



Purpose: For Decision

Cabinet report

Date **15 JULY 2021**

Title **DRAFT ISLAND PLANNING STRATEGY**

Report of **CABINET MEMBER FOR PLANNING AND HOUSING**

EXECUTIVE SUMMARY

1. The Isle of Wight Council is in the process of revising its local plan (which was adopted in 2012) to ensure it is up to date. By doing this the Council will have a greater level of control over the planning decisions it makes. Under current legislation a new local plan also gives the Council the ability to make the case to the Planning Inspectorate that a housing number lower than that calculated by the Government's standard method is deliverable, and to move away from operating under the National Planning Policy Framework's 'presumption in favour of sustainable development'.
2. The Government has published its intention to change the planning system in several ways, including removing the ability for local authorities to plan for a housing number that is not calculated using the Government's standard method. It has also proposed to change the way the standard method is calculated.
3. The Council has previously consulted on a version of a revised plan, known as the Island Planning Strategy. In light of the significant consultation responses received, the local planning authority undertook further evidence work and this resulted in a substantially revised consultation draft Island Planning Strategy.
4. This paper seeks the decision to publish the revised draft Island Planning Strategy for a public consultation. Moving through the formal stages of plan preparation means the Council may have the opportunity to have the plan examined under current legislation and to put forward the case for a realistic and deliverable housing number.

BACKGROUND

5. Section 19(1B)-(1E) of the Planning and Compulsory Purchase Act 2004 sets out that each local planning authority must identify their strategic planning priorities and have planning policies to address these.
6. Through the National Planning Policy Framework, the Government has set out that the planning system should be genuinely plan-led. Succinct and up-to-date plans

should provide a positive vision for the future of each area; a framework for addressing housing needs and other economic, social and environmental priorities; and a platform for local people to shape their surroundings.

7. The Isle of Wight Council's current plan, the Island Plan Core Strategy, was adopted in 2012 (before the introduction of the National Planning Policy Framework). The Council is in the process of preparing a new local plan – the Island Planning Strategy. The Government has set a deadline for all local authorities to have an up-to-date plan in place by the end of 2023.
8. Since 2018 the Council, as local planning authority (LPA), has determined planning applications under the 'presumption in favour of sustainable development' as set out in the National Planning Policy Framework. This is because the LPA has not been able to demonstrate a 5 Year Land Supply (5YLS) and is below the Housing Delivery Test (HDT) threshold for delivery of new homes.

Changing national picture

9. On 6 August 2020, the Government published the '[Planning for the future](#)' white paper that proposed comprehensive reforms of the planning system, particularly the local plan making process.
10. The Queen's Speech on 11 May 2021 outlined that a Planning Bill is to be progressed within the next session of Parliament, meaning primary legislation to bring forward many of the changes within the White Paper will be progressed this autumn. The new legislation is likely to have a significant impact on the content of the council's new local plan, especially the number of new homes that are planned for, and the timetable for preparing it.
11. The potential implications of the Planning Bill on the content of and timescale for the Island Planning Strategy are considered in the Risk Management section of this report. However, the most significant risk is that the proposed changes to the current legislation will prevent local authorities putting forward a housing number in their local plan that is different to the Government's standard method for calculating housing numbers. Therefore, should the council wish to propose a housing number that is not the standard method number, it will need to ensure it has reached a certain stage in the plan preparation process prior to the Planning Bill being enacted.

Proposed content of the revised draft Island Planning Strategy

12. The Council undertook a public consultation on the first draft of the Island Planning Strategy in late 2018 and early 2019. Over nine thousand responses were received from 3,800 individual respondents raising a number of main issues which largely focussed on the level of housing growth proposed in the Plan, its location, the role of unmet need in that figure and the impacts on the island in meeting this level of development. This triggered further evidence being collected and a review of a number of the policy approaches proposed in the first draft version of the Island Planning Strategy.
13. The revised draft Island Planning Strategy (see appendix 1) proposed for consultation has also taken into account the impacts of the global Covid-19

pandemic and changing home and work requirements, and is therefore significantly different to the version previously consulted upon.

14. The main points of difference between the previous version and the revised draft Island Planning Strategy are:
 - greater direction in terms of biodiversity net gain requirements;
 - removal of garden settlement areas of search for new housing development;
 - reduction in the number of new homes planned for;
 - no allocated sites outside of new settlement boundaries;
 - 'hard' settlement boundaries, with no support in principle for development proposals immediately adjacent the settlement boundary;
 - revised approaches towards housing mix and affordability, designed to make more new homes accessible and affordable for Island residents; and
 - new policy to promote brownfield land and steer unplanned development towards it.
15. Whilst the revised draft covers a wide range of issues and seeks to provide an appropriate balance between social, economic and environmental considerations, the most notable point of difference for many is likely to be the proposed reduction in the housing number.
16. The revised draft Island Planning Strategy proposes a housing number below that calculated by the Government's standard method. In light of the evidence base it has collected and the advice from a planning QC, the Council is not challenging the standard method calculation itself. Instead, it is focussing on planning for what is a realistic and deliverable level of growth, given the unique set of circumstances and challenges found on the Island. It is considered that this approach is likely to be more successful at a public examination than a direct challenge on the standard method consultation.
17. The number of new homes proposed in the plan is an average of 486 per year, which is a reduction of 24 per cent from the figure previously consulted upon (641 per year). It is also lower than the current standard method figure of 668 per year and the 1,045 per year figure calculated using the Government's proposed approach in the Planning White Paper.
18. It is recognised that the use of greenfield sites is an important issue locally and many would prefer to see no development at all on such sites. The evidence collected shows that it would be very difficult for the LPA to justify (from a planning perspective) and successfully defend at a public examination an approach where there is no development on greenfield sites.
19. However, the policies proposed seek to minimise planned development on greenfield sites, with 60% of the new homes proposed to be on previously developed land (also known as brownfield land). Where greenfield sites are proposed, nearly 75% of the homes are already in the planning process (either with a permission, permission is currently being sought or proposals have been submitted through the LPA's pre-application advice service).

20. It should be noted that only around one per cent of the Island is proposed for new residential and employment land in the revised draft Island Planning Strategy, and is a reduction in the amount proposed in the previous consultation version of the Island Planning Strategy.
21. The revised draft Island Planning Strategy proposes planning policies and approaches that cover a range of issues wider than housing, which can have a positive impact on shaping the future of the island. These include:
 - requiring a minimum 10% biodiversity net gain from all development;
 - designating over 40 local green spaces, which have been identified by the local communities, to be given the same level of protection as a national park;
 - supporting dark skies in the south west of the Island;
 - 30 hectares of land allocated for employment generating opportunities;
 - facilitating the reinvigoration of high streets, working alongside the success of the Heritage Action Zone project; and
 - over 8 miles of new cycle track, including proposals to complete the West Wight to Newport pedestrian and cycle greenway;

STRATEGIC CONTEXT

22. Once adopted the local plan can be a positive tool in contributing to achieving a wide range of outcomes. In many instances however, the local plan cannot achieve the outcomes by itself and should be seen as one of the tools available to the Council to achieving its desired outcomes.
23. Through the approach towards land-use and the planning policies within it, the local plan can contribute significantly to the delivery of a wide range of Council priorities. It can also support the delivery of a number of other core corporate strategies, particularly the Health and Wellbeing Strategy, the Regeneration Strategy, the Housing Strategy and the emerging Environment and Climate Change Strategy.

CONSULTATION

24. The stages of producing a local plan are set out in legislation and can broadly be summarised as the following:

Consult on a draft plan – the council publishes a draft plan and, if appropriate, can make changes in light of the comments received.

Publish for representations – the council publishes what it believes to be a ‘sound’ plan and its accompanying evidence base. Representation (comments) are sought, but at this stage the council cannot act directly on the comments.

Submit for examination – the council then submits its plan, accompanying evidence base and the representations received to an independent Planning Inspector. The Inspector will then hold an examination in public to consider the submitted plan in the context of the representations received and national planning policy and legislation.

Adopt the plan – if the Planning Inspector finds the plan ‘sound’ the council can formally adopt the plan through a Full Council decision.

25. As already identified, the revised draft of the Island Planning Strategy has been prepared taking into account, as far as is possible, the responses received on the original draft. It is proposed to test the revised approaches through public consultation (at the first stage of the process identified in paragraph 24 above).
26. It is intended that the consultation on the revised draft Island Planning Strategy will run from Friday 30 July until Thursday 30 September. This is longer than the statutory minimum of six weeks consultation period and has been extended to allow for the consultation to be held over the summer period. It also allows for a greater level of engagement with the public and town and parish councils, and staff are in discussion with the Cabinet Member for Planning and Housing over what form this will take.
27. It is recognised that planning proposals and decisions are often considered contentious locally. By publishing the revised draft Island Planning Strategy for consultation, the Council’s proposed approach (and the evidence that supports it) can be appropriately locally tested. Once adopted the local plan can give certainty to local communities over how their area is expected change over the life of the plan.

FINANCIAL / BUDGET IMPLICATIONS

28. There is a direct financial implication of publishing the revised draft Island Planning Strategy for consultation, but this cost is already accounted for in the wider Planning budget. These costs are primarily associated with the publication of official notices and printing consultation material.

CARBON EMISSIONS

29. Consulting on the revised draft Island Planning Strategy will not have a direct impact on carbon emissions itself. It does, however, contain proposed planning policies that would contribute to the Council achieving the ambitions of the emerging Environment and Climate Change Strategy. Consulting on these policies provides the opportunity for external scrutiny of the proposed approach.

LEGAL IMPLICATIONS

30. The Council has published a [Local Development Scheme](#) under Section 15 of the Planning and Compensation Act 2004 that sets out the Development Plan documents that it intends to produce. The Island Planning Strategy is the key document within the Scheme.
31. The Council is required to consult on the draft local plan in accordance with its Statement of Community Involvement and hence it intends to publish its draft Island Planning Strategy for formal consultation under Regulation 18 of The Town and Country Planning (Local Planning) (England) Regulations 2012.

32. Other than a few relatively minor requirements, there is no legal direction regarding the content of a regulation 18 consultation. Alongside local consultation the Island Planning Strategy will also need to be tested for its general conformity with the National Planning Policy Framework (NPPF) and at the submission stage (Regulation 22 stage) the Council is required to submit what it considers to be a sound plan.
33. Because of the nature of the differences between the original draft and the revised draft of the Island Planning Strategy the LPA is repeating the regulation 18 consultation stage, rather than moving onto the next consultation stage with the revised draft.

EQUALITY AND DIVERSITY

34. The council as a public body is required to meet its statutory obligations under the Equality Act 2010 to have due regard to eliminate unlawful discrimination, promote equal opportunities between people from different groups and to foster good relations between people who share a protected characteristic and people who do not share it. The protected characteristics are: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.
35. The revised draft of the Island Planning Strategy has been subject to an equalities impact assessment (see appendix 3), which demonstrates that no negative impacts on the protected characteristics are expected from the document. Negative impacts are also not expected to arise from the act of consulting on the revised draft Island Planning Strategy, and the consultation will provide the opportunity for any issues relating to equality to be raised.

PROPERTY IMPLICATIONS

36. A number of the proposed allocations are owned by the Council. If they remain as allocations and the Island Planning Strategy is adopted there will be budgetary and place-making implications on the Council. The inclusion of Council owned sites is seen to be a commitment by the local authority to its regeneration aspirations and its place-making agenda.
37. Publishing the revised draft Island Planning Strategy for consultation will enable the Council to listen to views over the suggested approaches towards sites under its ownership and to consider how best to use Council owned land to achieve corporate outcomes.

OPTIONS

38. In light of the changing national picture it is considered that there are four substantive options in relation to the preparation of the new local plan.

Option 1 – to agree the revised draft Island Planning Strategy as attached for public consultation to run from 30 July until 30 September.

Option 2 – to agree an alternative version of the draft Island Planning Strategy for public consultation to run from 30 July until 30 September.

Option 3 – to agree an alternative version of the draft Island Planning Strategy for public consultation to run at a later date.

Option 4 – await the content of the Planning Bill and progress a revised Island Planning Strategy under the new legislation.

RISK MANAGEMENT

39. There are a number of risks associated with progressing the Island Planning Strategy through the statutory process. A key risk is if the plan isn't based on a robust evidence base it might not even be able to progress to an examination in public.
40. The NPPF sets out the tests of soundness, and through the examination process the independent Planning Inspector will determine whether the plan meets these tests and is therefore 'sound'. Ensuring that the plan is positively prepared, justified, effective and consistent with national policy will mitigate the risk of being found unsound.
41. There remains the risk that the approach proposed in the revised draft Island Planning Strategy, whilst sound from a planning perspective, will continue to be unpopular amongst communities. Whilst the revisions to the Island Planning Strategy have sought to mitigate this risk, the risk remains. It is likely that this risk cannot be completely mitigated, although it is considered that the risks associated with not progressing the Island Planning Strategy in its current form are greater.
42. Should there be delays in securing the adoption of the Island Planning Strategy it is highly likely that the Council will continue to have to operate under the 'presumption in favour of sustainable development' when determining planning applications for a longer period of time. This would mean that the Council would not have the same level of control over development, than if it had an up-to-date plan in place.
43. A further risk associated with any delays in the process is its current planning policies are not relevant and do not effectively address the needs of the local community.
44. A further risk, and perhaps the most significant, is the progression of the Planning Bill which is expected in the autumn of 2021. The Bill will need to pass through both the Houses of Parliament before coming into force. Indicative transition measures set out in the White Paper highlighted that unless an LPA has 'submitted' their local plan before the new legislation comes into force, they would have to prepare a local plan under the new process.
45. This is particularly significant as new legislation is expected to remove a local authority's ability to put a case forward that a housing number lower to that calculated by the standard method is appropriate. It is also expected to implement a housing figure for each local authority based upon a new standard method calculation that also factors in constraints.

46. Whilst the risk is outside of the Council's control and subject to multiple variables, the Council can seek to minimise the risk by progressing its local plan in the shortest possible time to give itself the best possible chance of being subject to any transitional arrangements associated with the implementation of the Planning Act. There is, however, no guarantee that progressing the Island Planning Strategy on its current timetable will secure the Council's ability to seek a housing number on its own terms.
47. It is recognised that the new standard method housing number may increase or decrease the current standard method number of 668 homes per year. Progressing the Island Planning Strategy would not prevent the Council from reviewing its position when details around the content of the Planning Bill become clearer.

EVALUATION

48. Given the significant amount work undertaken on the revised draft Island Planning Strategy it is considered that seeking a substantially different version of the plan (option 2) is likely to have a significant impact on timescales for delivery. Delays of this nature would then reduce the Council's ability for the plan to be considered under transitional arrangements (and the current regulations).
49. Whilst option 3 provides the ability to revise the content of the draft plan for consultation, it will also impact on the timescales in the same way as option 2 would. The risk section of this report sets out the timing implications associated with the preparation of the Island Planning Strategy and the expected emergence of the Planning Bill.
50. Waiting for more details of the content of the Planning Bill (option 4) is likely to create more uncertainty for communities and the development sector. It may also result in a higher housing number than that proposed in the revised draft Island Planning Strategy, which would be significant as this would set the number of houses the Council would need to be permit every year to demonstrate a 5YLS and the number of homes that would need to be completed every year to meet the HDT thresholds. Given the Council cannot meet either of these currently, a higher housing number will increase the scale of the challenge faced by the Council to remove itself from working under the 'presumption'.
51. Due to the potential and likely negative impacts of options two to four, and given that option 1 provides the opportunity for the Council to introduce the policies it wants to see and to seek to gain control over its planning decisions, option 1 is the recommended approach.
52. It is recognised that there may be the need for minor alterations to be made to the plan post-decision (should option 1 be agreed) and pre-publication of the consultation. It is therefore recommended that should option 1 be agreed provision is made for the Cabinet Member for Planning and Housing and the Director of Regeneration to agree any editorial and presentational changes, so long as they do not materially alter the intention of draft revised Island Planning Strategy attached to this report.

RECOMMENDATION

53. Option 1 - to agree the revised draft Island Planning Strategy (as attached) for public consultation to run from 30 July until 30 September.
54. To delegate any final editorial and presentational changes to the Island Planning Strategy to the Cabinet Member for Planning and Housing and the Director of Regeneration, so long as they do not materially alter the intention of the version agreed by Cabinet.

APPENDICES ATTACHED

Appendix 1 – Summary of the revised draft Island Planning Strategy proposed for consultation

Appendix 2 – The revised draft Island Planning Strategy proposed for consultation

Appendix 3 – Draft Equalities Impact Assessment of the revised draft Island Planning Strategy

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