

Report of City Development

Report to Executive Board

Date: 16th May 2012

Subject: Neighbourhood Plan frontrunners: agreement to spend £80,000 towards plan preparation in Boston Spa, Holbeck, Kippax and Otley.

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| Are specific electoral Wards affected? | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| If relevant, name(s) of Ward(s): ALL | | |
| Are there implications for equality and diversity and cohesion and integration? | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| Is the decision eligible for Call-In? | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| Does the report contain confidential or exempt information? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| If relevant, Access to Information Procedure Rule number: Appendix number: | | |

Summary of main issues

1. The Council has been successful in securing £80,000 funding from the Department of Communities and Local Government (DCLG) for four frontrunner pilot areas (Boston Spa, Holbeck, Kippax and Otley) to produce some of the country's first neighbourhood plans.
2. The main purpose of this report is to agree the release of the funding so that the pilot areas can accelerate progress on their neighbourhood plan.
3. This report recommends that all of the funding (£20,000 per pilot area) is released according to each area's needs, to be agreed with the Council.
4. The four pilot areas in Leeds represent the diversity of our communities and although each has different needs and aspirations, their neighbourhood plan must follow the requirements outlined in the Neighbourhood Planning Regulations (2012) and these can be costly and time consuming.
5. One of the pilot areas, Holbeck, does not have an established neighbourhood forum and may need extra assistance from the Council, in addition to this pilot funding.

6. The preparation of these pilot neighbourhood plans is an opportunity for the Council and local communities to work closely together to test this new system, to learn lessons and to assess how all communities in Leeds can benefit.
7. Neighbourhood plans are also an opportunity to assist the Council in meeting wider objectives, including assistance with the Site Allocations Development Plan Document and improving equality, cohesion and integration throughout the city.

Recommendations

8. It is recommended that Executive Board:
 - (i) Approve the release and spend of £80,000 towards supporting the neighbourhood pilot areas and delegate spending authority to the Director of City Development in consultation with the appropriate Area Committee and the Executive Member for Development and the Economy.
 - (ii) Note the progress and specific issues in each of the four pilot areas.
 - (iii) Note that a further report will be made to Executive Board in June which will outline the Council's general approach to neighbourhood planning, including the establishment of governance arrangements and the publication of a comprehensive guidance note to assist communities working to prepare neighbourhood plans.

1 Purpose of this report

- 1.2 The Department of Communities and Local Government (DCLG) have awarded £20,000 to support the neighbourhood planning process in each of the four pilot areas in Leeds. There are no stipulations on how this money is spent so the Council needs to agree how this funding can best support the successful production of a neighbourhood plan for each area.
- 1.3 The report outlines the aims of the neighbourhood planning frontrunner scheme and briefly outlines the neighbourhood planning process and its implications for the Council.
- 1.4 As a guide to the scale and nature of the costs involved, this report provides Indicative sums on the costs of producing a neighbourhood plan (Appendix 1).
- 1.5 A simple protocol is recommended for the release and spend of the funding, to ensure it is wisely spent and has a clear audit trail.

2 Background information

- 2.1 Neighbourhood Plans are intended to be used as a positive planning tool for local people to have a major statutory say in the planning process in their area. This was introduced in the Localism Act 2011 with further guidance published on 6th April 2012 when the Neighbourhood Planning (General) Regulations 2012 took effect.

- 2.2 The Council has a 'duty to support' local communities in the preparation of neighbourhood plans. This includes formal and informal stages of the process – from the designation of a neighbourhood plan area through to setting up a referendum.
- 2.3 The four Leeds pilot areas are part of the fifth and final group of neighbourhood planning 'frontrunners'. There are 233 pilots nationally and the Leeds frontrunners represent the diversity of our communities, each offering a range of opportunities and challenges to test this new planning process. The funding will be spent on the preparation of a neighbourhood plan.
- 2.4 Neighbourhood plans are required to be 'pro-development'. They cannot stop development already allocated or permitted, or propose less development than that in the Local Plan (The Core Strategy and the Site Allocations Plan). Neighbourhood Plans can, however, propose more development than the Local Development Plan. The process will provide an opportunity for close working between the Council and local communities on the Site Allocations Plan, the scope of which is also being considered at this Executive Board meeting. Within this context, local communities will be able to use a neighbourhood plan to:
- work with the Council on the Site Allocations Plan to agree sites for new homes, shops and offices
 - have their say on what those new buildings should look like
 - grant planning permission for the new buildings they want to see go ahead.
- 2.5 Holbeck is the only inner-city area that has expressed an interest in neighbourhood planning. It is therefore important that we use the Holbeck pilot as an opportunity to test and explore how inner-city areas generally can benefit from the neighbourhood planning process and how the Council can best support them.
- 2.6 Area Committees will have an integral consultative role to play on the neighbourhood planning process generally, in particular the designation of neighbourhood forums and the agreement of neighbourhood plan boundaries.
- 2.7 A guidance note on Neighbourhood Planning will be presented to the June Executive Board for approval.

3 Main issues

Aims of the frontrunner scheme

- 3.1 Neighbourhood planning is a key component of the Government's localism agenda and the pilot scheme is designed to ensure that the new neighbourhood planning process gets off to the best possible start. The pilot schemes will be used to test the new system and the Council, local communities and the Government will gain insight into how neighbourhood planning is working in practice.
- 3.2 The £80,000 funding secured by the Council for Boston Spa, Holbeck, Kippax and Otley is to be split equally, with each area receiving £20,000. This funding can be

used generally for neighbourhood plan preparation and the Council will work with each area to agree their specific needs and requirements.

- 3.3 The pilot areas reflect the diversity of communities throughout Leeds and will help test and explore potential new ways of working. This will include much greater levels of partnership working generally, including the preparation of the Site Allocations Development Plan and other Council priorities.

The costs of producing a Neighbourhood plan

- 3.4 The neighbourhood planning process has significant costs for both the Council and local communities. Some of the costs are outlined in Appendix 1, 'Indicative breakdown of costs in preparing a Neighbourhood Plan.
- 3.5 For the Council, the main costs relate to the 'duty to support', Independent assessment (by an Inspector) as well as organising and funding a referendum. The level of officer support required for the four pilot areas will vary depending on local circumstances and capacity.
- 3.6 For local communities, the costs of producing a plan will depend on how complex their plan is and on how much help and support the Council can give. For example, there will be varying levels of costs in the four pilot areas associated with capacity building, surveys, consultation, materials and general plan preparation. There may also be other costs, for example paying for specialist advice if the local community feel that is what they want.
- 3.7 In Holbeck, the initial costs and assistance required to set up a neighbourhood forum will require an initial cash injection to raise community awareness to get involved.

Spending release of £80,000

- 3.8 Given the costs, the statutory requirements and the importance of neighbourhood planning for all of our communities, it is suggested that Executive Board supports the release of the front runner funding to each of the four pilot areas. This would assist in consultation, the preparation of the neighbourhood plan and, in the case of Holbeck, support to establish a neighbourhood forum.
- 3.9 Each pilot area will be required to submit a clear proposal outlining how they will use the funding and how it will support the successful delivery of their neighbourhood plan. These funding requests will be phased during the various stages of plan preparation.
- 3.10 The funding requests will be submitted to and agreed with the Director of City Development (in consultation with Legal and Financial Services) and will accord with the Council's financial procedures to regulate spending and maintain robust financial audits.

4 Corporate Considerations

4.1 Consultation and Engagement

- 4.1.1 For some of the pilot areas, there is an opportunity to tie in consultation work planned on the Site Allocations Plan Development Plan Document (DPD) with neighbourhood planning. This will help to reduce misunderstandings about the role of neighbourhood plans and will help some local communities to influence the Site Allocations Plan.
- 4.1.2 The Council will have a statutory duty to advertise all applications submitted for the production of neighbourhood plans. This will include a plan of the proposed area.
- 4.1.3 A guidance note on neighbourhood planning in Leeds will be presented to Executive Board in June and will include advice on effective consultation and engagement. It will be published once approved by Executive Board in June.

4.2 Equality and Diversity / Cohesion and Integration

- 4.2.1 The Government has undertaken an Equalities Impact Assessment of the Localism Act in relation to Neighbourhood Planning (2011). This has been used to inform the Equalities Impact screening for this report.
- 4.2.2 Otley, Kippax and Boston Spa are progressing with their plan and are at different stages. In Holbeck, a non parished area, it is more of a challenge as a neighbourhood forum has yet to be established. This is a priority for the officers steering group.
- 4.2.3 A high level of community consultation and engagement will also be required in order to prove that all sections of the local community have been involved in the neighbourhood planning process.
- 4.2.4 The Council's equalities team will assist in advising and testing the neighbourhood planning process in each area.

4.3 Council Policies and City Priorities

- 4.3.1 Neighbourhood Plans link well to all three of the Council's corporate priorities set out in the Vision for Leeds:
- Leeds will be fair, open and welcoming
 - Leeds' economy will be prosperous and sustainable
 - All Leeds' communities will be successful
- 4.3.2 An adopted neighbourhood plan will form part of the Council's statutory planning policy framework and as such will have material planning and legal status in the consideration and determination of planning applications.

4.4 Resources and Value for Money

- 4.4.1 The main resource and financial costs of producing a neighbourhood plan in the pilot areas will either wholly or partly be covered by the £20,000 funding. Any additional funding needed will be met by the pilot areas.
- 4.4.2 The Council is required to provide funding for the examination and referenda for neighbourhood plans and these costs can be substantial. There will also be a need for a significant amount of officer time to support local communities and this will have wider implications from across many directorates depending on the detail and scope of each neighbourhood plan.
- 4.4.3 The regulations anticipate that Neighbourhood Plan examinations will be “light-touch”. The appointment of the person to carry out the examination is left as flexible to be agreed between the Council and the parish/town council or Neighbourhood Forum. The DCLG impact assessment suggests examination costs of £5-8,000, but this is likely to be an underestimate. An inspector from the Planning Inspectorate can charge over £1,000/day, although there is no requirement to use the Inspectorate.
- 4.4.4 The costs of a referenda will vary depending on the size of the area concerned. The DCLG impact assessment offers some indicative costs of £1.80/head or around £8,000 per ward.
- 4.4.5 City Development Directorate have already consolidated existing resources to further support neighbourhood planning, although the full extent of impact of the neighbourhood planning process is unknown. This will be kept under review and may have to be brought forward as a budget pressure for 2013/14, to be considered alongside other tasks undertaken by the planning service.

4.5 Legal Implications, Access to Information and Call In

- 4.5.1 The Council will be responsible for ensuring a neighbourhood plan has been produced in line with the relevant legislation and regulations and will be required to arrange for an external examination of any proposed plans and hold local referendums, which will be needed to adopt a plan. This is likely to have a significant impact on council resources.
- 4.5.2 There will be a need to fully assess the legal implications of neighbourhood planning as the details of the governance arrangements are drawn together.

4.6 Risk Management

- 4.6.1 As a new system, there is a risk that neighbourhood planning is misunderstood in some areas. This will be minimised by the publication of a Leeds guidance note which will set out clear governance arrangements and protocols to guide the preparation and validation of neighbourhood plans.
- 4.6.2 There is a need to establish a neighbourhood forum for Holbeck which can guide and manage the neighbourhood planning process.
- 4.6.3 There may be a high risk of judicial reviews and referendums against specific development if neighbourhood plans do not effectively engage with communities on land owning interests.

5 Conclusions

- 5.1 The production of a neighbourhood plan is high on the agenda for many communities in Leeds, although there is limited interest from our inner-city communities. The pilot areas offer an opportunity to test the process and ensure that the pilot areas get off to the best possible start and that lessons learned from these pilots can assist the neighbourhood planning process in other areas in Leeds and perhaps nationally. The release of the funding to assist the pilots will have a major impact on their ability to make progress, particularly in the Holbeck area.

6 Recommendations

It is recommended that Executive Board:

- (i) Approve the release and spend of £80,000 towards supporting the neighbourhood pilot areas and delegate spending authority to the Director of City Development in consultation with the appropriate Area Committee and the Executive Member for Development and the Economy.
- (ii) Note the progress and specific issues in each of the four pilot areas.
- (iii) Note that a further report will be made to Executive Board in June which will outline the Council's general approach to neighbourhood planning, including the establishment of governance arrangements and the publication of a comprehensive guidance note to assist communities working to prepare neighbourhood plans.

7 Background documents¹

- 7.1 Equality Impact Assessment.

¹ The background documents listed in this section are available for inspection on request for a period of four years following the date of the relevant meeting. Accordingly this list does not include documents containing exempt or confidential information, or any published works. Requests to inspect any background documents should be submitted to the report author.