

Future Local Plan Options

12 September 2023

Report of Chief Officer – Planning and Climate Change

PURPOSE OF REPORT

This report sets out the current Local Plan position within the district, taking into account the recent announcement regarding the Housing Infrastructure Fund. It then identifies a series of options for plan-making and asks that Cabinet indicate their preferred option.

Key Decision

Non-Key Decision

X

Referral from Cabinet Member

This report is public.

RECOMMENDATIONS OF PORTFOLIO HOLDER FOR PLANNING AND PLACE-MAKING

- (1) That the Council ceases work on the Lancaster South Area Action Plan and commences a full Local Plan Review.
- (2) That as a consequence of (i) above, a report be prepared for Full Council amending the Local Development Scheme.
- (3) That further indicative timetabling for the delivery of the Local Plan Review is presented to the Local Plan Review Group, who will also regularly monitor progress.

1.0 Introduction

- 1.1 All local authorities are required to prepare and maintain a Local Development Scheme, which is a document that explains which Local Plans the authority intends to prepare and the timetable for doing so. National guidance advises that local planning authorities shall keep their Local Development Scheme up to date.
- 1.2 Local Plans have a key role to play in setting out a vision and framework for the future development of the local authority area. They have to address needs and opportunities in relation to housing, the economy, community facilities and infrastructure, as well as identifying how to mitigate and adapt to climate change, conserve and enhance the natural and historic environment, and achieve well-designed places.
- 1.3 The National Planning Policy Framework (NPPF) states that policies in Local Plans should be reviewed to assess whether they need updating “*at least once every 5 years and should then be updated as necessary*”.

2.0 Current Local Plan Position – Lancaster District

- 2.1 In 2020, the Department for Housing, Communities and Local Government (DLUHC) announced that all local authorities will be required to have an up-to-date Local Plan by December 2023, or face central government intervention.
- 2.2 The Lancaster District is in a comparatively good position because it has an up-to-date plan, in that it was adopted within the last 5 years (29 July 2020). The adopted Local Plan includes a policy, LPRM1, which obliges the Council to review the Local Plan within 5 years of the date of adoption, i.e. no later than 29 July 2025.
- 2.3 Policy LPRM1 also describes the circumstances where an earlier review of the Local Plan will be necessary. These are:
- (i) *(Where there is) a significant change in circumstances which substantially alters key aspects of the Plan, such as;*
- *The assumptions which underpin the need for development;*
 - *The delivery of anticipated infrastructure which underpins the Local Plan;*
 - *The rate of delivery of key strategic sites.*
- (ii) *The rate of delivery, or the overall capacity, of Bailrigg Garden Village is well below that which is anticipated at the time of Local Plan adoption.*

The policy concludes by advising that “*Such a review should be undertaken with all due expedition and in any event within 2 years from the date of a commitment to a review being made*”.

- 2.4 The announcement by Lancashire County Council on 15 June 2023 regarding the Housing Infrastructure Fund (HIF) and the suspension of further work on the proposed South Lancaster to M6 transport project represents a significant change of circumstances. The decision, which was supported by Lancaster City Council, means that anticipated infrastructure including the transport infrastructure is unlikely to come forward in the short-term, and that this will affect the future rate of delivery of key strategic sites. As such, it is the local planning authority’s view that the mechanism contained within Policy LPRM1 has been triggered by the recent announcement.
- 2.5 Up until the HIF announcement, the local planning authority had continued to prepare another planning document, the Lancaster South Area Action Plan. This document would seek to allocate individual sites for development and for other land uses within the wider South Lancaster area, including at a Garden Village at Bailrigg. Work on developing the evidence base for the Lancaster South Area Action Plan was paused in June 2023 following the HIF announcement.

3.0 Proposed Changes to the National Plan-Making System

- 3.1 At the time of compiling this Cabinet report, the Government is consulting on proposed changes to the national plan-making system. Many of the proposed changes are positive, such as the identification of new, defined Local Plan stages and the setting of a compulsory completion deadline of 30 months for the whole process. The consultation proposal also envisages a more digitised Local Plan system.

- 3.2 The national plan-making consultation includes an indicative timetable for the cessation of the current Local Plan system, and the start of the new one. The timetable is contingent upon Royal Assent of the Levelling Up and Regeneration Bill, as well as Parliamentary approval of the relevant regulations.
- 3.3 Under the proposed changes, all Local Plans submitted under the existing system should be submitted for Examination by 30 June 2025. Government has said that *“those plans will, in general need to be adopted by 31 December 2026”*.
- 3.4 Authorities that begin a Local Plan before the introduction of the new system but did not then meet the 30 June 2025 submission deadline would then need to prepare a Plan under the new system. Therefore local planning authorities that commence new Local Plans face a dilemma. There is a risk that the target dates identified in the current consultation might not be met.
- 3.5 If a local authority decided to wait until the new system was introduced before embarking upon a new Local Plan, then the Local Plan would need to be started no later than 5 years from the date of the last-adopted Plan, which in Lancaster’s case would be 29 July 2025. The authority would have 30 months to complete all stages of the new plan-making process, including adoption.

4.0 Plan-Making Options and Options Analysis (including risk assessment)

- 4.1 Given the above, there are 3 options that are available in terms of plan-making. These are:

Option 1 – Continue to prepare the Lancaster South Area Action Plan; or,

Option 2 – Cease work on the Lancaster South Area Action Plan and commence a full district-wide Local Plan Review; or,

Option 3 – Pause all plan-making activity pending further certainty regarding the national plan-making system.

- 4.2 Option 1 - Continue to prepare the Lancaster South Area Action Plan

Advantages: During the last 18 months the City Council has published a concept masterplan for Bailrigg Garden Village, which has been formally endorsed by Cabinet. The local planning authority has also continued to compile evidence to support the content and direction of the Lancaster South Area Action Plan, including specialist evidence and advice regarding ecology, landscape, water management, archaeology and sustainable travel. This library of evidence is publicly available on the Council’s dedicated Lancaster South Area Action Plan webpages.

Informal engagement has also been taking place, particularly regarding a series of thematic topic papers. The local planning authority has also established a Parish Council Liaison Group with Scotforth, Aldcliffe-with-Stodday, Ellel and Thurnham Parish Councils, and it has participated in an engagement process with young people, hosted by Lancaster University.

Much work has already been undertaken, and a continuation of this work could still result

in a new vision for the Lancaster South area that could be potentially less time-intensive than a full Local Plan Review.

Disadvantages: Continuing with the Lancaster South Area Action Plan would maintain the focus on defining a vision for South Lancaster and its' environs only. It would not consider any changing circumstances in Morecambe, Carnforth or other areas that are geographically remote from South Lancaster.

Risks: Even if the Lancaster South Area Action Plan is advanced, it may still be unable to precisely define how strategic infrastructure, including transport infrastructure, will be provided and to what timeline. This uncertainty may affect the adoption of the Lancaster South Area Action Plan. In addition, the proposed changes to national plan-making described earlier in this report might also prevent timely adoption of the Lancaster South Area Action Plan, and as a consequence it might have to be started again under the proposed new plan-making system.

4.3 Option 2 – Cease work of the Lancaster South Area Action Plan and commence a full Local Plan Review

Advantages: There are changing circumstances within the district since the Local Plan was adopted. These include the grant of planning permission for Eden Morecambe and the securing of £50m Levelling-Up funding. There is also the recent announcement that a new hospital will be provided on a new site within the district, and that this will replace the Royal Lancaster Infirmary. The new site is yet to be confirmed. The relocation of hospital facilities will also require a comprehensive approach to masterplanning the re-use of the existing Royal Lancaster Infirmary site. A reviewed Local Plan can explore the opportunities for these developments and review the likely strategic infrastructure needs that are likely to arise. A new Local Plan will also provide a more up-to-date assessment of the likely deliverability and phasing of emerging City Council-driven projects such as the Canal Quarter and the Mainway/Skerton School development.

The work undertaken to date on the Lancaster South Area Action Plan will still be useful. It would help inform a wider evidence base for a new Local Plan.

The current, adopted Local Plan identified infrastructure and physical constraints that contributed to a lack of supply of deliverable housing sites. Notwithstanding some isolated years of good housing delivery (e.g. 2016/17, 628 net dwelling completions; 2019/20, 701 net dwelling completions), there has been a continued fall in net housing completions during the last three years, with the 2022/23 figure amounting to just 202 completed units. A full Local Plan Review provides the opportunity to evolve the strategic vision of residential development within the wider district.

Early indicative work suggests that the submission of a Local Plan for examination by the proposed 30 June 2025 deadline is possible, albeit very challenging. Resources are currently being examined and an update will be provided should any additional resource be required to deliver a Local Plan within that timeframe.

Disadvantages: Local Plan preparation is complex and challenging. Experience has shown that Local Plan preparation can take longer than 3 years. A timescale for completion cannot be provided with any great certainty because some stages of the process, including the independent examination by a Planning Inspector, lie beyond the direct control of the local planning authority.

Risks: The Government's proposed changes to the Local Plan system presents increased timescale pressures. There is a genuine risk that even with expedited stages,

any new Local Plan may still fail to be submitted for Examination by 30 June 2025, and there is a further risk that the Plan might not be adopted by 31 December 2026. Under those circumstances, the preparation of a Local Plan would have to start again under the new system, and this would create further delay.

4.4 Option 3 – Pause all plan-making activity pending further certainty regarding the national plan-making system

Advantages: There are an increasing number of local authorities who are reported to have taken a decision to either withdraw or pause their plan-making activity. Some of the national planning press estimate this at being between 26 and 58 local authorities at the time of compiling this report. The reasons for withdrawal or delay vary, although some have cited the current consultations regarding plan-making and the NPPF as being contributory factors.

A delay in plan-making would potentially allow the emergence of greater certainty regarding the likely deliverability of the Government's proposed changes, including the timetabling of the Royal Assent of the Levelling Up and Regeneration Bill.

Disadvantages: Whilst the uncertainty regarding the proposed changes to the national plan-making process is not helpful, it is rarely a good idea to delay plan-making for any length of time. Firstly, older, adopted Plans are less likely to be able to respond appropriately to the changing needs of the district's numerous local communities. Secondly, a delay to plan-making would hinder the local authority in collaborating with other strategic partners regarding the identification of infrastructure needs.

Risks: A delay to plan-making could invite Government intervention. Whilst this is unlikely to apply to Lancaster because it currently has an up-to-date Local Plan, a delay is not likely to be an appropriate response to the ever-changing needs of the district, and it is not recommended.

5.0 **Details of Consultation**

- 5.1 This is a report which requires a Cabinet decision regarding the preference for future Local Plan options, and as such there is no wider consultation at this stage. Any future plan-making will be subject to the statutory processes, including consultation stages, that are prescribed in the Town and Country Planning (Local Planning) (England) Regulations 2012.

6.0 **Officer Preferred Option**

- 6.1 The preferred option is Option 2, to cease work on the Lancaster South Area Action Plan and to commence a full Local Plan Review. This option provides the opportunity to develop a revised spatial vision for the Lancaster District that takes into account recent announcements and re-evaluates the strategic development needs of the district.
- 6.2 If Option 2 is agreed, then the Local Development Scheme will require amendment. Full Council are responsible for that decision. A report would be presented to the next available Full Council meeting. Once the Local Development Scheme is updated it will provide the community and stakeholders with certainty regarding the Council's intentions and its new indicative Local Plan timetable. The report to Council can also provide further information regarding likely resourcing implications.

6.3 An indicative timetable for full Local Plan Review will be presented to the Local Plan Review Group (LPRG). Progress against the indicative timetable will be monitored by LPRG.

6.4 The timetabling risks associated with the preferred option are very challenging, but it is considered to be the most appropriate response to recent developments and the likely emerging patterns of development within the district.

7.0 Conclusion

7.1 A new Local Plan is considered necessary, taking into account the early plan review mechanism prescribed in Local Plan Policy LPRM1. It is considered to be an appropriate response to recent announcements. The measures identified in paragraphs 6.1 to 6.3 represent the next steps in the process.

7.2 Regardless of the option that is selected, the current, adopted Local Plan will remain in place until it is replaced by the formal adoption of any new Local Plan. Work on the Climate Emergency Review of the Local Plan, which is in its' latter stages, is unaffected.

RELATIONSHIP TO POLICY FRAMEWORK

Section 19 (1B-1E) of the Planning and Compulsory Purchase Act 2004 sets out that each local planning authority must identify their strategic priorities and have policies to address these in their development plan documents.

The National Planning Policy Framework (NPPF) explains that these strategic policies can be contained in Local Plans and provides clarity regarding the necessary content of such policies. The National Planning Practice Guidance (NPPG) provides direction for how the NPPF should be implemented in practice.

CONCLUSION OF IMPACT ASSESSMENT

(including Health & Safety, Equality & Diversity, Human Rights, Community Safety, HR, Sustainability and Rural Proofing)

The report sets out three options for plan-making. None of the options have adverse impacts on the matters listed above.

Whichever option is agreed, national guidance will prescribe the relevant stages of plan-making that must then be followed, including statutory stages of consultation and plan examination.

LEGAL IMPLICATIONS

There are no legal implications directly arising from this report. Whichever option is agreed, the local planning authority will follow the regulatory plan-making process.

FINANCIAL IMPLICATIONS

Option 1 represents a continuation of the current plan-making proposals, with no new financial implications.

Option 2 would have greater resource implications than Options 1 and 3. Should Option 2 be agreed, further detailed work regarding resourcing a full Local Plan Review will be required to enable decisions to be made.

If Option 2 is not agreed, then resourcing a full Local Plan Review would still be necessary within 5 years of the date of the adoption of the existing Plan (i.e. 29 July 2025).

Option 3 carries no immediate financial implications.

Longer-term, the adoption of any Local Plan will have bearing on any Council's future financial position, through changes to the demand for council services and its ability to generate local taxation and other income.

OTHER RESOURCE IMPLICATIONS

Human Resources:

None directly arising from this report.

Information Services:

None.

Property:

Whilst the Council does own land and buildings within the district, there are no direct implications arising from this report.

Open Spaces:

There are no direct implications arising from this report.

SECTION 151 OFFICER'S COMMENTS

As set out in the financial implications, the approval of option 2 carries with it resourcing implications which are not yet fully known. Should Cabinet approve option 2, a further report will be presented to Full Council and the resourcing implications assessed at this stage.

MONITORING OFFICER'S COMMENTS

As detailed in para 6.2 above, should Cabinet go with option 2 then the matter will go to Full Council to amend the Local Development Scheme.

BACKGROUND PAPERS

None.

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