

**LDF Project Management Board
Workshop 20: Friday 16 November 2012**

Proposed minor amendment to the Local Plan – Contingency and Risk Management

Report by Keith Lane, Policy Planner

1 Introduction

- 1.1 As discussed at PMB 18, an advisory meeting was held with an Inspector from the Planning Inspectorate on 16th August 2012. The note of this meeting highlighted the need for additional detail to be added to the Local Plan regarding contingency and risk management. This report outlines the amendments that should be made to the plan in order to meet this requirement.

2 Recommendations

2.1 That PMB:

- 1. Agree the additional text in sections 3.4-3.12 of this report to be added to Chapter 13 (after paragraph 13.5 of the Proposed Submission Local Plan) as a minor amendment to the Local Plan when it is submitted to the Secretary of State.**

3 Report

- 3.1 The key reason for this proposed amendment to the Local Plan is an outcome of the PINS advisory visit note which states *“The Plan should contain details, possibly as part of the monitoring and management information, as to what contingency positions have been considered in response to identified risks and how the delivery of the plan will be secured in the event that assumptions are not fulfilled (e.g. rate of economic growth)”*. The need for such work was discussed and agreed at PMB 18 (4th October 2012).
- 3.2 There are several examples in the Proposed Submission Local Plan that allude to potential contingency measures if the plan is not being delivered as intended. The supporting text to Policy SS2 states that annual monitoring of housing delivery in the Rural Settlements will be undertaken to ensure it is being applied as intended i.e. to ensure that the scale of housing at this tier of settlements is appropriate to that set out in Policy SS5. The delivery section of Policies HG3 and HG4 make clear that changing economic circumstances will be taken into account by updating the viability assessment every 3 years. The implementation and monitoring chapter outlines that if there is insufficient progress in meeting the objectives of the plan, the Annual Monitoring Report will propose remedial action as necessary. In addition the plan states (para 13.5) that there will be a comprehensive review of the Local Plan every 5 years.

- 3.3 In order to provide further detail on contingency and risk management in the Local Plan, consistent with the advice of the Planning Inspector, the following section in this report (paragraphs 3.4-3.12) should be added to the plan (after para 13.5) when it is submitted to the Secretary of State.

INSERT THE FOLLOWING AFTER PARAGRAPH 13.5 OF THE PROPOSED SUBMISSION LOCAL PLAN:

Contingency and risk management

- 3.4 The Council recognises there are risks that the assumptions used in producing the Local Plan may not be fulfilled. Therefore, it is important to identify the key risks and set out how these could be overcome in order to deliver the plan.
- 3.5 A key assumption that has underpinned the Local Plan development strategy is the rate of economic growth. If the economy does not grow as forecast, this may inhibit the delivery of jobs and prosperity and with it the delivery of housing and employment land, and not enable the scale of development proposed in the District to be achieved. If the delivery of jobs and employment land is lower than proposed in the plan, there are several measures that the Council can take. The Council can seek grant support, in partnership with key partners, from the Government where the opportunity arises in order to help deliver jobs and sites. The Council can help bring sites forward through investment in land and infrastructure in order to create economic development opportunities where the market is failing to deliver (e.g. through District Council capital programmes or by investing Community Infrastructure Levy funds). The measures outlined above to stimulate the local economy would also help the market for housing.
- 3.6 Where the annual assessment of housing land supply identifies that there is not a 5 year supply of deliverable housing sites in the District, the Council will take action to address this. This will include holding discussions with developers and landowners to identify the barriers to delivery,¹ and where possible providing assistance in resolving any key issues. The Council propose to undertake regular review of the SHLAA in any event, but a lack of housing supply would trigger an immediate review. If the Council is unable to demonstrate a 5 year housing land supply, it may be necessary to release additional greenfield sites at the higher end of the settlement hierarchy where there is most potential to access jobs, facilities and key services (i.e. Yeovil, the Market Towns, and Rural Centres). This means a 5 year supply should be re-established.

¹ If these 'barriers' relate to planning obligations, these can be reviewed using the District Council's Planning Obligations Protocol where, upon demonstration that obligations are adversely impacting viability, obligations may be reasonably paired back to make the site viable.

- 3.7 There are several sites/locations for development that are significant to the delivery of the plan, particularly Yeovil Sustainable Urban Extension, Chard Strategic Growth Area, and the Directions of Growth at Market Towns. If these proposals are not being delivered, or delivered at a slower rate, discussions with developers and landowners will be held to highlight problems, which the Council will assist in resolving, for example through funding bids, investing in sites and trying to build consensus where there are various landowners. In the case of Chard the Council has undertaken viability and feasibility studies to establish its deliverability and has reserved potential use of CPO powers should success prove an on-going problem.
- 3.8 By having contingency positions to secure the delivery of the plan in response to potential risks, it should be possible to achieve the strategy for development across the District.
- 3.9 A more specific risk that has been identified is the potential for too much housing growth in the Rural Settlements in applying Policy SS2. If monitoring indicates that the scale of housing at Rural Settlements is too high, and that the cumulative effect of this development is promoting more rural development in less sustainable locations at the expense of more sustainable settlement development, then a review of this policy and its application will be undertaken.
- 3.10 It is also important to regularly review settlements to ensure that their roles and functions remain consistent with the hierarchy set out in Policy SS1. If monitoring were to show significant changes in a settlements' provision of jobs, facilities, services or accessibility, the Council can attempt to rectify this by focussing resources at areas most 'in need' where possible, for example through assisting the economy as set out above.
- 3.11 Other specific examples of where contingency measures may be necessary are Policies HG3 and HG4, where changing economic circumstances will be taken into account by updating the viability assessment every 3 years and the flexible wording of policy provides the ability to modify policy implementation; and Policy EQ1 which identifies sustainable construction standards that relate to Government proposals to amend the Building Regulations. If the Government were to change policy the Council may be obliged to apply the latest regulations despite the policy until such time as the Plan is reviewed.
- 3.12 In addition, the Council will regularly review the Local Development Scheme in order to ensure the Local Development Documents that are proposed continue to reflect the priority to deliver sustainable development in the District.