CABINET

9 July 2024

PART 1 – PUBLIC DOCUMENT

TITLE OF REPORT: STRATEGIC PLANNING MATTERS

REPORT OF: IAN FULLSTONE, SERVICE DIRECTOR - REGULATORY

EXECUTIVE MEMBER: CLLR CHRIS HINCHLIFF, EXECUTIVE MEMBER FOR PLANNING & TRANSPORT

COUNCIL PRIORITY: PEOPLE FIRST / SUSTAINABILITY / A BRIGHTER FUTURE TOGETHER

1. EXECUTIVE SUMMARY

1.1 This report identifies the latest position on key planning and transport issues affecting the District.

2. RECOMMENDATIONS

2.1. That the report on strategic planning matters be noted.

3. REASONS FOR RECOMMENDATIONS

3.1. To keep Cabinet informed of recent developments on strategic planning matters.

4. ALTERNATIVE OPTIONS CONSIDERED

4.1. None

5. CONSULTATION WITH RELEVANT MEMBERS AND EXTERNAL ORGANISATIONS

5.1. The Executive Member has been briefed on the relevant matters in this report. Matters such as Biodiversity Net Gain, the Grange Recreation and progress on Strategic Sites have been reported to the Council's internal, informal Strategic Planning Project Board. This includes cross-party representation from all political groups. The Project Board is chaired by the Executive Member for Planning & Transport. Local ward members have been invited to participate in relevant meetings of the Board

6. FORWARD PLAN

6.1 This report does not contain a recommendation on a key Executive decision and has therefore not been referred to in the Forward Plan.

7. BACKGROUND

7.1. Members will be aware of, and familiar with, many of the issues surrounding the strategic planning matters referred to in paragraph 1.1 above. This report is intended to provide Members with the current positions on the following key matters where there has been substantive change since the report in March 2024.

8. RELEVANT CONSIDERATIONS

Local Plan Review

- 8.1. Cabinet resolved, in January, that a full review and update to the North Herts Local Plan is undertaken (see links in Background Papers below). The resolutions included, in summary, that:
 - A full review and update of the Plan be undertaken
 - That work begins on the underlying evidence studies that will be required
 - That a further report on the scope and timetable is presented to Cabinet once relevant national policies and legal regulations are published
- 8.2. Update work has commenced to provide a robust evidence basis for the update of the Local Plan. However, Central Government are still yet to issue any guidance or secondary legislation relating to the new Local Plan process set out in the Levelling-up and Regeneration Act 2023.
- 8.3. It is expected that this will be published towards the end of the year. However, this could change dependant on the outcome of the General Election. Indeed, further changes to the planning system may be made if there is a change in leadership of the country.
- 8.4. The Strategic Planning Team continue to undertake update work on the evidence base of the Local Plan update and we will report further when there is some certainty relating to the plan-making process.

Town Centre Strategies

- 8.5. A Town Centres and Retail Study was commissioned by the Council in November 2023. This was commissioned to provide an evidence base for the early review of the Local Plan, and for the preparation of a Town Centres Strategy and Action plans. To aid the evidence gathering, two surveys and one workshop has been undertaken to date via the Council's appointed consultants, Lichfields. These are:
 - A residents' survey January and February 2024. This was a survey by telephone to land and mobile phones, targeting residents in North Herts and surrounding postcodes.
 1,001 respondents gave their likes and dislikes on the District's town centres and provided information on their shopping and leisure visits. Questions covered shopping habits, such as shopping destinations (including on-line), for their clothes and food shopping, parking, and linked visits.
 - A stakeholder survey March to May 2024. This survey was prepared to target specific stakeholders, including Business Improvement District (BID) managers, landowners,

- property management agencies, local charities, colleges, societies, and trusts. The survey included questions on the health of North Herts four town centres, both pre and post Covid, the strengths and weaknesses of the towns, and any suggested improvements.
- A stakeholder workshop June 2024. Some 22 stakeholders from the groups listed above, with representatives of the Council attended an in-person event where they received a presentation on the initial findings from the Town Centres and Retail Study following the information that has been gathered to date including the two surveys. The workshop was an opportunity to seek further input from the stakeholders around retaining retail/leisure market share, retail floorspace projections, seeking the right balance between retail and leisure/other town centre uses, reviewing the shopping frontages and the town centre boundaries and their associated policy implications in meeting North Herts retail needs over the next 10 years.
- 8.6. All comments were documented and will assist our consultants in finalising the draft study, to then be submitted to officers for comment and sign off in consultation with the Executive Member and Deputy for Planning and Transport in July 2024.
- 8.7. The draft Town Centres Strategy is under preparation, and it is the leading officers' intention for this work to be presented to Cabinet/Members for wider consultation in the Autumn. The Town Centres Strategy once adopted in early 2025 will guide and inform the Council and its partners on actions needed to ensure the vitality of our town centres going forward. It will provide guidance and recommendations for the preparation of action/masterplans for each town centre and help with funding applications. It will also assist with the review of the Local Plan and provide an up-to-date evidence base for any development and partnership working in North Herts town centres.

Biodiversity Net Gain

- 8.8. Biodiversity Net Gain (BNG) requires developers to provide at least 110% of the biodiversity value found on the site prior to their development. The biodiversity gain hierarchy must be followed where BNG should be delivered through on-site habitat, off-site habitat, or, as a last resort, via the purchase of statutory biodiversity credit.
- 8.9. BNG is now mandatory for all developments with some <u>exemptions</u> including self-build, retrospective and householder applications. It is expected to extend to Nationally Significant Infrastructure Projects, from November 2025.
- 8.10. Under the statutory framework for BNG, every grant of planning permission is deemed to have been granted subject to the condition that the biodiversity gain objective is met ("the biodiversity gain condition"). The biodiversity gain condition is a pre-commencement condition: once planning permission has been granted, a Biodiversity Gain Plan must be submitted and approved by the local planning authority before commencement of the development. Suggested text for decision notices have been provided though are discretionary. NHC still not issued any decision requiring the biodiversity gain condition yet.
- 8.11. Planning technical support officers are triaging applications to determine if BNG applies and ensuring a statutory metric is submitted. The Council's new senior ecologist, Liz Anderson, will be overseeing our approach to BNG.

- 8.12. Government has issued, and subsequently updated, <u>Planning Practice Guidance on BNG</u>. This, together with statutory instruments and a series of templates including a biodiversity gain plan template and a habitat management and monitoring plan template, can be used by local authorities, developers, and landowners/mangers to support the process of securing BNG through development.
- 8.13. Alongside BNG, the Council is subject to a wider Biodiversity Duty that is placed on all local authorities by the Environment Act. This includes additional considerations, such as whether the Council wishes to take on BNG management responsibilities or make its own land holdings available for BNG improvements. Discussions are ongoing with the legal team.

Proposed Expansion of Luton Airport

- 8.14. Luton Rising (LR), submitted their application for a Development Consent Order (DCO) involving the expansion of Luton Airport from 18 million passengers per annum (mppa) to 32mppa (including a new terminal and associated infrastructure) to the Planning Inspectorate (PINS) on 27 February 2023. The project is defined as a Nationally Significant Infrastructure Project given the scale of the proposed passenger numbers. The Examination process ran for 6 months from 10 August 2023 to 10 February 2024.
- 8.15. The three Hertfordshire Hosts Authorities, i.e., North Herts Council (NHC), Hertfordshire County Council (HCC) and Dacorum Borough Council (DBC) have been fully engaged in the process and committed substantial resources. The three Hertfordshire hosts have had specialist technical teams and lawyers engaging in the Examination on their behalf. This has involved responding to submissions made by the applicant, responding to requests and written questions from the Examining Authority, appearing at Issue Specific Hearings, making formal submissions at the various submission 'Deadlines' set by the Examining Authority, negotiating over the terms of the draft Development Consent Order (i.e. the planning permission, were it to be forthcoming), and negotiating the terms of a s106 legal agreement, again supporting the planning permission, were it to be forthcoming. Details on the process have been reported regularly to Members via Cabinet and MIS over the last 6 to 8 months.
- 8.16. Following the closure of the Examination the Examining Authority must produce its report making recommendations to the Secretaries of State within 3 months. The recommendation by the Examining Authority was sent to the Secretary of State on 10 May 2024. Within 3 months of receipt of the report the Secretaries of State should issue a decision. Due to the General Election, and as set out in the Secretary of State for Transport Ministerial Statement made on 24 May 2024, the decision date has been pushed back from 10 August to 4 October 2024.
- 8.17. Full details of all documents submitted as part of the Examination process and updates can be viewed on the PINS website at: <u>London Luton Airport Expansion All project updates (planninginspectorate.gov.uk)</u>

Grange Recreation Ground Vision Project

- 8.18. The Grange Recreation Ground is located on the (present) northern boundary of Letchworth Garden City. It is owned and managed by the Council. The southern boundary of the Recreation Ground adjoins the residential area of The Grange. The remaining three sides of the recreation ground are currently undeveloped but this adjoining land is allocated as a strategic housing site in the Council's adopted Local Plan (Site LG1). The Grange Recreation Ground will become a key interface between the existing and proposed new communities.
- 8.19. The masterplan for LG1 is subject to a separate report to this meeting.
- 8.20. The Grange Recreation Ground Vision Project was endorsed by Project Board in February 2024, in response to the LG1 Strategic Site that is coming forward. The aim of the project is to identify key issues and challenges for users and non-users of the park by engaging with members of the public and key stakeholders through a series of workshops and public consultations. This information will be used to inform/create a vision document for the Grange Recreation Ground.
- 8.21. As we intend on engaging with the public throughout the visioning project, we are writing a Communication and Engagement Strategy which sets out our approach on how and when we will engage with members of the community and various stakeholders. It will also explore how we can increase diversity in public participation by reaching specific groups of people who are underrepresented in the community. Through the drafting of the Communication and Engagement Strategy, we have identified key stakeholders, and we have started to build connections with them to make them aware of the project.
- 8.22. The engagement strategy identifies the key stakeholders and sets out a programme of how and when engagement will take place with them and the public through a hierarchy of events from public consultations to more focussed stakeholder workshops. The programme proposes two public events, three stakeholder workshops with a final report expected to be published in March 2025.
- 8.23. In addition to the producing a Communication and Engagement Strategy, we are also carrying out a costing exercise looking at various scales of intervention for the Grange Recreation Ground providing a guide to minimum, medium and maximum indicative costs, based on current insight/ similar projects. This will help us structure future engagement to ensure designs are viable. Section 106 funding for the redevelopment of the Grange Recreation Ground will be required from all Letchworth Housing Allocations and we will explore external funding options as well. We will continue to update Cabinet on the progress of the Grange Recreation Ground Vision Project through future Strategic Planning Matters reports

Supplementary Planning Documents

Draft Sustainability Supplementary Planning Document (SPD) Consultation

8.24. The draft Sustainability SPD is being finalised and it is anticipated that it will be presented to Cabinet for adoption in September. This SPD has been delayed, in part, due to the re-

scheduling of various reports due to the General Election and the associated need to prioritise consideration of Masterplans for two of the strategic sites in the Local Plan.

Design Code SPD

- 8.25. The Levelling Up & Regeneration Act (November 2023) has made it mandatory for Councils to prepare an authority-wide Design Code for their area and include it as part of their Local Plan.
- 8.26. The Design Code SPD is being prepared with this requirement in mind. It will still be developed as an SPD in support of relevant policies in the adopted Local Plan. But now with the additional aim of incorporating any work into the approved review of the Local Plan.
- 8.27. A District Design Code 'Work Plan' is being prepared which will outline the proposed structure and scope, engagement strategy and draft programme to adoption. It is intended for this piece of work to be presented to the Strategic Projects Board in September for approval.
- 8.28. Many strategic sites are coming through the planning process making the timely adoption of the District Design Code essential in securing good quality design for the District. As such, it is proposed that the code is adopted in phases with requirements for larger sites first. It is being structured to allow for this phased approach.
- 8.29. The Code is envisaged as an online tool allowing users to filter design requirements by development type and area. The team are liaising with IT to ensure the Design Code website complies with NHDC IT protocol.
- 8.30. Officers continue to keep historic, adopted supplementary guidance under review and withdraw this from use as relevant replacement documents are brought forward, in line with previous Cabinet resolutions.

Neighbourhood Plans

- 8.31. The referenda for the Ickleford and Wallington Neighbourhood Plans took place on Thursday 14th March 2024. In both cases there was a vote in favour of the respective neighbourhood plans. The neighbourhood plans were "made" on 22 March 2024 and now form part of the statutory development plan for those parts of the District.
- 8.32. Codicote Parish Council have <u>published a draft neighbourhood plan for public consultation</u> in February. Officers prepared a response to the consultation document which is attached as Appendix A.
- 8.33. Barkway Parish Council and Nuthampstead Parish Meeting submitted the Barkway and Nuthampstead Neighbourhood Plan for public consultation in April 2024. The consultation period finishes on 25 June 2024 and officers will prepare a formal response which will be reported to a future meeting. Once the representations have been collated, officers will work with the Parish Council and the Parish Meeting to appoint an independent examiner.

Strategic Sites

8.34. The Strategic Planning Project Board continues to meet regularly. The status of work on the six, largest Strategic Sites in the Local Plan is summarised below:

Policy SP14: North of Baldock	Pre-application masterplan being prepared under a Planning Performance Agreement (PPA). Public consultation carried out on the proposed draft masterplan in late 2023. Further work is ongoing to explore options for education provision in further detail prior to finalising the masterplan for presentation later in the year.
SP15: North of Letchworth	This masterplan is subject to a separate report to this meeting.
SP16: North of Stevenage	This masterplan is subject to a separate report to this meeting.
SP17: Highover Farm, Hitchin	Work is ongoing to complete the s106 legal agreement following a resolution to grant permission by the Planning Committee in October 2023. A Design Code is currently being prepared for the site.
SP18: North-east of Great Ashby	Pre-application masterplan being prepared under PPA. Public consultation on a draft layout took place in May 2024 along with an independent Design Review of the emerging proposals.
SP19: East of Luton	Allocation-wide masterplan being prepared under PPA. Public consultation took place in January and February 2024. Work is ongoing to address the issues raised.

8.35. Other masterplans for significant sites are being progressed through a variety of PPAs, preapplication discussions and current planning applications lodged with the Council (Masterplans in current applications | North Herts Council (north-herts.gov.uk)).

Strategic Transport Issues

Hitchin station area eastern access

8.36. It has long been an aspiration of Hitchin members to have an eastern entrance to Hitchin railway station. Several studies commissioned by HCC culminated in 2022 in a proposal being worked up for an eastern extension to the pedestrian subway that connects the station platforms. This would run below the sidings to a new entrance and ticket barriers within what is currently an aggregates distribution yard. The estimated cost was in the region of £20m. NHDC members considered but rejected the idea of applying for Levelling Up funding because the financial risks to the Council would have been unacceptably high.

- 8.37. Since then, NHDC and HCC engaged the transport consultancy WSP to study options based on a broader remit of improving active travel access across the railway line in the vicinity of Hitchin station. That report identified areas that require input from Network Rail to gain a clearer understanding of what options are practically viable.
- 8.38. Currently, the Senior Transport Policy Officer is finalising an agreement with Network Rail to obtain their professional technical assessment of the options outlined in WSP's report.
- 8.39. There is also a need to identify funding opportunities, from future redevelopment of land around the station. That may be best approached through a planning brief or area action plan that engages the various landowners around the station and railway line.
- 8.40. A report will be brought to members once Network Rail's input has been obtained and amalgamated with WSP's report.

9. LEGAL IMPLICATIONS

- 9.1. Under the Terms of Reference for Cabinet, the Constitution states that it may exercise the Council's functions as Local Planning Authority and receive reports on strategic planning matters, applications for, approval/designation, consultation/referendums revocations (or recommend revocation) of neighbourhood plans and orders, (except to the extent that those functions are by law the responsibility of the Council or delegated to the Service Director: Regulatory).
- 9.2. The preparation of statutory plans and supporting documents is guided by a range of acts and associated regulations including the Planning and Compulsory Purchase Act 2004 (as amended) and the Localism Act 2011.
- 9.3. Under the Council's Constitution (14.6.10 (b) vii B) all functions relating to National Infrastructure Planning including co-ordination of the Council's response to any consultation, examination or other any other matter concerned with major infrastructure projects, is delegated to the Service Director Regulatory.
- 9.4. The preparation and adoption of the Supplementary Planning Document (SPD) is governed primarily by the Planning and Compulsory Purchase Act 2004 and the Town and Country Planning (Local Planning) (England) Regulations 2012 (as amended) ("the 2012 Regulations"). They require that the SPD be in conformity with the National Planning Policies Framework and not conflict with the adopted development plan. The 2012 Regulations state at regulation 12 that a local planning authority must undertake a process of public participation before it can adopt a SPD. Part of that process involves consulting with relevant persons, setting out the main issues raised by those persons and then explaining how those issues have been addressed in the SPD.
- 9.5. SPDs are not subject to independent examination in the same way that other planning documents are, however, there is still a process of consultation that must be undertaken in respect of such documents. Section 19(3) of the Planning and Compulsory Purchase Act 2004 specifically requires local planning authorities to comply with their adopted Statement of Community Involvement ("SCI").

- 9.6. Regulation 14 of the 2012 Regulations provides that the SPD can be adopted by resolution of the Council as a local development document. There is a requirement to publish the SPD and the adoption statement, soon after the resolution is passed, for a period of 3 months. The SPD can be judicially reviewed within a period of 3 months from when it is adopted. Once adopted, the SPD will supplement other planning documents.
- 9.7. The Localism Act (2011) and The Neighbourhood Planning (General) Regulations (2012) give power to Local Planning Authorities to approve a neighbourhood plan to proceed to referendum. Under the Neighbourhood Planning Act 2017 if the referendum results in a simple majority 'Yes' vote the Neighbourhood Plan will immediately form part of the Development Plan. Following this, the Council should 'have regard to a post-examination neighbourhood development plan when dealing with an application for planning permission, so far as that plan is material to the planning application'.

10. FINANCIAL IMPLICATIONS

- 10.1. The general costs of activities identified in this report are met through existing revenue budgets or benefit from external funding or other arrangements to recover costs.
- 10.2. Cabinet previously agreed on 27 June 2023 the use of £85k of reserve funding to respond to the London Luton Airport planning application being considered by the Planning Inspectorate. Previous work on the application has been funded from existing reserves. NHC has continued to work together with the other Hertfordshire Host Authorities through the process, where HCC and Dacorum BC are each contributing a greater amount.
- 10.3. At Cabinet on 06 February 2024, the Executive Member for Finance outlined the additional costs over and above the £85k that the Council was incurring in responding the examination process for Luton Airport. These additional costs, anticipated at being £50k, would be met from the Transport Forum budget that was no longer needed and from salary underspends.
- 10.4. Where possible funding has also been provided by Luton Rising (LR) through a Planning Performance Agreement (PPA) where North Herts along with the other host authorities (Herts County Council, Luton, and Central Beds) signed a PPA at the start of the process. The PPA has provided funding for the host authorities to engage consultants and legal expertise to review documents and submit comments on their behalf since the preconsultation stage up to and through the Examination process. The host authorities have written to LR requesting additional funding through the PPA to cover ongoing legal costs associated with the DCO application and negotiating S106 agreement which are all requirements requested by the Examining Authority as part of the process. LR have made it clear that no additional funding will be provided.

11. RISK IMPLICATIONS

- 11.1. Good Risk Management supports and enhances the decision-making process, increasing the likelihood of the Council meeting its objectives and enabling it to respond quickly and effectively to change. When taking decisions, risks and opportunities must be considered.
- 11.2. Delays to the publishing of secondary legislation relating to Local Plans poses risks to the progression of the Local Plan update. However, we will keep this under review.

12. EQUALITIES IMPLICATIONS

- 12.1. In line with the Public Sector Equality Duty, public bodies must, in the exercise of their 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.
- 12.2. There are not considered to be any direct equality issues arising from this report. Future individual schemes or considerations may well be subject to appropriate review to ensure they comply with latest equality legislative need. Any risks and opportunities identified will also be subject to assessment for impact on those that share a protected characteristic.

13. SOCIAL VALUE IMPLICATIONS

13.1. The Social Value Act and "go local" requirements do not apply to this report.

14. ENVIRONMENTAL IMPLICATIONS

14.1. Several of the schemes noted at section 8 will have considerable impact on the environment as they come to fruition. Many of these will be subject to their own statutory requirements for environmental assessment such as Sustainability Appraisal or Environmental Impact Assessment. The need for further assessment, for example where there is no statutory requirement, is considered on a case-by-case basis.

15. HUMAN RESOURCE IMPLICATIONS

15.1. Several posts have recently been successfully advertised and filled across the planning service. However, some of these were vacant for some time before being (re-)occupied which has resulted in certain workstreams being delayed. Additional capacity is currently provided by agency staff and consultants. Some of these costs are recovered through agreements associated with individual projects. The budget for 2024/5 includes further investment bids to ensure sufficient capacity across the planning service.

16. APPENDICES

Appendix A – Codicote Neighbourhood Plan

17. CONTACT OFFICERS

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18. Background Papers

Local Plan Review, report to Cabinet January 2024