

CABINET

2 AUGUST 2011

LOCAL DEVELOPMENT FRAMEWORK

Portfolio Holder:	Councillor Jane Chitty, Strategic Development and Economic Growth
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Summary

This report seeks approval to issue, for public consultation, a 'Publication Draft' Core Strategy and associated documents relating to the Local Development Framework (LDF).

The documents covered by the report are:

- A "publication draft" Core Strategy
- A schedule of formal responses to the 'Pre-Publication Draft'
- An updated Local Development Scheme
- An updated Statement of Community Involvement
- An Interim Diversity Impact Assessment
- A Sustainability Appraisal of the Core Strategy
- A preliminary Habitats Regulations Assessment of the Core Strategy.

This is the latest stage in the process that should lead to the adoption of the Core Strategy by October 2012.

1. Budget and Policy Framework

- 1.1 The Local Development Framework forms part of the Council's Policy Framework. The version of the Core Strategy the subject of this report is the penultimate version before it is submitted for independent examination. This stage is a matter for Cabinet but the Submission draft will require approval by the Council. The costs of preparing the Local Development Framework continue to be met from the approved budget.

2. Background

- 2.1 In accordance with the provisions of the Planning and Compulsory Purchase Act 2004 (as amended) and associated Regulations, the Council is required to prepare and keep under review a Local Development Framework or LDF for the area. An LDF comprises a portfolio of different documents but the most important of these is a core strategy.
- 2.2 A core strategy establishes the overall development quantities and broad locations for development over a period of at least 15 years. It is a strategic document with associated detail being reserved for subsequent development plan documents but it should nevertheless provide a framework for all major planning decisions.
- 2.3 Cabinet approved a 'pre-publication draft' Core Strategy for public consultation in September 2010. A generally supportive response was received to this and since then a range of work has been ongoing to complete the 'evidence base', update the main document and prepare a range of necessary supporting documents.
- 2.4 This version of the Core Strategy is the penultimate draft, which must be subject to a statutory 6 week public consultation. It will then be followed by a 'submission' version that will be referred to the Secretary of State for independent examination.
- 2.5 A range of associated documents is also covered by this report. These essentially fall into two types:
- Documents that must be prepared to support the Core Strategy: and
 - Other LDF documents that have previously been approved by Cabinet but which should be refreshed prior to the next procedural stage for the Core Strategy.
- These are discussed in further detail later in the report.
- 2.6 A separate but complementary report is also on the agenda for this meeting. This seeks approval for a consultation draft development brief for the new settlement at Lodge Hill. This is consistent with the Core Strategy but contains important details that cannot be included in the Core Strategy. Its preparation has been deliberately timed to allow consultation alongside the Publication Draft Core Strategy.

3. Options

- 3.1 There is a statutory requirement for the Council to prepare and keep under review a local development framework. Despite some changes to the planning system, expected through the Localism Bill currently before Parliament, no significant changes are being made to the LDF process. As such the Council would be in breach of this legal duty were it not to proceed with the Core Strategy and so there are not considered to be any practical alternatives to the approach being followed.

3.2 In any event having an up to date spatial planning strategy has many advantages. For example it provides a basis for attracting investment, making consistent planning decisions and is valued by service partners.

4. Advice and analysis

4.1 The table below summarises the plan preparation process to date and the subsequent stages that must be completed before the Core Strategy can be adopted.

Stage	Date(s)	Summary
Commencement of new Core Strategy (Regulation 25)	December 2008	Publication of State of Medway reports and Scoping for Sustainability Appraisal
Publication of Issues and Options report and subsequent public consultation (Regulation 25)	June 2009	Required assessment of strategic options, accompanied by initial Sustainability Appraisal
Pre-Publication Draft Core Strategy and subsequent public consultation (Regulation 25)	September 2010	First composite Core Strategy, accompanied by interim Sustainability Appraisal. Discretionary stage but strongly recommended by Planning Inspectorate
Publication Draft Core Strategy and subsequent statutory public consultation (Regulation 27)	August 2011	Current stage. Penultimate draft Core Strategy and associated documents as detailed in the report
Submission Draft Core Strategy (Regulation 30)	March 2012	Submission to Planning Inspectorate for independent examination. Any consultation responses made at this stage are forwarded to the Inspector
Examination hearings	July 2012	Covering matters identified by the Inspector on which they want further information
Inspector's report	September 2012	Currently binding on the Council but will alter if/when the Localism Bill receives Royal Assent
Adoption by Council	October 2012	Subject to satisfactory Inspector's report

- 4.2 Each stage to date has been informed by public engagement at the previous stage and the growing 'evidence base' that is required to inform the plan. Further details of the last round of public consultation are given in section 6 below. The evidence base is extensive and is available to view on the website. See:
<http://www.medway.gov.uk/environmentandplanning/developmentplan/localdevelopmentframework/ldfevidencebase.aspx>
- 4.3 The proposed 'Publication Draft Core Strategy' is labelled **Attachment 1** to this report. Although all consultation responses and new evidence has been considered in its compilation, it can be considered a refinement of the previous draft approved by Cabinet in October 2010, as opposed to a significant re-write. As such it:
- Proposes the same quantum and distribution of development
 - Is laid out in a similar style, albeit that the 'Options and Alternatives' chapter has been deleted as it is not relevant at this stage
 - Has the same policies as previously, although many have been further refined in the light of comments received and further analysis
 - Has an amplified 'Area Policies' chapter, giving clearer direction as to the application of the Core Strategy to different parts of Medway
 - Has been updated to reflect the most recently available information. This includes for example housing completions for 2010/11 (which at 657 exceeded the forecast of 550).
- 4.4 While major redrafting should not be required at this stage, the relatively limited changes proposed also reflect broad support for many elements of the Core Strategy and how this is borne out by the evidence. In particular the various statutory agencies have been very positive about it and worked closely with officers in refining text where this was appropriate.
- 4.5 Some local authorities at a similar stage in the plan preparation process have found themselves in difficulty as a result of national uncertainty over the legal status of Regional Spatial Strategies. In Medway's case this is the South East Plan. The uncertainty results from a quite complex legal dispute between the Secretary of State for Communities and Local Government and Cala Homes PLC. It has caused particular difficulties for authorities that chose to alter their housing targets from that in their regional spatial strategy. However in Medway's case the South East Plan's target has been retained, although reassessed against local evidence to ensure that it remains robust and locally relevant.
- 4.6 A number of other documents must also be published alongside the Publication Draft Core Strategy as described in the table below. In total, attachments 1-7 have been circulated separately to Cabinet Members, Group Rooms and Chatham Contact Point Reception. They can be accessed online via
<http://democracy.medway.gov.uk/ieListDocuments.aspx?CId=115&MId=2332&Ver=4> . Alternatively, additional hard copies are available upon request from Democratic Services (T: 01634 332509/332008 or E: democratic.services@medway.gov.uk)

Attachment Number	Title	Summary
2	Medway Local Development Framework: Pre-Publication Draft Response to Representations	This sets out all responses received to the last core strategy consultation and the Council's proposed response in each case. It forms part of the evidence base and may be considered by the Inspector during the independent examination
3	Medway Core Strategy: Interim Diversity Impact Assessment	This must accompany all plans and strategies. The 'final' assessment will be prepared alongside the submission Core Strategy
4	Second Interim Sustainability Appraisal	This is an independent assessment of the social, economic and environmental implications of the Core Strategy, required to satisfy EU requirements embedded in national legislation. A final appraisal will be prepared for the Submission Core Strategy
5	Habitats Regulations Assessment Scoping and Screening Report	This is a further independent assessment of the Core Strategy, required to satisfy EU requirements embedded in national legislation and dealing specifically with potential impacts on internationally important sites (Thames and Medway Estuary and Marshes Special Protection areas) and Special Areas for Conservation (Medway Valley [part]). A final appraisal will be prepared for the Submission Core Strategy

- 4.7 Two other documents are also appended to the report. The first (**Attachment 6**) is a proposed update to the Local Development Scheme that was last approved by Cabinet in December 2009. This is effectively the project plan for the LDF and is published to inform the public as to how the LDF is being prepared and what it comprises.
- 4.8 Two changes are proposed to the current Scheme. First programme dates have been updated to reflect recent progress. Second references have been introduced to a Community Infrastructure Levy or CIL.
- 4.9 This provides a new power to collect contributions from development, largely but not completely replacing S.106 agreements. It will also apply to a much greater range of development than is practicable with S.106 agreements and, as such, is intended to become a primary source of funding for local infrastructure. Annual receipts in Medway could be significant, potentially up to £10 million, depending on build rates.
- 4.10 In order to introduce a charge a local planning authority must draw up a 'Charging Schedule' based on local infrastructure needs and an assessment of the implications for the viability of developments taking account of local

market conditions. The local planning authority must then consult on its draft schedule and submit it for independent examination.

- 4.11 The formulation and approval process is tied to the LDF and a charge cannot normally be introduced until a core strategy is in place. Accordingly it needs to be referred to in the Local Development Scheme.
- 4.12 Given the positive financial implications of introducing a Levy it is programmed to rapidly follow preparation of the Core Strategy.
- 4.13 A further, more detailed, report on the Levy will be submitted to Cabinet at a later date.
- 4.14 Previous versions of the Local Development Scheme have had to be submitted to the Secretary of State but the Coalition Government has now removed this requirement. However the revised Scheme will still need to be published on the Council's website and it will be considered by the Inspector appointed to examine the Core Strategy next year. Given these circumstances it is appropriate to update it now.
- 4.15 The final document (**Attachment 7**) is a proposed update to the Statement of Community Involvement or SCI. This was first adopted in 2006 after an independent examination and it sets out the consultation methods the Council will use in engaging with the public and stakeholder organisations.
- 4.16 Given its comparative age it warrants updating, particularly as it no longer needs to be independently examined and the range of organisations cited in it has changed. For example the 2006 version refers to the Regional Assembly (SEERA) that no longer exists. The Inspector who examines the Core Strategy will also refer it to.
- 4.17 It will need to be subject to consultation before adoption and it is proposed that this takes place alongside the Publication Draft Core Strategy.
- 4.18 The quantity of material appended to this report is substantial but necessary to the progression of the Core Strategy. However it will be noted that good progress is being made and there is significant community support for the policies and proposals being put forward.
- 4.19 The major documents will be desktop published before formal publication and it is important that all cross references, numbering etc. is checked. Accordingly delegated authority is sought to make such minor changes.

5. Risk Management

5.1 There are various risks associated with the complex processes involved in preparing the LDF. The most significant of these are considered below.

Risk	Description	Action to avoid or mitigate risk
Core Strategy is found 'unsound' following an independent examination	A finding of 'unsoundness' would require the council to repeat certain stages of the plan preparation process with associated cost and time implications	Assembly of a comprehensive 'evidence base' and close adherence to all published guidance and the relevant regulations
Legislative and/or national policy changes	Resulting in revisions to the process or new legal requirements	Careful monitoring of national policy and its implications for Medway
Insufficient resources	The team responsible for the LDF is subject to a fundamental service review and there is continued pressure on revenue budgets	Service review is taking these factors into account

6. Consultation

6.1 As indicated above, **Attachment 2** records, in detail, representations received on the previous version of the Core Strategy. It also sets out a proposed formal response in each case. Although many of the submissions received were very detailed, few question the overall approach.

6.2 Inevitably there are submissions from a range of landowners promoting additional sites for development. In a number of cases the pace of delivery of development at Lodge Hill is questioned but generally this is an attempt to make a numerical case for another site.

6.3 There is always some uncertainty over the precise pace of development that can be achieved on developments of the scale of Lodge Hill but Land Securities continue to make good progress in refining their proposals and all evidence points to a start on site in mid-2013. In any event the Core Strategy identifies a substantial 'cushion' that can come into play in meeting the housing target of an average of 815 over the plan period. Accordingly no case is seen for altering the strategy as proposed.

6.4 A range of government agencies, amenity organisations and others has proposed sometimes very detailed changes to the previous draft. All of these

have been very carefully considered and they are reflected in the current draft where this was considered appropriate. Where this has not been done it is usually because it would bring inappropriate detail to a core strategy that should be strategic in its outlook or they raise matters that should be advanced through the subsequent development plan document that will deal with specific land allocations and detailed development management policies.

- 6.5 There is some concern that local people find the process confusing and have not been as engaged as they might have been. However the Council has no control over the very complex procedures that have to be followed and there is evidence to suggest that people do not have an issue with what is being proposed and so do not feel the need to get actively involved.

7. Financial and legal implications

- 7.1 As outlined in section 2 of the report the Council is under a legal duty to prepare and keep under review a local development framework, which must include a core strategy. The stage now reached is governed by Regulation 27 of the Town and Country Planning (Local Development) (England) Regulations 2004 and amendment Regulations 2008 and it is important that the necessary procedural steps are closely followed.

- 7.2 The costs of preparing the LDF are carefully monitored and continue to be contained within the approved revenue budget. Subsequent costs will however be largely dictated by the complexity of the necessary independent examination.

8. Recommendations

- 8.1 Cabinet is recommended to:
- (i) Approve for public consultation purposes the Publication Draft Core Strategy (Attachment 1 to the report)
 - (ii) Approve the response to representations received on the Pre-Publication Draft Core Strategy (Attachment 2 to the report)
 - (iii) Approve publication of the Interim Diversity Impact Statement, Second Interim sustainability Appraisal and Habitats Regulations Assessment Scoping and Screening Report (Attachments 3 to 5 to the report)
 - (iv) Approve the revised Local Development Scheme (Attachment 6 to the report)
 - (v) Approve for public consultation purposes the revised Statement of Community Involvement (Attachment 7 to the report): and
 - (vi) Grant delegated authority to the Director of Regeneration, Community and Culture, in consultation with the Portfolio Holder for Strategic Development and Economic Growth to make any necessary minor changes to the documents prior to their publication.

9. Suggested Reasons for Decisions

- 9.1 To comply with the requirements of the Planning and Compulsory Purchase Act 2004 (as amended) and ensure that there is an up to date spatial planning framework for the area.

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Background Papers: These are extensive but appropriate links to them can be found to them at: www.medway.gov.uk/ldf