

Committee: **AUDIT AND REVIEW**
Date: **13 November 2012**

Report: **MAJOR PROJECT REVIEWS: HOUSING DEVELOPMENT PLAN 2006 - 2012**

Purpose of the report

1. To consider the **attached** project review of the Yorkshire Dales Housing Development Plan 2006 – 2012.

Strategic Planning Framework

2. The information and recommendation contained in this report are consistent with the Authority's statutory purposes and its approved strategic planning framework:
 - ***Corporate Plan objectives***
'Plan and manage all aspects of the Authority's business so as to make the most consistent and effective use of our resources...'

Background

3. At its meeting on the 10th April Members of Audit and Review agreed to undertake a project appraisal of the Housing Development Plan.
4. The Housing Development Plan was the Authority's first review of local planning policy under the Local Development Framework process, introduced in 2004. It took nearly six years to prepare, culminating in an examination by a Planning Inspector between October 2011 and May 2012. The Inspector found the Plan to be 'sound', subject to a number of modifications. It was adopted by the Authority as its planning policy for new housing in June 2012. Its main purpose is to release a range of small sites in towns and villages across the National Park to help support community sustainability.
5. Now is a good time to learn any lessons from that process as the Authority prepares to engage the public again on a new Local Plan that will review all its other areas of planning policy.

RECOMMENDATION

6. That Members consider the recommendations in para 13 of the attached review.

Peter Stockton
Head of Sustainable Development

MAJOR PROJECT' REVIEW

Yorkshire Dales Housing Development Plan 2006 - 2012

THE INTENTION OF THE PLAN

1. Why was the Plan produced?

1.1 The Housing Development Plan was the Authority's first review of planning policy following the adoption of the Yorkshire Dales Local Plan in 2006.

1.2 It was apparent before the Local Plan Inquiry in 2004, that insufficient affordable housing was being built in the Park. By 2005 the estimated shortfall was 80 homes per year.

1.3 At the same time there was pressure on the Authority to amend its policies to release more opportunities for 'local market' housing, (open market housing with a local occupancy restriction). In his report of Inquiry findings the Local Plan Inspector suggested that the Authority could review its list of settlements suitable for residential conversion, as a part of the local development framework which was then a new requirement of the Planning and Compulsory Purchase Act of 2004.

1.4 The immediate priority, therefore, seemed to be an early review of housing policy specifically to increase the supply of affordable housing. The view at the time was that because the Local Plan had only just been adopted there was less urgency to review all the other, non-housing planning policies.

2. What was the Plan intended to achieve?

2.1 The main objective was to try to reduce the shortfall of locally affordable housing through a planned release of new sites. The second objective was to review the hierarchy of settlements and explore the scope for releasing more opportunity for local market housing, through barn conversion and infill development.

2.2 The main output would be the allocation of a number of new housing sites in towns and villages across the Park. The intention was that half of each site would be developed in partnership with a Housing Association for affordable housing, cross subsidised in part by the remainder of the site for 'local market' housing.

2.3 The Local Plan had already established a strategy based on addressing local need through the delivery of local market housing and exceptions sites for affordable housing. The problem was that delivery of affordable housing had been slow, with a lack of sites coming forward, particularly in the south of the Park.

3. What was the original timescale ?

3.1 The first project Plan, the Local Development Scheme, was produced in February 2005. It was prepared quickly in response to a government target and optimistically anticipated adoption by October 2007.

Yorkshire Dales Housing Development Plan timetable	
Survey	October 2005
Issues and Options	January 2006
Consultation on Preferred Options	April 2006
Submission	September 2006
Adoption	October 2007

Yorkshire Dales Local Development Scheme, February 2005

3.2 The Government hoped that the new Local Development Framework would be much quicker than the previous Local Plan process because it would be more focused and need not try to review all local planning policy at once.

4. What funding and resources were originally allocated to the Plan?

4.1 One full-time equivalent post was allocated (made up of 80% of the Strategic Planning Officer's time, 20% of the Head of Planning). An unspecified amount of technical and administrative time was assumed. No specific budget was proposed but the annual budgets would be kept as low as possible acknowledging that 'Planning Policy' was not one of the Authority's priority programmes.

5. What were the *proposed* means of delivering the Plan?

5.1 The project would be carried out by Authority staff in a similar way to previous Local Plans. The officers would be responsible for gathering evidence, preparing consultation documents and drafting options and policies. It was considered that the only area of external consultancy that may be necessary would be the preparation of the then new Strategic Environmental Assessment and Sustainability Appraisal. The stages of preparation were to be:

1. Survey
2. Issues and Options consultation
3. Consultation on preferred options.
4. Submission to Secretary of State (for examination if necessary)

5.2 In September 2006 the Planning Committee accepted a recommendation to set up a Working Group of 11 Members to oversee production of the Housing Development Plan. The terms of reference were:

- to discuss detailed issues of policy and make recommendations to the Authority for formal decision and,
- to discuss procedural matters (such as the preferred means of public consultation and the list of consultees) and make recommendations on those matters to the Head of Planning who has delegated authority to determine them.

5.3 Subsequently it was decided to reduce the Working Group to eight Members and the Member Champion for Planning Policy became its Chairman.

THE REALITY OF PRODUCING THE PLAN

6. What was actually achieved ?

6.1 The Plan began with the publication of an issues and options report in June 2007. It then moved onto a set of preferred options and then a call to landowners and Parish Councils for possible housing sites. Eventually a final version of the Plan was submitted to the Secretary of State for Communities and Local Government and examined by an independent Planning Inspector between October 2011 and May 2012. The Plan was found to be 'sound' and adopted by the Authority in June 2012.

6.2 The Plan allocates 29 sites for an estimated 230 houses. Half of these are intended to be affordable homes. All are intended to be for local occupancy. The Plan also reviewed the hierarchy of towns and villages, adding a further 9 small settlements where residential conversion would be permissible in principle and upgrading 8 existing small settlements to service village status, thereby expanding the opportunities for new infill housing. Other areas of policy were also reviewed and a wholly new policy on gypsy and traveller development was drafted.

6.3 Work on the Housing Development Plan was tied up with preparation of other Local Development Framework documents and the implementation of the Local Plan after April 2005. This included preparation of a Statement of Community Involvement in Planning, Annual Monitoring Reports and, from 2006, involvement in a new regional plan for Yorkshire and the Humber.

6.4 A significant new element in Plan making was the preparation of a Strategic Environmental Assessment and Sustainability Appraisal. This was a new statutory requirement of European legislation designed to test the likely outcome (and alternative options) of planning policy.

7. How long did the Plan actually take ?

7.1 The Local Development Scheme was revised three times. Each time the key milestones slipped further back. The project eventually took five years from ‘Issues and Options’ to Adoption.

Yorkshire Dales Housing Development Plan - final timetable	
Issues and Options	June 2007
Call for sites	January 2009
Consultation draft	June 2010
Publication	March 2011
Submission	October 2011
Adoption	June 2012

8. How was the Plan actually delivered?

8.1 During the early stages of preparation, an Authority performance review identified poor progress being made on the Plan and the wider Local Development Framework. A review of planning policy resources in 2007 led to a second permanent member of staff being deployed alongside the Strategic Planning Officer.

8.2 Other staff were also able to help with preparation. The Head of Planning was responsible for overall management and reporting to Committee. The Authority’s Planning Technicians prepared numerous maps and helped with some of the administrative work. Development Control officers prepared site assessments and assisted with reviews of some of the development boundaries around towns and villages.

8.3 Initially, work on the Strategic Environmental Assessment and Sustainability Appraisal was subcontracted to North Yorkshire County Council. However, this proved unsatisfactory and preparation was taken back in-house when the new member of staff started in 2007.

8.4 between 2006 and 2012 the Housing Working Group met 25 times and moved the Plan from Issues and Options through to post examination modifications. The Working Group’s terms of reference did not however extend to making policy decisions which remained with the Planning Committee, and subsequently the National Park Authority.

9. How much did the Plan actually cost?

9.1 Between ‘Issues and Options’ in 2007 and submission in 2011, the direct cost of the plan-making process did not exceed £20k in total. The main cost has therefore been in staff time, followed by the cost of examination. Unlike the previous Local Plan examinations, the Authority was, however, able to save a substantial amount of money by not having to instruct a Barrister.

9.2 If the cost of preparing the Housing Development Plan is separated from the rest of the Planning policy work being undertaken at the same time, the total cost has probably been in the

region of £400k. This is less half of the cost of a comparable National Park Core Strategy or District Council Housing Allocations document which have been prepared with double the staff time.

Yorkshire Dales Housing Development Plan costs 2007 - 2012	
Officer costs (assume 1.5 FTE X 6yrs)	£315k
Examination costs (Inspector, Programme Officer, venue)	£60k
External consultation (economic viability testing)	£12
Advertising (statutory notices)	£6k
Printing (excludes in house costs)	£4k
Members (est. expenses)	£4k
Distribution (post and packing)	£1k
Venues (consultation events)	£0.5k
Estimated total	£402.5k

SUSTAINING THE PROJECT

10. How will the work be taken forward now the Plan is finished ?

10.1 The Housing Development Plan has been adopted and is being used to make development decisions. Ultimately, however, its output is the occupancy of new housing and the social and economic benefit this will bring to the Park in future years. Pre-application discussions with landowners, developers, local Housing Authorities and Housing Associations are taking place and will hopefully lead to the grant of detailed planning consent and the construction of housing on at least some of the sites over the next two years. The allocation of these sites in an adopted development plan puts the National Park in an advantageous position to benefit from Government Homes and Community Agency funding for affordable housing before 2015.

10.2 There are however problems with mortgage lending at the moment which has slowed house building down across the country. Some households in the Park are also reluctant to buy property with a local occupancy restriction, despite the substantially discounted price. Part of the reason for this is fear about delays in re-selling the property in the future. This is being looked into but may slow down house building at least in the short term.

LESSONS LEARNT

11. What went well and why ?

11.1 The Housing Working Group proved to be a positive mechanism for handling an important and controversial part of the Authority's planning policy. It was more successful than its predecessor, the Local Plan Working Group, because the Authority gave it a wider scope and a firmer set of terms and conditions. It was chaired well by the Member Champion for Planning Policy who was able to get a consensus on most issues. Officer/Member working relationships were good and a high level of trust was cemented, making for open debate.

11.2 In retrospect the decision in 2006 to concentrate on housing and delay the preparation of a Core Strategy, was probably the right one. It enabled the Authority to prioritise its housing policy issues and cope with the change from an old style local plan to the much more resource-intensive Local Development Framework.

11.3 Fortuitously, the long gestation of the Plan placed the Authority in a good position at examination and meant that the Plan was one of the first to be found compliant with the new National Planning Policy Framework published in March 2012. It places the Authority well for the preparation of a 'new style' Local Plan. Its pursuit of local housing issues demonstrated that the Authority was serious about using planning policy proactively to lead difficult development decisions.

11.4 The final examination of the Plan by an Inspector was the ultimate test of its preparation. The hearing sessions were kept down to three days, reducing the Inspector's reporting time. The examination went as well as officers could have hoped although there was some disappointment that not all of the housing sites were found to be sound. The examination ended up costing £12k more than budgeted, but this was largely outside the ability of the Authority to influence.

12. What didn't go well, and why?

12.1 Although marginally quicker than the previous two Local Plans, the process still took four and a half years longer than initially suggested.

12.2 The Local Development Framework was an entirely new process in 2005 and the first Local Development Scheme proved wholly unrealistic about timing. The new Framework extended policy work in new directions, which competed for officer time against the Housing Plan. There were delays with the call for sites because of the high level of public interest and because it was not always possible to get the evidence about each site quickly enough or to reach agreement on the shortlist. It took a long time to reach agreement on the review of settlements with capacity for new housing, specifically the criteria for placement within the settlement hierarchy.

12.3 There were occasional difficulties in reporting Working Group progress to the rest of the Authority. This was because, on these occasions, the other Authority Members had not been kept sufficiently updated on progress, with long gaps between reporting. This was particularly the case for decisions on the preferred list of housing sites, where Members were being heavily lobbied yet expected to make a decision at a single Authority meeting.

12.4 Some sites generated very strong opposition. This was predictable and the Working Group took a decision right at the start, to be entirely open about every site received. This was the right decision in terms of public transparency but it inevitably increased the level of scrutiny and lengthened each stage of the Plan. The alternative would have been a less open process that moved more quickly but which would have been vulnerable to freedom of information requests and risked the soundness of the Plan at examination.

12.5 Public opposition to some of the sites reached a high point at a public meeting in Grassington Town Hall. The Authority was placed on the back foot in the face of a vociferous audience unhappy about some of the sites shortlisted. It is not unusual for Planning Authorities to have to deal with an adverse public reaction to potential development sites, but in retrospect there are probably better ways to manage this.

12.6 During the key consultation phases there was some heavy administrative pressure to provide mapping and mail out documents. The lesson is that even with plenty of advance notice, where the team is small, staff have to remain flexible and do what is necessary to achieve deadlines.

12.7 Maintaining the various databases and providing feedback to consultees proved problematical and did not deliver a good customer service. There are bespoke software products available for managing complex development plan consultations but these are beyond the resources of this Authority and probably over specified for its purposes. Maintaining standard

electronic systems to manage consultation is likely to remain a challenge for officers in future consultations.

13 What are the recommendations for future projects ?

13.1 A number of important steps have already been taken to respond to some of the lessons learnt from the production of the Housing Development Plan:

- the pressure on staff resources at key stages has been tackled through last year's reorganisation and the creation of a wider 'Sustainable Development' Section. Other staff can now be called on to assist at key times. This has been demonstrated by recent working on the National Park Management Plan.
- the increased use of digital media should help to make consultation easier, quicker and cheaper in future;
- rather than setting up a Member Working Group, all Members will be involved in the key decisions on preferred options, policy wording and, if necessary, any land allocations; and,
- the Member Champion for Sustainable Development has been given an enhanced role in driving forward the development of the Plan, engaging the wider Membership and ensuring the Plan reflects their views

13.2 However, there are a number of other lessons that need to be built in to all future reviews of planning policy:

- i. We need to be clear why planning policy is being reviewed. Being specific about the problem and the intended outcome is helpful. This was a particular strength with the Housing Development Plan and proved helpful to the Inspector at examination.
- ii. We need to ensure that policy options are backed by evidence. This made it easier for the Inspector to find the Housing Development Plan sound at examination.
- iii. In the midst of cuts to frontline services, there is even more need to keep costs of plan preparation to a minimum. When the major cost is in staff time, that really means we have to do things more quickly. Members have already approved a revised approach to producing the new Local Plan, which should speed up many of the more routine elements of the process whilst ensuring that all Members have an opportunity to contribute to key decisions.
- iv. Early, up-front public engagement is necessary to enable a wide range of issues to be considered from the start, and extend the number of possible options to address them. This can help to shorten expensive examination time at the end of the process.
- v. We need to consider better formats for responding to strong public opposition. Perhaps by breaking meetings down into more manageable components or finding some other means of mediation.
- vi. Senior Management needs to be more engaged in future plan-making processes and, along with Members, will need to provide leadership on difficult issues if the Authority is to avoid protracted and expensive delays to plan preparation.
- vii. We need to be more realistic about the likely time taken to reach adoption given the Plan's exposure to keen public scrutiny and intervention.
- viii. We need to improve feedback externally (to landowners, consultees and other partners) and internally (to Members and staff) during Plan preparation. This should help keep as many people as possible informed about progress and limit their surprise, misunderstanding or delay in responding.