

| Local Development Framework Panel Meeting | |
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| Meeting Date | 25 February 2016 |
| Report Title | Bearing Fruits: Swale Borough Local Plan – Update and Inspector’s Interim Findings post Examination in Public |
| Cabinet Member | Cllr Gerry Lewin, Cabinet Member for Planning |
| SMT Lead | Kathryn Carr |
| Head of Service | James Freeman |
| Lead Officer | Gill Harris |
| Key Decision | Yes/No |
| Classification | Open |
| Forward Plan | Reference number: |
| Recommendations | <ol style="list-style-type: none"> 1. Note the Inspector’s Interim Findings (Introduction, Part 1 and Part 2) on the Swale Local Plan; 2. Endorse officers’ actions undertaken to act on the Inspector’s recommendation to prepare draft Modifications to deliver the new OAN of 776 dwellings per annum, whilst maintaining the settlement strategy of two planning areas; 3. Endorse the indicative programme to deal with Proposed Recommendations for the remainder of 2016. |

1 Purpose of Report and Executive Summary

- 1.1 This report updates Members on progress on the Local Plan; the Inspector’s Interim Findings (IF) from the Examination in Public; and the way forward.
- 1.2 The main recommendation from the Inspector is that the housing target for the plan be increased to 776 dwellings per annum, and that the Council should seek to identify and allocate additional land to accommodate that and undertake public consultation on these sites as part of the Proposed Main Modifications consultation.
- 1.3 It is recommended that Members acknowledge the IF and proceed on the basis of these recommendations.

2 Background

- 2.1 Bearing Fruits 2013: The Swale Borough Local Plan Part 1 was submitted to the Planning Inspectorate on 20 April 2014 for Examination in Public. The housing target proposed in the Plan was 540 dwellings per annum, which was below the then 'Objectively Assessed Need' figure of 740 dwellings per annum. This was based on:
- (i) concerns over low delivery rates during the recessionary years;
 - (ii) more certainty that the proposed target had been demonstrated as consistently deliverable over the longer term; and
 - (iii) serious concerns over the capacity of the strategic road infrastructure to cope with higher development targets beyond the short to medium term.
- 2.2 The strategy was therefore to seek adoption of the Plan and proceed to an immediate and early review should any of these matters change.
- 2.3 Upon submission, the Council also formally requested that the Inspector propose any Main Modifications to the Plan which may be needed to render it sound. The Inspector noted very quickly that the submitted Plan ran counter to national planning policy, and suggested additional research and a number of measures to rectify the situation, which are summarised in ID/9b (attached to this report at Appendix I.
- 2.4 The key points of this involved re-setting the base date of the Plan at 2014, which resulted in the Plan being less encumbered by poor recessionary-based delivery rates, and reviewing the latest demographic and economic trends to provide an updated context for its housing target. Further work was also carried out on the Strategic Housing Land Availability Assessment and Sustainability Appraisal to test the implications of accommodating a higher housing development target. The Examination in Public was postponed to November – December 2015 to facilitate this work.
- 2.5 The new research indicated a revised objectively assessed need (OAN) of 776 dwellings per annum, based on the 2014 ONS population projections, and taking into account the expected capacity of the local economy to create jobs locally. A purely population-based approach indicated a need of 861 dpa. A number of the developers making representations to the Examination were seeking to justify an even higher OAN (up to 1,100 dpa).
- 2.6 The EIP Hearings themselves took place over eight days in November and December 2015, with the main focus of debate on the housing target and the development strategy of the Plan. The Inspector's programme of matters and issues for discussion was completed, although the Examination itself is not yet complete.

2.7 Nonetheless, the Inspector has issued Interim Findings on the Housing Land Supply, and further Interim Findings are expected late February / early March, which will make recommendations on other matters. This will enable the Council to complete its proposed draft Main Modifications, and put them forward for public consultation.

Interim Findings (IF) Part 1 and Part 2

2.8 The Inspector's introduction to the IF and Parts 1 and 2 are attached to this Item at Appendix I.

2.9 The Introduction ID/09a sets out how the IF are structured. ID/9b Part 1 sets out the background and progress of the EIP and how the Inspector approached this. ID/9c Part 2 comprises the headline findings on housing land supply and other key matters which enable the Council to progress work on modifying the Plan. Part 3, which will comprise the overall IF, is expected late February / mid March 2016.

2.10 The key points from the IF Part 2 are:

- the dwelling target is 776 dwellings per annum, and the Council should proceed to allocate sites to meet this;
- the Local Plan period is revised to 2014-31, making a total housing target of 13,192 dwellings ;
- the evidence base, particularly the Strategic Housing Market Assessment and Strategic Housing Land Availability Assessment, were found to be NPPF compliant and sound;
- the Plan's settlement strategy of two panning areas is confirmed, with the focus of development on the Kent Thames Gateway part of the Borough. A 'proportional' boost to allocations in Faversham and rural areas in a sensitive way without detriment to the settlement strategy is also recommended;
- indication that the new OAN figure can be met without incursion on local landscape designations;
- the Duty to Cooperate during Plan preparation and on the additional work to inform proposed modifications has been found to be met; and
- there is no need to rely upon an early Local Plan Review, and the Plan should plan positively for the full period to 2031.

Next Steps

2.11 The IF provides the Council with a very robust basis upon which to prepare Main Modifications to the Plan. The schedule of draft Main Modifications which the Council drafted and published for discussion during the EIP will be the subject of further IF and recommendations before the Modifications drafting can be completed.

- 2.12 The Modifications will need to entail a number of new housing land allocations to meet the new housing target. This will be essential to achieve a sound Plan which can be adopted. During the EIP, the Inspector was keen to point out that the choice of additional allocations (subject to her broad recommendations on development strategy) should be for the Council to determine, and all of the Modifications will need to be subject to Sustainability Appraisal and further work on supporting infrastructure and service requirements prior to going out to public consultation. This work needs to be expedited in order to enable the Plan to keep to a reasonable timetable, and was the reason for the inspector issuing these 'Headline' findings as early as possible.
- 2.13 Officers have already set in train work to establish a Sustainability Appraisal and a call for sites, so that a fair and even-handed approach can be taken to assessing new potential housing sites, which were presented to the Council during the EIP and subsequently (and which had not previously been presented for consideration through our Strategic Housing Land Availability Assessment).
- 2.14 All of the Maim Modifications will be incorporated into a temporary version of the Local Plan document, with text proposed for deletion and proposed new text highlighted accordingly. This will be brought to Members to agree for public consultation purposes. At this stage the public may only comment on the proposed changes to the Plan.
- 2.15 It is important to note, however, that our Examination in Public is not yet concluded, and that the results of the public consultation on Modifications go back to the Inspector for consideration - not the Council. At that point, the Inspector will decide whether to reconvene the Examination hearings for a few days. Subject to satisfactory conclusion of any such hearings, the Inspector will issue a Final Report and any additional recommendations prior to the Plan being found sound for adoption.
- 2.16 An indicative timetable for these events for the remainder of 2016 is attached to this item as Appendix II.

3 Proposals

- 3.1 It is proposed that Members:
- (i) note the Inspector's Interim Findings (Introduction, Part 1 and Part 2) on the Swale Local Plan;
 - (ii) endorse officers' actions undertaken to act on the Inspector's recommendation to prepare draft Modifications to deliver the new OAN of 776 dwellings per annum, whilst maintaining the settlement strategy of two planning areas; and
 - (iii) endorse the indicative programme to deal with Proposed Recommendations for the remainder of 2016.

4 Alternative Options

- 4.1 The Local Plan requires substantial modification in order to be found sound and then adopted. This includes a substantially higher housing target than that preferred in the Local Plan as submitted. Whilst this may be of considerable concern to Members, the alternative option of rejecting the Inspector's findings at this point means that the Plan will be unsound and the whole process will need to be restarted. This would be likely to take a further three years or so (in the absence of major national planning policy change). During this period we expect further changes to national population projections; the review of the Greater London Plan; the Medway Towns Local Plan. Other West Kent districts, such as Gravesham, Tonbridge and Malling, which are situated partially or wholly within the Metropolitan Green Belt are also in the process of Local Plan preparation and are likely to be faced with high pressure for growth, coupled with Green Belt constraints. Together with the effects of Ebbsfleet, the Lower Thames Crossing and Paramount Park, the development pressures on Swale are likely to increase, not least through Duty to Cooperate requests. In the absence of an up-to-date Local Plan, the Council would have little defence against any unsuitable development proposals to meet its own needs, and would also be required to also take account of the considerable external pressures in any new Swale plan.
- 4.2 Rejection of the Inspector's IF at this stage is therefore not recommended, as it would mean that the Council has no means of effective coordination of new development or robust development management policies. Additionally, government has stated its intention to place local authorities which have not made substantial progress towards achieving an up to date Local Plan by 2017 in special measures, which include removing the ability to pursue a locally prepared plan; and to reduce (possibly to zero) the amount of New Homes Bonus that can be received on new dwellings built locally.

5 Consultation Undertaken or Proposed

- 5.1 Public consultation will be undertaken on the Proposed Main Modifications to the Local Plan, anticipated late June / July 2016. Although the results of the consultation will be reported to Members for information, it should be noted that the Local Plan Examination in Public is still 'live' and the Local Plan Inspector will be considering them, if necessary through reconvening the Examination hearings and reporting accordingly.

6 Implications

| Issue | Implications |
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| Corporate Plan | Supports Open for Business; Embracing Localism; Healthy Environment objectives. |
| Financial, | None anticipated at this time. Spreading the process over a longer |

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| Resource and Property | time period has enabled the cost of additional work to be covered from the regular Local Plan budget and unspent reserves from previous years. |
| Legal and Statutory | None anticipated at this time. The Council has been assisted by a barrister throughout the Examination process. |
| Crime and Disorder | None anticipated at this time. |
| Sustainability | The proposed main Modifications to the Plan will be subject to Sustainability Appraisal, both in terms of their cumulative impact and in respect of any new site allocations. This is required to be published alongside the Modifications themselves, and will be a context for Members' consideration of the Modifications for consultation. |
| Health and Wellbeing | None anticipated at this time. |
| Risk Management and Health and Safety | None anticipated at this time. |
| Equality and Diversity | The submitted Local Plan was subject to a Community Impact Assessment, and the Proposed Modifications will be likely to require a review or update. |

7 Appendices

7.1 The following documents are to be published with this report and form part of the report:

- **Appendix I: Interim Findings on Swale Local Plan**
ID/9a Introduction and structure of findings
ID/9b Part 1: Background and progress of the examination
ID/9c Part 2: Headline Interim Findings on Housing Supply
- **Appendix 2: Indicative Programme for the Local Plan Proposed Modifications 2015-2016.**

8 Background Papers

8.1 None.