

Parish Council Chair
Neighbourhood Planning

Our ref: NP Planning
Your ref:

Date: 13 March 2019

Sent by email.

Dear Sir/Madam,

Re: The Future of Neighbourhood Planning

As you will know, we recently held two seminars to discuss the future of Neighbourhood Planning. The aim of the seminar was to better understand the issues that are facing both neighbourhood planning groups and the local authority as it progresses the local plan review. It was agreed Horsham District Council would follow up the seminar with a letter outlining the main issues discussed at the seminar together with the next steps.

Discussion Summary

We have already circulated a copy of the presentation from the seminar sessions. The key outcomes from the seminar session can be summarised below and full summary of the discussions is appended to this letter.

- There is an increasing burden on neighbourhood planning groups. The early 'light touch' approach for neighbourhood planning is no longer viable nor appropriate. It is clear that the burden of evidence and the time taken to navigate the process has become more costly, complicated and resource intensive for all local communities.
- The revised National Planning Policy Framework (NPPF) now requires local authorities to calculate housing need based on a standard methodology. This will lead to increased housing requirements for the district in the future, which will need to be planned for in the Council's Local Plan Review. In addition, the Council has a duty to consider whether it has any capacity to meet the unmet housing needs that may arise in surrounding districts and boroughs.
- Local authorities are also now required to set out housing requirements in their Local Plans for designated neighbourhood plan areas (paragraph 65 of the new NPPF). Any new housing to be provided in neighbourhood plans in future will need to take account of the future development strategy for the District.
- The Local Plan Review process has commenced with work taking place on a number of evidence base studies. The outcome from this work will be used to help inform a Preferred Strategy document for the new Plan. This will set out for consultation a draft strategy for the future which ensures the district continues to be able to meet its development needs. It will also identify potential development locations and the number of houses that neighbourhood planning may be expected to provide. **Please note that this work has yet to commence, and no numbers have been allotted to any settlement or neighbourhood plan area as yet.**

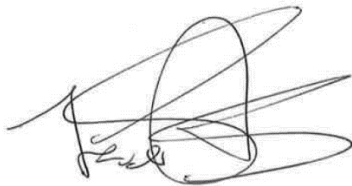
- It is recognised that current neighbourhood plans have been or are being prepared using the current Horsham District Planning Framework which has an overall requirement for at least 1500 homes to be delivered through neighbourhood plans and that this figure is likely to change when the local plan is reviewed. This will have implications for both made neighbourhood plans and plans which are currently being prepared.

Future Implications

In Horsham District, different neighbourhood planning groups are at different stages of plan preparation. Some are made, some well progressed through the process and others are still at the evidence gathering stage. As a result, the Local Plan Review will affect parishes in different ways. These detailed options are set out on the following pages together with the advantages and disadvantages of the different approaches agreed at the seminar sessions.

Although we understand that the issues that surround decisions on how and whether your parish chooses to progress with neighbourhood planning will be complex, we are asking that we receive an initial view on your preferred approach, on or before **Friday 31 May 2019**. We will continue to discuss the implications arising from the local plan review with you as we progress the preparation of this document, but if you have any immediate questions or queries please do contact our neighbourhood planning team (neighbourhood.planning@horsham.gov.uk).

Yours faithfully,



Trevor Saunders
Interim Head of Strategic Planning

Future Neighbourhood Plan Options

Parishes with Made Neighbourhood Plans

Parishes with a made neighbourhood plan will not need to consider starting a review of their plans until such time as the new Local Plan is adopted which is expected to be in mid – late 2021. The likely options are:

- 1) Commence a review of the neighbourhood plan to take account of any revised housing numbers which are allocated to the parish by the Local Plan Review. It should be recognised that to meet the step-change in housing growth that is being placed upon the Council, it is likely that most parishes will need to give serious consideration to the release of greenfield land in their parish area. Parishes will therefore need to take a view on how additional greenfield development could be brought forward in a manner that would pass the 'hurdle' of the referendum.
- 2) Retain the existing neighbourhood plan, but decide not to review it. Horsham District Council will instead lead the allocation of any sites in the parish to meet any revised housing numbers through the Local Plan Review, whilst consulting with the community. The District Council will also need to consider whether it is necessary to release additional greenfield land. This is tested by an independent inspector but there is no public referendum stage.

With this approach the existing neighbourhood plan and any allocations would remain in place for the rest of its plan period, but the new local plan policies would supersede those in the neighbourhood plan if there are areas where the two are not in alignment.

- 3) A hybrid option: Horsham District Council meets housing needs through the local plan process as set out in option 2. On adoption of the new local plan, the neighbourhood plan could still be reviewed to update on any policy issues considered to be relevant to the parish such as design or local greenspaces. The parish could also choose to allocate additional housing sites on top of those identified in the Local Plan if it wishes to do so.

Parishes with plans at and advanced stage of plan preparation

A number of parishes have reached an advanced stage in the plan preparation process, (generally at regulation 14 or beyond). It is expected that these plans will be 'made' by the time the Council submits its new local plan for Examination in the late summer of 2020. In this instance, the options are considered to be:

- 1) Commence an early review of the neighbourhood plan to take account of any revised housing numbers which are allocated to the parish in the Local Plan Review. Any review of the neighbourhood plan should recognise the step-change in housing growth required for the area, it is likely that most parishes will need to give serious consideration to the release of greenfield land in their parish area. It is recognised that neighbourhood plans must pass a referendum. Parishes may wish to take a view on how additional greenfield development could be brought forward in a manner that would pass this particular hurdle.
- 2) Retain the existing neighbourhood plan, but decide not to review it. Horsham District Council will instead lead the allocation of any sites in the parish to meet any revised housing numbers through the Local Plan Review, whilst consulting with the community. The District Council will also need to consider whether it is necessary to release

additional greenfield land. This is tested by an independent inspector but there is no public referendum stage.

With this approach the existing neighbourhood plan and any allocations would remain in place for the rest of its plan period, but the new local plan policies would supersede those in the neighbourhood plan if there are areas where the two are not in alignment.

- 3) A hybrid option: Horsham District Council meets housing needs through the local plan process as set out in option 2. On adoption of the new local plan, the neighbourhood plan could still be reviewed to update on any policy issues considered to be relevant to the parish such as design or local greenspaces. The parish could also choose to allocate additional housing sites on top of those identified in the Local Plan if it wishes to do so.

It should be noted that if for any reason the neighbourhood plan preparation process is delayed for any reason, the approaches set out for parishes at an early stage of plan making will need to be considered.

Parishes at an early stage of plan making

It is recognised that for a number of reasons, some neighbourhood plan areas are at the earlier stages of the neighbourhood plan preparation process. There is a risk that some of these neighbourhood plans may be overtaken by the local plan preparation process and superseded before the neighbourhood plan can be made.

The Council will therefore need to take a view as to the deadline by which neighbourhood plans which have not reached Regulation 15 (submission to the Council) will not be progressed to Examination by the Council. We hope to make a decision on this deadline within the next few months. For these neighbourhood planning groups it is considered that the main options are as follows:

- 1) Place the neighbourhood plan preparation process 'on hold' and then restart the process of plan preparation to take account of housing numbers which are allocated to the parish in the Local Plan Review. Any review of the neighbourhood plan should recognise the step-change in housing growth required for the area, it is likely that most parishes will need to give serious consideration to the release of greenfield land in their parish area. It is recognised that neighbourhood plans must pass a referendum. Parishes may wish to take a view on how additional greenfield development could be brought forward in a manner that would pass this particular hurdle.
- 2) Horsham District Council meets housing needs for the parish through the local plan process. Parish level needs would be met in consultation with the local community. Again it should be recognised that the District Council will need to consider whether it is necessary to release additional greenfield land if such an approach is pursued. This is tested by an independent inspector but there is no public referendum stage.

On adoption of the new local plan, the neighbourhood plan could be prepared – this could bring forward additional housing numbers on top of any allocations, or could simply consider other policy areas centred on community policies, design guidance or local green space policies and still be eligible to claim 25% CIL receipts as a result of having a made neighbourhood plan in place.

‘Pros and cons’ of different approaches

The following tables set out the advantages and disadvantages of pursuing the different options. It should however be recognised that they are not exhaustive, and in addition the weight of one or two advantages may be considered to outweigh a larger number of disadvantages (or vice versa).

Review / commence neighbourhood plan on adoption of new local plan	
Advantages – the ‘pros’	Disadvantages – the ‘cons’
There is now greater understanding and experience of the neighbourhood planning and the processes, expectations and costs involved. Expertise may potentially be retained if existing volunteers continue. New volunteers can bring a fresh perspective.	Older neighbourhood plans were produced under a ‘light touch’ era and the level of new evidence required may be much greater and more costly.
Neighbourhood plans remain a useful tool to help communities shape their local area, making sure the right homes are built in the right places.	Getting additional housing numbers through a referendum may be very difficult particularly given the pressure to deliver a step change in housing growth, as this is likely to require the release of greenfield land. At this stage there is still uncertainty as to what any number may be.
Neighbourhood Planning ensures the community remains engaged with the planning process. Parishes understand their communities and issues affecting them better than anyone else.	Neighbourhood Planning can be an expensive and timely process. The latest external funding committed from government amounts to £23M from 2018. Further external funding will need to be secured for later years, and as yet, is not guaranteed.
Having a neighbourhood plan in place can give some protection against unplanned development in some situations where the local authority cannot demonstrate a 5 year housing land supply.	There may be loss of valued experienced steering group members who choose to move on. Finding volunteers with particular skillsets who want to commit significant part of their free time over an extended period is difficult. Some NPs are dependent on particular individuals driving on the process.
The Plan and the associated work may help to form the basis for spinoff community projects or proposals thus yielding benefits beyond the Plan.	The planning system is complicated and overly burdensome for non-professionals. As NP sits within broader planning hierarchy and problems have arisen due to the changing policy landscape - some respondents had found their Plans subject to developer challenge, often with bruising results.
	The technical burden of having a robust evidence base is very difficult to achieve even with professional assistance, which can be costly.

	Neighbourhood Plans can also lead to particular tensions within a community – e.g. when housing proposals are put forward.
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Working with the District Council to allocate land in the new local plan	
Advantages – the ‘pros’	Disadvantages – the ‘cons’
This approach will be able to make use of the resources available to Horsham District Council as part of the Local Plan preparation process. (The Council receive only limited funding to support neighbourhood planning).	The local planning authority takes the leading role and therefore some in the community will see this as a more ‘top down’ approach and perceive it to be more difficult for local issues and aspirations to be incorporated into the more strategic local plan.
More difficult decisions on the location and strategy for development is made by the local authority but in consultation with the community.	There may be less community engagement as the allocation process is considered to be more top down.
No referendum required but the release of greenfield land, which may be contentious to local communities.	
Without focussing on planning matters there may be resources to help bring forward other community projects.	
Parish Councils can still do a neighbourhood plan after adoption of the Local Plan with or without the site allocations. They will still be entitled to 25% of any CIL receipts from development in their Parish.	
Support from District Council officers who have the professional expertise to adapt quickly with Government changes and update the evidence base.	

Summary of seminar debate:

Headlines

1. The recent two seminars held over two days in January 2019, is a follow up from last year's Neighbourhood Planning Conference which sought to examine particular issues such as gathering suitably robust evidence and issues surrounding producing a neighbourhood plan.
2. The introduction of the new NPPF last year introduces many significant changes to the planning system such as the housing delivery test, regular local plan reviews and the standardised methodology to derive a housing need number for a district.
3. HDC acknowledges the assertion that a 'light touch' for neighbourhood planning is no longer viable and nor appropriate. It was clear the burden of evidence and the time taken to navigate the process was becoming more costly, complicated and resource intensive.
4. Two studies were presented to draw attention to the delivery of housing development through neighbourhood planning (Lichfields: [The Delivery of Neighbourhood Planning](#) May 2018) and another study from the [University of Reading HIVE Research Study](#) (June 2018) which looked into participants experience in Neighbourhood Planning.
5. Neighbourhood Plans remain popular but there are significant issues that require further attention such as further legislative changes which will impact on neighbourhood plan.
6. HDC have commenced its review of the HDPF. It was highlighted the extent of the evidence base that required a review requiring commissioning of many consultants. It was made explicit as part of the impending review of the Horsham District Planning Framework that the NPPF requires Local Planning Authorities are required to distribute new emerging housing numbers to individual neighbourhood plans. It is anticipated that the Inspector Report will be deposited with the Local Authority at some point in 2021. The Inspector Report will provide the necessary certainty for neighbourhood planners to proceed with confidence to
7. It is anticipated the new standard methodology will generate a new district wide housing number which HDC will accommodate as it rolls forward the local plan to 2036. Over the coming months HDC officers have started that review which means looking in earnest where it can accommodate new growth in the future. The new housing number will be distributed in accordance with any review of the settlement hierarchy. This work has yet to be done and no numbers have been allotted to any settlement or neighbourhood plan area as yet.
8. This summer presents a unique opportunity as HDC rolls forward with its Local Plan review for local communities to review if there is an appetite to pursue a neighbourhood plan or delegate the responsibility to the local authority. A number of options were discussed and presented. They should be cross referenced with the presentation slides.