
Report to:	Cabinet Council	Date of Meeting:	26 May 2016 9 June 2016
Subject:	Publication of Proposed Modifications to the Sefton Local Plan	Wards Affected:	(All Wards);
Report of:	Chief Executive		
Is this a Key Decision?	Yes	Is it included in the Forward Plan?	Yes
Exempt/Confidential	No		

Purpose/Summary

To inform Members of the key issues arising from the receipt of the Inspector's Initial Findings, and to seek approval to publish the proposed Modifications for 6 weeks consultation, alongside the Sustainability Appraisal and the Habitats Regulations Assessment of the Local Plan (Modifications). Any comments received will be submitted to the Inspector following the conclusion of the consultation period.

Recommendation(s)

That **Cabinet** recommends to Council that it:

1. notes the key issues arising from the Inspector's Initial Findings;
2. accepts the Inspector's Initial Findings as the basis for preparing Modifications to the Local Plan;
3. authorises the publication of the Modifications (both Main and Additional Modifications) for comment, alongside the Sustainability Appraisal and the Habitats Regulations Assessment of the Local Plan (Modifications);
4. grants delegated powers to the Chief Planning Officer, in consultation with the Cabinet Member: Planning and Building Control, to make minor editorial changes and any changes required by the Planning Inspectorate or as a result of changes to Government guidance to the Modifications before they are published; and
5. following the end of the consultation period, authorises the proposed Modifications to be submitted to the Inspector appointed by the Secretary of State to examine the Sefton Local Plan, together with all comments received.

That **Council**:

1. notes the key issues arising from the Inspector's Initial Findings;
2. accepts the Inspector's Initial Findings as the basis for preparing Modifications to the Local Plan;

3. authorises the publication of the Modifications for comment, alongside the Sustainability Appraisal and the Habitats Regulations Assessment of the Local Plan (Modifications);
4. grants delegated powers to the Chief Planning Officer, in consultation with the Cabinet Member: Planning and Building Control, to make minor editorial changes and any changes required by the Planning Inspectorate or as a result of changes to Government guidance to the Modifications before they are published; and
5. following the end of the consultation period, authorises the proposed Modifications to be submitted to the Inspector appointed by the Secretary of State to examine the Sefton Local Plan, together with all comments received.

How does the decision contribute to the Council’s Corporate Objectives?

<u>Corporate Objective</u>		<u>Positive Impact</u>	<u>Neutral Impact</u>	<u>Negative Impact</u>
1	Creating a Learning Community		✓	
2	Jobs and Prosperity		✓	
3	Environmental Sustainability		✓	
4	Health and Well-Being		✓	
5	Children and Young People		✓	
6	Creating Safe Communities		✓	
7	Creating Inclusive Communities		✓	
8	Improving the Quality of Council Services and Strengthening Local Democracy	✓		

Reasons for the Recommendation:

To brief Members on the issues arising from the Local Plan Inspector’s Initial Findings, and to seek approval to publish the proposed Modifications to the Local Plan for consultation, alongside the Sustainability Appraisal and the HRA of the Local Plan (Modifications).

Alternative Options Considered and Rejected:

None. This is a statutory process that has to be followed as part of the process of securing a ‘sound’ Local Plan which the Council can adopt.

What will it cost and how will it be financed?

(A) Revenue Costs

It is estimated that the total costs associated with the publication of the proposed Modifications will not exceed £5,000. This sum can be met from within the 2016/17 Planning Department's (Planning Policy) Revenue budget.

There will be further costs associated with the announcement of the intention to adopt the Sefton Local Plan and the publication thereof which will arise later this year. Further reports will provide details.

(B) Capital Costs

None.

Implications:

The following implications of this proposal have been considered and where there are specific implications, these are set out below:

Financial	
Legal Every Local Plan must be informed and accompanied by a Sustainability Appraisal and, where appropriate, a Habitats Regulations Assessment	
Human Resources	
Equality	
1. No Equality Implication	<input type="checkbox"/>
2. Equality Implications identified and mitigated	<input checked="" type="checkbox"/>
3. Equality Implication identified and risk remains	<input type="checkbox"/>

Impact of the Proposals on Service Delivery:

None.

What consultations have taken place on the proposals and when?

The Chief Finance Officer (FD.4141/16) has been consulted and notes estimated costs, (up to £5,000) can be met from within the 2016/17 Planning Department's (Planning Policy) Revenue budget.

Head of Regulation and Compliance (LD3424/16.) has been consulted and any comments have been incorporated into the report.

Implementation Date for the Decision

Immediately following the Council meeting.

Contact Officer:

Tel: Tel: 0151 934 3556

Email: ingrid.berry@sefton.gov.uk

Background Papers:

The following papers are available for inspection on the Council website via this link www.sefton.gov.uk/localplan and www.sefton.gov.uk/examlibrary :

1. Sefton Local Plan submission draft (LP1a and LP1b)
2. Inspector's Initial Findings (EX102);
3. Inspector's Initial Findings (2) Retail matters (EX107)

1. Introduction/Background

- 1.1 The purpose of this report is to seek approval of the following documents for consultation purposes:
- Main Modifications to the Local Plan;
 - Additional Modifications to the Local Plan;
 - Changes to the Policies Maps;
 - Sustainability Appraisal of the Modifications to the Local Plan; and
 - Assessment under the Conservation of Habitats and Species Regulations 2010 (HRA).
- 1.2 The Main and Additional Modifications can be found in a single document at www.sefton.gov.uk/cabinetandcouncil2016. The changes to the Policies Maps, an updated tracked changes version of the Local Plan, the Sustainability Appraisal and the HRA can also be found here. Copies are also available in the four Group Offices.
- 1.3 The hearing sessions of the Sefton Local Plan examination took place between November 2015 and January 2016. They are currently adjourned in January 2016 in order to enable the Inspector to produce his Initial Findings. The majority of the Initial Findings were received on 22nd February 2016 [EX102 Sefton Local Plan - Inspectors initial Findings](#), with the Initial Findings on Retail Matters received on 6th April [EX107 Inspector's Initial Findings - Retail Matters](#). The receipt of the Initial Findings is a key stage in finalising the Local Plan leading up to the Council adopting the Plan.
- 1.4 The Inspector overwhelmingly supports the Local Plan in all key respects, and his main findings are outlined in section 2 of this report.
- 1.5 The main purposes of the Initial Findings are firstly for the Inspector to set out his initial conclusions on the soundness of the Sefton Local Plan and secondly to ensure that this consultation includes all the Main Modifications that the Inspector considers necessary for the Plan to be found sound. The Inspector will take the representations on the Main Modifications into account before the final stage of the examination which is the completion of his report to the Council.
- 1.6 The majority of the Main Modifications have been suggested and agreed to by the Council (and were reported to Cabinet on 30th March 2016) before, during and after the hearings as a result of consideration of the evidence and/or in response to points raised by the Inspector. The Inspector commented that the reasons for the modifications would be familiar to most participants who attended the examination. In the Initial Findings he only comments briefly on the main strategic issues that arose. Detailed comments on all the policies and matters arising will not be addressed until his Final Report is received in the autumn.
- 1.7 However, to assist the Council and representors, the Inspector provided more detail on his Initial Findings on the following matters:
- a) The objectively assessed housing needs and land supply;
 - b) The objectively assessed employment needs and land supply;
 - c) The need for an early review; and

- d) The few instances where he considered that new Main Modifications are required to make the Plan sound, including site allocations; and
- e) Retail findings, as these could not be included in his report dated 22nd February 2016.

- 1.8 The Inspector also commented that, as those who participated in the hearings will be aware, the evidence base which underpins the Plan was not fully complete when the Council submitted the document for examination. This has led the Council to propose more Main Modifications than would often be required, sometimes quite late in the proceedings. The discussion of retail policy did not take place until mid-January 2016 and this led the Council to reconsider its approach to policy ED2 'Development in town, district and local centres, local shopping parades and outside defined centres'. The Inspector's comments on this are covered in his Initial Findings on Retail Matters dated 6th April 2016.
- 1.9 As well as the Main Modifications, the Council is also proposing to publish a number of Additional Modifications and changes to the Policies Maps for consultation. These do not go to the heart of the Plan or affect soundness. They generally relate to minor updating of evidence or context, or are changes made to add clarity to the Plan. An updated tracked changes version of the Local Plan has also been produced and is also on the above web page.
- 1.10 In addition to producing the Main Modifications for consultation, it is also a statutory requirement that the Main Modifications should be subject to assessment under the Conservation of Habitats and Species Regulations 2010 as amended (HRA) and undergo a Sustainability Appraisal (see section 3 below). These have both been completed and are proposed to be published for comment alongside the Main Modifications and Additional Modifications.
- 1.11 A summary of the Initial Findings dated 22nd February was reported to Panning Committee for noting on 30th March (Minute 121).

2. Key points raised in the Inspector's Initial Findings

- 2.1 Having carefully considered all the written evidence and the discussion at the examination hearings, the Inspector's initial conclusion is that, subject to the modifications proposed by the Council and a small number of other changes, he is likely to find the Sefton Local Plan sound.
- 2.2 The Inspector's Initial Findings are a clear endorsement for the approach and strategy of the Local Plan. The Inspector supports the approach to selecting sites for housing, and all but one of its employment sites. He also broadly agrees with the Council's view about how much land is available within the urban area for new housing and shares the Council's conclusion that the remainder has to come from Green Belt sites.
- 2.3 The Inspector has also considered the proposal put forward by the Council that the Local Plan should be the subject of an early review, due to the publication of the 2012-based household projections by the DCLG in February 2016. Whilst he has marginally increased the housing requirement in Sefton during the plan period from 615 to 640 each year, he does 'not believe that other factors warrant a further increase of this figure'. This is despite the work carried out in this area on

the Council's behalf by consultants NLP indicating that the objectively assessed housing need could potentially be as high as 1286 homes a year. As a result, he disagrees that there is a need for an immediate review of the Local Plan unless the conclusions of the sub-regional Strategic Housing and Employment Land Market Assessment (SHELMA) identifies a need for more housing or employment land in Sefton, including any needs associated with the expansion of the Port of Liverpool. If, however, a need is identified, he finds that the immediate and partial review of the Sefton Local Plan should be submitted within 2 years of the adoption of this Local Plan.

- 2.4 The Inspector takes the view that the evidence leads him to conclude that the Council was right to choose the 'meeting identified needs' strategy. He concluded that, 'given the formidable constraints faced by Sefton as a result of the tightly drawn Green Belt, international nature conservation designations, high quality agricultural land and areas susceptible to flooding, a difficult balance has to be struck between meeting growth needs and protecting the environment. In broad terms the middle option, meeting identified needs, gets this balance right'.
- 2.5 The Inspector also finds that the Local Plan's 'aim of meeting the need for homes, jobs and services as close to possible where they arise' as sound, but acknowledges that the 'expansion of settlements in proportion to their size has not always been possible due to the environmental constraints, the limited availability of land within the main urban areas and the borough's restrictive administrative boundaries'. Importantly, he finds 'that the selection of housing allocations and safeguarded land has been rigorous, objective and robust.'
- 2.6 He also endorses all but one of the employment allocations, the exception being the land south of Formby Industrial Estate. He states "The most significant further change is the deletion of one of the two employment sites in Formby". There are a number of reasons which led the Inspector to this conclusion:
- In the Inspector's view the Land north of Formby Industrial estate (MN2.48) is clearly the preferred site for the following reasons:
 - Whilst flooding is the most significant constraint for both Formby employment sites, it is more significant on the southern site, with 42% of the site being in the functional floodplain;
 - The impacts on the Green Belt are broadly similar between the two sites., but in landscape terms the southern site has more open vistas and development would appear as a more prominent extension of Formby into the surrounding large-scale, flat agricultural landscape;
 - On the other hand the ecological value of the northern site is greater, though the impacts are capable of mitigation.
 - The sale and nature of the enabling development is highly significant. A small number of trade counters and hybrid uses may be necessary to cross-subsidise delivery of the 8ha of B1/B2/B8 floorspace on the northern site (MN2.48). In contrast, the mixed-use development proposed on the southern site (MN2.49), which includes a new home for Formby Football Club, would require about 7,400 sq m of retail floorspace and some leisure uses to be viable. Fundamentally, a sizeable new retail development off Formby by-pass is not consistent with the Plan's retail strategy. There is no current capacity for new retail floorspace in north

Sefton, and as the retail implications of a scheme that would be over 40% of the size of Formby district centre have not been tested, compliance with the sequential and impact tests is far from certain.

- It is not clear whether the phasing of development on this site would meet the requirements of policy MN5 (the site specific policy for the land south of Formby Industrial Estate), as the latest viability study suggest the 7ha of employment floorspace would be built after, rather than in tandem with, the retail and sports uses.

- 2.7 The Inspector appreciated that the football element of the development would be a major benefit to Formby, but this is clearly outweighed by the amount and type of enabling development necessary to deliver this mixed use scheme.
- 2.8 In terms of housing land supply, he is satisfied that the delivery of the identified housing supply is set at an achievable level. He considers that the urban housing supply of 6,200 dwellings 'is likely to be a minimum yield given the cautious assumptions about windfalls'. Importantly he also finds that 'the contention that appreciably more dwellings could be built within the existing settlements is not supported by evidence.' He concludes that 'The remainder [of the requirement] has to come from Green Belt sites'.
- 2.9 The Inspector noted that, following the completion of the retail evidence and the discussion at the hearings, the Council had modified its approach to town centres and retail policy. In particular, he endorses the inclusion within Southport town centre of the main hotel and leisure area and Central 12 retail park, and the more limited extension to Crosby district centre. This has necessitated the retail core to be separately identified, in accordance with the National Planning Policy Framework.
- 2.10 He also agreed that it was appropriate that Sefton's many retail parks should be given preference over new out of centre sites, as occurs in the current Unitary Development Plan.
- 2.11 Although the thresholds for requiring impact assessments are much lower than the default 2,500 sq m set by the NPPF, in the Inspector's view they are justified by the evidence that some of Sefton's town centres are showing signs of decline and many others are vulnerable. Setting the threshold at the size of a typical anchor unit for the relevant centre is a reasonable position to adopt. With addition of the proposed Modifications to policy ED2, the explanatory text and the Policy Maps, the Inspector concluded that the changes proposed to this policy were also necessary for the Local Plan to be found sound.

3. Sustainability Appraisal and Habitats Regulations Assessment of the proposed Modifications

- 3.1 The proposed modifications to the Local Plan have been subject to a Sustainability Appraisal. This was to ensure that any significant sustainability impacts of the proposed modifications were identified and addressed. In fact no significant negative implications from any of the modifications were identified. This reflects the fact that most of the modifications have been proposed as a result of detailed discussions at the Local Plan examination. Most changes have usually

been made on a consensus basis and are intended to improve the outcome of development. The updated Sustainability Appraisal is available online (see above) and is available for comment alongside the proposed modifications.

- 3.2 The proposed modifications to the Local Plan have also been subject to a Habitats Regulations Assessment. The purpose was to identify whether any aspects of the proposed modifications would cause an adverse effect on the integrity of internationally important nature sites; and if so, to advise on an appropriate policy mechanism for mitigating these effects. The recommendations of the Habitats Regulations Assessment report have led to a small number of clarifications and wording changes to the explanation of the policies in Local Plan which are included in the current proposed modifications. The Habitats Regulations Assessment report concludes that, with these changes, the proposed modifications to the Sefton Local are compliant with the Conservation of Habitats and Species Regulations 2010 as amended. The Habitats Regulations Assessment of the proposed modifications is available online at (see above) and is available for comment alongside the proposed modifications.

4. Next Steps

- 4.1 The proposed Modifications (both Main and Additional), Sustainability Appraisal and Habitats Regulations Assessment will be published for a period of six weeks, running from 15th June – 27th July. Any comments received will be sent to the Inspector within 3 weeks. These will be taken into account before he produces his Final Report.
- 4.2 During the consultation, comments can only be made in relation to the proposed Modifications. Those making representations cannot raise issues that have previously been discussed or relate to parts of the Local Plan where no changes are proposed.
- 4.3 There is a very slight possibility that the Inspector may decide to re-open the examination hearings in order to hear further evidence if e.g. new Government guidance is issued, or significant new issues are raised which cannot be dealt with in any other way.
- 4.4 If the examination hearings are not re-opened, the Inspector will consider the consultation responses received and in due course will issue a Final Report, currently expected in late September. This will contain full details of the reasons why the Main Modifications are necessary to make the Plan sound. Once the Inspector's Final Report is received, the examination will officially conclude and the Council will then be in a position to adopt the Sefton Local Plan.