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To: Council

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Ward(s) Affected: All Wards

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Place

Title: Selby District Local Plan

## **Summary:**

The Council adopted the Core Strategy in October 2013 and have since been working on the preparation of a Site Allocations Local Plan which will identify specific sites to meet the delivery of the current spatial strategy. Following this it was the intention to prepare a Development Policies Plan which was anticipated to be adopted in 2021. This has been a sound approach supported through ongoing legal advice however the context has now changed and a different approach needs to be considered.

Recent changes to National Planning Policy published in July 2018 and updated in February 2019 and the Council's strong position relating to 5 year housing supply enables us to consider the benefits for Selby District of producing a new plan, which reflects current government advice to prepare a single Local Plan for an area. The short timescales remaining post adoption of both the emerging Site Allocations Local Plan and the Development Policies Document means that a tipping point has now been reached and consideration should be given to commencing preparation of a new comprehensive Local Plan for the District, which better reflects the Council's Corporate Priorities and its social, economic and environmental ambitions.

#### Recommendations:

That Council recommend that;

- 1. Work begins on the preparation of a new comprehensive Local Plan for Selby District utilising the evidence base and work that has already been undertaken.
- 2. The revised Local Development Scheme which sets out the timescales for the preparation of a new Local Plan at Appendix A is brought into effect and published.

#### Reasons for recommendation

The preparation of a new Local Plan will help to ensure that the Council has a robust development plan for the whole District, prepared in line with current national planning guidance which properly reflects its Economic Strategy and Corporate Priorities.

## 1. Introduction and background

- 1.1 The Planning and Compulsory Purchase Act 2004 underpins the 'plan led' system in which planning decisions must be made in accordance with the adopted local development plan unless material considerations indicate otherwise. The Council adopted the Core Strategy in October 2013 which includes development policies that set out the vision and strategic policies that broadly direct how much development should take place and where it should be located across the District. Since the adoption of the Core Strategy work has been underway on the preparation of the Site Allocations Local Plan which would specifically allocate sites to deliver the policy aspirations set out in the Core Strategy. A further Development Policies Document was due to be progressed to complete the Local Development Framework.
- 1.2 Although work has been progressing on the Site Allocations Local Plan the evolving local context and approach set out in revised national planning policy suggests that it is the right time to consider a new approach. These key contextual changes are:-
  - Implications of Revised National Planning Policy (February 2019)
    - Changes to housing requirements
    - Five Year Housing Supply and the Housing Delivery Test
    - Changes to policies relating to affordable housing provision
    - Employment Land Requirements
    - New requirement to review Strategic Policies
  - Changing Local Context
    - Council's Economic Framework and Corporate Priorities
    - Infrastructure Planning
    - Maintenance of Housing Supply
    - Spatial Strategy Approach
- 1.3 In addition the approach to preparing separate Development Plan Documents under a Local Development Framework is no longer the preferred approach and Local Planning Authorities are now preparing single, comprehensive Local Plans. This report considers each of the issues outlined above in more detail.

### 2. Implications of Revised National Planning Policy Framework

2.1 The Revised National Planning Policy Framework (NPPF) was published in July 2018 with an updated version published in February 2019. The

presumption in favour of sustainable development remains at the core of the NPPF and for plan making this means that plans should positively seek opportunities to meet the development needs of their area and be sufficiently flexible to adapt to rapid change. The tests of soundness have been amended and now the requirement is for Local Plans to demonstrate an 'appropriate strategy' rather than 'the most appropriate strategy'. A number of changes were introduced in the revised NPPF which have implications for Selby District Council and the continuation of the Site Allocations Local Plan and preparation of a Development Policies Document.

## Changes to Housing Requirements

- 2.2 Paragraph 60 of the revised NPPF provides that strategic policies should be informed by a local housing need assessment, conducted using the **standard method in national planning guidance** unless exceptional circumstances justify an alternative approach which also reflects current and future demographic trends and market signals. The standard methodology is based on the government's household projection figures with an additional uplift applied where high affordable housing needs are identified. Unlike previous calculations of Objectively Assessed Housing Need the new standard methodology does not consider the implications of economic growth or requirements to meet specific demographic challenges for example addressing an ageing population.
- 2.3 The Core Strategy sets out a housing requirement for the delivery of 450 dwellings per annum across Selby District up to 2027. On the basis of the latest standard methodology calculation the Strategic Housing Market Assessment (February 2019) states that Selby District's housing requirement is 365 dwellings per annum (this is updated from the 371 figure published in 2017 with the 2014 household projection figures). This figure is below the Core Strategy housing requirement but is considered to be a baseline figure and could be increased to reflect housing demand derived from economic growth ambitions.
- 2.4 The preparation of a new Local Plan will enable the Council to consider the appropriate level of new housing required to meet the Council's growth aspirations.

## Five Year Housing Land Supply and Housing Delivery Test

- 2.5 The NPPF requires that local planning authorities identify and update annually a supply of specific deliverable sites sufficient to provide a minimum of five years supply against their housing requirement set out in adopted strategic policies or against their local housing need where the strategic policies are more than five years old (unless these strategic policies have been reviewed and found not to require updating).
- 2.6 The Council produces an Annual Five-Year Housing Land Supply statement which is published on our website. The most recent statement with a base date of 31<sup>st</sup> March 2019 has recently been published on the Council's website.

The report shows that 625 net dwellings were completed between April 1st 2018 and 31st March 2019 and the Council has 6.4 years of housing land supply (based on the 365 figure). This means that further allocations/permissions will need to be added in order to maintain supply towards the end of the current plan period.

- 2.7 The revised NPPF also introduces the Housing Delivery Test which applied from November 2018. The test assesses Local Planning Authorities on the total net homes they have delivered over the last three years against the total number of homes required. Where housing requirements are more than five years old the Housing Delivery Test is based on the minimum annual local housing need figure i.e. the 365 figure.
- 2.8 The Housing Delivery Test applies penalties to all local planning authorities that, in the three years up to the preceding April, do not meet their housing requirement or come very close to it, with the severity of the sanction varying according to the extent of the underperformance. Authorities delivering under 95 per cent of their housing requirement have to produce an action plan detailing the reasons why they are under-delivering and how they will address them. Those under 85 per cent of their requirement are required to add a 20 per cent buffer to their five-year housing land supply requirement, instead of the usual five per cent buffer. Meanwhile, the worst performers, (those under 25 per cent in November 2018, rising to 45 per cent in November 2019 and 65 per cent in November 2020) face the NPPF's presumption in favour of sustainable development.
- 2.9 On the 19 February 2019 the Secretary of State published the 2018 measurement results. The Housing Delivery Test period covers the previous three financial years; in the case of the 2018 measurement the years are 2015/16, 2016/17 and 2017/18. The results showed that against the requirement of 1,046 new homes (based on housing need requirement figures) 1,615 homes had been delivered giving the Council a result of 154% and therefore no negative consequences will apply. This shows that the Council is currently in a good position in relation to the Housing Delivery Test.
- 2.10 The preparation of a new Local Plan will allow for the consideration of further sites through the allocations process which will help with the District's supply over the longer term and maintain both the 5 year housing supply position and the assessment against the Housing Delivery Test. This will also help to ensure that we are able to bring forward sites early in the new Local Plan period which will help to provide greater flexibility and ensure supply is maintained beyond the next six years.
- 2.11 If the Council choose to continue to progress the Site Allocations Local Plan a review of the strategic policies will be required. If the 450 Core Strategy figure remains this will be the basis for the assessment of both 5 year supply and the housing delivery test. In order to meet both these requirements further sites will need to be considered for development sooner than 2027 in order to maintain supply.

### Affordable Housing Provision

- 2.12 The revised NPPF says that the size, type and tenure of housing needed for different groups in the community should be assessed and reflected in planning policies. It goes onto say that where a need for affordable housing is identified, planning policies should specify the type of affordable housing required and expect it to be met onsite. Paragraph 63 says that the provision of affordable housing should not be sought for minor developments (i.e. those less than 10 dwellings) other than in designated rural where policies may set out a lower threshold of 5 or fewer.
- 2.13 The Core Strategy requires that provision of up to 40% affordable housing is sought on developments greater than 10 dwellings dependent on the outcome of a viability assessment. The current approach also seeks the provision of an off-site contribution on sites of less than 10 dwellings.
- 2.14 The revised NPPF requires that affordable housing provision and other planning obligations should be established through the local plan. Affordable housing is another strategic policy which should be reviewed as we will need to re-consider the policy relating to contributions on smaller sites and new home ownership models such as Starter Homes.
- 2.15 A new Local Plan would enable the Council to properly review appropriate types and levels of affordable housing provision as required by the revised NPPF such as Starter Homes. This will help to ensure that we are meeting locally identified needs, which will help to support local economic growth.

## **Employment Land Requirements**

- 2.16 The Revised NPPF says that planning policies should set out a clear economic vision and strategy which positively and proactively encourages sustainable economic growth. The Core Strategy identifies a requirement of deliver 37-52 hectares across the District.
- 2.17 Since the start of the plan period up 31st March 2018, approximately 119.2 ha (net) of employment land has been granted consent, the majority of which is located in Sherburn in Elmet. In addition there are a number of further proposals for the development of employment land in the District.
- 2.18 The 2018 Employment Land Review update considers that there is justification in delivering a greater amount of employment land than that set out by the Core Strategy and this is supported in the NPPF which says that planning policies should help create the conditions in which businesses can invest, expand and adapt.
- 2.19 Nevertheless the Core Strategy is no longer aligned with the priorities set out in the Council's current Economic Development Framework. Since the adoption of the Core Strategy opportunities for the development of employment land have arisen following the closure of Kellingley Colliery. The

successful redevelopment of Sherburn Industrial Estate has now led to the development of Sherburn 2. In addition the Council is now working with adjacent authorities to consider the potential opportunities associated with the M62 corridor. The Council is also considering the improvements of the town centres through the Transforming Cities Fund and Heritage Action Zone bids. The preparation of a new Local Plan will provide the opportunity to set out policies which provide the development framework to support the Council's economic growth ambitions.

2.20 A new Local Plan would allow us set the overall strategic approach to reflect the Council's vision for housing and economic growth whilst ensuring that this is supported by appropriate infrastructure. A new plan will help us to identify and deliver infrastructure needs more effectively through the use of CIL and S106 receipts in addition to putting us is in a much better position when bidding for government funding. This approach will allow us to plan properly for a range of new infrastructure so that we create good places to live and ensure receipts from CIL are maximised.

## Requirements to Review Strategic Policies

- 2.21 It is a legal requirement to carry out reviews of local plans at least every five years as set out in Regulation 10A of the Town and Country Planning (Local Planning) (England) Regulations 2012. Paragraph 33 of the NPPF says that reviews should be completed no later than 5 years from the adoption of a plan and should take account of:-
  - changing circumstances affecting the area,
  - or any relevant changes in national policy.
- 2.22 The NPPF goes onto say that relevant strategic policies will need updating at least once every five years if their applicable local housing need figure has changed significantly. Strategic policies are defined in the NPPF as those which set out an overall strategy for the pattern, scale and quality of development and make sufficient provision for:
  - housing (including affordable housing), employment, retail, leisure and other commercial development:
  - infrastructure for transport, telecommunications, security, waste management, water supply, wastewater, flood risk and coastal change management and the provision of minerals and energy (including heat);
  - community facilities (such as health, education and cultural infrastructure); and
  - conservation and enhancement of the natural, built and historic environment, including landscapes and green infrastructure, and planning measures to address climate change mitigation and adaptation.
- 2.23 The Core Strategy was adopted in October 2013 and therefore a review of the strategic policies contained in the document must be undertaken and is likely to highlight that a number of strategic policies must be reviewed. The

evidence which underpinned many of these policies is now considered out of date, especially in relation to housing numbers and employment land requirements.

- 2.24 A review of the Core Strategy is likely to receive criticism from the development industry who will argue for sites in the Designated Service Villages and Secondary Villages, given the perceived lack of delivery in the Selby Urban Area and Tadcaster. Although consideration has been given to a partial review of the Core Strategy, the scope of the changes are seen to be fundamental and therefore it would be difficult to undertake this within the context of the current plan. For these reasons it is considered that the preparation of a new Local Plan is a more appropriate way forward.
- 2.25 The NPPF states that strategic policies should look ahead over a minimum 15 year period from adoption. It is important to note that due to the time taken to complete the Site Allocations Local Plan by the time this is formally adopted there will be less than six years remaining within the plan period. In addition, the Local Development Framework will still not be complete until the Development Policies Document is subsequently completed. The remaining plan timescale is likely to be challenged through the examination process as the NPPF requires plan to look forward over at least a 15 year period.

# 3. Changing Local Context

# Council's Economic Development Framework and Corporate Priorities

- 3.1 The Core Strategy's economic policies are based on out dated evidence and are not in line with the Council's current ambitions for growth. The Council's recently adopted Economic Development Framework identifies opportunities for the development of a number of locations across the District which are not identified spatially in the Core Strategy. It's important that the Local Plan reflects this strategy. The preparation of a new Local Plan will allow for these ambitions to be properly aligned and to provide the spatial development support for proposals and provide certainty to site promoters. By working with NYCC and other stakeholders we will be able to plan over the long term for the provision of a range of infrastructure including rail, highways, walking and cycling so that they are an integral part of our growth ambitions. A long term adopted Local Plan will give us strong basis for securing additional investment in the district and to support funding bids e.g. to Transport for the North, the Local Enterprise Partnerships, Highways England and Homes England.
- 3.2 The preparation of a new Local Plan will allow the Council to articulate its vision for the growth of the District and reflect issues around health, well-being, inclusive growth, and the priorities set out in the Corporate Plan. By having a robust spatial approach we will be able to maximise opportunities for new business rates and council tax revenue generated from new development to help with the future sustainability of the Council.

#### <u>Infrastructure Planning</u>

- 3.3 Work is being undertaken to consider the development and infrastructure requirements around Sherburn in Elmet over the short, medium and long term with a view to ensuring sustainable growth is achieved. The aim of the work is to develop a joint approach through 'Better Together' to facilitate economic growth, investment and enhanced transport and infrastructure
- 3.4 Through 'Better Together' we can work collaboratively with North Yorkshire County Council on the preparation of a new Local Plan to ensure that we are planning properly over a longer period for new infrastructure such as the provision of new schools and improvement to the highway network alongside new development, making the optimum use of CIL and S106 contributions.
- 3.5 The preparation of a new Local Plan also provides the opportunity to develop a robust infrastructure delivery plan and ensure we are in a strong position to capitalise from funding through Homes England, Highways England, the LEPs and Transport for the North.

#### Maintenance of Housing Supply

- 3.6 We are currently able to robustly demonstrate 5 years supply of housing however this is predicted to fall off around 2026 or sooner without new sites being brought forward given the current supply and current build out rates. If we start to prepare a new Local Plan now this will help to ensure that we have further sites to draw on post 2026 in order to retain a five year housing supply over the long term whilst ensuring we can deal appropriately with planning applications over the short term.
- 3.7 It will be a priority to maintain a robust housing supply to ensure good planning. To achieve this, the Council will continue to closely monitor progress of sites with planning permission and to continue to work with landowners and developers to bring forward suitable sites within development limits in accordance with the Core Strategy. Should the supply begin to drop towards the five year figure we will consider whether further interventions are required to increase supply in a sustainable manner.

#### Spatial Strategy Approach

3.8 The current spatial strategy is focused on an approach based on evidence dating back to 2005. The preparation of a new Local Plan will allow the Council, in consultation with local people, to review the spatial strategy approach and reflect the Council's current priorities. It will provide the opportunity to explore other spatial development options for future development. It will also allow us to exploit potential wider opportunities around low/zero carbon growth and renewable energy along the M62 corridor, working with Neighbouring Authorities and consider wider regional priorities. It would also allow for the consideration of the creation of a new settlement in the District.

### 4. Preparation of a New Local Plan

- 4.1 The preparation of a new comprehensive Local Plan will utilise work already undertaken to support the Site Allocations Local Plan and draw significantly on the evidence base underpinning this. For example we have recently updated the Strategic Housing Market Assessment and the Landscape Character Assessment, which are key pieces of evidence to inform preparation of the plan. A large amount of work has already been undertaken to assess sites which have been submitted to date and this information will be used as the basis of the new Local Plan in addition to any further sites put forward for consideration.
- 4.2 Subject to approval by Members work on the new Local Plan will begin with local engagement with stakeholders and Members in early October with a view to consulting on an Issues and Options document in January/February 2020. An indicative timetable showing the key stages for preparation of the Plan are outlined in the table below.

Year	Key Stages
2019	September to November - Initial Evidence Gathering and
	Stakeholder Engagement Preparation of Issues and Options
	Consultation Document
	Call for Sites Exercise
2020	Jan/Feb - Consultation on Issues and Options
	March to November – Preparation of Draft Local Plan
2021	Jan/Feb – Consultation on Draft Local Plan
	March to November – Preparation of Publication Version of Local
	Plan
2022	Jan/Feb – Consultation on Publication Version of Plan
	March to June – Prepare Proposed Modifications
	June – Formal Submission to Secretary of Stage for Examination
	June – Examination Commences
2023	March – Adoption of new Local Plan

4.3 Officers anticipate that a new Local Plan could be completed within 4 years based on estimated timescales for the completion of each stage of the plan although this may change if significant issues arise in response to consultations. The current timescales allow for three separate consultation periods, however depending on the issues raised it could prove necessary to add in further consultation, which will delay progress. Officers have considered timescales for the preparation of a range of evidence to support the preparation of the plan, although the necessity to undertake further studies may arise as the plan progresses. The timescales for adoption of the plan will also be dependent on the length of time the plan takes to go through the examination stage and this is out of the control of the Council.

### 5. Local Development Scheme

5.1 A Local Development Scheme (LDS) is required under Section 15 of the Planning and Compulsory Purchase Act 2004 (as amended by the Localism

Act 2011). The LDS sets out the timetable for the production of Local Development Documents which make up the Council's Local Plan. The process for the preparation of a Local Plan is prescribed in statute and regulations which are reflected in the work programme. There is a requirement to keep the LDS up to date and make it publicly available.

- In September 2017 Council approved the publication of the sixth LDS which set out the timetable from 2017 to 2020. This timetable stated that consultation on the Publication version of the Site Allocations Local Plan would take place in June and July 2018 with Submission taking place in November 2018.
- 5.3 A revised LDS has been prepared to reflect the timetable for the preparation of a new Local Plan. The new timetable shows that formal consultation will take place on an Issues and Options document in January and February 2020 and adoption is anticipated in early 2023.

### 6. Alternative Options Considered

- 6.1 The alternative option is to proceed as planned with the completion of the Site Allocations Local Plan and Development Policies Document. This will firstly require a full review of the strategic policies of the Core Strategy to be undertaken and is likely to require fundamental changes which would be difficult to undertake within the context of the current plan.
- 6.2 If work on the Site Allocations Local Plan were to continue, consultation on a Publication Version of the Plan would be required in early 2020 with a view of formally Submitting the Plan to the Secretary of State for examination in mid-2020. The Local Plan examination is estimated to take 9 months and therefore the Site Allocations Local Plan is unlikely to be adopted until spring 2021, which leaves less than six years remaining in the plan period and is likely to be challenged by developers. According to the current programme work will also need to be completed on the preparation of the Development Policies Document to complete the Local Development Framework documents.
- 6.3 A partial review of the Core Strategy has also been considered, however the scale of the potential changes that are required in relation to strategic policies appear to be extensive and not compatible with a partial review. A review of the Core Strategy is considered to be a significant risk given the remaining plan timescales (less than 6 years post adoption) and the likely challenge from the development industry who will be seeking a different spatial approach. Although it may be possible to complete the Site Allocations Local Plan in parallel with a new Local Plan this will require significant resources in terms of both staffing and examination costs.

#### 7. Implications

### 7.1 Legal Implications

The new Local Plan will be prepared in accordance with the Town and Country Planning (Local Development) (England) Regulations 2012 (as amended). The plan must be positively prepared and as such the public participation and other on-going engagement is essential part of the process.

## 7.2 Financial Implications

Significant resources remain in the existing Local Plan budget for the completion of the Site Allocations Local Plan, although additional resources will be required to complete the Development Policies Document. It is considered that the remaining Local Plan budget will be sufficient to complete the initial stages of a new Local Plan although further funds will be required to complete the Local Plan examination. Staffing resources will be considered through the review of the Planning Service which is currently underway.

# 7.3 Policy and Risk Implications

There are a number of risks as outlined below.

Risk	Commentary
Availability of land for development of new Local Housing and Employment	Sites can still be approved in accordance with Core Strategy to maintain supply in the short term.
5 year housing land supply and Housing Delivery Test	Current commitments mean that supply should be maintained until 2026 but the preparation of a new Local Plan will support the introduction of more sites to provide supply post 2026 and over a longer timeframe than the 2027 end date to the current Core Strategy.
Local Plan Timescales	A new Plan will set a new time period which will be a minimum of 15 years in line with NPPF. Continuing with the current LDF approach is likely to be challenged as it only runs to 2027.
Economic ambitions	A new plan will allow the Council's economic ambitions as currently set out in the Economic Development Strategy to be properly considered.
Timescale for Preparing a new Local Plan	It is anticipated that the preparation of a new Local Plan will take 4 years to complete to adoption, however there are a number of risks which could impact this programme:  • Staff resources – current staffing levels will need to be maintained to ensure that the plan is delivered  • Changes to national planning

- policies planning policies are continuously being reviewed, however there may be changes which impact the direction of the plan.
- Level and nature of consultation responses – at present three stages of consultation are proposed, however further public consultation may prove necessary.
- Timescales for the examination stage.
- The potential for legal challenge.

#### 7.4 Corporate Plan Implications

The preparation of a new Local Plan will help the Council to deliver its Corporate Plan objectives to make Selby a great place to do business and to enjoy life. More specifically it will contribute to the objective to have a local plan in place which will deliver more houses in the District, business opportunities, promote health and well-being and protect and enhance the local environment. Working through 'Better Together' on the preparation of a new plan will enable us to plan over a longer time period and provide and invest in local infrastructure.

#### 7.5 Resource Implications

The preparation of a new Local Plan will have staffing and financial resources as outlined above.

#### 7.6 Other Implications

None

## 7.7 Equalities Impact Assessment

An equalities impact assessment will be prepared to support the emerging Local Plan.

#### 8. Conclusion

- 8.1 The changing national and local context in addition to the Council's current housing supply position provide the opportunity to alter the current approach and move towards the preparation of a single Local Plan. The main reasons for the Council now moving towards a new Local Plan are:
  - a) A new Local Plan would allow us set the overall strategic approach to reflect the Council's vision for housing and economic growth whilst ensuring that this is supported by appropriate infrastructure.

- b) The Core Strategy's economic policies are based on outdated evidence and are not in line with the Council's current ambitions for growth and the Economic Development Framework.
- c) Changes to the NPPF require a review the scale of housing the district needs or wants to provide for. The revised NPPF introduces the requirement to use the standard methodology for the calculation of housing requirements. For Selby this figure is 365 dwellings per annum and therefore this is the minimum requirement which is higher than the Core Strategy requirement of 450 dwellings per annum.
- d) The Council's 5 year housing land supply is predicted to fall off before the end of the local plan period in 2027, with challenges beyond 2025/6, therefore further allocations/permissions will need to be added in order to maintain supply. The preparation of a new Local Plan would allow for the consideration of further sites through the allocations process which will help with supply over the longer term.
- e) A new Local Plan would enable the Council to properly review appropriate types and levels of affordable housing provision as required by the revised NPPF.
- f) A long term adopted Local Plan will give us strong basis for securing additional investment in the district and to support funding bids.
- 8.2 The timescales that now remain for the adopted Core Strategy and the emerging Site Allocations Local Plan and Development Policies Document mean that together with this changing context it is now considered that the most appropriate course of action is to begin work on a new comprehensive Local Plan for the District The preparation of a new Local Plan will allow the Council to reflect its Corporate Policies, its economic ambitions as set out in the Economic Development Framework and to plan properly for new infrastructure provision.

### 9. Background Documents

None

#### 10. Appendices

Appendix A – Local Development Scheme 2019

#### **Contact Officer:**

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