

REPORT TITLE: LOCAL PLAN LAUNCH

18 JULY 2018

REPORT OF PORTFOLIO HOLDER: BUILT ENVIRONMENT Cllr Caroline Brook

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WARD(S): ALL

PURPOSE

This report covers a number of matters to set the context and background for preparation of a new Local Plan for the District and seeks authority to commence that process. The Council has already established a broad programme for its preparation in the Local Development Scheme approved in December 2017 (CAB2994LP). This highlights that during 2018 background evidence and early engagement will commence prior to formal consultation on the emerging plan document in 2019.

In addition to the Local Plan, the existing Community Infrastructure Levy Charging Schedule will also be updated. This will allow for joint commissioning of technical reports and any engagement programme to be run in parallel with the Local Plan.

Key considerations for plan making are also discussed in light of changes to National Planning Guidance, which now requires Local Plans to be reviewed every 5 years.

RECOMMENDATIONS:

1. That agreement be given to commence the preparation of a new Local Plan and that the Head of Strategic Planning be authorised to consult on its scope and content in accordance with Regulation 18 of the Town and Country Planning (Local Planning) (England) Regulations 2012.
2. That agreement be given to undertake a parallel update of the Council's Community Infrastructure Levy (CIL) Charging Schedule.
3. That the Head of Strategic Planning be authorised to commission such technical studies and other evidence gathering as is necessary to provide the evidence base for the Local Plan and CIL using resources currently held in the Local Plan Reserve.

IMPLICATIONS:1 COUNCIL STRATEGY OUTCOME

- 1.1 The Local Plan is a key document which ensures that the vision and aspirations of the Council and our local communities are translated into future planning policy. Planning legislation requires the Local Plan to have regard to the Community (Council) Strategy to ensure that development proposals coming forward contribute to the social, economic and environmental welfare of the District as set out in Council strategic documents as well as national policy requirements determined by central Government.

2 FINANCIAL IMPLICATIONS

- 2.1 Resources needed to procure the evidence base for the Local Plan and revision of the Community Infrastructure Levy Charging Schedule have been approved as part of the budget process. It will be necessary over the coming months to commission technical evidence to include:
- a) Strategic housing market assessment to explore the housing requirements of the District's population (older persons, students, non –travellers) this will also include the need for affordable housing;
 - b) Employment and retail studies – to determine the quantities of land and types of opportunities to plan for;
 - c) Landscape character appraisal – to determine the sensitivities of the District's landscape to change, set in the context of exploring potential greenfield allocations;
 - d) Assessments on flooding, air quality, transport and infrastructure – to determine the impact of the proposed levels of development required and how these can be mitigated through plan making;
 - e) Viability testing to support both documents to ensure both can be delivered and policy requirements do not render potential development proposals unviable – Government guidance now emphasises the need for viability testing through the plan making processes to ensure that proposals can be delivered and the matters expressed in policy are not so onerous that the site/proposal will not be implemented.
- 2.2 Given the nature of these technical reports opportunities to undertake joint commissioning with teams across the Council and indeed in neighbouring local authorities will be explored. In addition it will be necessary to commission consultants to undertake the sustainability appraisal/strategic environmental assessment and habitat regulation assessment (see reference to Integrated Impact Assessment at para 8.3 below). These are integral assessments to plan making and ensure that the policies and proposals included deliver sustainable development. It is a legal requirement of plan making to undertake a sustainability appraisal.
- 2.3 The current forecast external expenditure of approximately £600,000 for the period 2018/19 to 2021/22 is within existing budget projections and supported

by the Local Plan reserve (opening 2018/19 balance of £454,000) as well as baseline revenue budget projections. This is in addition to existing in-house resources.

- 2.4 Whilst the cost of each of study referred to above is not yet known, a strategic housing market assessment could be in the region of £80,000, and an integrated sustainability appraisal is likely to exceed £100,000, given the iterative nature of the process which requires an assessment at each key stage of plan making. Furthermore, it is necessary to budget in excess of £100,000 for the formal examination of both documents which will cover the costs of the Planning Inspector, programme officer, venue hire and miscellaneous associated items.
- 2.5 Given the complexity of these projects and relatively short timescale for completion and subsequent adoption as now established in revised national planning guidance, it will be necessary to secure short term additional staff resources over and above the existing establishment of the strategic planning team of 5 fte. Options are currently being considered and costed and as a minimum it will be necessary to appoint a specialist to cover the CIL review. The additional short term resources are also within the overall forecast expenditure of £600,000.

3 LEGAL AND PROCUREMENT IMPLICATIONS

- 3.1 The production of a Local Plan is a statutory requirement covered by various elements of planning and other legislation – key guidance is set out in the Planning and Compulsory Purchase Act 2004, Localism Act 2011, Town and Country (Local Plan) (England) Regulations 2012. Legal compliance is one of the tests the Local Plan must pass and each stage of the process is prescribed in the 2012 Regulations. Where requirements currently exist to comply with European Union law (strategic environmental assessments and habitat regulations assessment) these will be translated into UK legislation shortly and will still be binding.
- 3.2 The National Planning Policy Framework (NPPF) also establishes guidance for local plan preparation and sets out the ‘tests of soundness’ that Local Plans are assessed against. In simple terms they must be justified, effective, positively prepared and consistent with national policy. The NPPF is in the process of being updated and changes are discussed at para 11.1 onwards.
- 3.3 CIL Regulations are complex and are also in the process of being amended. CIL does not follow the same precise processes as the Local Plan, but will require necessary evidence and consultation and will be examined prior to adoption.
- 3.4 Any studies or external work commissioned will be procured in accordance with relevant legislation and the Council’s Contract Procedure Rules.

4 WORKFORCE IMPLICATIONS

- 4.1 Preparation of the Local Plan and CIL are key corporate projects which will be led by the Strategic Planning Team, but will need support from the project team to ensure that processes and resources are aligned. Given the nature of these documents contributions from a number of teams across the Council, will also be required, in particular housing, landscape/ecology, transport and legal. These resource requirements can be onerous and can arise at short notice (if the Council is challenged on a technical issue for instance).

5 PROPERTY AND ASSET IMPLICATIONS

- 5.1 None

6 CONSULTATION AND COMMUNICATION

- 6.1 Community and stakeholder engagement and participation is a key requirement of the Local Plan process and has to be recorded and documented throughout. Planning legislation sets out the minimum requirement as to who is to be consulted and more specifically organisations that must have been involved to enable the local authority to comply with its 'duty to co-operate' obligations. The Council may wish to go beyond the legal minimum during Local Plan preparation.
- 6.2 The Council engaged very successfully with its communities during the preparation of the current Local Plan, initially through the 'Blueprint' process (which won national recognition) and then through Local Plan Part 2 with parish councils taking a lead role in the identification of sites and determination of a local development strategy to accommodate the development required by the plan. The Council is keen to continue along similar lines for rolling forward the local plan and will be seeking to engage with parish councils to establish a way forward later in the year, which will include a briefing session to explain the process and timetable in the first instance.
- 6.3 In addition, the Council's Statement of Community Involvement (SCI), was originally adopted in 2007 and is currently being updated, so will be approved prior to any substantive consultation and engagement on the local plan or CIL taking place.

7 ENVIRONMENTAL CONSIDERATIONS

- 7.1 Local Plans are required to comply with National Planning Policy which is expressed to deliver sustainable development. Consequently environmental matters are a key part of the local plan and it will be necessary to ensure that the Council has an updated evidence base in relation to air quality, flooding, landscape/ecology and other climate change issues.
- 7.2 The sustainability appraisal process also ensures such matters are integral to plan making and policy expression.

8 EQUALITY IMPACT ASSESSMENT

- 8.1 Whilst primarily a land use document, identifying land for development and including policies to direct development to certain places, the purpose of the local plan is to create sustainable communities. This is to ensure that the right development happens in the right location to meet the identified needs of the local community.
- 8.2 The Local Plan, including the development strategy and emerging policies, will be screened in terms of its impacts on those with protected characteristics as specified in the Equalities Act 2010, at key stages through the plan making process and the results published. A further consideration is health impact assessment, in the past the Council has ensured that this element is integrated into the sustainability appraisal.
- 8.3 A number of Councils are now preparing Integrated Impact Assessments (IIA) to fulfil the statutory requirements for the Sustainability Appraisal (SA) and Strategic Environmental Assessment (SEA) under the requirements of the European Union's SEA Directive (2001/42/EU) and the transposing UK Regulations. An IIA also fulfils requirements for Health Impact Assessment, Equalities Impact Assessment, and Habitats Regulations Assessment. The integrated approach avoids the need to undertake and report on separate assessments and seeks to reduce any duplication of assessment work, particularly as the various types of impact assessment deal with many of the same issues. Consequently preparation of a new Local Plan provides an opportunity to follow this approach.

9 DATA PROTECTION IMPACT ASSESSMENT

- 9.1 Whilst a formal DPIA will not be required, it is worthwhile noting that the Local Plan process involves consultation with many individuals and organisations and the collection of large amounts of personal information. Meeting the requirements of the General Data Protection Regulation for the data gathered and held will be a significant additional responsibility.
- 9.2 All responses to consultations are 'redacted' as necessary prior to their publication on the Council's website.

10 RISK MANAGEMENT

- 10.1 The latest Local Development Scheme (December 2017), includes a risk assessment, this forms the basis of the identified risks below:

Risk	Mitigation	Opportunities
<i>Property</i>	n/a	
<i>Community Support</i>	Given the level of interest in planning matters across	Methods of community engagement are set out in

<p>Preparation of a local plan requires extensive community and stakeholder engagement and consultation. This is documented at all stages and published, along with the draft plan.</p>	<p>the District, it is necessary to ensure sufficient time is allowed for comprehensive engagement, to ensure this is meaningful and effective.</p>	<p>the Council's Statement of Community Involvement (SCI). This is in the process of being updated to refer to a range of effective methods which can be utilised as appropriate.</p> <p>The Council has in the past promoted a collaborative approach to engagement, working hand in hand with parish councils to assess development options. Opportunities to continue with this approach will be explored.</p>
<p><i>Timescales</i></p> <p>Limited risk - Preparation of the local plan and CIL review are already established in the approved LDS published in December 2017. Failure to deliver a plan in a timely fashion can result in Government intervention and unplanned development.</p>	<p>Given recent experience of local plan preparation the timescales have been adjusted to allow for a number of processes to be undertaken in parallel with community engagement. It will be necessary to reassess progress and update the LDS as required.</p>	<p>The first stage of local plan and CIL preparation focuses on evidence gathering and on going engagement during 2018. The LDS acknowledges that a draft plan for formal consultation will not be available until December 2019.</p>
<p><i>Project capacity</i></p> <p>Medium risk – the Council needs to have both in-house resources to lead and manage the production of the plan as well as commissioning specialist reports to support it.</p>	<p>It will be necessary to ensure that adequate resources are in place to prepare both the Local Plan and CIL. At present the Strategic Planning team has vacant posts and recruitment is in progress to fill these together with any additional resources identified – such as the need for a dedicated officer to focus on the CIL review.</p>	<p>Opportunities for joint evidence and engagement to inform both documents will be maximised.</p>

	Given the multi disciplinary nature of a local plan, officers from across the Council will be required from time to time to advise on site identification and policy formulation.	
<i>Financial / VfM</i> Limited risk The Council needs to have sufficient staff and financial resources to deliver a new local plan in a timely fashion.	The local plan budget includes monies from the earmarked reserve which allows for expenses over the plan preparation period. The early stages of evidence will require commissioning of technical reports, these are often costly due to their specialist nature.	Opportunities for the joint commissioning of technical reports will be explored both within and outside the Council.
<i>Legal</i> Local Plan/CIL fail at examination	It is necessary to ensure that all processes are duly followed and documented with a sound and comprehensive evidence base to reduce the risk of any concerns by the planning inspector at the examination stage and to minimise the risk of third party challenge.	Being aware of any new case law and changes in interpretation of planning legislation is essential to ensure that processes can be adapted and modified to ensure compliance.
<i>Innovation</i>	n/a	
<i>Reputation</i> Limited risk The failure to produce a new local plan in a timely fashion could result in unplanned development or Government intervention which is likely to attract public criticism of the Council.	Local plan and CIL preparation is expensive and resource intensive. It is necessary for the programme to include sufficient slippage to allow unknown/uncertain elements to be picked up and dealt with without compromising the delivery of the plan in an acceptable timeframe. .	Timescales in the LDS are expressed in broad terms and the LDS itself can be updated at any point in the process. Given the technical nature of local plan/CIL preparation the early stages of the process are critical to ensure that sufficient time is allowed to explore all options and undertake robust assessments to avoid a successful challenged later.
<i>Other</i>		

11 SUPPORTING INFORMATION:

- 11.1 The requirement for a review of the Local Plan was raised by the Inspector who examined Local Plan Part 2 in 2016. His conclusion was that there was a need for a complete review to commence in 2018 so that adoption could take place no later than 2021, and to 'roll forward' the plan to 2036. In the last year the Government has reverted to a 'top down' approach to setting the housing delivery requirement for every local planning authority (except National Parks) by producing an 'Objectively Assessed Need' (OAN) figure for each one to meet. There is no simple process to 'opt out' of meeting the OAN and it represents the starting point for all Local Plan preparation in relation to residential development. If a Council decides not to follow the OAN published it can expect significant challenge at the local plan examination and will need substantial evidence to demonstrate why the OAN is not appropriate. One or more local Strategic Housing Market Assessments (SMHA) will determine how the OAN is broken down into different categories of need i.e older persons, affordable etc. This will also address the issue of need for accommodation for students which has been raised by members in relation to Winchester itself (Notice of Motion considered at Council 11 October 2017 refers). Outcomes from the SHMA will be influential in determining the options for growth.
- 11.2 The Local Plan Regulations 2012 have recently been amended (new Regulation 10a) to include reference to reviewing local plans. This states '*in respect of a local plan, the review must be completed every five years, starting from the date of adoption of the local plan*'.
- 11.3 The Council monitors housing delivery through publication of an annual Authorities Monitoring Report. The latest version, published in December 2017, concludes that the Council has a 7.4yr housing land supply for the period 2018 -23. This exceeds the Government requirement of 5 years. With sites allocated in both Local Plan part 1 and 2 now delivering on site, this places the Council in a strong position in the short term, but reinforces the importance of an up to date Local Plan.
- 11.4 This Local Plan will only cover that part of the District outside the South Downs National Park (SDNP), as the SDNP has recently submitted its own plan for examination.
- 11.5 The existing Local Plan part 1 and 2 cover the period 2011 to 2031. Given the Government's requirement to revise local plans every 5 years, it seems logical to roll forward the plan period to 2036 rather than looking further ahead into an increasingly uncertain economic and demographic picture. Therefore the new plan period will run from 2016 to 2036, so all completions and planning permissions granted since 2016 will contribute to the revised OAN. It will be necessary to review the development strategy and then consider what further allocations (if any) are necessary in the various locations depending on the numbers and strategy resulting. It may be possible to express in the local plan a longer term approach but without the detail to enable this to evolve through

the collation of evidence and engagement, and then to be translated into draft policy at the first review stage.

- 11.6 A key consideration in the revised planning guidance is in relation to the financial viability of sites. The new guidance requires that viability assessment is carried out at the plan making stage to ensure that all allocated sites are viable and to reduce as far as possible the requirement for subsequent appraisal of particular schemes at the application stage. Plans should be informed by evidence of infrastructure costs and the impact of affordable housing on the ability of sites to deliver, as well as other relevant policies, local and national standards, and CIL contributions. The overall assessment of viability should inform policies to ensure that that the total cumulative cost of all relevant policies is not of a scale that will make any reasonable proposed development unviable. This new requirement is onerous and may have an impact on policy requirements such as the level of affordable housing (currently 40%) which is sought.
- 11.7 The current adopted development strategy for the District (excluding SDNP), is the identification of three spatial areas with accompanying vision and objectives and development requirements – Winchester Town, Market Towns and Rural Area and South Hampshire Urban Area. These were created following extensive evidence and community and stakeholder engagement. It will be necessary as part of the evidence gathering to determine if this strategy is still appropriate, although initial feedback suggests the strategy is understood and works well in allowing for more focussed policies in the defined areas.
- 11.8 Emerging national guidance suggests that Councils can identify plans with strategic priorities and for local policies, which can come forward in a single district wide local plan or part of a neighbourhood plan or a local plan covering a smaller area. The strategic policies should look ahead over a minimum 15 year period from adoption.
- 11.9 The preparation of a new Local Plan will impact on the Denmead Neighbourhood Plan which was formally made in April 2015 and carries the same weight as an adopted Local Plan but which must be in conformity with the adopted Plan.
- 11.10 Denmead Parish Council has indicated its desire to up date the neighbourhood plan, rather than for Denmead to fall back under the District wide Local Plan. An issue to be resolved will be the proportion of development growth to be apportioned to the neighbourhood plan area.
- 11.11 One of the proposed changes in the NPPF is for local authorities to prepare 'statements of common ground' with neighbouring local planning authorities and other strategic partners, in recognition of the requirement to plan more strategically across borders. Of particular note is the requirement to plan for any OAN from one authority to be met by its neighbours if that authority genuinely cannot accommodate it within its own boundary. Given Winchester's location surrounded by a number of local authorities, some of

which have limited development opportunities, this is an issue that is likely to provoke some debate. This does indicate a continuing need for inter authority arrangements such as the Partnership for Urban South Hampshire (PUSH), where discussions like this have been managed for a number of years. Revised guidance suggests statements of common ground are updated through the plan making process and regularly published.

- 11.12 In accordance with the requirement for the Council to maintain an up to date database of sites, a 'call for sites' was initiated in January 2018, seeking suggestions from any landowner/promoter wishing for their site/s to be considered through a future Local Plan process. This is referred to as the Strategic Housing and Economic Land Availability Assessment (SHELAA), over 200 sites were submitted and officers are currently assessing these. It should be stressed that the SHELAA is not a list of sites which the City Council considers will be developed. It is a mandatory database of sites put forward by those who wish them to be considered and will include sites with no prospect of development as well as those which may have merit when assessed in due course.
- 11.13 To formally launch preparation of a Local Plan it is necessary to issue a formal 'commencement notice'. Under Regulation 18 of the Town and Country Planning (Local Planning) (England) Regulations 2012, section 18(1)(a) and (b), there is a requirement to notify each of the bodies/persons specified in the legislation of the commencement of the preparation of the Local Plan and invite them to make representations about what it should contain.
- 11.14 The usual methods of communication and consultation will be utilised together with an on-line form for completion on Citizenspace. This process will commence in late July 2018 for 8 weeks allowing for feedback over the summer. The Council will extend the invitation to anyone with an interest in the Local Plan and ensure that there is wide publicity to enable all to respond. It should be made clear that this is simply the stage at which the Council gives notice that it intends to produce a plan and seeks views on the mechanics. It is not an invitation for submissions about sites. However, the Council cannot stop landowners and developers from publicising their ideas, sites or responses.
- 11.15 At this stage no documents are published for consultation. Responses will be collated into themes emerging and will be reported to Cabinet (Local Plan) Committee in due course.

Next Steps – key milestones

- 11.16 The Local Development Scheme establishes the broad timeframe for preparation of both the Local Plan and for updating CIL. The early stages of evidence gathering and engagement are often referred to as 'frontloading'. It will be necessary to report feedback from engagement, along with the

evidence reports to Cabinet (Local Plan) Committee on a regular basis over the next year.

- 11.17 The results from the frontloading will inform preparation of the development strategy and this will in turn lead to the identification of sites for development. Finally, it will be possible to present a draft plan for consultation. The LDS states that consultation on the draft plan will occur at the end of 2019. That would be the first time the draft policies and proposals are presented and inevitably this is a controversial process and one which generates a considerable number of representations which take time to process and follow up. Additional technical advice may be required and further consultation undertaken. The LDS therefore, allows several months between this stage and the next, which is when the final draft of the plan is published and the consultation focusses on whether the plan complies with the 'tests of soundness'.
- 11.18 This version of the local plan is presented to Council, as it is the version of the local plan the Council wishes to adopt, prior to submission for examination by an independent planning inspector. The LDS envisages this in Spring 2021 with examination hearings in the summer and adoption by the end of 2021.

12 OTHER OPTIONS CONSIDERED AND REJECTED

- 12.1 The Local Plan is a key document in the delivery of sustainable development across the District. A Local Plan that is out of date carries less weight in the decision making process and indeed could result in more applications being allowed on appeal. If the Council fails to produce a Local Plan on time it lays its communities open to unplanned development (so called 'planning by appeal') and may itself be the subject of Government intervention.
- 12.2 It is therefore in the interests of all communities and stakeholders for the Council to progress with the new Local Plan as expressed in this report.

BACKGROUND DOCUMENTS:-

Previous Committee Reports:-

CAB2994(LP) : Update on Local Development Scheme, 4 December 2017

Other Background Documents:-

None

APPENDICES:

None