

Report to the Cabinet

Report reference: C-022-2017/18
Date of meeting: 12 October 2017



Portfolio: Planning & Governance
Subject: Epping Forest District Local Plan Update
Responsible Officer: Alison Blom-Cooper (01992 564066).
Democratic Services: Gary Woodhall (01992 564470).

Recommendations/Decisions Required:

- (1) That the update in relation to progress in the production of the Local Plan be noted;
- (2) That the updated Local Development Scheme included at Appendix 1 be agreed and published on the Council's website;
- (3) That expenditure from the Local Plan budget to date in 2017/18 be noted; and
- (4) That District Development Fund growth bids be made in the sums of:
 - (a) £706,440 in 2018/19; and
 - (b) £400,180 in 2019/20 (£1,106,180 in total over the two financial years); and
- (5) That the Planning and Governance Portfolio Holder be authorised to report directly to the full Council at a special meeting in December 2017 on the proposed Regulation 19 Pre Submission Plan for publication.

Executive Summary:

This report seeks:

- To update members of the progress of the preparation of the District Local Plan.
- To seek agreement to an updated Local Development Scheme, the high level project plan for the preparation of the Epping Forest District Local Plan. The proposed new scheme would supersede the earlier Local Development Scheme agreed in March 2017, with the preparation of the single District wide Local Plan scheduled for submission to the Secretary of State for examination in March 2018.
- To authorise the Planning and Governance Portfolio Holder to report directly to a special meeting of full Council in December 2017 on the proposed Regulation 19 Pre Submission Plan for publication
- To agree the resources needed to match the revised Local Development Scheme

Reasons for Proposed Decision:

The Council is obliged under the Localism Act 2011 to prepare and publish a Local Development Scheme so that the public and stakeholders are aware of the likely timing of key stages of the plan making process.

The Council must ensure that the Local Plan is sound and deliverable to meet the requirements of legislation and national planning policy, and also to ensure that future development is plan-led, sustainable and of a high quality. To ensure that the Local Plan will be sound and deliverable it is vital that the production and implementation process is adequately resourced.

Other Options for Action:

- Not to provide an update on the preparation of the Local Plan.
- Not agree to amend the Local Development Scheme.
- Not to agree the additional funding identified for the Local Plan DDF.

Report:

DCLG Consultation on calculating local housing need

1. On 14 September 2017 the Government published consultation proposals on local housing need 'planning for the right homes in the right places' seeking views on a number of changes to planning policy and legislation. The consultation period is for 8 weeks until Thursday 9 November 2017. The proposals follow on from the Housing White Paper published earlier this year when the Government committed to further consultation on specific issues including the proposed approach to a standard method for calculating local housing need including transitional arrangements. The proposed approach is outlined in the current consultation and seeks to introduce a simple standard approach to assessing local housing need based on publicly available data and which reflects the actual need for homes in each area, taking into account the affordability of homes locally.

2. The proposed approach consists of three components:

- (i) the starting point continues to be projections of future household growth using the most recent official data with the annual average household growth over a 10 year period;
- (ii) an adjustment to take account of market signals and the affordability of new homes - the proposal is to do this using the workplace based median house price to median earnings ratio data; and
- (iii) capping the level of any increase according to the status of the local plan in each area, so that for those authorities that do not have an up to date local plan (i.e more than five years old) the new local housing need figure should be capped at 40% above the higher of the projected household growth or the annual housing requirement figure currently set

3. Alongside the consultation document DCLG have published the housing need figure for each local planning authority using this method on the basis of current data (average household growth for 2016-2026 and house price to earnings ratios for 2016). For Epping Forest District this has been calculated at an annual housing need requirement of 923 homes

per annum compared with the Draft Local Plan figure of 514 homes per annum. Over the plan period from 2011-2033 this equates to the need to make provision for 20,306 new homes compared with 11,400 in the Draft Local Plan. The now revoked East of England Plan previously stipulated a target of 230 homes per annum for the District, although this excluded the growth requirements of Harlow.

4. The consultation document proposes transitional arrangements to set a period of time before which submitted plans would be expected to use the standard method for calculating local housing need to recognise the fact that many plans are well advanced. For authorities like EFDC where there is no plan or the plan adopted was more than five years ago and has not yet reached publication stage (Regulation 19) the proposed arrangements are that the new standardised method should be used unless the plan will be submitted for examination on or before 31 March 2018.

5. This report therefore seeks agreement to amend the Local Development Scheme adopted by Cabinet in March 2017 in order to set a timetable to ensure submission prior to 31 March 2018 (see below and attached revised scheme) and to authorise the Planning and Governance Portfolio Holder to report on the Pre Submission Plan for publication to a special meeting of full Council in December 2017.

Local Plan Update

6. Work is progressing to inform and support the Regulation 19 Pre Submission Publication Plan. The key workstreams are:

- **Site selection** – work has commenced on the assessment of approximately 168 sites comprising a mix of new or amended residential/traveller sites and employment sites. The methodology for the process has been published on the Council's website, together with the list of sites being assessed;
- **Transport modelling** – work is continuing to be undertaken by Jacobs on behalf of Essex County Council / Epping Forest District Council to model the transportation impacts of the growth planned, and consider how improvements to sustainable transportation and key junctions can help to facilitate growth;
- **Open Space, Playing Pitch and Indoor Sports Facilities Studies** – the three interlinked studies are well progressed, and will help to identify requirements for future development which will inform the Infrastructure Delivery Plan;
- **Infrastructure Delivery Plan** – a significant amount of work has been undertaken and continues to progress in order to identify the infrastructure required to support future growth, together with how this will be funded and delivered. The work is being informed through discussions with infrastructure providers, EFDC / ECC Officers, local councillors (District / Town / Parish), neighbouring local authorities, and landowners / site promoters;
- **Local Plan Viability Study** – work is being undertaken to update the initial work undertaken in 2015, and to consider in greater detail the viability of growth planned taking into account the latest policy requirements;
- **Employment Studies** - Joint work to update the employment need within the Functional Economic Market Area and the District to inform the work on site selection;

- **Sustainability Appraisal and Habitat Regulations Assessment;** and
- **Monitoring, housing trajectory and Housing Implementation Strategy** – there is a need to ensure that the monitoring systems moving forward are as accurate as possible in order to ensure that the Council is able to monitor progress against the plan and forecasts for delivery. The Council's housing position with regard to the plan trajectory and the five year housing land supply position will be of particular interest. An updated Housing Land Supply Statement is being prepared which will provide further details and inform the production of a Housing Implementation Strategy in due course.

7. The Council is also leading on work to develop a joint strategy and an 'Action Plan', with other relevant local authorities, which will address potential adverse impacts on the integrity of Epping Forest Special Area of Conservation (SAC), as required under the Habitat Regulations 2010, and in accordance with the agreed Memorandum of Understanding. As the coordinating competent authority in relation to Epping Forest SAC, the Council is facilitating ongoing discussions and the work with relevant neighbouring local planning authorities, the City of London Corporation and Natural England.

8. In order to inform the ongoing site selection and Infrastructure Delivery Plan process, the Council held meetings with a number of Parish and Town Councils who are producing Neighbourhood Plans at the beginning of August. The purpose of these meetings was to discuss and consider work being undertaken in respect of site selection and infrastructure planning to inform emerging Neighbourhood Plans and the Local Plan.

9. The current stage of plan making is to prepare a Pre-submission Plan for publication and to publish it under Regulation 19 taking account of the comments on the Draft Local Plan and the further evidence based work being undertaken. This will be the document that the Council considers is sound and ready for examination. The Publication Plan must be published together with other "proposed submission documents", for a six-week period to seek stakeholder representations as to the soundness and legal compliance of the Plan before it can be submitted to the Planning Inspectorate for examination.

10. Alongside the production of the Local Plan, work continues to progress the Harlow and Gilston Garden Town, and to prepare for Local Plan implementation. Further reports will be provided to Cabinet in relation to these matters in due course.

Local Development Scheme

11. The current Local Development Scheme was agreed by the Cabinet on 9 March 2017. Following the completion of the analysis of responses received to the Draft Local Plan consultation, the Council is undertaking further work to inform the Regulation 19 Pre-Submission Plan, as set out above. Importantly, this includes the assessment and consideration of additional or amended sites that have been proposed for inclusion in the Local Plan by landowners and site promoters. It is vitally important that the Council assesses all sites received prior to the 31 March 2017 deadline on a fair, consistent and transparent basis. The Council is in the process of assessing 168 new or amended sites, which is far in excess of the quantum of sites originally anticipated, and the assessment of these sites requires a significant amount of resource.

12. In addition, the Council must ensure that detailed work is undertaken to 'test' the development strategy proposed in the Draft Local Plan, and any variations that may be considered as a result of the feedback received to the Draft Local Plan consultation, emerging evidence base, and / or further site assessment work. This includes Sustainability Appraisal, Habitat Regulations Assessment, transport modelling and detailed consideration of

future infrastructure requirements, including education provision.

13. As a result of further work programming recently undertaken and in the light of the current Government consultation on local housing need and the introduction of a standardised methodology officers are now working to ensure that the Pre-Submission (Regulation 19) Plan is published in December 2017 in order to ensure that it can be submitted by 31 March 2018 under the transitional arrangements. The Council will also be required to prepare supporting papers such as a Duty to Cooperate Statement and Consultation Statement to accompany the Pre-Submission Publication Plan.

14. Assuming that the approach proposed by the Government does not change significantly, a failure to submit the Local Plan for Examination-in-Public before the end of March 2018 would have considerable implications for the Council. It is highly likely that the Council would need to reconsider many aspects of the Local Plan and undertake a considerable amount of further work in order to respond to a significant increase in the housing requirement. This would require additional resources, whilst also resulting in a considerable delay in finalising the Local Plan for Submission, leaving the District without an up to date Local Plan for a significantly longer period. Importantly, it would also restrict the ability of the Council to deliver plan-led growth to meet future development and infrastructure needs, and leave the District vulnerable to speculative development proposals.

15. The updated Local Development Scheme reflecting these timescales is appended to this report (see Appendix 1).

Resources

16. Cabinet last received a report on Local Plan resourcing in December 2016 (C-047-2017/17). This report identified a shortfall in the available budget and requested additional funding to cover work required to progress the Local Plan. This included further programme management support, a need to provide maternity cover, and continued consultancy support for the site selection work strand, including analysis of potential employment sites. Agreement was given for funding for the Local Plan budget of £1,027,500 in 2017/18 and £237,000 in 2018/19

17. Appendix 2 shows the detail of the currently forecast budget required to support the Local Plan to adoption in 2018/2019. The budget for 2017/18 taking account of the agreement above and budget carried forward from 2016/17 shows a reprofiled budget for 2017/18. This has been projected to actual/committed spend for 2017/18 which is suggesting that there will be a carry forward of £2,240 to 2018/19. Taking account of the work identified for 2018/19 and 2019/20 this shows a shortfall of £706,440 for 2018/19 and £400,180 for 2019/20. This is largely a result of additional spend required to undertake the additional evidence based work to take account of the large number of sites going through the site selection process which has had a knock on impact on other pieces of work such as transport modelling/testing, IDP and viability work.

	2017/18	2018/19	2019/20	total
Carry forward		£2,240		
Budget	£1,228,950	£237,000		
Estimated spend	£1,226,710			
Total budget required		£945,680	£400,180	
Total additional required		£706,440	£400,180	£1,106,620

18. A number of vacancies exist in the team, and two members of the Planning Policy team staff are currently on maternity leave. In addition, the Assistant Director is also on

maternity leave. Given the ongoing difficulties in recruiting for planning professionals steps have been taken to fill the vacant junior roles using secondments, with the vacant Planning Policy Manager post and maternity cover for the Associate Director role being provided in combination with the extended project management support. A full-time Projects Officer has recently been appointed, together with an Administration and Technical Officer. The staffing budget for 2017/18 was £303,760 and the projected spend for 2017/18 is £318,500 which represents a small shortfall. This can be met from elsewhere in the Neighbourhoods budget.

19. Cabinet will be aware of the ongoing work to prepare for the implementation of the Local Plan. This will require considerable resource commitment which will be the subject of a separate report to Cabinet as part of the forthcoming budget setting.

Resource Implications:

The budget for 2017/18 and beyond was previously approved as part of the Local Plan budget in December 2016. This report sets out the budget required to take the Local Plan through to adoption in accordance with the proposed revised Local Development Scheme. As set out above and by Appendix 1, the overall Local Plan budget requires an additional £706,440 in 2018/19 and £400,180 in 2019/20.

Legal and Governance Implications:

The Council is required to prepare and maintain an up to date Local Plan to set out the strategic priorities for the area and the policies that address these. The Local Plan needs to be prepared in accordance with an agreed local development scheme. It is necessary to ensure the preparation of this Plan is supported by comprehensive and robust evidence, and the necessary staffing resources are in place to ensure delivery in a timely manner.

Safer, Cleaner and Greener Implications:

The preparation of a Local Plan is a key Corporate Priority for the Council and the delivery of a Local Plan, informed by a robust evidence base, will contribute to safer, cleaner, greener objectives by planning for sustainable development.

Consultation Undertaken:

Accountancy, within the Resources Directorate.

Background Papers:

- Cabinet Reports C-047-2016/17 December 2016 and (C-068-2016/17) March 2017.
- Local Plan Regulations (2012)
- Planning for the Right Homes in the Right Places: Consultation Proposals (DCLG, 14 September 2017) - <https://www.gov.uk/government/consultations/planning-for-the-right-homes-in-the-right-places-consultation-proposals>

Risk Management:

Adequate resourcing is key to the timely delivery of the Local Plan. Without suitable funding, there is a risk that the Local Plan will take significantly longer to prepare bringing a heightened risk of Government intervention. The continued progression and implementation of the Local Plan is required in order to manage and mitigate the risks of potential speculative or uncoordinated development across the District. The adoption of the Local Plan will help to ensure that the Council is making adequate provision for the development and infrastructure

needs of the District, including a sufficient supply of deliverable housing land as required by national planning policy. As set out above, a failure to submit the Local Plan for Examination-in-Public prior to the end of March 2018 is likely to have considerable resource implications for the Council, and would also significantly restrict the ability of the Council to take a plan-led approach to meeting the future development and infrastructure needs of the District.

Appendix 2 – Local Plan Expenditure

	2017/18	2017/18	2018/19	2019/20
	Budget	Actual / anticipated spend	Estimated Budget	Estimated Budget
Carry forward			2,240	
Evidence Base				
Project Management and Critical Friend Support	215,100	233,510	211,680	211,680
Local Plan Engagement Prior to Publication	95,600	28,850		
Demographic Projections (ECC)	1,500		0	0
Strategic Housing Market Assessment	40,000	20,000	20,000	5,000
Transport Modelling	123,000	173,000	70,000	
Central Line	0	10,000		
Combined Sustainability Appraisal/ Equalities Impact Assessment	30,000	25,340	10,000	
Strategic Sustainability Appraisal work	10,000	9,500	5,000	0
Habitats Regulations Assessment	15,000	40,000	15,000	5,000
Strategic Flood Risk Assessment	11,000	20,000	20,000	
Local Plan Viability Assessment	20,000	16,600	10,000	5,000
Economic Study	20,000	15,000	5,000	
Strategic Functional Economic Market Area Economic Study	5,000	10,000	5,000	
Open Space, Indoor Sports and Playing Pitch Studies	35,000	49,320	0	0
Visitor Accommodation Study	20,000	2,840		
Masterplanning/ Site Guidance to support site delivery	150,000	50,000	100,000	100,000
Garden Town - match funding			50,000	50,000
Site Selection and Infrastructure Delivery Plan	400,000	400,000	100,000	
Green Infrastructure	7,750	7,750		
Total	1,198,950	1,111,710	621,680	376,680
Local Plan Process				
Publication - Local Plan	20,000	95,000		
Counsel Advice (prior to Submission)	10,000	20,000		
Local Plan EIP costs			220,500	
Local Plan EIP Counsel costs			80,000	
Modifications arising from EIP			23,500	23,500
Total	30,000	115,000	324,000	23,500
Overall Total	1,228,950	1,226,710	945,680	400,180