

**5 FEBRUARY 2018**

**KEY DECISION? YES**

## **PLANNING DELIVERY FUND**

### **SUMMARY AND RECOMMENDATIONS:**

Approval is sought to spend grant funding awarded by the Government, from the Planning Delivery Fund, to progress joint work on issues relating to the Thames Basin Heaths Special Protection Area (SPA).

#### **It is recommended that Cabinet:**

(i) agree the drawdown of the remaining grant (£130,000) over a two year period, to spend on appropriate consultancy support and/or expert advice to support the legal, technical and ecological aspects of the work.

(ii) delegate authority to the Head of Economy, Planning and Strategic Housing to approve future expenditure and report through the budget monitoring process, with the condition that expenditure does not exceed the amount of the Planning Delivery Fund grant. Any expenditure is to be offset by a drawdown from the earmarked reserve where the Planning Delivery Fund grant monies are being held, to the general fund.

## **1. INTRODUCTION**

1.1 The report explains how the recently awarded grant from Government from the Planning Delivery Fund for joint working across Rushmoor, Hart and Surrey Heath is required to progress joint work on issues related to the Thames Basin Heaths Special Protection Area (SPA).

## **2. BACKGROUND**

2.1 Following a joint bid to Government, Rushmoor, Hart and Surrey Heath Councils have received a grant of £250,000 to undertake a two year joint project with Natural England. The project started on 1<sup>st</sup> October 2018 and will run until 31<sup>st</sup> September 2020. The aim of the project is to investigate and seek to implement alternative and complementary avoidance and mitigation measures, which can be delivered in order to mitigate new residential development within the HRSH Housing Market Area (HMA).

2.2 The bid set out that a part of the grant would be spent on the appointment of an officer to manage the project. A Cabinet decision made on 17 April

2018 (PLN1809) agreed the initial spend of Planning Delivery Fund monies in order to appoint a project officer on a 2 year fixed term contract.

- 2.3 The other proportion of the grant, a total of £130,000, to cover a two year period, was requested in order to seek appropriate consultancy support and/or expert advice to support the legal, technical and ecological aspects of the work.
- 2.4 A full time project officer has been appointed and commenced work on the project on 1 October 2018. A project board involving officers from Rushmoor Borough Council, Surrey Heath Borough Council, Hart District Council and Natural England has been established, and terms of reference for the Project Board are being prepared. Subject to the agreement of the Project Board, it is proposed that the Head of Economy, Planning and Strategic Housing at Rushmoor Borough Council is appointed as Project Sponsor.

### **3. DETAILS OF THE PROPOSAL**

#### **General**

- 3.1 Approval is sought to enable the remaining grant (£130,000) to be available to spend on appropriate consultancy support and/or expert advice to support the legal, technical and ecological aspects of the work.
- 3.2 Following initial project scoping, the intention is to procure consultants to provide support over the two-year period. Iterative procurement of additional consultants and/or external advice will be subject to the scoping and detailed analysis of the potential options.
- 3.3 The project is time limited and there is a need for the Project Board to seek the required external advice in a timely manner. Moreover, the grant has been awarded by Government specifically for this project, and cannot be spent on any other Council projects.
- 3.4 Therefore, approval is sought for decisions to draw down from the earmarked reserve to be delegated to the Head of Economy, Planning and Strategic Housing.

#### **Alternative Options**

- 3.5 An alternative option would be to seek agreement from Cabinet each time the Project Board seeks to procure consultants and/or seek advice to support the project. There is concern that given the iterative nature of the work this would result in unnecessary delays and could prevent evidence and/or necessary advice being available to support the analysis, prior to the project end date.

## **Consultation**

- 3.6 Consultation has taken place with the Planning and Economy Portfolio Holder.

## **4. IMPLICATIONS**

### **Risks**

- 4.1 There are not considered to be any risks associated with the implementation of the report recommendations. There is considered to be a potential risk to the delivery of the project if the remaining grant is not available to draw down when required.

### **Legal Implications**

- 4.2 There are not considered to be any legal implications arising from the decision.

### **Financial and Resource Implications**

- 4.3 There are no financial implications as any expenditure is offset by a drawdown from earmarked reserves to the general fund.

### **Equalities Impact Implications**

- 4.4 There are not considered to be any equalities impact implications arising from the decision.

## **5. CONCLUSIONS**

- 5.1 The Government has awarded Rushmoor, Hart and Surrey Heath Councils a grant to undertake joint work to investigate alternative complimentary mitigation measures to address the potential recreational impact arising from net new residential development within the vicinity of the Thames Basin Heaths Special Protection Area. An initial spend from this fund was agreed by Cabinet on 17 April 2018 in order to appoint a project officer.
- 5.2 This report seeks approval to enable the remaining grant (£130,000) to be available to spend on appropriate consultancy support and/or expert advice to support the legal, technical and ecological aspects of the work.
- 5.3 In order to enable the iterative procurement of consultants and/or external advice, it also seeks approval for decisions to draw down from the earmarked reserve to be delegated to the Head of Economy, Planning and Strategic Housing.

**BACKGROUND DOCUMENTS:**

[Cabinet Report on Planning Fee Increase and Resourcing in Planning](#) (PLN1906)  
17<sup>th</sup> April 2018

Planning Delivery Fund (Joint Working Fund) Bid Form

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## Annex A. Joint Working Fund (Expression of Interest Template)

<b>Lead authority</b>	<b>Rushmoor Borough Council</b>	
<b>Partners involved</b>	Surrey Heath Borough Council	
	Hart District Council	
<b>Senior sign-off</b>	Ian Harrison, Corporate Director, Rushmoor Borough Council Jenny Rickard, Executive Head – Regulatory, Surrey Heath Borough Council Daryl Phillips, Joint Chief Executive, Hart District Council	
<b>Funding being applied for</b>	<b>2017-18</b>	<b>2018-19/2019-2020</b>
	<b>£0</b>	<b>£125,000 per annum, £250,000 total</b>
<b><u>Summary of proposal</u></b> (please describe the relevant geographical area, nature of joint working proposed, the strategic planning issues to be addressed, scale of ambition and how this award will help you to achieve it.)		
<p>Rushmoor, Hart and Surrey Heath Councils form a Housing Market Area with a long history of joint working on cross boundary strategic issues. The three authorities have, through a Joint Member Liaison Group, committed to meeting objectively assessed housing need within the HMA as part of the preparation of their respective Local Plans. The need to plan positively for the delivery of new homes is critical, with high levels of affordable and market housing need across the three authorities.</p> <p>The authorities are also part of a wider group of 11 local authorities affected by the Thames Basin Heaths Special Protection Area (TBH SPA). This substantial constraint on development requires avoidance and mitigation measures (8 hectares of Suitable Alternative Natural Greenspace (SANG) per 1,000 new residents) to be delivered within suitable catchments of <b>all</b> net new residential development to ensure development does not have an adverse effect on the SPA (see <a href="http://www.rushmoor.gov.uk/spa">www.rushmoor.gov.uk/spa</a>).</p> <p>The Councils have worked collaboratively to deliver access to cross boundary SANG solutions. However, there are many constraints to delivering development and new SANGs in the HMA area. Rushmoor is predominantly urban, with any undeveloped land in the Borough being Special Protection Area, Sites of Important Nature Conservation Value, Sites of Special Scientific Interest, MoD estate, or within Farnborough Airport’s operational boundary. Surrey Heath Council is constrained by Special Protection Area, Green Belt, operational MOD land, Sites of Important Nature Conservation Value and Sites of Special Scientific Interest.</p> <p>Opportunities for delivering SANG are reducing; Rushmoor Council has, as a last resort, had to make the difficult decision to close its municipal Golf Course to create SANG. Ultimately, this constraint will represent an embargo on housing delivery; development</p>		

## EPSH1906 Planning Delivery Fund – Background Paper

will stop.

Each Council wishes to plan positively for growth through its Local Plan, to ensure housing need is met in the HMA. However, Natural England raised objection to the Rushmoor Local Plan on the basis that adequate SANG had not been identified to mitigate the impact of the residential development proposed.

The Councils are deeply concerned that the current approach to avoidance and mitigation will ultimately result in a moratorium on net new residential development in parts of the HMA. This is not tenable in the long term given the high house prices in the HMA, significant affordable and market housing need, and the desire to secure the regeneration of town centre sites.

The key to unlocking future housing delivery across the 11 TBH SPA affected authorities is therefore the establishment and implementation of **alternative** mitigation measures. However, the work needed to deliver this outcome requires a dedicated resource to move the project forward in partnership with Natural England. Funding is sought for an SPA project officer to work across the HMA to investigate and seek to implement alternative mitigation measures. This will in turn assist the wider 11 TBH SPA affected authorities, in an area of important nature conservation designations, high housing pressures and constrained land supply.

### **Specific activities and timetables** (including a breakdown of activities, milestones and profile of expenditure)

The project officer would be in post as soon as funding is available to appoint, but likely to coincide with the start of the 2018/19 financial year. Based at Rushmoor Borough Council, the officer would work across the HMA on behalf of the three partner local authorities. Funding is sought for two years, to ensure effective delivery, to be spent over the two financial years from 1<sup>st</sup> April 2018 to 31<sup>st</sup> March 2020, as follows:

<b>Date</b>	<b>Action</b>	<b>Milestone</b>	<b>Profile of Expenditure</b>
February/March 2018	Recruitment of Project Officer	Gaining professional and technical support for all three authorities, with wider application to TBH SPA authorities	£0 until recruitment complete
April 2018 – March 2019	Project Officer to work with Natural England and TBH SPA affected authorities to explore and challenge rationale for constraint relating to TBH SPA	Delivery of work to consider and test options for alternative avoidance and mitigation framework	£60,000

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April 2018 – March 2019	Engagement of appropriate consultancy support to provide bespoke commissions in support of the technical and ecological aspects of the work, supported by appropriate legal advice	Publication of workable options for alternative avoidance and mitigation framework, which meet ecological and legal parameters	£65,000
April 2019 – December 2019	Project Officer to work with NE and affected authorities to roll out agreed alternative method(s) of avoidance and mitigation	Achieve sign up to alternative method(s) of avoidance and mitigation from NE and affected authorities	£45,000
April 2019 – March 2020	Continued consultancy support to provide bespoke commissions in support of the technical and ecological aspects of the work, supported by appropriate legal advice		£65,000
January 2020 – March 2020	Project Officer to review and evaluate outcomes	Final report to DCLG on outcomes	£15,000

The project officer's activities will include:

- Monitoring existing SANG capacity in the three local authority areas, balancing the SANG requirements associated with the housing targets in the emerging Local Plans;
- Commissioning and managing specialist consultancy support to provide ecological, legal and other necessary advice to ensure that the requirements of the Habitats Regulations are satisfied;
- Working with Natural England to investigate alternative avoidance and mitigation measures that are Habitats Regulations compliant, to ensure that all HMA partners will be able to continue to assist with meeting their share of HMA housing needs;
- Reporting outcomes and findings to the Joint Strategic Partnership Board, the body set up to enable the 11 TBH SPA affected authorities to work together on strategic solutions to delivering net new residential development whilst ensuring no adverse effect on the SPA.

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Given the challenges and complexities associated with ensuring that any alternative avoidance and mitigation measures are Habitats Regulations compliant, a two-year post is sought in order to give sufficient time to deliver a positive outcome in terms of workable solutions. This post would be filled at equivalent to Principal Officer level, given the complexity of the issues, requiring annual funding, including on-costs of £60,000. In addition, funding to support the specialist consultancy advice is requested at £65,000 per annum. A total of £250,000 is therefore requested to deliver this joint working bid over a two-year period.

### **Impacts expected from funding (including description of outputs and outcomes you expect to achieve, and how they will be measured)**

The employment of a project officer for a fixed two-year period to work on issues relating to the avoidance and mitigation measures associated with the TBH SPA will deliver a number of outputs:

- A dedicated resource to work on behalf of the HMA authorities to monitor existing SANG capacity and focus on determining alternative avoidance and mitigation measures which will unlock delivery of housing in the HMA and deliver commensurate economic benefits;
- A multiplier effect arising from undertaking this work by benefiting not only the HMA authorities, but all 11 JSPB authorities, to be articulated through regular feedback through the existing meeting framework/cycles;
- Positive outcomes in respect of enabling the continuation of net new residential development across the HMA, and the wider TBH SPA affected area, rather than a potential moratorium on development should no alternative to SANGs be established;
- Enhanced working relationships between Strategic Partners, including Natural England, improving understanding and joint working, and enabling better strategic decision making;
- Ongoing protection of the European Habitat which is home to protected bird species, having positive outcomes for biodiversity and nature conservation;
- Achievement of a significant milestone by way of agreement to alternative avoidance and mitigation measures, for implementation across the TBH SPA affected authorities, averting a potential moratorium on new residential development in the HMA.

### **Assurance that there is strong commitment to joint working, and that any award will be spend in accordance with the award profile (please outline joint working arrangements in place, or envisaged, and confirm how you will ensure the money is spend as outlined)**

The three authorities of Hart, Rushmoor and Surrey Heath have a long history of working together to plan for cross boundary strategic issues. There is a firm commitment in place to continue this joint working, with various shared evidence base studies to inform Local Plans, and a joint Member Liaison Group to oversee the cross boundary work and meet the requirements of the Duty to Cooperate.



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In addition, for over 10 years, the Joint Strategic Planning Board (JSPB) has met to bring together the 11 TBH SPA affected authorities and other stakeholders such as Natural England. Moreover, the JSPB comprises both Officer and Member groups, and all representatives are committed to continuing with the work of the Board, with a focus on enabling net new residential development whilst protecting the integrity of the TBH SPA.

Whilst the project officer will be based at Rushmoor Council offices, he or she will work on behalf of the three HMA authorities. As such, we will work together collaboratively to ensure that solutions are delivered to alleviate the constraint on development that the avoidance and mitigation measures relating to the TBH SPA currently represent.

The funding will be used to employ a project officer for a fixed term, full time post over a two-year period, as documented above. This will be supported by the consultancy budget to enable the delivery of supporting technical and legal work.

Each of the Leaders and Chief Executives welcome this application on behalf of all three Councils and signatories to this bid application.

### **Assessment of risks to achieving the objectives of the proposal (please list your top three risks and mitigating actions)**

- 1. Risk:** Unable to recruit a project officer with suitable experience. **Mitigating action:** Consider an alternative approach of employing consultants to undertake research on alternative avoidance and mitigation measures.
- 2. Risk:** That the complexity of the issues mean that the matter cannot be resolved within the two-year period of the post. **Mitigating action:** Use the work completed by the project officer as a basis to continue to move forward. Potentially seek additional funding in the longer term.
- 3. Risk:** That alternative workable solutions to mitigation and avoidance are not achievable. **Mitigating action:** Without dedicating resources to investigating alternative solutions, it is not possible to resolve the issues relating to the finite nature of SANGs, and the ultimate moratorium on net new residential development that the current approach represents. It is therefore better to seek to undertake the work, as to not do so is a greater risk to the delivery of housing in the TBH SPA affected authorities.

### **Does your bid rely on, or align with, other funding or initiatives from Government?**

For example, are you part of housing deal negotiations, or have bid for Housing Infrastructure Fund money?

Surrey Heath, in partnership with Surrey county Council, Runnymede Borough Council and Woking Borough Council, has submitted a bid for Housing Infrastructure Fund money in respect of undertaking studies on the A320, which runs through the boroughs and will be impacted by a number of sites which will be identified for housing.