

<b>Bath &amp; North East Somerset Council</b>		
<b>MEETING:</b>	<b>Cabinet</b>	
<b>MEETING DATE:</b>	<b>13<sup>th</sup> July 2011</b>	<b>EXECUTIVE FORWARD PLAN REFERENCE:</b>
		<b>E 2277</b>
<b>TITLE:</b>	<b>Local Development Scheme Review</b>	
<b>WARD:</b>	All	
<b>AN OPEN PUBLIC ITEM</b>		
<b>List of attachments to this report:</b>		
Annex 1 : B&NES draft Local Development Scheme 2011-2014		

## **1 THE ISSUE**

1.1 In order to ensure that the Council has the necessary Planning Policy tools in place to respond to the forthcoming changes in Local Government finance, the enactment of the Localism Bill and the delivery of its own objectives, the existing Local Development Scheme (programme for preparation of planning policy documents) must be reviewed. This includes a minor review of the Core Strategy timetable to enable proper consideration of issues raised by the Inspector following submission of the Draft Core Strategy for examination.

## **2 RECOMMENDATION**

The Cabinet agree that:

- 2.1 the revised Local Development Scheme 2011 to 2014 for B&NES attached as Annex 1 adoption
- 2.2 the Core Strategy examination hearings are rescheduled to enable consideration of the issues raised by the Inspector in his letter dated 3<sup>rd</sup> June 2011

### 3 FINANCIAL IMPLICATIONS

- 3.1 National changes to Local Government finance means that Local Authorities will be increasingly dependent on locally generated income i.e. Council tax receipts, business rates, New Homes Bonus, Community Infrastructure Levy (CIL) and other local income. Economic and housing growth will therefore be increasingly important in the generation of local income and so facilitating new development will be a key mechanism in limiting future budget reductions.
- 3.2 The Council therefore needs to ensure that its planning tools are geared up to respond to this agenda. At the same time as conserving and improving the District's distinctive character, development needs to be brought forward with a streamlined and efficient level of regulation in order to achieve the Council's Economic Vision. Section 5 below sets out the key elements of the revised LDS in response to this new financial agenda.
- 3.3 The Local Development Framework budget is sufficient to fund the work set out in the draft LDS. See also the other item on this agenda E2292 New Budget Contingencies – Allocation of Funds. The work undertaken on the Neighbourhood Planning Protocol will clarify the likely costs of implementing the Localism Bill in B&NES from 2012/13 onwards.

### 4 CORPORATE PRIORITIES

- *Building communities where people feel safe and secure*
- *Promoting the independence of older people*
- *Improving life chances of disadvantaged teenagers and young people*
- *Improving school buildings*
- *Sustainable growth*
- *Improving the availability of Affordable Housing*
- *Addressing the causes and effects of Climate Change*
- *Improving transport and the public realm*

### 5 THE REPORT

- 5.1 The main changes to the LDS are outlined below.
- Core Strategy**
- 5.2 The B&NES Core Strategy was submitted for examination 3/5/11 and the public hearing is due to start mid September. The Inspector's role is to assess whether the Core Strategy is sound, judged on prescribed criteria i.e. is the Core Strategy is;
- based on evidence (including results of public consultation),
  - the most appropriate option selected in light of the alternatives,
  - prepared in accordance with statutory procedures of consultation and sustainability appraisal,
  - deliverable,
  - in conformity with the Sustainable Community Strategy
- 5.3 Before the hearings, an Inspector assesses whether he thinks there are any fundamental flaws preventing the Core Strategy from proceeding to examination. If

the Inspector has concerns, and these cannot be allayed by the Council, then a public exploratory meeting is normally held.

### **Inspector's Initial assessment**

- 5.4 Following submission, the Inspector responded on 3/6/11 with a number of concerns about the B&NES Core Strategy, particularly;
- a) the relationship of Core Strategy with the Regional Spatial Strategy (RSS) (A legal ruling in May 2011 on the CALA case in South East England requires that Core Strategies should still conform generally with their RSS)
  - b) is the process whereby urban extensions were rejected is sufficiently explicit
  - c) There is lack of flexibility/contingency in the strategy if either housing delivery falters or economic/housing growth is greater than the Council is planning for
  - d) Inconsistency in the Council's position on economic growth i.e. the Core Strategy vs. LEP & B&NES Investment Prospectus
  - e) Affordable Housing needs are not adequately addressed
  - f) Whilst specific sites can be identified in the forthcoming Gypsies / Travellers site Plan, the scale of site provision for Gypsies and Travellers and Travelling Showpeople and the strategy for addressing this should be explained in the Core Strategy
  - g) Flood risk in relation to the delivery of sites in Bath and the implications of climate change
  - h) The existing approach to safeguarding minerals in the Local Plan should be included in the Core Strategy
  - i) Uncertainty around the Bath Package
- 5.5 The inspector is requesting a reply from the Council in early July. In order to give time to fully consider the issues he has raised, it is recommended that the hearings are rescheduled from September to December 2011 and this request will be put to the Inspector. However the exact timetable will depend on whether the Inspector considers an Exploratory Meeting is required before the hearings.

### **Facilitating Growth: The Placemaking Plan**

- 5.6 In order to facilitate development as described in paragraph 3.1 above, the Placemaking Plan will identify the key development opportunities and set out the planning requirements to bring these sites forward efficiently in order to achieve Council's economic vision as well as ensuring high quality development and enhancement of the District's highly valued environment. Without this policy, the Council will have limited control over the nature, quality and location of development. The programme for the Placemaking Plan will focus on site delivery and be accelerated after the Core Strategy examination.

### **Securing Infrastructure: Community Infrastructure Levy (CIL)**

- 5.7 Between July 2009 and March 2011 the Council has secured £13 million in developer contributions through planning consents. This excludes in-kind contributions such as affordable housing, on-site works, energy strategies/travel plans etc. CIL will replace S.106 developer contributions which will be significantly curtailed in 2014. It is estimated the Core Strategy could enable around £36 million up to 2026 to be raised through both CIL & s.106 contributions (although this is heavily dependent on the nature of the levy adopted. This is in addition to Affordable Housing. There is also the potential for CIL to be levied from commercial development such as retail, hotels and office development.

- 5.8 CIL is designed to fund infrastructure and will be a key mechanism for enabling future economic growth and housing. CIL is necessary to ensure a coordinated and efficient approach to the provision of infrastructure. However the CIL rate must be set at a level which does not inhibit growth. The CIL will need to be tailored both in the rate set, its geographic variation and the spending regime to ensure that it aligns with Council priorities. CIL will therefore make a significant contribution to the Capital programme but this will be clarified as progress is made on the preparation of CIL.
- 5.9 Whilst led by the Planning service, preparation of CIL will need to be undertaken corporately. A governance structure and preparation arrangements to facilitate this are set out in the draft LDS. It is particularly necessary to have representation from the Finance Team on this project.
- 5.10 The programme for CIL is set out in the draft LDS p.21 but is dependent on the adoption of the Core Strategy. Work on CIL will also be aligned with the Placemaking Plan. The preparation of CIL will be part funded through the LDF budget but will require the New Growth Point funding / Invest to Save bid.
- Localism: Neighbourhood Planning Protocol**
- 5.11 The Localism Bill is due to be enacted at the end of 2011 and will entail new responsibilities on the Council. The Bill, as currently formulated, will enable local communities (when constituted as a 'Neighbourhood Forum') and/or businesses to prepare a Neighbourhood Plan for their area. These will have the full weight of a formal planning document which the Council will need to adopt.
- 5.12 Whilst the details of preparation and funding arrangements of these initiatives are not yet clear, all Local Planning Authorities will be required to;
- Formalise the mechanism for designating a 'Neighbourhood Forum'
  - Undertake neighbourhood referenda
  - outline the nature of support to be given by the LPA to neighbourhood planning including validation of Neighbourhood Plans and local examinations in line with new duties
  - explain the Council's role in the operation of:
    - i. the 'Community Right to Build'
    - ii. 'Neighbourhood Development Orders'
- 5.13 To meet these requirements the following corporate actions are needed:
- agree a corporate approach to '**Neighbourhood Forum**' designation. This will be a particular challenge in un-parished areas i.e. the city of Bath. This has implications for Democratic/Electoral Services and Policy and Partnerships
  - agree a mechanism for undertaking **neighbourhood referenda**. This has implications for Democratic Services.
  - identify **new costs** to the Council arising from Localism Bill duties **establish collaborative approach** to community support/neighbourhood planning or between Policy and Partnerships and Planning.
- 5.14 Some of these issues may be contentious. For instance, within Bath, the definition within the legislation of a "Neighbourhood Forum" is not clear. Given this, and the requirement that forums must not overlap, a mechanism will need to be agreed to manage this process and the "boundaries" of any such Plans.

- 5.15 A Neighbourhood Planning Protocol will be introduced to set out how these new mechanisms will operate, incorporating a review of the Council's Statement of Community Involvement (Adopted 2007) .This will ensure that the Council is in a position to respond to the Localism agenda efficiently and coherently. This will enable communities to understand the range of opportunities to interact with/take an active role in planning in their locality.
- 5.16 Preparation of the Placemaking Plan in close co-operation with local communities is likely to result in a more cohesive planning framework benefiting the Council and local communities and should ease the pressure on the Council to respond to many Neighbourhood Plan requests.

#### **Other LDS documents**

- 5.17 The Council is committed to identifying official Gypsy and Traveller sites in order to meet the needs for these communities. This work has fallen behind programme but will be expedited with the recent identification of necessary resources. A revised work programme is included in the LDS.
- 5.18 Work will continue on the Sustainable Construction and Retrofitting SPD and the World Heritage Site Setting SPD in order to meet the Council's Climate Change and other commitments. However there is considerable pressure to add further documents to the LDS. In response to a request from Full Council, the costs and implications of introducing an Article 4 Direction to manage student accommodation have been assessed. However, undertaking this work will require the identification of the necessary resources (see item E2292 on this agenda New Budget Contingencies 2011/12 – Allocation of Funds).

## **6 RISK MANAGEMENT**

- 6.1 The report author and Lead Cabinet member have fully reviewed the risk assessment related to the issue and recommendations, in compliance with the Council's decision making risk management guidance.
- 6.2 An up-to-date LDS provides good project management in preparation of Plans and identification of the resources required. The key risks of not ensuring progress on the necessary Plans are;
- Failure to facilitate necessary growth and housing development with the resultant impact on Council finances
  - Failure to meet housing needs of the district with the resultant social and economic consequences.
  - Failure to adopt the Core Strategy in time prevents adoption of CIL which will severely limit the developer contributions that can be sought
  - Without the Placemaking Plan, the proposals in the Economic Vision cannot be formalised in the planning system and the will not be able to control the type, location & nature of development within the District. This is exacerbated with the presumption in favour of development in the forthcoming National policy Framework.
  - Failure to prepare for the enactment of the Localism Bill will result in a uncoordinated response to requests arising under the bill and a more costly and poorer service delivery.

## 7 EQUALITIES

7.1 All Statutory Planning Documents undergo an Equalities appraisal as part of their preparation procedures

## 8 RATIONALE

8.1 To ensure the Council has the necessary planning tools needed to achieve its objectives

## 9 OTHER OPTIONS CONSIDERED

9.1 The Council is required to maintain an up-to-date LDS although the requirement for this to be approved by central Government will be removed through the localism Bill.

## 10 CONSULTATION

10.1 The following have been consulted in the preparation of this report: *Section 151 Finance Officer; Chief Executive; Monitoring Officer*

10.2 Preparation of planning documents entails statutory consultation and independent scrutiny. The Council's statement of Community Involvement (SCI) sets out how engagement on plan preparation & Development Management is undertaken.

## 11 ISSUES TO CONSIDER IN REACHING THE DECISION

11.1 *Social Inclusion; Customer Focus; Sustainability; Human Resources; Property; Young People; Corporate; Health & Safety; Other Legal Considerations*

## 12 ADVICE SOUGHT

12.1 The Council's Monitoring Officer (Divisional Director – Legal and Democratic Services) and Section 151 Officer (Divisional Director - Finance) have had the opportunity to input to this report and have cleared it for publication.

<b>Contact person</b>	<i>David Trigwell (Divisional Director - Planning and Transport) 01225 394125</i>  <i>Simon de Beer (Planning Policy &amp; Environment Manager) 01225 477616</i>
<b>Sponsoring Cabinet Member</b>	<i>Councillor Tim Ball,)</i>
<b>Background papers</b>	<i>Submission Core Strategy</i>  <i>Letter from Examination Inspector to B&amp;NES 3/6/11</i>
<b>Please contact the report author if you need to access this report in an alternative format</b>	