Melton Local Plan
Sequential Test of the
Flood Risk of Potential Development Sites

June 2017
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1 Introduction

1.1 This report considers the extent to which potential development sites that have been identified within Melton Borough are at risk of flooding and informs the process of allocating sites for development through the preparation of the Melton Local Plan. The Sequential Test of Potential Development Sites has been informed by the evidence supporting the Melton Local Plan and should be read alongside other documents that support the preparation of the Melton Local Plan. These principal evidence documents are as follows:

- Strategic Housing Land Availability Assessment (SHLAA) 2017;
- Melton Local Plan Sustainability Appraisal;
- Melton Borough Council’s Level 1 and Level 2 Strategic Flood Risk Assessment (SFRA -October 2015) and SFRA Addendum Report (September 2016); and
- Melton Employment Land Study (2015) and Melton Economic Development Strategy (MEDS)

2 Policy Background

2.1 Introduction

2.1.1 National planning policy requires local planning authorities to rigorously assess the sustainability and deliverability of potential development sites. In addition to the requirements on local authorities to ensure that proposals are sustainable and deliverable, national and strategic planning policy addresses the issue of flood risk specifically.

2.1.2 The sections below explain briefly the national policy context within which local planning authorities are required to consider flood risk when identifying individual sites for development through the review of local planning policy. In addition there are sections on the main evidence documents (that can be accessed separately in full on the Melton Borough Council web site, www.meltonplan.co.uk) that contribute to this Sequential Test of Potential Development Sites.

2.2 NPPF and NPPG

2.2.1 The National Planning Policy Framework (NPPF) was published in March 2012. It sets out the national planning framework for delivering the Government’s planning objectives and has a specific chapter on climate change, flooding and coastal change. One of its key policy aims is to avoid inappropriate development in areas of flooding by directing development away from areas at highest risk, but where development is necessary, making it safe without increasing flood risk elsewhere.
2.2.2 Technical Guidance in the National Planning Policy Guidance (NPPG) to the NPPF was published alongside the NPPF and provides additional guidance (continually updated) to local planning authorities to ensure the effective implementation of the planning policy set out in the NPPF on development in areas at risk of flooding. The guidance includes the following:

- The preparation of a Strategic Flood Risk Assessment (SFRA) as a basis for informing local planning decisions and providing a starting point for site-specific Flood Risk Assessments;
- The application of a Sequential Test to ensure that new development is located in areas at lowest risk of flooding as far as possible; and
- The application of an Exception Test for specific types of proposal in instances where alternative sites in lower flood risk areas are not available, in order to determine whether the development is justified in terms of wider sustainability issues and can be made safe.

2.3 Melton Borough Council's Strategic Flood Risk Assessment

2.3.1 Melton Borough Council commissioned consultants (JBA Consulting) to prepare an updated SFRA 2015 (plus SFRA addendum 2016) to replace the previous SFRA 2008 and reflect the latest policy requirements set out in the NPPF March 2012 and its associated NPPG. The NPPG is continually updated and includes climate change prediction (allowance) planned up to 2115. The SFRA Addendum accounts for the latest NPPG climate change allowance (CCA), updated in February 2016. The SFRA Addendum (2016) also accounts for a number of additional possible site options for consideration as allocations in the Melton Local Plan put forward after the SFRA 2015 was published.

2.3.2 SFRA 2015 assessed flood risk to 39 possible site options (13 of these potential site options had some element of Flood Zone 2, 3a and/or 3b) in a first stage assessment. SFRA Addendum 2016 assessed flood risk to 152 possible site options in a second stage assessment (46 of these potential site options had some element of Flood Zone 2, 3a and/or 3b). The increase in the number of possible site options was mainly due to the potential housing sites being increased from the Emerging Options stage of the Melton Local Plan January 2016.

2.3.3 SFRA 2015 plus SFRA Addendum 2016 achieves the following objectives:
- Critically reviews the SFRA 2008, provides an update on the latest flood risk information and on national policy in relation to development and flooding on a `strategic scale’;
- Produces a Level 1 SFRA that highlights areas of high and low flood risk;
- Provides a framework for future more detailed site specific Flood Risk Assessments (FRAs) by preparation of more detailed analysis for inclusion in a Level 2 SFRA for development site options in the Melton Local Plan;
- Provides a framework for the Sequential Test (in relation to flood risk) of development sites (including defining the proportion of sites in flood zones 1, 2, 3a and 3b) and, where necessary, the Exception Test. Applying the Sequential Test and the ‘Sequential Risked –Based Approach’ (including why the Exception Test does not
need to be applied to proposed sites in the Melton Local Plan) is described later in this report; and

- Provides some Borough-wide recommendations on site specific FRAs and drainage, including Sustainable Drainage Systems (SuDS).

2.3.4 The SFRA provides information on how to apply the Sequential Test and Exception Test. For the purpose of clarity, this report sequentially tests potential development sites but does not extend to include exception testing of sites identified in areas of higher flood risk. The Exception Test is explained further later in this report within the process of “Applying the Sequential Test” (section 3.4) and under paragraph 3.4.1 where the explanation is given to how Melton Borough Council have addressed “The Sequential Risked- base Approach”. The SFRA identifies the proportion of sites in different flood zones.

2.4 Melton Borough Council’s Strategic Housing Land Availability Assessment (SHLAA)

2.4.1 The National Planning Policy Framework (NPPF) and the National Planning Practice Guidance (NPPG) set out the Government’s approach to housing and requires all Local Planning Authorities to produce a SHLAA. The role of a SHLAA is to:

- Identify sites with potential for housing;
- Assess their housing potential and capacity; and
- Assess when they are likely to be developed, and if so on what timetable.

2.4.2 The Melton SHLAA has been produced and reviewed every year since 2008. A SHLAA assesses the land available to deliver new homes in the area at any given time. This informs the sites that can be included in the Local Plan and once the plan is in place, it will be a tool to understand and help manage the supply of housing land in the Borough, in terms of both quantity and timing. The SHLAA is also the tool that is used to measure housing land supply when considering planning applications.

2.4.3 The aim of the SHLAA is to assist the Borough Council in meeting the requirement to maintain a continuous rolling supply of housing land. The NPPF states that Local Planning Authorities should enable local planning authorities to:

- Identify specific sites for the first 5 years of a development plan that are available and can be delivered; and
- Identify specific developable sites for years 6-10 and ideally years 11-15 to enable the 5 years housing supply to be topped up. Where it is not possible to identify specific sites for years 11-15, the SHLAA may indicate broad locations for growth.

As a minimum an assessment should include:

- A list of potential sites, with maps showing locations and boundaries;
- An assessment of the deliverability of each site;
- The number of houses that could be built on each site;
- Any constraints that could impede the delivery of housing at the site;
- Recommendations on how identified constraints could be overcome.
2.4.4 The SHLAA process means that sites are assessed and depending on analysis, some sites stay in and are recommended for allocation or reserve allocation and some sites are rejected as evidence emerges on an annual basis. In addition to assessing site constraints (for example issues around access, land ownership, etc.) the analysis includes assessment in relation to a wide range of sustainability topics and this involves three strands of sustainability, i.e. economic, social and environmental roles. Flood risk and drainage constraints are factors in this analysis but sites in higher flood risk (Flood Zones 2 and 3) are retained where the flood risk and drainage issues are outweighed in relation to other favourable sustainability analysis being applied, provided solutions can be found to the flood risk and drainage constraints. The attached spread sheets at Appendices 1, 2 and 3 to this document lists the Melton Local Plan allocated and reserve, the rejected SHLAA sites, the Melton Mowbray North and South Sustainable Neighbourhoods, the allocated employment land and the Alternative Large Scale Development sites including how the flood zones constraint the capacity of the sites. Appendix 5 shows these sites in relation to Flood Zones.

2.5 Melton Local Plan Sustainability Assessment

2.5.1 Sustainability Appraisal (SA) is a statutory requirement and an essential part of assessing and selecting options for the Melton Borough Local Plan. It involves a detailed assessment of the Local Plan’s objectives, options and proposed policies in terms of their environmental, social and economic impacts. Its purpose is to ensure that the policies and proposals of the local plan contribute to sustainable development.

2.5.2 The Melton Borough Local Plan has been prepared alongside an iterative SA process. The SA report published alongside the Pre Submission Draft Plan shows how reasonable alternative options and draft policies and proposals have been assessed against the sustainability objectives and the cumulative sustainability effect of all the policies and proposals. The SA process incorporates the requirements of the European Directive on Strategic Environmental Assessment (SEA) as well as an assessment of equalities and diversity.

2.5.3 The Sustainability Appraisal has analysed every potential development proposal proposed in the SHLAA process, as each proposed allocation has emerged at different stages throughout the Melton Local Plan process, including the proposed development allocations in the Melton Local Plan Pre Submission Draft. The SA process began in July 2014 with the production of a Scoping Report for the Local Plan and has carried forward so far to the Pre Submission Stage (November 2016). The Scoping Report determined what the SA should cover by reviewing a wide range of relevant policy documents. At each stage of the Melton Local Plan preparation, an appropriate assessment of the effects of the Local Plan options or draft policies has been set out in an SA Report. The need to manage flood risk and drainage is identified in the SA as one of the many key sustainability issues to be resolved and offers guidance and recommendations on achieving sustainable solutions in relation to each site affected by this issue.

2.6 Melton Borough’s Development Requirement
2.6.1 To ensure that housing development takes place in the most sustainable locations, Melton Borough Council’s housing requirement 2011 - 2036 will be mainly allocated within the main urban area of Melton Mowbray. The housing requirement for the whole of Melton Borough is 6,125 homes (including windfall allowance) of which 65% (3,981 homes) will be accommodated in Melton Mowbray and 35% (2,144 homes) will be divided between the remaining rural area of the Borough where the following category of villages have been identified:-

- 12 service centres (acting as a local focus for services and facilities) - Asfordby, Bottesford, Croxton Kerrial, Harby, Hose, Long Clawson, Old Dalby, Scalford, Somerby, Stathern, Waltham and Wymondham
- 7 Rural hubs (range of essential and important services serving basic needs) – Ab Kettleby, Asfordby Hill, Easthorpe, Frisby on the Wreak, Gaddesby, Great Dalby and Thorpe Arnold
- Remaining rural area, where small villages or hamlets have little or no local services, and where residents are entirely dependent upon travelling to a nearby settlement or town or city for work, recreation and service provision.

2.6.2 The Melton Employment Land Study (2015) suggests there is a ‘realistic deliverable supply’ of 19.46ha of employment land (with planning permission) and that the Local Plan should provide for an additional 30.29ha of employment land. This has resulted in 50.75ha’s of land required to be delivered by 2036. This is also supported by the Melton Economic Development Strategy (MEDS). The requirement for employment land is based on an assessment of historic employment land take up in the Borough, and local intelligence about the future needs of businesses already in the Borough and those that might want to locate here. The plan takes account of changing economic conditions, social and environmental needs, the need to offer a balanced portfolio of sites and the presence of deliverability constraints that may affect some sites, and has made an allowance for all these to offer flexibility in the overall requirements. The following employment sites have therefore been identified in the Melton Local Plan:-

- 10 hectares of employment land within Asfordby Business Park for class B employment uses;
- 20 hectares of employment land, located off Leicester Road, as part of the South Melton Mowbray Sustainable Neighbourhood (proposed extension to Leicester Road Industrial Estate); and
- 1 hectare of employment land for B1(a) office space within or adjacent to Melton Mowbray town centre and/or including PERA Business Park.

3 Methodology and Assumptions

3.1 Methodology

3.1.1 This section sets out the approach that has been applied in carrying out the National Planning Policy Framework (NPPF) Sequential Test of potential residential and employment
development sites within Melton Borough that are being considered as possible development allocations in the Melton Local Plan.

3.2 Housing

3.2.1 Melton Borough Council’s Strategic Housing Land Availability Assessment (SHLAA) forms the basis for the sequential testing of sites with potential for residential development. The process of the SHLAA has been described earlier in this document. Melton Borough is in the Leicester and Leicestershire Housing Market Area (LHMA). The local planning authorities (LPA) in the housing market area agreed to work together and follow a joint methodology when preparing their first SHLAA in 2008. A new methodology was agreed for the purposes of housing and economic land availability assessments as explained in the Melton SHLAA 2016. Each local planning authority within the LHMA has followed the same standardised methodology.

3.2.2 During the SHLAA process being applied on an annual basis since 2008 under the ‘call for sites’ consultation many sites have been promoted. The SHLAA includes all potential sources of sites and initially sieves sites to exclude:

- Sites that would accommodate less than 5 dwellings (under the joint methodology)
- Sites that do not accord with the spatial strategy as defined during the Melton Local Plan process (as described above in the development requirement section of this report).

It should be noted in terms of the housing requirement that:

- A high majority of the proposed potential housing allocations are within Flood Zone 1 and a tiny proportion within Flood Zone 2 (as shown in the SFRA and in Appendix 2 of this report); and
- Housing uses in relation to flood risk are considered to be in a “more vulnerable” land use category as determined by Government Guidance.

3.2.3 The joint methodology follows closely the assessment process in the NPPG to ensure a robust assessment is carried out. The following stages of SHLAA have taken place.

3.2.4 Planning the Assessment with the LHMA LPA’s. The majority of the assessment is carried out in house within these LPA’s and agreed working arrangements in line with the Duty to Cooperate process. This approach also incorporates external views of house builders, land agents and land owners gathered from a 4 week consultation period between March-April 2016. Further ‘developer panel’ meetings have been held by each LPA since this consultation exercise. Two ‘developer panels for SHLAA 2016 were held in 2016 (these are included in the SHLAA 2016);

3.2.5 Sources of Sites to be included in the Assessment. These sources are as follows:

- Existing housing and economic development allocations and site development briefs not yet with planning permission.
- Planning permissions for housing and economic development that are unimplemented or under construction.
• Planning applications that have been refused or withdrawn
• Land in the local authority’s ownership
• Surplus and likely to become surplus public sector land
• Vacant and derelict land and buildings (including redundant and disused agricultural buildings, potential permitted development changes e.g. offices to residential).
• Additional opportunities in established uses (e.g. making productive use of under-utilised facilities such as garage blocks)
• Business requirements and aspirations
• Sites in rural locations
• Large scale redevelopment and redesign of existing residential or economic areas
• Sites in and adjoining villages or rural settlements and rural exception sites
• Potential urban extensions and new free standing settlements.

3.2.6 Desktop review.
Investigations have been made on the additional sites identified, through the call for sites 2015-17, to establish any previous planning history, designations, ownership, constraints and other information relevant to the assessment of the site. The comments of relevant agencies / bodies will be sought on specific issues such as highways, ecology and conservation through positive stakeholder engagement.

3.2.7 Sites to be surveyed
Melton Borough is primarily rural in character and contains some 70 small villages and the single market town of Melton Mowbray. Taking into account the nature of the area and the housing challenge, the Joint Methodology establishes a threshold of 5 dwellings or more as a basis for identifying sites that will be assessed in Melton Borough. Future SHLAAAs will bring forward sufficient sites, to ensure that Leicester and Leicestershire Planning Authorities can meet rates of housing provision. The Housing Requirement Report, Towards a Housing requirement for Melton Borough published in January 2017 which builds on the Housing and Economic Development Needs Assessment (HEDNA) identifies a range of between 230 and 280 dwellings per annum. The figure of 245 per annum is identified as the housing requirement based on the contents of the draft Melton Local Plan generating a requirement of 6125 homes to be built in the Borough over the 25 years between 2011 and 2036.

3.2.8 The Survey.
The sites identified and their details are collected via the Potential Development Sites Proposal form (standardised form) as shown in the SHLAA 2017. The surveys were undertaken according to a consistent approach to record information agreed under the Joint Methodology. The details recorded include:

• Site size, boundaries, and location;
• Current land use and character;
• Land uses and character of surrounding area;
• Physical constraints (e.g. access, contamination, steep slopes, flooding, natural features of significance, location of Infrastructure/ utilities);
• Potential environmental constraints;
• Initial assessment of whether the site is suitable for a particular type of use or as part of a mixed-use development.

The above have then been combined with further information obtained from a desktop review of each site.

The reviews have assessed a number of key factors for each site, in order to identify potential constraints on development, and how/ if they could be overcome. Key factors include:

• Planning policy;
• Previous planning history;
• Access/ highways;
• Landscape/ conservation;
• Flood risk;
• Contaminated land;
• Access to local services; and
• Mineral Safeguarding Areas.

The vast majority of this work has been conducted by Melton Borough Council officers; however more technical issues such as highways and access arrangements will be discussed with the relevant agency/department through positive landowner engagement and any comments fed back into subsequent site assessments.

In bringing together the information from the desktop review and surveys, the local planning authorities using the Joint Methodology have adopted assessment pro forma for each site. The completed pro forma for all sites considered are shown in the SHLAA (including location plans).

3.2.9 Estimating Housing Potential of Each Site.

The National Planning Policy Guidance in relation to ‘Housing and Economic Land Availability Assessment’ sets out that: “The estimation of the development potential of each identified site should be guided by the existing or emerging plan policy including local determined policies on density. Where plan policy is out of date or does not provide a sufficient basis to make local judgment than relevant existing development schemes can be used as the basis for assessment, adjusted for any individual site characteristics and physical constraints. The use of floor space densities for certain industries may also provide a useful guide. The development potential is a significant factor that affects economic viability of a site / broad location and its suitability for a particular use. Therefore, assessing achievability (including viability) and suitability can usefully be carried out in parallel with estimating the development potential”.

Throughout Leicester and Leicestershire HMA, the following gross to net development ratios have been agreed based on site size. These ratios have been drawn up and tested at subsequent Developer Panels.
The assessment identifies the housing potential of each site by applying a relevant density target. Developments are required to look to achieve a minimum of 40 dwellings / hectare in Melton Mowbray town centre and 30 dwellings / hectare in other locations on sites of 0.3 hectares or more. However a suggestion has been made towards this in the Developer Panels of 2016 and 2017. Evidence suggests that there has been no significant change in the density level anticipated for town centre schemes and until a new policy direction is established or new evidence is forthcoming the Council will continue to gauge density in the town for the purpose of monitoring these sites.

3.2.10 Assessing when and whether sites are likely to be developed.

The guidance states that;

“Assessing the suitability, availability and achievability of sites including whether the site is economically viable will provide the information on which the judgement can be made in the plan-making context as to whether a site can be considered deliverable over the plan period”.

To be considered as:

- **Deliverable** – To be considered deliverable, sites should be available now, offer a suitable location for development now, and be achievable with a realistic prospect that housing will be delivered on the site within five years and in particular that development of the site is viable. Sites with planning permission should be considered deliverable until permission expires, unless there is clear evidence that schemes will not be implemented within five years, for example they will not be viable, there is no longer a demand for the type of units or sites have long term phasing plans.

- **Developable** – To be considered developable, sites should be in a suitable location for housing development and there should be a reasonable prospect that the site is available and could be viably developed at the point envisaged. Where it is unknown when a site could be developed, then it should be regarded as not currently developable. This may be, for example, because one of the constraints to development is severe, and it is not known when it might be overcome.

To assess a site’s deliverability and whether it can be developed the next stage of assessing site suitability incorporates information gathered by the site assessments, a desktop review, and the views gained from key consultees. A final conclusion is drawn together, from the investigations as follows below.

3.2.11 Assessing Suitability.

According to the guidance;

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<th>Site Size</th>
<th>Gross to Net Development Ratio</th>
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<td>Up to 0.4ha</td>
<td>100%</td>
</tr>
<tr>
<td>0.4-2ha</td>
<td>82.5%</td>
</tr>
<tr>
<td>2-35ha</td>
<td>62.5%</td>
</tr>
<tr>
<td>Over 35ha</td>
<td>50%</td>
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“Plan makers should assess the suitability of the identified use or mix of uses of a particular site or broad location including consideration of the types that may meet the needs of the community. These may include, but are not limited to: market housing, private rented, affordable housing, people wishing to build their own homes, housing for older people, or for economic development uses.”

To assess a site’s suitability for housing development, the Council considers that a site is not suitable if:

- Satisfactory vehicular access cannot be provided
- Satisfactory utilities cannot be provided
- It is significantly affected by flood zone 3;
- It is a non-inert landfill site;
- It is an active mineral extraction site
- It is affected by a hazardous installation;
- It is significantly affected by a high pressure gas pipeline or 400kv (National Grid) overhead electricity line;
- It is a Site of Special Scientific Interest or Scheduled Monument;
- It is identified in the Councils Employment Land Study suitable for employment purpose;
- It is in a Safeguarded Waste Management Facility;
- It is in a Mineral Safeguarding Area.

However it will be important to note here that sites have not been excluded on the basis of some of the above. Sites have only been excluded if they have been affected by any of the ‘red constraints’ (listed in Joint Methodology). For other reasons, sites have been considered suitable subject to appropriate measures resolved.

3.2.12 Assessing Availability.

The SHLAA guidance considers a site to be available for development;

“A site is considered available for development, when, on the best information available (confirmed by the call for sites and information from land owners and legal searches where appropriate), there is confidence that there are no legal or ownership problems”.

When assessing availability for housing, further information has been obtained from the stakeholders, who have submitted site suggestions as part of the assessment. Land ownership details for other sites, have obtained via desktop reviews, and discussions with external sources where necessary.

3.2.13 Assessing Achievability. According to the guidance;

“A site is considered achievable for development where there is a reasonable prospect that the particular type of development will be developed on the site at a particular point in time. This is essentially a judgement about the economic viability of a site, and the capacity of the developer to complete and sell the development over a certain period”.

The guidance goes on to state that:
“Where constraints have been identified, the assessment should consider what action would be needed to remove them (along with when and how this could be undertaken and the likelihood of sites/broad locations being delivered). Actions might include the need for investment in new infrastructure, dealing with fragmented land ownership, environmental improvement, or a need to review development plan policy, which is currently constraining development”.

3.2.14 Windfalls.
The NPPF states that local planning authorities may make an allowance for windfall sites in the five–year supply if they have compelling evidence that such sites have consistently become available in the local area and will continue to provide a reliable source of supply. Melton Borough is a largely rural area where historically a significant proportion of houses have been built on single plots or sites of less than 5 dwellings. The average completion rate for small sites over the last ten years was 69 dwellings per annum until last year. This completion rate is being continually monitored and updated.

With regards to windfall sites, the guidance states that;

“A windfall allowance can be justified in the five-year supply if a local planning authority has compelling evidence as set out in paragraph 48 of the National Planning Policy Framework. Plan makers should not need to rely on windfall allowance in years 6-15. This is because local planning authorities have the ability to identify broad locations in years 6-15, allowing a degree of flexibility to meet development needs where specific sites cannot be identified”.

3.2.15 Review of the Assessment.
The guidance states that;

“Once the sites and broad locations have been assessed, the development potential of all sites can be collected to produce an indicative trajectory. This should set out how much housing and the amount of economic development that can be provided, and at what point in the future. An overall risk assessment should be made as to whether sites will come forward as anticipated”.

If any shortfalls within the final projections are identified, then various elements of the scope of the assessment will be revisited. An insufficient number of sites may require previously rejected sites and areas of investigation to be brought forward and include within the assessment. Any additional sites brought forward at this stage need to be assessed by the same procedure as the site originally included. Following the survey and assessment of the expected deliverability/developability of each site, the Practice Guidance expects local planning authorities to review the assessment to determine whether sufficient sites have been identified to meet the local authority’s housing requirement and to re-examine where necessary the assumptions made on deliverability/developability.

3.2.16 Housing Supply
According to the guidance, the deliverability and developability impact on housing supply through; “Assessing the suitability, availability and achievability (including the economic viability of a site) will provide the information as to whether a site can be considered deliverable, developable or not currently developable for housing. The definition of ‘deliverability’ and ‘developability’ in relation to housing supply is set out in footnote 11 and footnote 12 of the National Planning Policy Framework. All aspects of a Local Plan must be realistic and deliverable but there are specific requirements in the Framework in relation to planned housing land supply.”

3.2.17 Sites not considered suitable, available and achievable

The Practice Guidance says that a site is suitable for housing if it offers a suitable location for development and would contribute to the creation of sustainable mixed communities. When assessing the suitability of the sites accessibility, physical, environmental and ownership constraints were considered within the context explained previously in this report.

The preparation of a new Melton Local Plan will provide the opportunity to review local policies in the Melton Local Plan (1999) which currently prevent development and could see sites previously rejected for purely policy reasons, such as sites outside the settlement boundary, being included in the SHLAA. This, however, will be dependent on revisions to planning policies and will be examined in full through the preparation and consultation on the Melton Local Plan.

All assessments of achievability conclude that viability is not a constraint, unless new evidence is provided to prove otherwise. This is supported by material included in the whole Melton Local Plan Evidence Base document ‘Local Plan and Community Infrastructure Levy Viability Study’ (October 2016).

3.3 Employment

3.3.1 The earlier ‘Development Requirements” section of this report (paragraph 2.6.2) describes the employment assessment framework culminating in a need for 30.29ha of newly allocated employment land. The employment allocations are technically extensions of existing employment sites or areas within the town centre that increases the existing employment use. Essentially they are distributed onto two sites adjacent the Asfordby Valley Business Park on the western edge of Melton Mowbray and adjacent the existing Leicester Road Industrial Estate located on the south western edge of Melton Mowbray. There is also scope to add a further 3.1 hectares of office development adjacent PERA (located adjacent Nottingham Road Melton Mowbray), or elsewhere within the town centre (no specific potential sites have been identified). The sites/area have therefore been chosen for potential employment use because they are considered by the Council to be sustainable extensions to existing employment land (or as relevant within the town centre) and these sites have been assessed within the Melton Employment Land Study (2015) and supported
by the Melton Economic Development Strategy (MEDS). These sites have also been assessed by the Melton Local Plan Sustainability Appraisal. It should be noted that:

- The potential employment site extending the Leicester Road Industrial Estate, on the south western edge of Melton Mowbray, is the only potential employment site that involves flood risk as an issue and this is only on a 21% of the site. Furthermore, this potential site is indicated on figure 7 of the Melton Local Plan and measures 27.51 hectares with 5.87 hectares revealed in the SFRA as being within Flood Zone 3b. This leaves 21.64 hectares within Flood Zone 1 and will satisfactorily cover the required 20 hectares; and
- Employment uses in relation to flood risk are considered to be in a “less vulnerable” land use category as determined by Government Guidance.

3.4 Applying the Sequential Test

3.4.1 The Sequential, Risk-based Approach

This approach is designed to ensure areas with little or no risk of flooding (from any source) are developed in preference to areas at higher risk, with the aim of keeping development outside of medium and high flood risk areas (Flood Zones 2 and 3) and other sources of flooding, where possible.

It is often the case that it is not possible for all new development to be allocated on land that is not at risk from flooding. In these circumstances the Flood Zone maps (that show the extent of inundation assuming that there are no defences) are too simplistic. A greater understanding of the scale and nature of the flood risk compared to all other sustainability considerations being applied to a potential development site is required.

The ‘Sequential Risked – based Approach’ involves both the Sequential Test and the Exception Test. The Sequential Test of potential local plan sites looks at whether there may be reasonably alternative sites that could be chosen if some preferred sites or parts of sites are within flood risk areas. If sites, or parts of sites, are to be chosen within Flood Zones 2 and 3 there needs to be an assessment related to the predicted achievable capacity of the site (for example estimated dwelling numbers to be achieved in relation to housing density) in relation to the flood risk constraint, as to whether an Exception Test is required for allocated and reserve sites in a Local Plan. The following paragraph explains the Sequential Approach applied in the Melton Local Plan process and why it is unnecessary to apply the Exception Test on the final selection of allocated and reserved sites.

For both the Sequential Test and the first part of the Exception Test the socio-economic evidence supporting the Melton Local Plan has to be balanced with the environmental evidence, including accounting and mitigating for flood risk. The socio-economic needs of a community are important considerations in looking at the case for development. Flood risk is an important factor but there are many other sustainability considerations why a development site should be preferred i.e. provided that safe development can be achieved without creating flood risk elsewhere. Many other wider sustainable issues have to be factored in and weighted against flood risk as explained in this report, particularly the factors applied during the Melton Local Plan SHLAA process (described above). It is clear that the SHLAA process ruled out sites that were significantly affected by being located
substantially within Flood Zone 3b. Some parts of a small percentage of potential development sites are within Flood Zone 2 and 3 and have been preferred for overall sustainable considerations in which Melton Borough Council consider that the potential development sites have the overall capacity to factor in flood mitigation without, for example, affecting the predicted housing capacities and to achieve safe development of the site and not create flood risk elsewhere. The flood risk to any of the sites, where applicable, has been factored in towards the density calculation by providing enough space for mitigating the flood risk on site. Melton Borough Council is satisfied that the flood risk issue can be safely addressed on the proposed allocations and reserve sites in the Melton Local Plan by the submission of a Flood Risk Assessment (from the developer), including an Exception Test, at the planning application stage of the planning process. At this stage the applicant will have deemed to have passed the first part of the Exception Test (covered by the Local Plan) but will have to show that safe development can be achieved through flood resilient measures without creating flood risk elsewhere.

It is clear that within the Exception Test whilst wider sustainability considerations can be applied to justify opting for a development site it is essential to achieve safety for the residents who are going to live there. When deciding on the ability to manage flood risk for new development located in Zones 2 and 3, consideration must be given to a wide range of safety issues. The issues to be addressed include how any evacuation of the occupants would be handled, how the new development fits in with the existing flood management provision and, in circumstances where flooding is experienced, how quickly the wider area would recover and return to normal. The SFRA states that at some of the locations it could be found that Flood Risk Management (FRM) measures are more easily integrated alongside proposed new development to address the flood risk issues, usually as a consequence of the prevailing natural or artificial topography. In these circumstances the FRM proposals could be deployed without causing a significant alteration to the design and its place setting. However, even in these circumstances it should be recognised that FRM Measures at one location can have the potential to cause an alteration to the flood risk to adjacent property or in flood cells on the opposite bank. In this respect such a development site location must not create flood risk elsewhere.

3.4.2 Applying the Sequential Test in the preparation of a Local Plan

When preparing a local plan, the Local Planning Authority should demonstrate it has considered a range of possible site options for development, using Strategic Flood Risk Assessments to apply the Sequential and Exception Tests where necessary. The reasons for not applying the last part of the Exception Test on the final allocations and reserve sites are given in the previous paragraph 3.4.1. Melton Borough Council consider that the flood risk issues can by mitigated against, with appropriate flood resilient measures, in a site specific Flood Risk Assessment, by addressing the last part of the Exception Test at the planning application stage.

The Sequential Test should be applied to the whole local planning authority area to increase the likelihood of allocating development in areas not at risk of flooding. The Sequential Test can be undertaken as part of a local plan sustainability appraisal. Alternatively, it can be demonstrated through a free-standing document, or as part of strategic housing land or employment land availability assessments. Melton Borough Council have decided to bring
together the relevant evidence from other main sources of evidence listed in the introduction to this ‘Sequential Test of the Flood Risk of Potential Development Sites’ and produce a free standing document.

In the case of the Melton Local Plan it is clear that a Sequential Test has been carried out in its SHLAA, Employment Land Availability Study/Melton Economic Development Strategy (MEDS), Sustainability Assessment (including Strategic Environmental Assessment) and the Strategic Flood Risk Assessment 2015 and its Addendum 2016, but the information is not all recorded in one place. This ‘Sequential Test of the Flood Risk of Potential Development Sites’ document achieves this by combining all the necessary information to explain how the Sequential Test has been carried out.

In order to meet the development requirements for Melton Borough the Melton Local Plan Pre-Submission Draft November 2016 will identify 6125 dwellings and 30.29ha of employment land within the plan period 2011 to 2036.

Having regard to Melton Borough’s established development requirements up to 2036, the Sequential Test has been applied for the housing and employment land using the following sequential steps:

a) Identify the potential yield of all sites (or parts of sites) within Flood Zone 1. If 6125 dwellings/30.29ha of employment land cannot be provided on these sites and sites that already benefit from planning permission – go to step b)

b) Identify the potential yield of all sites (or parts of sites) within Flood Zones 1 and 2

c) Identify the potential yield of all sites (or parts of sites) within Flood Zone 3a and 3b

The results of the Sequential Test exercise are set out in the following ‘Results’ chapter.

4 Results

4.1 Residential sites

4.1.1 Melton Borough Council position on 31st April 2017 identified that 1819 dwellings were committed with a planning permission (full / reserve matter / outline) and 344 dwellings were under construction. Some of these sites are in the SHLAA but have not been sequentially tested as, at the very least, the principle of residential development has already been confirmed and the risk of flooding will have already been tested at a site specific level. Table 2 of the “Five Year Land Supply and Housing Trajectory Position” (evidence document to the Melton Local Plan) states that the selected sites for allocation include 1172 dwellings with planning permission and 305 dwellings with planning permission on unallocated sites. Once again, some of these sites are in the SHLAA but have not been sequentially tested as, at the very least, the principle of residential development has already been confirmed and the risk of flooding will have already been tested at a site specific level.
4.1.2 As explained earlier in this report, the densities at which these residential sites have been/will be developed has informed the decision making regarding deviating from the standard density multipliers that have been applied in the SHLAA.

4.1.3 The SHLAA, as outlined earlier in this report, looked at all relevant sustainability factors in aiming to achieve the most sustainable proposed sites and it should be noted that flood risk is only one factor to consider and can be outweighed by other sustainable reasons provided safe development can be achieved, including not creating flood risk elsewhere.

4.1.4 Appendix 1 shows the Sequential Test applied to SHLAA sites in the first stages of the recent SHLAA process. It can be summarised as follows:

- 82 small sites in settlements were proposed in the SHLAA process and 10 large sites clustering some of them in strategic areas (Alternative Large Scale Development Sites) were rejected in part or whole in the ‘sieve process’ of looking at acceptable potential proposed sites;
- The sustainability factors assessed were the percentage of land within each Flood Zone 1, 2, 3a and 3b and the percentage of land covered by the red constraints of the SHLAA identified earlier in this report. The red constraints included Flood Zone 3b;
- 27 of the smaller proposed sites included a percentage of Flood Zone 2, 3a and/or 3b and 15 of these sites had a percentage of Flood Zone 3b;
- All the 10 large sites included a percentage of Flood Zone 2, 3a and 3b and all these sites had a percentage of Flood Zone 3b;
- At this stage 86% of the potential sites were within Flood Zone 1; and
- All the sites had applied to them gross to net development ratio, density, calculated dwelling capacity and a reference to planning permission if appropriate.

4.1.5 Appendix 2 shows the Sequential Test applied to SHLAA sites in the final stage of assessing potential housing sites. It can be summarised as follows:

- 88 potential proposed housing sites were proposed in the SHLAA process and assessed as potential allocations or reserve sites to be included in the Melton Local Plan and 27 of these sites were rejected in the ‘sieve process’ of looking at acceptable sites leaving 61 sites as Housing Allocations/Reserve Sites;
- The sustainability factors assessed were the percentage of land within each Flood Zone 1, 2, 3a and 3b and the percentage of land covered by the red constraints of the SHLAA identified earlier in this report. The red constraints included Flood Zone 3b;
- The 61 Housing Allocations and Reserve Sites are 93.5% within Flood Zone 1 and 0.6% within Flood Zone 3b; and
- All the sites had applied to them gross to net development ratio, density, calculated dwelling capacity and a reference to planning permission if appropriate.

4.1.6 Appendix 3 shows the Sequential Test applied to the two the Melton Mowbray Sustainable Neighbourhood located on the northern and southern edges of Melton Mowbray in the final stage of the assessment of large housing sites in relation to extending Melton Mowbray. Appendix 1 shows these sites much larger as Alternative Large Scale
Development Sites but these were reduced as shown in Appendix 3. It can be summarised as follows:

- North SN was originally proposed as a aggregation of SHLAA sites (Appendix 1) with a calculated capacity of 3,927 dwellings (272.7ha) and 96% within Flood Zone 1, but in the ‘sieve process’ (and in relation to the development requirement reported earlier in this document) the site has been reduced in size with a calculated capacity of 1675 dwellings (112.9 ha) and 99% within Flood Zone 1;
- South SN was originally proposed as a combination of SHLAA sites (Appendix 1) with a calculated capacity of 4,398 dwellings (311.9 ha) and 94% in Flood Zone 1, but in the ‘sieve process’ (and in relation to the development requirement reported earlier in this document) the site has been reduced in size with a calculated capacity of 1720 dwellings (116.4 ha) and 99% within Flood Zone 1;
- The sustainable factors assessed were the percentage of land within each Flood Zone 1, 2, 3a and 3b and the percentage of land covered by the red constraints of the SHLAA identified earlier in this report. The red constraints included Flood Zone 3b; and
- All the sites had applied to them gross to net development ratio, density, calculated dwelling capacity and a reference to planning permission if appropriate.

4.2 Employment sites

4.2.1 The employment sites are described earlier in this report as extensions to Asfordby Hill Business Park and Leicester Road Industrial Estate and non-specifically as additions to Melton Mowbray Town Centre (probably within the existing PERA site adjacent Nottingham Road). Employment uses already exist within the potential new employment sites and only the extension to the Leicester Road Industrial Estate involves the sequential test, therefore Appendix 4 just addresses the extension to the Leicester Road Industrial Estate. This can be summarised as follows:

The potential employment site extending the Leicester Road Industrial Estate, on the south western edge of Melton Mowbray, amounts to 20 ha as an employment requirement. The site measures 27.51 hectares with 5.87 hectares revealed in the SFRA as being within Flood Zone 3b. This leaves 21.64 hectares within Flood Zone 1 and will satisfactorily cover the required 20 hectares. In addition, employment uses are classified as a less vulnerable use in NPPG.

5 Conclusions

5.1 Implications of results

5.1.1 This report has considered the extent to which individual potential housing and employment development sites within Melton Borough are at risk of flooding. The findings of the report in connection with other evidence to the Melton Local Plan, essentially the
SHLAA, SA, SFRA and MELS and the MEDS, have shaped the preparation of the Melton Local Plan by Melton Borough Council.

5.1.2 It is clear that this Sequential Test of Potential Development Sites has distributed housing and employment sites onto a very high majority of Flood Zone 1 land throughout its process and clearly addresses the main constraints as ‘red constraints’ as reflected in the SHLAA and SFRA in particular. It has also demonstrated the SHLAA process in establishing development sites when assessing alternative site locations against achieving sustainable objectives, where it has been appropriate to do so, and has helped achieve a sustainable selection of sites to meet the development requirement as stated earlier in this report.

5.1.3 Finally this report has demonstrated within the ‘Applying the Sequential Test’ section 3.4 (paragraphs 3.4.1 and 3.4.2) why none of the site allocations or reserve sites requires having an Exception Test at the Local Plan stage. However, where parts of sites have elements of Flood Zone 2 and 3, those sites will have to address the second part of the Exception Test (achieving safe development by not creating flood risk elsewhere) by including flood resilient measures to mitigate against flood risk within a site specific Flood Risk Assessment to be submitted with a planning application. The site capacities demonstrated in Appendices 1 to 4 show that the housing and employment sites affected in part by higher flood risk issues can be achieved without an Exception Test at the Local Plan stage, by factoring in lower capacity targets thereby creating space within the site to enable flood and surface water management to be applied in the later submission of a planning application.