

REPORT TO CABINET

REPORT OF: **ECONOMIC DEVELOPMENT PORTFOLIO HOLDER**

REPORT NO.: **PLA615**

DATE: **9 OCTOBER 2006**

TITLE:	LOCAL DEVELOPMENT FRAMEWORK – UPDATE ON PROGRESS & REVISION TO LOCAL DEVELOPMENT SCHEME
FORWARD PLAN ITEM:	YES
DATE WHEN FIRST APPEARED IN FORWARD PLAN:	17 AUGUST 2005
KEY DECISION OR POLICY FRAMEWORK PROPOSAL:	KEY DECISION

COUNCIL AIMS/PORTFOLIO HOLDER NAME AND DESIGNATION:	Councillor John Smith Economic Development	
CORPORATE PRIORITY:	Town Centre Regeneration (A) Affordable Housing (A) Planning and Conservation (M)	
CRIME AND DISORDER IMPLICATIONS:	Minor	
FREEDOM OF INFORMATION ACT IMPLICATIONS:	All LDF documents are made available on the Council's web site when published, and are made available for public inspection at the District Council's offices and the local libraries in the district	
INITIAL EQUALITY IMPACT ASSESSMENT	Carried out and appended to report? No	Full impact assessment required?

BACKGROUND PAPERS:	Planning and Compulsory Purchase Act 2004 PPS12: Local Development Frameworks Lincolnshire Structure Plan (Revised Deposit Draft) RSS8: Regional Spatial Strategy for the East Midlands to 2021 Letter from GOEM 11 th April 2005 Letter from PINs 13 th April 2005 Letter from DCLG 11 th August 2006 Cabinet reports and minutes dated 24 th November 2004, 7 th February 2005, 4 th April 2005, 9 th May 2005, 6 th June 2005, 5 th September 2005, 10 th October 2005, 6 th January 2006 and 3 rd April 2006
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1. INTRODUCTION

- 1.1 Public consultation on the Issues and Options for Future Development in South Kesteven took place in late 2005. The Issues and Options paper was the first formal stage when the community was invited to become involved in the preparation of policies and identification of land for development for the emerging Local Development Framework (LDF). A total of 259 responses were received, and helped shape the development of preferred options for addressing key issues facing the district for the next two decades.
- 1.2 Two preferred options reports were published for public consultation on 26 June for six weeks until 7 August, the Core Strategy and the Housing and Economic Development Plan Document. Approximately 250 copies of both documents were sent out to statutory consultees, a further 550 letters were posted out to parties registered on our database to inform them of the consultation exercise, documents were made available at libraries in the district and were available on request, all documentation was available on the internet, and three workshops were held for the public and agents to which a total of 60 people attended. Over 220 responses have been received during the consultation period, and the council is currently in the process of registering and inputting those responses onto a database.
- 1.3 Following completion of the preferred options consultation, the council was intending to move directly to the production and publication of the submission drafts of both the Core Strategy and the Housing and Economic Development Plan Document in November 2006. In the period leading up to publication of the submission versions officers were due to meet with objectors to the preferred options to negotiate whether their issues could be addressed. However, recent events have caused this timetable to be reconsidered.
- 1.4 LDFs are a new form of planning policy documentation, brought in by the 2004 Planning and Compulsory Purchase Act to replace Local Plans. The first examinations nationally of the soundness of LDF Core Strategies took place this summer, and the first two to be tested were both found to be unsound by the Planning Inspectorate. This means that these two local authorities will have to withdraw the documents and start again, effectively wasting two years of work and creating inevitable knock-on delays to all other LDF documents. Following these experiences the Department for Communities and Local

Government (DCLG) issued a letter dated 11 August 2006 (see Appendix 2) to all local authorities setting out in detail their expectations for production of LDF documents. Having assessed the Inspectors' reports and considered the letter from DCLG there are concerns that the work undertaken at the preferred options stage for the LDF for South Kesteven could also be found to be unsound at the examination, resulting in abortive work.

- 1.5 In their response to the preferred options consultation Government Office for the East Midlands (GOEM) indicated that they shared the same concerns, as did the Planning Inspectorate. The council met with GOEM on 16th August to discuss their concerns and agree a way forward. The key issue of concern was based on the manner of consultation regarding the preferred options. GOEM did not feel the documents reflected the spirit of Government guidance set out in PPS12, which required a full consideration of all options, including those rejected. GOEM concluded that our documents focused too strongly on simply justifying the preferred option and did not offer a fair choice of options to consultees. They recommend that the council extend or redo consultation on preferred options.
- 1.6 Whilst the approach set out by GOEM in para. 1.5 will result in initial delays to the preparation of the LDF, it seems that this will be the most effective way to get the core LDF documents in place. The clear message from GOEM was that if we progress at the timescale indicated in para. 1.3 then we are at great risk of having our documents ruled unsound at examination or the Secretary of State issuing Directions preventing us even progressing to the examination.
- 1.7 The council were also in the process of revising their Local Development Scheme (LDS), which is the project plan and timetable for producing the LDF, to reflect earlier slippage in the timetable for producing LDF documents. Ensuring the authority meets targets in the adopted LDS is a criterion upon which Planning Delivery Grant is allocated. The council received notification in a letter from Government Office for the East Midlands dated 10 July 2006 approving the document for adoption by the council. We have not pursued adopting that version, as the LDS timetable is likely to change further based on the issues flagged up above.

2. RECOMMENDATIONS

2.1 That Members:

- a) **Note the work completed to date on producing the core documents of the LDF;**
- b) **Endorse the extension of the preferred options consultations for the Core Strategy and the Housing & Economic Development Plan Document; and**
- c) **Agree to the revised LDF timetable appended to this report (Appendix 1) as the basis for the revision of the Local Development Scheme.**

3. DETAILS OF REPORT

- 3.1 Two LDF preferred options reports were published by the council for public consultation on 26 June for six weeks, the Core Strategy and the Housing and Economic Development Plan Document. Over 220 responses were received from the public, developers, charities, public bodies, and other stakeholders during the consultation period. The response received from the Government Office for the East Midlands suggested that they, and the Planning Inspectorate, had concerns regarding the manner in which the options were presented for public consultation. This concern emanated from the recent experience of the first examinations nationally into LDF Core Strategies at Lichfield and Stafford. The Department for Communities and Local Government issued a letter dated 11 August 2006 to all local authorities highlighting the problems of the first two LDF examinations and setting out their expectations for the production of all other LFDs in the country.
- 3.2 The council met with GOEM on 16th August to discuss their concerns and agree a way forward. The key issue of concern for them was based on the manner of consultation regarding the preferred options. GOEM did not feel the documents reflected the spirit of Government guidance set out in PPS12, which requires a full consideration of all options, including those rejected. GOEM concluded that our documents focused too strongly on simply justifying the preferred option and did not offer a fair choice of options to consultees for them to choose from. They recommend that the council extend or redo consultation on preferred options to ensure that our documents are not ruled unsound at examination, or that the Secretary of State issues Directions preventing us even progressing to the examination.
- 3.3 One key advantage of extending the consultation on preferred options is that it will allow us to align the LDF with the emerging Regional Spatial Strategy (RSS). Currently the LDF has been developed based on planning policy set out in the Lincolnshire Structure Plan Review. However, the council has always been aware that the lifespan of the Structure Plan is very limited, as it will be phased out and replaced by guidance in the RSS. The council therefore asked GOEM whether during the process of producing the LDF we could change our approach to reflect new information emerging through the RSS. Their response was not encouraging, as they argued that the consultation stages of the LDF (i.e. the preferred options) are based on giving people options to choose from, and changing the approach in the latter stages of producing an LDF document (i.e. the submission draft) would effectively render the consultation process invalid.
- 3.4 The key issue for aligning the LDF for South Kesteven with the RSS centres on housing figures and length of plan period. As noted in para. 3.3 we are currently working to the Structure Plan policy, which allocates 9,200 dwellings to be built in the district for the period 2001 to 2021 at a built rate of 460 houses per annum. However, the emerging RSS will have a plan period to 2026, and it is expected that when the consultation draft is published at the end of this month our housing target will be 15,750 dwellings, at a build rate of 630 per annum – a significant increase. By extending or repeating the preferred options stage of our Core Strategy and Site Allocations documents, GOEM has indicated that we will be allowed to incorporate these emerging

figures. This will enable us to take a slightly less restrictive approach to housing allocations than was set out in the June 2006 preferred options reports. Therefore, for the sake of extending the timetable for producing the LDF by six months now, it will mean that we will be able to produce a Core Strategy and other LDF documents with a reasonable lifespan, rather than one that will be out of date and need reviewing the instant it is adopted.

- 3.5 Of the 220 responses received to the June 2006 preferred options consultation, it is estimated that 25-30% of objections (primarily from housebuilders) were centred on the housing figures issue set out in paras. 3.3. and 3.4. By extending consultation on preferred options and reflecting the housing figures and plan period set out in the emerging RSS we will therefore address those objections and should significantly reduce the amount of time it takes later in the process negotiating with those objectors, and should also significantly simplify the examination process. It is acknowledged that RSS8 will only be at the draft stage when it emerges at the end of this month and therefore there is a risk that key issues such as housing figures may change by the time of adoption of the RSS, however, the figures have been subject to extensive consultation through the "Options for Change" consultation earlier this year so already have a certain degree of weight.
- 3.6 The experience of Lichfield District Council highlighted another important point in regard to delivering the LDF for South Kesteven; which is the danger of producing other LDF documents in tandem with the Core Strategy. As the Core Strategy for Lichfield was deemed "unsound" by the Inspector following the examination, it automatically resulted in the two other LDF documents being examined being deemed unsound. This is because a local authority must have a Core Strategy adopted to inform all other LDF documents. In this instance Lichfield DC will need to start from the beginning on not only producing their Core Strategy but also their Site Allocations and Development Control Policies. As members will be aware, we were seeking to produce our Core Strategy and Site Allocations in tandem, however, based on this lesson we propose to concentrate on the Core Strategy in the first instance and set other documents back six months to avoid abortive work (see Appendix 1).
- 3.7 In reaction to comments from GOEM regarding a need to distinguish further between preferred options contained in LDF documents. It is therefore proposed that to clarify the situation the council will produce a Core Strategy, Site Allocations document and Development Control Policies document, rather than a Core Strategy and Housing & Economic DPD, which were previously proposed. This provides a clearer differentiation and hierarchy of types of policy and accords with the recommended terminology set out in PPS12 and other Government documents.
- 3.8 There is a desire to produce an LDF as quickly as possible to replace the 1995 Local Plan to provide the Development Control process with an up to date planning policy framework upon which to base decisions. However, given the information presented in this report, it is felt that the delays and expense caused by extending the preferred options consultation for the Core Strategy this winter and for the Site Allocations next spring are outweighed by the benefit of addressing Government requirements for consultation, with the longer term aspiration of producing a submission document that can be

approved and found to be sound by the Planning Inspectorate through the examination process. It is also proposed in the three year period of the Local Development Scheme to concentrate primarily on producing the core components of the LDF (Core Strategy, Site Allocations, Development Control Policies and the Proposals Map).

- 3.9 In addition to the core components of the LDF, a need has been identified to produce a further three optional LDF documents for South Kesteven during the next three years. These are Area Action Plans (AAPs) for Grantham and Stamford, and a Supplementary Planning Document for Affordable Housing. These documents have been timetabled within the next three years to reflect the council's category "A" priorities: affordable housing and town centre regeneration. The AAPs will provide more detailed policies and allocations for areas for change and conservation in Grantham and Stamford. The Grantham Area Action Plan will build upon and translate the two masterplans (for the Town Centre and the Canal Basin) into planning policy. The Stamford AAP will require more background work, as there is no current masterplanning work in preparation. It is likely that some consultancy work will be required to develop background evidence in the next six months to feed into the preferred options consultation report for the Stamford AAP. The Affordable Housing Supplementary Planning Document will expand upon affordable housing policy contained in the Core Strategy, using the Housing Needs Survey (March 2006), and will be prepared at the same time as the Core Strategy.
- 3.10 In order to achieve the alteration to the timetable as set out above, the council needs to review its Local Development Scheme (LDS). Meeting the targets set out in the LDS is a criterion against which the Government allocate Planning Delivery Grant (PDG) funding to local authorities. If a local authority fails to meet the targets that it has set itself then it will reduce the amount of PDG received. The council was in the process of reviewing its LDS, to reflect earlier slippage in the LDF timetable caused by vacancies in staffing, when the problems highlighted by this report emerged. The adoption by the council of this first review has therefore been deferred in order that the timetable that is set out in the LDS can be realistic to achieve. If the timetable at Appendix 1 is approved then the council will move quickly to review the LDS based on this timetable and ensure there is the best possible chance of securing PDG.

4. OTHER OPTIONS CONSIDERED AND ASSESSED

- 4.1 The alternative approach to extending consultation on the preferred options for Core Strategy and Housing and Economic DPD would be to progress on to the next stages of these documents, i.e. the submission draft consultation, and retain the timetable for production of all LDF documents as currently set out in the Local Development Scheme (April 2005).
- 4.2 As set out in Section 3 of this report, the risks with ignoring advice from the Government Office and progressing with the production of the Core Strategy and Housing and Economic DPD as originally timetabled are significant. It is therefore felt that this option should not be pursued as the Government's view on this matter is clearly set out in the DCLG letter dated 11 August 2006.

- 4.3 In addition, progressing with the LDF based on the current timetable will result in an adopted Core Strategy and Site Allocations that do not reflect the emerging Regional Plan (RSS8). The lifespan of these LDF documents will therefore be extremely limited due to the fact that key issues such as housing figures will be out of date from the moment the document is adopted.

5. COMMENTS OF SECTION 151 OFFICER

- 5.1 The approach suggested by the Team Leader for Planning Policy appears to be the most appropriate to ensure that the Council has the best opportunity of securing Planning Delivery Grant. Although when the Service Manager prepares the service plan for this service area, a realistic assessment of the likely chances of securing PDG should be made.

6. COMMENTS OF MONITORING OFFICER

- 6.1 Any delay in production of the Local Development Framework requires extended reliance on an existing out-dated local plan. It is essential to minimise that delay. This can be best done by following the government office advice as recommended.

7. COMMENTS OF OTHER RELEVANT SERVICE MANAGER

- 7.1 N/A

8. CONCLUSION/SUMMARY

- 8.1 This report sets out the current situation regarding the production of the first Local Development Framework for South Kesteven and seeks endorsement for extension to the preferred options consultation that was undertaken in summer this year on the Core Strategy and Housing & Economic DPD to ensure that concerns raised by the Government Office are addressed. Redoing consultation on the preferred options will result in an initial delay to the LDF timetable, and therefore a need to review the council's adopted Local Development Scheme based on the timetable appended to this report.

9. CONTACT OFFICER

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