

Report of the Director of City Strategy

City of York Local Development Framework (LDF) – Draft Core Strategy Preferred Options

Summary

1. The purpose of this report is to request that the Executive approve the draft LDF Core Strategy Preferred Options document for consultation starting in June. The contents of this document were considered at the Local Development Framework Working Group on 6th and 20th April the minutes of which are attached as Annex C & D. The Executive is asked to approve the document, amended to reflect the recommendation of the group. The exception to this is in relation to those recommendations relating to the Spatial Strategy.
2. The recommendations of the LDF Working Group relating to the outcomes of the Spatial Strategy questions the overall housing target for York set in the Regional Spatial Strategy (RSS) in light of the current recession and recommends the use of a windfall allowance and increased densities to help meet it. In addition the LDF Working Group questioned the housing numbers in the later stages of the plan particularly beyond the end date of the current RSS.
3. It is proposed to add questions to the Preferred Options document to allow residents to provide their views on the issues of housing numbers and windfalls. Responses to these questions will be used to inform the Council's future response to the Integrated Regional Strategy (IRS) the successor document to RSS. If this ultimately results in a lower housing figure for York it may reduce or remove the need for potential urban extensions currently included in the draft Core Strategy. In addition Officers will also make appropriate representations to central Government with regards to windfalls.
4. The Preferred Options document currently allows those responding, to question the densities used. This will be explored in detail during consultation through the use of a focus group to consider urban design related issues.
5. The draft Core Strategy Preferred Options document as reported to the LDF Working Group is available in the Members' Library, from the receptions at the Guildhall and St Leonard's Place, on the Council's website and from the authors of the report.

Background

6. Good progress has been made to date on the production of the Local Development Framework in the context of a national picture of substantial slippage. We are now at a critical stage in the production of the Core Strategy. It will be the first development plan document produced by the Council under the new planning system. It will be a written statement of the planning strategy and vision for the City of York to 2030, together with strategic policies. All other planning documents produced must fit with the Core Strategy.
7. The LDF Core Strategy is the key tool for delivering effective, strategic planning and provides the context for all subsequent LDF documents. To do this it is important that it delivers the spatial / physical elements of the Sustainable Community Strategy and it is in conformity with national planning guidance and the RSS which constitutes part of the “statutory development plan” for the authority. It must do this in a way that provides an effective strategy for managing change and responding to York’s specific planning issues. This includes responding to the future need for housing and employment land in a way that respects York’s unique natural and historic environment.
8. The draft Core Strategy comprises the following broad areas:
 - A Planning **Vision** for York;
 - **Spatial Strategy** to direct the location of development;
 - A range of **Strategic Policies** presented under the following headings;
 - York’s Special Historic & Built Environment,
 - Building Confident, Creative & Inclusive Communities,
 - A Prosperous & Thriving Economy,
 - A Leading Environmentally Friendly City; and
 - A **Delivery & Review** strategy.
9. The Core Strategy involves public participation at the three stages highlighted below.
 - **‘Issues & Options’ Stage** – at this point the Council highlights key issues and options for consultation to inform the content, scope and direction of the Core Strategy.
 - **‘Preferred Options’ Stage** – consultation on the Council’s intended approach.
 - **Submission Stage** - consultation on the final document which will be submitted by the Council to the Secretary of State. Any comments received at this stage will be forwarded to the Planning Inspectorate for consideration at a public examination into the document.
10. We are currently at the Preferred Options stage of production. This follows on from two Issues and Options stages undertaken in June 2006 (Issues and

Options 1) and again in September 2007 (Issues and Options 2). The current document draws on the responses that were received during the consultation events as well as feeding in the evidence base findings and higher level policy including RSS and national planning policy.

11. Following Preferred Options a Submission draft Core Strategy will be produced later in 2009, which subject to Member approval and following consultation, will be independently examined by the Planning Inspectorate whose recommendations will be binding on the authority. It is important that the currently emerging plan will be able to stand up to this scrutiny. Government guidance indicates that plans need to be 'justified', 'effective' and 'consistent with national policy'.
12. The 'justified' requirement covers the need for a robust evidence base and consideration of reasonable alternatives (the guidance is clear that such alternatives must be realistic). The 'effective' requirement means that documents must be deliverable, flexible and able to be monitored. In addition to these tests the plan must be in general conformity with the RSS; be the subject of a sustainability appraisal; have regard to the Sustainable Community Strategy; and be produced in compliance with the Statement of Community Involvement.
13. Failure to meet any of these requirements is likely to lead to a plan being found 'unsound'. This would necessitate repeating earlier stages of plan preparation and would have significant financial implications. It would also have the effect of seriously delaying the adoption of the Core Strategy and all subsequent planning documents.

LDF Working Group Meetings

14. The Core Strategy and supporting work has been considered at the following recent LDF Working Groups:
 - *3rd March - Employment Land Review (ELR) – Evidence Base*
 - *9th March - Consultation Draft Strategic Housing Land Availability Assessment (SHLAA) Phase 2 – Evidence Base*
 - *6th April - LDF Core Strategy – Spatial Strategy for Consultation*
 - *20th April - City of York Local Development Framework – Draft Core Strategy Preferred Options*
15. The recommendations of the LDF Working Group along with the associated minutes from these meetings are attached as Annexes A-D to this report. The Executive is asked to approve the document amended to reflect the recommendation of the group. The exception to this is in relation to those recommendations relating to the outcomes of the spatial strategy.
16. The role of the Spatial Strategy will be to direct the future location of development at a strategic level, forming a key part of the Core Strategy. A

report to the LDF Working Group on 6th April set out some key principles behind the approach:

- maximising urban potential;
 - minimising the need for greenfield land;
 - protecting areas important to the historic character and setting of the city; and
 - avoiding areas of high flood risk and nature conservation value.
17. The report above drew on the two previous reports on the ELR and SHLAA highlighting that at housing levels set out in adopted RSS it would not be possible to meet all York's housing requirements within the existing built up areas up to 2030. Furthermore, there may be economic benefits in identifying sites beyond the built up area for employment. It concluded that land would need to be released from the Draft Green Belt, as areas of search for potential development beyond 2021, to meet the city's future development needs. A briefing note was circulated to all LDF Working Group members prior to the meeting (see Annex E of this report). This summarised the position in relation to options for 'bridging the gap' between the capacity of the built up area and housing targets.
18. Having considered the report and the briefing note the LDF Working Group on the 6th April recommended that the Executive:
- record its concerns that the report to the LDF Working Group implies possible development of land that was currently regarded as Draft Green Belt;
 - consider further the Spatial Strategy produced by officers with a view to approving, for the purposes of public consultation, a Core Strategy which provides choices for residents in respect of the numbers of homes to be provided in the city in the light of the current recession, the assumptions to be made about windfall sites during the whole of the plan period and the densities which should be assumed in - at least - the latter period of the plan;
 - requests that officers make the strongest possible representations to the Regional Planning Board that the housing and employment growth assumptions for the City - featured in the current RSS - should, in the light of the current recession, be lowered when the RSS is revised and reissued; and
 - make representations to the Government to allow an assumption for housing windfall sites to be included in LDF policies.
19. At the 2nd April Full Council the following motion was considered and carried:
- “Council views with concern the recent government advice to the Yorkshire and Humber Region that there should be a further increase in land allocations for house building over the next 20 years. Council reasserts its view that even the current Regional Spatial Strategy (RSS) assumption (providing for 850 additional homes per year) will be difficult to achieve without having an adverse impact on the City's setting, its built and natural environment, and that these numbers will place even further pressures on the City's transport, education, health and leisure infrastructure.

Council therefore advises the Executive to take account of the recommendations of the Local Development Framework Working Group to defend land previously identified as draft green belt from the option of building thousands of new homes in the period up to 2030.”

Affordable Housing

20. The approach to affordable housing was one of the issues covered in the report to the LDF Working Group on 20th April. The draft policy on affordable housing included a new sliding scale approach in response to public consultation on the Core Strategy and separate consultation with developers, house builders, housing associations, the Homes and Communities Agency and others during 2008. The LDF Working Group recommended that a number of different approaches were presented as options for further consultation as detailed in the minutes of the meeting attached as Annex D. This included the existing 50% policy and an alternative sliding scale.
21. It was agreed that Officers would consider the effect of the various alternatives put forward, in terms of their potential contribution to affordable housing. This would be based on data from the housing trajectory (which includes information from the SHLAA). Details are included as Annex F to this report.

Analysis

22. The recommendations of the 6th April LDF Working Group on the Core Strategy Preferred Options consultation document are that it should provide choices for residents in respect of:
 - a. the numbers of homes to be provided in the city in the light of the current recession;
 - b. the assumptions to be made about windfall sites during the whole of the plan period; and
 - c. the densities which should be assumed.

Furthermore that Officers prepare appropriate representations on these issues to the Regional Planning Board and National Government.

The number of homes to be provided

23. National guidance states that York’s LDF must be in "general conformity" with the adopted RSS. The current recession is a factor that would only be taken into account in a review of the successor document to RSS the Integrated Regional Strategy (IRS). It should be noted that the housing figure for York in RSS already represents a policy of relative restraint when compared to the household projections. The high household projections would also be a key consideration when considering a housing figure for post 2026.
24. Although this issue can not be questioned through the LDF process given its importance it is proposed to add a question to the document to allow residents

to provide their views, particularly in light of the current recession and its implications for the delivery of housing. This will clearly need to be linked to future levels of employment growth. Responses to this question will be used to inform the Council's future approach to the IRS. If this ultimately results in a lower housing figure for York it may reduce or remove the need for the potential urban extensions currently included in the draft Core Strategy.

Windfalls

25. National guidance and recommendations by the Planning Inspectorate on plans advancing through the examination process indicate that windfalls should only be included in the first 10 years if Local Planning Authorities can provide robust evidence of genuine local circumstances that prevent specific sites being identified and after 10 years if evidence exists to show why they cannot identify broad areas for growth. Those few exceptions where windfalls have been allowed have related to areas where the local authority boundary lies tight to the edge of the urban area and therefore no opportunities exist for expansion.
26. Officers believe that no evidence exists for York that meets either of the cases outlined above. The SHLAA included sites currently within the draft Green Belt. In addition the evidence base documents supporting the LDF indicate that there is land outside York's built up area that is not constrained by its value in terms of the historic character and setting of York, flood risk or nature conservation. The York LDF needs to set robust long term inner Green Belt boundaries for the first time, in a way that allows the city to meet its development needs in a sustainable way, and this points towards the need to identify areas of search that will then fall outside of the Green Belt for future potential urban extensions.
27. York's situation is unique in needing to set a Green Belt boundary that lasts for at least 20 years for the first time. Set against the context of most Core Strategies which cover a shorter timescale of 15 years, it seems reasonable to include an allowance for windfalls in the last 5 years of the plan period. It should be noted that this is included at risk.
28. City of York Council's response to RSS, as it emerged, expressed the view that windfalls should continue to be regarded as a part of the City's housing supply. This was considered important, as the City had experienced high levels of windfalls over recent years and this was considered likely to continue. It is therefore proposed to add a question to the Preferred Options document to allow residents to express a view on this issue. In addition officers will continue to make appropriate representations as the IRS is developed and make appropriate representations to central government. Members of the working group felt that historic levels of windfalls would continue to make a significant contribution towards meeting housing land requirements. However under current guidance there is no case for including them within the first 15 years and even after that it is at risk as referred to above.

Densities

29. The Preferred Options document currently allows those responding to question the densities used. This will be explored in detail during consultation through the use of a focus group considering urban design related issues. The calculations in the Core Strategy Preferred Options are based on reasonably high density assumptions including 30% of supply being provided through flatted development (reflecting the Housing Market Assessment recommendations) and density assumptions for housing in the suburban areas being 40 dwellings per hectare (based on Derwenthorpe and Germany Beck densities).
30. To meet RSS housing requirements through raising densities on sites within the built up area would require all sites to be 100% flatted development. This is not a realistic option given our clear evidence base requiring a mix of house types and government policy on providing family homes (as set out in PPS3). Although this evidence would be kept under review and may change towards the latter part of the plan.

Options

31. Members have two options relating to the Core Strategy Preferred Options document:
 - **Option 1:** to approve the draft Core Strategy Preferred Options document, along with supporting information for public consultation, as amended by the recommendations of the LDF Working Group modified to reflect the comments made in paragraphs 23 to 30 above; or
 - **Option 2:** to approve the draft Core Strategy Preferred Options document, along with supporting information for public consultation, as amended by the recommendations of the LDF Working Group.

Analysis of Options

32. As highlighted above the Submission draft Core Strategy that will be produced later in 2009 will be independently examined by the Planning Inspectorate. It is important that the currently emerging plan will be able to stand up to this scrutiny. Government guidance indicates that plans need to be 'justified', 'effective' and 'consistent with national policy'. In addition to these tests the plan must be in general conformity with the RSS. Option 1 would not compromise the 'soundness' of the plan whilst allowing public consultation on the overall housing numbers and windfalls which could then be used to respond to any review of the Regional plan. Although the inclusion of windfalls in the last 5 years could possibly put the strategy at risk when subject to examination.
33. Option 2 would involve amending the LDF Core Strategy to take account of a reduce level of housing, the inclusion of windfalls and possible higher densities. This approach for the reasons highlighted in paragraphs 23 to 30 is

likely to lead to conformity issues with RSS and national policy and the Core Strategy could be found to be 'unsound' as outlined in paragraph 13.

Consultation

34. The present document follows on from two previous stages of consultation undertaken in June 2006 (Issues and Options 1) and again in September 2007 (Issues and Options 2). The second consultation was carried out in conjunction with consultation on the Sustainable Community Strategy. The responses received from both the initial consultations have been taken into account in developing the draft Core Strategy Preferred Options document.
35. In addition the views raised during both previous consultation exercises are summarised in a document called 'Core Strategy Consultation Statement' (April 2009). This document, subject to the agreement of Members, will be made available along side the Core Strategy Preferred Options document during the consultation process. Copies of this document are available in the Members Library, on the Council's website and from the City Development team.
36. Following the LDF Working Group on 20th April we have discussed the issues York is facing with Government Office. They have highlighted the need for the Core Strategy to meet the requirements of national policy and be in conformity with RSS particularly in terms of housing numbers and windfalls.

Sustainability Appraisal

37. When producing LDFs local authorities are required to consider, at each stage of production, the impacts their proposals are likely to have on sustainable development. This is done through undertaking a sustainability appraisal of the document concerned and the publication of the appraisal so that those responding to any consultation are aware of the economic, social and environmental implications of certain approaches. A summary of the sustainability appraisal is provided as Annex B of the draft Core Strategy document. A full sustainability appraisal will be produced following Members approval of the draft Core Strategy.

Next Steps

38. The final version of the draft Preferred Options document accompanied by a sustainability appraisal, a summary leaflet and the 'Core Strategy Consultation Statement' (April 2009) document will be used as the basis of a City wide consultation due to start in June. The results of this consultation process will be reported back to Members along with recommendations on the form and scope of the Core Strategy at its 'Submission Stage'.

Corporate Priorities

39. The option outlined above accords with the following Corporate Strategy Priorities highlighted below.
 - Decrease the tonnage of biodegradable waste and recyclable products going to landfill.

- Reduce the environmental impact of council activities and encourage, empower and promote others to do the same.
- Increase the use of public and other environmentally friendly modes of transport.
- Improve the actual and perceived condition and appearance of city's streets, housing estates and publicly accessible spaces.
- Increase people's skills and knowledge to improve future employment prospects.
- Improve the economic prosperity of the people of York with a focus on minimising income differentials.
- Improve the health and lifestyles of the people who live in York, in particular among groups whose levels of health are the poorest.
- Improve the life chances of the most disadvantaged and disaffected children, young people and families in the city.
- Improve the quality and availability of decent, affordable homes in the city.

Implications

40. The following implications have been assessed.

- **Financial** – If the Core Strategy is found unsound then this would lead to additional costs as detailed in paragraph 43.
- **Human Resources (HR)** – *None*.
- **Equalities** - *None*
- **Legal** - *None*
- **Crime and Disorder** - *None*
- **Information Technology (IT)** - *None*
- **Property** - *None*
- **Other** – *None*

Risk Management

41. According to the Council's Risk Management Strategy there are a number of risks associated with this report. The most significant risks are statutory and financial.

Statutory

42. The City of York is without a statutorily adopted local development plan; the last plan for the city being produced in 1957. In addition, York is at the centre of a wider sub-area identified in RSS with a key role in delivering economic growth and housing. We are therefore under considerable pressure from the Department of Communities and Local Government and the Government Office to adopt an LDF for York as soon as possible. Taking an approach which proved to be ultimately unsound at a public examination could significantly lengthen the time to achieve an adopted LDF. This is unlikely to be acceptable and could lead in exceptional circumstances to the government intervening to ensure York has a sound LDF in place as soon as possible.

Financial

43. If the Council pursue a strategy which ultimately proves unsound following Public Examination then this will lead to the abortive costs of running such an

inquiry which will fall on the Authority. Any subsequent planning work to achieve a 'sound' plan and its testing at a Public Examination will have to be funded by the Council, and would therefore prove an additional cost. It should be noted that the inclusion of windfalls for the last five years of the plan period is at risk and may be one reason for the plan being found unsound but is advocated for the reasons outlined in paragraph 27. It is proposed to test this issue during the consultation on the Preferred Options document with Government Office and other key partners.

Recommendations

44. That the Executive:

- i) approve the draft LDF Core Strategy Preferred Options document for the purpose of public consultation amended subject to option 1 above.

Reason: So that the Local Development Framework Core Strategy can be progressed to its next stage of development.

- ii) delegate to the Director of City Strategy in consultation with the Executive Member and Shadow Executive Member for City Strategy the making of any incidental changes to the draft document that are necessary as a result of the recommendations of the LDF Working Group as endorsed by the Executive.

Reason: So that changes recommended as a result of discussions at this meeting can be made.

- iii) delegate to the Director of City Strategy in consultation with the Executive Member and Shadow Executive Member for City Strategy the approval of the full sustainability appraisal to accompany the Preferred Options document consultation.

Reason: So that the report and accompanying document can progress through to the Executive.

- iv) delegate to the Director of City Strategy in consultation with the Executive Member and Shadow Executive Member for City Strategy the approval of a Consultation Strategy and associated documents.

Reason: To ensure that the proposed methods of consultation are satisfactory to members.

Contact Details

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**Report
Approved**



Date

14th May 2009

Specialist Implications Officer(s)

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Wards Affected: *List wards or tick box to indicate all*

All

For further information please contact the author of the report

Background Papers:

- Draft Core Strategy Preferred Options (2009) – available on the Council's website at www.york.gov.uk with the agenda for the LDF Working Group meeting on 20/4/09.
- Core Strategy Consultation Statement (2009)
- 3rd March LDF Working Group Report: Employment Land Review – Evidence Base
- 9th March LDF Working Group Report: Consultation Draft Strategic Housing Land Availability Assessment (SHLAA) Phase 2 – Evidence Base
- 6th April LDF Working Group Report: LDF Core Strategy – Spatial Strategy for Consultation
- 20th April LDF Working Group Report: City of York Local Development Framework – Draft Core Strategy Preferred Options
- Strategic Housing Market Assessment (SHMA, 2007)

Annexes:

Annex A: Minutes of the 3rd March LDF Working Group: Employment Land Review – Evidence Base

Annex B: Minutes of the 9th March LDF Working Group: Consultation Draft Strategic Housing Land Availability Assessment (SHLAA) Phase 2 – Evidence Base

Annex C: Minutes of the 6th April LDF Working Group: LDF Core Strategy – Spatial Strategy for Consultation

Annex D: Minutes of the 20th April LDF Working Group: City of York Local Development Framework – Draft Core Strategy Preferred Options

Annex E: Briefing Note for 6th April LDF Working Group

Annex F: Affordable Housing Options