

## **HAMBLETON DISTRICT COUNCIL**

**Report To:** Cabinet  
2 September 2014

**Subject:** LOCAL PLAN REVIEW

**All Wards (outside the North York Moors National Park)  
Portfolio Holder for Environmental and Planning Services: Councillor B Phillips**

---

### **1.0 PURPOSE AND BACKGROUND:**

- 1.1 On 8 October 2013 Cabinet approved (CA47) a programme of work on the Local Development Framework (LDF) Partial Plan Review, with an agreed scope and programme. The scope was limited to a handful of priority issues and policies which were being viewed as out-of-step with needs of the District or inconsistent with national Planning policies, namely:
- development restraint in the villages and rural areas;
  - affordable housing (targets and thresholds);
  - housing mix and tenure;
  - town centre uses and economic development;
  - renewable energy.
- 1.2 Various essential background evidence gathering has been commissioned in the context of this partial review, including: Older Peoples' Housing, Affordable Housing Viability and Economic Development (Employment Land Review and Retail and Town Centre Uses).
- 1.3 Also in the context of Plan review and in response to new pressures for major housing development, a report on 5 year housing supply was considered at Cabinet on 5 November 2013 (and Council on 10 December 2013), when it was decided to remove the phasing policy for the LDF's allocated housing sites so as to help provide a 5 year supply of deliverable housing sites, as required by the National Planning Policy Framework (NPPF).
- 1.4 Whilst the removal of phasing addressed the site supply position, it was also necessary to review and objectively assess the up-to-date housing needs, as the LDF's requirements are derived from the now revoked Regional Spatial Strategy and the NPPF requires the Council to have a clear understanding of housing needs in their area. In particular paragraph 50 of NPPF requires us to plan for a mix of housing based on current and future demographic trends, market trends and needs of different groups in the community.
- 1.5 Demographic Analysis and Forecasts were therefore commissioned in January 2014 from consultants Edge Analytics. Their report (June 2014) provides a range of revised household projections up to the end of the current Plan period in 2026 with dwellings and jobs-led scenarios.
- 1.6 These figures are presented in Annex B and some scenarios point towards a potential significant increase in the District's housing requirement, which would have major implications for Plan review as the impact on the policies and proposals would be much more extensive, encompassing housing and employment allocations and infrastructure.
- 1.7 This new evidence and recent Plan making experience elsewhere indicates a need for a more wide ranging review of the LDF. The report therefore considers whether the current review goes far enough.

## **2.0 PLAN REVIEW PROGRESS:**

- 2.1 Study findings and policy options have been discussed with Members at a series of workshops and there has been specific consultation with Parish Councils on the settlement hierarchy and development in villages. Members have provided an informal steer on the way they would like to see policies developed and applied with an indication that further supplementary policy guidance is needed in certain areas (e.g. Supplementary Planning Documents to cover Housing type and tenure including older people's housing).
- 2.2 Details of the progress on each issue are set out in the schedule at Annex A, together with a suggested potential way forward if a full Plan review was pursued. Clearly some issues are more important and immediate than others for Members (e.g. the Settlement Hierarchy and Older Peoples' Housing policies) and require early attention, whilst others could be 'parked' on the basis of what the evidence shows and await a full Plan review (e.g. affordable housing targets and thresholds).
- 2.3 Key Council priority issues could therefore continue to be progressed with full consultation so as to provide new planning policy guidance to be formally agreed by Council for Development Management purposes. More weight could be given to this new guidance than current LDF policies where it is more consistent with NPPF and NPPG. New evidence from the studies could also be used to inform decision taking on planning applications. This policy guidance could be incorporated in the new Local Plan when it catches up so as to provide statutory policy.
- 2.4 The Economic Development Study recommendations relate to a large number of economic development and retail/town centres policies which require updating, but are difficult to take forward in isolation in a partial Plan review and would be better addressed collectively in the context of a full Plan review to be dealt with alongside housing policies. The recommendations also raise broader strategic issues and matters likely to prove highly controversial.

## **3.0 FULL PLAN REVIEW:**

- 3.1 Government advice is now to prepare a single Local Plan rather than an LDF, and although partial Plan review is still possible many Local Planning Authorities are now pursuing Local Plan preparation and have dropped the suite of LDF documents approach, including their review. A Plan should also cover a period of 15 years from adoption date and be reviewed to provide for longer term development needs. The Hambleton LDF covers the period up to 2026 and will therefore need rolling forward in the next few years through a new Local Plan.
- 3.2 The findings of the Edge Analytics study are clearly of great significance and should be properly addressed through plan making, otherwise we run the risk of fighting Section 78 appeals on 5 year land supply on an ongoing basis with further speculative planning applications for housing on unallocated sites. Reviewing the housing requirement through plan making essentially allows for a planned approach to the levels of housing growth, its broad distribution across the District and further site allocations. It also allows for comprehensive planning with proper consideration of linkages to employment and other related necessary developments, such as infrastructure projects, including the implications for the forthcoming introduction of the Community Infrastructure Levy (CIL). Producing a new Plan would also provide the opportunity to roll forward the Plan period to cater for longer term planning needs.
- 3.3 The updated evidence on housing needs and the emerging Economic Development Strategy shows that the partial Plan review does not address the key planning issues facing the Council. Critically a partial Plan review could also run the risk of being found unsound if it does not review housing needs and supply issues as Inspectors are requiring such evidence in all Examinations and house builders are challenging new plans on this basis.

- 3.4 Full Plan review would allow for public consultation and the required engagement with neighbouring Councils and bodies under the Duty to Co-operate on the options for housing growth levels and locations and allow the Council to decide on the appropriate response, rather than risking ad hoc determination by appeal inspectors on an ongoing case by case basis.
- 3.5 A full Plan review would take several years to prepare and adopt and have greater resource implications. However most of the necessary evidence gathering has now been completed, therefore the additional costs of studies should be limited. Costs would also be much less than for the original LDF as it would be producing one Plan with fewer resultant stages of consultation and engagement and critically, only one examination, which is a major cost.
- 3.6 A broader review involving site allocations would involve considerable time in terms of assessing site development options and consultation on site specific issues. Specialist support in producing the new Plan, along the lines employed with the LDF, may be required to speed up the production progress.

#### **4.0 LINK TO CORPORATE PRIORITIES:**

- 4.1 A review of the Local Development Framework has 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. It would also support the delivery of the Council's Economic Development Strategy and the emerging Investment Plan.

#### **5.0 RISK ASSESSMENT:**

- 5.1 Risk in approving the recommendations as shown below:

<b>Risk</b>	<b>Implication</b>	<b>Prob*</b>	<b>Imp*</b>	<b>Total</b>	<b>Preventative action</b>
New Local Plan preparation costs are significant and increase.	Additional funding would have to be identified (potentially impacting on other Council work) or progress to adoption could take longer.	3	4	12	Manage project to ensure properly programmed and resourced.
Review of key priority policies for Members is delayed.	Planning decisions continue to be made in accordance with existing policies and the Council cannot deliver on local development priorities as quickly as they would wish (eg development in smaller villages).	3	4	12	Progress existing partial review to provide guidance for decision making. Give weight based on consistency with NPPF/NPPG and use study evidence.

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

<b>Risk</b>	<b>Implication</b>	<b>Prob*</b>	<b>Imp*</b>	<b>Total</b>	<b>Preventative action</b>
Plan becomes out-of-date and increasingly challenged by development proposals especially for housing in terms of 5 year supply.	Loss of planning appeals and award of costs. Time and cost of defending appeals. Plan does not provide for the needs of the District.	5	4	20	Proceed with Plan review.
Local development needs for housing and business are not provided for.	Households and businesses cannot achieve their needs.	4	4	16	Proceed with Plan review.
Inspector finds partial Plan review is unsound or does not meet legal/procedural requirements or Plan is subject to legal challenge on adoption as it does not provide for the development needs of the District.	Need to go back to earlier stage and be without an up-to-date Plan.	5	5	25	Proceed with full Plan review and take appropriate advice.

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

5.3 Overall the risks of agreeing with the recommendations outweigh the risks of not agreeing them and are considered acceptable.

## **6.0 LEGAL IMPLICATIONS:**

6.1 Legal requirements for Plan making set out in the Acts and Regulations will need to be followed to achieve a sound, legally compliant Plan.

## **7.0 FINANCIAL IMPLICATIONS:**

7.1 The Partial Plan review is already largely budgeted for, with the allocation of £87,000 from the One-Off Fund. This covered a temporary staffing increase and various expert studies, but excluded any examination costs. This budget is now largely spent or committed.

7.2 Additional funding would be needed for the full Plan review and production of a new Local Plan. These costs would be significant, but not in the same order as for the original LDF. Sustainability appraisal, site assessment studies and the longer examination are currently unknown quantities but could be in the order of £250,000, with about half of that being taken by the examination costs of the Planning Inspectorate.

## **8.0 EQUALITY AND DIVERSITY ISSUES:**

8.1 There are no Equality and Diversity issues associated with this report.

## **9.0 RECOMMENDATIONS:**

9.1 It is recommended that Cabinet approves and recommends to Council that:

- (1) the Partial Plan Review be progressed as set out in Annex A to provide informal planning policy guidance with updated evidence, to be used in Development Management decision taking;
- (2) a new Local Plan be produced to fully replace the LDF;
- (3) a report be brought back to Cabinet and Council to agree a revised Local Development Scheme setting out the work programme, resources and timetable for a full scale plan review.

MICK JEWITT

### **Background papers:**

- National Planning Policy Framework, CLG March 2012
- National Planning Practice Guidance, CLG March 2014
- Planning Policy for Affordable Housing including Viability Studies, Aspinall Verdi, May 2014
- Economic Study, GVA, June 2014
- Employment Land Review, GVA, February 2014
- Retail & Town Centre Uses Study, GVA, January 2014
- Demographic Analysis & Forecasts, Edge Analytics, June 2014

**Author ref:** GB

**Contact:** Graham Banks  
Planning Policy Manager  
Direct Line No – 01609 767097

**Local Development Framework Partial Plan Review**

**– agreed issues and policies and potential way forward**

Agreed Review Policy /Issue	Progress and Next Steps
<p>1. <b>Rural Settlement Hierarchy</b> (Policy CP4, CP6 &amp; DP8)/Sustainable Development  (Policy CP1 and CP2)</p>	<p>Consulted PCs on audit and broad policy options to 31 August 2014. Depending on PC’s responses could attach less weight to LDF policy and take forward a more flexible approach as a policy guidance note to be approved by Council for Development Management purposes, pending full Plan review. <b><u>Dates:</u></b> Members’ workshop (with PC feedback) 18 September 2014. Wider consultation Autumn 2014. Council adoption April 2015.</p>
<p>2. <b>Targets and thresholds for affordable housing</b> and flexibility on rural exception sites tenure mix  (Policy CP9 &amp; 9a &amp; Affordable Housing Supplementary Planning Document- SPD)</p>	<p>Study commissioned with Aspinall Verdi. Recommended no changes to targets and thresholds except for brownfield sites (with 20-25% target). No change to policy therefore justified and could carry on with negotiation around current targets with expected relaxation for brownfield sites. Outcome of CLG review of national 10 dwelling threshold is awaited. Affordable Housing SPD is being updated/ reviewed as interim measure. <b><u>Dates:</u></b> Cabinet approval for formal consultation October 2014. Council adoption January 2015.</p>
<p>3. <b>Housing mix</b> to meet the changing needs of the local community  (Policy DP13 &amp; Supplementary Planning Document - SPD )</p>	<p>No urgent need for change to policy as latest evidence can be used to argue for more older peoples’ and other priority needs housing with current policies. SPD on Housing Size, Type, Tenure and Quality including older peoples’ housing to be prepared. <b><u>Dates:</u></b> Cabinet approval for formal consultation December 2014. Council adoption April 2015.</p>

<p>4. Flexibility on <b>rural economic development</b> (Policy DP25)</p> <p>And other economic policy changes arising from the recommendations and findings of the Hambleton Economic Study and Employment Land Review (ie Policies CP11 &amp; 15, DP16-19)</p>	<p>Economic Study with Employment Land Review and Retail and Town Centre Uses study commissioned in September 2013 with GVA.</p> <p>Based on the studies' evidence we could attach less weight to LDF policies and adhere more to NPPF, acknowledging recent changes to General Permitted Development Order, to provide for more flexibility.</p> <p>Interim policy guidance note could be approved by Council for Development Management purposes. However they would be best taken forward comprehensively with closely related Housing policy changes in a full Plan review.</p>
<p>5. Flexibility with <b>Town Centre uses</b> (Policy DP21)</p> <p>And other retail/town centre policy changes arising from the recommendations and findings of the Retail and Town Centre Uses Study (ie Policies DP19-20 &amp; DP22-24 &amp; Proposals Map)</p>	
<p>6. Policy guidance on <b>renewable energy</b> developments  (New Policy/Amend Policy DP34 &amp; Supplementary Planning Document -SPD )</p>	<p>Policy review not necessary now due to national policy changes/Building Regs. Sustainable Development SPD being reviewed to provide guidance on energy technologies.</p> <p><b><u>Dates:</u></b> Cabinet approval for formal consultation December 2014. Council adoption April 2015.</p>

**Scenarios of Dwelling Growth Summary to 2026**

	Estimated Dwellings per year		
	2012 – 26		
Scenario	Option 'A' – CLG 2011	Option 'B' – CLG 2008	Average
Jobs-led (REM)	348	387	368
Migration-led (10 yrs)	301	337	319
Migration-led (5 yrs)	272	307	289
Dwelling-led (RSS)	280	280	280
SNPP-2010	247	282	265
Migration-led (10 yrs-X)	227	258	242
Migration-led (5 yrs-X)	202	233	217
SNPP-2012	196	228	212
Net Nil	130	151	140
Natural Change	62	101	81

**Notes:**

CLG: Department for Communities and Local Government (Household Projections)

Option 'A' – CLG 2011 based headship rates, with the 2011-26 trend continued after 2021

Option 'B' – CLG 2008 based headship rates, scaled to be consistent with the 2011 Census, but following the original trend thereafter

REM: Regional Econometric Model (for York, North Yorkshire and East Riding – Local Enterprise Partnership)

RSS: Regional Spatial Strategy for Yorkshire & the Humber (May 2008)

5 yrs: based on 2007/08-2011/12

10 yrs: based on 2002/03-2011/12

X: excludes 'unattributable population change'

SNPP: Sub-National Population Projections – produced by the Office of National Statistics (ONS)

Net Nil: migration is maintained but net migration balance is set at zero