

HAMBLETON DISTRICT COUNCIL

Report To: Cabinet
8 October 2013

Subject: REVIEW OF HAMBLETON LOCAL DEVELOPMENT FRAMEWORK

Wards: All except parts within the North York Moors National Park
Portfolio Holder for Housing, Planning and Waste Management: Councillor B Phillips

1.0 PURPOSE AND BACKGROUND:

- 1.1 This report is to agree the scope, programme and resources for a partial review of the Hambleton Local Development Framework.
- 1.2 The Plan has not been reviewed up to this point mainly due to concentrating resources on the implementation of Plan proposals, planning for the introduction of a Community Infrastructure Levy and supporting Neighbourhood Plan preparation. This has assisted in delivering development proposals more quickly and granting planning permissions for new housing and several employment areas. Further major allocated site developments in Easingwold, Northallerton and Stokesley have also made good progress.
- 1.3 Priority now needs to be given to the review because some policies are being viewed as out-of-step with needs of the District or inconsistent with national policy. Those relating to the Council's priorities for delivering business and housing development, including affordable housing and maintaining the sustainability of smaller rural communities are of greatest concern. A further concern is consistency with the National Planning Policy Framework's requirement that the Council demonstrates a 5 year supply of deliverable housing sites, as without this the relevant policies for the supply of housing cannot be considered up-to-date.
- 1.4 To better understand what needs reviewing, a series of workshops have been held with Members and interested parties. Three workshops were held with Members on 4 and 31 July and 14 August. The key issues identified are listed in the attached summary schedule in Annex A. Workshops were also held with developers and agents (17 July) and Parish/Town Councils and local interest group representatives (18 July) and the main points raised by them are set out in the summary schedule in Annex B.
- 1.5 An agreed list of policies for review is now sought, which will then be subject to wider consultation with other organisations (including all Parish and Town Councils) that we must engage with in accordance with the Regulations. Options for the new or amended policies will be developed next through further workshops with Members.
- 1.6 The review will be undertaken as quickly as possible and a work programme is attached at Annex C which seeks to achieve the adoption of the review document within 2 years. This is a challenging timescale and will depend on sufficient resources, including external support in areas where we lack the necessary expertise.
- 1.7 The review process must follow statutory procedures which are summarised in Annex D.

2.0 DECISION SOUGHT:

2.1 The Council must decide whether to review the Local Development Framework policies and if so, which policies should be covered and how the process will be resourced and taken forward.

3.0 THE ISSUES:

The Scope of the Review

3.1 Based on the outcome of the workshops the primary issues for review are:

- A reappraisal of the policies of restraint in rural areas, building on the heightened emphasis on economic and social sustainability made possible by the National Planning Policy Framework;
- A review of the strategy to deliver affordable housing, with the aim of maximising the market's ability to make provision; and
- A review of the strategy to promote vibrant town centres and assist in economic development.

3.2 Relating to these issues the Workshops identified the following list of policies for review:

1. A relaxation of the Settlement Hierarchy (Policy CP4)

- to allow development of an appropriate scale in smaller settlements.

2. A balanced interpretation of Sustainable Development (Policy CP1 and CP2)

- to place more emphasis on social and economic issues and relax transport accessibility requirements.

3. A reduction in the target percentages and thresholds for affordable housing and more flexibility on rural exception sites (Policy CP9 & 9a)

- to review targets and site size thresholds and the tenure requirements for rural exception sites to encourage housing development and deliver more affordable housing.

4. A housing mix that meets the changing needs of the local community (Policy DP13)

- in particular to ensure greater provision of housing that older people will find attractive.

5. More flexibility on rural economic development (Policy DP25)

- to provide for more business opportunities and assist the growth and development of rural businesses.

6. More flexibility with Town Centre uses (Policy DP21)

- to support their vitality and viability and allow for a greater proportion of non-retail uses.

7. More policy guidance on renewable energy developments (New Policy required)

- to provide guidance on wind farms, solar and bio-mass developments and reflect developments in technology.

3.3 Some matters raised at the Workshops could be dealt with without the need to formally review Plan policies, of particular significance in this respect are:

1. Housing site supply – it is likely that the supply of deliverable housing sites will fall short of the requirements in the National Planning Policy Framework. The Council could help meet any potential shortfall by releasing sites allocated in Phases 2 and 3 early without the need for a change to the policy. The alternative of allocating more sites would be highly contentious and slow down the review. A further report will be brought to Cabinet for consideration on this matter as soon as the supply figures have been confirmed following current research with developers.

2. Employment site supply - this is under review in the Economic Development Study. Should this show there is too much land allocated and some should be released for other development this could be achieved through existing policies without the need for review. However if new sites need to be allocated, this again would slow down the Plan review process as site options would have to be identified and assessed and possibly lead to greater contention.

The Work Programme and Resources

3.4 A timetable for the review is set out in Annex C. Although it may seem relatively straightforward to rewrite policies, there are serious risks and costs for the Council if it is not done correctly. The Council must follow the statutory plan making process and satisfy strict legal and procedural compliance and soundness tests; have a robust evidence base; undergo proper consultation and Sustainability Appraisal and Examination by an independent Planning Inspector.

3.5 The review is likely to take about 2 years, however, the workload would increase greatly if the review was to cover the allocation of sites and the redefinition of Development Limits as the level of interest and contention would intensify. The first areas of work will involve commissioning reports on affordable housing policy requirements (ie site development viability) and renewable energy policy (wind farms, solar and bio-mass developments) and scoping the Sustainability Appraisal of the policy changes. This will be followed by consultation on the scope of the plan review (in line with the Regulations), including meetings with neighbouring authorities and specific bodies we have to engage with from the outset under the new Duty to Co-operate. Early consultation with Parish and Town Councils will be particularly important and sufficient time needs to be allowed to obtain a meaningful response.

3.6 The options for amended and new policies will be drafted in January 2014 to take into account the outcome of the studies identified in 3.5 and the Economic Development Study, which is due to report in January. After this there will be consultation with Members at Workshops and Cabinet/Council reporting, followed by another round of engagement and consultation with interested parties on Preferred Options, before producing a set of First Review policies for Council approval and submission to Government. After submission there will be an Examination by an independent Planning Inspector. Adoption of the review policies would only follow on from an Inspector's supportive report.

3.7 Some weight should be able to be given to revised policies when they have reached the later stages (post publication and submission in December 2014). New evidence base arising from studies will also be used to inform the application of existing policies as soon as this is available, for example the affordable housing percentages.

4.0 LINK TO CORPORATE PRIORITIES:

4.1 A partial review of Local Development Framework has several links to corporate priorities, for example it would help to meet the needs of communities, help protect and provide local services and facilities, support sustainable economic growth and development and help to meet housing needs, including affordable housing.

5.0 RISK ASSESSMENT:

5.1 Risk in approving the recommendations as shown below:

Risk	Implication	Prob*	Imp*	Total	Preventative action
Scope of review is widened in response to consultation.	Increase to the costs and timescale of the project. Additional funding would have to be identified and adoption would take longer to achieve.	3	4	12	Manage the project to identify issues early and discuss proposed scope of the review with the Planning Inspectorate and the Government's Planning Advisory Service.
Inspector finds Plan review is unsound or does not meet legal requirements or Plan is subject to legal challenge on adoption.	As above	2	4	8	As above. Ensure robust evidence base to justify changes and that statutory procedures are complied with. Seek legal advice as necessary.
Existing policies start to be challenged by developers and Members move away from adopted policies subject to review.	Adopted policies under review become undermined and applied inconsistently.	3	4	12	Member training on policy considerations. Ensure the appropriate weight is attached to emerging review policies.

5.2 The key risk is in not approving the recommendations as shown below:

Risk	Implication	Prob*	Imp*	Total	Preventative action
Policies are applied inconsistently by Members and planning recommendations are challenged by Members.	Inconsistency in Council decision making. Poor public image. Potential for award of costs against the Council with appeals.	4	5	20	Proceed with Plan review quickly. Member training on policy considerations.
Plan becomes out-of-date.	Loss of planning appeals and award of costs.	5	4	20	Proceed with Plan review quickly.
Local development needs are not provided for.	Households and businesses cannot achieve their needs.	4	4	16	Proceed with Plan.

Prob = Probability, Imp = Impact, Score range is Low = 1, High = 5

5.3 Overall the risk of agreeing with the recommendations outweighs the risks of not agreeing them and is considered acceptable.

6.0 LEGAL IMPLICATIONS:

6.1 Legal requirements for planning making set out in Acts and Regulations will need to be followed (See Annex D).

7.0 FINANCIAL IMPLICATIONS AND EFFICIENCIES:

7.1 The Plan review will have significant cost implications and there is no budget provision other than for the evidence gathering in connection with the Economic Development Study.

7.2 Having regard to the areas identified for review there are studies and specific areas of work that need commissioning due to lack of internal expertise, these are set out below:

- Housing viability evidence for affordable housing policy requirements
- Technical renewable energy evidence to support a new policy
- Sustainability Appraisal/Habitats Regulations Assessments

7.3 In view of the emerging scope of the review and the need to maintain progress on current work commitments (i.e. promotion of sites, including the North Northallerton Development Area and Travellers and Showmen sites; Community Infrastructure Levy; Neighbourhood Planning and historic heritage work) it is recommended that a current vacant part time post be enlarged to a full time post for a fixed period of 2 years. The additional budget required for this is £23,490 per annum.

7.4 There will be further costs associated with plan making including advertising and printing and meeting the costs of the Examination, including an Inspector, and the appointment of a temporary Programme Officer, which will need to be reviewed next year when there will be a better idea of the scale of the Examination.

		2013/14	2014/15	2015/16
1	Housing evidence	£20K	-	-
2	Renewable Energy evidence	£10K	-	-
3	Sustainability Appraisal & Habitats Regulations Assessment	£5K	£5K	-
4	Temporary staff	£9.8K	£23.5K	£13.7K
	TOTAL	£44.8K	£28.5K	£13.7K

8.0 RECOMMENDATIONS:

8.1 It is recommended that:

- (1) the Partial Plan Review be agreed in accordance with the scope and programme outlined in this report;
- (2) £40,000 from the One-Off Fund be approved for the studies identified in the report as required to support the review;
- (3) the current vacant Planning Policy Officer post (0.4 Full Time Equivalent) be increased to a full time post for a fixed period of 2 years and that £47,000 be provided for this from the One-Off Fund;

- (4) the granting of planning permission for Phases 2 and 3 housing allocation sites as a means of addressing any under delivery of housing and to maintain a continuous 5 year supply of deliverable sites be subject to a further report to Cabinet.

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Background Documents Notes of Workshops held July/August 2013
Planning Inspectorate Guidance on Plan Review and Examining
Development Plan Documents

08102013 Hambleton LDF Partial Review

LDF Review - Summary of Key Policy Issues Raised at Members' Workshops – July/August 2013

Topic	Changes	Relevant LDF Policy	Potential Options Suggested
Rural Settlement Hierarchy	<ul style="list-style-type: none"> Settlement hierarchy should be relaxed in relation to smaller settlements. Need to allow development in the smaller villages outside the hierarchy to meet local housing needs and support services nearby, such as health care, schools and shops. Need to review requirement for sustainable transport by bus travel as it is unrealistic and services are reducing. Need for a balanced interpretation of sustainable development - social, economic and environmental. Need to review status of some villages in the hierarchy as services have changed. 	<p>Core Strategy Spatial Principle 3 – Sustainable Hierarchy of Settlements</p> <p>Core Strategy Policy CP4 – Settlement Hierarchy</p> <p>Core Strategy Policy CP2 - Access</p>	<ul style="list-style-type: none"> Smaller settlements could be regarded as satellites of Service Villages. Some villages could be considered as clusters Clearer and more direct engagement with Parish Councils is needed. They should be asked directly what they want in terms of development and Development Limits. Settlements near Service Centres need additional housing. Small villages can accommodate more development. A criteria-based policy could allow development that supports local services and facilities. Tollerton and Huby should be designated as Service Villages. Neighbourhood Plans could be a way to achieve more appropriate development in smaller settlements.
Housing Supply	<ul style="list-style-type: none"> Need to increase housing delivery and ensure an ongoing 5 year supply of deliverable sites. Need definitive up-to-date clarification on 5 year supply and how much more housing needs to be added to our supply list. Relaxation of the phasing of housing allocations to improve the supply of deliverable sites. 	<p>Core Strategy Policy CP7 – Phasing of Housing</p> <p>Development Policy DP12 – Phasing of Housing</p>	<ul style="list-style-type: none"> The phasing strategy should be removed or relaxed to bring forward sites identified for the later plan period Allocate a few new sites or extend existing allocation sites. Allow more rural building conversions to housing. Allow small housing developments in smaller settlements. Reduce affordable housing targets and allow some market housing on rural exception sites. Reduce time limits for planning permission implementation to 1 year.
Affordable Housing	<ul style="list-style-type: none"> Current requirements are not economically viable and are holding back housing development and affordable housing. Need to increase delivery to better meet local needs. 	<p>Core Strategy Policies CP9 and 9a – Affordable Housing</p>	<ul style="list-style-type: none"> Policy targets for % affordable should be lowered (eg from 50% to 30% and 40% to 25%) and firmly applied. Need viability evidence for new affordable housing targets.

Topic	Changes	Relevant LDF Policy	Potential Options Suggested
	<ul style="list-style-type: none"> Requirements need to be reasonable so sites are deliverable 		<ul style="list-style-type: none"> Site size threshold of 15 units in the towns should be reduced and increased from 2 units elsewhere (eg 6 or 8). 100% affordable housing requirement on rural exception sites should be removed and allowance made for some market housing. The Council could develop affordable housing.
Housing Mix	<ul style="list-style-type: none"> Need to look at the changing demography, deliver housing for older people and consider support facilities. 	<p>Core Strategy Policy CP8 – Type, Size and Tenure of Housing</p> <p>Development Policy DP13 – Achieving and Maintaining the Right Mix of Housing</p> <p>Development Policy DP17 – Retention of Employment Sites</p>	<ul style="list-style-type: none"> Provide further guidance on housing requirements for older people and Lifetime Homes reflecting local demand and need, including types, size and location. Require proportion of small bungalows on appropriate sites.
Economy	<ul style="list-style-type: none"> Policies should support business development more, whilst protecting sensitive areas. Employment allocations should be retained and not be released for other development at this stage, as long as the right quality and locations are achieved. Time should be allowed for development to come forward 		<ul style="list-style-type: none"> Employment land policies should remain as existing but with regular monitoring of employment development being undertaken. Provide guidance on the timeframe for site protection Forthcoming Economic Development Study should guide any changes needed.
Rural Economy	<ul style="list-style-type: none"> Need more flexibility on small economic development in the villages and countryside, particularly for small businesses and the re-use of disused buildings for employment. 	<p>Development Policy DP25 – Rural Employment</p>	<ul style="list-style-type: none"> Need to avoid future problems with expanded buildings in the open countryside becoming redundant eye-sores, difficult to redevelop. Need to avoid future pressures for businesses to grow too large or inappropriate reuse of existing premises.
Town Centres	<ul style="list-style-type: none"> Need more flexibility on retail units and changing uses to encourage new business and avoid vacancies, but not to undermine retail as the primary attraction. Review the policy of % of retail use frontage in the Primary Shopping Areas of the market towns. Continue with robust policies to control out-of-centre developments, including garden centres, to avoid any adverse impact on town centres. 	<p>Development Policy DP21 – Support for Town Centre Shopping</p>	<ul style="list-style-type: none"> Forthcoming Economic Development Study should guide the changes needed. Reduce retail proportions.

Topic	Changes	Relevant LDF Policy	Potential Options Suggested
Renewable Energy	<ul style="list-style-type: none"> • Need a policy to control wind farms, solar panel arrays/photovoltaics and bio-mass (including anaerobic digestion) developments. • Need for proactive guidance rather than just responding to development pressures. • Should current targets for energy efficiency be raised? 	Development Policy DP34 – Sustainable Energy	<ul style="list-style-type: none"> • Seek input from renewable energy providers and other key stakeholders on the wording of any proposed policy. • Government Guidance on Wind Farms is due soon and need for further guidance should be reviewed in the light of this. • Scottish guidance should be considered. • Need to consider cumulative impacts of wind turbines. • Other sources of energy production (eg ground source heat pumps) should be promoted.

LDF Review - Summary of Key Policy Issues Raised at Developers, Local Interest Groups and Parish Councils Workshops – July 2013

Topic	Changes	Relevant LDF Policy	Potential Options Suggested
Rural Settlement Hierarchy	<ul style="list-style-type: none"> • Settlement hierarchy should be relaxed in relation to smaller settlements. • Need to allow development in the smaller villages outside the hierarchy to meet local housing needs and support services nearby, such as health care, schools and shops. • Need balanced interpretation of sustainable development. • Need to review requirement for sustainable transport by bus travel as it is unrealistic and services are reducing. • Need to review status of some villages in the hierarchy as services have changed. 	<p>Core Strategy Spatial Principle 3 – Sustainable Hierarchy of Settlements</p> <p>Core Strategy Policy CP4 – Settlement Hierarchy</p> <p>Core Strategy Policy CP2 - Access</p>	<ul style="list-style-type: none"> • A criteria-based policy could allow development that supports local services and facilities. • Need to allow for small scale infilling in smaller settlements. • Infrastructure needs to be adequate to serve development. • Neighbourhood Plans could be a way to achieve more appropriate development in smaller settlements.
Housing Supply	<ul style="list-style-type: none"> • Need to increase housing delivery and ensure an ongoing 5 year supply of deliverable sites. • Need definitive up-to-date clarification on 5 year supply and how much more housing needs to be added to our supply list • Supply needs increasing. 	<p>Core Strategy Policy CP7 – Phasing of Housing</p> <p>Development Policy DP12 – Phasing of Housing</p>	<ul style="list-style-type: none"> • The phasing strategy should be removed to bring forward sites identified for the later plan period • Allocate more sites with a range of sizes. • No need to review strategic sites like North Northallerton • Put more focus on some smaller sites being developed rather than relying mainly on the delivery of larger sites. • Land for employment use in settlements should be opened up for future housing including small sites in small settlements. • Allow small developments in smaller settlements. • Allow more rural building conversions to housing. • Reduce affordable housing targets and allow some market housing on rural exception sites.

Topic	Changes	Relevant LDF Policy	Potential Options Suggested
Affordable Housing	<ul style="list-style-type: none"> Need to increase delivery to better meet local needs. Requirements need to be reasonable so sites are deliverable 	Core Strategy Policies CP9 and 9a – Affordable Housing	<ul style="list-style-type: none"> Policy targets for % affordable should be lowered. Site size threshold should be reduced. 100% affordable housing requirement on rural exception sites should be removed and allowance made for some market housing.
Economy	<ul style="list-style-type: none"> Policies should support business development more. Employment allocations should be retained and not be reviewed at this stage, as long as the right quality and locations are achieved. Time should be allowed for development to come forward. 	Development Policy DP17 – Retention of Employment Sites	<ul style="list-style-type: none"> Employment land policies should remain as existing with regular monitoring of employment development being undertaken. Provide guidance on timeframe for protection of employment sites
Rural Economy	<ul style="list-style-type: none"> Need more flexibility on economic development in the villages and countryside, particularly for small businesses and the re-use of disused buildings for employment. Policies have been too restrictive on agricultural schemes. 	Development Policy DP25 – Rural Employment	<ul style="list-style-type: none"> Needs to be better aligned with National Planning Policy Framework.
Town Centres	<ul style="list-style-type: none"> Need more flexibility on retail units and changing uses to encourage new business and avoid vacancies. Review the policy of % of retail use frontage in the primary shopping areas of the market towns. 	Development Policy DP21 – Support for Town Centre Shopping	<ul style="list-style-type: none"> Reduce retail proportions in primary shopping frontages.
Other Issues	<ul style="list-style-type: none"> Noise contours around RAF Leeming need reviewing as they are impacting on new development in the area. Compliance with the National Planning Policy Framework should be the main focus, with a targeted and staged review, dealing with more important/urgent matters first. Review should be based on robust up-to-date evidence. Should review population and household projections. Necessary infrastructure planning is vital. Better consultation is needed with each community. Council priorities on projects funded through Planning Obligations need to be published so developers know what is expected of them. The Community Infrastructure Levy and its implications need to be considered alongside the Plan review. 	Development Policy DP44 – Very Noisy Activities	<ul style="list-style-type: none"> Consult the MoD to establish if any changes in designations are required. Allocation issues could be dealt with in a subsequent review and roll forward of the plan.

ANNEX C

Timetable for Review

Cabinet approval of scope and resources	October 2013
Commission evidence base	November 2013
Further workshops on options for policy changes	February 2014
Agree options and preferred options	Spring 2014
Consultation	Summer 2014
Consider outcome and finalise proposals	Autumn 2014
Submission	December 2014
Examination	Spring/Summer 2015
Adoption	Autumn 2015

Examination of the Plan

The plan will undergo Examination by an independent Inspector whose role is to assess whether it has been prepared in accordance with the new Duty to Cooperate, legal and procedural requirements, and whether it is sound.

Legal Compliance

They will first check that the plan meets the legal requirements under S 20 of the Planning and Compulsory Purchase Act 2004 (as amended), before moving on to test for soundness.

- The document should be within the current Hambleton **Local Development Scheme** and the key stages should have been followed in its preparation.
- The process of community involvement for the plan's making should be in general accordance with Council's **Statement of Community Involvement 2013**
- The document's preparation should comply with the Town and County Planning (Local Planning) (England) **Regulations 2012**.
- The Local Planning Authority is required to carry out adequate **Sustainability Appraisal and Habitats Directive/Regulations Assessment** at all stages of plan preparation.
- The plan must have satisfactory regard to any **Sustainable Community Strategy** for its area (i.e. Sustainable Community Strategies for North Yorkshire and Hambleton).

Soundness

A sound local development plan should be positively prepared, justified, effective and consistent with national policy (National Planning Policy Framework - paragraph 182)

- **Positively prepared** - The plan should be prepared based on a strategy which seeks to meet objectively assessed development and infrastructure requirements, including unmet requirements from neighbouring authorities where it is reasonable to do so and consistent with achieving sustainable development.
- **Justified** - The plan should be the most appropriate strategy, when considered against the reasonable alternatives, based on proportionate evidence.
- **Effective** - The plan should be deliverable over its period and based on effective joint working on cross-boundary strategic priorities.
- **Consistent with National Policy** – The plan should enable the delivery of sustainable development in accordance with the policies in the National Planning Policy Framework.