

**Report of the Assistant Chief Executive (Customer Access and Performance) and Director of City Development**

**Report to Executive Board**

**Date: 2<sup>nd</sup> November 2011**

**Subject: Developing a response to neighbourhood planning in Leeds**

Are specific electoral Wards affected?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If relevant, name(s) of Ward(s): Otley & Yeadon, Kippax & Methley, Wetherby, Beeston & Holbeck		
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 type="checkbox"/> Yes	<input checked="" 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 Localism Bill, currently being debated in Parliament, is expected to receive Royal Assent in November. One aspect that has been the subject of significant public debate is the proposal to devolve planning powers to neighbourhoods, either parish and town councils or neighbourhood forums. This, as with all other parts of the bill, is subject to further amendments, but the broad duties are likely to remain. The principle of neighbourhood plans is included in the draft National Planning Policy Framework (NPPF) but little additional detail is provided.
2. Since the bill is still changing it has not to date been the subject of any widespread or co-ordinated communication from the council but we know there is significant public and stakeholder uncertainty surrounding neighbourhood planning, which continues to receive national media coverage.
3. Once the bill becomes enacted, we will, as an authority have a duty to respond to requests from communities and provide advice and support but not funding for producing neighbourhood plans. However, the costs of some parts of the process will fall to the council.
4. Planning officers have already received a number of requests from communities and groups who wish to take forward neighbourhood plans, these tend to be mainly in outer parished areas, who would have a head start under the legislation. There is strong political interest in neighbourhood plans and interest from most areas of the city.

5. There are currently limited resources and no budget set aside for neighbourhood planning for 2011/12 or 2012/13. However, it does align with a number of the council's strategic objectives.
6. DCLG funding is still available for neighbourhood planning pilots under a 'Front Runner' grant scheme, which requires the support and backing of the council to access. A bid for this funding was previously prepared (but not submitted) for Kippax earlier in the year. Subsequently other areas such as Seacroft; New Wortley; Middleton; Barwick & Scholes; Boston Spa, Bramham, Clifford & Thorp Arch; Headingley & Hyde Park; Otley; Wharfedale and Airedale (WARD); Micklefield and Holbeck have submitted interest to the council for frontrunner status. Other areas have also expressed an interest in neighbourhood planning generally.
7. There is an urgent need to develop an agreed approach to neighbourhood planning and the proposed pilots will provide a significant learning opportunity through which the council will be able to establish a clear framework of support for taking forward neighbourhood plans once the legislation is enacted.

## **Recommendations**

8. It is recommended that Executive Board:
  - (i) Endorse the submission of four pilots bids for Kippax, Otley, Boston Spa and Holbeck by the 4<sup>th</sup> November 2011 deadline.
  - (ii) Endorse the proposal to support on a pro-active basis work within other parish and town councils and neighbourhood forums in order to help build capacity at a local level and help inform the site allocation process.
  - (iii) Lobby Central Government about the funding and resource implications arising from the neighbourhood planning process and associated referenda.
  - (iv) Note the need for the council to further consider the required arrangements for supporting the preparation of neighbourhood plans.

## **1 Purpose of this report**

- 1.1 To provide an overview of neighbourhood planning (as envisaged in the Localism Bill) and highlight the significant level of political interest and local debate already happening in many parts of the city. In light of this interest, there is an urgent need to start the debate in order to develop a corporate response that is in line with the city's aspirations and helps to achieve our strategic objectives. In order to achieve this, the report sets out four pilot areas for approval, the learning from these pilots will help to devise the council's approach to neighbourhood planning in the city.

## **2 Background information**

- 2.1 One of the principle objectives of neighbourhood planning is to support housing growth and economic development. Neighbourhood planning is intended to bring local people closer to the planning process and enable them to set specific criteria for development in their areas. The government believes that more local ownership

through neighbourhood planning will lower the level of opposition to new development and enable communities to secure well-designed buildings in keeping with the local area.

- 2.2 Neighbourhoods can be defined in a number of ways and the Local Planning Authority has a role to play in designating these areas. Neighbourhoods can be: parish/town council boundaries, electoral wards, or another geography as initiated by the local community. Leeds already has 31 parish and town councils, but where there is no parish or town council a neighbourhood forum will need to be established to help prepare neighbourhood plans. The basic criteria for a neighbourhood forum will be that they should have at least 21 people as members, be open to all residents, those who work in the area, local councillors and business representatives. The group must have a constitution and aim to improve the social, environmental and economic well-being of all residents. Most of these would be in inner city or suburban locations.
- 2.3 It is expected that numerous applications to prepare neighbourhood plans from existing or newly formed neighbourhood groups and forums will be submitted to the council. These will then need to be assessed alongside the areas they wish to cover. There may be multiple groups interested in one area or a part of an area and this will need to be carefully managed.
- 2.4 There are three key elements to the neighbourhood planning system as currently drafted in the Localism Bill. Although the detail could change these key elements are likely to remain; Neighbourhood Development Plans, Neighbourhood Development Orders (NDO) and Community Right to Build (CrTB) orders.
- 2.5 Neighbourhood plans are expected to form part of the Statutory Plan for Leeds and together with the core strategy and site allocations documents will set out policies, housing allocations, and land uses within a neighbourhood. For example a neighbourhood plan could indicate where new shops, offices, or homes should go, which green space should be protected or created and where new pedestrian walkways should be created. Also plans could include local design standards such as the type of materials, scale and character that must be used for any new property. A neighbourhood plan would be subject to an independent examination (paid for by the local authority). The examiner would approve or reject an application based on whether the plan is in accordance with national planning policy and the local plan. A neighbourhood plan can propose more development than set out in the core strategy and allocations documents, but not less.
- 2.6 A local authority can reject a neighbourhood plan (on limited grounds to be set out in further regulations) and refer the neighbourhood plan back for further examination. The local community can also appeal against the examiners ruling. Businesses, investors, developers and other commercial organisations could also object to the plans (this is more likely if they haven't been sufficiently involved early in the plan making process).
- 2.7 If the plan passes this stage, the examiner will recommend a local referendum, the local authority will then be responsible for organising and paying for this. The neighbourhood plan needs to gain 50% or more support from those voting in the referendum. If the plan is successful in gaining over half the votes we, as a local

authority, must adopt the plan. This will sit as part of our local planning framework, and any future planning applications for that area should be compliant with its contents.

- 2.8 Neighbourhood Development Orders (NDOs) are designed to allocate specific areas where certain types of development will be permitted without planning permission if they are in conformity and meet agreed criteria. Such development could include certain types of household extensions, shop fronts and 'green energy' proposals. NDOs can apply to all or part of an area and can form part of a neighbourhood plan, but they therefore also have to receive majority support in the local referendum. NDOs must meet certain criteria, which are still to be determined in further regulations by the Secretary of State but this will include a number of statutory restrictions on their scope. An independent check must be carried out to ensure that the NDO does not breach any EU obligation, or rights under the European Convention of Human Rights.
- 2.9 The third strand to neighbourhood planning is Community Right to Build (CrTB) – this can be delivered through the neighbourhood planning process. Community Right to Build enables communities to identify land for new small-scale development such as new homes, shops or other community facilities.
- 2.10 The draft legislation is still subject to change as it progresses through Parliament. Draft neighbourhood planning regulations have been published for consultation with a deadline of 5<sup>th</sup> January and are therefore still subject to change. The council will be responding to this consultation with input from community groups and parish and town councils, the deadline for responses to the council is the 25<sup>th</sup> November. This response will be the subject of a separate Executive Board report. Some examples of current grey areas include:
- The arrangements for designating a neighbourhood area.
  - Assigning to and removing planning powers from a neighbourhood forum.
  - Restricting or prescribing matters to be included in a neighbourhood plan.
  - How examiners will decide whether plans for a neighbourhood are in "general conformity" to the local authority's strategic policies. For example, if the local authority considers that 1000 houses are required in the whole district over 10 years, would an examiner approve a neighbourhood plan rejecting all new housing in a single neighbourhood?
  - Getting the level of neighbourhood involvement envisaged in the bill will be very difficult. Questions remain about who will contribute to and work up the proposed neighbourhood plans, and how the council should support the process.
  - What happens if a developer submits an application which is contrary to the proposals of a neighbourhood plan or builds something that ends up being different to what was agreed with the community? Discussion with CLG suggests that normal appeal and enforcement processes would apply.

## 2.11 Draft National Planning and Policy Framework

2.12 The government has recently published its Draft National Planning and Policy Framework (NPPF). This sets out the government's aspirations for planning, which is based on a presumption in favour of sustainable development and saying "yes" to development where possible. Other measures such as the Community Infrastructure Levy, New Homes Bonus, planning guarantee and potentially a more flexible Use Classes Order are designed as incentives in order to speed up development. The NPPF was subject to consultation, a report of the Director of City Development to Executive Board on 12<sup>th</sup> October set out the council's response.

2.13 The NPPF adds little to the material already published with the Localism Bill on neighbourhood planning which puts forward the concept that neighbourhood planning is to give local communities the opportunity to influence the future development of places where they live. However, neighbourhood plans are envisaged to be pro-development and will also need to reflect the strategic vision for the wider area and be in conformity with the strategic policies of the Local Plan. The NPPF states that neighbourhood plans should "support the strategic needs as set out in local plans, including policies for housing and economic development"<sup>1</sup>. There is, however, different interpretations of the wording and a need for clarity in the NPPF. At present it is unclear what happens if a neighbourhood plan is in conflict with a Local Plan. Currently in the legislation, neighbourhood plans must be in "general conformity" with local plans and they can specify more development but not less than what is in the Local Plan. The Local Plan in the context of Leeds is currently formed by the Leeds Unitary Development Plan (UDP). This will be superseded in due course through the adoption of development plan documents (DPDs) in accordance with the Local Development Framework. The emerging core strategy will form the strategic policies document under the Leeds Local Development Framework.

## 2.14 Local Development Framework

2.15 The Development Plan context for Leeds currently comprises of the Regional Spatial Strategy (RSS) and the Leeds Unitary Development Plan (Review, 2006). This will be replaced in due course, (with the anticipated abolition of RSS via the Localism Act) by DPDs and neighbourhood plans. These will be supported by other documents such as Supplementary Planning Documents that, together will form a portfolio of planning policy documents under the Leeds Local Development Framework (LDF). In the future these will comprise:

- Core Strategy – this sets out strategic policies on the location and type of development, but does not allocate land.
- The proposal map – this will illustrate land allocations and land use designations.
- Topic and geographical Development Plan Documents (DPDs) – this will include the Site Allocations DPD which will set out the detail of where and how much development will be allocated, as guided by the Core Strategy (i.e. site area or for houses an estimated capacity)
- Supplementary Planning Documents (SPDs) – these are supporting documents that add specific detail to a strategic policy or area.

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<sup>1</sup> see page 7, point 23, Draft NPPF, for more detail on strategic priorities

- The statement of Community Involvement – this sets out who, how and when the council will consult on policy documents.

2.16 Due to the level of interest in neighbourhood planning and the need for the plans to be in “general conformity” with our ‘Local Plan’ there has been an increased focus on adopting our core strategy which, put simply, focuses on what should be built where in the city. Where there is not an up to date core strategy there is considered to be no strategic context. This causes concern that any neighbourhood plans produced ahead of the core strategy and Site Allocations DPD will only have limited relevance as they will be largely confined to issues relating to existing site allocations contained in the UDP and associated infrastructure provision.

2.17 The emerging core strategy has been subject to ongoing consultation and more recently informal consultation on housing growth is being undertaken (Summer/Autumn 2011). It is currently anticipated that the document will be formally submitted in Spring 2012 with public examination in late summer 2012. Alongside the core strategy will be the council’s Site Allocation Development Plan Document (DPD), which will identify specific sites needed to meet the strategic growth requirements set out in the core strategy. Both these documents will set the strategic context for Leeds and will be key in determining the “general conformity” of neighbourhood plans.

#### **2.18 Existing planning documents (see appendix 1 and 2)**

2.19 Neighbourhood and community – led plans of one form or another already exist across the city in the form of adopted Neighbourhood Design Statements and Village Design Statements. Both of these statements have been prepared by local community groups and have involved consultation and engagement within the community and each statement has a steering group of local representatives. It may be that the existing or an updated design statement maybe enough to meet the needs of the community and negate the need for a neighbourhood plan in some areas.

2.20 In addition Conservation Area Appraisals have been prepared for many areas and a number are due to be re-appraised in the coming years. These documents will still be valid and communities need to be reassured of this. They will help in the determination of planning proposals, but usually they only relate to a relatively small area of a town or village.

2.21 The emphasis on neighbourhood planning is “pro-development”; the scale of any growth needs to be consistent with the strategic policies for Leeds. Currently these are clearly set out in the Leeds Unitary Development Plan (UDP), which has clear policies on the protection of the green belt. The emerging core strategy will update the UDP strategic policies for future growth requirements and put in place development control mechanisms to avoid unchecked development in the green belt. For areas that already have Village or Neighbourhood Design Statements, or Conservation Area Appraisals it is important that the community is clear on the purpose and benefits of producing a neighbourhood plan. Many clearly include local aspirations for improvement, effectively identifying priorities for spending any developer contributions that might become available. If a community decides

nevertheless to pursue a neighbourhood plan it should be able to build on the extensive local communication and engagement that has already taken place.

### **3 Main issues**

#### **3.1 Level of interest in respect of neighbourhood planning**

3.2 A number of areas in Leeds have already expressed an interest in neighbourhood planning. Formal expressions have been received from Kippax, Seacroft; New Wortley; Middleton; Barwick & Scholes; Boston Spa, Branham, Clifford & Thorp Arch; Headingley & Hyde Park; Otley; Wharfedale and Airedale; Micklefield and Holbeck. Some areas are more advanced than others, such as Otley, Wetherby, Harewood, Kippax, New Wortley and Middleton have already begun the process of having discussions and starting to consider what their plans would look like. Outer North East and Inner North West areas have had dedicated support from a 'Localism Officer' and 'Community Planning Officer', these officers are funded through area committee well-being grants. Middleton plans to work with Re'new and New Wortley has engaged the support of Planning Aid.

#### **3.3 Opportunities**

3.4 There are a number of opportunities that neighbourhood planning could open-up in terms of new ways of working and delivering required growth in the city. Gaining an early understanding of the neighbourhood planning process would enable the council to explore new ways of working with local residents, who - as with many aspects of the Localism Bill - will lead the process supported by the local authority. This aligns strongly with the locality working agenda. A pro-active approach to this agenda needs to be taken to ensure that funding and support goes to the areas that could benefit the most.

3.5 One way to do this would be to identify one or more pilot areas for neighbourhood planning. The Government is currently asking for bids to be a neighbourhood planning 'front runner'. Funding of up to £20,000 will be available for each neighbourhood area. In order to access this funding, councils will be expected to undertake a planning project in close collaboration with an established community group or parish council in a manner similar to that envisaged in the Localism Bill, or in business areas with a local business organisation. A parish council or group cannot bid for this funding without the support of the council. The deadline for the next wave of front runners is 4<sup>th</sup> November.

3.6 The advantages of being involved in a pilot (with or without government funding) will allow us to gain a greater understanding of the 'new' neighbourhood planning process and what the resources and funding implications are. This could also bring publicity and interest from businesses and developers that could result in a better deal for the community. The government funding is unlikely to cover the cost of forming the neighbourhood plan and further funding and officer time would be needed. The involvement of a local developer to contribute to the cost of the neighbourhood plan would be advantageous.

3.7 Work on neighbourhood planning pilots can help to identify potential development opportunities from a 'bottom up' perspective, thereby helping to shape the emerging

site allocations document. However, the timescales for the production of the Site Allocations DPD should not be delayed by the neighbourhood plan pilots. The council's current timescale for the Site Allocations DPD is yet to be agreed but will follow initial scoping early 2012 and will be dependant on the progress of the core strategy.

3.8 A further benefit of the pilots will be to assist the council in developing its own expertise, particularly in Planning and Sustainable Development, Regeneration and locality working, and help to disseminate good practice to other parts of the city. However, those plans will only benefit from limited planning status and not have the same weight as a neighbourhood plan which is adopted under the prospective legislation. It is unclear at this stage from the front runner scheme what weight the pilots will have therefore unless the aims are pursued via DPDs or Local Development Orders in accordance with the current legislation. It is proposed that this aspect is pursued with CLG to explore whether the proposed regulations could allow for advance work to be taken into account as part of the neighbourhood planning process.

### 3.9 **Submitting a bid(s) for the government's neighbourhood planning frontrunner scheme**

3.10 A cross directorate meeting with officers drawn from PPI, Regeneration, Planning and Locality Working met on the 29<sup>th</sup> September to assess expressions of interest received from communities. Expressions of interest received from interested groups were assessed against the government's criteria for the neighbourhood planning frontrunner scheme and further considerations brought to the table by officers including:

- **Constitution** - Does the area have a fully constituted group that is independent from the council that is a representative voice of the whole community e.g parish council/neighbourhood forum?
- **Capacity** – Does the group have proven capacity? Does the community have or have potential to gain additional funding or independent support?
- **Opportunities** – Are there any clear opportunities in the area that would benefit directly from the neighbourhood planning process?
- **Core Strategy** – Alignment to the current UDP site allocations and emerging core strategy.
- **Scale** – How manageable is the area proposed? The size proposed for the pilot will impact on cost and resources.
- **Implementation** – What documents/ projects are already in place in the area? (existing neighbourhood design statements/village design statements). Is there a strong track record of community engagement/consultation? Readiness to prepare a full bid in time for the deadline and begin neighbourhood planning exercise.

- **Learning** – Would the pilot area provide opportunities for the council to learn/shape future policy?

- 3.11 In total 10 submissions were received from across the city. Initially these were split into parished and non-parished areas. This was split between 6 parished and 4 non-parished areas.
- 3.12 From the assessment process a number of issues were raised that would need to be considered in shaping the council's future direction in terms of planning policy, community development/capacity building and the wider localism agenda. The key messages resulting from any pilot scheme need to be shared widely across the city so that all can learn from the process. For some of the areas, the reason for developing a neighbourhood plan has not been properly thought through and it was not clear how the production of a neighbourhood plan would fit with the emerging core strategy and particularly the housing growth agenda. It was clear that some of the expressions of interest were anti-growth and this would go against the principles of neighbourhood planning.
- 3.13 For some of these areas it should be acknowledged that a neighbourhood plan may not be the most appropriate way to achieve a community's aspirations. There may be better alternatives that could achieve the same outcomes in a quicker and less resource intense way such as updating existing community planning documents and increased engagement with planning officers and developers at an early stage.
- 3.14 In order to effectively pilot neighbourhood planning in Leeds it was felt that to be a successful bid the pilot area(s) would need to make significant headway over the next 5-9 months. Key lessons could be learnt from the experience of managing community's expectations around the issue of supporting development. Aiming to gain an understanding of the broad processes within this period of uncertainty prior to the legislation being enacted and further regulations being published.
- 3.15 The proposals by Otley Town Council, Kippax Parish Council, Boston Spa and Holbeck neighbourhood improvement partnership clearly meet the criteria and as such are considered at this stage to represent the strongest bids for submission to the frontrunner pilot funding. The reasons for supporting these four areas as neighbourhood plan pilots include the diversity of planning issues that they represent. Incidentally they also fall within the three separate Area Management wedges and reflect the three main political groups.
- 3.16 Kippax is a free-standing village in a former mining area to the south east of Leeds. The parish council's submission is based on clear boundaries which cover identified community groups that, whilst they have not been ignored, feel somewhat isolated and unsupported in comparison with many of our inner city communities. The area contains a diverse community that will provide useful learning points for managing the neighbourhood planning process. Kippax has a well functioning parish council with capacity and previous experience of effective community consultation (an adopted Parish Plan and Village Design Statement). In relation to planning issues Kippax has a large site currently identified in the UDP as a Protected Area of Search<sup>2</sup>

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<sup>2</sup> PAS - "Protected Areas of Search" (PAS) provide land that aims to give permanence to the Green Belt boundaries and give flexibility for meeting the city's long term development needs.

which has the potential to be considered for housing, as well as a number of smaller brownfield opportunities. There are also a number of general issues which could benefit from this approach including housing tenure and affordability, the role and regeneration of the town centre and local jobs and the economy.

- 3.17 Otley is a free-standing market town to the north west of Leeds and their submission was similarly based on a clearly defined boundary which covers both urban and rural issues and a strong base on which to support the administering of a neighbourhood plan. Otley Town Council already has a relationship with Otley Town Partnership and there is a clear commitment to the production of a neighbourhood plan by the employment of a planning consultancy firm to develop their ideas and assist with initial consultation. In relation to planning issues Otley has two large housing allocations (with a potential to deliver over 650 units) alongside the potential delivery of a relief road as well as a number of submitted SHLAA opportunities and town centre regeneration opportunities.
- 3.18 Boston Spa is again a free-standing settlement in the rural north, in the hinterland of Wetherby. The parish boundary is relatively compact in nature and therefore it is considered to be a manageable area, but still represents a range of issues, including two sites currently identified in the UDP as Protected Areas of Search. These sites may have the potential to be considered for housing, as well as a number of submitted SHLAA opportunities and village centre regeneration opportunities. There is a wealth of experience in the community who have historically offered opposing views on planning issues, this will provide useful learning points for managing the neighbourhood planning process.
- 3.19 Holbeck is an inner city community characterised by large areas of closely packed pre and interwar housing. The area benefits from an existing area action statement for the regeneration area (Beeston Hill and Holbeck land-use framework, 2005), with Holbeck also being identified as a heritage regeneration scheme. The regeneration objectives for the area focus on improving housing conditions and tenure, addressing poor environmental conditions and a negative perception of the area, enhancing accessibility to the city centre, offering opportunities for jobs and training and the provision of a local food store/centre. The challenges for this area are to progress to a constituted neighbourhood forum, initially to be led by the Beeston, Holbeck and Hunslet improvement board who will bring together strategic partners and provide governance arrangements that will feed into an existing network of community groups. The area also has the benefit of a shared Priority Neighbourhood Worker employed under the locality scheme. A key benefit will be the lessons learnt in the setting up of a neighbourhood forum and building upon existing supplementary planning guidance for the area.
- 3.20 Due to the 4<sup>th</sup> November deadline for the neighbourhood planning frontrunner funding these four areas have already been working with us to develop their bids. Other areas, although unsuccessful, have the potential to begin work within their communities to prepare for a neighbourhood plan and more widely engaging with the planning system/localism agenda by;
- Forming a group that is representative of the community.
  - Agreeing a neighbourhood boundary.

- Agreeing priorities for their area, reviewing any existing community planning documents and agreeing what their top areas of concern are in terms of planning (specific sites, neighbourhoods) and wider issues such as community assets and services.
- Working closely with local councillors.

3.21 In addition, key areas that the council needs to consider further as part of the wider issues around neighbourhood planning are around effective community engagement in the core strategy and site allocations process, this would include;

- Evolving new working relationships between areas and LCC departments, building upon existing lines of communication and assessing how these fit into the Localism agenda.
- Building community capacity and leadership.
- Managing expectations and setting out a clear message that neighbourhood planning is not about stopping development.
- Promoting existing opportunities to get involved in planning – through commenting on the core strategy and getting involved in ongoing dialogue with planning services on planning applications and planning documents. The council will continue to talk to communities through these routes whether they have a neighbourhood plan or not.

## **4 Corporate Considerations**

### **4.1 Consultation and Engagement**

4.1.1 There is a clear opportunity to tie in any further consultation work planned surrounding the core strategy with neighbourhood planning thereby avoiding misunderstandings about the role of neighbourhood plans and helping local communities to influence the form of the site allocation documents. Taking a more pro-active approach and clearly identifying the needs and aspirations of communities at an early stage could potentially save time and money in the end. A seminar was held for parish and town councils on the 17<sup>th</sup> October, this proved a good opportunity to provide information on wider planning reforms, neighbourhood planning in Leeds and gauge the level of interest and expectation surrounding neighbourhood planning. In order to be fair and consistent a similar event needs to be held for neighbourhood forums and community groups. The timing of this event is yet to be agreed although it is anticipated that this will be in the near future.

4.1.2 There is some concern about the level of consultation and engagement that will be required to gain support for a neighbourhood plan. New methods for engaging with hard to reach groups, equality training, IT support for setting up a community website, using social media are just some of the potential capacity and resource issues facing neighbourhood forums and parish /town councils. It is clear that in areas (whether parished or not) that are already engaged with their communities and have shared aspirations will find it easier to mobilise themselves.

### **4.2 Equality and Diversity / Cohesion and Integration**

4.2.1 Non-parished areas of the city are more likely to be at a disadvantage because of the need to form neighbourhood forums, that meet set (but as yet uncertain) criteria in

order to undertake neighbourhood planning. Parish councils on the other hand are already in a position to begin initial preparations such as looking for funding and building community support. However, it is understood that the neighbourhood plan does not have to cover the whole of a parish area – parishes with more than one settlement may choose to do more than one plan at different times. Boundaries should be agreed with the council. There are a number of existing groups in non-parished areas that are constituted and mobilised such as Armley Forum. Also a number of community groups are already interested in neighbourhood planning in Inner North West Leeds which has the advantage of a community planning officer but has around 60 groups that would need co-ordination. Overall, Members in non-parished areas do feel at a disadvantage and are likely to require additional support. This issue was raised by members as an area of concern at the Area Chairs Forum (5<sup>th</sup> September).

4.2.2 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. As the bill currently stands it appears that local authorities would make this judgement through an Equality Impact Assessment.

### **4.3 Council Policies and City Priorities**

4.3.1 A neighbourhood plan would form part of the statutory planning policy framework and as such would be a material planning consideration when determining planning applications. Designating neighbourhood planning powers to parish and town councils may require a strengthening of existing governance arrangements. Designated neighbourhood forums would have to have a constitution but it is unclear what status they would have. This issue has implications for a number of our city and cross council priorities across areas such as regeneration, housing growth, consultation and engagement and locality working.

### **4.4 Resources and Value for Money**

4.4.1 The main resource and financial costs of producing a neighbourhood plan will need to be met by the parish council or neighbourhood forum potentially with support from consultants, businesses and interested developers. Again, this will put certain areas at an advantage over others. Although there will not be a requirement for the council to provide financial assistance for this process a significant amount of officer time and resources will be required. This will result from the new duties on local authorities which will have implications from across many Directorates depending on the detail and scope of each neighbourhood plan. In addition we may be asked to 'loan' money to neighbourhoods initially prior to development. New duties will be to:

- Confirm the status of a proposed neighbourhood forum - assessing applications from neighbourhood forums wanting to be the designated planning body for an area.
- Confirm the geographical area of the proposed neighbourhood plan, including re-drafting boundaries.
- Provide technical expertise and advice to neighbourhood forums or parish councils.

- Provide practical support - e.g. facilitating community engagement, and helping with consultation with public bodies and landowners.
- Hold referendums.
- Adopt neighbourhood plans as statutory documents where all requirements have been met.

- 4.4.2 In the initial years, there will be some financial support from Central Government. The average costs are estimated at £17,000 to £63,000 per plan, however the Government's Impact Assessment states that a plan could in extreme cases cost as much as £200,000. The cost of a neighbourhood plan will vary considerably depending on the size of the area concerned and level of detail to be contained within the plan. For example, the cost to community groups of bringing forward a Community Right to Build scheme is estimated at approximately £40,000. Furthermore, additional costs will fall to the council. In addition to providing officer support, such matters as the referendum and examination process are likely to be costs to the council. Should a landowner choose to contest the process through the Courts it is again assumed that this would fall to the council.
- 4.4.3 The uncertain costs of neighbourhood planning is likely to be a significant barrier for some areas. Experience to date from the preparation of Village Design Statements which are simpler and less complex documents suggests a minimum cost of £15,000 per plan.
- 4.4.4 Merging, modifying and updating existing local planning documents could reduce the costs and the duration of the process.
- 4.4.5 The cost of a local referendum would vary depending on the size of the area concerned and whether the referendum could be linked to local elections, which would reduce costs. Again, it is unclear who would pay for the full cost of referendums, including staff resources. At the moment it is unclear where the cost of advertising the referendum, producing and sending out related material would fall. However, it is likely that the council would need to set aside some money to support the process.
- 4.4.6 The council could decide to finance all or part of this for certain neighbourhood plans over others, the reasons for this would need to be communicated openly otherwise we could be accused of operating unfairly. Having pilot area(s) and a clear policy on neighbourhood planning could prevent this as the policy could specify the resources available for neighbourhood planning and our own criteria for offering financial assistance, providing loans and charging for our services.
- 4.4.7 The council will need to determine how to respond to requests for support for neighbourhood planning, over and above any pilots, given uncertainty over costs, the absence of the detailed regulations and guidance and the present lack of an up to date strategic planning context. We will also need to continue to work on a proactive basis with communities who wish to produce neighbourhood plans in order to help build capacity and to help inform the process of preparing a site allocations document.

4.4.8 Although the government impact assessment states that local authorities will make savings through areas such as less planning appeals and fewer planning applications as a result of NDOs and Community Right to Build Orders. It is unclear when these savings would occur.

#### **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 if, as is likely, a number of neighbourhood plans come forward across Leeds. Although there is no way of gauging the potential flow of neighbourhood plans, without working closely with communities.

4.5.2 There will be a need to fully assess the legal implications of neighbourhood planning at an appropriate time.

4.5.3 With regard to the pilots proposed, given that the necessary legislation relating to neighbourhood planning is not yet in place, the advice from CLG is that councils will need to operate within the restraints of the current system for producing development plan documents (DPDs) and local development orders. This is different in some significant respects to that anticipated for neighbourhood planning. For example, there is no requirement for a referendum as part of the process, and the examination requirements are also different. The legal requirements for taking DPDs through to adoption are also proposed to change (a consultation on draft regulations has recently closed), in addition to the introduction of new regulations for neighbourhood planning.

4.5.4 Given this 'transitional legal framework', legal advice will be required both in the early stages of any pilots as part of any project plan and at key points through the life of the pilot to ensure that the appropriate legal framework is being complied with in order to deliver their anticipated aims.

4.5.5 Due to the 4<sup>th</sup> November deadline for the neighbourhood planning frontrunner funding bids this report is not eligible for call-in.

#### **4.6 Risk Management**

4.6.1 There is a high risk that neighbourhood planning is led in areas where there is a strong desire to block development. Those people who are already engaged in the planning system do so more and have the power to further pursue their interests and the wider community's voices are not heard.

4.6.2 If we do not develop an overall approach and 'offer' to respond to neighbourhood planning council resources may become focussed on supporting and advising the outer more affluent areas of the city that have, or are able to, bring in resources and expertise in their local area. This may leave other areas behind and make them more vulnerable to developers and consultants who may not have the community's interests at heart.

- 4.6.3 There is a high risk of judicial reviews and referendums against specific development if we do not effectively engage with communities on land owning interests.

## **5 Conclusions**

- 5.1 The concept of neighbourhood planning as envisaged in the Localism Bill is to give local communities the opportunity to influence the future development of places where they live. However, generally neighbourhood plans are envisaged to be pro-development and will also need to reflect the strategic vision and especially housing targets for the city. Neighbourhood planning builds upon a strong track record in Leeds of working with communities on local planning documents, it aligns with our locality working agenda and has the potential to help us to deliver a number of our strategic priorities. However, alongside these opportunities there are a number of important risks including the potential resources required to respond to this from across the authority including planning, referenda and legal as well as the fact that the legislation is still being amended and will be supplemented by further regulations and guidance. Draft regulations for neighbourhood planning have now been published for consultation. A co-ordinated response to this consultation is to be carried out, the deadline for responses to the council is the 25<sup>th</sup> November.
- 5.2 Neighbourhood planning is extremely high on the agenda with national and local debate in the media rapidly escalating. We know that there is significant interest and concern within communities, parish and town councils and elected members surrounding all aspects of the planning agenda. There is therefore an urgent need to develop the council's response to neighbourhood planning and the proposed pilots will help to do this. They will enable an informed debate with politicians and communities about what neighbourhood plans can achieve, the time and costs involved and the level of support the council will provide.

## **6 Recommendations**

### **6.1 It is recommended that Executive board:**

- (i) Endorse the submission of four pilots bids for Kippax, Otley, Boston Spa and Holbeck by the 4<sup>th</sup> November 2011 deadline.
- (ii) Endorse the proposal to support on a pro-active basis work within other parish and town councils and neighbourhood forums in order to help build capacity at a local level and help inform the site allocation process.
- (iii) Lobby Central Government about the funding and resource implications arising from the neighbourhood planning process and associated referenda.
- (iv) Note the need for the council to further consider the required arrangements for supporting the preparation of neighbourhood plans.

## **7 Background documents**

The Localism Bill, DCLG Neighbourhood Planning Impact Assessment, Draft National Planning and Policy Framework.