

Government's Consultation on Plan-Making Reforms (Local Plan) – Shropshire Council Response

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1. Synopsis

1.1 Government has published a consultation seeking views on their proposals to implement parts of the Levelling Up and Regeneration Bill (The Bill) which relates to the preparation of Local Plans prepared by Local Planning Authorities. The stated intention of these reforms are to make plans simpler, faster to prepare and more accessible.

Executive Summary

1.2 In August 2020, Government published 'Planning for the Future' White Paper. This introduced and tested with the sector proposals for long term structural changes to the English planning system, including plan-making. The preparation of Local Plans is important in seeking to implement the wider objectives of the Council and communities, including those of the Shropshire Plan. 1.3 Following consideration, Government proposed to take forward a proportion of these proposals within the Levelling Up and Regeneration Bill (the Bill). The reforms proposed within the Bill are intended to improve the planning system and further empower local leaders to regenerate their local area. The intention is that these reforms would be introduced through primary and secondary legislation, as well as through non-legislative measures.

- 1.4 Shropshire Council issued a response to the Planning for the Future White Paper in 2020 and has also responded to a series of related consultations regarding reforms to the planning system. This includes recent consultations on reforms to the National Planning Policy Framework and the technical consultation on the proposed Infrastructure Levy.
- 1.5 This current consultation focusses on those elements of the proposed reforms which will impact the preparation of Local Plans prepared by Local Planning Authorities, and raises 43 specific questions. Details on the full consultation proposals can be viewed here <u>Plan-making reforms: consultation on</u> <u>implementation GOV.UK (www.gov.uk)</u>. Appendix 1 to this consultation provides a summary of the key elements of the proposals, whilst Appendix 2 provides the proposed response to each of the 43 questions. All Shropshire Councils councillors were invited to feed in views to the proposed response, and the Council's Local Plan Member Group were specifically engaged in the process. However, in accordance with Part 3 of the Constitution formal responses on behalf of the Council to consultation by other bodies on matters that affect the Council as a whole or have a widespread effect across the Council, are a specific responsibility of Cabinet to determine.
- 1.6 In broad summary, the proposed response to the consultation seeks to provide constructive feedback on many aspects of the proposed reforms, especially the overarching principles of ensuring the planning system remains plan-led, making the plan making system clearer and faster to prepare, and the emphasis on ensuring plans are underpinned by a strong vision and have engagement of local communities. However, there are several aspects within the detail of the Government's proposals which do raise significant concern; most notably the proposal to prepare new style Local Plans in 30 months, which is considered to be arbitrary and unrealistic. The proposed response in Appendix 2 sets out the detail of these concerns and constructive feedback on proposed amendments where appropriate.
- 1.7 It should be stressed that, if implemented, Councils currently preparing Local Plans under the current system, such as Shropshire, will continue to be subject to the current arrangements for plan making. These reforms are likely to impact on future reviews of the Local Plan.
- 1.8 In view of the urgent need to submit the Council's consultation response on 18 October 2023, to meet the deadline for responses, the Call in and Urgency Mechanism in paragraph 17 of the Overview and Scrutiny Procedure Rules will need to be applied to ensure that the response can be submitted within the required timescale i.e. on 18 October 2023.
- 1.9 The consequence of this, is that this decision will not be able to be "called in" in accordance with the Overview and Scrutiny Procedure Rules.

2. Recommendations

- 2.1. To consider and approve the response to the Government's consultation on reforms to Plan making reforms as set out in Appendix 2 to this report.
- 2.2. That authority be given to the Executive Director of Place to agree any additional minor changes to the Council's response to the consultation ahead of its submission to the Government on 18 October 2023

Report

3. Risk Assessment and Opportunities Appraisal

- 3.1. The consultation proposes a range of significant reforms which will have implications on the process of how local plans are prepared by Councils, most notably in relation to the timeframe in which they are prepared and adopted. As with the current system, there is a significant risk to the Council of not following nationally prescribed processes for plan-making. It therefore continues to be particularly important for the Council to understand and respond appropriately to this current consultation and to future consultations relating to planning reform.
- 3.2. If enacted, these proposed reforms will come into effect in autumn 2024. However, there are clear transitional arrangements proposed whereby Councils currently producing a local plan under the current system will be allowed sufficient time (up to June 2025) to submit that plan for examination. This would include Shropshire Council, who are currently at Examination with its Local plan review. Therefore, it is considered there isn't an imminent risk to the Council of aborted work and wasted financial outlay.
- 3.3. It is considered several of the consultation proposals open up positive opportunities to the Council, especially in relation to future Local Plan review processes. In particular, the proposal from the Government to provide greater clarity to Councils regarding expectations for evidence base collection to support future plan making, and the ability to utilise 'gateway' assessments during the plan preparation phase, will both potentially reduce the risk to plans being found unsound or not legally complaint at the Examination process.
- 3.4. However, there is also considered to be additional risk to the Council, especially in relation to the implications of the new 30 month plan preparation and adoption timeframe. For the reasons outlined in the Council's response to Q6 in Appendix 2 to this report, there is significant concern regarding the proposed introduction of this arbitrary and unrealistic timeframe. Should this be enacted, there is a significant risk to the Council of not be able to achieve these expected timeframes, which could have negative implications on the Council's ability to achieve a 'sound' plan. Appendix 2 to this report therefore set out the Council's significant concern and objection to this proposal.

4. **Financial Implications**

- 4.1. Ensuring that Shropshire Council responds positively to national requirements for plan-making is considered essential in order to allow the preparation of sustainable and planned growth strategies for our communities and ensuring that the council is able to robustly resist unwanted speculative development where it does not meet the requirements of adopted local plans. This process inevitably comes with financial implications to the Council in both the production and examination phases.
- 4.2. The proposed plan making reforms outlined in the Government's current consultation, if enacted, will likely have an impact on a number of elements of plan making with financial implications. This includes the collection of evidence to support the plan, the manner and amount of public engagement, and the cost of the examination process. As the Council has set out in previous consultations on the issue, the principle of speedier plan making and shorter examination processes should, in theory, reduce the overall cost of preparing and adopting a local plan. The introduction of a set of national development management proposals should also reduce the financial burden on councils. The principles set out in the consultation are therefore being largely supported.
- 4.3. However, there remains some significant concern regarding the deliverability of the consultation proposals in areas such as Shropshire (see section 6 of this report) and there are also new elements of the proposed process which would likely have additional financial implications. For instance, there is an expectation that during the plan making process Councils utilise a series of 'gateway' assessments. Whilst these are broadly supported in principle, it is expected these will be funded by the planning authority in a similar way to current the examination processes. However, in theory, if used efficiently the new 'gateway' assessment process should reduce the time (and expense) for councils at the examination.
- 4.4. It is difficult to assess with confidence the financial implications of the proposed local plan reforms on local planning authorities. Generally, given the emphasis on faster production and more efficient plans, it is reasonable to assume an overall reduction in the cost of preparing and adopting plans in the future. However, in order to achieve this ambition, there may also be a requirement for additional resources to be made available to planning policy departments, as part of wider planning department budgets, in order to respond effectively to the expectation of the more challenging preparation timeframes, as well as enabling a shift towards more digital processes for plan making.

5. Climate Change Appraisal

- 5.1. The pursuit of sustainable development is at the heart of plan-making process. The core principle of the Local Plan being the key mechanism for councils to guide and manage development in their areas remains. Shropshire Council, along with all other local planning authorities, will continue to need to prepare their Local Plans in accordance with the National Planning Policy Framework and wider planning legislation.
- 5.2. This particular consultation is concerned primarily with the process of plan making rather than the content of future Plans. However, Chapter 5 of the consultation material does discuss the need for evidence to support a local plan. Whilst the Council's proposed response provides general support to the proposal to increase levels of standardisation to some aspects of national evidence requirements on certain topics, the response also recognises that the opportunity for Councils to prepare additional evidence in order to respond to local circumstances should remain. For instance this could allow councils to produce additional local evidence related to local opportunities for the mitigation and adaptation to climate change.

6. Background

- 6.1 In August 2020, Government published the Planning for the Future White Paper. This introduced and tested proposals for long term structural changes to the English planning system, including with regard to plan-making.
- 6.2 Following consideration, Government proposed to take forward a proportion of these proposals within the Levelling Up and Regeneration Bill (the Bill). The reforms proposed within the Bill are intended to improve the planning system and further empower local leaders to regenerate their local area. The intention is that these reforms would be introduced through primary and secondary legislation, as well as through non-legislative measures.
- 6.3 The Bill was introduced to Parliament in May 2022. It has now progressed through the various stages of consideration within the House of Commons and is currently progressing through the House of Lords. Following completion of the consideration within the Housing of Lords, the final stages will likely involve consideration of amendments and then consideration of suitability for Royal Assent.
- 6.4 Shropshire Council issued a response to the Planning for the Future White Paper in 2020 and has also responded to a series of related consultations regarding reforms to the planning system. This includes recent consultations on reforms to the National Planning Policy Framework and the technical consultation on the proposed Infrastructure Levy.
- 6.5 The Government's current consultation focusses on those parts of the Levelling Up and Regeneration Bill which relate to plan-making, specifically local plans and minerals and waste plans prepared by planning authorities.
- 6.6 The consultation reiterates that local plans are important documents for local communities in setting the development framework for the area for next 10 to 15 years, in doing so allocating sites for development, preparing policies to manage and protect land, and providing the basis for deciding whether to determine planning applications. The consultation does not propose any changes to the primacy of the local plan in decision making or to its role in providing a framework

for the delivery of wider cooperate visions and objectives. Instead, the focus of the consultation is on the process and timeframe for preparing plans.

- 6.7 The consultation proposes plan making reform around a number of headline objectives, namely:
 - Making the role and content of plans clearer making plans simpler, shorter and more visual, focussing on more local issues. The Government's intention to introduce a set of 'national development management policies' (not part of this consultation) will support this objective;
 - Speeding up the process for preparing a plan the centrepiece of the proposed reforms is to establish a new 30 month timeframe to prepare and adopt a plan. This is acknowledged to be much faster than current average preparation timeframes. Many of the wider proposals are included to support this key objective, such as the use of new 'gateway' assessments and the proposal to standardise more of the evidence required to support effective plan making;
 - Ensuring local communities are engaged there will be a requirement for two periods of public consultation, as well as proposals to "notify" and "invite" early participation on matters that shape a plan;
 - **Dealing with complexity** There is a desire to remove ambiguity and uncertainty, to ensure that people participating in the process are clear about what is expected at every stage;
 - Making the most of digital technology a key proposal in order to make the plan making process simpler and more accessible, which could mean changes to the way in which plans are presented, such as the increased use of interactive maps and the use of new digital tools;
 - **Supplementary Plans** this would be a new type of plan, which will allow planning authorities to react more quickly to changes in their area. These would differ from the current Supplementary Planning Documents (SPDs) as Supplementary Plans are proposed to form part of the development plan for the area and would be subject to an examination process. The proposal would also see the phasing out of SPDs.
- 6.8 The Government's proposal is to bring the new system into force by autumn 2024. However, for those Councils currently working on Local Plans under the current system, which includes Shropshire, they will be able to carry on with their current process as long as they submit their Plan for Examination by June 2025. These proposed reforms, if enacted, will therefore <u>not</u> have an impact on current plan making arrangements in Shropshire. They will however, impact on future plan making reviews.

Overview of Shropshire Council Comments

6.9 Appendix 2 to this report provides the Council's proposed response to each of the 43 questions posed in the consultation. The following section of this report provides an overview of the key aspects of the Council's proposed response. Particular consideration has been given to the character and nature of Shropshire,

along with current and past experiences of seeking to plan effectively for a large, predominantly rural county. In addition, all Shropshire Councils councillors were invited to feed in views to the proposed response, and the Council's Local Plan Member Group was specifically engaged in the process.

Key Objectives of the Reforms

- 6.10 Generally, there are many aspects of the current consultation the Council can support. Most notably, the overarching objectives relating to the content of local plans appears to be sensible and would give further emphasis on the role of the local plan as a mechanism for delivering the key cooperate objectives of the Council, in our case set out in the Shropshire Plan. This is perhaps most notably recognised in the emphasis on plans being supported by a vision which should act as the 'golden thread' to the development of locally responsive policy making.
- 6.11 The Council fully supports the principle of maintaining the primacy of local plans in the decision-making process on planning matters, but that new style national development management policies have a potentially helpful role in making the role of local plans more efficient in nature and more genuinely locally responsive. For the same reason, there are some concerns about the proposed introduction of nationally defined templates for local plan making, as there is concern this could lead to formulaic plan making and stifle local innovation.

30 Month Local Plan Preparation and Adoption Process

- 6.12 A central objective of the proposed reforms is the need to speed up the process of plan making. Whilst support is given to this general objective, there are significant concerns regarding the detailed proposal to achieve this through the introduction of a 30 month planning and adoption timeframe.
- 6.13 The Council's comments on this issue are captured in the response to Q6 in Appendix 2 to this report. Whilst there is a recognition that the current plan making process can lead to overly lengthy preparation timeframes, and that this can lead to issues with localised housing land supply and delivery of responsive planning polices, as currently set out in the consultation document there is significant concern the proposed 30 month timeframes is arbitrary, unrealistic, and could lead to rushed decisions on matters of significant importance.
- 6.14 Specifically, it is felt the proposals fail to properly recognise the differing characteristics of local planning authorities, instead opting for a 'one size fits all' approach. It is considered large rural unitary authority areas, such as Shropshire are a good examples of where longer timeframes are likely to be necessary, for entirely legitimate reasons such as: the number of issues the local plan will need to consider (housing, employment, minerals and waste for example); the resource intensive nature of the site allocation processes (in Shropshire's case over 2,000 sites were assessed for potential inclusion in the current Local Plan Review); and, the expectations of engaging with large and diverse communities across a large geographic area, whilst also allowing sufficient time to properly consider consultation responses.
- 6.15 Ultimately, there are significant concerns that this proposal simply places the focus on timescales rather than good plan making. Local Planning Authorities face

having to significantly compromise on aspiration, quality of content and quality of product to deliver within arbitrary timescales. For these reasons it is proposed to raise significant concerns to these proposals in the Council's response.

Digital plans

- 6.16 The detail of the Council's proposed to this issue are included in Chapter 3 within Appendix 2 to this report. In summary Shropshire Council considers there is significant potential for digital planning to increase the efficiency of plan making, increase the ability for communities and individuals to engage in and understand the plan making process, and engage and understand the subsequent Local Plan itself.
- 6.17 However, unfortunately the Council does not consider that digital plans and the associated efficiencies alone will enable the proposed 30 month timescales for plan making to be achievable. With specific regard to public engagement, whilst the Council is of the view that digital forms of engagement clearly have the potential to increase the 'reach' of consultations, these forms of engagement will need to be complementary to other more traditional forms of engagement, otherwise there is a very real risk that many interested in the plan making process who do not use digital technologies will be excluded from the process.

Supplementary Plans

- 6.18 The Levelling Up and Regeneration Bill provides for the creation of new Supplementary Plans, to enable Councils to respond positively and quickly to unanticipated changes to their areas. This could include allocating an unexpected development opportunity.
- 6.19 The Council has previously provided positive support for the concept of Supplementary Plans. Importantly, their proposed status would be as part of the Development Plan and therefore would have the same weight in decision making as the Local Plan for the area. Chapter 11 of the consultation material provides more detail on the proposed implementation of Supplementary Plans, and includes for information on their proposed preparation procedure, consultation and examination.
- 6.20 Whilst the Council's proposed response continues to provide broad support for the principle of new style Supplementary Plans and to the proposals for their procedure, consultation and examination, it is disappointing to see the proposal to phase out current Supplementary Planning Documents which provide a broader opportunity to deliver important additional guidance to the implementation of Local Plan policies. To this end, the Council's proposed response strongly encourages this principle of maintaining a formal opportunity for Councils to prepare 'accompanying guidance documents' on a range of thematic areas, and for these to have weight as a material consideration in decision making (although acknowledging they would not form part of the Development Plan for the area)

7. Conclusions

7.1. Appendix 2 to this report sets out the proposed response to the questions raised in the consultation on plan making reform. It is recommended that the Cabinet agree this as the Council's response to enable the submission of these comments back to the Department for Levelling Up, Housing and Communities by 18 October 2023.

List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)

Local Member: All members

Appendices

Appendix 1 – Summary of the Levelling Up and Regeneration Bill: Consultation on Implementation of Plan-Making Reforms

Appendix 2 - Levelling Up and Regeneration Bill: Consultation on Implementation of Plan-Making Reforms: Shropshire Council Response