Foreword - Cllr Ruffell, Cabinet Member for Planning and Infrastructure

*The council is committed to having a robust planning policy framework in place. As a result of changes at national level, now is a suitable time for the council to progress a review of its current adopted Local Plan. The Local Development Scheme sets out relevant timescales, which include suitable opportunities for communities, stakeholders and other interested parties to be involved in the process.*

Recommendation to Cabinet:

i. Notes and comments on the contents of this report and the proposed way forward.

ii. Recommends to full Council that the Local Development Scheme be approved and published.

Background, corporate objectives and priorities

The council is committed to having a robust and up to date planning framework to guide growth and development in the Borough. This is line with the Council Plan priorities of preparing for controlled and sustainable growth, improving residents’ quality of life and supporting those who need it. More directly, an up to date and sound Local Plan helps to support the following priorities:
• Create jobs and opportunities by supporting new and existing businesses
• Support provision of quality homes, affordable to all through growth and regeneration.
• Invest in our Infrastructure.
• Maintain and enhance our built and natural environment.
• Promote strong communities.

Glossary of terms

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<tr>
<th>Term</th>
<th>Definition</th>
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<tr>
<td>BDBC</td>
<td>Basingstoke and Deane Borough Council</td>
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<tr>
<td>DPA</td>
<td>Dwellings per annum</td>
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<td>LDS</td>
<td>Local Development Scheme</td>
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<td>LP</td>
<td>Local Plan</td>
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<td>LPA</td>
<td>Local Planning Authority</td>
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<td>Ministry of Housing, Communities and Local Government</td>
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Main considerations

1 Executive summary

1.1 Updated national planning guidance includes a requirement to review Local Plans regularly, at least within five years of adoption. The council’s current Local Plan (LP) was adopted in May 2016 and therefore requires review prior to May 2021. A new standard method has also been introduced to establish local housing needs. Government guidance states that if an area’s local housing need figure has changed significantly as a result of the new standard method or is likely to change significantly, an earlier review is likely to be required. Evidence suggests that the borough’s housing need figure is highly likely to change as a result of the introduction of the Government’s standard method.

1.2 The report concludes that the council should now proceed with a review and update of the LP in order to put the council on a robust footing in terms of planning legislation and policy. At the start of the process, the Local Planning Authority must publish a Local Development Scheme (LDS), which sets out a timetable for updating its LP and also considers other relevant issues to any review, such as resourcing and potential risks. The LDS, which forms Appendix 1 of this report, will need to be formally approved by full Council prior to publication.
2. The proposal and key issues for consideration

A Legal Requirement to Review

2.1 An updated National Planning Policy Framework (NPPF) came into force in July 2018 (updated further in February 2019), and set a number of new policies to guide the development of LPs. The two most notable of these were the requirement to review plans at least every five years to ensure that they remain relevant and effectively address the need of the local community and the introduction of a standard method for determining local housing needs. The need to review plans every five years is a statutory requirement, as required by regulation 10A of the Town and Country Planning (Local Planning) (England) Regulations 2012 (as amended). This reflects the general expectation in guidance that most plans are likely to require updating at least every five years.

2.2 Paragraph 33 of the NPPF states the following:

‘Policies in local plans and spatial development strategies should be reviewed to assess whether they need updating at least once every five years, and should then be updated as necessary. Reviews should be completed no later than five years from the adoption date of a plan, and should take into account changing circumstances affecting the area, or any relevant changes in national policy. Relevant strategic policies will need updating at least once every five years if their applicable local housing need figure has changed significantly; and they are likely to require earlier review if local housing need is expected to change significantly in the near future.’

2.3 In line with the NPPF, given that the current LP was adopted in May 2016, a review of the document and its policies must be completed by May 2021. Following a review, the council must consider whether to update the LP. Theoretically, if the current LP remains fully up to date, a review could conclude that an update of the LP is not needed.

2.4 The council monitors the LP annually through the Authority Monitoring Report (AMR), which considers the effectiveness of the council’s planning policies against relevant performance indicators. The 2018 AMR, which was published in December 2018 and covers the period from 1 April 2017 to 31 March 2018, concluded that the adopted LP is generally performing well, providing a clear policy framework which enables the council to make consistent decisions and deliver sustainable development. A small number of targets have not yet been met, including the annual housing requirement figure, but this is primarily the result of the LP’s age and the fact that the impact of its policies are only now starting to be felt. Similarly, it is clear that local communities are working with the current LP and developing
Neighbourhood Plans that help to deliver the LP’s objectives whilst also meeting local needs and aspirations.

2.5 In addition to the AMR, the Council – as local planning authority - has completed an initial review of the LP policies to consider changing local circumstances, new strategic priorities and updates in national policy. This review concluded that policies generally remain relevant and do not require updating at this stage in order to remain sound in terms of national guidance. A number of policies could be updated to reflect local priorities and circumstances, although this is more a matter for the council.

2.6 However, national policy is clear that if an area’s local housing need figure has or is expected to change significantly as a result of the introduction of the standard methodology, relevant strategic policies will need updating at least once every five years. This is to ensure that all housing need is planned for as quickly as reasonably possible. The NPPF states that five year housing land requirements will be set against local housing need figures where a LP is more than 5 years old. Therefore, in May 2021 the council will no longer be able to use the current 850 dwellings per annum (dpa) figure in the LP, but rather must use the current local housing need figure at that time, which will be determined through the application of the standard methodology. The ability to meet local housing needs is therefore a significant influence on the council’s need to update the LP.

**Current position with establishing a Local Housing Requirement**

2.7 The new standard methodology for calculating local housing need uses the latest version of the sub-national household projections, with adjustments made based on the affordability of homes in the area, capped to prevent a significant increase in the local housing need that may not be deliverable. Alternative approaches are only permitted where there are ‘exceptional circumstances’.

2.8 Initial figures published by DCLG in September 2017 indicated that the introduction of the new methodology could result in the Borough having a higher housing need than the current figure of 850 dpa. These figures, which were based on 2014 population projections, indicated a requirement of 974 dpa for the Borough, an increase of 124 dwellings per year. New household projections, incorporating the new population projections (2016-based projections), were published by ONS in September 2018. These led to a significant drop, approximately 25% nationally, in housing requirements and resulted in a lower local figure, below the current adopted Local Plan target of 850 dpa.
In response to these figures, the Government published a technical consultation in October 2018, which clearly set out that the new population projections (2016-based projections) were not considered fit for purpose. National planning guidance has since been amended to specify that the 2014-based projections will provide the demographic baseline for the standard methodology until the methodology itself is reviewed before the 2020 figures are published. The Government is due to review the standard method formula over the next 18 months with a view to establishing a new approach that ‘balances the need for clarity, simplicity and transparency for local communities with the Government’s aspirations for the housing market’.

2.10 All available evidence therefore suggests that the Borough’s housing need figure will significantly change by May 2021 compared to the 850 dpa figure set out in the LP, although it is currently unclear what that figure will be. The housing need figure will continue to change regularly in response to newly published figures and updated time horizons. For example, the 2014 based population projections plus affordability ratio statistics resulted in a housing need figure of 987 dpa in 2018. The current 2019 housing need figure, based on the latest outputs and the 2014 based population projections is 955 dpa.

The need to update the Adopted Local Plan

2.11 An up to date planning framework is required to ensure that the Borough is able to achieve sustainable development that meets future needs, whilst the area’s assets are protected and enhanced. Given the likely significant change in the borough’s housing need figure, which will come into effect in May 2021, it is considered to be a suitable time to update the current LP so that it remains up to date and fit for purpose, whilst also ensuring that the council is in a robust position to accommodate future change. A failure to update the LP, will, ultimately, leave the Borough’s communities and assets more vulnerable to inappropriate change. For example, if the Council cannot demonstrate five years of deliverable housing sites then the housing policies of the development plan are considered out of date and the presumption in favour of sustainable development applies.

2.12 Given the age of the LP, it is considered that the update should be proportionate in nature, focusing on relevant policy areas. However, it is clear that opportunities also exist to update and improve existing polices, helping to address both changing circumstances affecting the local area, new strategic priorities which have become apparent since the LP was adopted and also new national planning requirements. A holistic approach will therefore be taken. The current LP will remain in place, as part of the development plan for the Borough, until it is replaced by a new LP. Made Neighbourhood Plans will also remain in place until they are updated by new or updated Neighbourhood Plans. The policies of a new LP will take precedence over made Neighbourhood Plans where appropriate.
**Timescales**

2.13 The proposed timetable for progressing an update to the LP is set out in the Local Development Scheme (LDS), which is attached to this report (appendix 1). The production of the LDS is a statutory requirement for all local planning authorities (LPAs). This document, which will be published following approval at full Council, sets out the timescales for the production and updating of all development plan documents, including the LP and any other plans coming forward over a three-year timescale. In the case of the Borough, this includes a notable number of Neighbourhood Plans, although it is noted that the timescales for the production of such documents is set by the relevant qualifying body rather than the LPA. Information is also included on supplementary planning documents and how the work programme will be resourced. The timing of key stages of consultation is also clearly set out. Considerable emphasis is placed on an LDS by the Government as a way of monitoring a council’s plan making progress. Therefore, the inclusion of a realistic and achievable timetable is paramount.

3 **Options analysis**

3.1 The council could decide not to proceed with an update to the adopted LP at this time. However, this would leave the borough in a position of risk, potentially vulnerable to inappropriate growth and change. The process for updating a LP is set out in legislation and reflects the need for full engagement with stakeholders throughout the process. As such, a LP process takes a considerable time to complete. A delay in starting the updating process has been considered, but rejected in light of the timescales involved. The update of the LP also offers a number of opportunities to reflect current local priorities and issues.

**Corporate implications**

4 **Legal implications**

4.1 There is a legal requirement for the council to publish a Local Development Scheme, setting out how the council will review and update its development plan documents. The proposed LDS fulfils this requirement.

5 **Financial implications**

5.1 There are no direct financial implications arising from the approval of the LDS itself. An assessment of the scope of financial resources to produce an updated LP has been undertaken and provision has been made in the council's budgets.

6 **Risk management**

6.1 A risk assessment has been completed in accordance with the council’s risk management process and has identified no significant (Red or Amber) residual risks that cannot be fully minimised by existing or planned controls or additional procedures.
7 Equalities implications

7.1 An equality impact assessment was carried out to inform the development of the LP. This concluded that the policies included within the LP would promote equality and eliminate discrimination by covering a number of areas, such as improving access, promoting good relations between different groups and supporting the development of future housing and community facilities.

7.2 No equalities implications have been identified in relation to the proposal set out in this report. The implications of an updated LP on equality related issues will be fully considered throughout the updating process.

8 Consultation and communication

8.1 The LDS sets out the key stages of consultation that will take place through the LP update process, ensuring that this is appropriate and comprehensive. Consultation, engagement and communication will meet the requirements of the council’s adopted Statement of Community Involvement (2018).

9 HR implications

9.1 There are no HR issues as a result of this report.

Conclusion

10 Summary and reasons for the recommendation

10.1 The report responds to new national planning policy which responds to the statutory requirement to review LPs regularly, at least within five years of their adoption. If the introduction of the standard method for establishing local housing needs has significantly changed an area’s figure or the figure is expected to change significantly, an earlier review is required. As the Borough’s housing need figure is highly likely to significantly change as a result of the introduction of the standard methodology, it is now considered suitable to update the LP to ensure it continues to meet local needs and also national requirements. The report includes (as an appendix) a LDS which sets out a timetable for the updating of the LP and other key elements such as resources and potential risks. The LDS will need to be formally approved by full Council prior to publication.

10.2 The new standard methodology for establishing housing needs will come into effect for this Borough in May 2021 and consequently the more advanced the Borough can be towards having an up to date spatial plan, the more robust a position it will be in. A presumption in favour of sustainable development will be triggered if the Council cannot demonstrate the availability of sufficient land for housing to meet needs. Updating the LP provides an opportunity for the Council to proactively meet its future housing requirement and reflect current and future circumstances. Other local strategic priorities can also be considered through the updating process.
11 The options considered and rejected

11.1 The options that have been considered and rejected are set out in paragraph 3.1. Government guidance is clear that LPs should be reviewed and updated where their applicable local housing need figure has or is likely to change significantly.

Date: 5 March 2019
Decision taken by: Cabinet

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<td>Confidentiality</td>
<td>It is considered that information contained within this report (and appendices) do not contain exempt information under the meaning of Schedule 12A of the Local Government Act 1972, as amended, and therefore can be made public.</td>
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