

CABINET
24 November 2014

***PART 1 – PUBLIC DOCUMENT**

AGENDA ITEM No.

TITLE OF REPORT: NORTH HERTFORDSHIRE LOCAL PLAN - PREFERRED OPTIONS

REPORT OF THE STRATEGIC DIRECTOR OF PLANNING, HOUSING AND ENTERPRISE
PORTFOLIO HOLDER: COUNCILLOR DAVID LEVETT

1. SUMMARY

- 1.1 This report invites Cabinet to recommend that Full Council approves for consultation purposes a 'preferred options' draft of the North Hertfordshire Local Plan.
- 1.2 This report sets out the background to the main strategic decisions which the Local Plan needs to take and the process for the next stages of the Local Plan.

2. RECOMMENDATIONS

- 2.1 That Cabinet recommends to Full Council that the Local Plan Preferred Options paper included as Appendix A is approved for consultation purposes.
- 2.2 That Cabinet recommends to Full Council that the Local Plan Preferred Options paper's supporting evidence studies listed at paragraph 8.16 are published alongside it to inform the consultation process.
- 2.3 That Cabinet approve for consultation purposes the proposed amendments to the Statement of Community Involvement included as Appendix B.
- 2.4 That Cabinet recommends to Full Council that delegated authority is given to the Head of Development and Building Control to approve minor amendments in conjunction with the Portfolio Holder for Planning and Enterprise or typographical corrections to the documents as may be necessary before the consultation period begins.

3. REASONS FOR RECOMMENDATIONS

- 3.1 To allow consultation on the Local Plan Preferred Options paper and Statement of Community Involvement to be undertaken.

4. ALTERNATIVE OPTIONS CONSIDERED

- 4.1 The Council has a statutory duty to keep its Local Plan under review. Failing to prepare a Local Plan therefore carries significant risks. Significantly delaying preparation of the Local Plan would carry similar risks, limiting the Council's ability to properly manage development. Options as to what the plan could contain are discussed later in the report.

5. CONSULTATION WITH EXTERNAL ORGANISATIONS AND WARD MEMBERS

- 5.1 The Portfolio Holder for Planning and Enterprise has been kept informed on the matters set out above. The Local Plan Working Party has discussed the draft plan, and all members have been offered the opportunity to be briefed on the emerging contents of the draft plan.

6. FORWARD PLAN

- 6.1 This report contains a recommendation on a key decision that was first notified to the public in the Forward Plan on the 19th September 2014.

7. BACKGROUND

- 7.1 As the local planning authority, North Hertfordshire District Council has to prepare a Local Plan and keep it under review. The Local Plan has to set out the Council's plans for the area, including allocating sites for development, identifying areas to be protected from development and setting the policies to be used when determining planning applications.
- 7.2 North Hertfordshire has had three Local Plans to date. Local Plan No.1 was adopted in 1984, Local Plan No.2 in 1992 and Local Plan No.2 with Alterations in 1996. The 1996 plan was a partial review of the 1992 plan, and did not allocate any new areas of land for development. It is therefore over 22 years since this Council adopted a plan which identified development sites.
- 7.3 Since 1996 work has been ongoing towards preparing a new plan, but has never finished. Draft Local Plan No.3 in 2000 was withdrawn after a change in government policy required significant additional evidence to be prepared. Under new legislation in 2004 the Local Plan process was renamed the 'Local Development Framework', but reverted to its former name in 2012. The Council published several consultation papers between 2005-2009 under the banner of the Local Development Framework. At this time plans had to conform with the East of England Plan, which formed the regional plan.
- 7.4 The draft plan being presented today is a continuation of the draft plans prepared under the guise of the Local Development Framework. It has had to take into account the changes of circumstance associated with the dismantling of the regional tier of planning policy between 2010-2013. There have also been significant changes in national planning policy and legislation, including the introduction of the 'duty to co-operate' under the Localism Act 2011, which seeks to address the gap left by the removal of regional plans.
- 7.5 The Government replaced the old suite of planning policy guidance and statements in March 2012 with the single National Planning Policy Framework (NPPF). During 2013 the Council published two consultation papers on overall levels of housing and possible housing sites. Since then the Government has published the Planning Practice Guidance (PPG) in March 2014, which gives further information on how national planning policy should be applied.
- 7.6 The importance being placed on having an up-to-date plan has been gradually increasing. Councils have long been supposed to maintain a sufficient supply of housing land to meet needs for the next five years. The NPPF and PPG have increased the risks for a district which cannot show a five year supply of housing land. The NPPF effectively allows development to occur in areas not normally earmarked for housing if there is no five year supply. There were two ways of calculating five year

supply figures in common usage; the PPG stipulates that the more demanding of the two should be used. North Hertfordshire cannot currently demonstrate a five year supply of housing land.

- 7.7 When it comes to determining planning applications it is clearly useful to have up to date policies. This is particularly so for policies which have a direct financial impact on development, such as affordable housing provision and contributions towards infrastructure. One particular area of concern is the Community Infrastructure Levy (CIL) which has been introduced to partially replace the section 106 obligations currently used to collect money from developments. A district can only introduce a CIL if it has an up to date Local Plan. Whether or not districts have a CIL, restrictions are being placed on the use of section 106 obligations. Should it be decided at a later date that a CIL is beneficial for North Hertfordshire, it could only proceed if there is an up to date Local Plan in place.

8. ISSUES

Strategic Options

- 8.1 The Housing and Settlement Hierarchy Background Paper explains how the overall number of homes in the plan has been derived. The level of new homes is the major driver of many of the other policies. The plan proposes 12,100 homes over the period 2011-2031 to meet North Hertfordshire's own needs, plus an allowance of 2,100 to meet unmet need from the Luton housing market area, giving a plan total of 14,200 homes.
- 8.2 In order to meet the proposed level of housing, the plan proposes to carry out a Green Belt review. The Strategic Housing Land Availability Assessment found that the maximum level of housing which could be delivered without use of Green Belt land is about 4,600 homes. This is clearly well short of the district's objectively assessed need. The distribution of non-Green Belt sites is also skewed towards smaller villages in parts of the district remote from the main population centres. Therefore such an approach would do little to meet the needs of the main population centres, notably the three adjoining towns of Hitchin, Letchworth Garden City and Baldock, which between them account for nearly two thirds of the district's population.
- 8.3 Three main alternatives are therefore considered. The plan could either do a Green Belt review to accommodate its own needs, try and find more land in the non-Green Belt parts of the district (probably involving compulsory purchase of land), or seek to find another district to take North Hertfordshire's unmet needs. (For clarity, Green Belt is not the same as the rural area. The rural areas of the district around Royston and a band of villages from Pirton down to Whitwell are not classed as Green Belt.) These options are considered in the Spatial Strategy section of the Sustainability Appraisal. The NPPF at paragraph 84 says that:

“When drawing up or reviewing Green Belt boundaries local planning authorities should take account of the need to promote sustainable patterns of development. They should consider the consequences for sustainable development of channelling development towards urban areas inside the Green Belt boundary, towards towns and villages inset within the Green Belt or towards locations beyond the outer Green Belt boundary.”

- 8.4 The Sustainability Appraisal concludes that the most sustainable of these options is to review the Green Belt.
- 8.5 We therefore turn to the Green Belt Review. The overarching purpose of the Green Belt in North Hertfordshire is to control the growth of London. Green Belts are only

established around major cities. The Green Belt Review considers how each parcel of land in the current Green Belt performs against the purposes of Green Belts as set out in the NPPF, and what contribution each possible development site makes.

- 8.6 The NPPF does allow that Green Belt may be a designation which militates against a district meeting its objectively assessed need. From the publication of the NPPF in March 2012 this was implied by a footnote to paragraph 14, and on 6 October 2014 similar wording was introduced into the PPG as a new paragraph. Officers believe that the press release from DCLG which accompanied that 6 October change to the PPG overstated the effect the change would have, which was then further exaggerated in some of the subsequent press coverage. Given that the new paragraph effectively restates something which was already in the NPPF, it is not considered that the new paragraph is a material change of policy. The experience of authorities elsewhere in trying to get plans through since the publication of the NPPF therefore remains highly pertinent on the question of whether or not to release Green Belt.
- 8.7 In essence, the ability to use Green Belt to reduce housing targets requires exceedingly robust evidence (through some form of Green Belt review study) which shows that every part of a district's Green Belt is so essential to the purposes of a Green Belt that none of it can be released. Even if that level of evidence were to be established, the district would still have to consider the sustainability implications of a strategy which deflected their growth elsewhere. As far as can be established, since the NPPF came out only one district with Green Belt has published a plan without a Green Belt review and been found sound (Cannock Chase); and that was because the local level of need for housing was sufficiently low that it could be met within the existing urban areas.
- 8.8 The Green Belt Review finds that there are parts of land which, whilst they contribute to the overall Green Belt, are not essential for the fundamental purpose of the Green Belt of preventing towns from merging. Coupled with the Sustainability Appraisal's finding that it is better to meet needs in such a way that the main population centres of the district are able to take growth, the plan proposes amending Green Belt boundaries accordingly.

Main contents

- 8.9 The plan proposes allocating sites for development which are largely spread across the towns and villages. The specific sites are listed in Chapter 12 of the draft plan and shown on the Proposals Maps. Each town and most villages have some housing sites identified. That said, it is acknowledged that the growth is distributed unevenly. The plan has sought to identify the best sites for growth best on sound planning evidence. Insisting on proportionate growth of each settlement would lead to the use of less desirable sites in areas where the choice was limited, and not using better opportunities in other areas simply because that area had a surplus of good sites.
- 8.10 The main housing sites (those for 1,000 or more homes) in the plan are:
- Blackhorse Farm, north of Baldock (2,800 homes);
 - North of Letchworth (1,000 homes);
 - North of Stevenage (1,000 homes); and
 - East of Luton (2,100 homes – as an allowance towards the unmet need from the Luton housing market area).
- 8.11 The draft plan proposes that each of these sites will see a masterplan prepared to guide the development in more detail.

- 8.12 The Strategic Housing Land Availability Assessment (November 2014) identified a long-list of sites with a total possible capacity of about 20,500 homes. The plan needs to use most of these in order to reach the targets. The largest sites which passed the tests of the SHLAA but are not proposed for allocation are West of the A1(M) at Stevenage and Priory Fields at Hitchin. The Housing and Settlement Hierarchy Background Paper discusses the West of Stevenage site and finds that it is not certain how deliverable the site is currently and there is no current level of need from Stevenage justifying it. However, it also shows that the indications are that Stevenage's needs will be increasing, whilst the Local Enterprise Partnership is looking for ways of increasing growth in this part of the A1 corridor. The plan therefore proposes removing the site from the Green Belt and identifying it as safeguarded land, to be brought forward as and when circumstances require.
- 8.13 The plan proposes sufficient employment sites to enable a net increase of 3,600 jobs based in the district. This level of jobs may, on the face of it, seem low by comparison to the number of new homes. The proposed level of new jobs recognises that commuting patterns are unlikely to change and the district will continue to experience net out-commuting.
- 8.14 The plan does not propose any retail allocations, although the large housing sites north of Baldock, north of Stevenage and east of Luton would involve an element of on-site retail in the form of new neighbourhood centres (to be guided by the masterplans). The Retail Background Paper establishes that for the period up to 2021 there is no need for additional retail sites to be allocated. The strategy for this period is to concentrate on filling vacancies within town centres. Beyond that period the plan proposes reviews of the Town Centre Strategies as the best mechanism for considering levels of realistic and viable deliverable sites within town centres, to retain market share across the district.
- 8.15 The plan also includes a suite of policies to be used in determining planning applications. These policies set out the Council's approaches towards matters such as design, heritage, environmental protection, water usage, development in the rural areas and villages, transport, affordable housing, securing infrastructure funding, open space and community facilities, re-use of employment land and encouraging town centres to thrive. The chapter headings are:
- Vision and objectives;
 - Economy and town centres;
 - Countryside and Green Belt;
 - Transport;
 - Housing and development strategy;
 - Design;
 - Healthy communities;
 - Natural environment;
 - Historic environment;
 - Infrastructure and delivery; and
 - Communities

Evidence

- 8.16 The plan is supported by a number of evidence studies. Some studies were published earlier but remain pertinent to this draft plan, whilst several studies are being newly published alongside this draft. The newly published studies are:

- Sustainability Appraisal and Strategic Environmental Assessment of Local Plan Preferred Options paper (CAG consultants & NHDC, November 2014);
- Planning Constraints Matrix (NHDC, November 2014);
- Green Belt Review (NHDC, November 2014);
- Housing and Settlement Hierarchy Background Paper (NHDC, November 2014);
- Strategic Housing Land Availability Assessment 2014 Update (NHDC, November 2014);
- Retail Background Paper (NHDC, November 2014);
- Employment Background Paper (NHDC, November 2014);
- Green Space Standards Paper (NHDC, November 2014);
- Gypsy & Traveller Accommodation Assessment (Opinion Research Services, November 2014);
- Whole Plan Viability Study of Local Plan Preferred Options paper (Dixon & Searle Partnership, November 2014);
- Transport Modelling for cumulative impacts of Local Plan Preferred Options paper (AECOM, November 2014);
- Summary of Representations to Previous Consultations (NHDC, November 2014); and
- Site Selection Matrix (outlining how all the other studies have informed the choices of sites proposed in the plan) (NHDC, November 2014).

8.17 Of the previously published studies, those most relevant to the current draft plan are:

- Strategic Housing Market Assessment (Opinion Research Services, January 2013);
- Employment Land Review (Regeneris Consulting, February 2013);
- Town Centre and Retail Study (Nathaniel Lichfield and Partners, December 2013);
- Strategic Flood Risk Assessment (July 2008);
- Rye Meads Water Cycle Study (Hyder Consulting, October 2009);
- Royston Sewage Treatment Works Water Cycle Study (NHDC, August 2012);
- Green Space Study (Land Use Consultants, August 2009);
- Green Infrastructure Plan (Land Use Consultants, August 2009);
- Landscape studies for South West of Hitchin, North of Letchworth, East of Luton, Rush Green, North of Stevenage, North East of Stevenage, West of Stevenage, Baldock and Little Wymondley (various authors and dates);
- Habitats Regulations Assessment Screening Report (NHDC, February 2013);
- Infrastructure Delivery Plan (NHDC, January 2013); and
- Infrastructure for larger Additional Location Options (NHDC, July 2013).

Next stages

- 8.18 The Local Plan Preferred Options paper is technically a consultation under Regulation 18 of the Town and Country Planning (Local Plans)(England) Regulations 2012. The consultation period would be for seven weeks, from 18 December 2014 to 6 February 2015.
- 8.19 After the Council has completed this round of consultation, there has to be one more round of consultation, known as the 'proposed submission' plan (under regulation 19). The adopted timetable ('Local Development Scheme') envisages the proposed submission plan being published for consultation in September 2015.
- 8.20 The proposed submission draft will take into account the findings of the next round of consultation and any new evidence published in the meantime. In particular it is worth

noting that a new Strategic Housing Market Assessment is to be prepared (jointly with Stevenage) before that proposed submission draft plan is prepared.

- 8.21 After the proposed submission draft plan has been consulted upon, the Council submits the plan and the representations made to the Secretary of State, who appoints an independent inspector to examine the plan to see whether it is legally compliant and sound (defined as justified, effective and consistent with national policy). The Council cannot adopt the plan unless the inspector concludes that the plan is legally compliant and sound.

Statement of Community Involvement

- 8.22 How the Council engages the public is set out in the Statement of Community Involvement. Since the Council's last Statement of Community Involvement was adopted in 2012, the use of social media has been increasing.
- 8.23 One particular area it would be useful to clarify is the way in which the Council will treat petitions as representations to the Local Plan. Such petitions will continue to be received if they meet the criteria for petitions set out in the Council's constitution (and it is not proposed to change those rules).
- 8.24 The Council is supportive of local groups sharing information via social media as a way of reaching a wider audience than traditional consultation methods. That said, there are limitations to the extent to which the Council can monitor comments made on such platforms.
- 8.25 It is therefore proposed to add a section to the Statement of Community Involvement clarifying that the only comments the Council can take into account are those submitted directly to the Council through either our own online consultation system, e-mail to the specified e-mail address or in writing. Petitions (including online petitions) will only be considered if they are formally submitted to the Council and will be registered with the petition originator's details as the contact.
- 8.26 As the Council has to consult before making changes to the Statement of Community Involvement, it is proposed that consultation on this extra section of the SCI will be carried out in parallel with the Local Plan Preferred Options paper.

9. LEGAL IMPLICATIONS

- 9.1 The Terms of Reference for Cabinet confirm that they should exercise the Council's functions as Local Planning Authority except where functions are reserved by law to the responsibility of the Council or delegated to the Strategic Director of Planning, Housing and Enterprise. Full Council's terms of reference include adoption of Development Plan documents. Cabinet's terms of reference include advising the Council in the formulation of those policies within the Council's terms of reference.
- 9.2 Section 110 of the Localism Act 2011 sets out the duty to co-operate between local planning authorities and other prescribed bodies, to maximise the effectiveness in the preparation of development plan and other local development plan documents, so far as they relate to a strategic nature. These bodies should consider if they are able to work together jointly on such matters and must have due regard to any guidance given by the Secretary of State.
- 9.3 The process for preparing the Local Plan is set out in the Planning and Compulsory Purchase Act 2004 (as amended) and the Town and Country Planning (Local Planning)(England) Regulations 2012.

10. FINANCIAL IMPLICATIONS

- 10.1 The costs of running a consultation are covered in existing budgets.
- 10.2 Failure to have an up to date Local Plan has a number of potential financial risks. Without an up to date Local Plan, the Council is unable to introduce a Community Infrastructure Levy, thus limiting future options for how the Council may wish to secure financial contributions from development.
- 10.3 Without an up to date Local Plan, the likely levels of New Homes Bonus received will be lower.
- 10.4 Without an up to date Local Plan the Council is increasingly vulnerable to planning applications in areas where it may wish to resist development. The cost of trying to resist developments is generally far higher than the cost of negotiating developments supported by an up to date Local Plan.
- 10.5 The cost of preparing a Local Plan is significant. A Local Plan which has to redo significant areas of work at the examination stage will incur considerable costs that may be avoided if the plan takes the appropriate decisions from the start.

11. RISK IMPLICATIONS

- 11.1 Sustainable Development of the District and the Local Plan are both Cabinet Top Risks. The Sustainable Development of the District risk has two sub risks; National & Regional Planning issues and Neighbouring Authorities. Failure to make timely progress on the Local Plan would increase the likelihood of these risks occurring.
- 11.2 The Local Plan is assessed as one of the highest risks that NHDC currently faces. The identified consequences on the Local Plan risk include
- Development not sustainable;
 - Development harms the environment;
 - Needs for housing and other development fail to be properly met;
 - Hostile planning applications if Local Plan found unsound or delayed;
 - Hostile planning applications for development due to lack of five year land supply; and
 - Costs of challenge.
- 11.3 Agreeing the recommendations in this report will enable the Council to progress with the Local Plan. It is accepted that the Local Plan Preferred Options paper is likely to be controversial and will generate a considerable amount of response to the consultation.
- 11.4 The draft plan has sought to reflect work undertaken with other authorities on strategic matters. In particular it makes an allowance for growth from the Luton housing market area, and safeguards land for the longer term for growth in the Stevenage area. It needs to be acknowledged that formal agreement of the respective authorities affected by these matters has still yet to be reached. Approving this consultation will hopefully demonstrate the Council's willingness to seriously engage on such matters and allow constructive talks to continue before finalising the next Proposed Submission draft plan.

12. EQUALITIES IMPLICATIONS

- 12.1 The Equality Act 2010 came into force on the 1st October 2010, a major piece of legislation. The Act also created a new Public Sector Equality Duty, which came into

force on the 5th April 2011. There is a General duty, described in 12.2, that public bodies must meet, underpinned by more specific duties which are designed to help meet them.

12.2 In line with the Public Sector Equality Duty, public bodies must, in the exercise of its functions, give **due regard** to the need to eliminate discrimination, harassment, victimisation, to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.

12.3 There are not considered to be any direct equality issues arising from this report.

13. SOCIAL VALUE IMPLICATIONS

13.1 As the recommendations made in this report do not constitute a public service contract, the measurement of 'social value' as required by the Public Services (Social Value) Act 2012 need not be applied, although equalities implications and opportunities are identified in section 12.

14. HUMAN RESOURCE IMPLICATIONS

14.1 There are no new human resource implications arising from the contents of this report. It is part of existing allocated resources.

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16. APPENDICES

Appendix A: Local Plan Preferred Options paper.

Appendix B: Proposed amendments to Statement of Community Involvement.

17. BACKGROUND PAPERS

The Proposals Maps to accompany the Local Plan Preferred Options paper will be made available online, and a paper copy will be available for inspection before the Cabinet and Full Council meetings at the Council Offices.

Other Background Papers are as set out in paragraphs 8.16 and 8.17 above. These will all be available online at www.north-herts.gov.uk/localplan or can be viewed at the Council Offices.