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<b>REPORT TO:</b>	Management Board Cabinet Member for Planning
<b>DATE:</b>	22 <sup>nd</sup> November 2021 30 <sup>th</sup> November 2021
<b>SERVICE AREA:</b>	Economy and Culture
<b>REPORTING OFFICER:</b>	Executive Officer Policy and Place <i>Natasha Durham (Planning Manager (Policy))</i>
<b>SUBJECT:</b>	<b>New Settlement Development Plan Document: Technical Support</b>
<b>WARD/S AFFECTED:</b>	ALL
<b>FORWARD PLAN REF:</b>	N/A

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## **1.0 PURPOSE OF REPORT**

- 1.1 To provide information on further work necessary to progress the New Settlement Development Plan Document (DPD) and seek approval for release of service reserves (earmarked for the New Settlement DPD) to commission this work.

## **2.0 RECOMMENDATION/S**

- 2.1 That Management Board approve the release of £60,000 from the Place-shaping & Economic Growth Service Reserve (earmarked for the New Settlement DPD) to commission the following work in support of the development and delivery of the New Settlement DPD:

1. New Settlement Climate Change Strategy
2. Whole DPD Viability Appraisal
3. Critical friend / project support at key stages of DPD preparation and examination

## **3.0 RECOMMENDED REASON/S FOR DECISION/S**

- 3.1 The projects identified are key pieces of work to support the progression of the New Settlement DPD and ensure that the vision to create a thriving and sustainable new community can be met. The New Settlement is crucial to the long term delivery of the growth strategy outlined in the adopted Local Plan 2014-35 and a Council priority.

- 3.2 These projects comprise discreet pieces of work in support of the development and delivery of the DPD which require specialist expertise and capacity not currently available within the Council.
- 3.3 It is also important to note that during the PSEG service review, in order to make the best use of resources, it was always intended that delivery of major projects, in particular master planning projects which require specific expertise, could be supplemented by external commissions rather than including more permanent posts within the staff structure. Therefore, reserves are for this purpose.
- 3.4 In addition, officers believe the work outlined would benefit from bringing in experienced consultants with direct experience of delivering new successful communities as well as technical expertise in the fields of viability and climate change innovation and technology.

#### **4.0 ALTERNATIVE OPTION/S CONSIDERED AND RECOMMENDED FOR REJECTION**

- 4.1 **Not to release £60,000 from PSEG service reserves.** This is recommended for rejection as there is funding is earmarked for delivery of the New Settlement DPD, and we do not have the capacity or retained specialist skills in house to carry out the work
- 4.2 **Not to undertake the work** is recommended for rejection as this work is essential to the expedient delivery of both the DPD and the New Settlement itself. Whilst there is an option to put the onus on the developers to advise on aspects such as viability and feasibility of climate change policy proposals, it is recommended that the Council should remain the driver for this and procure independent specialist advice to ensure quality place-making.

#### **5.0 THE REPORT**

- 5.1 Work is underway to prepare a New Settlement DPD to set out the policy that will guide the design and delivery of the New Settlement. The DPD will build upon the requirements of policy DM4 of the Local Plan and will establish the boundary, nature and form of the New Settlement. It will also address highway and access arrangements, public transport, pedestrian and cycle infrastructure, housing types and tenures, design requirements and key infrastructure requirements.
- 5.2 The Council is now seeking to commission experienced consultancy expertise to undertake a number of key roles and pieces of work. Further detail below.

##### **Climate Change Strategy**

- 5.3 There are several key drivers for this work stream:

- The Council's ambition to achieve a net zero economy by 2038.
- Policy DM4 of the Harrogate adopted Local Plan 2014-35 states that '...the new settlement will be an exemplar of sustainable design and resource efficiency'. One of the key features of this policy is the term 'exemplar', which now needs defining to provide clarity to both HBC and the promoter. There is a need to balance ambition and future proofing with the commercial realities of delivery and the fact that the site needs to come forward in line with agreed housing delivery trajectories
- Outcomes from the Regulation 18 consultation: calls for ambitious policies from local communities as well as interest groups.
- Complex and possibly contradictory legislative and national policy landscape on which professional body guidance suggests a need to both prioritise between legal and policy compliance and justify the approach taken.

5.4 As a result of the above, a comprehensive climate strategy is needed to set out how ambitions can be realised and applied. Priorities need to be framed to inform the masterplan, including land use, technical sustainability standards and infrastructure choices. The work would also provide an evidence base to justify planning policies and support the determination of any future planning applications. Ultimately, the aim will be secure higher standards than might otherwise be achievable. A detailed brief with has been drawn up, and focuses on the following key themes:

- Net zero energy supply, including infrastructure at the scale of the community.
- Net zero transportation, including walking, micro mobility, electric vehicles.
- The telecoms infrastructure needed to manage zero carbon energy and transport systems.
- Growth in flexible working and its influence on net zero and infrastructure choices.
- Climate change adaptation, especially overheating.

5.5 Key outputs include:

- Draft planning policies (reviewing work to date and collaborating with HBC Project Team) with consideration of:
  - How policies fit together
  - Viability and deliverability (this work will feed into the whole plan viability work)
  - How to operate and check policy compliance
  - How do external standards such as BREEAM relate to emerging policies
- Preparation of evidence base documents that adequately justify policy approaches in relation to legal compliance and soundness as well as the council's climate change commitments
- Work with the project team to identify mechanisms for securing the ambitions without risking delivery of homes, etc. (including exploring funding opportunities), and to ensure their long-term stewardship.

- Advice on how to secure the highest standards through the planning application process Define where further technical work would be needed and when throughout the delivery phases.
- 5.6 It is important to note that this proposed work focuses on matters that will not be addressed through regulation. For example, the carbon emitted from new homes will be reduced in stages through the Future Homes Standard and current national policy discourages local policy from implementing additional standards. However, there are currently no regulatory means to secure much of the infrastructure needed for zero carbon places or the measures to reduce carbon in the wider community, such as transport and neighbourhood structures. These will therefore be an important focus for this work.
- 5.7 It is proposed that the work would be undertaken in liaison with relevant external partners including the York and North Yorkshire Enterprise Partnership, as well an intention that policy approaches would be tested with the Harrogate District Climate Change Coalition as part of a targeted consultation exercise prior to Regulation 19 decision making and/or consultation.
- 5.8 Market testing with consultants experienced in this field suggests a project of this scope work could be completed for in the region of £20K.

### **Whole DPD Viability Appraisal**

- 5.9 National planning guidance states that plans should set out the contributions expected from development, including what is required in terms of infrastructure, design etc. It also states that policies should be assessed for viability at the plan-making stage. It is therefore proposed that a whole plan viability assessment is commissioned to ensure that the final DPD is deliverable.
- 5.10 Whilst we have been working on the high level, or “big ticket” infrastructure programme with a view to taking opportunities for funding, this appraisal is a more detailed exercise which looks at the costs of all of the draft policies, including those relating to affordable housing, design and the environment. This detailed work will help ensure that future decisions on policies and priorities for the DPD and the Council are as robust as possible.
- 5.11 Work commissioned on the Local Plan and Community Infrastructure Levy suggests that this work can be completed at a cost £15-20K. Work to date on key infrastructure and climate change strategy would feed into this work stream.

### **Critical Friend Support**

- 5.11 The New Settlement DPD is an exciting and challenging project for Place Shaping and Economic Growth service. Whilst the service has a strong team with experience of delivering sites and developing planning policies, delivering a completely new community is a first for the Council and presents a number of unique challenges. Officers are cultivating relationships and networks through the Town and Country Planning

Association's New Communities Group but have found the experience of specialist consultants such as HIVE Land and Planning (commissioned for the Infrastructure and Governance Work) an invaluable resource in progressing the DPD.

5.12 It is therefore proposed to draw down reserves for critical friend support and advice to be used at key stages in the DPD preparation and examination, to be used as and when the need arises on matters such as:

- Programme management assistance, including risk identification and monitoring
- Trouble shooting
- Deliverability related advice
- Negotiation support with key stakeholders and/or promoters
- Advice and support with planning application revisions, e.g. analysing and reviewing any revisions to the outline planning application for the site, advising on what the changes are and how they would impact on the overall project objectives.
- Ensuring proposed viability work aligns with the sustainability, governance, stewardship and infrastructure funding streams
- Progressing next steps with infrastructure funding streams if/when appropriate (e.g. developer liaison, funding programme expression of interest etc.).
- Progressing next steps with stewardship options (further to discussions with Management Board).
- Support for examination in public.

5.13 Whilst there are a number of ways this arrangement can be structured, to ensure best value for money it is proposed that that a maximum of £20K is earmarked to be used flexibly as and when need arises. Work and rates to be agreed with appointed consultants in advance, with time billed monthly.

### **Next Steps**

5.14 Should the release of funds be approved, the work will be commissioned in line with the Council's procurement procedures.

## **6.0 REQUIRED ASSESSMENTS AND IMPLICATIONS**

6.1 The following were considered: Financial Implications; Human Resources Implications; Legal Implications; ICT Implications; Strategic Property/Asset Management Considerations; Risk Assessment; Equality and Diversity (the Public Sector Equality Duty and impact upon people with protected characteristics). If applicable, the outcomes of any consultations, assessments, considerations and implications considered necessary during preparation of this report are detailed below.

6.2 Finance has confirmed that there are ring-fenced funds earmarked for the New Settlement DPD in the PSEG service reserves from which to draw £60,000.

6.3 At this early stage it is not considered necessary to complete any assessments. However, it should be noted that officers from Housing

Delivery and Strategic Sites and Economy and Transport have been consulted in scoping this work and will be part of the project team if the projects proceed as recommended.

- 6.4 Whilst there are not considered to be any legal implications at this stage, legal advice will continue to be sought as the DPD progresses.

## **7.0 CONCLUSIONS**

- 7.1 The work outlined in this report will be important elements to progressing the New Settlement DPD as well as delivering an exemplar sustainable development which can align with the Council's ambitions in relation to climate change. It is therefore recommended that Management Board release the funds from reserves in order to move forward with the work outlined.

### **Background Papers – None**

**OFFICER CONTACT:** Please contact Natasha Durham, Planning Manager (Policy) [Natasha.durham@harrogate.gov.uk](mailto:Natasha.durham@harrogate.gov.uk) or Tracey Rathmell, Executive Officer Policy and Place.