

Neighbourhood planning takes root in London

London's property sector would be wise to keep abreast of this rapidly developing scene says Oliver Jefferson

Neighbourhood Planning was announced with much fanfare in 2011 as part of the Conservatives' Big Society agenda. More than two years later, few Neighbourhood Plans have been formally 'made' and this is particularly the case in London. Nevertheless, a large number of Neighbourhood Areas have been established and a rapidly increasing number of draft plans are coming forward. The content of those plans will be hugely varied and it is important for property professionals to engage with the process. One thing is certain, the genie of neighbourhood planning is out of the bottle; neighbourhood planning is here to stay and it will have a direct impact on planning decisions.

Scope of Neighbourhood Plans

Turley has conducted research into Neighbourhood Planning nationally. We have reviewed all draft plans and considered what broad themes are evident across these frontrunners. It is clear from our research that there is significant variation between local priorities; however, some key trends are apparent.

We found that, nationally, plans were more often than not anti-development; our view is that in the region of 55 per cent of emerging plans are protectionist taken as a whole. This will pose some interesting challenges for independent examiners and may in due course require amended Regulations and formal guidance. In contrast to the national picture however, within urban areas we found that 60 per cent of plans have a

positive approach to development. This bodes well for those involved within the property industry in London and is perhaps a reflection of different attitudes within urban areas, partly as a result of the benefits realised through redevelopment of brownfield sites.

To date there have been a number legal challenges of proposed plans. Whilst detailed matters considered in these test cases has varied, there has been an underlying theme to all, which is an assessment of the degree to which plans are and should be supportive of new development. The balance of these early decisions is difficult to judge, but overall my view is that localism has been given greater weight than the need to be overtly positive towards development. Over time the emphasis of these decisions may vary and we can expect further challenges as an increasing number of draft plans are brought to examination. Housing delivery has been a particularly contentious aspect of these challenges and I suspect that this will continue to be a critical issue, particularly in the absence of regional housing targets outside London, but perhaps less so within the Boroughs.

Our review of current plans has found that the scope of neighbourhood planning is very broad. Emerging plans have considered a range of matters, such as design, conservation, sustainable building practices, the urban realm and infrastructure planning. Many plans seek to support local businesses, with a particular focus upon the High Street. A healthy number of plans are very positive towards commercial uses within

Under the provisions of the Localism Act, Neighbourhood Areas can be proposed for any local area. Outside London this is generally aligned to the existing boundaries of Parish and Town Councils, but within the capital Neighbourhood Areas are not restricted in this way and can be promoted in an ad hoc manner. Once established, Neighbourhood Forums are able to produce a Neighbourhood Plan; these have the same weight as other adopted policy documents within the local Development Plan and a greater weight than Supplementary Planning Documents.

Draft plans will be tested at independent Examination to ensure that they are in general conformity with Development Plan policies and have regard to National Policy; beyond this there are few restrictions and, essentially, Neighbourhood Plans can influence any planning matter, subject to the critical proviso that policies should take a positive approach to sustainable development.

Wider powers have also been ushered in by the Localism Act, including the ability of Neighbourhood Forums to create Neighbourhood Development Orders, which can effectively grant planning permission for specified types of development

within the Neighbourhood Area, thus by-passing the local planning department. As with Neighbourhood Plans, NDOs are subject to a referendum and independent Examination, intended to ensure that proposals are appropriate in the context of higher tier policies. NDOs have the potential to reduce resource burdens on beleaguered planning departments but this comes with a necessary relinquishing of control.

Local authorities will have an active role in the process: they can influence the geographic extent of Neighbourhood Areas and it is incumbent upon them to ensure that Forum membership represents the broad interests of all those living in and operating a business within the area.

Thus, whilst many areas are being established with significant involvement from established amenity groups, most will also have membership from other residents' groups and a variety of commercial interests. Westminster is a case in point as to the influence that councils can have. Whilst area and forum applications are typically considered in tandem, Westminster has purposefully split the process, in order to allow additional time for consultation exercises to raise awareness and encourage wide participation.



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town centres, but there are a variety of suggested approaches, some less forward-thinking than others. Some proposed policies echo recent Government initiatives to allow a greater flexibility between A-type uses, which in my view reflects the changing nature of our retail sector. However, there are also Forums that seek to apply more traditional policies, concerned with the proportion of retail uses within High Street frontages. These reactive policies are less likely to achieve the positive changes sought.

We have also found that, for many groups, this new tier of planning provides an opportunity for detailed masterplanning. This has not been particularly prevalent within London to date, but there are a number of examples nationally, such as Central Milton Keynes and Trafford, which will see large-scale spatial planning enacted at neighbourhood level. In both cases the process has been largely led by business groups, which provide a good degree of certainty over delivery. The potential for neighbourhood planning as a tool to build local consensus over the shape of major development areas in London, such as the Opportunity Areas, will no doubt be explored further as neighbourhood planning gathers momentum.

Business Areas

Forums can be led by business groups, although it will still be important for membership to represent residents. Where commercial interests are the dominant driver, these may be nominated as Business Areas. Business Areas can be a positive and well-resourced tool, albeit that in technical terms the only major difference between these and other neighbourhoods is the requirement for two referendums: one for businesses and one for residents.

The Mayfair Forum is a good example of a representative but commercially-led forum, with membership taken from the residential and business groups. This was the first Neighbourhood Forum to be designated in Westminster. Emerging policy priorities are focused upon public realm and heritage, taking a positive approach to managing change in a way which should ensure quality and consistency across the neighbourhood. Long term land owners in the area, such as Grosvenor, provide a real opportunity to bring necessary resources to bear in producing what has the potential to be a high quality pro-active and deliverable policy framework.

A question mark remains over the ability of developers to get involved in neighbourhood planning however. Whilst there is no specific restriction to the membership of Forums, the Regulations only state that (in relation to non-residents) those who work in an area (whether for business carried on there or otherwise) are expressly entitled to become members. Whether landowners will be considered to fall within this definition remains to be seen. We have to date experienced some



resistance from resident-led groups to any involvement from landowners; this is not a helpful position given that Neighbourhood Forums provide a clear opportunity for consensus-building between developers and the local community.

Community Infrastructure Levy

Much has been made of the retention of CIL receipts by Neighbourhood Forums, and rightly so. In London this will operate differently from many parts of the country, because of the general absence of Parish or Town Councils. This means that Local Authorities will remain in possession of lucrative infrastructure funds, but 15-25 per cent of receipts (dependent upon the stage of the neighbourhood planning process reached) will need to be spent in direct consultation with the local community. A notable exception to this in London will be the Queens Park Community Council, which will be able to manage the local portion of CIL receipts directly because of its status, which is akin to Town and Parish Councils. Developers should have an eye on those plans which seek to prescribe what this funding should be spent on, and clearly any opportunities to engage with this process will be important to ensure that genuinely needed infrastructure can be provided through this mechanism.

The future of London's neighbourhoods

Whilst progress in the capital has perhaps been slower than across the rest of the country, there are now more than 35 designated Neighbourhood Forums, with many more in the process of being ratified by the boroughs. Norland Neighbourhood Plan in Kensington and Chelsea became the first to be formally adopted, having passed a local referendum in December 2013.

There is a strikingly high level of coverage within Westminster, which is almost entirely covered by designated Neighbourhood Areas; coverage across the capital is also steadily growing and whilst this is unlikely to be as comprehensive in other boroughs, many key areas of future regeneration across the city will be incorporated into neighbourhood plans.

London's property sector would be wise to keep abreast of this rapidly developing scene and to adopt a positive attitude towards engagement with local groups. Emerging policies will have genuine influence on future development proposals and the delivery of critical infrastructure to support this investment. ■