

DISTRICT PLAN REVIEW AND UPDATE – STRATEGY AND NON-HOUSING SITE POLICIES

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Wards Affected: All
Key Decision: Yes
Report to: Scrutiny Committee for Planning, Economic Growth and Net Zero
5th October 2022

Purpose of Report

1. The Scrutiny Committee is requested to consider the scope of the District Plan Review, the draft revised District Plan Strategy and non-site-specific generic policies which apply to development across the district. The full suite documents for consultation including the draft revised District Plan (with the proposed site allocations) and supporting documents such as the Habitats Regulation Assessment and the Sustainability Appraisal including the Strategic Environmental Assessment, will be considered by this Scrutiny Committee at its meeting on 18 October.

Summary

2. This report:
 - Summarises why the District Plan adopted in 2018 needs to be reviewed, the process of updating it, and the Scope of the review (see Appendix 1);
 - Summarises the additional evidence undertaken since January 2022 including the work of the Member Working Group meetings;
 - Sets out the draft revised District Plan Strategy and non-housing site policies (see Appendix 2); and
 - Outlines the next steps.

Recommendations

3. **That the Scrutiny Committee for Housing, Planning and Economic Growth:**
 - (i) **Considers and comments on the Scope of the District Plan Review, the draft revised District Plan Strategy, and the draft non-housing site policies**
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Background

4. The Mid Sussex District Plan 2014 – 2031 was adopted in March 2018. The adopted District Plan contained a commitment to review the plan (policy DP4: Housing), starting in 2021 with submission to the Secretary of State in 2023. The review and update of the District Plan has commenced.
5. The District Plan review process is carried out in two stages:
 - **Stage 1: Scope of the Review:** to review the policies within the adopted District Plan and determine whether they require an update

- **Stage 2: Update the District Plan:** to incorporate updated policies, and new policies, within an updated District Plan.
6. The Scope of the Review and a draft revised District Plan were published for consideration by Scrutiny Committee at its meeting in January 2022. At this meeting the Scrutiny Committee resolved to defer discussion until further work had been carried out on maximising brownfield and windfall sites, there was more clarity about the unmet need from neighbours and the impact of the Water Neutrality position affecting neighbouring authorities and to await the outcome of potential changes to the planning system being proposed by the Government. Relevant updates will be reported in the next Scrutiny Committee report.
 7. In January 2022, the Scrutiny Committee also resolved to establish a working party to “review the fundamental alterations to 10 major policies in the current District Plan and the addition of 6 new policies”. A politically balanced, cross-party Members Working Group was established and met four times to discuss proposed policies; the site selection methodology; the sites submitted to the council for allocation; and the sites proposed for allocation.
 8. This report presents details of the additional work undertaken; the outcome of the Member Working Group meetings; the Scope of the Review; the proposed draft revised strategy; and the proposed draft revised non-housing site Policies. This report does not include the housing allocation policies (the sites) or the associated sites evidence material required to support the allocations as these matters are scheduled to be considered by Scrutiny at its meeting on 18 October and these papers will be published alongside that report. Splitting the consideration of policies and sites in this way responds to Members concerns that sufficient time is allowed to enable robust scrutiny of this complex area of work. This is particularly important given the other items which are scheduled for consideration at the Scrutiny Committee meeting on 5 October.
 9. As noted above, the proposed Housing Site policies (the site allocations) will be the subject of the report scheduled for discussion by this Committee on 18th October 2022. The next report will include the full draft revised District Plan 2021- 2039 including the allocations, the proposed draft revised District Plan and full suite of legally required documents to support the Plan. At that meeting this Committee will be asked to recommend to Council that the draft revised District Plan and associated documentation be approved for Regulation 18 stage consultation.

Why Update the District Plan?

10. The planning system should be plan-led. An up-to-date District Plan should be in place to provide a vision for the future and address housing needs and other economic, social and environmental policies. An up-to-date plan is crucial in enabling the Council to:
 - maintain control of how to address housing need,
 - control the location of the proposed sites for development including securing infrastructure to provide certainty by ensure statutory providers know where, when and how much development is likely to be delivered,
 - place full weight on its policies when determining planning applications,
 - impose policy requirements to ensure sites deliver site-specific mitigation, infrastructure and facilities required to support housing development
 - secure a minimum 5-year supply. Without which, housing policies are deemed ‘out of date’ and the presumption in favour of sustainable development would apply resulting in speculative unwanted development.

11. In the period before the current District Plan was adopted in 2018, the Council could not demonstrate it was meeting its housing need and did not have a 5-year housing land supply. In this period, it is estimated that 3,000 unplanned, speculative dwellings on greenfield sites were developed as a direct result of due the Council not having a 5-year housing land supply. It cost the Council around £720k in unsuccessfully trying to prevent these sites coming forward. It is therefore vital that an up-to-date plan is in place.
12. The Town and Country Planning (Local Planning) (England) Regulations 2012 (as amended) requires local planning authorities to review Local Plans (such as the District Plan) every five years to ensure policies remain relevant and effectively address the needs of the local community. This is reflected in the National Planning Policy Framework (NPPF) and Planning Practice Guidance (PPG), which set out the process that should be followed to review local plans. Reviews should be completed no later than five years from the adoption date of the Plan. The District Plan reaches its fifth anniversary in March 2023.

District Plan Review - Scope

13. Planning Practice Guidance states that policies age at different rates and that policies do not automatically go out-of-date at the 5-year point. However, dependant on changing circumstances and evidence, policies may be considered out-of-date and carry less weight when determining planning applications if they are more than 5-years old. Accordingly, the NPPF (paragraph 33) establishes two distinct phases of the process:
 - **Stage 1:** Review to assess whether elements of the plan need updating
 - **Stage 2:** Update as necessary
14. National policy and guidance set out the considerations and process of reviewing Local Plans. These considerations include:
 - Changing circumstances affecting the area, such as changes in housing, employment or other needs;
 - Relevant changes in national policy;
 - Whether the authority has a 5-year supply of deliverable housing sites;
 - Success of policies against indicators as set out in the Authority Monitoring Report;
 - Plan-making by other authorities, such as whether they can meet their housing need;
 - Any new social, environmental and economic priorities that may have arisen.
15. In addition, the review should be undertaken in the context that the NPPF requires Local Plans to be a minimum of 15-years from adoption. Given that there are a number of statutory processes that need to be completed before the updated District Plan is adopted (including two rounds of public consultation and examination in public by a Planning Inspector) it is estimated that adoption will take place in 2024. Therefore the plan will cover the period from 2024 to 2039 to ensure compliance with national policy.
16. Each of the existing District Plan policies has been reviewed in line with the requirements set out above. This has determined which policies are 'in scope' to be updated, and which do not require an update at this stage. Each of the policies have been categorised as follows:

- **No Update required:** The policy continues to comply with national policy and the evidence base has determined it is still effective as it stands
 - **Minor Update:** The Policy only requires minor amendments (such as factual updates) that do not change the overall meaning or direction of the policy.
 - **Major Update:** Changes in national policy or updated evidence suggests that an existing policy may require updating in full
 - **New Policies:** Changes in national policy or updated evidence suggests that a new policy is required
17. Stakeholders will be able to comment on the categorisation as part of the consultation process, which will help to refine the updated District Plan as it progresses through the formal stages to adoption.
18. The findings of the Review process are set out in Appendix 1. In total, of the currently adopted District Plan policies¹:
- 7 do not require any update;
 - 18 require minor factual/clarity updates;
 - 11 require a major update.
19. The findings at “Stage 1 - Scope of the Review” have informed the drafting of the draft revised District Plan. This includes an updated Plan Strategy to guide growth, and a range of updated and new policies to ensure the District Plan remains effective, in accordance with National Policy, and that full weight can continue to be applied when determining planning applications.
20. The proposed draft revised Strategy and Non-Housing Site Policies are attached in Appendix 2.

Updates since January 2022

21. Following the Scrutiny Committee’s resolution in January 2022, further work has been carried out on the policies in the draft District Plan.
22. The policies within Appendix 2 include amendments that have been made to the policies since January 2022 as a result of refinements to follow best practice or for clarity, and to take account of the work carried out by the Members’ Working Group.

Plan Strategy

Vision and Objectives

23. The purpose of the planning system is to contribute to the achievement of sustainable development. The preparation and implementation of plans should help deliver this.
24. The adopted Plan’s vision is:

“A thriving, attractive and resilient District, which is a highly sustainable and desirable place to live, work and visit. Our aim is to maintain, and where possible, improve the social, economic and environmental well-being of our District and the quality of life for all, now and in the future.”

¹ These figures have been updated since January 2022 as a result of further work, including that of the Member Working Group

25. The vision is still relevant; therefore, it is not proposed to update it in the updated draft revised District Plan.
26. The vision in the adopted plan was underpinned by four priority themes that promote the development of sustainable communities. These have now been amalgamated into three priority themes which reflect the NPPF:
 - **Environment:** Protecting and enhancing the natural, built, and historic environment;
 - **Economy:** Promoting economic vitality; and
 - **Social:** Ensuring cohesive, safe and healthy communities
27. Section 5 of the draft revised Plan sets out a range of strategic objectives for each of the themes and these remain relevant. The themes are in full accordance with the NPPF's objectives for delivering sustainable development through local plans.
28. In addition, in line with the revised NPPF (Paragraph 7) the draft Plan embeds the United Nations 17 "Sustainable Development Goals" (SDGs) and sets out how policies within the draft Plan will contribute to one or more of these goals. This also aligns with the approach taken in the Mis Sussex Sustainable Economy Strategy.

The draft revised District Plan Strategy

29. The adopted District Plan Strategy focuses development at the three towns (Burgess Hill, East Grinstead and Haywards Heath) and encourages proportionate growth at other settlements to meet local needs and support the provision of local services. This spatial strategy informed the location of allocations in the District Plan and the Site Allocations DPD.
30. A fundamental part of the District Plan review has been to determine:
 - a. whether the existing strategy is still relevant given any changes to evidence or local circumstances; and
 - b. whether the current strategy can be maintained given the extended plan period; future predicted needs; and availability of sites.
31. The current strategy has been reviewed. Given the environmental and infrastructure constraints in some areas of the district, existing committed development (e.g. sites with planning permission and allocations within the adopted District Plan, Sites DPD or Neighbourhood Plans), and location of deliverable/sustainable sites with the potential for allocation, it is concluded some areas within the district have higher potential for further growth compared to others.
32. The findings of the evidence base indicates that, beyond existing commitments (i.e. current allocations):
 - There is limited further growth potential at East Grinstead and Haywards Heath, therefore the current strategy to focus growth to the towns cannot be sustained.
 - There is limited further growth potential at Area of Outstanding Natural Beauty (AONB) settlements. The previous District Plan strategy allowed for proportionate growth at all AONB settlements, due to changes to National policy cannot now be sustained.
 - There is, however, the potential for growth at some settlements not within the AONB. The extent of growth is dependent upon the characteristics of the settlements and the availability/size of potential sites at those locations.

33. Given the extended plan period to 2039, the extent of growth required in that period, and the aforementioned conclusions, it is clearly not possible to continue to plan in accordance with the currently adopted District Plan strategy. A revised Plan Strategy, to guide locations for growth to meet local needs, is therefore required.

34. The proposed revised draft Plan Strategy is based on four themes set out below.

- **Protection of Designated landscapes (such as AONB)**

Approximately 50% of the district is within the High Weald Area of Outstanding Natural Beauty. National planning policy and guidance is clear that great weight should be given to conserving and enhancing the landscape and scenic beauty of AONBs and its wildlife and cultural heritage. These areas along with National Parks and the Broads have the highest status of protection (NPPF, paragraph 176).

The adopted District Plan, Site Allocations DPD and Neighbourhood Plans allocate sites for housing and employment within the High Weald AONB to allow settlements within the AONB to grow and to support local services. However, national policy makes clear that the scale and extent of development should be limited.

The proposed strategy in the draft revised District Plan therefore aims to ensure designated landscapes such as the High Weald AONB are protected and growth in such settlements limited.

- **Making effective use of land**

National Planning Policy (NPPF, paragraph 119) promotes the use of previously developed land ('brownfield') wherever possible. Whilst opportunities for brownfield development in a rural district such as Mid Sussex are limited, the proposed draft Strategy in draft revised District Plan is to ensure that every opportunity to maximise development on such sites will be taken. In addition, where countryside sites are required, these should be developed at appropriate densities to ensure effective use is made of the land.

- **Growth at existing sustainable settlements where it continues to be sustainable to do so**

Opportunities will be taken to focus growth at settlements which are already sustainable; for instance, where there are a number of services and facilities within walking/cycling distance in accordance with the 20-minute neighbourhood principle. The adopted District Plan promoted this approach by focussing development at the three towns, then larger villages.

- **Opportunities for extensions to improve sustainability of existing settlements which are currently less sustainable**

The adopted District Plan strategy allowed for only limited growth at settlements that are deemed less sustainable (i.e. those with few or no local services and facilities). However, there are opportunities for growth at such settlements where there are sufficient smaller sites or sites sufficiently large enough to provide supporting new services and facilities which would be of benefit to both new residents and the existing community.

For instance, if there is a critical mass a new site allocation will provide its own on-site facilities and services – such as provision of a new primary school, health facilities, neighbourhood centres/small-scale retail, employment and open space/sports provision. Provision of such facilities in settlements which are lacking (or have no such provision) will create a more sustainable settlement.

This proposed aim embodies the concept of “20-minute neighbourhoods” i.e., creating an environment where the community is happy to travel actively (e.g. by foot or cycle) for short distances from home to services and destinations they need to support their day to day lives; these include shopping, school, green spaces and more. Urban extensions including provision of on-site services, at existing less sustainable settlements, can reduce the number of trips currently made by car to services and facilities much further afield.

35. Section 6 of the draft District Plan sets out the Plan Strategy in further detail. The Plan Strategy will guide the distribution of allocations, which will be set out in the Scrutiny Committee report to be considered at the meeting on 18th October.

Policies

36. The proposed draft revised District Plan includes a revised suite of planning policies which will be used in the determination of planning applications. This includes policies that have had a major update as a result of review, and new policy areas that were not included in the adopted District Plan. For completeness, the draft District Plan also includes policies that do not require an update i.e. remain unchanged from the current policy in the adopted District Plan. The status of each policy is clearly indicated for ease.
37. The drafting of updated and new policies is supported by a proportionate, up-to-date and robust evidence base as required by national policy. The full evidence base that has supported the policies is available online at www.midsussex.gov.uk/DistrictPlan. It is important to note that the evidence base is organic and will be updated with any new additions between now and submission of the District Plan for examination.
38. The policies have been categorised under the following chapter headings:

Sustainability
Natural Environment and Green Infrastructure
Countryside
Built Environment
Transport
Economy
Sustainable Communities*
Housing*
Infrastructure

*Note: the Sustainable Communities section, and site allocations within the Housing section will be the subject of the Scrutiny Committee report for consideration at its meeting on 18th October.

Sustainability

39. This section includes a new policy outlining the Council's approach to addressing the causes of climate change (DPS1), for example, by setting out how development should reduce carbon emissions and mitigate future impacts. The rest of the policies within this section address these aims specifically, in particular a policy on Sustainable Design and Construction (DPS2) has been significantly updated to include the requirement to submit sustainability statements, the requirement to meet Home Quality Mark and BREAM standards and to achieve the tightest possible standards in relation to water consumption.
40. A new policy on Health and Wellbeing (DPS6) has been included to maximise opportunities to enable healthy lifestyles.

Natural Environment and Green Infrastructure

41. The Environment Act (2021) became law in November 2021. A new draft policy (DPN2) is included that requires a minimum of 10% net gain in biodiversity, with higher levels on larger sites. This policy will continue to evolve as guidance and best practice emerges between now and the Plan's adoption.
42. A new policy is included on Green Infrastructure (DPN3) recognising that this delivers a range of environmental, social and economic benefits including resilience to climate change, positive health and wellbeing effects, nature-based solutions and supporting nature recovery.

Countryside

43. This section contains minor updates to existing policies that seek to protect and enhance the countryside (including protected landscapes such as the High Weald AONB and South Downs National Park), prevent coalescence, and the Council's policy related to impacts on Ashdown Forest, a European protected site within Wealden district.

Built Environment

44. This section contains minor updates to existing policies related to design (DPB1) and protection of heritage such as listed buildings (DPB2) and conservation areas (DPB3).

Transport

45. Major updates have been made to policies in this section to reflect the adoption of West Sussex County Council's Transport Plan 2022-2036 in April 2022. This section updates existing transport policies to encourage placemaking, connectivity and active travel (such as cycling and walking), but also adds additional new policies related to Parking and Electric Vehicle Charging Infrastructure (DPT4) and to restrict Off-Airport Car Parking (DPT5).

Economy

46. Crawley, Horsham and Mid Sussex make up a local Functional Economic Market Area (FEMA). An Economic Growth Assessment (EGA) was commissioned for the FEMA and was published in 2020. A Mid Sussex EGA update has been prepared to consider changing economic circumstances since, in particular the Covid-19 pandemic and forecast impact on job growth and land requirements.
47. The EGA update confirms that, based on predicted future housing growth, economic forecasting and current supply of employment sites permitted and allocated, there is a surplus of employment land up to 2038. The EGA update therefore concludes that no further employment allocations are required at this stage however facilitative policies are included within this section to allow for growth.
48. Since the District Plan was adopted in 2018, much has changed in relation to retail. An updated Retail Study (2022) has assessed future needs for retail as well as policy recommendations to respond to national policy on town centre uses and changes to the Use Class Order in 2020 (related specifically to Class E). Whilst the study concludes that there is no requirement for additional allocation of retail land, it has proposed revisions to existing policy requirements for designated town centre boundaries and Primary Shopping Areas which are set out in policies DPE4 and DPE5.

Housing

49. Site allocations will be the subject of a future Scrutiny Committee, scheduled for October 18th.
50. This section also contains updated policies in relation to Older Persons Accommodation (DPH26), Self and Custom Build Housing (DPH30) and First Homes (DPH33) to accord with the findings of the Strategic Housing Market Assessment (SHMA) which forms part of the evidence base. These policies seek to address the need for these types of homes. Amendments have also been made to the Housing Mix policy (DPH31) to reflect the Strategic Housing Market Assessment (the SHMA) and comments made during the Members Working Group in relation to types of accommodation.

Infrastructure

51. This section updates the existing District Plan policy related to securing infrastructure, but also contains new policies related to Planning Obligations (DPI2) and Major Infrastructure Projects (DPI3).
52. Subject to Council approval, these policies will be subject to public consultation. They will not carry full weight until they have been through the whole plan making process and are adopted by the Council following successful examination by an independent Inspector.

Members Working Group

53. The Working Group reviewed the major updates to policies. Note that, whilst 10 existing policies required a major update, for clarity and ease of reading, some existing policies had been split into multiple policies in the revised District Plan. For example, current policy DP2: Town Centre Development had been split into three policies DPE4, DPE5 and DPE6. The Working Group reviewed the following:

- **DPE1:** Sustainable Economic Development

- **DPE4:** Town and Village Centre Development
- **DPE5:** Within Town and Village Centre Boundaries
- **DPE6:** Development within Primary Shopping Areas
- **DPE7:** Smaller Village and Neighbourhood Centres
- **DPH2:** Sustainable Development - Outside the Built-up Area
- **DPH3:** Sustainable Development – Inside the Built-Up Area
- **DPI1:** Securing Infrastructure
- **DPI2:** Planning Obligations
- **DPT1:** Placemaking and Connectivity
- **DPH35:** Housing Mix
- **DPH34:** Self and Custom Build Housing
- **DPH33:** Gypsies, Travellers and Travelling Showpeople
- **DPN1:** Biodiversity, Geodiversity and Nature Recovery
- **DPN3:** Green Infrastructure
- **DPS2:** Sustainable Design and Construction

54. The Working Group also reviewed the following new policies that are not contained in the existing District Plan:

- **DPS1:** Climate Change
- **DPS6:** Health and Wellbeing
- **DPN2:** Biodiversity Net Gain
- **DPT3:** Active Travel
- **DPT4:** Parking and Electric Vehicle Charging Infrastructure
- **DPI3:** Major Infrastructure Projects

55. The Member Working Group reviewed all the draft policy wording and all the points raised (over 50 in total). Where changes to policies and supporting text was agreed as a result of the Working Group's input, these are reflected in the draft District Plan appended to this report at Appendix 2. All changes to policies since the original draft publication in January 2022 are shown as "track changes" and are summarised below.

56. After reviewing the policies requiring Major Update and New Policies the Members Working Group confirmed that their review was complete.

Next Steps

57. At its meeting on the 18th of October this Scrutiny Committee will consider the full draft revised District Plan (including the proposed site allocations), and the full suite of legally required documents. Subject to Scrutiny Committee on 18th October, the Council at its meeting on the 2nd of November will be recommended to approve the Plan and the full suite of legally required documents for purposes of public consultation.

58. Subject to the decision of Council the draft revised District Plan will then progress to Regulation 18 consultation for a minimum 6-week period, in accordance with all legal and national policy requirements.

Policy Context

59. The review (and subsequent update) of the District Plan is a corporate priority identified in the Corporate Plan and Budget 2022/23 (March 2022) and Service Plan for Planning and Economy. It aligns with the Council's priorities for Sustainable Economic Growth and Strong and Resilient Communities.

Other Options Considered

60. There is a legal and national policy requirement to review the Plan and update where necessary. There is also a Council commitment within its currently adopted District Plan to do so. The Council could decide not to review or update the Plan, however this would have significant impacts on its ability to apply full weight to its existing policies when determining planning applications.

Financial Implications

61. Preparation of the District Plan review and update is funded by a specific reserve, as agreed in the Corporate Plan and Budget 2022/23 (March 2022). This reserve has funded evidence base studies to support the work and will continue to be required to fund future evidence, legal advice and examination costs. The work carried out so far is within the identified budget.

Risk Management Implications

62. There is a legal and national policy requirement to review and update local plans to ensure that they continue to be effective and carry full weight when making planning decisions. Without an updated plan, there is a risk that some policies would be deemed out-of-date and the weight afforded to them when determining planning applications reduced. Paragraphs 10 – 12 set out the implications on the 5-year housing land supply, including the threat of speculative development and associated costs in defending unwanted developments.
63. The Government introduced a Levelling Up and Regeneration Bill to Parliament in May 2022. This proposes changes to the planning system, however as the Bill has not yet received Royal Assent it is difficult to predict the impacts that any future changes and/or transition periods will have on the progress of the District Plan. The Government has urged local authorities to continue plan-making, and at this moment in time Local Planning Authorities must continue to comply with current legislation, which requires Local Plans to be updated where required every 5 years. The same punishments for not complying, including the consequences of not meeting housing need or maintaining a 5-year housing land supply are still in force. This position will be kept under review as the work on the preparation of the District Plan progresses.

Equality and Customer Service Implications

64. An Equality Impact Assessment will be prepared to ensure opportunities to promote equality and/or barriers to service are considered and addressed. A copy will be provided as part of the papers to be considered by Scrutiny Committee at its meeting on 18 October.

Other Material Implications

65. There are no other material implications.

Sustainability Implications

66. The updated District Plan includes a range of sustainability policies as described above. The National Planning Policy Framework recognises the role that planning can have in addressing and mitigating future impacts of climate change – the draft policies within the updated District Plan reflect national policy and ambitions.

67. It is a legal requirement for the District Plan to be accompanied by a Sustainability Appraisal (incorporating Strategic Environmental Assessment) at each formal stage of the plan-making process which documents the impacts of proposed policies, strategy and sites against the sustainability criteria and informs the plan-making process by ensuring the plan is the most sustainable given all reasonable alternatives. A copy will be appended to the next Scrutiny Committee report alongside the full draft District Plan.

Appendices

Appendix 1: District Plan Review – Scope

Appendix 2: Draft District Plan – Strategy and Non-Housing Site Policies

Background Papers

The full evidence base to support the Policies is available online at www.midsussex.gov.uk/DistrictPlan (following links to the District Plan Review page).

Note: the full Evidence Base to support the Plan as a whole will be available at the time of the publication of the papers for the next Scrutiny Committee meeting where the complete draft revised District Plan, including the sites, will be scrutinised.