Public (Part2) Key Decision - Yes

HUNTINGDONSHIRE DISTRICT COUNCIL

Title/Subject Matter:	Huntingdonshire Local Plan Review and Proposed Update
Meeting/Date:	Overview & Scrutiny (Performance and Growth) – 4 th January 2023 Cabinet – 24 th January 2023
Executive Portfolio:	Executive Councillor for Planning
Report by:	Chief Planning Officer
Ward(s) affected:	All Wards

Executive Summary:

The report is one of three inter-related reports presented to this meeting which collectively seek to commence a full update to Local Plan and agree publication for public engagement of the Statement of Community Involvement and the Sustainability Appraisal Scoping Report, both of which will shape the way a future Local Plan is prepared.

Regulation 10A of the Town and Country Planning (Local Planning) (England) Regulations 2012 (as amended) requires the Council to complete a review of the Local Plan within 5 years of adoption and to reach a conclusion on whether it requires a full, partial or no update. Changes to national legislation and the National Planning Policy Framework since adoption of Huntingdonshire's Local Plan to 2036 indicate that the plan is now dating.

This report explains the rationale for commencing work on a full update to Huntingdonshire's Local Plan to 2036. The report outlines the anticipated timescales for the preparation of a full update to the Local Plan. The report also highlights the risks of not commencing and the potential impacts on decisionmaking on planning applications.

This is an important Council document, as an updated Local Plan will set the statutory planning framework for the district, shaping development through into the 2040s. An updated Local Plan also provides opportunities to introduce policies that can help to deliver the Council's priorities and further explore ambitions raised during public engagement on the Place Strategy and Environment and Climate Strategy. It directly delivers against the 2022/23 Corporate Plan 2022/23 objective 'Improving the housing situation', with the first action being to 'Commence an update of the Local Plan'.

A formal decision is sought to commit to preparing a full update to the adopted Local Plan.

Recommendation(s):

The Cabinet/Committee is

RECOMMENDED

- a) To agree to the preparation of a full update to the adopted Local Plan.
- b) To agree to the commencement of work to compile an updated local evidence base to inform and support preparation of the full update to the adopted Local Plan, working with partners and consultants as necessary.
- c) To require the preparation of an updated Local Development Scheme to formally outline the scope of the update to the adopted Local Plan and an indicative timetable for its preparation.

1. PURPOSE OF THE REPORT

1.1 This report proposes that work is commenced on a new Local Plan to replace Huntingdonshire's Local Plan to 2036 An analysis of the current Local Plan against requirements of the 2021 version of the National Planning Policy Framework (NPPF) and other recent national legislation has been undertaken. The outcome indicates that key elements of the current Local Plan do not fully align with up-to-date national policy and increase the risk, for decision making, of policies being deemed out of date (NPPF 2021, paragraph 11). It is also recognised that a new Local Plan needs to reflect ambitions of the Joint Administration including the emerging Place Strategy and emerging Climate Strategy.

2. BACKGROUND

What is a Local Plan

- 2.1 A Local Plan is defined in the NPPF as:
 - 'The plan for the future development of the local area, drawn up by the local planning authority in consultation with the community'. The purpose of the Local Plan is to provide a framework for sustainable development within Huntingdonshire including the identification of land for development to deliver the homes, employment and services needed and to set out local policies against which decisions on all planning applications are made. The Local Plan is the main basis for making planning decisions. Planning decisions should be in accordance with the Development Plan, including the Local Plan, unless material considerations indicate otherwise.
- 2.2 Huntingdonshire's Local Plan to 2036 (HLP2036) was adopted on 15th May 2019. It was prepared under the NPPF 2012 and submitted on 30th March 2018 for examination in public by the Planning Inspectorate, on behalf of the Secretary of State, under transition arrangements put in place following the introduction of the then updated NPPF 2018. It identifies sufficient land for 20,100 new homes and 14,400 new jobs along with supporting facilities, infrastructure, and open space. It sets the context for neighbourhood and community planning and supports delivery of priorities of the Council and partners. It was prepared through a number of stages and full details of the preparation and background documents of the HLP2036 can be found <u>here.</u>

National Planning Policy

- 2.3 National policy has evolved substantially since the HLP2036 was prepared. Three more iterations of the NPPF have been published and another is forthcoming. In summary, the primary changes arising from the NPPF affecting the HLP2036 are:
 - A changed methodology for calculating local housing need from a locally led approach to a national one. This has resulted in an uplift of approximately 20% above the HLP2036 target of 804 new homes per year. Housing delivery will be judged against this higher figure from 15th May 2024 when the HLP2036 reaches 5 years from adoption.

- Introduction of a requirement to allocate 10% of new homes on sites of no more than 1 ha.
- An expanded definition of affordable housing to include discounted market sales homes, such as those provided through the First Homes scheme, which should form at least 25% of all affordable home provision.
- The need to set a housing requirement for designated neighbourhood areas reflecting the overall strategy and scale of development of the Local Plan.
- A requirement to recognise and address the specific locational requirements of different employment sectors, including making provision for clusters or networks of knowledge and data-driven, creative or high technology industries, and for storage and distribution operations at a variety of scales and in suitably accessible locations.
- To work proactively to plan for public service infrastructure and to promote public safety.
- An enhanced emphasis has been placed on responding and adapting to the impacts of climate change in conjunction with scheduled changes to Building Regulations.
- Introduction of mandatory biodiversity net gain, set at a minimum requirement of 10% through the Environment Act 2021.

Local Plan Update

2.4 Regulation 10A of the Town and Country Planning (Local Planning) (England) Regulations 2012 (as amended) states that:
'A local planning authority must review a local development document

'A local planning authority must review a local development document within the following time periods –

- a) in respect of a local plan, the review must be completed every five years, starting from the date of adoption of the local plan, in accordance with section 23 of the Act (adoption of local development documents)'
- 2.5 The purpose of the review is to ensure that policies remain relevant and effectively address the needs of the local community. Once a Local Plan has been reviewed there are three potential outcomes.
 - a) It is decided that no changes are required to the plan and the Council publishes a statement to that effect setting out the reasons for the decision, or
 - b) It is decided that some changes are required, and work commences on a partial update to the plan, or
 - c) It is decided that more substantive changes are required, and work commences on a new plan/ full update.

2.6 If the review concludes that the Local Plan is not up-to-date, an update is required, planning decisions will continue to be determined in accordance with the Development Plan and the degree of weight to be attached to individual policies will be a matter for the decision maker in light of the outcome of the review. However, if policies are deemed to be out-of-date for decision making as an outcome of the review or by way of an appeal against refusal of planning permission, then the risks to the Council are significant, and immediate. These are elaborated upon in section 5.

3. ANALYSIS OF CURRENT LOCAL PLAN AND NATIONAL POLICY CHANGES

- 3.1 The Local Government Association's Planning Advisory Service provides a Local Plan Review Toolkit to test the HLP2036 against current requirements, particularly, the NPPF 2021. That methodology has been used in assessing the HLP2036 against aspects such as conformity with national planning policy requirements, 5 year housing land supply, delivery against the strategy and objectives, changing economic conditions and their impact on viability, the effectiveness of policies for decision-making and changing political contexts.
- 3.2 Changes to national legislation and the NPPF since adoption of the HLP2036, as summarised above, indicate that the plan is now dating. Of particular importance is the introduction of a new 'standard method' for calculating the local housing need figure against which housing delivery is tested nationally through the annual housing delivery test and the need to maintain a 5 year housing land supply. The Council can currently demonstrate a reasonable 5 year housing land supply. However, the figure is revised annually and can fluctuate significantly in response to changes in economic circumstances.
- 3.3 Delivery of the spatial strategy is currently on track. However, since adoption of the HLP2036 review of the military estate by the Defence Infrastructure Organisation has determined that the USAF will remain at RAF Alconbury for the foreseeable future. Therefore, SEL1.2 RAF Alconbury is no longer going to be made available for development of 1,680 new homes, a primary school and supporting social and community facilities originally anticipated will come forward later in the plan period. Delivery of HU 1 Ermine Street, Huntingdon which is allocated for 1,440 new homes, local retailing, supporting community facilities and strategic green infrastructure has been delayed by transport infrastructure challenges relating to the A141 although work is in progress by the Cambridgeshire and Peterborough Combined Authority to bring forward transport infrastructure improvements to facilitate this site.
- 3.4 The national definition of affordable housing has also changed since the HLP2036 was prepared. Completions monitoring indicates that delivery of affordable housing within planning proposals has been below target largely as a result of viability challenges relating to the scale of infrastructure provision requirements on the two strategic expansion locations of Alconbury Weald and St Neots East. No First Homes schemes have been

built as of October 2022. An updated Local Plan would provide opportunities to explore different approaches to provision of affordable housing across the district and to investigate up-to-date viability issues.

- 3.5 Economic uncertainty has arisen from Brexit and the Covid-19 pandemic. Changes in the nature of demand for employment and retailing sites has recently been experienced with increasing interest in proposals for logistics and advanced manufacturing. The potential approach towards the local economy will need to be explored through the future evidence base that would support any new Local Plan.
- 3.6 The environmental context for the Local Plan has changed significantly since preparation of the HLP2036 with enhanced emphasis at both local and national levels on responding to the climate emergency and protecting and enhancing the natural environment. An updated Local Plan would enable local policies to align with the more ambitious national approaches to enhance the local environment and respond to the climate emergency by introducing up-to-date policies with full statutory weight to shape new development proposals throughout the district.
- 3.7 Major infrastructure improvements have been approved or introduced since the HLP2036 was prepared. Again, an updated Local Plan would enable Huntingdonshire to explore how maximum benefit might be obtained from the investment in these. The A14 and associated works within Huntingdon are now completed, these give rise to opportunities to explore local improvements relating to the scheme. The Cambridgeshire and Peterborough Combined Authority are currently preparing the strategic outline business case for a substantial upgrade to the A141 around the north of Huntingdon and addressing works within St Ives. These propose highway and active travel infrastructure improvements. The development consent order for a significant upgrade to the A428 from the Black Cat A1 roundabout through to Caxton Gibbet was approved in August 2022. Whilst the prospects for East West Rail remain uncertain the proposed timescale would see the route opened in the early 2030s. All these infrastructure improvements may open opportunities to be explored through an updated Local Plan.
- 3.8 In December 2021 the Council adopted the OxCam Arc environmental principles along with the aspiration of Huntingdonshire being a net zero carbon district by 2040. These are not reflected in the HLP2036. The Joint Administration formed in May 2022 has established objectives relating to climate change and the environment, employment and business, residents' needs, housing and communities. A full update of the Local Plan would provide opportunities to explore the introduction of local policies reflecting up-to-date priorities, such as those regarding provision of land for highly skilled jobs, diverse affordable housing tenures, more proactive climate change responses and enhanced biodiversity and green infrastructure provision. Any such policies when adopted would have full statutory weight in decision-making on planning applications.
- 3.9 Taking in to account the factors listed above, it has been concluded that substantial changes are required to accord with the NPPF 2021 (or

successor document) and work should commence on a full update of the Local Plan.

4. COMMENTS OF OVERVIEW & SCRUTINY

4.1 The comments of the relevant Overview and Scrutiny Panel will be included in this section prior to its consideration by the Cabinet.

5. RISKS

- 5.1 The review of the HLP2036 ensures that the Council fulfils its statutory obligation to do so. The recommendation is to prepare a full update of the Local Plan. Given this conclusion there are several risks faced by the Council. Firstly, there is the reputational risk of not complying with the statutory requirement to update a Local Plan identified as being in need of updating. Secondly, there is the risk that multiple policies within the HLP2036 may be declared out of date from May 2024, reflecting 5 years after the adoption date.
- 5.2 Given the nature of changes to national policy since the HLP2036 was prepared it will become increasingly vulnerable to challenge from promoters of sites that do not accord with the strategy or policies adopted in it seeking to obtain planning permission. The Council could be exposed to increased risks of planning appeals, including potential public inquiries. These are costly, divert substantial officer time from other duties and remove from local control decision making on where development should be located and what form it will take. It is recognised that Plan making is resource intensive and must be balanced against the Council's ambitions for place making and minimising, where possible, placing the Council in a vulnerable position in relation to Plan-led decision making.
- 5.3 From May 2024 there will be an uplift in the housing number (from 804 to 950 new homes per year) against which the Council will be judged in terms of housing delivery and five year housing land supply is a significant factor in determining whether the housing related policies of the Local Plan remain up-to-date. If the required figures cannot be demonstrated, then there is a very strong likelihood of paragraph 11d) of the NPPF being invoked. This is commonly known as the 'tilted balance' as the balance in decision-making is strongly weighted in favour of granting permission. This means that a refusal of planning permission would likely be unsustainable for any relevant development, primarily new housing, unless the adverse impacts of doing so would significantly and demonstrably outweigh the benefits, or national policies that protect areas or assets of particular importance provide a clear reason for refusal.
- 5.3 Loss of a 5 year housing land supply would put the Council into a significant position of risk from being forced to invoke the 'tilted balance' when determining planning applications. Immediate commencement of an updated Local Plan is the most effective mechanism for minimising this risk as it would work towards bringing forward new site allocations to contribute towards an ongoing housing supply.

- 5.4 Risks are also posed by potential changes to national planning legislation and policy in the event the Government sets a new change in direction and/or any changes to Government at a national level These may result in some revisions or additional work to comply with new approaches which may increase costs to the Council through the lifetime of the Local Plan. This is to be expected given the duration over which a Local Plan is prepared. Previous plans prepared for the Council have also faced this and have either adapted in response or taken advantage of transitional arrangements where they have been available and coincided effectively.
- 5.5 It is recognised that HDC has signed up to regional objectives, including the Ox-Cam environmental agenda. In the event the wider regional agenda gains momentum, an update to the Local Plan enables HDC to have regard to the wider ambitions of the corridor and respond accordingly.

6. TIMETABLE FOR IMPLEMENTATION

- 6.1 Preparation of a full update to the Local Plan is a lengthy process. Initial timings are largely within the Council's control but are heavily influenced by the scale and nature of public engagement and the volume of responses received.
- 6.2 This report is supported by two further reports relating to commencement of a full update to the Local Plan. These are the Statement of Community Involvement and the Sustainability Appraisal Scoping Report.
- 6.3 Subject to the recommendation to commence preparation of a full update to the Local Plan being accepted, it is proposed public engagement on the latter two documents will commence in February 2023 and run for 6 weeks. This would be the first of a series of public engagement opportunities on approaches and issues that will shape the full update to the Local Plan which would be proposed through future reports during Spring 2023. These would be expected to include opportunities to shape the approaches taken to assessing sites submitted through a call for sites, the approach to devising a future settlement hierarchy and consideration of the wide range of issues identified through the Sustainability Appraisal Scoping Report as being of significance in the future planning of the district.
- 6.4 A Local Development Scheme would also be prepared to formally notify the scope and intended timetable for preparation of the replacement Local Plan. It is anticipated that initial issues, methodological approaches and a call for sites will be undertaken in 2023. Further issues and options would be explored and engaged on in 2024 and that a Preferred Options full draft of the replacement Local Plan would be produced for engagement in 2025.

7. LINK TO THE CORPORATE PLAN, STRATEGIC PRIORITIES AND/OR CORPORATE OBJECTIVES

- 7.1 A replacement Huntingdonshire Local Plan would assist in the delivery of all the Council's objectives within the Corporate Plan (2022-2023):
 - Tackling climate change and caring for the environment
 - Enhancing employment opportunities and supporting businesses
 - Supporting the needs of residents
 - Improving the housing situation
 - Strengthening our communities
- 7.2 Within the objective 'Improving the housing situation', proposed key action 1 is to 'Commence an update of the Local Plan. This should ensure that local planning policies include a focus on sustainability of new developments, achieving the right mix of housing sizes, types and tenures to meet the needs of residents, the quality of the built environment, creating healthy spaces and communities, public transport and digital connectivity'.

8. ENGAGEMENT AND CONSULTATION

- 8.1 The NPPF statement emphasises early engagement in plan preparation. A statutory of consultation is required through section 18 of the planning and compulsory purchase act 2004 which details the steps of engagement. This presented for consideration through a linked report. Options on engagement and consultation will vary according to the stage of preparation the updated local plan has reached. Engagement on early phases it expected to emphasise inclusivity and identification of priorities and options. Engagement responses received through preparation of the place strategy, environment and climate strategy and the market town masterplans will be reviewed to consider their implications for preparation of an updated local plan.
 - 8.2 Local Plan preparation involves substantial ongoing engagement with local communities, businesses, organisations and individuals. Whilst not directly transferrable, due to Local Plan procedural requirements set out in national regulations, engagement responses obtained by the Council through preparation of the Place Strategy, the Masterplans for Huntingdon, St Ives and Ramsey and the Environment and Climate Strategy can inform the initial exploration of issues that would take place amongst the first phase of public engagement on an updated Local Plan.

9. LEGAL IMPLICATIONS

9.1 The requirement to review a local plan is set out in the Town and Country Planning (Local Planning) (England) Regulations 2012 (as amended) under regulation 10a. The preparation of a full update to the Local Plan will need to be carried out in accordance with the relevant planning acts,

including the Town and Country Planning Act 1990, Planning and Compulsory Purchase Act 2004, Planning Act 2008, Localism Act 2011, Climate Change Act 2008 and Environment Acts 1995 and 2021. It will also need to adhere to all necessary regulations regarding content, preparation processes and public engagement.

9.2 The government has announced its intention to make changes to the planning system. However, these will require new legislation to be introduced for which no timetable has yet been set out. Any changes will need to be taken into account when they are published. The government has strongly reinforced the message that local authorities should not delay local plan updates to await national changes.

10. RESOURCE IMPLICATIONS

10.1 A Local Plan reserve is held and contributed to annually in recognition of the scale of costs incurred in preparing a replacement Local Plan, in particular through engagement activities, commissioning of evidence base material from specialist consultants, legal advice and the examination in public. The current budget is expected to be sufficient to bring forward a replacement Local Plan fit for purpose in ensuring that the Council have an up-to-date, nationally compliant plan. However, additional funding would likely be required to meet a significant uplift in engagement approaches or exploration of multiple approaches to issues that are later abandoned. Most of the work would be carried out by the Planning Policy team with specialist input from the Implementation and Strategic Planning teams. Additional support will also be required from other teams across the Council, as necessary including but not limited to the Communications team, Economic Development, Operations and Housing Strategy.

11. HEALTH IMPLICATIONS

11.1 A full update to the Local Plan provides opportunities to engage with local healthcare providers and commissioners to identify future requirements and discuss ways in which the planning system may contribute towards achieving their delivery. Policies may also be included reflecting control of air and noise pollution which may have health benefits. Policies may also contribute towards raising standards of new and retrofitted development to support improved living and working environments. Policies and the overall strategic approach may seek to support active travel modes and provision of green infrastructure and sports facilities all of which have potential to offer health benefits.

12. ENVIRONMENT AND CLIMATE CHANGE IMPLICATIONS

12.1 An updated Local Plan will create opportunities to explore and develop policies which promote a stronger environmental and climate change response across the district. This aligns with national efforts to reach net zero. This would take a science-based approach, informed by local evidence that would be commissioned from specialist consultants.

13. REASONS FOR THE RECOMMENDED DECISIONS

13.1 An updated Local Plan will provide a robust statutory framework for planning decision-making across Huntingdonshire. It offers opportunities to explore up-to-date policies providing a stronger environmental and climate change response as well as those reflecting changing economic demands and practices. It will provide for new homes of a range of tenures to meet local residents' needs. It will provide additional employment locations to support businesses and provide job opportunities for residents.

14. LIST OF APPENDICES INCLUDED None

15.BACKGROUND PAPERS

Full Council 15th May 2019 Adoption of Huntingdonshire's Local Plan to 2036

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