Agenda Item No:	6	Fenland
Committee:	Cabinet	
Date:	22 March 2021	CAMBRIDGESHIRE
Report Title:	Fenland Local Plan Progress Report	

1 Purpose / Summary

The purpose of this report is to firstly provide Cabinet with an update on progress with the production of the draft Local Plan for Fenland and to highlight some of the key issues and policy changes proposed; and secondly to explain the status of the draft Local Plan.

2 Key issues

- Since the adoption of the Local Plan in 2014 there has been changes to National Policy and guidance.
- The draft Local Plan will set a target for 10,760 dwellings between 2020 and 2040. (538 per year)
- To take into account deliverability issues and viability issues facing the district it is
 proposed that the new Local Plan will include a robust buffer to over allocate land to
 take into account historic deliverability issues.
- The draft Local Plan will Remove the Broad Locations for Growth and the requirement for Broad Concept Plans and replace with specific and deliverable allocated sites, and re-introduce settlement boundaries.
- The Plan will support business growth and inward investment.
- Whilst the new Plan is under development, the current plan will remain the starting point until adoption of the new Local Plan for planning decisions, in accordance with planning law.

3 Recommendations

Cabinet note the update on the Local Plan and key policy changes proposed

Wards Affected	All	
Forward Plan Reference		
Portfolio Holder(s)	Cllr Chris Boden - Leader of Fenland District Council	
	Cllr Dee Laws - Portfolio Holder for Planning	
Report Originator(s)	Carol Pilson - Corporate Director	
	Gemma Wildman - Local Plan Manager	

Contact Officer(s)	Carol Pilson - Corporate Director	
	cpilson@fenland.gov.uk 01354 622360	
	Gemma Wildman - Local Plan Manager	
	gwildman@fenland.gov.uk 01354 622573	
Background Paper(s)		

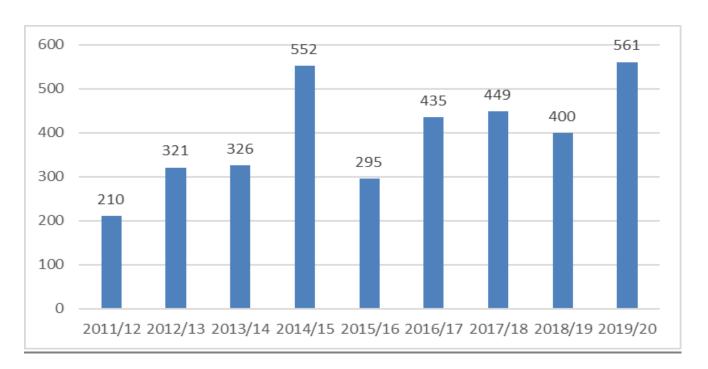
Report: Local Plan progress

1 Introduction

1.1 This report provides an update on progress made in preparing the new Local Plan for the district and sets out some of the proposed changes and new policy approaches to better facilitate economic and housing growth.

2 Background

- 2.1 The current Fenland Local Plan was adopted in May 2014. It set a requirement for 11,000 new homes (550 dwellings per year) and 7,200 new additional jobs between 2011 and 2031. The Local Plan was intended to be as flexible as possible to encourage growth and development within the district with a deliberate lack of allocated sites and 'red lines' for development defined.
- 2.2 Since the Local Plan was adopted almost seven years ago, it has not met its inward investment and housing growth targets. Clearly there are many reasons for this including the challenges of development viability in the district, transport connectivity and flood risk. Whilst on the one hand the current Local Plan is flexible, on the other it has potentially not provided sufficient clarity for developers and local communities about where new development will take place. In many instances it also proposed growth in areas with complex land ownership issues which has created significant deliverability challenges. It is also questionable whether the growth strategy focused growth in areas where people want to live, i.e. where there is market demand.
- 2.3 The following graph shows housing completions since 1 April 2011 (the base date of the adopted Local Plan). This shows that the Local Plan target of 550 dwellings per year has only been met in two of the previous nine years, with an average delivery rate of 394 dwellings each year.
- 2.4 Figure 1: Net Housing Completions 2011 to 2020



- 2.5 Also, much has changed since the adoption of the Local Plan. There have been significant changes to national policy with the publication of an updated National Planning Policy Framework (NPPF) in February 2019 together with other substantial changes to national guidance. The NPPF introduces a number of changes which differ from policies in the 2014 Local Plan. There is now a much greater emphasis on housing delivery. The NPPF also changed the way that housing need is calculated for all councils by introducing a standard methodology. The Local Housing Need figure is adjusted by Government each year taking into account the latest population statistics. This means that the number can change throughout the process of preparing a new plan.
- 2.6 There has also been the economic uncertainty and impacts of Brexit and need for economic recovery following Covid which will need to be addressed.
- 2.7 At a more local level, the establishment of the Cambridgeshire and Peterborough Combined Authority (CPCA) in 2017 has resulted in ambitious proposals relating to growth, economy and infrastructure. The Cambridgeshire and Peterborough Independent Economic Review (CPIER) (September 2018) includes the ambition to 'double economic output across Cambridgeshire and Peterborough by 2040'. Fenland's market towns and its rural economy have a key role to play in achieving this ambition.
- 2.8 The CPCA also provided funding for the <u>Growing Fenland</u> project to produce master plans for each of the four Market Towns. The masterplans examine the needs of each town and look at how investment in education and skills, commercial and industrial development and new transport initiatives could help stimulate growth and create more jobs. They also identify potential improvements and opportunities for growth, developing a case to attract additional funding to help deliver their ambitions. These reports will need to be considered in decision making and in establishing Council's priorities.
- 2.9 In August 2018 the Planning Advisory Service (PAS) carried out a review of the district's Planning Services. The <u>PAS review</u> identified a number of challenges facing the Council, that could be affecting the delivery of housing. It concludes that there is a lack of certainty as to which sites can be developed, which may be preventing developers from putting in applications for fear of refusal. 'In light of changes in government guidance on deliverability, current market conditions and economic context, it is beneficial that the Plan will be reviewed as soon as possible'.
- 2.10 The NPPF and planning legislation state that plans that are more than five years old should be reviewed to assess whether they need updating. The current Plan became five years old in May 2019. Therefore, a review was carried out.
- 2.11 The Council agreed to start production of a new Local Plan for the District in February 2019, which will eventually replace the Local Plan adopted in May 2014. This will address the changes in national policy, but also to take into account local visions and objectives to attract new businesses, jobs and opportunities in Fenland, and promote increased housing growth across the district. There is a need for a fundamental policy change, and a more commercially facilitative approach to growth.
- 2.12 Whilst the new plan is under development, the current plan will remain in force until adoption of the new Local Plan for planning decisions in accordance with planning law¹. Due regard will be taken of relevant Government NPPF changes and new evidence documentation from the review process as appropriate.

¹ Section 38(6) of the Planning and Compulsory Purchase Act 2004 and section 70(2) of the Town and Country Planning Act 1990

3 New Local Plan

- 3.1 Issues and Options consultation
- 3.2 The first stage in the process of preparing a new Local Plan saw an <u>Issues and Options</u> document published for six weeks public consultation in October 2019. This document was based around a series of questions which set out options for policies in the new Plan for Fenland. The Local Plan target was for 550 dwellings per year based on Government's standard method for calculating housing need (which was, coincidentally, exactly the same as the figure in the adopted Local Plan).
- 3.3 At this stage no decisions had been made, it was an open consultation to present the full range of options available.
- 3.4 A <u>Key Issues Report</u> was published in February 2020 which summarised the main issues raised during public consultation. The outcomes of the Issues and Options consultation, alongside national policy and other evidence base documents, are being taken into consideration during the preparation of the draft Local Plan.
- 3.5 As part of the Issues and Options Consultation the Council also carried out a 'call for sites' exercise to identify available sites for allocation in the new Plan. Developers, landowners and local agents were asked to submit sites they considered available for future development. In summer 2020 a second 'call for sites' was also carried out.
- 3.6 All suggested sites as well as other available sites, including those with planning permission for housing or employment at 1 April 2020 and existing Local Plan allocations without planning permission, can be viewed on the Council's website at: https://www.fenland.gov.uk/shelaa which includes an interactive map.
- 3.7 All proposed sites have been assessed against the detailed site assessment criteria as set out in the <u>Site Assessment Methodology</u>. The preferred sites will be included in the draft Local Plan.

4 Draft Local Plan

- 4.1 Following the Issues and Options consultation work commenced in early 2020 on preparing a draft version of the Local Plan. However, the Plan has taken longer for several reasons.
- 4.2 Firstly, the site assessment work and site visits were put on hold due to the Covid 19 pandemic and restrictions in place last spring. Then in summer 2020, the Council decided to carry out a second call for sites exercise with additional site assessment work required. This has meant that other evidence documents and reports have also been delayed that support the draft Local Plan. In addition, in August 2020 Government consulted on proposed changes to the current planning system, which included proposed changes to the standard method used to calculate housing need figures for Local Plans.
- 4.3 The proposed new method saw the Local Housing Need figure increase to 844 dwellings per year which represented a 57% increase and a need to identify land for approximately 6,000 additional new dwellings by 2040. This significant increase would have placed a significant challenge on the district in terms of the supporting infrastructure necessary to support this level of growth, and also in terms of preparing a new Local Plan. The Council submitted objections to the proposed changes including lobbying to the local MP.
- 4.4 The potential change to the Local Plan Housing target meant that the Local Plan team were unable to progress the final site selection work until the outcomes of this consultation were known.

- 4.5 On 16 December, Government issued their response to the consultation and also confirmed the new housing figures for each Local Authority². For Fenland the figure remains the same as the previous method at 538 dwellings per year. This results in a Local Plan target of 10,760 dwellings. (please note that this is a slight decrease to the 550 dwellings per year figure consulted on in October 2019 due to the publication of new Government housing and population statistics in March 2020).
- 4.6 Now that the housing target has been confirmed, the draft Local Plan is being progressed. The draft Plan will start by setting out the level of growth required during the plan period and how that growth can be best distributed across the district. The plan will then include detailed policies and standards that will be used in determining planning applications, which includes issues such as design quality and technical standards for new development. Finally, the Plan will identify the proposed sites to meet the Local Plan growth target.
- 4.7 The new Local Plan will focus on commercial deliverability, market demand, and meeting growth targets as well as supporting and encouraging economic investment.

5 A strategy to deliver economic and housing growth

5.1 As set out above, the current Local Plan has underdelivered and does not meet current growth and investment ambitions. The following highlights some of the key policies and issues that it is proposed the new plan will include:

Allocate a robust buffer for housing growth

- 5.2 Based on Government's current standard method for calculating housing needs, the emerging Fenland Local Plan housing requirement is 10,760 dwellings between 1 April 2020 and 31 March 2040 (or 538 dwellings per year). Therefore, the new Local Plan is required to identify and allocate sufficient deliverable sites to meet this target as a minimum.
- 5.3 The NPPF requires that 'planning policies should identify a sufficient supply and mix of sites, taking into account their availability, suitability and likely economic viability' ³ and should identify a supply of specific and deliverable sites.
- 5.4 A detailed site assessment process has been undertaken looking at all sites suggested to the Council. The draft Local Plan will identify the sites suitable for allocation in the new Local Plan.
- 5.5 However, historic delivery rates have been lower than the Local Plan requirement. Therefore, to take into account deliverability issues and viability issues facing the district it is proposed that the new Local Plan will include a robust buffer to over allocate land to take into account historic deliverability issues. A buffer is useful in achieving the housing target as it will compensate for any identified sites which do not come forward, or do not come forward as quickly as possible. It also takes into account any losses (e.g. demolitions) which could occur in the plan period.
- Also, the emerging Local Plan will take into account a windfall allowance. Windfall sites are defined by national policy as 'Sites not specifically identified in the development plan.' Therefore, a windfall site is any site that produces dwellings, but has not been specifically allocated in the Local Plan process. As set out in the latest Five-Year Land Supply report this is expected to be at a rate of 167 dwellings per year. This is due to the high proportion of small applications for one or two dwellings which are delivered each year.

²https://www.gov.uk/government/consultations/changes-to-the-current-planning-system?utm_source=cb11cec5-fc7c-4206-9f90-993758b1971a&utm_medium=email&utm_campaign=govuk-notifications&utm_content=daily

³ NPPF -paragraph 67

Remove the Broad Locations for Growth and the requirement for Broad Concept Plans and replace with specific and deliverable allocated sites

- 5.7 Rather than identifying specific sites, the 2014 Local Plan included Broad Locations for Growth (BLG) around each of the market towns. Policy LP7 of the Local Plan explains that these sites must be planned and implemented in a coordinated way, through an agreed overreaching Broad Concept Plan (BCP). To date, progress has been made for the BCPs for East Wisbech, East Chatteris, and South Wisbech. Further details about BCPs can be viewed at: https://www.fenland.gov.uk/BCP.
- 5.8 However, in the last seven years little progress has been made towards delivering these identified locations for growth.
- 5.9 It was made clear at the call for sites exercise that existing strategic allocations and broad locations would not be automatically carried forward in the new Local Plan and that 'any strategic allocations or BLG identified in the 2014 Local Plan must be re-submitted as part of the process'.
- 5.10 It would be a high-risk strategy to assume that the new Local Plan can rely on these sites to deliver its growth target. Complex land ownership has been highlighted as one of the reasons for the lack of progress on some of these strategic sites and in some cases landowners have failed to work together, with individual parcels brought forward in isolation. The preparation of the current Local Plan did not involve the amount of deliverability evidence and analysis required today.
- 5.11 It is proposed that these sites should not be carried forward into the new Local Plan unless significant progress has already been made towards delivery, the submission of a planning application and a clear timescale the grant of planning consent as a minimum. As the new Plan will not be adopted for at least two years this provides a final opportunity for the owners of these sites to rapidly bring them forward through the planning process, in an integrated way, and demonstrate that they can be delivered.

A demand driven growth strategy

5.12 It is proposed that the new Local Plan should place far greater emphasis on directing growth to areas where there is market demand, to where people want to live, and to where businesses want to invest, taking into account the unique and historic pattern of development and settlements in the district. Growth should benefit all communities, down the smallest level, rather than seeking to focus growth only in the largest settlements. Our strategy should recognise the ways that our district functions and should provide consumer choice.

Overcoming constraints to growth in Whittlesey

- 5.13 Whittlesey could play a key role in the growth of the district, not least given its proximity to Peterborough. However, growth is severely constrained by highway and junction capacity issues within the town. Until these constraints can be overcome there needs to be a brake on future growth.
- 5.14 The Town Council have recently appointed consultants to carry out a high-level feasibility study to look at options for a relief road which would not only unlock the growth potential of the town but also growth of the wider district given the importance of this east west transport corridor. The findings of this and the subsequent business case should be used to inform the Local Plan strategy.

Supporting business growth and inward investment

5.15 Since the adoption of the Local Plan in 2014 there have been many changes to national policy, but also to local economic ambitions. The Council's business plan states one of its priorities is to 'Attract new business, jobs and opportunities whilst supporting our existing business in Fenland'. Taking into account the CPCA's ambition to 'double economic

output across Cambridgeshire and Peterborough by 2040' it is proposed that the new Local Plan should take a much more flexible and facilitative approach to economic growth by allocating significantly more employment land and by including supportive policies for windfall opportunities.

The re-introduction of settlement boundaries

- 5.16 Settlement boundaries are used to define the edge of a town or village. They provide a clear approach to where future growth can take place and provide certainty for landowners, communities and developers. The current Local Plan removed settlement boundaries to allow for greater flexibility to support growth, but in doing so removed this certainty as to where development may or may not go. It has proved very difficult to manage in practice.
- 5.17 At the Issues and Options Consultation, there was significant support for the reintroduction of Settlement Boundaries (77%) from both local residents and the development industry. The main justification was that the current policy is too subjective and results in inconsistent decision making.
- 5.18 The reintroduction of settlement boundaries will provide more clarity and certainty but they need to be drawn to support growth, rather than to overly constrain it.
 - Introduce a 'frontage infill' policy that will identify areas of land for infill development in some settlements, beyond the main built up boundary, that could be suitable for one or two dwellings.
- 5.19 Alongside the re-introduction of settlement boundaries it is also proposed that the new Plan will introduce a 'frontage infill' policy as a way of allowing some managed flexibility.
- 5.20 This new policy will identify areas of land leading out of villages (beyond the main village boundary) that could be suitable for frontage infill development for one or two houses. It is intended to recognise the character of those fen villages where it is not always easy to identify the village limit.
- 5.21 This approach would identify areas that would be suitable for frontage development, subject to normal constraints such as flood risk. These areas would not be expected or required to come forward and therefore would not count as part of the overall housing provision. They would form additional windfall sites.
- 5.22 The Draft Local Plan will define any suitable areas on the draft Policies Map.

Replacement houses in the countryside

- 5.23 Longstanding national policy is clear that isolated homes in the countryside should be avoided and there are therefore very limited opportunities for prestige or executive rural properties.
- 5.24 Policy LP12 Part C of the adopted Local Plan is very restrictive requiring replacement homes to be of a similar size to the existing. To allow for more prestige and executive homes in the district it is proposed that this restrictive criterion is removed. The replacement of an existing house with a much more substantial new home on a one-for-one basis would therefore be actively promoted unless the existing building is of historic nature.

6 Next Steps

6.1 If Cabinet endorse the above policy focus, then the draft Local Plan can progress to publication in Summer 2021.

- 6.2 Going forward, the adopted Local Plan (May 2014) will continue to be the basis upon which planning decisions will be made in accordance with planning law 'unless material considerations indicate otherwise'.
- 6.3 However, the Local Plan is now more than 5 years old and there have been a number of changes to national policy and guidance that must be considered when determining planning applications.
- 6.4 The publication of the draft Local Plan and approval by Cabinet will support paragraph 48 of the NPPF states that:

'Local planning authorities may give weight to relevant policies in emerging plans according to:

- a) the stage of preparation of the emerging plan (the more advanced its preparation, the greater the weight that may be given);
- b) the extent to which there are unresolved objections to relevant policies (the less significant the unresolved objections, the greater the weight that may be given);
- and c) the degree of consistency of the relevant policies in the emerging plan to this Framework (the closer the policies in the emerging plan to the policies in the Framework, the greater the weight that may be given)
- 6.5 This means that the weight that can be attached to the Draft Local Plan at this early stage in the process will be limited.
- 6.6 Whilst the new Plan is under development, the current plan will remain the starting point until adoption of the new Local Plan for planning decisions.

7 Planning White Paper

- 7.1 In August 2020 Government consulted on major changes to the planning system. The White Paper proposes that Local Plans would be slimmed down to map-based documents, allocating 'zones' for development or protection. The NPPF (not Local Plans) would be the place for setting policy. Much greater emphasis would be placed on districts setting 'design codes' for their area, rather than development management policies.
- 7.2 Overall, these changes could result in greater centralisation of the planning system, with the intended aim of speeding the planning system up and achieving better quality design.
- 7.3 Such fundamental changes to the planning system will require substantial primary and secondary legislation. It could take a number of years for the new system to be fully enacted, and there is much uncertainty as to precisely what that 'new system' will be.
- 7.4 At this stage no weight can be attached to the proposals set out in the White Paper. Recent guidance from Government makes it very clear 'it is important that authorities do not use this period as a reason to delay plan-making activities. Authorities who have an up-to-date plan in place will be in the best possible position to adapt to the new plan-making system'. However, the Council will need to assess the direction of travel indicated in the White Paper, and how this may impact upon the production of the new Local Plan.

8 Considerations

8.1 To note progress of the emerging Local Plan and the key policy changes proposed

9 Effect on corporate objectives

9.1 The production of a new Local Plan will allow planning policies to be brought fully up to date with corporate objectives which amongst other things embrace growth for the area to improve the health, well-being and opportunity of Fenland residents. It is proposed that the draft Local Plan will include objectives which closely link to the Council's corporate objectives.

10 Community impact

- 10.1 The draft Local Plan will be published for public consultation in summer 2021.
- 10.2 Producing a new Local Plan allows for full community involvement with three stages of public consultation including the Issues and Options consultation carried out in 2019. There is an opportunity to attend public hearings at the examination stage.

11 Conclusions

11.1 That Cabinet notes progress of the merging Local Plan and the key policy changes proposed