

Report Reference Number (C/11/7)

Agenda Item No: 12

To: Council
Date: 13 December 2011
Author: Helen Gregory, Policy Officer
Lead Officer: Mark Steward, Managing Director
Executive Member: Councillor John Mackman

Title: Local Development Framework, Core Strategy - EIP Suspension and Proposed Changes for Submission to Secretary of State

Summary:

This report summarises the journey of the Core Strategy from Examination in Public (EIP) which took place in September through the Executive meetings and Policy Review Committee. It highlights the Inspector's concerns regarding the 'soundness' of the Selby District Core Strategy and the key issues and options considered by Executive and Policy Review relating to proposed policy changes. Councillors are requested to endorse the resulting changes to the Core Strategy and detailed policy wording. Further information is also provided about the procedural steps which need to be taken to progress the Core Strategy to meet the timetable for Publication, Submission, the reconvened EIP and adoption in 2012 in accordance with planning law and the policy framework.

Recommendations:

- (i) To approve the figure of an average of 450 dwellings per annum as the sustainable level of housing growth over the plan period.**
- (ii) To approve the phasing of sustainable housing growth as follows;**
 - 6 years at 400 dwellings per annum**
 - 5 years at 460 dwellings per annum**
 - 5 years at 500 dwellings per annum**
- (iii) To approve Plan A as the preferred option in respect of the shortfall of housing in Tadcaster.**
- (iv) To approve the proposed revised Policy CP2 and CP3 and new Policy CPXX (Green Belt).**
- (v) To approve the addition of Part E to revised CP3.**
- (vi) To authorise the Managing Director, Access Selby after consultation with**

the Lead Executive Councillor for Place Shaping, to agree any minor or consequential amendments to the Core Strategy necessary to reflect the principle issues determined by the Executive in relation to overall housing numbers, deliverability of development in Tadcaster and Green Belt Policy.

(vii) To approve the consultation arrangements and the Publication and Submission of the Proposed Changes to the Secretary of State.

(viii) To authorise officers to make the necessary arrangements for a reconvened EIP in Spring next year, the date to be confirmed.

Reasons for recommendations:

Implementation of the statutory development plan within the timescale agreed with the Government Inspector for the proper planning of Selby District.

1. Introduction

- 1.1 Executive considered Report E/11/42 on 24 November 2011 and the Minutes set out the recommendations to Policy Review on the same date.
- 1.2 Policy Review (Report PR/11/9) considered the issues and proposed a number of changes to the recommendations (see Draft Minutes at Appendix 1 attached).
- 1.3 Executive met again on 1 December to consider Report E/11/43 which set out the issues with the addition of further information from the Council's consultants on the overall housing numbers.
- 1.4 This report outlines the key issues and background to the recommendations proposed by the Executive for Councillors' information.

2. Background

- 2.1 The Examination in Public (EIP) of the Selby District Core Strategy (SDCS) took place in September 2011.
- 2.2 However, during the EIP, the Inspector identified two main matters on which he considers the SDCS is unsound; Green Belt and growth at Tadcaster. The Inspector has also identified a significant risk of unsoundness regarding the overall scale of housing development.
- 2.3 The Council requested that the examination be suspended to allow further work to be carried out to address the acknowledged deficiencies in the Core Strategy and the Inspector agreed to this request. His decision is set out in a letter dated 10 October 2011- a copy of which is available on the Council's Website EIP page.
- 2.4 The Inspector therefore agreed to the Council's request and the examination has been suspended to allow the Council to address the following three topics, as set out in the Inspector's Ruling:
 - (i) The overall scale of housing development over the plan period;
 - (ii) The scale of housing and employment development proposed for Tadcaster and the implications for the Green Belt;
 - (iii) The strategic approach to Green Belt releases

3. Recent Evidence Base Work

(i) The Overall Scale of housing development over the plan period

- 3.1 The Inspector concluded that the Council's case for relying on the RSS figure was not sufficiently robust and the Council should reconsider the overall housing target in the light of the most up-to-date evidence. If the Council intends to rely on a housing requirement which is significantly below one which is derived from the latest evidence, it will need to provide cogent justification for so doing, or face the significant risk that the Inspector will find the Core Strategy unsound.
- 3.2 The Council commissioned Arup Consultants to undertake a robust and rigorous review of all of the available sources of evidence on future housing growth requirements. They considered carefully, from first principles, the various sources of evidence on population growth, household formation, the housing market, housing completions, housing land availability, and the economy.
- 3.3 Their full report is available (and a further paper is attached to Executive Report E/11/43). They recommend that 450 dwellings per annum (dpa) over the plan period is the most robust figure to use.
- 3.4 The plan period for the Core Strategy will run from 2012 to 2027 (15 years from the date of adoption). The base date for the latest 'commitments' from planning permissions is 2011. So, over the 16 years from 2011 to end of the plan period of 2027, this means an increase in the overall housing requirement from 7040 dwellings (dw) (440 dw x 16yrs)¹ to 7200 dw (450 dw x 16 yrs).

(ii) The scale of housing and employment development proposed for Tadcaster and the implications for the Green Belt

- 3.5 The Inspector considers that from evidence given at the hearings by agents of landowners in Tadcaster, it is clear that the Council cannot deliver the housing and employment land that it argues is necessary to meet Tadcaster's needs without releasing land from the Green Belt.
- 3.6 But, notwithstanding the above conclusion, the Inspector highlights concerns about whether the scale of growth proposed for Tadcaster is fully supported by the evidence.
- 3.7 The Inspector considers that the need to take land out of the Green Belt throws this matter into much sharper focus, for the 'exceptional circumstances' test (as set out in PPG2 Green Belts) is unlikely to be met unless there is both:
- (i) a compelling case for the level of growth proposed for Tadcaster, and
 - (ii) it can be shown that land elsewhere (such as at Sherburn-in-Elmet) would be 'significantly less sustainable' (the phrase at paragraph 2.62 of the RSS).

¹ The current Core Strategy period was also 16 years from 2010 – 2016 because the latest information then was at 2010 and the expected date of adoption was 2011

Level of Growth

- 3.8 The Council has therefore revisited the evidence base on the level of growth proposed for Tadcaster and reviewed whether the level of growth can be accommodated.
- 3.9 The scale and distribution of economic growth was debated at the EIP in the context of Policy CP9 which established an overall District-wide requirement for 37 – 52 hectares of employment land and the precise location of sites to be determined through the Sites Allocation DPD. The Core Strategy text suggests the broad distribution for Tadcaster to be 5-10 hectares based on the Employment Land Studies that have been undertaken. Because the precise amount and location in Tadcaster is not an issue for the Core Strategy and because there has been no specific suggestion by the Inspector that these levels are not sound then further work on this aspect has not been undertaken. The issue of whether there is development land available (either for housing or employment) is discussed below.
- 3.10 Further work however has been undertaken on revisiting the evidence base for the level of housing proposed for Tadcaster. The Core Strategy (Section 5) sets out how the affordable housing need identified from the SHMA² 2009 was one of the factors to be taken into account as an appropriate starting point for determining the split of development between the hierarchy of settlements in the District. The Housing Paper³ confirmed that this was a robust approach.
- 3.11 As such the scale of development proposed in Tadcaster and Sherburn in Elmet was broadly proportionate to the proportion of identified affordable housing need. The Council's SHMA suggests that approximately 11% of District wide affordable need originates in Sherburn in Elmet, and approximately 7% in Tadcaster including identified affordable need in the 'northern sub-area'.
- 3.12 The Submission Draft Core Strategy then altered the balance between the two Local Service Centres (LSCs) to that indicated by the SHMA (see Core Strategy Paragraphs 5.17 and 5.18) so that both Sherburn in Elmet and Tadcaster each had 9% of the district wide housing requirement. However it is now recommended that a more robust approach is that the split reflects the SHMA evidence base without alteration.
- 3.13 The Table below shows how the 450 dpa figure, alteration to the split between Tadcaster and Sherburn in Elmet and the update of planning permissions to 2011 (from 2010 base) would change the level and distribution of new housing allocations in the Core Strategy as submitted. This assumes no change to the overall distribution strategy (other than the highlighted balance between the two LSCs).

² Selby District Strategic Housing Market Assessment, by Arc4 for SDC, 2009

³ Arup for SDC, 30 November 2011

Table 1 Comparative Change to Housing Requirement by Settlement Hierarchy

	Overall Requirement Current %	Overall Requirement New %	Current CP2 New Allocations	Proposed New Allocations	Difference
Selby	51	51	2336	2527	+191
Sherburn	9	11	498	718	+220
Tadcaster	9	7	457	364	- 93
Designated Service Villages	28	29	1573	1776	+203
Secondary Villages	3	2	0	0	0

3.14 Whether this level of reduced development can be accommodated in Tadcaster was then considered:

Consideration of Options

3.15 The Executive and Policy Review reports set out the range of options for addressing the Inspector's concerns on the level of growth at Tadcaster and deliverability issues.

3.16 Evidence on land availability was reviewed taking into account the updated information from landowners at the EIP. In the light of this it was clear that there would be shortfall in land available. Consideration was therefore given to the following options (referred to as Plan A and Plan B in the Executive Report E/11/42, dated 24 November):

Option A - Accommodate the shortfall in Tadcaster by:

- 1a Identifying further sites in Tadcaster on non-Green Belt land through the current SHLAA update or
- 1b Work with landowners / last resort CPO to bring existing sites forward or
- 1c Establish exceptional circumstances for a Green Belt review if the alternative sites on non-green belt land are significantly less sustainable

Option B – Reduce Tadcaster figure by the shortfall and relocate the numbers to (in preference order):

- 1. Selby
- 2. Shared between Selby and Sherburn in Elmet
- 3. Sherburn in Elmet.

- 3.17 Rejected options were redistributing the dwellings to lower order settlements (Designated Service Villages) because that would undermine the overall strategy.
- 3.18 Executive recommend that Option A (Plan A) is the preferred option and Policy Review recommend that Option A (Plan A) should be the approved course of action. That is, based on the evidence, Tadcaster should accommodate its identified requirement because:
- This is in accordance with the established strategy in the Core Strategy (clearly the most sustainable option)
 - It would protect the appropriate settlement hierarchy
 - Tadcaster is a Local Service Centre
 - It should accommodate its own identified needs
 - Would support regeneration of the town
 - Would seek to reverse the observed decline in population in Tadcaster
- 3.19 In order to ensure the deliverability of the Strategy, Policy CP3 (Managing Housing Land Supply) is recommended for amendment and has been developed to reflect that Option A/Plan A is the preferred option. This is provided in Appendix 1. The aims of the revised policy are to provide a sound mechanism for ensuring the scale and distribution of housing development is delivered and managed through close monitoring and positive actions. (A revised Policy CP2 - Scale and Distribution of Housing is also necessary).
- 3.20 The recommended new Green Belt Policy (see below) also provides the mechanism for altering green belt boundaries to accommodate development in exceptional circumstances including the overriding need to deliver the Vision, Aims and Objectives of the Core Strategy (in line with CP2 housing and CP9 employment) and where the need can't be met on non-green belt land or where green belt land offers a significantly more sustainable option overall.
- 3.21 The alternatives within Option B/Plan B would redistribute development to other settlements and would require different CP2 and CP3 policies and were therefore not supported by the Executive.
- 3.22 In addition to the monitoring and remedial action built into revised CP3 (and the scope for green belt review to accommodate needs) the Core Strategy includes other targets and indicators as part of the Implementation section of the plan (see Paragraphs 3.27 – 3.29 below).
- 3.23 For the avoidance of doubt, and since the consideration of these matters by the Executive and Policy Review Committee, it is recommended that Council approve the addition of Part E to revised Policy CP3 to reinstate that element which seeks to ensure that the target (of 40% as set in CP1) of provision of housing on previously developed land is met.
- Phasing**
- 3.24 In recommending that the overall scale of housing is revised to 450 dpa and recommending that the overall strategy for distribution remains broadly the

same, Executive recommend that housing growth is phased over the plan period.

3.25 The Arup paper(s) set out that there is a case for planning for a rate of housing delivery that is lower in the first five years. This is in the light of the evidence available leading to a cautious view being taken regarding economic recovery.

3.26 The proposed phasing of the total 7200 dwellings required over the plan period (16 years x 450 dwellings per year) is:

Table 2

1 st 6 years	2011 – 2017	@ 400 dpa	2400 dw
2 nd 5 years	2018 – 2022	@ 460 dpa	4800 dw
3 rd 5 years	2023 – 2027	@ 500 dpa	2500 dw
		Total	7200 dw

3.27 In the light of recommendations on overall scale, phasing and distribution, a proposed revised Policy CP2 is provided at Appendix 2.

Monitoring

3.28 As described at Paragraphs 3.19 and 3.22 above, proposed revised Policy CP3 (Managing Housing Land Supply – see Appendix 1) incorporates close monitoring and remedial actions to ensure the deliverability of housing at the required level and in the right location.

3.29 Remedial action will be taken if there is under-performance of housing delivery and under-performance is defined as:

1. Delivery which falls short of the quantum expected in the annual target over a continuous 3 year period; or
2. Delivery which does not accord with the distribution specified in Policy CP2 with particular emphasis on delivery in the Principal Town and Local Service Centres over a continuous 3 year period; or
3. Situations in which the housing land supply is less than the required Supply Period⁴ as defined by latest Government policy.

3.30 As part of the on-going monitoring which is undertaken (and published through the Council’s Annual Monitoring Report); if these triggers are met then further reports with recommendations for remedial actions and their implications will be presented to the councillors.

⁴ This wording provides flexibility as currently this is prescribed as ensuring a 5-year supply but emerging government guidance effectively proposes a 6-year supply and this may alter over the Plan period.

(iii) The strategic approach to Green Belt releases

- 3.31 The Inspector establishes that the concern about the SDCS approach to the Green Belt is not that boundary reviews and land releases might be required. Instead, the Inspector believes that the plan fails to give guidance about the considerations to be taken into account when deciding whether Green Belt releases can be justified, and fails to mention the important 'exceptional circumstances' test required by PPG2.
- 3.32 The Inspector's view is that the over-arching strategy for the District should establish the principles that will govern any Green Belt boundary reviews that are deemed necessary at the Site Allocations DPD (SADPD) stage.
- 3.33 The Inspector's view is that such an amendment would not represent a major change in the strategy, but would constitute the elaboration which is necessary to ensure that the SDCS is consistent with national and regional policy and can properly fulfil its strategic role.
- 3.34 The proposed new Green Belt policy is provided in Appendix 3 and covers the following general points:
1. the general extent of the green belt will be protected and control of inappropriate development within the green belt
 2. reference to Major Developed Sites in the green belt
 3. that a green belt review will be undertaken at a lower DPD stage
 4. establish the broad scope of the review
 5. as part of the review what exceptional circumstances need to exist if boundaries are to be altered
- 3.35 The proposed new Green Belt Policy will replace the existing Green Belt Policies GB1, GB2, GB3 and GB4 in the Selby District Local Plan. The new policy refers to the 'Proposals Map'. The Proposals Map remains as the SDLP Proposals Map until replaced by any changes adopted through the Sites Allocations DPD.

4. Next Steps

- 4.1 There are no Regulations or Rules governing Suspension of an EIP so there is no formal requirement for consultation. However, within the guidance issued to Inspectors, reference is made to the possibility that any revised document may have to undergo another consultation period. Therefore the critical point is that the version of the Core Strategy on which the Inspector reaches a conclusion about soundness must have been subject to full public consultation and Sustainability Appraisal (SA) etc. – i.e. a process akin to Regulation 27⁵.
- 4.2 The Council must be satisfied that overall (i.e. including the earlier consultations), there has been sufficient opportunity for community engagement in preparing the final version of the Core Strategy (and thereby satisfying paragraphs 4.19-29 of PPS12).

⁵ Planning and Compulsory Purchase Act (2004), Town and Country Planning (Local Development) (England) Regulations 2004 and (Amendment) Regulations 2008 and 2009

- 4.3 Furthermore, if the Council finds it necessary to make further changes to the "suspended" parts of Core Strategy as a result of either (a) the results of public consultation or (b) the debate by interested parties at the resumed Hearings, those changes (unless minor) would then have to undergo a further round of SA and public consultation before the Core Strategy could be found "sound".
- 4.4 As to the process of Submission of changes, again the Regulations do not cover this. The changes could come in the form of another schedule of "Further Proposed Changes" which would be the subject of the Jan/Feb consultation exercise.
- 4.5 It is therefore proposed that the approved proposed changes to the Core Strategy will be formally Published in January 2012 allowing other parties to have the opportunity to make representations on the changes – and we would ask that representors focus on the 'tests of soundness' prescribed in PPS12 (Planning Policy Statement 12 Local Spatial Planning). Following the 6 weeks consultation on the Publication version, the proposed Schedule of Changes and detailed policies and supporting text will be Submitted to the Secretary of State and heard at the reconvened EIP.
- 4.6 As with the current Core Strategy, once the Council agrees that the proposed changes are Published and then Submitted, there is no other opportunity for the Council to make changes (other than minor amendments which do not alter policy). This is because further consultation would be required and that is not allowed for in the timetable agreed with the Inspector when he agreed to the Suspension. The Proposed Changes agreed by Council will be considered at the EIP alongside the representations that will be made by other parties.
- 4.7 In making these proposed changes to the Core Strategy there will be other consequential and minor amendments required; for example ensuring references are incorporated to the revised figure of 450 dpa or the amended plan period to 2011 -2027. There will also be revised supporting text for the revised CP2 and CP3 and new text to accompany the new Green Belt policy. It is proposed that, in order to meet the tight timetable set by the Inspector, these other consequential changes can be agreed with the Managing Director, Access Selby after consultation with the Lead Executive Councillor for Place Shaping. All the changes will be published in a schedule as described at 4.4 above.

5. Conclusions

- 5.1 The main Executive report (E/11/42 on 24 November 2011) sets out in more detail the ongoing work which is being undertaken to establish land availability, deliverability, settlement capacity and sustainability tests. At this stage it is believed that the increase in housing numbers (to 450 dpa) can be accommodated within the established strategy in line with the Core Strategy Vision, Aims and Objectives. The key findings of this work will be available for 13 December 2011 to confirm this. The documented evidence base will be available during the Publication period and once the changes are Submitted to the Secretary of State in advance of the reconvened EIP.
- 5.2 It is considered that the proposed changes:
- Address the Inspector's concerns

- Do not alter the Vision, Aims and Objectives of the Core Strategy
- Are based on robust evidence
- Are deliverable

5.3 Executive and Policy Review Committee have agreed the revised policies (CP2 and CP3, except new Part E) and the new Green Belt policy and recommend them to Council for approval.

Contact Details: Helen Gregory, Policy Officer
(01757) 292091
hgregory@selby.gov.uk

Background Documents

Core Strategy, Submission Draft, May 2011 and associated evidence base.
Arup Report, Scale of Housing Growth in Selby, 30 November 2011
Agendas and Minutes from:

- Executive 24 November 2011 (E/11/42)
- Policy Review Committee 24 November 2011 (PR/11/9)
- Executive 1 December 2011 (E/11/43)

Appendices:

- Appendix 1 Proposed Revised Policy CP3
(Managing Housing Land Supply)
- Appendix 2 Proposed Revised Policy CP2
(The Scale and Distribution of Housing)
- Appendix 3 Proposed new Green Belt Policy

Policy CP2 The Scale and Distribution of Housing

A. Provision will be made for the delivery of 450 dwellings per annum and associated infrastructure in the period up to March 2027 phased as follows

2011/12 – 2016/17 400 dpa

2017/18 – 2021/22 460 dpa

2022/23 – 2026/27 500 dpa

B. After taking account of current commitments, housing land allocations will be required to provide for a target of 5340 dwellings between 2011 and 2027, distributed as follows:

(Rounded Figures)	%	Minimum require't 16 yrs total 2011-2027	dpa	Existing PPs 31.03.11*	New Allocations needed (dw)	% of new allocations
Selby**	51	3700	230	1150	2500	47
Sherburn	11	790	50	70	700	13
Tadcaster	7	500	30	140	360	7
Designated Service Villages	29	2000	130	290	1780	33
Secondary Villages***	2	170	10	170	-	-
Total	100	7200****	450	1820	5340	100

* Commitments have been reduced by 10% to allow for non-delivery.

** Corresponds with the Contiguous Selby Urban Area and does not include the adjacent villages of Barlby, Osgodby, Brayton and Thorpe Willoughby.

*** Contribution from existing commitments only.

**** Target Land Supply Provision (450 dwellings per annum x 16 years)

C. In order to accommodate the scale of growth required at Selby 1000 dwellings will be delivered through a mixed use urban extension to the east of the town, in the period up to 2027, in

accordance with Policy CP2A. Smaller scale sites within and/or adjacent to the boundary of the Contiguous Urban Area of Selby to accommodate a further 1500 dwellings will be identified through a Site Allocations DPD.

- D. Options for meeting the more limited housing requirement in Sherburn in Elmet and Tadcaster will be considered in Site Allocations DPD.**
- E. Allocations will be sought in the most sustainable villages (Designated Service Villages) where local need is established through a Strategic Housing Market Assessment and/or other local information. Specific sites will be identified through Site Allocations DPD.**

Appendix 2 Draft Revised Policy CP3

	Policy CP3 Managing Housing Land Supply
A.	<p>The Council will ensure the provision of housing is broadly in line with the annual housing target and distribution under Policy CP2 by:</p> <ol style="list-style-type: none"> 1. Monitoring the delivery of housing across the District. 2. Identifying land supply issues which are causing or which may result in significant under-delivery of performance and/or which threaten the achievement of the Vision, Aims and Objectives of the Core Strategy. 3. Investigating necessary remedial action to tackle under-performance of housing delivery.
B.	<p>Under-performance is defined as:</p> <ol style="list-style-type: none"> 1. Delivery which falls short of the quantum expected in the annual target over a continuous 3 year period; or 2. Delivery which does not accord with the distribution specified in Policy CP2 with particular emphasis on delivery in the Principal Town and Local Service Centres over a continuous 3 year period; or 3. Situations in which the housing land supply is less than the required Supply Period as defined by latest Government policy.
C.	<p>Remedial action is defined as investigating the underlying causes and identifying options to facilitate delivery of allocated sites in the Site Allocations DPD by (but not limited to):</p> <ol style="list-style-type: none"> 1. Arbitration, negotiation and facilitation between key players in the development industry; or 2. Facilitating land assembly by assisting the finding of alternative sites for existing users; or 3. Identifying possible methods of establishing funding to facilitate development; or 4. Identifying opportunities for the use of statutory powers such as Compulsory Purchase Orders.
D.	<p>In advance of the Site Allocations DPD being adopted, those allocated sites identified in saved Policy H2 of the Selby District Local Plan will contribute to housing land supply.</p>
E.	<p>In the event of a shortfall in the cumulative target (identified in Policy CP1) for the provision of housing on previously developed land being identified, or anticipated, the Council will take remedial action wherever opportunities can be identified to do so.</p>

Appendix 3 Draft Green Belt Policy

	Policy CPXX Green Belt
A.	Those areas covered by Green Belt are defined on the Proposals Map.
B.	In accordance with higher order policies, within the defined Green Belt planning permission will not be granted for inappropriate development unless the applicant has demonstrated that very special circumstances exist to justify why permission should be granted.
C.	Within Major Developed Sites in the Green Belt (as defined on the Proposals Map), some limited infilling and/or, redevelopment to support economic development of existing uses will be permitted in line with higher order policies.
D.	<p>To ensure the Green Belt boundaries endure in the long term, a review of the Green Belt will be undertaken through a lower order DPD. The purposes of the review will be to:</p> <ol style="list-style-type: none"> 1. Address anomalies. 2. Review washed over villages. 3. Establish boundaries along strong physical features. 4. Ensure that there is sufficient land available to meet development requirements throughout the Plan period for allocations, and the need for growth beyond the Plan period by identifying Safeguarded Land.
E.	<p>Under Criterion D4 (above), land may be taken out of the Green Belt only in exceptional circumstances, where:</p> <ol style="list-style-type: none"> 1. There is an over-riding need to deliver the Vision, Aims and Objectives of the Core Strategy by accommodating the housing development identified in the established settlement hierarchy as set out in CP2, and/or employment development identified in CP9, and 2. Where such need cannot be met on non-Green Belt land, or where Green Belt land offers a significantly more sustainable option overall.