

Test Valley Local Development Scheme (2020)

Report of the Planning Portfolio Holder

Recommended:

- 1. That the Test Valley Local Development Scheme (2020), as an Annex to the report, be approved.**
- 2. That the Head of Planning Policy and Economic Development, in consultation with the Planning Portfolio Holder, be authorised to make changes of a minor nature to improve the presentation of the Test Valley Local Development Scheme (2020) and correct typographical errors prior to publication.**

Recommendation to Council

SUMMARY:

- The purpose of this report is to seek approval for a revised timetable for preparing the next Local Plan, resulting in the need to update the Local Development Scheme.

1 Introduction

- 1.1 The Local Plan is a key policy document of the Council, setting out the planning framework for the Borough together with implementing the spatial aspects of the Council's priorities, as set out in the Corporate Plan.
- 1.2 The current Local Plan was adopted in January 2016 and covers the period up to 2029. The Council adopted its current Local Development Scheme in 2018, alongside the approval for consultation of an Issues and Options document, as the first stage in the next Local Plan's preparation. This consultation was undertaken between 6 July and 14 September 2018. The responses to this consultation have been published on the Council's website.
- 1.3 The purpose of this report is to consider the reasons for now reviewing the timescale and programme the forthcoming stages for preparing the next Local Plan, and to seek approval for a revised timetable for this, as set out within a new updated Local Development Scheme.

2 Background

- 2.1 It is a legal requirement for the Council to publish a Local Development Scheme setting out the approach and timetable for preparing future Development Plan Documents (DPD) which form part of the Development Plan, and to keep it up to date.

- 2.2 However, since the current Local Development Scheme was adopted in 2018, the context within which preparation of the next Local Plan needs to be undertaken has evolved, such that there are now a number of factors which now lead to a need for a review of the timetable going forward. These factors influence the process, content and proposals for the next Local Plan, some of which are outside of the Council's control.

Nutrient Neutrality

- 2.3 Following Court of Justice of the European Union (CJEU) judgements, Natural England (NE) has provided updated advice on the impact of nutrients from new development on the group of international nature conservation designations (Special Protections Areas (SPA) and Special Areas of Conservation (SAC), within and around the Solent. There are high levels of nitrogen and phosphorous entering the water environment and these nutrients are causing eutrophication, resulting in dense mats of green algae impacting on the protected habitats and species. Due to the uncertainty that new development will not cause further impact, and in order to be precautionary, the recommended approach is for new development to achieve nutrient neutrality, which is a means of ensuring that new development does not add to existing nutrient loading. This issue applies to development management, as well as to both local plans and neighbourhood plans. This applies to the area of the Borough which falls within the catchments of the River Test and River Itchen and their tributaries, which then flow into the Solent, with the exclusion of a small area around Shipton Bellinger and Cholderton, which falls within the catchment of the Hampshire Avon and its tributaries. Work is currently ongoing to seek mitigation solutions, working collectively with the other local authorities affected through the Partnership for South Hampshire (PfSH) and through engagement with other partners including both NE and the Environment Agency.

Housing Requirement and Distribution

- 2.4 Looking forward the Council needs to consider how best to identify the potential level of housing development to plan for, and its distribution within the Borough. This also needs to take account of the potential for growth and regeneration in Andover, through the town centre masterplan. Similarly for Romsey, that which could be delivered through the south of town centre masterplan; and elsewhere, how much should be focused on the rural areas, including potentially to be delivered through neighbourhood plans and community led schemes. Through community planning, our communities can play a key role in planning for their future, including for housing.
- 2.5 The current Government standard methodology figure (using 2014-based household projections and 2018 affordability ratio) is for 556 dwellings per annum (dpa) Borough-wide, compared to 588dpa in the adopted Local Plan. It remains uncertain whether the higher levels of projected household growth within neighbouring authorities would result in any shortfalls in housing need and the scale of any future requests for Test Valley to help meet such shortfalls. Trying to forecast this potential impact is made more complex by the Government announcement in February 2019, that it will review the methodology again within 18 months (by 2020 Q3).

- 2.6 Given the geography and housing market areas of the Borough any potential request for assistance with meeting the housing requirement will come from those neighbouring authorities that form part of the Partnership for South Hampshire (PfSH). PfSH is currently undertaking work on the development and infrastructure requirements and the potential for this to be accommodated, including an updated evidence base, across the area to 2036.
- 2.7 Through this work the PfSH authorities would need to confirm the scale of housing they can meet against their requirement. Any discussions regarding shortfall would be undertaken at a joint authority level. Being part of this discussion is the best way to influence the distribution of how any future shortfall is addressed. Should the Council proceed with the next Local Plan in advance of these discussions this would not reduce the risk of authorities still seeking that Test Valley assists with meeting their shortfall. It may also have implications for satisfying the legal test of the Duty to Co-Operate.

Evidence Base

- 2.8 The content of the next Local Plan will need to be justified by evidence. The Council has commenced on preparing a revised evidence base and studies on: retail, landscape character assessment and existing employment sites have been completed. A study for a future playing pitch strategy and sport and recreation strategy is nearing completion and studies on renewable and low carbon energy, and on town centre conservation areas have been commissioned. Further studies to inform the future mix of housing and the housing needs of particular household groups, gypsies and travellers, and a replacement Strategic Flood Risk Assessment (SFRA), are also intended to be commissioned in the near future.
- 2.9 However, other studies are not now to be undertaken until next year as part of the joint working with PfSH e.g. employment land, including logistics. The Council will also need to have in place a mitigation strategy/solution to address the nutrient neutrality issue affecting the Solent, over the plan period.
- 2.10 The Local Economic Partnerships (LEPs) are commissioning their own economic forecasts and evidence to inform their emerging Local Industrial Strategies (LIS) (due for completion spring 2020) and wider priorities. The next Local Plan will be expected to be in conformity with the LIS regarding future economic forecasts and aspirational targets to plan for regarding employment floorspace requirements and jobs growth. The expected change in labour supply to be assumed also has a consequent impact on housing numbers.
- 2.11 The changing situation requires evidence to be produced. To progress the next local plan without this in place prevents the proposals and policies being drafted on a sound basis.

3 Corporate Objectives and Priorities

- 3.1 The Local Plan is a key policy document for the Council in respect of delivering our corporate objective set out within the Corporate Plan. It will set out the planning policy framework for protecting and enhancing the environment, and making provision for new housing, employment, community facilities and other land uses, to meet the needs of our communities.

4 Consultations/Communications

- 4.1 The Council's proposed approach would look to reinforce its commitment to greater engagement with communities and organisations. The proposed revised timetable would allow for greater time for the next Local Plan to seek to reflect the priorities and aspirations of the community, including those of parish councils and other stakeholders. It would also allow for the ongoing collaboration being undertaken through the Andover Vision and Romsey Future community initiatives to be taken into account, as well as the work in progressing with masterplanning for both Andover town centre and south of town centre, Romsey. The next Local Plan will sit alongside current and future community-led Neighbourhood Plans, in providing the future Development Plan for the Borough.

5 Options

- 5.1 The key consideration is to whether or not in the light of the current circumstances, to approve a revised approach and new timetable for the preparation of the future stages of the next Local Plan within a new updated Local Development Scheme, to be published.

6 Option Appraisal

- 6.1 To not update the Local Development Scheme would mean that the Council is not complying with legislation. The proposed revised timetable is considered appropriate and achievable. The reasons behind why it has been proposed and why is considered appropriate are discussed below.

Proposed Future Timetable

- 6.2 The Council has embarked on two significant strategic masterplanning projects in Andover and Romsey town centres. Both projects will have a critical role in how the next local plan proposals are shaped. This includes influencing the scale, mixture and location of future uses. Both masterplans are due for completion this year and their outcomes will be able to be reflected in the local plan's policies and proposals. It also allows more time for a mitigation solution to the nutrient neutrality issue to be found, which is necessary in order to be Habitats Regulations compliant, and for the evidence base to be completed, including through joint working. The plan can also take into account the outcome of the Government's review of the methodology for setting the housing requirement.

- 6.3 There are risks attached to extending the local plan timetable. The National Planning Policy Framework (NPPF) (para.11) sets out that where the most important policies for determining planning applications are out of date a 'presumption in favour of sustainable development' applies. As the local plan ages and fresh guidance/new case law is produced there may be increased challenge from applicants/developers that the policies are out of date. This risk will remain until post the publication of the Inspector's Report. To reduce this risk the Council is legally required to review its local plan five years from adoption to ensure that policies remain relevant. This does not mean that a new local plan needs to be adopted within five years, but that the review should either be underway or triggered, depending on the issue. A review will need to be undertaken in January 2021. This duty will be complied with under the proposed revised timetable.
- 6.4 Previously the timetable for the local plan has been influenced by the housing land supply for the Borough and the need to manage the risk of speculative planning applications. The Council currently has a healthy five year housing land supply (HLS) (as at April 2019) for both Northern Test Valley (NTV) of 7.24 years, and Southern Test Valley (STV) of 6.68 years, respectively. This may however change over time going forward, depending upon the future performance of sites within the current supply and the flow of new sites coming forward.
- 6.5 Forecasting future supply is complex and there are a number of variables which can affect it, including now the potential impact on delivery of the nutrient neutrality issue (in the absence of a mitigation solution). These variables are often outside the Council's control. Therefore careful monitoring would be required.
- 6.6 Were a potential shortfall in HLS to arise in the future, there are potential options which the Council could consider taking in order to address this. Para.5.103 of the adopted local plan includes a number of measures which could be brought forward by the Council as contingency. This includes assisting with the delivery of neighbourhood plans; keep under review its own land holdings and the potential to release them to the development industry; and work in partnership with Registered Providers (RP) and the development industry. These contingencies would only be triggered if warranted by careful monitoring and forecasting of the land supply position.
- 6.7 Having considered the factors affecting the future timetable, it is proposed that a refined Issues and Options consultation would now take place in 2020, a Regulation 18 preferred approach consultation would be undertaken in 2021, (possibly followed by a further stage), and followed by a Regulation 19 pre-submission consultation in 2022. Submission would take place later in 2023, followed by the examination, with adoption in 2024.

Approach to reviewing the Local Plan

- 6.8 Following the statutory plan preparation process, the next planned consultation stage is the Regulation 18 'Preferred Approach'. At this stage the Council should provide an indication of the amount of development and the locations where that will be delivered, alongside other detailed planning policies. The Council could progress to this stage however, as previously outlined there is a significant degree of uncertainty at present which restricts the ability to make sound decisions on a firm planning strategy going forward. This is compounded by the work, either in progress, or to be undertaken in the near future by PfSH or the LEPs.
- 6.9 The recommended approach is to produce as a stepping stone a 'Refined Options' consultation document. This would build on the Issues and Options document and indicate a direction that the Council is moving towards, such as the broad scale and distribution of housing development, but without identifying specific sites for allocation. This would maintain momentum and demonstrate progress. The Council could suggest possible approaches for new and revised policies required by the NPPF e.g. self build and custom build, sustainable design and construction, housing for older people, and adaption to climate change etc. The intention of this would be to balance progress of the local plan without setting out too much detail in advance of the evidence base being completed. This will require the production of an update Scoping Report (the first stage of the Sustainability Appraisal process) to be completed.
- 6.10 There is the option for a further 'stepping stone' between the Regulation 18 'Preferred Approach' draft and Regulation 19 'Pre-Submission' draft stage. Post Regulation 19 only very minor amendments can be made to the plan, prior to submission and this could provide the opportunity for a significant review and further consultation if a change in approach is considered desirable following the Regulation 18 'Preferred Approach' consultation.
- 6.11 In order to reflect the recommended revised timetable, as required by legislation, the Council would need to update its Local Development Scheme. A new updated Local Development Scheme (2020) to be approved is provided as an annex to this report.
- 6.12 The Council has a responsibility to plan for the housing needs of all residents. The scale, mix and type of housing need to be established in robust evidence. The current Local Development Scheme includes provision for a specific Gypsy and Traveller DPD, to be produced separate to the next Local Plan. Most recently an updated Scoping Report for this DPD, as the first stage in the sustainability appraisal process, was approved December 2018, following consultation October-November 2018. The National Planning Policy for Traveller Sites (NPPTS) requires local planning authorities to have an evidence base to inform the preparation of local plans to meet need through the identification of land for sites, as necessary. The evidence base on this topic was last updated in 2017, in the form of a Gypsy and Traveller Accommodation Assessment (GTAA). Most recently an updated Scoping Report for this DPD, as the first stage in the sustainability appraisal process, was approved December 2018, following consultation October-November 2018.

- 6.13 The evidence base for gypsies, travellers and travelling showpeople community is being reviewed and considered in light of case law. Depending upon the outcome of this review, a decision will be made in due course as to whether to prepare a separate Gypsy and Traveller DPD, or to include provision for this community, within the next local plan.

7 Risk Management

- 7.1 Failure to agree and implement up to date strategic and local planning documents is recorded as a risk in the Council's Corporate Risk Register. A factor affecting this risk is the time frame for consultation on the key documents informing the Local Plan and the establishment of milestones for the production of the draft Local Plan. Approval of a revised timetable and update of the Local Development Scheme would therefore contribute to the mitigation of this risk.

8 Resource Implications

- 8.1 The principal resource in preparing the next Local Plan as identified in the Local Development Scheme is significant time required from officers within the Planning Policy team and the support required from other services. The cost of delivery, including the commissioning of specialist studies required to update the evidence base, will be met from existing resources.

9 Legal Implications

- 9.1 A Local Development Scheme is required under Section 15, Planning and Compulsory Purchase Act 2004 (as amended by Localism Act 2011).

10 Equality Issues

- 10.1 An EQIA is not needed because the issues covered have previously been considered by Councillors at Cabinet.

11 Other Issues

- 11.1 Community Safety – N/A

- 11.2 Environmental Health Issues – N/A

- 11.3 Sustainability and Addressing a Changing Climate – Sustainability is a fundamental element of the planning system and is incorporated within any future planning decision. Both mitigation of the impact of development on climate change, and adaption to the impacts of climate change, will be issues which the next local plan will seek to take into account, as address as relevant.

- 11.4 Property Issues – N/A

- 11.5 Wards/Communities Affected - All

12 Conclusion and reasons for recommendation

- 12.1 The report outlines the reasons for reviewing the timetable for preparing the next Local Plan. In light of these, it proposes an updated timetable to be reflected within an updated Local Development Scheme.

Background Papers (Local Government Act 1972 Section 100D)

Test Valley Borough Local Plan 2016

Test Valley Gypsy and Traveller DPD (Regulation 18 consultation draft) 2015

Test Valley Local Development Scheme, updated 2018

Confidentiality

It is considered that this report does not contain exempt information within the meaning of Schedule 12A of the Local Government Act 1972, as amended, and can be made public.

No of Annexes:

1

File Ref:

pp1

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Report to:

Cabinet

Date:

15 January 2020