

Report To: COUNCIL

Date of Meeting: 4th December 2012

Lead Cabinet Member: Councillor Eryl Williams

Lead Officer: Angela Loftus (Policy, Research & Information Manager)

Title: Denbighshire Local Development Plan: report back on consultation on additional housing sites and draft phasing policy

1 What is the report about?

1.1 This report provides a general update on the current position of the LDP, in particular the initial findings of the Inspector as laid out in his letter of 14th June 2012 and the Council's response to these initial findings.

2 What is the reason for making this report?

2.1 To seek Members' agreement to submit a list of additional housing sites, along with associated phasing policy specific to those additional housing sites to the LDP Planning Inspector. This will then enable Examination Hearing Sessions to resume.

3 What are the Recommendations?

1. That Members approve the following for submission to the Planning Inspectorate:

- i) Draft phasing policy as contained in Appendix 1**
- ii) Sites AHS 01 – AHS 21, as potential additional housing allocations on an individual basis in the order set out in Appendix 2**

4 Report details

4.1 The LDP is a statutory document. It has 2 main functions: it allocates sites for potential development and contains specific policies to guide/control the way development should be carried out. It therefore provides certainty for developers who want to invest in the County and contains criteria to assist the Council in determining planning applications.

4.2 The production of the LDP is therefore a key document in facilitating economic development across the County by allocating land to meet the County's needs in terms of attracting new employment uses, providing new housing (including affordable housing), establishing community and recreational facilities, improving road and other infrastructure etc.

- 4.3 The successful delivery of 2 of the Council's recently declared priorities namely: 'Ensuring access to good quality housing' and 'Developing the local economy' are heavily dependent on having an adopted LDP.
- 4.4 The LDP Strategy was agreed by Members at Council in 2008 and included potential housing growth of 7500. The vast majority of this potential growth can be accommodated on brownfield land and within existing settlements although some settlements would have to be expanded. This growth level was **below** the Welsh Government housing projections for the County of 8500. Further information on population is attached as Appendices 5 & 6.
- 4.5 The predicted growth level for housing is a complex area and is based only in part on WG household projections and population forecasts. Issues such as attracting inward investment for employment purposes, affordable housing, the type of local demand for housing, wages to house price ratios, stimulating economic development, creating jobs, the different needs of diverse communities across the County etc are all taken into consideration. Inevitably this results in balancing conflicting views and pressures.
- 4.6 Following agreement at full Council on 20th May 2011, the LDP was formally submitted to the Planning Inspectorate for public Examination. The role of the appointed Inspector is to consider the LDP, together with all the evidence that has informed its development, including comments made as a result of public consultation, and report back to the Council on whether they consider the LDP to be 'sound'. The Inspectors' report is binding on the Council. As part of the Examination, Public Hearing Sessions were held in January and February this year, with additional Hearing Sessions held in May.
- 4.7 The Inspectors have considered all the evidence presented and have subsequently issued a note on 14th June 2012 informing the Council of their initial findings with regard to housing need and supply. This made it clear that they have **accepted** the Council's housing target of 7500 new houses to be provided by 2021 to meet housing needs and were **not** proposing that this should be altered.
- 4.8 However the Inspector considers the Council has not established sufficient supply of housing land in the Plan to meet the agreed need of 7500. In order for the Council to meet its own need figure therefore the Inspector has stated additional sites which could support approximately 1000 additional dwellings need to be included in the Plan.
- 4.9 It is important to note that this additional 1000 dwellings does not increase in any way the identified and agreed need figure of 7500 houses but simply provides a greater opportunity and flexibility for the market to meet that figure over the lifetime of the Plan should the demand materialise.
- 4.10 It is also important to note that the LDP is about allocating land for development – it does not dictate nor can it enforce in any way that 7500 houses must be built. The LDP therefore simply allocates land for the maximum number should the market generate that level of need. The reality in the existing economic climate is that the market in Denbighshire is unlikely to generate a need for 7500 houses over the lifetime of the Plan, however it is

not the role of the LDP to second guess the economy but to identify a maximum need figure and allocate the land accordingly so that the certainty is created for the market should actual need be generated.

- 4.11 The implications of the Inspectors' Initial Findings in June, together with potential options for the Council were reported to Council on 6th July 2012. Members clearly agreed that the Council should proceed with the identification of sites previously put forward in the LDP process which could accommodate an additional 1000 dwellings to the overall housing supply in the County as required by the Inspector.
- 4.12 All sites previously put forward as part of the LDP process were screened for constraints such as flood risk, highways and access, availability of infrastructure (including drainage, sewerage, water supply), school capacity etc. As a result of this comprehensive exercise officers identified 21 potential housing sites with a capacity for approximately 1000 houses (see Appendix 2 for the list of sites).
- 4.13 A key consideration in compiling the list was compliance with the overall Plan strategy in focussing the bulk of the development toward the north of the County, whilst allowing for development in other settlements with existing facilities. Approximately 825 of the dwellings in the additional 21 sites are located in settlements in the north of the County and in towns with existing facilities.
- 4.14 Members have been briefed throughout the process including individual briefings for those members with additional sites proposed in their wards and attendance at MAGs. The process has been overseen by Group Leaders as agreed by Council in July.
- 4.15 The Council's position during the Examination has been that these additional 1000 houses are not needed as we believe there is sufficient supply of housing in the LDP to meet our identified target of 7500. While that is still our position, the Inspector has taken an alternative view which he is entitled to do based on all the evidence presented to him during the Hearing Sessions. Whether this number of houses will actually be built given the current economic climate is another matter.
- 4.16 Given the Council's alternative position to the Inspector it has been considered appropriate to propose an additional policy as well as presenting the list of additional sites to try and 'protect' those additional sites from coming forward because if the Council's position on supply is correct, they will not be required. The additional policy as contained in Appendix 1 is a phasing policy which seeks to delay the implementation of the 21 sites to a later phase in the Plan and even then to only allow them to be brought forward if the deliverable housing land supply falls below 5 years. The housing land supply is unlikely to fall below the 5 year requirement as even without the additional 21 sites it is considered there is sufficient housing supply in the Plan. In addition the economy is unlikely to generate the build rates over the lifetime of the Plan to put the 5 year supply requirement under pressure. The contention therefore is that these 21 sites are unlikely to be built in the lifetime of the Plan.

- 4.17 The phasing policy was drafted with legal input from the Council's barrister to ensure a clear, robust approach. Planning Policy Wales allows for the introduction of phasing policies in LDPs and is a common approach adopted by planning authorities across England and Wales, including Sheffield City Council, Eastleigh Borough Council, Wycombe District Council. The policy was included as part of the consultation on the 21 sites as it is an integral part of our response to the Inspector.
- 4.18 Consultation on the additional housing sites, and draft phasing policy, ran for 8 weeks from 11th September to 6th November 2012. This was a public consultation and was open for anyone to respond. Appendix 3 identifies the number of objections received within the consultation period from local residents on each site. The number varies from 0 to 42 and the total is only 170. Attached as Appendix 4 is a more comprehensive assessment of the consultation undertaken and the responses received.
- 4.19 In total 432 comments were received from 150 respondents relating to the potential additional sites, the phasing policy and the process itself. Of these 290 were objections, a number of which are promoting other sites and have therefore objected to most or all of the additional sites.
- 4.20 In accordance with the recommendation of Cabinet on 20th November, any comments received after the 2 month consultation period and up to 5pm on the day before full Council will be reported to the Council meeting.
- 4.21 If Council resolve to submit additional sites to the Inspectors, Hearing Sessions will be held at the end of January and objectors will have the opportunity to present their concerns and evidence to the Inspectors. The Inspectors will also give equal weight to all written representations received. The Inspectors will issue their report following the close of the Hearing Sessions.
- 4.22 Should the Council decide not to submit additional sites to the Inspectors, the Council would be failing to address the Inspectors' findings and failure to progress the LDP at this stage would mean it likely that the Inspectors would find the Plan 'unsound', despite the fact that the only issue of concern identified by the Inspectors was housing supply. The Council would have to start the process again. This would necessitate additional consultation and research, a further public Examination, entailing significant staff time and costs for the Council and potentially taking a further 3 – 4 years.
- 4.23 There are clear and important risks to the Council in not agreeing the additional sites and therefore not having an LDP. These include:
- The Council would have no strategic land use plan for the development and growth of the County
 - Delivery of Corporate priorities of housing and economic development would be severely hampered.
 - The Council would not have 5 year housing land supply
 - Development would be market driven and applications for new housing could be submitted for any site in the county including those rejected on

the additional housing listed in Appendix 2. Without a 5 year housing supply such applications will be difficult to refuse and if refused even more difficult to justify at any subsequent appeal.

- Inward investment in new employment uses would be unlikely to come forward as there would be little deliverable employment land remaining
- Inefficient use of Council resources given that considerable work and costs have been ongoing since 2006 to get to this stage
- Policies in the rejected LDP could not be considered when dealing with planning applications and as such, planning applications would be assessed on policies contained in the outdated UDP
- Anticipated delivery of additional affordable housing to meet local needs would not be achieved.

4.23 The risks of not agreeing the recommendation of this report as listed above have to be weighed against the likelihood of the 21 additional sites not coming forward for development in any case, given the associated proposed phasing policy, the reality of the economy, the supply of housing land already included in the LDP and the likelihood of maintaining a 5 year housing supply throughout the lifetime of the Plan.

5 How does the decision contribute to the Corporate Priorities?

The LDP will have a direct role to play in achieving the priorities of 'Developing the Local Economy' and 'Ensuring Access to Good Quality Housing' through the policies and proposals within it, influencing development on the ground.

6 What will it cost and how will it affect other services?

The vast majority of costs in progressing the LDP have already been incurred. Significant additional cost is associated with not agreeing the recommendation as the LDP process would have to start again. Having an adopted LDP will impact positively on most services in the Council given that it is a key strategic document that will promote economic development throughout the County.

7 What consultations have been carried out?

The LDP has been developed through extensive consultation and all representations received have been passed on the Inspectors and are being considered by them. The public Hearing Sessions held so far have enabled those invited to present their evidence verbally to the Inspectors. Appendix 4 is a summary of consultation at this stage of the LDP process.

8 Chief Finance Officer Statement

The costs associated with progressing the LDP should be contained within existing resources. The Council has a specific reserve within the accounts to contribute to the costs of producing the Plan should additional funding be required.

9 What risks are there and is there anything we can do to reduce them?

The key risks for the Council are set out in the report.

10 Power to make the Decision

Local Government Act 2000, Planning & Compulsory Purchase Act (2004), and associated regulations and guidance.