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| <b>MEETING:</b>         | <b>CABINET</b>  |
| <b>DATE:</b>            | <b>12 JULY 2012</b>   |
| <b>TITLE OF REPORT:</b> | <b>LOCAL DEVELOPMENT FRAMEWORK AND<br/>LOCAL TRANSPORT PLAN UPDATE</b>            |
| <b>PORTFOLIO AREA:</b>  | <b>ENVIRONMENT, HOUSING &amp; PLANNING AND<br/>EDUCATION &amp; INFRASTRUCTURE</b> |

**CLASSIFICATION:** Open

### **Wards Affected**

County-wide

### **Purpose**

To update Members on progress and proposed changes to the timetable for finalising the Local Development Framework Core Strategy and the implications and options for the Local Transport Plan.

### **Key Decision**

This is not a Key Decision.

### **Recommendation(s)**

**THAT Cabinet:**

**With regard to the Local Development Framework (LDF) and planning matters:**

- (a) notes the summary of the results of the Revised Preferred Option consultation undertaken between September and November 2011;**
- (b) agrees that a further round of consultation be undertaken on the Core Strategy, on the basis of a full draft document, evidence base and Strategic Environmental Assessment and Habitats Regulations Assessment which demonstrates that the plan will not adversely affect the integrity of relevant European sites;**
- (c) endorse that, subject to outstanding issues being resolved, the proposed scale and distribution of development and strategic housing, employment and infrastructure proposals, as set out in paragraph 49, form the basis of the draft Core Strategy;**
- (d) endorses the approach to prepare the Community Infrastructure**

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Further information on the subject of this report is available from  
Dr David Nicholson, Head of Strategic Planning and Regeneration on (01432) 260166 and  
Steve Burgess, Head of Transportation and Access on (01432) 260968

**Levy (CIL) charging schedule in parallel with the preparation of the Core Strategy with a joint Examination in Public;**

- (e) agrees an interim protocol to be taken into account in determining planning applications for new housing proposals in the absence of a demonstrable five-year housing supply; and**
- (f) agrees the amended timetable for the preparation of the Core Strategy.**

**With regard to the Local Transport Plan (LTP):**

- (g) agree that a Local Transport Plan (LTP) covering the period to 2014/15 is developed and adopted in advance of the final consideration of the LDF Core Strategy;**
- (h) notes the proposed timetable for adopting the LTP and the summary of what that Plan will include; and**
- (i) notes the key ongoing linkages between the LTP and LDF and proposals to prepare and adopt an LTP to cover the period from 2015 to 2031 in association with the revised timetable for the Core Strategy.**

## **Key Points Summary**

### **Local Development Framework**

- A county-wide consultation undertaken in the autumn of 2011 upon a Revised Preferred Option for the Core Strategy generated a significant response. The responses received covered most aspects of the emerging plan and were not confined to references to the specific changes being proposed through the Revised Preferred Option. The highest level of comment received made reference to the proposals for Hereford.
- The emerging Core Strategy needs to consider the implications of recent changes to the planning system at national level. In March the National Planning Policy Framework (NPPF) was published reducing the amount of Government Planning Policy from more than 1,000 pages to around 50 pages. The Core Strategy will need to be compliant with the streamlined policy document and should not be silent on aspects of planning policy which are important to Herefordshire but which previously have been adequately covered by national planning policy. In addition the emergence of the Neighbourhood Planning agenda means that planning policies at a County level should be sufficiently flexible so as not to unduly prevent the development aspirations of local communities being achieved. It remains the intention of the Government to revoke Regional Spatial Strategies.
- Important technical studies to inform the LDF evidence base have recently been completed. In respect of new road infrastructure for Hereford a report was commissioned to assess the environmental and amenity issues associated with the southern corridor of the proposed relief road taking into account various consultation responses. This report has recently been completed and recommends continuing with a wider corridor until more detailed assessments have been undertaken. In addition, reports considering the engineering, environmental and traffic impacts as well as economic and wider social impacts of an Eastern Link to the proposed Enterprise Zone

at Rotherwas are also being undertaken. The demographic implications of providing 16,500 additional homes in the County by 2031 have been examined by GL Hearn and they have confirmed that this would result in an increase in the population of working age. The development target would therefore help to address demographic pressures facing Herefordshire as set out in the Integrated Needs Assessment (Understanding Herefordshire 2012) reported to Cabinet on 14<sup>th</sup> June. Recent work undertaken on updating the Strategic Housing Land Availability Report and producing the 2011 Annual Monitoring Report has confirmed the absence of a 5-year housing supply within the County.

- A number of issues remain to be resolved before the Plan can be submitted to the Secretary of State. These issues include the need for continuing examination of possible impacts that the Core Strategy proposals may have upon the River Wye Special Area of Conservation (SAC), further analysis of the viability of the package of development proposals contained within the plan and work to develop an appropriate set of rural policies in the light of the changes to the planning system.
- This report proposes a further round of consultation prior to the submission of the Core Strategy together with the completion of Strategic Environmental and Habitats Regulation Assessments and completion of the evidence base including an updated economic viability study to inform the Infrastructure Delivery Plan (IDP) and preparation of the CIL.

The Local Transport Plan:

- Council agreed the adoption of the Local Transport Plan 2 (LTP2) as its interim transport strategy pending the finalisation of the LDF submission at its meeting of 4 March 2011. The decision to coordinate the adoption of the LDF and LTP sought to ensure integration of long term land use planning and growth proposals with appropriate complementary transport infrastructure proposals.
- There is no statutory or other legal requirement to adopt these strategies at the same time.
- Given the anticipated delays in adopting a final LDF Core Strategy this report proposes adopting a local transport plan covering the period to 2014/15 in advance of the LDF and sets out a timetable for this process.
- The original aim to coordinate the two long term strategies remains entirely valid and there are ongoing key linkages which need to be maintained and allow for the eventual adoption of an LTP which reflects the finally adopted Core Strategy.

## **Alternative Options**

- 1 There are no alternatives to preparing the LDF and LTP. In respect of advancing the LDF without resolution of outstanding matters and further consultation as now proposed the document will not survive Examination and any subsequent challenge.
- 2 Continuing with LTP2 as an interim transport strategy would mean reliance on an increasingly out of date programme and set of policies

## **Reasons for Recommendations**

- 3 To ensure the Cabinet is fully updated in respect of the results of the most recent LDF

consultation, acknowledge the outstanding challenges to plan progress and the need for further consultation; and

- 4 To mitigate the impact of delaying the adoption of the Core Strategy upon the LTP.

## **Introduction and Background**

- 5 A revised timetable for the LDF was approved by Council in March 2012. That timetable indicated Cabinet would consider the LDF in June followed by Council consideration in July 2012. However, it is now proposed that a further round of consultation on the Core Strategy should be undertaken prior to submitting to the Secretary of State and its public examination, to ensure that potential risks arising from recent case law are addressed. The Core Strategy is not yet compliant with EU requirements as to Strategic Environmental Assessment (SEA) and Habitats Regulations Assessment (HRA). The implications of the proposed growth on water quality in the Rivers Wye/Lugg SAC, which enjoys the highest level of habitat protection, are of particular concern. The viability of the strategy and key infrastructure proposals also remains to be demonstrated. Delays to the LDF timetable also have implications in respect of the preparation and way forward for the LTP.

## **Key Considerations**

### *Revised Preferred Options Consultation*

- 6 Between 26<sup>th</sup> September and 28<sup>th</sup> November 2011 a consultation upon the Herefordshire Core Strategy Revised Preferred Option was undertaken across the county. The main changes proposed during the consultation were:
  - an amendment to the plan period to cover the 20 years from 2011 to 2031 (rather than 2006-2026);
  - a reduction in the overall housing target for the county from 18,000 to 16,500 (or 825 per annum);
  - at Hereford a significant reduction in the level of housing to be built from 8,500 to 6,500, principally by removing entirely the proposal to build 1,500 homes at Whitecross and by reducing by 50% the proposed housing site at Holmer (from 1,000 to 500). A proposed employment site on Roman Road was proposed to be deleted. Minor amendments to the preferred relief road corridor to the south of Hereford were also suggested;
  - reductions in the housing proposals for Ross-on-Wye (reduced by 100) and Leominster (reduced by 200) were also proposed. At Leominster additional employment land was included within the proposals;
  - for the rural areas the housing proposals were proposed to be increased from 4,500 to 5,300 in order to provide more rural affordable housing and provide a more flexible approach recognising the emergence of neighbourhood plans.
- 7 A variety of consultation methods were used to engage a wide audience. These included:
  - a series of ward, City and market town based events, providing county-wide coverage with over 1,000 attendees and a number of public meetings;

- additional meetings held with Stakeholders and interest groups;
  - Ward Councillor briefings;
  - use of the Herefordshire Council website;
  - adverts within the local press;
  - radio announcements, interviews and public debate;
  - newspaper article incorporating a Q&A session with the Leader; and
  - articles in August and November editions of Herefordshire Matters.
- 8 Responses were received from a number of sources including Members, Parish Council's, other organisations, including statutory bodies and many individuals. In total some 608 letters and emails were received, 1069 questionnaires and structured forms sponsored by a number of local groups were submitted and in addition 4 petitions with some 722 signatures were presented. Responses received were not limited to the proposed changes to the Core Strategy but commented on most aspects of the emerging plan.
- 9 The consultation events resulted in wide ranging discussions including a number of key issues such as:
- affordable Housing – definition, numbers and management of schemes;
  - provision for employment land and the need for well paid employment;
  - need for improved infrastructure, concern over flooding and drainage issues, and broadband provision;
  - the phasing, financing and route of the relief road;
  - more flexibility for scale and location of housing development to reflect the aspirations of the local community in the rural areas; and
  - the need for further information on Neighbourhood Plans.
- 10 In respect of written responses the proposals for Hereford generated the highest level of responses with particular concerns expressed regarding the need for, possible route alignment and funding of a relief road and level and location of major housing proposals. This is not surprising given the scale and type of development proposed in the plan for Hereford and the emphasis given to these proposals in the questionnaires and forms designed by local groups. Similarly the petitions received were specifically concerned with the Hereford relief road with two in support of a road (with 44 and 518 signatures respectively) and two questioning specific aspects of the revised route corridor to the south of the City (with 50 and 110 signatures).
- 11 Proposals for other parts of the County generated a lower level of feedback. The majority of responses commenting upon proposals at Leominster and Ledbury expressed concerns regarding the location and/or the level of growth proposed. Few comments were received regarding other towns. In rural areas there were a number of comments identifying the need for greater flexibility in rural policies.
- 12 In addition to the responses specific to certain locations there were also comments made on a number of key topics:
- employment land proposals with a general recognition of the need for new employment land, support for improved broadband and the designation of Rotherwas as an enterprise zone;

- housing proposals including the need for affordable housing for local needs; and
  - water and sewerage issues including the need to ensure sufficient infrastructure and consideration of the impacts of development on phosphate levels in the River Wye and its tributaries.
- 13 It should also be noted that a number of statutory organisations expressed concerns regarding aspects of the emerging plan. These include the Highways Agency, the Environment Agency and Natural England.
- 14 The response from the Highways Agency indicated that further supporting transport evidence is required although they indicate that they will continue to work with the Council to provide a suitable evidence base. They also raised concerns regarding the transport implications of the Enterprise Zone in their response. Discussions with the Agency are ongoing and future work will include an upgrade to the traffic SATURN model for Hereford to address the concerns of the Highways Agency.
- 15 The Environment Agency indicate that there is some outstanding work in the Water Cycle Study and clarification is required to ensure sound infrastructure delivery planning, including costs, to inform the strategy. This will include phasing and timescale considerations to ensure implementation, deliverability, as well as sufficient flexibility. They recommend that reference is made to any phasing and timing constraints that may be present. However, the Environment Agency appreciate that this work is progressing and they are working with the Council, and other partners, to address these matters.
- 16 The comments of Natural England highlighted a number of ongoing concerns rather than raising issues regarding the revisions to the strategy. In particular, Natural England considered that there were a number of outstanding issues relating to requirements under the Habitats Regulations which need to be resolved prior to the submission of the Core Strategy and that the nature and complexity of some of these issues, particularly those around sewage discharges, had the potential to impact on the proposed Core Strategy production timescales.
- 17 Work is continuing to address the concerns raised through direct contact with these agencies, partnership work such as the Water Steering Group and the continuing development of the evidence base.
- 18 Work has been ongoing in several areas to address a number of the issues raised during the consultation and this is set out in later sections of this report. The consultation responses demonstrate that a level of public concern and opposition remains regarding the emerging proposals of the Core Strategy and, in particular, strategic proposals at Hereford, including matters regarding the provision of a relief road, and growth in the market towns. Evidence, however, continues to indicate that the level of development proposed in the emerging plan, together with the accompanying package of necessary infrastructure improvements is entirely appropriate in order to improve the social and economic well-being of Herefordshire over the next 20 years.

#### *Changes to the planning system*

- 19 The new NPPF was published in March 2012 providing a significantly simplified and reduced level of Government Planning Policy (from more than 1,000 pages to around 50 pages). Previous advice from Government had indicated that the LDF, including

Core Strategies, should be concise and need not repeat national planning policy. With a much more streamlined national policy document and the intention of the Government to revoke Regional Spatial Strategies it will be necessary to ensure that the LDF is not silent on aspects of planning policy which are important to Herefordshire but which previously have been adequately covered by national planning policy. As a result, there may be a need to provide a more comprehensive suite of policies in some topic areas or look to continue to save existing UDP policies. In addition, there is likely to be a need to provide a more detailed policy framework on some issues which are important at a county-wide level and which are unlikely to feature in the preparation of Neighbourhood Plans, for example, minerals and waste policies and policies for gypsies and travellers.

- 20 Herefordshire Council's approved Local Development Scheme (LDS) identifies the intention of producing two detailed development plan documents setting out specific allocations and policies for Hereford and for Market Towns and Rural Areas. With the new ability for local communities to produce neighbourhood plans there is a need to reconsider the LDS. Although it is not clear at present how many neighbourhood plans will be produced across the County the Council has already responded to considerable initial interest in producing such plans at both Parish and Town Council level by establishing a Neighbourhood Planning Team. In recent months a number of Core Strategies have been suspended or withdrawn at examination because of their inability to show how housing targets will be achieved. It will be important that planning policies at a County level are able to clearly demonstrate how strategic targets can be delivered on the ground, provide a policy framework for determining development proposals where a neighbourhood plan does not exist or is silent and be sufficiently flexible so as not to unduly prevent the development aspirations of local communities being achieved in neighbourhood plans.
- 21 The NPPF also highlights the need to accord with the new Duty to Cooperate requirements which will be considered by the Inspector at Examination and places increased emphasis upon demonstrating viability of plan proposals.

#### *Evidence Base update*

- 22 The announcement in August 2011 of Enterprise Zone status for Rotherwas came after Cabinet's approval of the principles of the Revised Preferred Option in July. As a result of the announcement the Revised Preferred Option Background Paper indicated that there may be implications in terms of additional infrastructure requirements for the Enterprise Zone and that further consideration would need to be given as the plan progressed. Studies were commissioned (by Amey and SQW) to examine the economic, wider social and traffic impacts of an eastern link road extending from the Rotherwas Enterprise Zone to the A438 Ledbury Road.
- 23 The Amey report will consider engineering, environmental and traffic impacts, of an Eastern Link. In addition, SQW have been commissioned to consider the economic impact of an eastern link upon the proposed Rotherwas Enterprise Zone. This work is underway.
- 24 The Revised Preferred Option also proposed to modify the southern route corridor of the Hereford relief road to take account of the original by pass route between the A49 and the A465. To consider this route in greater detail and to take into account various consultation responses, Amey were commissioned to assess the environmental and amenity issues associated with the corridor.
- 25 The Amey report recommends that the route corridor to be taken forward should

incorporate those consulted upon at both preferred options and revised preferred options consultation stages. The report recognises that constraints exist with some potential routes relating for instance to the earthworks balance, the impact upon the setting of the historic assets and concerns relating to the crossing of Newton Coppice and the impacts of the Southern Corridor and the Western Relief Road Route on the Belmont Abbey complex. It should be noted that representations regarding the Southern Corridor have continued to be raised through letters and emails in the period since the end of the Revised Preferred Option consultation, including a petition expressing concerns regarding the potential impact of the road upon the Abbey complex and the results of a local survey undertaken by Callow and Haywood Parish Council.

- 26 The report recognises that retaining the corridor in this form has disadvantages in relation to the ongoing concerns of the public and other interested parties in the vicinity of the routes. It recommends that a preferred route is selected by means of the staged assessment in accordance with the Design Manual for Roads and Bridges and WebTAG, and that this is completed at the earliest opportunity to reduce the time that this uncertainty is felt.
- 27 In July 2011 the Local Housing Requirements Study produced by GL Hearn was published which recommended a housing target within the range 14,400-18,000 would be a realistic target to establish within the Core Strategy. As a result of this evidence an examination of past completion rates and other housing data was undertaken and the impacts of the depressed housing market assessed in determining a Revised Preferred Option target of 16,500 new homes for the period 2011-2031. Higher housing targets are not considered deliverable while a lower target would result in little growth in the local economy.
- 28 GL Hearn were subsequently asked to set out revised projections for population and household growth for the county, taking account of the level and distribution of housing proposed in the Revised Core Strategy Preferred Options. The study estimates that completing 16,500 new homes in the County would support a 12.3% growth in the County's population over the 20 year period, with the population increasing by 22,450 persons. The report also indicates that the age structure of the population will also change with the strongest growth in the population in those aged over 75, particularly as a result of improvements in life expectancy. However, the level of housing provision proposed is also predicted to support growth in the number of people in employment of 7.7%. Therefore although the trend towards an ageing population will continue the level of housing proposed in the Core Strategy will enable continued growth in the local economy. The recent study of the Housing and Support Needs of Older People in Herefordshire will be taken into account in ensuring that relevant demographic pressures are appropriately addressed.
- 29 As part of the LDF evidence base and in accordance with the NPPF the Council produces a Strategic Housing Land Availability Assessment (SHLAA) which is updated on an annual basis. The Assessment provides a technical assessment of the potential for new housing to be built in the County over the plan period. In addition the Assessment sets out an indication of whether the Council can demonstrate a five-year supply of specific and deliverable housing land. The most recent review of the SHLAA indicates that Herefordshire Council cannot demonstrate a five-year housing land supply (the SHLAA indicates the County had a 4.6-year supply in 2011). This is important as the NPPF indicates that local authorities should provide five years worth of housing land with an additional buffer of 5% and 20% where there has been a record of persistent under delivery (para 47) and that relevant policies for the supply of housing land should not be considered up-to date if a five-year supply cannot be



demonstrated (para 49). The issue of the size of any housing land buffer in Herefordshire will need to be considered as part of the review of SHLAA and the Annual Monitoring Report process.

- 30 Given the lack of a demonstrable five-year housing supply it is likely that there will be more planning applications for housing proposals that fall outside the existing UDP policy context. In providing pre-application advice or considering applications it is suggested that an interim approach should be taken which recognises the absence of a 5-year supply of housing land but aims to ensure that new housing development is located at sustainable locations. In determining planning applications this should mean that housing proposals of acceptable scale and design may be permitted where they:
- fall at locations that currently have settlement status within the UDP;
  - are located adjacent to the existing settlement boundary;
  - in terms of sites of 5 or more units, they should be sites that have been assessed through the SHLAA as having low or minor constraints.
- 31 In addition, the housing land situation should be taken into account in determining planning applications advanced for strategic sites identified through the emerging Core Strategy should proposals be received prior to the adoption of the plan.
- 32 All such applications will need to be determined by Planning Committee as they would not be consistent with the adopted UDP. This approach would not rule out other sites but the onus will be firmly on the applicant to demonstrate why the location is sustainable and appropriate for additional housing and, the environmental and other impacts of the development are acceptable. Although an interim approach is necessary in respect of this aspect of the UDP, planning applications will be required to accord with other adopted UDP policies.

#### *Ongoing work*

- 33 There remain a number of key areas where ongoing work is required in order to be able to demonstrate that the Core Strategy is soundly based. In respect of water related issues a key matter is the potential impact of the proposals of the Core Strategy upon the integrity of the River Wye SAC which is primarily related to the phosphate levels in the Rivers Wye and Lugg. It is essential that, before being submitted to the Secretary of State, the Core Strategy can be demonstrated to be fully compliant with the Habitats Regulations. In order to address the issue a Water Steering Group has been established with officers from Herefordshire Council, Natural England, the Environment Agency and Welsh Water working in partnership to address the issue and identify possible solutions
- 34 Demonstrating that the proposals of the plan are both viable and deliverable will be an important element of any Examination in Public and was another concern raised during the Revised Preferred Option consultation. An Economic Viability Study undertaken at Preferred Option stage indicated that meeting the proposed affordable housing target and achieving the level of development contribution based upon initial work on an IDP was not possible in the short term. The Report suggested a number of possible approaches to deal with this issue. Subsequently with amended proposals set out in the Revised Preferred Option and with work continuing to refine the IDP additional viability work has been commissioned which will not only provide evidence for the Core Strategy but is also intended to help in the preparation of the CIL. Given the changes

to the LDF timetable it is proposed that the CIL be produced in parallel with the progress of the Core Strategy, in order that it can be examined at the same time and adopted at the earliest opportunity.

- 35 As previously indicated above the preparation of neighbourhood plans will enable local communities to identify and plan for their own development needs. Given these changes to the planning system consideration of a different approach to the previous draft rural housing policies published in August 2010 would now seem appropriate. Such an approach would enable rural development to be identified in neighbourhood plans and also reflects comments raised during the Revised Preferred Option consultation to provide a more flexible approach to rural housing development. Any rural policy framework should also provide the basis for determining proposals where no neighbourhood plan exists and it will be necessary to demonstrate to an Inspector that the strategic target of 5,300 new dwellings in rural areas will be achieved by 2031. Public consultation upon such a new rural policy approach would be necessary and the implications of the new approach taken into account in undertaking the Sustainability Appraisal of the plan.
- 36 It is proposed that a further round of consultation is needed on a draft Core Strategy, prior to submitting to the Secretary of State and its public examination. This is to ensure that potential risks arising from recent case law are addressed, by providing consolidated documentation and clarifying outstanding matters including in respect of the Hereford relief road, the Rotherwas Enterprise Zone and rural housing policy. It is important that the draft Core Strategy is accompanied by Sustainability Appraisal (SA)/SEA and HRA reports to ensure full compliance with the regulations. The preparation of a consolidated set of documentation, produced for the proposed consultation, also provides the opportunity to clarify the reasons for rejecting alternative options in an accessible form. The consultation will take into account the agreed recommendations of Overview and Scrutiny Committee at its meeting of 9 December 2011, in respect of the principles to be applied when undertaking consultation.

#### *Local Transport Plan*

- 37 Council agreed the adoption of the LTP2 as its interim transport strategy pending the finalisation of the LDF submission at its meeting of 4 March 2011. As such, LTP2 remains the adopted transport strategy for Herefordshire. There is a statutory requirement for a highway authority to have an adopted LTP. Department for Transport confirmed that it was acceptable for Herefordshire to adopt its existing LTP as its interim transport strategy at the time of the decision in 2011 and that it was a 'local' decision.
- 38 The decision to coordinate the adoption of the LDF and LTP was sensible, seeking to ensure integration of long term land use planning and growth proposals with appropriate complementary transport infrastructure proposals. However, there is no statutory or other legal requirement to adopt these strategies at the same time.

#### *Options for Local Transport Plan Adoption*

- 39 Given the anticipated delays in adopting a final LDF Core Strategy it is now sensible to consider adopting a revised transport strategy in advance of the LDF. There are 3 broad options:
- a. LTP Option 1: Maintain the linkage between the two strategies such that the next LTP will continue to be delayed until such time that the Council is ready to

adopt the LDF core strategy. The revised timetable for adopting the LDF would indicate that this would be Spring 2014.

- b. LTP Option 2: Prepare a LTP covering the period to 2014/15, which does not prejudice the ongoing development of key elements to be considered in the Core Strategy, and seek to adopt this in advance of the Core Strategy. This option would maintain the linkage with the LDF timetable and include the provision for eventual adoption of an LTP to cover the period to 2031 which is coordinated with the adopted Core Strategy.
- c. LTP Option 3: To abandon the linkage between the two strategies and prepare a completely revised LTP strategy which can function independently of the eventual Core Strategy. This option is not recommended due to the interdependence between planned growth and the resultant supporting infrastructure and wider transport benefits.

#### *Recommended Option and LTP (to 2014/15) Coverage*

- 40 It is recommended that Cabinet pursues LTP Option 2. This will allow a refresh of transport policy areas which have moved on since adoption of LTP2 and the inclusion of an updated programme to cover the period to 2014/15.
- 41 Key areas of transport policy development which would be covered in a revised local transport plan (to 2014/15) include:
  - a. car parking strategy and parking supply in Hereford;
  - b. the priorities developed through the bus services review and consultation in 2011;
  - c. initiatives which will help longer distance commuters and rural access;
  - d. the City Centre Streetscape Hierarchy of Streets;
  - e. progressing the A49 to A465 highway link to identify a preferred route; and;
  - f. setting out proposals to address congestion issues in Hereford including the Destination Hereford programme and the infrastructure capacity review.
- 42 It would also be helpful for a strategy update to set out the short term delivery programme as the Council has certainty for its LTP capital funding programme to 2014/15.
- 43 Public consultation was carried out on a draft LTP3 in autumn 2010 and specific stakeholder engagement has continued to take place since this time (on such matters as bus services, community transport and highway improvements). It is recommended that a final round of public consultation is carried out on the draft LTP prior to consideration by Cabinet and Council to ensure that the public have had a chance to influence the strategy. This consultation will take into account the principles agreed with the Overview and Scrutiny Committee.

#### *Ongoing Linkage with Core Strategy*

- 44 The longer term strategy linkages with the LDF covering significant matters such as the relief road, strategic housing sites and the development of employment land are vital to maintain. In addition, the outcome of the viability assessment and the

development of a CIL need to be supported by complementary land use and transport strategies. This will help ensure that the Council can deliver strategic infrastructure and manage the interaction with private sector led development and funding opportunities. This will require the ongoing linkage of the two strategy areas and would mean that a refreshed LTP would be developed when the long term planning strategy is adopted.

*Timetable for the Local Transport Plan*

45 The proposed timetable below sets out key dates in the process for developing and adopting a short term LTP. It allows for an additional round of public consultation, based on a completed draft Plan. It also identifies the ongoing development of the longer term LTP strategy and its adoption in coordination with the anticipated timetable for adopting the LDF Core Strategy.

| <b>Date</b>              |  |
|--------------------------|--|
| July 2012                | Cabinet  |
| July – October           | Preparation of a Draft LTP Strategy and Delivery Plan (to 2014/15).                |
| Autumn                   | Consultation   |
| January 2013             | <b>Cabinet</b>   |
| February 2013            | Council Adoption of LTP  |
| July 2013 to Spring 2014 | Maintain linkages with Core Strategy development and review LTP Strategy (to 2031) |
| Summer 2014              | Adopt LTP to 2031  |

*Moving towards a final Core Strategy*

46 In order to ensure a sound Core Strategy the following steps are proposed prior to the submission of the document to the Secretary of State:

- preparation of a fully drafted Core Strategy for Cabinet approval and subsequent consultation;
- completion of a proportionate and consistent evidence base to cover the plan period up to 2031;
- completed SEA and HRA reports which are fully compliant with the respective regulations;
- demonstration that the Core Strategy proposes a suite of viable proposals that are flexible and can be delivered.

47 Having fully considered the consultation responses to the Revised Preferred Option and in the light of technical evidence Officers advise that the broad principles set out as part of the Revised Preferred Option remain an appropriate basis for developing a sound Core Strategy. It is recommended that Cabinet endorse the following proposals as forming the basis for working towards a draft Core Strategy.

48 In providing such a clear steer to the strategy Cabinet would provide a basis for Officers to draft the document and would also give weight to the emerging plan which could start to be applied when making planning decisions. Such an approach would be useful when demonstrating how the Council is expecting to deal with issues such as the lack of a five-year supply of housing land. However, the NPPF also recognises, in paragraph 216, that the extent to which there are unresolved objections in respect of emerging plans should also be taken into account in making planning decisions.

49 It is proposed that Cabinet agree to the following for inclusion within the Draft Core Strategy (subject to the outstanding issues identified earlier in this report being successfully resolved):

- that the Core Strategy covers the period 2011-31;
- provision of 16,500 net new dwellings and enables the development of 148ha of employment land across the County;
- at Hereford an overall target of 6,500 new dwellings including the proposed urban extensions at Holmer (500 dwellings), Lower Bullingham (1,000 dwellings) and Three Elms (1,000 dwellings);
- reference is made within the Core Strategy to the Rotherwas Enterprise Zone and new strategic employment land is provided at Three Elms ( as part of the proposed urban extension);
- the Core Strategy continues to propose the western relief road with amended route corridor to the south in line with the recommendations of the Amey report;
- in the Market Towns the following table sets out the basis of the Core Strategy proposals;

|                    | <b>Housing Target</b>                                 | <b>Other Development</b>  |
|--------------------|---|---|
| <b>Leominster</b>  | 2,300 new dwellings with 1,500 on the strategic site. | Strategic employment site.  |
| <b>Ledbury</b>     | 800 new dwellings with 700 on the strategic site.     | Strategic employment site.  |
| <b>Ross-on-Wye</b> | 900 new dwellings with 200 on the strategic site.     | Continuing with the Model Farm employment proposal as identified in the UDP               |
| <b>Bromyard</b>    | 500 new dwellings with 250 on the strategic site.     | Strategic employment site.  |
| <b>Kington</b>     | 200 new dwellings but no strategic allocation.        | Recognition that employment land is needed to be identified as part of a lower tier plan. |

- at Bromyard, with the recent refusal of planning permission of housing at Porthouse Farm and with the Town Council proposing alternative proposals, further consideration of the Core Strategy proposals for the town is required. This work to be undertaken in consultation with local members prior to the draft plan being considered by Cabinet;
- the strategic requirement to accommodate 5,300 new dwellings in rural areas over the plan period continue through the development of an alternative flexible approach to rural policies promoting new development where supported by neighbourhood plans and/or supported by the local community;
- that the Core Strategy includes a policy to ensure that development proposals will only be permitted where it can be demonstrated that the treatment of waste water will not result in the River Wye SAC exceeding its Conservation Objectives and require that new residential development incorporates the highest level of water efficiency;
- the Core Strategy policies recognise and plan to address current and future demographic trends to meet the needs of all sections of the community including older people and children and young people;
- a comprehensive examination of the emerging policy framework is undertaken to determine whether any significant policy gaps exist in view of publication of the NPPF and impending revocation of Regional Spatial Strategy. As part of this work it will be necessary to consider enhancing existing draft policies, preparing new policies or continuing to save a limited number of UDP policies.

50 Attached below is a suggested timetable setting out the various stages to the adoption of the Core Strategy. The timetable assumes that outstanding matters are sufficiently resolved by the end of September in order to allow for a draft Core Strategy to be progressed. Should it not be possible to identify firm solutions by this date it will be necessary to revisit the timetable.

| Date               |  |
|--------------------|--|
| July 2012          | <b>Cabinet</b>   |
| July – September   | <b>Continuing work on outstanding elements, including:</b> <ul style="list-style-type: none"> <li>• Ongoing development of the evidence base, including viability work and updated retail and employment evidence.</li> <li>• Completion of road studies, including the Eastern Link work and upgraded modelling.</li> <li>• Work on water quality issues with statutory bodies and water companies (water steering group).</li> <li>• Progressing approach to rural areas and other place specific issues.</li> <li>• Ongoing Policy drafting.</li> </ul> |
| October - November | Subject to sufficient progress being made upon the outstanding elements of work: <ul style="list-style-type: none"> <li>• prepare draft Plan</li> <li>• Prepare SA/HRA reports.</li> </ul>   |

|                  |  |
|------------------|--|
| December 2012    | <ul style="list-style-type: none"> <li>• Cabinet</li> </ul>  |
| Early 2013       | <b>Consultation upon Draft Plan and SA/SEA and HRA report</b>  |
| Spring 2013      | <ul style="list-style-type: none"> <li>• Analyse consultation response</li> <li>• Amend draft plan as necessary</li> </ul> |
| July 2013        | <ul style="list-style-type: none"> <li>• Cabinet</li> <li>• Council approval of Plan</li> </ul>                            |
| Late summer 2013 | <b>Pre-submission publication</b>  |
| Late 2013        | <b>Examination in Public</b>   |
| Spring 2014      | <b>Adoption</b>  |

- 51 The preparation of the CIL charging schedule, which itself will be subject to consultation, will need to ensure that it is completed in time to be considered alongside the Core Strategy at the Examination in Public.
- 52 In addition to the Core Strategy and CIL other development plan documents are likely to be required to enable a comprehensive LDF. A revised Local Development Scheme will be brought to a future Cabinet meeting setting out a programme to bring such documents forward in more detail.

## Community Impact

- 53 The LDF is at the heart of the delivery of key Council strategic objectives for the county. These include promoting economic resilience and diversity, providing decent and affordable houses, and providing good efficient transportation and movement throughout the county, balanced with the need to protect Herefordshire's built and natural environmental resources. The policies concerned are designed to yield significant positive community impacts. This has been guided and informed by extensive consultation to date.

## Equality and Human Rights

- 54 In order to fulfil the requirements of S149 of the Equality Act 2010, an Equality Impact Assessment was completed in October 2010. This report shows that previous consultations have been conducted across the county and taken equality issues into consideration. The Equality Impact Assessment will be reviewed prior to the next consultation to ensure that there is no potential for discrimination and that all appropriate opportunities will be undertaken to advance equality and foster good relations.

## Financial Implications

- 55 The Council is facing significant challenges in financial terms and through the national settlement and reductions in funding. The council's five year financial strategy includes an estimated 29.7% reduction in government formula grant. Budget decisions have been based on a set of core principles that include Supporting the Vulnerable. The process also includes fundamentally challenging what the council does to ensure appropriate use of public funding and quality of service.

- 56 In respect of the LDF the additional consultation and evidence base work will be met from currently approved budgets of £506k in total. This is made up of £206k held in reserves and a further £300k to address revenue budget pressures in 2012/13 as part of the Medium Term Financial Strategy.
- 57 Future pressure on the budget will arise from the need to hold an Examination in Public into the soundness of the plan, potential updates to elements of the evidence base which underpins the LDF and work to progress more detailed documents which form elements of the County's planning framework. The directorate will work to mitigate the additional budget pressure by seeking to absorb associated future costs where possible. As a result work is underway to identify and mitigate any impact of likely budgetary pressures upon the LDF process in future years and this will also involve consideration within the Council's financial planning.

## **Legal Implications**

- 58 The provisions of the 2004 Regulations as amended by the 2008 Regulations are mandatory. Section 20 of the Planning and Compulsory Purchase Act 2004 stipulates that before a DPD is adopted by a local authority it must be submitted to the Secretary of State for independent examination. A DPD would not be approved if the relevant provisions of the Regulations were not complied with.
- 59 A further round of consultation on a draft Core Strategy, prior to submitting to the Secretary of State and its public examination will help ensure that potential risks arising from recent case law are addressed, by providing consolidated documentation and clarifying outstanding matters including in respect of the Hereford relief road, the Rotherwas Enterprise Zone and rural housing policy. The draft Core Strategy should also be accompanied by SA/SEA and HRA reports to ensure full compliance with the regulations.
- 60 The need to demonstrate viability has become even more important following publication of the NPPF and that to progress work on the CIL would assist in showing that the plan is sound.
- 61 There are no legal implications related to de-coupling the LDF and the LTP, however, it is important to maintain the key linkage in respect of longer term strategy.

## **Risk Management**

### **62 LDF Option 1: proceed without further consultation on the LDF**

The key risks here are around the ability of the document to survive Examination and any subsequent challenge. On the basis of recent experience elsewhere, it is anticipated that the Inspector would raise issues related to soundness and refer the document back to the Council for these aspects to be addressed. This option will also increase susceptibility to legal challenge.

### **63 LDF Option 2: carry out further round of consultation on the LDF**

This option, whilst in itself a form of risk management, will entail more delay and this in itself carries risks, highlighted below.



| LDF Risk   | LDF Mitigation  |
|--|---|
| Lack of five year housing land supply weakens ability to control which sites come forward  | Steer development to sites assessed in SHLAA<br>Progress pre-application discussions on strategic sites – but see below re CIL.                           |
| Reliance on increasingly outdated UDP policies to support planning decisions threatens basis of planning control                 | Screen UDP policies for compliance with national planning policies<br>Produce Core Strategy   |
| CIL is not available to secure CIL payments from development – including the larger sites, leading to lost funding opportunities | Accelerate CIL to progress in tandem with Core Strategy<br>Address in pre-application discussions<br>Continue to use Planning Obligations SPD up to 2014. |

- 64 There are 2 key risks associated with the LTP and these are summarised with mitigation in the table below.

| LTP Risk  | LTP Mitigation   |
|---|--|
| Reliance on increasingly out of date LTP2/(Programme, Policies)                               | Adopt a short term strategy with appropriate updates on key policy areas and a short term delivery programme (LTP Option 2)  |
| (Part) severing the link between LTP/LDF may weaken the strategic case for key infrastructure | Any revised LTP strategy would need to outline the areas of overlap with emerging LDF strategy and set out the circumstances for an early review which would ensure full policy integration as and when core strategy is determined. |

## Consultees

- 65 Overview and Scrutiny Committee were consulted on the report at their meeting on 4<sup>th</sup> July 2012.

## Appendices

- 66 None.

## **Background Papers**

- Hereford Relief Road: Southern Core: Corridor Assessment Report, Amey; and
- Update to Local Housing Requirement Report, GL Hearn.