

Charnwood Local Plan Examination
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Dear Mr Bennett,

Charnwood Local Plan Examination

Thank you for your letter of 4 October 2024 and for the organisation of the recent Main Modifications (MMs) consultation.

We have now reviewed the responses to the consultation and considered your letter (Exam 87) in which you confirm that the Council is now minded to prepare a Community Infrastructure Levy (CIL) to secure the funding necessary to mitigate the effect of growth in Charnwood, including transport infrastructure to mitigate cumulative impacts on the transport network. Our letter focuses on this matter, and not on any of the other matters on which representations have been made as part of the MMs consultation.

The Council's position as set out in its letter of 12 April 2024 (Exam 80a) was that Leicestershire County Council's Transport Contributions Strategy (TCS) and the Borough Council's proposed Planning Obligations Supplementary Planning Document (SPD) were together intended to build upon and provide more detailed guidance regarding the application of both Policies INF1 and INF2. This would include quantifying and justifying requests for contributions to the three Transport Strategies now proposed to mitigate the impact of growth in the borough on the transport network. That approach was apparent from the discussions at the Matter 8 (Infrastructure) hearing on 21 February 2024 and it is the basis on which the MMs to Policy INF2 and the other supporting MMs have been developed. For example, the Plan's Infrastructure Schedule as proposed to be modified by MM183 sets out the indicative cost of the Transport Strategies, and that proportionate developer contributions will be sought towards those.

Therefore, whilst the submitted Plan as proposed to be modified does not directly refer to the draft TCS as a delivery mechanism for Policies INF1 and INF2, it is the only mechanism that has been put before the examination up to this point. The

Council's position was that the Planning Obligations SPD would be used to support decision makers in prioritising planning obligations where there are viability concerns in relation to the contributions being sought.

The draft TCS has not been submitted to the examination and the County Council's responses to the representations made is a matter for that authority, and not a matter on which we intend to comment as part of our examination of the Charnwood Local Plan.

However, the Council's updated position that it intends to prepare a CIL to deliver the Transport Strategies, and potentially other infrastructure, is a significant change in its position. As a key supporting document to the submitted Plan, the evidence to underpin CIL would involve an investigation of the viability of different areas of the borough and the effect on the deliverability of sites with the transport and other relevant infrastructure costs factored in. In the circumstances of the submitted Plan, the evidence to support CIL should ideally have been at least partly developed alongside the Plan so that the effect on the deliverability of sites across different market areas in the borough could have been assessed and scrutinised as part of the examination.

The uncertainty over the mechanism for securing developer contributions creates significant uncertainty about the capacity of infrastructure to support planned growth and the deliverability of sites. At this late stage in the examination the resolution of the matter is beyond the scope of Inspector post consultation changes to the MMs as set out in paragraph 6.10 of the Local Plans Procedure Guide. The options must also be considered within the context of the approach to pragmatism set out in the Minister's letter of 30 July 2024.

This has been a long running examination with individual periods of delay already totalling more than 6 months. However, we are satisfied that the Council has undertaken further work in a constructive manner during those periods, some of them have been necessary to enable further consultation to take place, and the work necessary, set out below, is focused on one matter. Considering the above, and based on the specific circumstances of this examination, we consider it appropriate to exercise our discretion in putting forward the following option to find a way forward.

As a minimum, what is needed is further viability work that assesses whether there is a reasonable prospect that CIL could be set at a level or levels that would not put the viability of development, and therefore the deliverability of the Plan, at risk. The starting point for that work could be the Plan's infrastructure schedule and costings that have been progressed through the examination. The introduction of CIL should also be included within an update to the Local Development Scheme with prescribed timescales for its preparation and adoption.

We would require the further work to be submitted to us to review before deciding on the way forward for the examination, and much will depend on the results of the viability work and the implications of that for the Plan. If at that stage we conclude that the examination can progress, the Council should be aware that this would be

likely to include further consultation, a hearing if necessary and consultation on further MMs.

We would be pleased to receive the Council's response on whether it wishes to proceed on that basis, and if so, the timetable for the work. Should the Council decide that it does not wish to pursue this option, the remaining options are that the Plan is withdrawn from the examination, or that we proceed to write our final report on the basis of the submitted Plan.

Please let us know via Mr Kemp if any further clarification is required at this stage. We are not seeking the views of representors or any other parties on the contents of this letter. This letter should be placed on the examination website.

Yours sincerely

Sarah Housden and Hayden Baugh Jones

INSPECTORS