Council



24 October 2024

Tiu.	Lead Dies - December des et Europies des						
Title	Local Plan – Resumption of Examination						
Purpose of the report	To make a decision						
Report Author	Jane Robinson - Local Plans Manager and Joint Interim Strategic Planning Manager Heather Morgan – Group Head Place, Protection and Prosperity						
Ward(s) Affected	All Wards						
Exempt	No						
Exemption Reason	N/A						
Corporate Priority	Community Addressing Housing Need Resilience Environment Services						
Recommendations	 Council is asked to: Note that the Environment Agency has signed a Statement of Common Ground (SoCG). Agree to keep the Green Belt allocations in the Local Plan as submitted to the Planning Inspectorate on 25 November 2022. Agree to delegate authority to the Group Head of Place, Protection and Prosperity in consultation with the Chair of the Environment and Sustainability Committee, to undertake any further consultation required by the Planning Inspector. Agree to delegate authority to the Group Head of Place, Protection and Prosperity in consultation with the Chair of the Environment and Sustainability Committee, to prepare a main modification to the Local Plan, for a new policy on "Local Plan Early Review". 						
Reason for Recommendation	The Local Plan Examination hearings were paused to allow for training of newly elected Councillors and again for consideration to be given to the revised National Planning Policy Framework (NPPF) December 2023. A decision was made by Environment and Sustainability Committee (E&S) in February 2024 to ask the Planning Inspector to remove all Green Belt allocations from the Local Plan with the						

exception of the two allocations that meet the need for Gypsy, Traveller and Travelling Showpeople.

The new Labour government consulted on a proposed updated NPPF in August and September 2024.

The Council needs to decide if this alters the position on green belt site allocations, and then go back to the Planning Inspector with any proposed changes.

1. Summary of the report

What is the situation Why we want to do something The recently revised NPPF shifts the The Local Plan Examination is 'on pause' position nationally and is proposing an Proposed Main Modifications were agreed increase in the housing number (up by by E&S Committee 29 February 2024 20%) and alterations around green and (green belt and flooding) grey belt Considerable progress has been made with the EA and a Statement of Common In the light of the Inspectors decision on Ground (SoCG) was signed on 14 Oct the Elmbridge Local Plan and proposed changes to the NPPF, to provide 2024 Councillors with the opportunity to review The new Labour government consulted on a revised NPPF over the summer decisions made to date. informing of their priorities and direction of The decision of Council reported to the Planning Inspector so he can decide travel. Elmbridge Borough Council has received whether to progress with the Local Plan a letter from their Planning Inspector Examination Hearings. finding their Local Plan unsound, in part due to not meeting their housing need in full which was based on their decision not to release any Green Belt for development. This is what we want to do about it These are the next steps Decide whether further modifications are Council to note that the EA have now required on Green Belt site allocations signed a SoCG Council to make a decision on the options Write to the Planning Inspector, inform for the green belt sites him of the outcome of the decision and Chair of E&S Committee to write to the again request he resumes the Local Plan Planning Inspector to consider the change Examination Hearings. and resume the Local Plan Examination If the Planning Inspector requires us to run a consultation prior to the Examination Hearings commencing agree to delegate authority this consultation. Agree to delegate authority to prepare a new policy for Local Plan, titled "Local Plan Early Review.

- 1.1 In the light of the publication of the Government consultation to proposed changes to the National Planning Policy Framework (NPPF) and the letter received by Elmbridge Borough Council from their Planning Inspector regarding its Local Plan (Sept 2024), the Council is being asked whether it would like to reconsider the decision made on 29 February 2024 regarding the Green Belt sites.
- 1.2 This report sets out options on whether to agree to keep the Green Belt allocations in the Local Plan as submitted to the Planning Inspectorate on 25 November 2022 or to proceed as agreed by E&S Committee on 29 February 2024 and ask the Planning Inspector to consider the removal of all Green Belt allocations (with the exception of the two allocations that meet the need for Gypsies, Travellers and Travelling Showpeople).
- 1.3 This report also gives options regarding a potential new consultation which may be requested by the Planning Inspector and options for a new Local Plan policy to propose to the Planning Inspector.

2. Key issues

Background

- 2.1 The history is set out in Appendix A.
- 2.2 On 29 February 2024 a report was taken to E&S Committee asking for a decision on issues around (1) green belt (2) flooding (3) Staines Development Framework (SDF). The decisions on the latter two are set out in the meeting minutes <u>Agenda Template (spelthorne.gov.uk)</u> The Committee was asked to vote on three options regarding Green Belt sites as follows:
 - 1. Keep Green Belt allocations in the Local Plan as submitted.
 - 2. Remove all Green Belt allocations from the Local Plan.
 - 3. Remove all Green Belt allocations from the Local Plan with the exception of the two allocations that meet the need for Gypsy, Traveller and Travelling Showpeople.

The Committee resolved to propose to the Inspector that all Green Belt allocations should be removed from the Local Plan, with the exception of the two allocations that meet the need for Gypsy, Traveller and Travelling Showpeople.

- 2.3 Following this meeting on 6 March the Chair of the E&S Committee wrote a letter to the Inspector (Appendix B) setting out the decisions of the Committee and a timeline for gathering further information from the EA.
- 2.4 A further report was taken to Corporate Policy and Resources Committee on 8 July 2024 regarding the Local Plan Resumption of Examination. The Committee resolved to
 - Make a recommendation to Council to propose a Main Modification to the Inspector to remove Bridge Street car park/Hanover House/Sea Cadet building (ST4/002) and Riverside surface car park (ST4/010) as site allocations from the Local Plan

- 2. Make a recommendation to Council to propose a Main Modification to the Inspector to agree to new policy wording in relation to site allocations at risk from access and egress issues (flooding)
- 3. Make a recommendation to Council that the Chair of the E&S Committee write to the Inspector with further proposed Main Modifications (if agreed) in order to progress the Local Plan back to Examination
- 2.5 Following the meetings of Corporate Policy and Resources Committee and full Council, on 23 July 2024 the Chair of the Environment and Sustainability Committee wrote a letter to the Planning Inspector requesting resumption of the Local Plan Examination. The letter is attached at Appendix C

3. Current position

Labour Government and NPPF consultation

- 3.1 Following the General election a consultation on "Proposed reforms to the National Planning Policy Framework and other changes to the planning system" began on 30 July 2024 and ran to 24 September 2024. As part of this consultation, reforms to the way Local Housing Need is calculated were consulted on along with a spreadsheet setting out the new Local Housing Need based on the new formula. Based on the new proposed formula Spelthorne's Housing Need would increase from 618 homes per year to 755.
- 3.2 Part of the proposed reforms set out the transitional arrangements for emerging plans in examination. These transitional arrangements state that plans that are at the examination stage will continue to be examined under the version of the National Planning Policy Framework (NPPF) applicable at the time of submission. This is provided that the discrepancy between the newly calculated housing need and the housing need within the Plan is not greater than 200. This means that the Spelthorne Local Plan can continue to be examined under the NPPF 2021 with its current local housing need figure of 618 per annum.
- 3.3 Proposed changes to the NPPF would require local authorities to review their Green Belt boundaries if their housing need cannot be met in full. To guide this review, a sequential approach is proposed where brownfield sites should be prioritised, followed by previously developed land within the Green Belt, then other grey belt sites, and finally higher performing Green Belt sites where they can be made sustainable. Grey belt is defined as Green Belt land that is previously developed and/or land that makes a 'limited' contribution to the five Green Belt purposes set out in the NPPF.
- 3.4 This means that if the proposed reforms to the NPPF and the planning system were to be implemented, any future local plan in Spelthorne would need to allocate a larger amount of housing. This would potentially have to be achieved through the release of higher quality Green Belt land in accordance with the sequential approach.

If the Examination Hearing sessions are recommenced and the emerging Spelthorne Local Plan is not found sound by the Planning Inspector, we will

have to immediately start work on a new Local Plan under the new NPPF. This could mean a housing number of around 755 per annum (if the Government use the numbers set out in the consultation draft). The emerging Local Plan is more likely to be found sound by our Planning Inspector if it meets current identified housing need in full (618 per annum).

Elmbridge Local Plan

- 3.5 Following two stages of Examination in Public of the Elmbridge Local Plan, the Planning Inspector has written to the Council with her findings and recommendations. The letter can be found at Appendix D. The key outcome from the letter is that in its current form, the Inspector finds the Elmbridge draft Local Plan "unsound" meaning she would not approve the Plan in its current form. The Inspector goes on to say the Plan may be capable of being made sound through main modifications.
- 3.6 Like Spelthorne, the Elmbridge draft Local Plan is being assessed against the current NPPF with a housing target of 650 per year. The Elmbridge Local Plan did not seek to meet their identified housing need in full and there was a shortfall of around 6,300 dwellings over the Plan period as a whole. In its statement Elmbridge Council highlighted the following points from the letter:
 - "My view is that the Plan as submitted is unsound. The Plan may be capable of being made sound through main modifications."
 - "Based on the Council's identified supply...this would mean that there
 would be a shortfall of around 6,300 dwellings over the Plan period as a
 whole. This is a very significant shortfall which requires an alternative
 approach to meeting the housing needs of the borough over the plan
 period."
 - "The Plan should be modified to ensure that there are sufficient sites to provide for the minimum 5 years' worth of housing against the housing requirement".
 - "Contrary to the views expressed by the Council, it is my view that the benefits of doing so would outweigh the harm to the green belt and as a result, exceptional circumstances do exist to warrant an element of green belt release".
 - "The release of an element of green belt land to meet the identified housing needs would be a justified and effective approach in this instance."

Main modifications

3.7 Following the E&S Committee on 29 February 2024, Cllr Beecher wrote to the Inspector in early March, setting out the decisions of the committee which included "Remove all Green Belt allocations from the Local Plan with

- the exception of the two allocations that meet the need for Gypsy, Traveller and Travelling Showpeople".
- 3.8 Whilst the Inspector has been continually updated and informed on progress and decisions made by the Council, this decision has not yet been formally presented to the Inspector as a Main Modification to the Local Plan. In the light of the significant changes since 29 February, and following discussions with the Administration Group Leaders, it was considered appropriate to ask the Council if they wished to debate this matter again ahead of further communication with the Inspector.
- 3.9 As set out in the 29 February Committee report, the procedural guidance for Local Plan examinations clearly sets out that it is the Inspector's decision to consider modifications only if they are necessary to make the Plan sound and/or legally compliant. If the Inspector is not able to accept any of the suggested modifications as necessary and/or if they would result in a significant change to the spatial strategy of the Local Plan and the Council still wishes to progress with the amendments, it would normally be open to him to suggest the Council withdraws the Plan from Examination and prepare a new Plan for submission. This option is not currently available to Spelthorne as a result of the Minister's directive to prevent the Council withdrawing the Local Plan. It can now only be withdrawn if the Inspector or the Minister recommends or directs the Council to withdraw it for soundness reasons as it cannot be adopted.

4. Options analysis and proposal

Statement of Common Ground with the Environment Agency

- 4.1 Following ongoing discussions with the Environment Agency, on Monday 14 October 2024 they signed and Statement of Common Ground with the Council. It is attached at Appendix E. The Statement of Common Ground applies whether the Green Belt sites are allocated in the Local Plan or are not allocated.
- 4.2 Members are asked to:
 - Note the Environment Agency has signed a Statement of Common Ground (SoCG) with the Council

Green Belt

- 4.3 In the light of the significant changes since 29 February 2024 and following discussions with the Administration Group Leaders, it was considered appropriate to ask the Council if it wished to explore proposing any main modifications to the Inspector regarding the Green Belt sites.
- 4.4 The Plan as submitted considered Exceptional Circumstances existed to release a number of Green Belt sites to deliver homes (particularly affordable homes and family houses with gardens), Gypsy & Traveller sites, and community facilities. The case for Exceptional Circumstances is set out in Topic Paper 3, following review of each type of development

- need. This resulted in proposed release of 15 sites and a resulting loss of 0.7% of Spelthorne's Green Belt.
- 4.5 In order to demonstrate to a Planning Inspector that an emerging Local Plan is sound, the Authority must be able to demonstrate (as a minimum) a 5 Year Housing Land Supply. Being able to robustly demonstrate that there are sufficient deliverable sites available to meet the identified need figure (in SBC's case 618/per annum) with certainty, particularly in the first 5 years is a key factor in a Plan's soundness. Appendix F sets out the Green Belt sites and the anticipated number of homes each will deliver. The tables below set out how the Green Belt sites in the submitted Local Plan would contribute to meeting our five-year supply.
- 4.6 For clarity this tables <u>do not</u> include the five sites at flood risk which are been agreed to request a main modification to the Planning Inspector to remove from the Local Plan.

Table 1: Five-year housing land supply

Without Green Belt sites	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Under construction	892	365	227	0	0	1,484
Extant permission not started	35	112	44	38	0	229
Allocation	57	129	337	331	337	1,191
Brownfield tier 2	0	0	29	0	0	29
Small sites windfall	43	43	43	43	43	215
PDO windfall	0	0	0	0	0	0
Total	1,027	649	680	412	380	3,148
						4.25 years supply

With Green Belt sites	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Under construction	892	365	227	0	0	1,484
Extant permission not started	35	112	44	38	0	229
Allocation	74	177	392	637	521	1,801
Brownfield tier 2	0	0	29	0	0	29
Small sites windfall	43	43	43	43	43	215
PDO windfall	0	0	0	0	0	0
Total	1,044	697	735	718	564	3,758
						5.07 years supply

4.7 The five-year supply figure without Green Belt allocations included totals 3,148 and equates to **4.25** years of supply. The five-year supply figure with Green Belt allocations included totals 3,758 and equates to **5.07** years of supply.

- 4.8 These five-year supply figures are based on the authority also having to provide a 20% buffer on top of the 618 annual requirement and allow for a 5% non-implementation rate for extant permissions, allocations and brownfield tier 2 sites as required by national planning guidance.
- 4.9 If the emerging Spelthorne Local Plan is not found sound by the Planning Inspector, we will have to immediately start work on a new Local Plan under the new NPPF. This will mean a housing number of around 755 per annum (if the Government use the numbers set out in the consultation draft). The emerging Local Plan is more likely to be found sound by our Planning Inspector if it meets current identified housing need in full (618 per annum).
- 4.10 The Exceptional Circumstances case for releasing Green Belt in the submitted Local Plan was not dependent on solely meeting housing need. There remains a strong case for allocating sites for Gypsies, Travellers and Travelling Showpeople as no land was identified in the urban area for this type of development. There is a duty to meet need for this community and failure to do so could result in appeals being allowed for retrospective pitches in less suitable locations.
- 4.11 The Exceptional Circumstances case for the submitted Local Plan also refers to delivery of affordable homes (Green Belt release sites can viably deliver 50% as opposed to up to 30% on urban sites), family houses with gardens and community benefits such as a new sixth form college, replacement community centre and improvements to sports facilities. Members should take into account that if they consider Exceptional Circumstances no longer exist and the Inspector accepts this approach, these benefits, including 438 affordable homes, would be lost if the Green Belt allocations were removed from the Plan and 98% of new homes would be flats. There is a consistently low delivery of affordable housing currently and in the last reporting year none were delivered in Spelthorne. The list of Green Belt sites can be found at Appendix F.
- 4.12 The options for this Committee to consider are:
 - Agree to keep the Green Belt allocations in the Local Plan as submitted to the Planning Inspectorate on 25 November 2022 (change the decision made by E&S Committee on 29 February 2024).
 - 2. Remove all Green Belt allocations from the Local Plan with the exception of the two allocations that meet the need for Gypsy, Traveller and Travelling Showpeople (as agreed by E&S Committee on 29 February 2024).
- 4.13 The Chair of E&S Committee will write a further letter to the Planning Inspector to advise him of the Council's decision, regardless of which option is decided.

Possible Pre-Hearing consultation

- 4.14 Due to the time which has elapsed since the Hearings began in May 2023, it is possible the Inspector may require the Council to undertake a pre-Hearing public consultation ahead of hearings resuming. If needed, it is likely to take a similar format as the Reg 19 consultation, with respondents able to comment on matters related to the soundness of the Plan and only able to comment on specific documents. The content and duration would be entirely directed by the Inspector (i.e. the Council has no discretion in the matter), and it would need to take place promptly. It is suggested that that the Group Head of Place, Protection and Prosperity in consultation with the Chair of E&S, be given delegated authority to approve consultation material in order to expedite the matter. The alternative would be for an Extraordinary E&S committee to be called which would delay matters further.
- 4.15 The options for this Committee to consider are:
 - 1. Agree to delegate authority to the Group Head of Place, Protection and Prosperity in consultation with the Chair of the E&S Committee, to undertake any further consultation required by the Planning Inspector.
 - 2. Take no action in relation to delegating authority to the Group Head of Place, Protection and Prosperity in consultation with the Chair of the E&S Committee, to undertake any further consultation required by the Planning Inspector.

Early review policy

- 4.16 Due to the time which has elapsed since the Plan was submitted (November 2022), it may be prudent to re-assure the Inspector now where the Council considers an early review may be necessary, rather than assuming there will be a standard five-year review of a Local Plan. Other Councils such as North Herts and Breckland have adopted this approach, which has been welcomed by PINS. The North Herts policy is attached at Appendix G as an example. The Early Review Policy is likely to need to include (as a minimum):
 - Council commitment to undertake a whole plan review of the Local Plan by a specific date, assessing each policy.
 - A statement setting out that this review will determine whether the Plan needs to be updated either in whole or in part.
- 4.17 All policies will need to be reviewed. However, the following have already been identified as priorities:
 - Need to update the Employment Land Needs Assessment which is dated 2018 (updated 2022) and any resultant need to allocate employment floorspace
 - ii) Gypsy Traveller and Travelling Showpeople Needs Assessment, in light of the update to Planning policy for traveller sites, published 19 December 2023
 - iii) Assessment of each policy and it's conformity to the new NPPF (if this has been published).

- 4.18 The options for this Committee to consider are:
 - Agree to delegate authority to the Group Head of Place, Protection and Prosperity in consultation with the Chair of the Environment and Sustainability Committee, to prepare a Main Modification to the Local Plan, for a new policy on 'Local Plan Early Review'
 - 2. Take no action in relation to preparing a main modification to the Local Plan, for a new policy on "Local Plan Early Review".

5. Financial management comments

- 5.1 If the Planning Inspector requires us to undertake a pre-hearing consultation, this will have some financial cost. The scale of consultation required by the Planning Inspector will determine the level, but may we be able to use existing consultation software and images to minimise this.
- 5.2 Choosing to reconsider the decision made at E&S Committee on 29
 February would mean significantly fewer Main Modifications are proposed to the Planning Inspector. The Main Modifications will relate to the sites at flood risk, the Staines Development Framework new wording to Policy E3, adding text to site allocations on flood risk and potentially adding a new policy on early/immediate review.
- 5.3 If the Council agree to amend the Green Belt sites Main Modification agreed by E&S committee in February and keep the Green Belt site allocations in the Local Plan as submitted, the Local Plan will be seeking to meet the identified housing need in full, and is therefore (unlike Elmbridge) more likely to be found sound by the Inspector. This will reduce the risk of additional financial costs to the Council, other than those original budgeted for as part of the Local Plan Examination process.

6. Risk management comments

6.1 As well as the financial risks identified above, there is the risk of further intervention by the Minister for Housing and Planning. The initial letter with the directive to prevent withdrawal of the Local Plan contained the following advice:

Should a significant delay occur to progressing the examination, and should you fail to comply with the directions in this letter, I will consider taking further intervention action to ensure that an up-to-date local plan is in place.

- 6.2 The Minister for Housing and Planning has changed since the intervention and election, the risk may now be less, however the new government is still very focused on Planning Policy and the importance of having an up-to-date Local Plan.
- 6.3 If Members choose to amend the Green Belt sites Main Modification agreed by E&S Committee and keep the Green Belt allocations in the Local Plan as submitted, proposing a smaller number of main modifications will mean there is less for the Inspector to consider and he will be more likely to swiftly resume the Local Plan Examination Hearings. This will reduce the chance of further intervention.

As outlined in para 4.9, if the emerging Local Plan is not found sound by the Planning Inspector, work will immediately need to start work on a new Local Plan, under the new NPPF. This will mean a housing number of around 755 per annum (if the Government use the numbers set out in the consultation draft).

7. Procurement comments

7.1 Any of the options chosen that result in proposing modifications are likely to require further evidence and justification, which may result in the need to commission consultants to update work they have already produced for us to support the Local Plan or new pieces of work entirely. This would be discussed with the Procurement Team as required.

8. Legal comments

8.1 Specific legal advice was obtained by Spelthorne's Counsel for the Local Plan Examination who has been kept updated at all stages. The Council has been advised that seeking to meet our need in full carries the least risk.

9. Other considerations

9.1 None

10. Equality and Diversity

10.1 These matters have been addressed throughout the development of the Local Plan, including the production of an Equalities Impact Assessment that was submitted with the Local Plan. Sustainability/Climate Change Implications

11. Sustainability/Climate Change Implications

11.1 Sustainability appraisal, including climate change implications, is the cornerstone of plan making and has been included throughout the Plan's preparation to respond positively to the Climate Change Emergency. Depending on which options are ultimately taken forward, further sustainability appraisal may be required.

12. Timetable for implementation

12.1 This committee is asked to make a decision on each of the sets of options in this report. The Council will then write formally to the Inspector to set out the proposed modifications (if any) and await his advice on whether or not the Examination hearings can resume. The timetable thereafter will be for the Inspector to set out

13. Contact

- 13.1 Jane Robinson Joint Interim Strategic Planning Manager i.robinson@spelthorne.gov.uk
- 13.2 Heather Morgan Group Head Place, Protection and Prosperity h.morgan@spelthorne.gov.uk

Please submit any material questions to the Committee Chair and Officer Contact by two days in advance of the meeting.

Background papers: There are none.

Appendices:

Appendix A - Background information on the Local Plan

Appendix B – Letter to Inspector from Chair of E&S - 6 March 2024

Appendix C – Letter to Inspector from Chair of E&S - 23 July 2024

Appendix D - Elmbridge BC Inspector's Interim Findings Report - 11 Sept 2024

Appendix E – Signed Statement of Common Ground with the Environment Agency – 14 Oct 2024

Appendix F – List of all Green Belt Sites which were included in the Local Plan submitted to the Planning Inspectorate on 25 November 2022

Appendix G – North Herts Local Plan Policy IMR2: Local Plan Early Review