

Minutes of a Meeting of the Planning Policy Committee held in the Hub, Mareham Road, Horncastle, Lincolnshire LN9 6PH on Thursday, 14th December, 2023 at 6.00 pm.

PRESENT

Councillor Tom Ashton (Chairman)
Councillor Terry Aldridge (Vice-Chairman)

Councillors Roger Dawson, Sid Dennis, Alex Hall, Travis Hesketh, Daniel McNally and Daniel Simpson.

Councillor David Hall attended the Meeting as a Substitute.

OFFICERS IN ATTENDANCE:

Simon Milson	- Planning Policy and Research Service Manager
Stuart Horton	- Service Manager - Affordable and Accessible Homes, Boston Borough Council
Lynda Eastwood	- Democratic Services Officer
Laura Allen	- Democratic Services Officer

26. APOLOGIES FOR ABSENCE:

Apologies were received from Councillors Mark Dannatt and Paul Rickett.

It was noted that, in accordance with Regulation 13 of the Local Government (Committees and Political Groups) Regulations 1990, notice had been given that Councillor David Hall had been appointed to the Committee in place of Councillor Graham Cullen for this Meeting only.

27. DISCLOSURE OF INTERESTS (IF ANY):

At this point in the Meeting, Members were invited to declare any relevant interests. None were received.

28. MINUTES:

The Minutes of the Meeting held on 9 November 2023 were agreed as a correct record.

29. ACTIONS:

The actions were noted as complete or in hand.

Action No. 24 from the Meeting held on 9 November 2023.

The Planning Policy and Research Service Manager referred to the query raised for affordable housing completed on the coast and reported that 158 units had been built in total across the district. There had been 105

completions in total, 60 of those (approximately 50%) was for affordable housing.

Action No. 17 from the Meeting held on 14 September 2023.

A Member queried what the position was with the settlement proposals for small, medium and large villages and whether the process for receiving feedback from parish councils was complete.

The Planning Policy and Research Service Manager advised Members that the team had received an overwhelming response and was getting to the point where this process would be closed so the feedback could be collated and source information updated so this could be brought to Committee. It was stressed that this was not a formal consultation, rather a courteous request for updates, however this information would be recorded officially in the report presented to Committee, anticipated to be in February 2024.

30. AFFORDABLE HOUSING:

The Chairman welcomed Stuart Horton, Strategic Housing Manager for the South & East Lincolnshire Councils Partnership (Accessible Homes, Housing Enabling and Housing Strategy) who was in attendance to provide Members with a brief overview on Affordable Housing. The information provided was correct as of 30 November 2023.

- There were 1850 households on the East Lindsey Housing Register, the number down from previous years;
- Housing delivery completions – Work was progressing to try and refine these figures as there was a period of time where there was very little resource to keep the records up to date. Resource was back in place and work was underway to pin down all of the figures and completions information. Initial data indicated that over the last 3 to 4 years, completions were just over 100 a year on average. For 2023/24 the total forecast was also just over 100, however this number may increase if there were further completions;
- It was anticipated that 2024/25 would see 160 completions due to a couple of all affordable housing schemes that had commenced, one of which was in Louth delivering 147 affordable units;
- Authorities had put funding in to deliver more one-bedroom properties for which there was a high demand, and it was hoped that a press release would be released regarding this in the near future;
- A number of community-led housing schemes were being progressed. The team was looking at one in Tattershall, working with the Co Op and East Midlands Community Led Housing on that scheme. There was also a scheme in Alford at a very early stage

which was currently waiting for the Registered Provider (RP) to come back with further designs. This would include innovative new affordable housing, modern methods of construction, air/ground source heat pumps, also providing a veteran's scheme if it could be brought all together.

- There were issues in terms of affordable housing provided by Section 106 agreements at the present time with RPs, with them having a lack of interest in acquiring them which was proving quite challenging. The Council was progressing a number of routes and was working with RPs to address this, which was mostly a capacity and financial issue. The RPs were also under pressure to deliver all grant-led schemes and because of the volume of those, these were more cost effective for them rather than acquiring 3 or 4 units at a time when they could progress a scheme of 70 plus units in one go.
- The Council had received some commuted sum funding from various schemes where it had not been able to deliver the affordable housing on site and was looking at putting in place a scheme to try and encourage RPs to develop all affordable housing sites where the Council needed them and also building the type of properties that were needed. One-bedroom properties were in high demand, and it was difficult and challenging for RPs to progress schemes with many one-bedroom properties on. In relation to the Louth scheme being developed, the Council had put a small amount of funding into that scheme so that it could develop more one-bedroom properties than it would have done otherwise.

Members were invited to put their comments and questions forward.

- A Member highlighted the one-bedroom housing need that the Council struggled with and queried whether a way had been found to deal with this on the coastal section, particularly with the flood risk issue.

The Strategic Housing Manager responded that one-bedroom bungalows would be virtually impossible on the coast, similarly as it was in Boston, however the Council had been delivering on this. Members were advised that the scheme being developed by ACIS was known as 'quarter houses' which was a very popular way of addressing the issue, whereby a house was literally divided in quarters where the downstairs had a kitchen and living space and the bedroom and bathroom were upstairs. These types of property had proved very popular, particularly with RPs as the tenants have their own front door and a bit of outside space as well.

- A Member referred to the schemes where the Council had collected a commuted sum when it could not find a RP for Section 106 money and highlighted that the commuted sum only lasted a certain amount of time before the Council had to spend it. Following which, it was queried whether any of this money had ever been lost.

The Strategic Housing Manager responded that no money related to commuted sums had been lost so far, however acknowledged that this had been difficult to manage. He advised Members that he had recently taken over the management area for these and in terms of time limits, having taken some recent legal advice the time limit for affordable housing commuted housing sums did not apply and that funding could be kept in perpetuity. He was aware that there has been some confusion and crossovers where time scales for commuted sums had been written into S106 agreements which then had to be abided by. Positive news was that the Council could keep that funding until it was used to provide additional affordable housing and the funding could be used anywhere within the district.

- A Member queried what amount of money the Council had received in commuted sum payments.

The Strategic Housing Manager responded that it varied, however was happy to find this information and respond to Committee. He added that it was quite a significant amount, for example one site was due to pay commuted sums for nearly £1m. Members were advised that the Council was in the process of developing a scheme following leaving the EU and explained that previously the Council had subsidy control and there used to be state aid and subsidy control legislation in place. This enabled the Council to put something in place and advise its Registered Providers of this stating this was what the Council would use this funding for, for example one-bedroom properties of housing along the coast. However, the Council was not giving anyone an advantage but East Lindsey was getting a definite benefit from this.

- The Chairman queried whether there was any ambition or appetite within the authority of making opportunities that may exist through the Partnership to look to deliver housing itself should RPs be unwilling or unable to take up some of the allocations on site.

The Strategic Housing Manager responded that he was aware that the Assistant Director – Strategic Growth and Development was having those discussions with various people. The Planning Policy and Research Service Manager advised Members that the Housing Development Manager would be attending Committee early in 2024 who may be able to share information from any discussion ongoing as he was not himself involved in whether the Council was seeking to take this on.

The Strategic Housing Manager added that the only potential discussions ongoing with the Portfolio Holder for Communities and Better Ageing and the Leader of the Council was regarding the current issues with S106 Agreements and the potential for requiring

them and highlighted that it was a very large commitment when purchasing properties and then having to manage them.

- A Member queried what the main difficulties with the Section 106 Agreements were considered to be, particularly as developers often tried to renege on these.

The Strategic Housing Manager explained that there were a lot of factors at play at the present time with S106s. When researching this, the volume aspect for where RPs considered what to use their capacity on delivering on larger schemes, there was also financial constraints in terms of borrowing as RPs did not get grants for those units and they were purchased at a discounted rate from the developer. Part of a RP's commitments were ensuring that its existing stock was up to date, so for some of them this was a major factor as they did not have the financial ability to acquire S106s whilst they were focusing on their existing stock. There were also issues in some cases with the standards of the S106 being offered because new legislation required the properties to be slightly larger to meet the new national design space standards requirement, or at least a percentage of those. They were also very keen to have air source or ground source heat pumps in properties but not all developers had switched over to this at the present time. Therefore, overall there were quite a few factors leading into the issues with S106s, however it was a national issue, and this had been discussed with Homes England and other colleagues.

- A Member agreed with the Chairman and considered that if the Council could provide the housing 'in-house' when it struggled to get RPs, even if the housing was not in the same location that could only be a good thing. In relation to the commuted sum, it was queried whether this had to be at the same cost as what had been agreed for a house or whether this could be negotiated.

The Strategic Housing Manager explained that normally depending on the type of tenure for that property, for example for an affordable rented property the developer would expect to get 55% to 60% of the open market value of that property from a RP. For shared ownership, this would be approximately 65% to 70% of the value of that property. In terms of purchasing the property it would work, but in terms of the commuted sum what the Council would seek from the developer was the difference between that value and the open market value so that it was capturing any uplift in the value of the property the developer would benefit from. However, there was often negotiation on this depending on the viability of the site and the starting point was on the actual open market value of the property, particularly as build costs had increased but house prices had not.

- A Member queried how many RPs the Council engaged with across the district.

The Strategic Housing Manager advised Members that there were six, however these all operated at different levels and included Lincs Rural Housing, Platform Housing, Longhurst Housing, ACIS and Ongo. The Council was currently talking to a lot of RPs and there were also big national and newer investors such as Sage and Halo that the Council was also in discussion with about acquiring affordable properties, however it was stressed that they would need to meet all standards in terms of perpetuity.

No further questions or comments were received.

The Chairman thanked the Strategic Housing Manager for the informative update.

N.B. Stuart Horton, Strategic Housing Manager left the Meeting at 6.29pm.

31. AUTHORITY MONITORING REPORT FOR 2022-2023:

Simon Milson, Planning Policy and Research Service Manager presented Members with the Authority Monitoring Report 2022-2023, pages 11 to 20 of the Agenda refer.

A copy of the current draft AMR was attached to the report at Appendix A, pages 21 to 90 of the Agenda refer.

Members were advised that the Compulsory Purchase Act 2004 required Local Authorities to publish an Authority Monitoring Report (AMR) on an annual basis. The Local Planning Regulations 2012 set out various items of information that should be included in an AMR.

The AMR covered the period March 2022-February 2023. It contained an update of the position of the Council in relation to various national indicators, including employment, wages and house prices. It also included a suite of monitoring indicators designed to show how the Local Plan policies were performing.

Members noted that the AMR was in final draft form and subject to only design and formatting changes.

Members were referred to Sections 1, 2 and 3 in the report, including the background to the report and the summary of key points within the AMR.

Members were invited to put their comments and questions forward.

- A Member referred to Table 15 'Industrial Estate and Business Park vacancy rates (surveyed Q2 - 2023)', page 27 of the Agenda refers and queried the significant difference in the total and vacant figures

for Louth between 2019 and 2020 and also those for North Somercotes. It was highlighted that something looked amiss in terms of the vacancy rate towards the end of the table and asked for clarification on these figures.

It was further commented that Louth was getting below 10% in the total percentage of vacancy rates, however considered that it was important to reduce this number further as Louth was one of the best industrial estates in the Council's ownership.

The Planning Policy and Research Service Manager advised Members that he would provide some clarification on the figures for the next meeting.

With regards to the percentages of vacancy, it was highlighted that with regards to the much smaller industrial estates it did not take much for this to increase, if for example two out of four units were knocked down. It was acknowledged that both Skegness and Louth Industrial Estates performed well, and also Spilsby where generally the turnover was low. In terms of vacancies, the figures showed that these were running out on the larger estates, certainly in Louth and in particular the vast majority of the previous allocation under the old Local Plan had almost been completed.

However, it was highlighted that the Council still had the current allocations under the existing Local Plan so whilst 10% did not sound a lot in terms of the number of plots, looking at 300, in total there were 30 plots or properties that were vacant.

Members were informed that there were areas to the north of Louth Industrial Estate allocated in the Local Plan that the Council has serviced so was ready to go, together with a couple of plots left to the north of that estate and also the estate to the west of the A16 next to DS Packaging. This was an allocated site for employment land although there had been some public pre-consultation discussions about uses on that site from various different retailers. Therefore, employment land was also being looked at to understand what land had been taken up to try and work out whether any more sites needed to be allocated.

- A Member referred to the allocation of employment land near the DS Smith site and queried whether this could include retail, and asked for clarification whether employment was classed as industrial only or whether it was a mixture of industrial and retail.

The Planning Policy and Research Service Manager explained that in the current Local Plan it was land secured for the B use classes for light and heavy industry and storage and distribution and these were the historic use classes that covered pure industrial uses that

were not retail. Therefore, the policy position currently restricted it to those industry uses with only minor ancillary elements of retail, so that was a starting point for decision making. In Louth, using B & Q as an example, it was highlighted that this type of business would usually have a big site on the edge of an industrial estate, as any business of that size would need to find a site big enough to operate on, so would have to apply the sequential test; this would mean that they would have to look at the town centre first, then work their way out discounting any other suitable sites, for example whether the site was too small, or had insufficient access and this would have to be justified as retail would normally be expected to be well located alongside the town centre. It was highlighted that it would normally be the larger businesses such as automotive retailers and combine and tractor retailers that would be on the estate as realistically these could not be located in the town centre so these types of business would be supported on business land but there would always be exceptions, and each planning application would be judged on its own merits.

- A Member raised a concern that there was risk that some estates could end up completely as a retail park in little pockets of locations just out of the town centre.

The Planning Policy and Research Service Manager responded that he was unable to get in a position where he would pre-judge what uses there would be on the industrial estates but stated that there would be elements of retail on any of the industrial estates. For example, there may be a small business that could locate in the town centre, however it may use noxious substances, so it would need to be located outside of the town and there would always be examples of things that would not be suitable in a town centre. It was inevitable that large employers would end up in locations not central to the town, but the Council was careful how it managed this, and locations had been earmarked and policies were in place to ensure that possible locations were ruled out first.

- A Member queried whether the same tact had been taken with drive-in food arrangements as Louth Industrial Estate now had four of these businesses that had progressively worked their way out of the town.

The Planning Policy and Research Service Manager responded that he was not aware how this had been addressed in the relevant planning applications but considered that the same would apply as the policy position was similar, for example, was this an appropriate use for a town centre and was there a suitable location. It was highlighted that it would not have been an automatic choice of site, and McDonalds would have to explain why the proposed location was the most suitable for them. Due to the nature of the application, there would have been obvious reasons and a

straightforward one to justify in that there would be high levels of traffic movement and the drive-through element, therefore they would struggle to find a more central location.

- A Member referred to the restriction of the Area of Outstanding Natural Beauty (AONB) on one side of the industrial estate and further referred to a consultation with DS Smith with regards to its last site. Following which it was queried what work was underway to look into that type of site or plans for expansion due to what space remained available.

The Planning Policy and Research Service Manager explained that the site to the west of the A16 was in theory allocated with the idea that DS Smith would have the opportunity to expand further if it needed to go into that location. The Wolds AONB was a national designation that placed it at a very high level of protection and importance, so that would be a key consideration. Members were advised that the housing alongside the eastern boundary of Brackenborough Road backed on to the estate, so it was constrained to the east and potentially to the west which would leave expansion to the north as the only option, and this was where the Council had gone with the latest allocation in the Local Plan. It was unlikely that any further allocation would be needed as the entire new allocation was still available at this stage and would likely be enough for the review of the current plan period. If necessary, it would be for the Committee to make decisions regarding where the Council was looking to expand its business estates and employment land in the future.

The Chairman referred to the Policy Monitoring Indicators at Section 10, and highlighted SP2 'Sustainable Development' page 58 of the Agenda refers. It was queried whether the baseline figures for 2016 needed to be reviewed to be more realistic, as the figure was set before the Local Plan was adopted in 2018 and there was at the time a high volume of applications coming through.

- It was further queried at SP15 'Widening the Inland Tourism and Leisure Economy' why there was not a smiley face indicator, as there was a steady stream of applications coming through and it was queried again, whether the baseline was reasonable, page 68 of the Agenda refers.
- In relation to the remarks at SP16 'Inland Flood Risk', the Chairman stated that the Council's potential management actions and suggested approach did not sit comfortably with him *'No management action required. Monitoring of this policy will be provided within the Authority Monitoring Report. If applications are being approved then an assessment will be carried out to see why, then consideration will be given to training for development management and Members to address the situation on national policy and flood risk'*, particularly as he represented a part of the

district where flood risk was an occasional issue and considered that there were perfectly valid and sound reasons for granting the odd application, including tidying up derelict sites and asked whether this response could be tweaked.

- In relation to SP23, 'Landscape', page 75 of the Agenda refers, 'Number of permissions for major development within and around the AONB', the Chairman highlighted that the national statutory advice was that there should be no major applications permitted in any area of AONB whatsoever. It was queried whether this was the statutory advice and whether the Council had to follow this as to its performance indicator. It was considered that this was a little unreasonable to say that anything that technically qualified as a major development should never be allowed in the AONB and it was queried whether a development could be allowed without being harmful to an AONB and that the threshold should reflect this.

In response, the Planning Policy and Research Service Manager stated that he was happy to look at the queries relating to the baseline dates. With regards to the smiley face indicators, he explained that these were included to draw out attention to areas that needed to be looked at where the policy was not being as effective as expected.

In response to the query relating to SP23, Members were referred to the National Planning Policy Framework, Paragraph 177 refers, quoting '*when considering applications for development in national parks, the broads and areas of AONB, permission should be refused for major development other than in exceptional circumstances and where it can be demonstrated that development is in the public interest*'.

The Planning Policy and Research Service Manager added that there was no absolute moratorium and there very rarely was in planning, with the exceptional circumstance caveat being relevant with certain things. However, this was a very high bar, and there had to be a really strong need for major development to be in the Wolds AONB.

- A Member referred to Paragraph 1.6, page 25 of the Agenda refers, which related to the monitoring of policies and queried whether any policy changes or additional actions which may be required to support the plan's successful implementation had been identified

The Planning Policy and Research Service Manager advised Members that none had been identified at this stage, other than going through the review of the actual Local Plan. The AMR provided the statistical information that was held to inform which parts of the Local Plan needed looking at more closely and this was

a key piece of evidence used. A list of all policies had been presented at previous Policy Committee meeting that set out all of the policies and identified those that were considered to be working, which policies were not compliant with government policy and policies that needed reviewing, whilst also looking at the level of review that was proposed for each one. Committee had signed off this as the basis for the Local Plan review. The statistical evidence had helped build that picture to understand which policies needed reviewing.

Members were further advised that there were mechanisms such as Supplementary Planning Documents (SPD) which could be produced at any stage to help explain more about policies and how they could be implemented, although they could not change a policy. The Local Plan could not be changed without going through a review, so the AMR helped to inform what needed to be done through the review and could also be used to help other services to understand what was and was not working and also whether there were any actions outside of reviewing the Plan to improve any issues that may arise.

The Planning Policy and Research Service Manager advised Members that this information had previously been reported to Committee and he would forward a copy of the report that included documents relating to a list of 29 policies, which included details on whether the policy needed reviewing, why and what the level of review was required.

- A Member further referred to Paragraph 1.9, page 26 of the Agenda refers where it stated '*regular reporting against the Monitoring Report will highlight areas where aims and objectives are not being met as anticipated or where unintended consequences are occurring*' and queried whether this referred to the smiley face indicators.

The Planning Policy and Research Service Manager explained that the indicators in the assessment showed whether the areas were exceeding, or not, the baseline for the previous periods. The tables running through the AMR demonstrated whether there was improvement, or not, year on year. The smiley face gave a visual representation on how they performed on previous years. The review was a five-year process that allowed the policies within the Plan to be monitored for any changes that happened to build up a picture of trends over a period of years to understand whether the policy was working rather than taking a knee-jerk reaction based off just one year's monitoring results.

- Further to the point raised on Paragraph 1.6, a Member stated that an important feature of the Local Plan was the ability to respond quickly to changing circumstances and relating to the change in

circumstances to sustainability scores asked for clarification on 'quickly'.

The Planning Policy and Research Service Manager responded that the Council operated within the guidelines set out by central government which was the 5-year review period.

- A Member queried whether neighbourhood plans carried any weight in the decision-making process.

The Planning Policy and Research Service Manager assured Members that it did and explained the long, rigorous and complex process it took to create a neighbourhood development plan, similar to that of the Local Plan. Members were advised that once adopted, a neighbourhood plan sat alongside the Local Plan as a starting point for decision making and, in some cases, could be more up to date than the Local Plan.

- A Member commented that since the Local Plan was adopted in 2018, he was only aware of six neighbourhood development plans and queried this low number.

In response, the Chairman considered that six neighbourhood plans were impressive considering the significant amount of work that was involved. He also highlighted that a neighbourhood development plan may only be of interest to the larger villages and towns. However, as a planning authority, the Council would help and assist when required. Skegness was provided as an example that effectively operated through consultants to produce its plan and emphasised the challenge it would be for a community or parish to take this on themselves, particularly from a financial perspective.

- A Member queried whether there were funds within the district council's budget to support the use of a consultant by a small council who could not afford to finance a neighbourhood plan.

The Planning Policy and Research Service Manager informed Members that there was still limited funding available external to those wanting to produce a neighbourhood plan. The Council could also obtain grant funding to a certain extent that could be used to offset referendum costs. Central government set up pilot schemes in 2015 when the neighbourhood regulations were laid out with funding available, however this fund had stopped. Belchford and Fulletby was highlighted as a small Wolds community that was moving on with a neighbourhood plan and it was highlighted that the opportunity was there if the desire, passion and willingness existed, however acknowledged that it was not for everyone.

Councillor Dennis advised Members that as a town councillor, he was part of the process during the development of the Skegness neighbourhood plan, and although the consultants were involved there was a lot of other work to be done and decisions to be made throughout the process. Whilst this was a positive outcome for Skegness, it was considered that this may be much more difficult for the smaller towns and villagers to deal with.

- A Member considered that in the spirit of the plan, all councils of all sizes should have the ability and entitlement to be involved in their own neighbourhood plans and was concerned that there appeared to be downplaying for small communities to be part of the process.

In response, the Chairman stated that it was not impossible for a small community to get involved in the process, however given that there was such great disparity of capacity within parishes across the district, and some were parish meetings that never met, it was not only a huge challenge to deliver planning and planning policy but to even get representation on planning applications. Furthermore, there would also be the financial restrictions with the small amount of precept given to some parish councils.

The Chairman highlighted that a small parish may be categorised as a small settlement without a housing allocation, therefore they may not benefit from a neighbourhood development plan but may by applying policy SP4 'Housing in Medium and Small Villages'. Furthermore, a group of small or medium parishes may also choose to work together to share the cost of a consultant and also consider completing the process over a four-year period and precept for this accordingly.

The Vice-Chairman highlighted that Holton le Clay originally started the process with Tetney in 2011 and was a long-drawn-out process following which the Holton le Clay Neighbourhood Development Plan was adopted in 2021.

A Member responded that there were many reasons to make a neighbourhood plan besides housing allocations and the positive reasons should encourage the motivation for a plan process to be undertaken in a lesser time.

No further comments or questions were received.

Following which, it was

RESOLVED:

That the Authority Monitoring Report for 2022-2023 be noted.

The Chairman highlighted to Members that the next Meeting scheduled for the first week in February may clash with parish and town council meetings, therefore following a brief discussion it was agreed that the time of the next Meeting would commence at 5.00pm.

The Chairman wished everyone a Very Happy Christmas and best wishes for the New Year.

32. DATE OF NEXT MEETING:

The date of the next Meeting was confirmed as Thursday 1 February 2023, commencing at 5.00pm.

The meeting closed at 7.35 pm.