

**Manchester City Council  
Report for Resolution**

**Report to:** Neighbourhoods and Environment Scrutiny Committee – 19 July 2016  
Executive – 27 July 2016

**Subject:** Policy Framework for Neighbourhood Planning

**Report of:** Deputy Chief Executive (Growth and Neighbourhoods)

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**Summary**

The Localism Act 2011 introduced new planning provisions enabling designated Neighbourhood Forums to prepare planning policies for a designated Neighbourhood Area, for consideration by the relevant local authority and by an independent examiner.

The rationale advocated by Government is to allow communities to shape development in their areas. Manchester has already adopted a positive approach to engagement with our communities to support key strategic objectives for growth. It is within this context, which is output driven, that the approach to Neighbourhood Planning ought to be properly considered.

Although Neighbourhood Planning could complement established approaches to development and service delivery in Manchester, it is important that there is a clear policy framework to establish how applications are assessed. This report, therefore, sets out a framework for the consideration of applications for the designation of Neighbourhood Areas.

**Recommendations**

1. That Neighbourhoods and Environment Scrutiny Committee comment on the content of this report.
2. That Executive approves the policy framework set out in the report in section 4 of this report.

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**Wards Affected:** All

<b>Manchester Strategy outcomes</b>	<b>Summary of the contribution to the strategy</b>
A thriving and sustainable city: supporting a diverse and distinctive economy that creates jobs and opportunities	Designation of a Neighbourhood Area could result in the production of a Neighbourhood Development Plan for this area in the future, in accordance with the existing development plan.

A highly skilled city: world class and home grown talent sustaining the city's economic success	Well-planned development can support delivery of training and employment opportunities.
A progressive and equitable city: making a positive contribution by unlocking the potential of our communities	Neighbourhood planning processes encourage residents to get involved and influence decision-making.
A liveable and low carbon city: a destination of choice to live, visit, work	Designation of a Neighbourhood Area could result in the production of a Neighbourhood Development Plan for this area in the future, in accordance with the existing development plan.
A connected city: world class infrastructure and connectivity to drive growth	Well-planned development can make the most of the connections within an area.

**Full details are in the body of the report, along with any implications for:**

- Equal Opportunities Policy
- Risk Management
- Legal Considerations

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### **Financial Consequences – Revenue**

There are no direct financial costs arising from the designation of a Neighbourhood Area or a Neighbourhood Forum. However, a relevant body would be able to apply for Neighbourhood Forum status and would be able to prepare Neighbourhood Development Plans and Neighbourhood Development Orders, which would be submitted to the Council who must publicise these and carry out a consultation process. The Council will also have to bear the costs of independent examination of any Neighbourhood Development Plan / Development Order, and eventually of any referendum required by the Localism Act prior to adoption of such plans and orders. Whilst there is some financial support available from the Government to cover these costs, it is likely that there will need to be a contribution from the Council. It is anticipated that costs would be in the region of £10-15,000 for each plan or development order, although the extent to which these fall on the Council would depend on the level of government grant received.

### **Financial Consequences – Capital**

None

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**Background documents (available for public inspection):**

None

## **1. Introduction**

- 1.1 As part of its localism agenda, the coalition Government introduced Neighbourhood Planning and the current Government has maintained support for this initiative. In order that this process can work effectively alongside established regeneration and service delivery models in Manchester, this report proposes a policy framework against which applications related to Neighbourhood Planning can be considered.

## **2. Background**

- 2.1 The concept of Neighbourhood Planning was introduced by the Coalition Government through the Localism Act 2011. It enables local community organisations (comprising at least 21 individuals) to initiate and produce Neighbourhood Development Plans and Neighbourhood Development Orders.
- 2.2 In order to do this a community organisation must apply to the Council for the designation of a Neighbourhood Area in their locality; and also for designation of the organisation as a Neighbourhood Forum.
- 2.3 Once designated, a Neighbourhood Forum may prepare the following documents:
- Neighbourhood Development Plan - a plan which would set out policies for the future development of a Neighbourhood Area. The plan would be subject to Independent Examination and would be put to a referendum in the local area before adoption. Once adopted, the plan will become part of the statutory development plan and therefore decisions on planning applications will need to be made in accordance with it. The Neighbourhood Plan must be in conformity with national planning policy and the strategic policies of Manchester's Core Strategy.
  - Neighbourhood Development Order – this would grant planning permission for certain kinds of development within the Neighbourhood Area. A Community Right to Build Order is a specific kind of Neighbourhood Development Order, granting planning permission for development schemes, such as a housing scheme. Neighbourhood forums do not have any further powers in relation to planning applications, for example forums cannot make decisions on planning applications beyond the provisions related to Neighbourhood Development Orders.
- 2.4 The recent Housing and Planning Act further includes provisions relating to Neighbourhood Planning. These are likely to lead to more controls on decisions by councils, in particular requiring councils to make decisions on Neighbourhood Areas within a set period of time. It is therefore important that there is an agreed set of principles against which the Council can make these decisions, which give appropriate support to Neighbourhood Planning in the context of Manchester's established approach to growth and development in the city. The framework set out in section 4 of this report sets out these principles.

- 2.5 The policy framework should be applied alongside national guidance and legislation relating to the designation of Neighbourhood Planning applications
- 2.6 The relevant Act states that in determining a neighbourhood area application a local authority must have regard to the desirability of maintaining the whole of the area of a parish council as a neighbourhood area, and to the desirability of the maintaining the existing boundaries of areas already designated as neighbourhood areas. As members are aware there is only one parish in Manchester (Ringway) and, therefore, it is unlikely this will be a consideration.
- 2.7 The Act also covers the grounds on which an application can be refused, although it is also clear that valid applications for neighbourhood areas cannot be refused outright. A local authority can refuse an application if it considers that the specified area is not an appropriate area to be designated, but the legislation maintains that an area that includes at least part of the area applied for should be designated. This would imply that the test for designation of an area is that it is “an appropriate area to be designated”. There is some guidance regarding Neighbourhood Area boundaries. Whilst this is directed at prospective forums rather than local authorities it could be applied when considering whether the boundary applied for is “appropriate”. This guidance states that the following could be considerations when deciding the boundaries of a Neighbourhood Area:
- Village or settlement boundaries, which could reflect areas of planned expansion
  - The catchment area for walking to local services such as shops, primary schools, doctors’ surgeries, parks or other facilities
  - The area where formal or informal networks of community based groups operate
  - The physical appearance or characteristics of the neighbourhood, for example buildings may be of a consistent scale or style
  - Whether the area forms all or part of a coherent estate either for businesses or residents
  - Whether the area is wholly or predominantly a business area
  - Whether infrastructure or physical features define a natural boundary, for example a major road or railway line or waterway
  - The natural setting or features in an area
  - Size of the population (living and working) in the area with electoral wards being suggested as a useful starting point for discussions as these have an average of 5,500 residents.

The guidance also states that local planning authorities should take into account the statement provided by the relevant body (i.e. the prospective forum) explaining why the area applied for is considered appropriate to be designated.

- 2.8 Alongside this guidance, there is limited case law that has determined issues that councils can consider when deciding applications for Neighbourhood Areas. The conclusions relating to one case (in Daws Hill, Buckinghamshire) suggest that some sites can be too strategic in nature to be properly

considered by a Neighbourhood Forum, which is by its nature more focused on existing residents and local concerns.

- 2.9 In the Daws Hill case, it was found that sites the council removed from the area applied for were 'strategic sites that would have larger than local impacts upon larger "communities of interest" requiring any referendum to take place over a much wider area than the specified area, possibly extending to the whole of the District Council's area'. The Daws Hill case also raised the issue of false expectations, whereby the neighbourhood planning process would produce a plan covering strategic sites that already have development proposals in place, with the result that time and resources would be wasted.
- 2.10 Although Manchester has already designated a Neighbourhood Area and a Neighbourhood Forum in Northenden (2013), this related to a relatively small area and was considered at an early stage of the initiative's introduction by Government. The relationship with the Council's approach to the delivery of key objectives and implications for this were not possibly as well understood although the boundary of the application was reduced before designation was approved to exclude Sharston Industrial Estate due to concerns that the inclusion of this area could challenge the delivery of strategic development aims. This decision reflects the principles which emerged from the Daws Hill case above.
- 2.11 In that case, whilst it is understood Northenden Neighbourhood Forum has begun work on a Neighbourhood Development Plan, almost three years after designation no draft Neighbourhood Development Plan nor Neighbourhood Development Order has yet been produced.

### **3. Neighbourhood Planning – the Council Perspective**

- 3.1 The Council proactively develops area-based regeneration policies to maximise the benefits from development opportunities, which complement strategic statutory planning policies. These policy and delivery processes aim to secure local support through robust engagement, enabling stakeholders to shape the City's neighbourhoods, and the majority are adopted as policy by the Council's Executive. The evolution of 'Our Manchester' as a means of providing deeper engagement will enhance these opportunities, seeking practical methods to effectively influence development at the local level, whilst also properly addressing wider strategic considerations.
- 3.2 Because this activity is coordinated by the Council, neighbourhood strategies are developed through a clear understanding of the wider strategic aims for the City. There is also robust local engagement to ensure that key groups are engaged with and support neighbourhood development proposals. The Council proactively targets local residents, but also ensures that businesses, developers and landowners are engaged, too. This means that plans at the neighbourhood level are rooted in commercial reality and with the support of essential delivery agents.

- 3.3 Where there are opportunities for significant development, these are captured in development frameworks. These frameworks demonstrate a clear relationship to the wider policy framework at a Manchester and Greater Manchester level to ensure they capture those broader objectives. The Council's development frameworks are developed in collaboration with key stakeholders and through extensive consultation processes, before they are adopted by the Council's Executive. Development frameworks are a means of delivering significant development but ensuring that commercial opportunities can be reconciled with the need to promote successful and sustainable neighbourhoods. Development of individual building plots within frameworks are also widely consulted upon as part of the planning process.
- 3.4 This approach has developed over a number of years and the Council has a track record of successfully balancing development pressures but also delivering change. The Council has successfully worked with investors to ensure that community priorities are delivered at the same time as overseeing the effective delivery of larger scale schemes to meet wider growth priorities. Where there are potential conflicts between differing local objectives it is the responsibility of democratically elected members to make judgements through an open planning process. Without careful management, there is a concern that Neighbourhood Planning has the potential to conflict with these existing approaches and undermine policies and regeneration frameworks, both of which are based on a holistic approach to development and which are subject to extensive consultation. There is no evidence that the system that has operated in Manchester to date has not worked well nor is there evidence that it can't work effectively in the future. It is also not considered in a Manchester or Greater Manchester context that Neighbourhood Planning processes are likely to be as effective in delivering sustainable development or effective community engagement. The fact that the process in Northenden has yet to deliver the former three years after designation perhaps reinforces this.
- 3.5 There is a risk that the Neighbourhood Planning approach could therefore undermine the delivery of growth and community engagement, and raise false hopes amongst local residents of their ability to have influence over their neighbourhoods. It may result in a preponderance of plans and strategies and policy confusion, and increased uncertainty for developers.
- 3.6 It is essential that activity taking place through Neighbourhood Planning complements the existing approach to regeneration and service delivery, which already balances the strategic case for growth with the need to promote sustainable and attractive neighbourhoods. Unlike in many parts of the country, opportunities for Neighbourhood Planning will very likely emerge within a context where substantial activity is already evident at the neighbourhood level. Furthermore, the development of an Our Manchester approach that includes much deeper engagement between communities and public services, building on the strengths that already exist in neighbourhoods, is considered to be more likely to bring forward community-driven solutions to the problems and opportunities which exist in those places.
- 3.7 The following policy framework seeks to secure this aim.

#### **4. Manchester City Council Neighbourhood Planning Policy Framework**

- 4.1 *Proposals for Neighbourhood Planning will be supported only where they complement wider Council policies and programmes for the regeneration of the City and its neighbourhoods.*

The Council will seek to ensure that Neighbourhood Planning supports existing local policy. Opportunities to support Neighbourhood Planning should be concentrated on areas where there is no potential for duplication, conflict or confusion with existing policy or frameworks, which could create a less clear context for all stakeholders, including residents, developers and service delivery bodies. The approach is based on the recognition of the overarching role of the Council in the management and development of neighbourhoods, which includes an overview of place and service delivery and an understanding of the essential connections across different places and spheres of service activity. Neighbourhood Planning should be managed to ensure that the Council can continue to effectively fulfil this role and shape actions at the neighbourhood level in partnership with local residents and businesses as well as other stakeholders in those neighbourhoods.

- 4.2 *Proposals for Neighbourhood Planning will only be supported in areas that can reasonably be represented by Neighbourhood Forums in terms of population and strategic significance.*

Overall responsibility for neighbourhood representation rests with elected members. Neighbourhood Planning legislation enables forums of at least 21 people to carry out the associated functions. The designation of Neighbourhood Areas should ensure that the area is proportionate to this level of representation, taking account of the broad guidance on area population included in the Planning Practice Guidance. Neighbourhood Planning should also focus on issues that can appropriately be considered from a local perspective, reflecting the findings of the Daws Hill judgment. Areas of the City where there are developments that are potentially strategic in nature (being of relevance / interest to a significantly wider community of interest) will not usually be suitable for inclusion within a Neighbourhood Area.

- 4.3 *Proposals for Neighbourhood Planning will be supported as a means of delivering the aims of the Our Manchester Strategy and those of the applying relevant body. The Council will promote the use of the most appropriate measures to achieve these aims.*

The Council will support Neighbourhood Planning as a means of achieving the aims of the Our Manchester Strategy and those of the relevant body, where appropriate. The Council will promote the measures that are best designed to achieve the applicants' objectives. Where Neighbourhood Planning is not the most appropriate measure, the Council will aim to work with residents to promote alternative measures including existing local plan policies, other tools associated with localism, such as Assets of Community Value and more generally the Our Manchester approach.



## **5. Conclusion**

- 5.1 The Government is keen to enable local communities to play a greater role in their neighbourhood, and Neighbourhood Planning is one mechanism for achieving this. In terms of development and regeneration, it is vital this programme complements and builds on an established and successful approach to the City's growth. The Council's 'Our Manchester' programme provides a new and exciting mechanism for working more closely with local communities and seeks to further develop the approach already adopted and applied over many years.
- 5.2 The policy framework in this report aims to provide a clear structure within which Neighbourhood Planning can be delivered in Manchester alongside other neighbourhood development and management activity.

## **6. Contributing to the Manchester Strategy**

### **A thriving and sustainable city**

- 6.1 The Neighbourhood Forum (when designated) will be able to produce a Neighbourhood Development Plan for the appropriate area in accordance with the existing development plan. This should help to safeguard and develop the area as an attractive location for both residential and commercial uses.

### **A highly skilled city**

- 6.2 Well-planned development can support delivery of training and employment opportunities.

### **A progressive and equitable city**

- 6.3 Neighbourhood planning processes encourage residents to get involved and influence decision-making.

### **A liveable and low carbon city**

- 6.4 Good neighbourhood planning would help support the development of the area along sustainable lines though balancing the interests of development and growth with the use and conservation of the historic environment.

### **A connected city**

- 6.5 Well-planned development can improve connections within an area.

## **7. Key Polices and Considerations**

### **Equal Opportunities**

- 7.1 All communities across the City have the opportunity to get involved in neighbourhood planning.

### **Risk Management**

- 7.2 No significant risks have been identified.

### **Legal Considerations**

- 7.3 The Council has the power to designate neighbourhood areas in line with the Act. This report sets out considerations the Council will take into account when exercising this power.