

LOCAL PLAN ISSUES & OPTIONS CONSULTATION - OUTCOMES AND WAY FORWARD

<u>Report of the:</u>	Head of Place Development
<u>Contact:</u>	Karol Jakubczyk
Urgent Decision?(yes/no)	No
If yes, reason urgent decision required:	
<u>Annexes/Appendices (attached):</u>	Annexe 1: Questionnaire Responses Annexe 2: Issues & Options Consultation Summary Report
<u>Other available papers (not attached):</u>	Local Plan Issues & Options Paper September 2017 Local Plan Programme 2017

REPORT SUMMARY

During the Autumn the Borough Council held an Issues and Options Consultation on the partial review of the Borough-wide Core Strategy. The consultation focused upon the housing growth challenges facing the Borough. This report provides an overview of the responses received during the consultation. It also sets out the Officers' responding comments and any suggested actions. The report concludes by identifying the suggested way forward, which it is anticipated will take the process towards Pre-Submission consultation during May 2018.

RECOMMENDATION (S)

- (1) That the Members of the Committee consider the responses made to the Issues & Options Consultation as set out under Annexes 1 and 2. Subject to any changes or amendments that both Annexes be published as a record of the Consultation; and
- (2) That the Committee consider and agree Option 4 as the way forward for the Local Plan; subject to any suggestions or advice from Members.

Notes

1 Implications for the Council's Key Priorities, Service Plans and Sustainable Community Strategy

- 1.1 The Council's Local Plan provides the spatial planning mechanism for implementing the vision set out in the Sustainable Community Strategy, and the Council's Key Priorities. The Partial Review of the Core Strategy is a critical component of the Local Plan as it will set out the strategy for housing growth for the next plan period. It will also set out the scale of new housing that the Borough Council will seek to plan for and the sites that be allocated to meet that objective.
- 1.2 The Annual Service Plan includes related planning policy objectives and an overarching objective of Economic Vitality, the achievement of which will be influenced by how the Borough responds to housing demand.

2 Background

- 2.1 Since we adopted our Core Strategy policies there has been considerable change to national policy and planning in general – specifically in terms of how we meet future housing need. Notably the recent Housing White Paper saw the government concede that the nation is not building enough new homes fast enough. Their subsequent “Planning for the right homes in the right places” consultation identified a series of proposed state interventions, including top-down housing targets for all local planning authorities that seek to “get Britain building again”.
- 2.2 Under this backdrop it has become increasingly clear that our Local Plan housing policies are no longer up-to-date or in accordance with national policies. This is in spite of our having a good record of meeting the housing needs identified in our current policies. This has required us to review our housing policies.
- 2.3 Work on the partial review of the Core Strategy has been underway since 2015. During that time the focus has been upon developing an up-to-date evidence base that is consistent with national planning policy. Our evidence formed the basis for the Issues & Options Consultation.
- 2.4 The Issues & Options Consultation Paper set out the reasons behind the partial review; the challenges that we face in accommodating our objectively assessed housing need; the additional challenges being posed by the government; and the available, deliverable and developable options that respond to national planning policy and the predicted housing demand.
- 2.5 The consultation ran from Monday 25 September 2017 until Monday 6 November 2017. In order to provide further opportunity for our residents and communities to make their views known we kept the Consultation actively running for an additional week.

- 2.6 The Issues & Options Consultation was not limited to the on-line questionnaire. During the Consultation period we ran a series of Surgery Sessions, which provided interested parties an opportunity to ask questions about the challenges of meeting housing demand and how we might respond. Officers attended a number of public meetings, presenting and answering about the challenges and options. These meetings were well attended.
- 2.7 Although the Issues & Options Consultation was in the main engineered to provide an opportunity for residents and local communities, there were equal opportunities for those with a development interest to engage in the process. Principally this came through the “call-for-sites” exercise that ran alongside the Consultation. Those seeking to promote sites for allocation as sources of housing land supply were also given the opportunity to meet with Officers to discuss the detail of how their sites could contribute towards meeting our local needs.
- 2.8 Alongside the above mentioned consultations we also ran a parallel exercise seeking comments on our emerging Sustainability Appraisal Report. While this exercise was open to all, the focus was to obtain input from the three statutory consultees – the Environment Agency, Natural England and Historic England.
- 2.9 The responses to the Questionnaire are set out under Annexe 1, which also includes Officers’ comments. Annexe 2 provides overviews of the whole Consultation process and the key issues that have been raised; this includes a breakdown of the written responses received (these being in addition to the Questionnaire responses). The two Annexes should be read together.

3 Consultation Responses

- 3.1 Having now fully considered the content of the consultation responses we believe that the Issues & Options Consultation can be considered a success. It is notable that we received in excess of 600 responses to our questionnaire, which is our highest for a local plan consultation. We also met a wide variety of local interest groups; presented to around 200 people at the evening meetings; and met with most of the development/landowner interests that have come forward to date. The scale of our consultation was necessarily constrained by the resources available. It is worth highlighting that while one of our near neighbours succeeded in generating more responses to their Issues & Options consultation they expended a far greater financial and staff resource to make that gain.
- 3.2 The questionnaire response and the comments raised at the meetings generated a wide range of useful and helpful comments that we will use to inform the plan making process. The qualitative value of the responses outweighs any perceived quantitative shortcomings.

- 3.3 The responses are finely balanced in terms of support for Option 4 – the ‘balanced approach’ to future growth. Nevertheless, the majority of responses agreed that Option 4 was the “least bad” approach for going forward. There was little in the way of support for Options 2 (release some Green Belt) and 3 (significant release of Green Belt). The only vocal support for an “all-out growth” approach came from a small sector of the development industry. It is noteworthy that while only 30% of responses to Question 1 supported Option 1 (urban intensification), the responses to Question 8 demonstrate that a significant number of responses are supportive of urban intensification and taller buildings in the right locations – subject to maintaining and enhance visual character and appearance. It is also worth highlighting that a significant number of responses support the retention of local parks and open spaces - particularly in the north of the Borough.
- 3.4 A key point for the Borough Council is that the responses demonstrate some sections of local communities and the development industry do not fully understand the purpose of Green Belt policy and how a review process would work. We have begun to address this through the Officer comments, which seek to provide a more detailed explanation of the policy context. It is advised that future communication and consultation on the Local Plan provides further clarity so that people make more informed responses.
- 3.5 Equally, some responses suggest that there is a knowledge gap in respect of what urban intensification could look like. We can address this by preparing more evidence; such as the emerging Green Belt Study Stage 2 and a paper setting out how we could achieve higher densities in the urban area. Work on both of these studies is already underway.
- 3.6 We believe that it is particularly significant that a majority of questionnaire responses and the written representations support meeting local affordable housing need – ahead of any other housing need. Indeed, many responses suggested that we should only be meeting affordable needs, or seeking a significantly higher proportion (80%) of affordable provision as part of new development. This support is welcomed – however, meeting this aspiration will be extremely challenging because of the policy and viability constraints put in place by government. The high level site allocation viability appraisal work, which will form part of our Local Plan evidence, will further inform this area of policy development.
- 3.7 We consider it positive that the consultation responses identified a range of sites that people believed to be suitable as potential sources of housing land supply. We are in the process of assessing the new sites that were identified by residents and land promoters. Those that are available and deliverable will be taken forward for consideration as possible site allocation options.

- 3.8 A small but notable number of responses disagreed with the objectively assessed housing need figure – particularly that proposed by government. These responses urged us to challenge or ignore these figures. While we have sympathy with some of these responses, we would face considerable risk in taking such a position. In contrast and unsurprisingly some developer responses suggest that the government’s proposed standard methodology provides a more accurate reflection of housing need and that our SHMA “significantly underestimates need”. We believe such statements are irresponsible, divisive and are not conducive to achieving a sustainable and deliverable solution to the housing crisis.
- 3.9 Many responses expressed concern about the necessary infrastructure that will be required to support future homes. Responding to this will be challenging as Local Plan Inspectors have not placed great weight on infrastructure capacity as a constraint to growth taking place. We recommend that the Borough Council, and its infrastructure partners, explore innovative and cost-effective solutions to this issue – rather than continuing traditional costly solutions. This may include expanding, improving and completing our pedestrian and cycle route networks. These measures would over time seek to enable modal-shift towards sustainable travel for local journeys.
- 3.10 Responses were also received from infrastructure providers. Thames Water Utilities Ltd stressed the need for adequate water and sewerage infrastructure to be delivered prior to development and requested a strengthening of the policy requirements in the Local Plan. Similarly, Surrey Police have advised that the Local Plan should include planning policy to reduce opportunities for crime and reduce the perception of crime. Furthermore, the Local Plan should also ensure there is an effective mechanism to provide new emergency services infrastructure to the meet the needs of the increasing population of Epsom & Ewell.
- 3.11 The Environment Agency commented that the Council should identify the risk of flooding from all sources and that flood risk and the history of flooding should be fully considered on sites put forward for development.
- 3.12 Responses were also received from our Duty to Co-operate partners, including from Surrey districts and boroughs and the Greater London Authority all of which share in the challenge of meeting housing need.
- 3.13 Correspondence from the Housing Market Area partners (Elmbridge Borough Council, Mole Valley District Council and the Royal Borough of Kingston Upon Thames) acknowledged the challenge of responding to housing need. All confirmed their commitment to on- going discussions and co-operation to responding to unmet housing need and strategic issues such as infrastructure and Green Belt.

- 3.14 Surrey County Council commented that when it is clearer as to where the development will be located and its scale, they will work with the Council to assess the impacts on the highway and transport network and to seek any necessary mitigation measures. The response also highlighted the need to work together to ensure that sufficient additional provision including education is made to support any new development proposed in the local plan.
- 3.15 The Greater London Authority and Transport for London highlighted the additional capacity and connectivity that the borough will benefit from through Crossrail 2, which could assist in delivering higher levels of growth in appropriate locations. Transport for London and Network Rail (the bodies promoting Cross Rail 2) consider these locations to be centred upon the railway stations that will serve Cross Rail 2 – namely, Stoneleigh, Ewell West and Epsom Railway Stations.

4 The Way Forward

- 4.1 The valuable input from the Issues & Options Consultation responses supports the conclusion that the Borough Council continues to maintain progress on the production and preparation of the Borough Local Plan, specifically in terms of planning for new homes. In that respect, we recommend that we continue to work towards meeting the adopted timetable set out in the Local Plan Programme.
- 4.2 In order to maintain progress it is clear, from the consultation responses, that we need to continue the development of our evidence base. This specifically encompasses the completion of our Green Belt Study Stage 2; the review of our Strategic Flood Risk Assessment; further assessments of infrastructure capacity (including highway modelling); and the preparation of high level site allocation viability appraisal. Many of these studies are already underway and it is anticipated that most will report during the first quarter of 2018. We will keep the Committee fully apprised of their progress.
- 4.3 The consultation has revealed that most residents and community groups (who took part) understand that we have to plan positively for future housing growth. We cannot ignore the challenges being placed upon us and hope that they will go away. Within that context, we recommend that the Committee agrees that Officers develop Option 4 as the available and deliverable sustainable response to our objectively assessed housing need. The 'worked-up' version of Option 4 will sit at the heart of a Draft pre-Submission Document, which will initially be presented to all Members at a Briefing Session before coming to this Committee during March 2018. Should we meet this ambitious timetable, the Pre-Submission document could then be the subject of public consultation; with submission to the Secretary of State taking place (at the earliest) during May 2018.

- 4.4 In order to develop Option 4, we will need to accept higher density housing development and taller residential buildings in appropriate locations. The consultation responses have helped us confirm that these include town and retail/ commercial centres; transport nodes – specifically those centred upon our railway stations; and at locations along major transport corridors. This may lead us to review our existing housing development density policy and our approach to tall buildings (at these specific locations). Many respondents stated that they would be prepared to accept this if it reduced our reliance upon releasing land currently within the Green Belt.
- 4.5 While increased urban intensification will make a contribution towards responding to our objectively assessed housing need, evidence shows that we will still be significantly short in terms of housing numbers. The government has clarified that housing need is a trigger for the “exceptional circumstances” required to review and release land currently designated as Green Belt. If we are to convince our future Local Plan Inspector, and the Secretary of State, that we are serious about responding to the challenges of housing demand then we will need to seriously consider this as part of Option 4.
- 4.6 Our emerging Green Belt Study Stage 2 will inform and guide our approach to the consideration and release of land currently within the Green Belt. The release of land would enable the identification of suitable development sites for allocation within the Local Plan. Evidence suggests that even if we release land from the Green Belt we will still be short of meeting our objectively assessed housing need.

5 Financial and Manpower Implications

- 5.1 The preparation and implementation of the Council’s Local Plan imposes significant demands on staff in the Planning Policy Team and the wider Place Development Service. The processes, timetable and staff resource implications are set out in the latest version of the Local Plan Programme (July 2017).
- 5.2 Additional staff resources have been secured until the end of December 2018 and will be deployed to ensure that the Local Plan Programme is met in accordance with its timetable. Additional resources may be required beyond 2018 to deliver the programme to the agreed timetable. A review of existing work priorities will be undertaken to establish the need for additional funding, any extension to staffing will be subject to identification and agreed use of reserves by Strategy & Resources Committee.

- 5.3 **Chief Finance Officer's comments:** Additional funding from the 5 percent admin fee element of Community Infrastructure Levy receipts was agreed to fund up to £80,000 in total over two years to support the delivery of the Local Plan. Any request for the use of any additional funding will need to be agreed by the Strategy and Resources Committee.

6 Legal Implications (including implications for matters relating to equality)

- 6.1 All statutory Local Plan documents are subject to public examination. The recently adopted "Your Involvement in Planning" document addresses those equality issues related to consultation and engagement.

- 6.2 **Monitoring Officer's comments:** The Town and Country Planning (Local Planning) (England) Regulations 2012 build on the statutory framework in relation to the preparation and adoption by local planning authorities of local plans. The Regulations set out the procedure to be followed by local planning authorities in relation to the preparation of local plans, including as to consultation with interested persons and bodies and the documents which must be available at each stage.

Regulation 18 provides that the Council must notify certain persons and bodies of the subject of the local plan which the Council proposes to prepare and invite them to make representations about what that local plan ought to contain. In preparing the local plan, the Council must take into account any representations. This report seeks to comply with the statutory requirements for preparation of the local plan.

7 Sustainability Policy and Community Safety Implications

- 7.1 The partial review of our Local Plan will contribute towards delivering the Council's objectives for maintaining and enhancing the Borough as a sustainable place to live, work and visit by providing guidance to new development proposals.
- 7.2 Sustainability Appraisal of the policy options forms an integral part of the plan-making process. The Sustainability Appraisal Report is subject to consultation. An Appraisal Report of the proposed consultation options was consulted upon in parallel to the Issues & Options Consultation Paper. The responses to that consultation are set out under Annexe 2.

8 Partnerships

- 8.1 The Localism Act and national planning policy state that public bodies have a duty to co-operate on planning issues that cross administrative boundaries. We are seeking to meet this duty by working collaboratively with our partners in neighbouring boroughs and districts on issues of common interest. We are beginning to make progress with our immediate partners in the Kingston and North East Surrey Housing Market Area. We are also seeking to develop our relationship with the Greater London Authority. Securing these relationships will be an important in taking our Local Plan through the examination process.
- 8.2 This is a continuous and evolving process that will help guide future policy development. Where it is necessary and appropriate we will seek the active involvement of the Committee in order to secure agreement on strategic cross-boundary issues.

9 Risk Assessment

- 9.1 In 2015 the government issued a requirement that all local planning authorities must produce new local plans for new homes by 2017. The recent government consultation, "Planning for the Right Homes in the Right Places", identified a new deadline of March 2018, after which local planning authorities will be required to use the government's standard methodology for calculating their objectively assessed housing need. There is a risk that our failure to make progress against these challenging timetables could lead to intervention in our plan-making process by the government. A greater risk comes in the form of predatory developers who are known to take advantage of out-of-date local plans to justify proposals that would normally be unacceptable. Maintaining forward progress is the best defence against these risks.
- 9.2 Although we will neither achieve the above deadline nor are we likely to be able to deliver all of our objectively assessed housing need, we are responding positively to the challenge of planning for future housing growth. By pursuing Option 4 we believe that we will be able to demonstrate that we are planning to deliver as much new housing as sustainably possible – given the Borough's primary constraints and lack of available sources of housing land supply. The possible releases of Green Belt land that are associated with Option 4 do present a potential risk. We are seeking to address these risks through regular engagement with Members and Senior Officers. The full and open dissemination of information to our residents and communities will also help in managing this risk.

- 9.3 Planning for future housing growth is challenging. Whichever Option is chosen, there will be a high risk that the associated site allocations will generate strong objections for residents, local communities and developers promoting competing sites/ options. We can minimise this risk by ensuring that our decision making process clear, sequential and supported by robust evidence.
- 9.4 While we are confident that we can present a robust case to justify not meeting all of objectively assessed housing need, the issue of how we respond to any unmet need remains. Recent experiences elsewhere demonstrate that we have to prepare a robust strategy to address this issue. Failure to do so will result in our Plan being found unsound, with all of the risk that are commensurate with such an outcome. We are seeking to manage this issue collectively with our Housing Market Area Partners. We will keep Members apprised of progress on this matter.
- 9.5 There is significant risk associated with staff retention. The Planning Policy Team currently has sufficient resources to progress the Local Plan – this comes in the form of experienced and knowledgeable staff who are very familiar with the Borough and challenges of planning for growth. Recent experiences have shown that the Local Plan timetable is vulnerable to staff leaving the Borough Council. The impact of one or two members of the Planning Policy Team leaving could be significant both in terms of meeting the timetable and our ability to progress the Plan through examination.

10 Conclusion and Recommendations

- 10.1 The Committee are asked to consider the responses made to the Issues & Options Consultation, and any associated Officers' comments, as set out under Annexes 1 and 2.
- 10.2 In light of the consultation responses, the Committee are asked to support Option 4 as the forward for the Local Plan Review process. Subject to any suggestions or advice from the Committee, Officers be instructed to prepare the Draft Pre-Submission document in accordance with the agreed timetable.

WARD(S) AFFECTED: (All Wards);