:

<u>Housing</u>	<u>Employment</u>
Option A – 22	Option F – 24
Option B – 36	Option G – 28
Option C – 40	
Option D – 33	

Community Project Group

5.2 The analysis was presented to the CPG as a draft document, and views on the approach and scoring were invited. A key issue was that the group felt that the level of community support for Option A should attract more weight in the scoring. There was also concern that the LCC Highways had not fed into the process, and that this was central to the whole exercise. It was indicated that it was work in progress and that LCC Highway feedback would be factored into the next assessment of the matrices along with any appropriate feedback from the group.

LCC Highways Comments

- 5.3 Officers met with LCC Highways and the following feedback was provided. A copy of the written communications in this regard forms Appendix 4.
- 1 The upper level of 1,800 houses, whilst this would increase the number of trips from the site, the impact on the surrounding road network would not appear to be materially different from the 1,500 figure, confirmed at the Core Strategy Examination as being acceptable;
 - 2 For Option A, a second vehicular access onto the B6047 would be necessary;
 - 3 For Options B, C and D, a second access onto the B6047 would be necessary for public transport and cycling / walking purposes;
 - 4 For Options B, C and D, the preferred access onto the A4304 would be from the spur to the west and not from Lubenham Hill.

Reassessment of Options

- 5.4 As a result of feedback from both the CPG and LCC Highway Department, the matrices were altered to include a new category as a result of separating Archaeology from Historic Heritage. It was also decided to add weight to community support by a factor of 2. These changes did not alter the outcome of the employment options (F and G). The final matrices are attached as Appendix 5. As can be seen, the residential options were subsequently re-scored as follows:

Option A – 37
Option B – 34
Option C – 37
Option D – 33

Project Board

5.5 The revised scoring matrices were subsequently presented to the Project Board, which is the body with responsibility for moving the project forward as a proposal for consideration by the Executive. The following feedback was received:

- Disappointed that the scoring matrix did not identify a single option with a clear majority, and some felt that the scoring disadvantaged their particular land parcels;
- Options B, C and D should allow for the proper long term planning of the area, which is consistent with the principles of sustainable development;
- The Council should look forward to the Core Strategy review and plan for Market Harborough's future growth beyond current requirements;
- 1,800 dwellings would take at least 15 years to deliver even in good market conditions;
- A large SDA would not prejudice smaller schemes coming forward on different sites;
- Some developers felt that there was no reason why the current planning application submitted could not be determined now;
- In principle support to providing resources to produce a masterplan at the next stage; which must be expedited in order to avoid further planning applications and appeals; and
- Acknowledgement that the consultation event should have had a much wider focus as the SDA, depending on its scale, has the potential to impact the whole town.

Option Analysis – Housing

5.6 A number of parties representing both the CPG and Project Board were concerned about the scoring matrices because they felt that it was going to be used as the tool to establish the preferred option. However, this was never the case in that it was not anticipated that the scoring matrices would identify one option over all others as this exercise was only part of the wider options appraisal. However, it was a useful exercise from the point of view that it allowed the sustainability merits of each option to be broadly considered, which is an important part of the planning process.

- 5.7 Notwithstanding any issues of subjectivity/consistency in the scoring process, the exercise confirmed that each option was broadly sustainable, and that this outcome would not be altered as a result of minor tweaking of the matrices. However, as identifying a way forward, it suggested that it would come down to one of two possible approaches, which included a smaller scale approach (Option A - 1000 houses) and a larger scale approach (Options B, C and D - 1,500 to 1,800 houses), which would provide a platform for an assessment of associated risks.
- 5.8 Clearly, each approach has areas of commonality, but they also have a number of different advantages in relation to each other due to geography and scale, which was reflected in the scoring matrices. These are summarised in Table 1 below.

Table 1 Advantages associated with the two main approaches

Smaller Scale Approach OPTION A	Larger Scale e Approach OPTIONS B, C & D
<ul style="list-style-type: none"> • High level of localised community support; • Will not impinge upon area of separation between Market Harborough and Lubenham; • Will avoid a potentially harmful visual impact of the likely LCC preferred link road access onto the A4304; • Minimal direct impact on the immediate settled community; • Will not prejudice the provision of a link road or the development of a larger SDA; • Takes up less Greenfield land. 	<ul style="list-style-type: none"> • Will potentially provide more affordable housing; • Can meet a higher proportion of the town's long term housing need; • Scope to provide larger areas of open space and recreation and to integrate these with the town; • Will deliver a link road between the B6047 and the A4304; • Scale of crossing over the canal could be reduced due to only meeting needs of public transport, with resultant less impact on the Conservation Area;

- 5.9 There are also a number of risks associated with each approach that have not been factored into the scoring matrix that must also be given serious consideration as part of this exercise. The wider options appraisal therefore comprises three key elements, which include the scoring matrices, community views (included as part of the matrices as an overall measure of sustainability), and a risk assessment. Section 6 considers the associated risks in more detail in order to help arrive at a logical and balanced conclusion as to which approach to recommend to the Executive, having established that both approaches are broadly sustainable.
- 5.10 Whilst Options A and C scored the same using the matrices, Option C is based on the approach of not having a crossing over the canal, which was an issue that generated some community support. However, as LCC Highways have now confirmed that a crossing over the canal is necessary at least for public transport and walking/cycling purposes, it is an approach that cannot proceed in its own right. However, there is clearly scope to proceed on the basis of an approach that combines the best of Options B, C and D as an alternative to Option A, which could yield between 1,500 and 1,800 dwellings.

Option Analysis – Employment

- 5.11 The results show a preference for the larger of the two sites considered (Option G), which includes land adjacent to the proposed County Showground. This would effectively ensure an adequate supply of employment land with the flexibility to meet any increased shortfalls to 2031, without the need to reduce the size of the showground, and a leverage opportunity to deliver employment in the District's main economic centre.

6.0 Assessment of Risk

- 6.1 There are a number of risks associated with both approaches, which are considered in detail below.

Smaller scale approach – 1000 houses

- 6.2 With Option A the risks mainly focus on not exploiting the potential to accommodate a higher proportion of the town's housing land requirement having already acknowledged the constraints in other parts of the town to fulfil this objective. Therefore, if Option A was selected as the preferred approach, and only 1000 houses were provided, the following could potentially happen:
1. There is currently a detailed planning application awaiting determination for 127 dwellings at the southern end of the potentially expanded SDA (Options B, C and D), with access proposed onto Lubenham Hill. Whilst LCC Highways confirm that the proposed access is not ideal in terms of a link road, they have raised no objections in terms of its suitability to serve the proposed development submitted by Linden Homes. The applicant has held off submitting an appeal against non-determination on the basis of working with other developers and the Council to see if a larger area that includes their land can form part of the SDA master plan. Confirmation of Option A as the preferred approach with no scope for future expansion would result in an appeal being lodged, with an uncertain outcome. If the appeal was not successfully defended, it could result in a fragmented area of development within an area that is arguably the most contentious in terms of the communities concerns over the prominence of the site and traffic onto Lubenham Hill. It would also undoubtedly create pressure for development of the land between this site and the Airfield Farm application site, which subject to access, would be difficult to resist. Effectively, we would be allowing the Planning Inspectorate to make our strategic planning decisions, which is not good planning in terms of stakeholder certainty. The fragmented and piecemeal development of a larger area within the scope of Options B, C and D would negate the need for any master planning and would weaken the ability to maximise the synergy of all landowners and developers working together as part of a master planned approach and the benefits this would bring the community.

2. The Council would have to identify other housing sites in and around the town as part of its Allocations Development Plan Document (DPD) in order to meet future need. The lack of an Allocations DPD was a significant factor in an Inspector allowing a planning appeal for 128 houses in Thurnby in August. It is also worth noting that as part of the appeal decision; the Inspector commented that we would unlikely deliver our affordable housing contribution within current housing numbers, and points the way to a possible review of the Core Strategy, which implies that housing numbers may need to increase to solve the problem. The scale and location of alternative housing sites in and around Market Harborough at this juncture is unclear given the acknowledged constraints that lead to the idea of an SDA in the first place. Therefore, bringing such sites forward could be problematic, and in all probability would bring attention back to the SDA as a location that could accommodate more than 1000 houses in order to weaken the argument that it is necessary to find alternative housing sites across the town. The only difference would be that on this occasion any representations on the SDA would be as part of a statutory land use planning document, the merits of which would be determined at Examination. Representations would also likely come from the other landowners and developers with an interest in the SDA beyond that defined by Option A, and a significant proportion of the community looking to move the focus away from their areas. Again, the planning Inspectorate would be playing a major role in strategic planning decisions within the District.
3. Option A is the subject of an outline planning application, and if this is the preferred approach, it may prove difficult to persuade the applicants to produce a masterplan for the site that departed from the broad schematic details already submitted with the application, and there would be increasing pressure to determine the application as submitted without going through a master plan process. Although the same could be said in relation to the Linden Homes planning application off Lubenham Hill, it is felt that with a larger SDA, there would be sufficient justification in the developers mind to look at the site holistically as part of a master planned approach.

Larger scale approach 1,500 – 1,800 houses

- 6.3 With a larger site (Options B, C and D), the risks mainly focus on the potential problems associated with multiple land owners and developers working together and link road access onto the A4304. Possible outcomes with this approach are:
1. Landowners and developers fail to reach agreement on mutually acceptable terms in relation to items such as infrastructure cost sharing, phasing, land zoning and legal issues. The consequences of this are that it could significantly delay proceedings regarding the roll out of a master plan, and ultimately prevent the development of certain parts of the site. With the expectation that the SDA would meet a significant proportion of the District's long term housing needs, unresolved blockages could impact on the Council's ability to deliver its housing growth.
 2. An issue to emerge as a result of feedback from LCC Highways is that the access shown onto the A4304 at Lubenham Hill would not be suitable as a link road for the whole SDA. Although Options B, C and D show an alternative access onto the A4304 further to the west, which would be acceptable on Highway grounds, this would introduce development over the ridge, which could be potentially visually intrusive from the Lubenham side. It is not clear to what extent the impact could be mitigated with landscape screening, but this approach has the potential to soften any impact.
 3. There is currently a detailed planning application for 127 houses at the southern end of the off Lubenham Hill. Given the detailed nature of the scheme, it may prove difficult to persuade the applicants to depart from the scheme submitted as part of the wider masterplanning process. Also, given that LCC Highways do not object to the access arrangements to serve this particular development off Lubenham Hill, should it be approved by either the Council or on appeal, it could effectively become a pocket of development that sits outside the masterplan for the SDA with its own separate access, which the local community are opposed to. This could potentially affect the viability of providing an acceptable link road access onto the A4304 as part of the SDA.

7.0 Conclusions

- 7.1 Based on all activities and exercises leading to this report, the decision now comes down to the scale of SDA that should be permitted. The consultation exercise carried out on the options revealed that Option A was the most popular among the community most directly affected by a larger SDA. The scoring matrices, which is only a part of the wider options appraisal exercise, showed that there was little difference between all 4 residential options in terms of sustainability, and pointed to the two general approaches of a smaller SDA (Option A – 1000 houses) and a larger SDA (Options B, C and D – 1,500 to 1,800 houses).
- 7.2 Although Option A does have community support, and this has been reflected in the scoring matrices to the extent that it brings it equal with Option C, as can be seen, this option poses significant risks in terms of future strategic planning for the town. For the reasons highlighted, it is unlikely that any decision to go with Option A would necessarily provide the community most affected with any guarantees that no further development would occur. In addition, due to there being a number of planning applications within the potential SDA area, there could be a real danger that through the appeals procedure we end up with a form of development within a potentially larger SDA where we lose the opportunity to maximise community benefits as a result of a fragmented development approach that negates the need for a masterplan.
- 7.3 A larger SDA that worked within the environmental confines of Options B, C and D also has risks. The greatest of these relates to the ability of multiple land owners and developers being able to reach agreement, which could delay or in the worst case scenario prevent development on some parts of the site. The access issue also needs to be taken into account, with the access option furthest to the west being the only viable location to form a link road access onto the A4304. As a link road access onto the A4304 is essential in order to serve a larger SDA, the issue of visual prominence from Lubenham would need to be balanced against the wider benefits of a larger SDA and any mitigation.

- 7.4 The risks linked to not maximising housing numbers as part of the SDA are significant and in all probability, inevitable. However, by comparison, the risks linked to maximising the SDA are potentially manageable with scope to mitigate significant harm to the extent that such risks would be outweighed by the need for a larger SDA. At this stage there is no indication that agreement between the different landowners cannot be reached, and this is largely attributable to the fact that the major landowners and developers are represented on the Project Board and openly working together at present. Should issues arise, it is acknowledged that the Airfield Farm part of the site, which is in single ownership and capable of being delivered without the need for a link road access onto the A4304, could form the first phase of a larger SDA covering the period up to 2022 in which we would expect 1000 houses to be built at a rate of 100 a year. This would ensure sufficient time for the other parcels of land in different ownership to resolve potential blockages, aided by the use of Section 106 to ensure that parcel connectivity are not hampered by ransom strips. In the event that the landowners and developers are able to demonstrate capacity for full joint working with no constraints, an alternative approach could be identified for the full phasing of the site up to 2031 as part of the masterplanning process.
- 7.5 For these reasons it is recommended that the most pragmatic approach for providing an SDA in North West Market Harborough is to look to maximise housing numbers over a long period. This would therefore involve identifying the most suitable SDA area from Options B, C and D and providing between 1,500 and 1,800 houses in the period up to 2031, linked with employment Option G as part of a masterplan for the whole SDA area.

8.0 Next Steps

- 8.1 In order to help with the determination of planning applications for the SDA and to demonstrate to the wider community the planning merits of the proposal, the next stage will be to articulate the preferred approach into a masterplan. To do this officers would provide a detailed brief for the landowners and developers covering the broad headings set out below:
- a) Access and nature of access
 - b) Land zoning and uses
 - c) Roads and movement of traffic and people
 - d) Connectivity (internal and external)
 - e) Visual impact and structural landscaping
 - f) General landscaping
 - g) Design principles and context
 - h) Approach to phasing

8.2 The masterplanning work falls under Stage 2 of the SDA process and timeframe, for which dates have not been set. It is proposed that this stage be completed within 6 weeks of this Executive meeting, and that we would expect to see a masterplan presented to Executive by November 2012 for approval as a SPD to enable relevant planning applications to proceed. The process will also include a public consultation exercise and an opportunity for the CPG to provide feedback.

9.0 Legal Issues

9.1 There are no implications. The Master Plan is referenced with the adopted Core Strategy which completed a legal notice period for any challenge on 6th January 2012. The intention is to adopt the masterplan as a SPD linked to the Core DPD in order to give it full development plan status, meaning it will become the starting point for the determination of relevant planning applications.

10.0 Resource Issues

10.1 The procurement of an SDA – SPD is a budgeted work program. The approach that seeks to maximise housing numbers and provide for economic growth as part of the SDA will potentially maximise receipt from New Homes Bonus and business rates. Costs associated with the project management of the SDA can be met from the LDF Earmarked Reserve Fund which stood at £378,000 at the 1st April 2012.

11.0 Equality Impact Assessment Implications/Outcomes

11.1 There are none arising directly out of this report but the Masterplan will be subject to equality impact assessment in order to help shape the outcome and ensure that the proposals reflect the needs of identified communities.

12.0 Impact on the Organisation

12.1 Preparation of a collaborative-based masterplan to guide this significant area of development provides an opportunity to demonstrate the Council's commitment to planning positively for the future of Market Harborough and the District as a whole.

13.0 Community Safety Implications

13.1 The Masterplan will enable design solutions to help resist crime and the fear of crime to be built in to the development from the outset, thereby aiding community safety.

14.0 Carbon Management Implications

14.1 The Masterplan will enable design solutions to be developed to reduce the carbon footprint of future residents and commercial activity in the new settlement and lead to a more sustainable settlement being created.

15.0 Risk Management Implications

15.1 A risk log is being compiled for the Project to address risk issues, potential mitigation measures and their likely effect on reducing risk.

16.0 Consultation

16.1 The Portfolio Holder has been consulted on the report and supports the recommendations.

17.0 Options Considered

17.1 The alternative approaches, their assessment and risks associated with each are set out in Sections 4, 5 and 6.

18.0 Background Papers

Harborough District Local Development Framework - Core Strategy

Previous report(s): Executive 11 June 2012

Information Issued Under Sensitive Issue Procedure: N

Ward Members Notified: