#### **LOCAL PLAN UPDATE**

**Head of Service:** Justin Turvey, Interim Head of Place

Development

Wards affected: (All Wards);

Urgent Decision?(yes/no) No
If yes, reason urgent decision N/A

required:

**Appendices (attached):** Appendix 1 – Council Motion 22 March 2023

Appendix 2 – Standard Housing Method

Calculations

Appendix 3 – Local Development Scheme

(November 2022)

### Summary

Public consultation on the Draft Local Plan (2022-2040) was undertaken between 1 February 2023 and 19 March 2023. Following the closure of the public consultation an extraordinary Council meeting was held on the 22 March 2023 where the decision was made to pause the Local Plan to enable specified tasks to be undertaken.

This report provides an update on the work undertaken following the decision on the 22 March by Council and makes recommendations on the work that can progress prior to a decision being made at a future committee on a revised timetable for producing the Local Plan.

### Recommendation (s)

#### The Committee is asked to:

- (1) Agree to the progression of specific workstreams prior to a revised Local Development Scheme (Local Plan timetable) being considered at a future committee meeting and note the work that has been undertaken since and in line with the decision by full Council to pause the Local Plan.
- (2) To note that we have written to the Council in its capacity as landowner to check the availability of additional sites for promotion through the call for sites process.

- (3) Agree to request additional information regarding the deliverability of the Council owned Town Centre sites in preparation of Regulation 19 Local Plan.
- (4) Agree to pause with progressing the Local Heritage List in parallel to the Local Plan whilst we prioritise workloads and consider any implications.

#### 1 Reason for Recommendation

- 1.1 The Council is required by legislation to review its Local Plan every five years. The Council's current development plan consists of three Epsom and Ewell Borough Council documents all of which were adopted more than five years ago. The Epsom and Ewell Core Strategy (2009) and Plan E (2011) both predate the introduction of the National Planning Policy Framework and National Planning Practice Guidance. In the absence of an up-to-date Local Plan, there is risk to the Council, including the continued absence of a 5-year housing land supply and the additional measures introduced through the Housing Delivery Test. The NPPF's presumption in favour of sustainable development is currently engaged.
- 1.2 A substantive delay to the Local Plan timetable risks missing any future transitional arrangements that may come as part of a revised NPPF. It is therefore essential that work continues developing the Local Plan and its supporting evidence base.

#### 2 Background

- 2.1 The current Epsom and Ewell Development Plan consists of three locally produced documents detailed below: -
  - Core Strategy (adopted 2009)
  - Plan E Area Action Plan (2012)
  - Development Management Policies (2015)
- 2.2 It is important to note that two of the above development plan documents adopted by the borough pre-date the introduction of the National Planning Policy Framework and Planning Practice Guidance, which have been updated several times since their introduction. Local Plans must be prepared to be in general conformity with National Planning Policy.
- 2.3 The Government introduced a legal requirement for all local planning authorities to review their local plans at least every five years in January 2018. The Council's existing Development Plan documents are therefore considered to be out of date which has implications for the determination of planning applications in the borough.

#### **Draft Local Plan Consultation**

- 2.4 Following agreement by this committee on the 30 January 2023, consultation on the Draft Epsom and Ewell Local Plan (2022-2040) was undertaken between the 1 February and 19 March 2023.
- 2.5 The Draft Local Plan contained the strategy and sites to guide how the borough will change and develop over the plan period up until 2040 as well as detailed development management policies. This formed stage 2 of the 7-stage process to adopting a Local Plan (see figure 1).
- 2.6 The Local Plan consultation was advertised / promoted through a range of methods including posters and flyers, social media advertising, a large static display in the Ashley Centre shopping centre in Epsom and six consultation events (totalling 30 hours) where Council officers were available to speak to the public and answer questions.

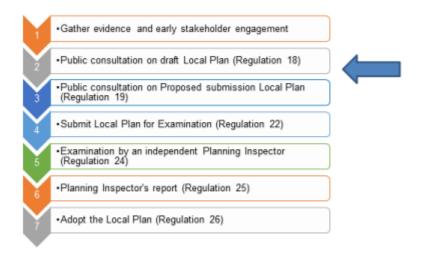


Figure 1: seven core stages of Local Plan production

- 2.7 The draft Local Plan that was consulted on between 1 February 2023 and 19 March 2023 set out a proposed growth strategy for the borough, to provide a minimum of 5,400 homes over the Local Plan Period (average of 300 dwellings per annum). The proposed growth strategy reflects the need to balance the provision of new homes (including affordable housing) with environmental and policy constraints such as land designated as Sites of Special Scientific Interest, Sites of Nature Conservation Importance, Local Nature Reserves and Green Belt.
- 2.8 During the Local Plan consultation period we received over 1,650 responses from individuals or organisations. This included responses from Statutory Consultees such as Surrey County Council, Historic England and neighbouring planning authorities.

- 2.9 Officers are currently processing all of the representations received during the consultation period and will be publishing the comments on our consultation platform in due course with personal information redacted (such as email addresses and postal addresses). As part of this process all responses are reviewed to see whether they contain abusive or defamatory comments, such comments will be redacted or where this is not possible, the representation rejected.
- 2.10 The Local Plan needs to balance different needs, such as the need for housing (including affordable housing), the need for commercial floorspace and the environment to deliver sustainable development.

#### The Council Motion

- 2.11 At an Extraordinary meeting of the council on Wednesday 22 March 2023, a motion was considered under CR 14 of Part 4 of the Council's Constitution (Appendix 1). The motion that was Carried was that the Council agrees that:
- i) Other than for the purpose of analysing the responses of the public consultation to capture residents' views and any new information, the Local Plan process be paused to enable:
  - a) further work on brown field sites, including information arising out of the Regulation 18 consultation
  - b) further options to be considered that do not include green belt sites
  - c) an analysis of Epsom and Ewell's required future housing numbers based on 2018 data
  - a clearer understanding of the Government's legislative intentions in regard to protections for the green belt and the current mandatory target for housing numbers.
- ii. Write to the MP for Epsom and Ewell calling on him to use his influence to get the Government to abandon its use of 2014 data to calculate housing need and accept that all planning and housing policies must reflect the latest data if they are to be effective as well command the respect of the people they affect.

#### Work undertaken since the motion was carried

#### Representations made on the Local Plan

2.12 Since the motion was carried work has continued processing and analysing the responses received on the consultation Draft Local Plan, which will be published in due course (see para 2.9).

- 2.13 We have continued to encourage additional sites to be put forward for consideration through the Local Plan process, with a call for sites being undertaken alongside consultation on the Local Plan and subsequently left open to enable new sites to be submitted and we have again written to landowners requesting confirmation of availability.
- 2.14 The Draft Local Plan detailed sources of housing supply in Table 3.1. This Table includes capacity (1,042 dwellings) from urban sites which do not benefit from a specific site allocation. These sites were detailed in Appendix 2 of the Draft Local Plan and for most of these 46 sites the availability of the sites was unknown, despite the council contacting the freeholder(s) in 2022. Most of these sites were identified through a desktop review exercise undertaken by EEBC officers to identify additional land that may be suitable for development within the urban area and therefore they have not been promoted by the landowner.
- 2.15 Following the consultation on the draft Local Plan we have written again to the freeholders of these sites including the Council to determine whether the sites are available. This is because to be included in the housing supply of future iterations of the Local Plan, the availability of the sites needs to be confirmed by the landowner (freeholder). Following this second round of targeted engagement, as of 24 May 2023 only 2 sites listed within Appendix 2 sites have been confirmed as available through the submission of a call for sites form.
- 2.16 In addition, the landowner of the Former Dairy Crest Site at 4 Alexandra Road (COL002) has confirmed that the site is available for retail use but not for residential use. This site was detailed in Appendix 2 of the Local Plan as having some potential capacity for residential development (20 units) and this potential supply has been lost.
- 2.17 We will continue to proactively approach landowners however, to progress the Local Plan, we will have to close the call for sites process to new submissions at the end of July 2023 so that we have a clear idea of the sites we have available for development over the Local Plan period. If, the number of sites confirmed as being available remains limited once the call for sites closes, our housing capacity from urban sites will reduce from that detailed in the Draft Local Plan.

#### Further work on non-green belt options

- 2.18 As noted above, we are continuing to identify the availability of urban sites for development to assist in meeting development needs over the Local Plan period. It is important to note that the Interim Sustainability Appraisal accompanying the Draft Local Plan identified different options (reasonable growth scenarios) which proposed different levels of growth. Two of the reasonable growth scenarios didn't propose the release of any green belt land to meet development need.
- 2.19 Through the public consultation, some respondents referenced the option that had been promoted by Chris Grayling MP regarding the redevelopment of Kiln Lane and Longmead Industrial Estates. This is addressed below.

#### Kiln Lane / Longmead brownfield option

- 2.20 Within the two employment sites a small number of sites have been promoted for development for a mix of uses, through the call for sites process, despite landowners being written to in 2022 and subsequently following the publication of the Draft Local Plan. At the time of writing, no additional sites have been promoted through the call for sites process since the second round of proactive engagement.
- 2.21 Although few sites are being promoted for housing development within these two industrial estates, the Council undertook work to investigate the feasibility of a comprehensive redevelopment for a housing led scheme. This included the current economic value of the businesses to the Local and wider economy and the likely costs of land assembly in the absence of landowner consent.
- 2.22 Kiln Lane and Longmead Industrial Estates are the boroughs two largest employment areas supporting approximately 130 companies and 1,900 jobs across a diverse range of sectors. The units on the site are well occupied with very low vacancy rates which may be impacting on the willingness of landowners to put the sites forward for development as their assets are performing well financially.
- 2.23 It is widely acknowledged that industrial and warehouse accommodation continued to perform strongly during the covid pandemic and subsequent recovery. Demonstrating the demand for modern warehousing floorspace, the council has recently consented a new development for a builders merchants that will replace an aging bus depot at the Longmead Industrial Estate. This demonstrates that there is demand for accommodation and investment in industrial locations.

- 2.24 We have looked at the opportunity to make more efficient use of land and Kiln Lane and Longmead employment sites, and Draft Local Plan Policy S11 provides the hook for the redevelopment of the site, with criteria 3 of the policy stating 'that at the Kiln Lane Strategic Employment Site (as defined on the policies map), mixed use proposals that result in no net loss of employment floorspace will be supported where the proposal is in conformity with a comprehensive masterplan for the site that has been approved by the Council'.
- 2.25 The Housing and Economic Development Needs Assessment (HEDNA) identifies a need for additional employment land / floorspace over the Local Plan period and recommends that the Council should continue to secure the warehousing and general industrial floorspace supply in key industrial estates of the Borough.
- 2.26 To conclude, currently there remain limited sites being promoted actively by landowners through the call for sites process within the Longmead and Kiln Lane site for development. The two employment sites are well occupied and support a wide range of businesses and there is a need for land to accommodate additional employment floorspace (including uses suited to an industrial estate location) over the Local Plan period.
- 2.27 To date the council has invested substantial resource investigating opportunities relating to the redevelopment of the industrial estates.
- 2.28 Further work would only be reasonable from a planning policy perspective if a substantial proportion of the land became formally available with land promoted through the call for sites process. It is therefore proposed to formally ask the Council if it would consider making its land available for redevelopment. A formal response through the call for sites process would provide key evidence to support any future approach taken in the Local Plan to the location of development.

### **Urban Site capacity**

- 2.29 We are continuing to review the capacity and density of sites within the urban area that have been confirmed as being available through the call for sites process.
- 2.30 The emerging Epsom Town Centre Masterplan is a core piece of evidence that has informed Proposed Allocations SA1 to SA4 of the Local Plan. We are currently considering the comments received from site promoters during the consultation on the Local Plan and engaging with site promoters. Landowners of these sites will need to prepare detailed work to justify any amendments to the future site allocation policy and capacity and to demonstrate deliverability as part of the Regulation 19 Local Plan. This includes those town centre sites owned by the Council.

- 2.31 Other evidence or emerging designations may also impact the ability of the urban area to accommodate additional development. One such designation is Local Listing; this is discussed further in paragraphs 2.54 to 2.57.
- 2.32 The potential housing supply from urban areas remains fluid, with work ongoing, and will only become clear once the current call for sites has closed. Whilst we might be able to secure additional housing supply from those sites that are confirmed as being available, at this time these 'gains' are likely to be offset by the 'losses' from sites that are not confirmed as being available and therefore cannot feature in the supply in future iterations of the Local Plan.

#### Housing figures base on 2018 data

- 2.33 The National Planning Policy Framework requires the use of the standard method for calculating housing needs. The standard method (as set out in the Planning Practice Guidance) requires all local authorities in England to utilise ONS Household Growth Projection data from 2014. As of April 2023, this generates a minimum housing need figure of 573 dwellings per annum for Epsom and Ewell.
- 2.34 The ONS published revised forecasts in 2018, which predict much lower household growth nationally and within Epsom and Ewell Borough. If we were to put these figures into the standard method (as opposed to the 2014 data) this would generate a minimum housing need figure of 253 dwellings per annum for Epsom and Ewell.
- 2.35 The calculations for the standard method using both 2014 and 2018 ONS data are contained in Appendix 2.
- 2.36 It is important to note that the government made it clear in its recent consultation on proposed changes to the National Planning Policy Framework that it will not be amending the standard methodology to utilise 2018 data. The government indicated that the standard method would be updated in 2024 to be based on census data. We anticipate that the government will amend the methodology in its entirety at this time and we would express caution in assuming that the methodology would remain unchanged other than the population projection utilised.

#### Government's legislative intentions

- 2.37 As part of the governments Levelling up-and regeneration Bill: reforms to national policy consultation a track changed version of the NPPF was consulted upon with the government due to respond to this consultation and publishing the framework revisions by spring 2023.
- 2.38 As noted in the January 2023 report to this committee, the core changes for Plan Making related to the standard method for housing becoming advisory and the clarification of the point that local authorities do not need to review their Green Belt if it is the only way to meet housing needs.

- 2.39 The proposal that the housing requirements generated by the standard method becoming advisory, would not impact the approach to the Epsom and Ewell Local Plan. The Draft Local Plan that was subject to public consultation set a housing requirement of 300 dwellings per annum, compared to the standard method minimum housing need (April 2022) of 576 dwellings per annum. The Council is therefore not proposing to meet the governments housing requirements as we do not consider that doing so would deliver sustainable development in the borough.
- 2.40 At a recent Levelling Up, Housing and Communities Select Committee (April 2023), it was implied that the revised NPPF is not going to be published in Spring 2023 as initially intended and no indication of timescales for publication were discussed. During the committee it was stated that the government are considering approximately 26,000 responses that they received to the consultation.
- 2.41 The Levelling up and Regeneration Bill is currently at the Committee Stage in the House of Lords. It is important to note that during the committee stage, every clause of the Bill has to be agreed to and votes on any amendments can take place. All suggested amendments have to be considered.
- 2.42 It is important to note that the recent consultation on changes to the National Planning Policy system the government did not propose any changes to the standard method for calculating minimum housing needs but stated that the government will review the implication on the standard method of new household projections data based on the 2021 Census, which is due to be published in 2024.
- 2.43 It is unclear when the revised standard method will be published in 2024. It may be the case that the government decide to implement changes to the standard method as part of the more fundamental reforms to national policy to be introduced following the Levelling up and Regeneration Bill receiving royal assent.

#### The Importance of progressing the Local Plan

- 2.44 The Local Plan is a statutory requirement, and the Government has made it clear that all local authorities must have an up-to-date plan. Failure to do so could lead to intervention whereby the Government writes our Local Plan and policies. Without a new plan we could find ourselves unable to resist unacceptable development or refused applications being allowed on appeal. This could result in unplanned development in unsustainable locations
- 2.45 An up to date Local Plan is key to delivering other corporate priorities of the Council, including reducing homelessness through the delivery of more homes, and delivering additional affordable housing in the borough.

- 2.46 The next step to progress the Local Plan towards adoption is the production of a Submission Draft Local Plan (Regulation 19) which will be subject to a consultation process after which all comments submitted are forwarded to the Secretary of State for consideration by the Planning Inspectorate alongside the Submission Draft Plan.
- 2.47 A Local Plan examination will follow afterwards allowing an opportunity to comment on the Plan. The Planning Inspectorate will be looking to determine if the Plan is sound. This means that the Plan should be:
  - Positively prepared the plan should provide a strategy which, as a minimum, seeks to meet the area's objectively assessed needs; and is informed by agreements with other authorities, so that unmet need from neighbouring areas is accommodated where it is practical to do so and is consistent with achieving sustainable development;
  - Justified the plan should provide an appropriate strategy when considered against reasonable alternatives based on proportionate evidence;
  - Effective the plan should be deliverable over the plan period up to 2040 and based on effective joint working on cross-boundary strategic matters that have been dealt with rather than deferred, as evidenced by the statement of common ground; and
  - Consistent with national policy the plan should enable the delivery of sustainable development in accordance with the policies of the Framework or other statement of national policy, where relevant.
- 2.48 The Local Development Scheme (Local Plan Timetable) that was adopted by this committee in November 2022 (Appendix 3) sets out the timescales for progressing the Local Plan through the stages detailed above which are summarised below:
  - Publication of Submission Draft Local Plan (Regulation 19) public consultation scheduled for February to March 2024.
  - Submission and Examination of the Local Plan (June 2024)
  - Adoption of the Local Plan (expected Spring 2025)
- 2.49 This timetable is no longer achievable and will need revising at a future meeting of this committee.

#### Additional workstreams to progress in the short term

- 2.50 It is recommended that the planning policy team make progress with the following workstreams over the summer to support the development of the Local Plan to reduce the length of the delay once the Local Plan is unpaused:
  - Continued engagement with willing landowners / site promoters to ensure that we are making the most efficient use of land in the urban area.
  - Work towards finalising the Epsom Town Centre Masterplan having had regard to the comments received during the Draft Local Plan consultation process, including those from the site promoters.
  - Following the closure of the call for sites process, update the Land Availability Assessment and baseline housing land supply position.
  - Update the Strategic Flood Risk Assessment to reflect updated National Policy and Guidance and amendments to Flood Zone boundaries published by the Environment Agency.
  - Continue to prepare for the introduction of mandatory biodiversity net gain in November 2023.
  - Consider the feedback received on those Local Plan policies that do not impact the spatial strategy (i.e. sites) and to update these policies as necessary.
  - Continuing to respond to government consultations and keeping a watching brief on potential changes to legislation, national policy and guidance.
- 2.51 In addition, due to the changes in councillors following the local elections, officers propose to hold a series of member briefings during the summer in relation to the Local Plan. These briefings will be held prior to a future report being considered by this committee on the Local Plan timetable.
- 2.52 It is important to note that the longer the delay in progressing the local plan increases the risk of some of the existing evidence base becoming out of date before we submit our Local Plan to the planning inspectorate, such as evidence relating to development needs or development viability.
- 2.53 In addition, delays have budgetary implications for resourcing the planning policy team. The resourcing of the Planning Policy Team is currently dependent upon two fixed term contract posts that were approved by the Strategy and Resources Committee on the 30th March 2021. The Principal Policy Officer Postholder contract expires in early May 2024 and the Planning Policy Officer Postholders contract expires early December 2024.

#### Local Heritage List Review

- 2.54 Following the receipt of government funding, Surrey County Council has worked with Epsom and Ewell and five other Surrey Boroughs to update the local heritage assets list (also known as the Local List). The County Council have recently completed this project and are in the process of handing over data to EEBC.
- 2.55 Each existing building or structure on the local list in addition to any assets nominated through the consultation process undertaken between October and November 2021 have now been assessed against selection criteria based upon national guidance to determine whether it qualifies for inclusion on the local list.
- 2.56 This committee will need to consider the revised Local List at a future meeting to approve undertaking consultation with the owners of any new buildings or structures proposed to be locally listed and those that submitted responses (note: individuals or organisations that submitted responses to the Local List will need to make themselves known to EEBC to be formally consulted for GDPR reasons).
- 2.57 Due to other work commitments related to the progressing the Local Plan (see paragraph 2.50) in addition to the roll out of new software systems in Planning Policy, it is recommended that the Local List Review is paused whilst we await receipt of all the information and consider the implications for progressing the Local Plan and other supporting evidence.

#### 3 Risk Assessment

Legal or other duties

- 3.1 Equality Impact Assessment
  - 3.1.1 An Equality Impact Assessment (EqIA) of the Draft Local Plan was published as part of the consultation materials. The purpose of the EqIA is to ensure that the plan promotes equality and does not discriminate. The EqIA concluded that there the Draft Local Plan will not impact negatively on specific groups.
- 3.2 Crime & Disorder
  - 3.2.1 None arising from this report.
- 3.3 Safeguarding
  - 3.3.1 None arising from this report.
- 3.4 Dependencies
  - 3.4.1 The delivery of key corporate objectives/actions are dependent on progressing the Local Plan, including

- Actions identified in the Affordable Housing Audit
- Homelessness and Rough Sleeper Strategy and supporting action plan
- Climate Change Action Plan
- 3.5 Other
  - 3.5.1 None arising from this report.

#### 4 Financial Implications

- 4.1 The budget envelope for the delivery of the Local Plan was agreed by Strategy & Resources in March 2021. Any delay in delivering the Local Plan is likely to have budgetary implications.
- 4.2 **Section 151 Officer's comments**: Wherever possible, the service should aim to produce the Local Plan within the budget envelope agreed by Strategy and Resources Committee. As the project progresses, any request for additional resources should be supported by a robust business case for members to consider and scrutinise.

#### 5 Legal Implications

- 5.1 There are no direct legal implications as a result of this report. The Local Plan must be prepared within the legal planning framework.
- 5.2 **Legal Officer's comments**: none for the purposes of this report

#### 6 Policies, Plans & Partnerships

- 6.1 **Council's Key Priorities**: The new Local Plan will contribute towards delivering the Council's Vision and priorities in its Four-Year Plan.
- 6.2 **Service Plans**: The matter is included within the current Service Delivery Plan.
- 6.3 **Climate & Environmental Impact of recommendations**: The Local Plan will play a key role in implementing our Climate Change Action Plan.
- 6.4 **Sustainability Policy & Community Safety Implications**: The Local Plan itself has a key role in delivering sustainable development.
- 6.5 **Partnerships**: The Council has a duty to cooperate with relevant stakeholders in the preparation of a Development Plan. The Council notified Duty to Cooperate bodies of the Draft Local Plan consultation and invited comments on the draft document.

#### 7 Background papers

7.1 The documents referred to in compiling this report are as follows:

#### **Previous reports:**

- Licensing and Planning Policy Committee 30 January 2023 Epsom and Ewell Local Plan 2022-2040
- Licensing and Planning Policy Committee 21 November 2022 Local Plan – Revised Local Development Scheme
- Licensing and Planning Policy Committee 21 June 2022 –Local Plan Funding Update

#### Other papers:

• Equality Impact Assessment of the Draft Local Plan (January 2023)

https://www.epsom-ewell.gov.uk/sites/default/files/documents/residents/planning/planning-policy/epsom-and-ewell-local-plan/EIA-%20Draft%20local%20plan%20Final.pdf

 Interim Sustainability Appraisal of the Draft Local Plan (January 2023)

https://www.epsom-ewell.gov.uk/sites/default/files/Epsom%20and%20Ewell%20Local%20Plan%20SA%20-%20Interim%20SA%20Report%20230131.pdf