

OS7  
FOR DECISION  
WARD(S): ALL

THE OVERVIEW AND SCRUTINY COMMITTEE

11 July 2011

FINDINGS OF THE INFORMAL SCRUTINY GROUP ON PLANNING AND THE RURAL ECONOMY

REPORT OF ASSISTANT DIRECTOR (ECONOMIC PROSPERITY)

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RECENT REFERENCES:

Minutes of the [Local Economy Scrutiny Panel for 3 February 2011](#)

OS2 – [Appointments to Informal Scrutiny Groups and External Bodies](#), 1 June 2011

EXECUTIVE SUMMARY:

Following impromptu discussions at meetings of the Local Economy Scrutiny Panel over the past year, Members felt that there was a need to explore in more depth a growing concern that rural businesses were challenged by the planning policy and practice of the City Council.

At its meeting of 3 February 2011, the Panel agreed to convene an Informal Scrutiny Group (ISG) "to consider issues surrounding planning and the rural economy". A series of five meetings has now completed, and this report summarises the nature of the meetings, the main findings and the recommendations of the ISG.

Members of The Overview and Scrutiny Committee are asked to consider these recommendations with a view to referring them to Cabinet for implementation.

**RECOMMENDATIONS:**

- 1 That Members consider the recommendations of the ISG as set out below, and refer them to Cabinet for implementation:
  - i. That Plans for Places and subsequent LDF policy documents carry forward the Council's aspirations to support and develop the rural economy as set out in section 3.3 of this report;
  - ii. That Members be appraised of the definition of 'sustainability' set out in the Government's National Planning Policy Framework as soon as it emerges, and understand how this will be applied by planning officers in the context of the very different needs of rural businesses;
  - iii. That the Council's Head of Community Planning be asked to facilitate inter-parish discussions on policy where the aspirations of one parish impact on those of a neighbouring one;
  - iv. That the Corporate Director (Operations) take forward discussions with the South Downs National Park Authority to ensure synergy and consistency between the LDFs for Winchester and the Park area in relation to rural business development;
  - v. That all the proposed improvements to the planning management service put forward by the Head of Planning Management and outlined in section 5.1 of this report be implemented as soon as possible;
  - vi. That the Portfolio Holder for Planning work with the Head of Planning Management to drive forward other improvements to the planning process which would improve the experience of all customers, as summarised in section 5.2 of this report.

## THE OVERVIEW AND SCRUTINY COMMITTEE

20 June 2011

### FINDINGS OF THE INFORMAL SCRUTINY GROUP ON PLANNING AND THE RURAL ECONOMY

#### REPORT OF ASSISTANT DIRECTOR (ECONOMIC PROSPERITY)

#### DETAIL:

##### 1 Introduction

- 1.1 At its meeting of 3 February 2011, the Local Economy Scrutiny Panel nominated five Members to form an Informal Scrutiny Group (ISG) with a remit

*“to consider issues surrounding planning and the rural economy “*

- 1.2 The five Members of the ISG were Cllrs Power, Humby, Hutchison, Stallard and McClean. The ISG first met on 8 March, at which point it adopted a framework for its meetings based on the following three questions:

- a) What issues have been identified where there is a mismatch between the Council's existing planning policies and processes and the objective of promoting a successful rural economy?
- b) What reasons are there why the Council has had such policies and processes?
- c) What changes should be recommended to reconcile the needs of a successful rural economy with other planning objectives?

- 1.3 For the purposes of the ISG, a ‘rural business’ was defined as any enterprise based in the Winchester District, outside the Town area and excluding the urban areas around Waterlooville, Segensworth and Whiteley. Members decided to focus on small to medium sized enterprises which make up the majority of businesses in these areas.

- 1.4 The programme of meetings, including details of the broad themes for each one and the presentations made, is included at Appendix 1. This report summarises the main findings of the ISG, and sets out its recommendations for further consideration by the Overview and Scrutiny Committee. Whilst there was often an overlap between ‘policy’ and ‘process’ items, the findings and recommendations are divided into these two broad areas for ease of implementation.

## 2 Planning Policy: The Current Situation

2.1 When planning applications are received by the Council, officers base recommendations on a combination of national statutory policy and locally adopted policies. Under the Planning Acts an application must be determined in accordance with adopted policies (Local Plan and South East Plan) unless there are good planning reasons to make a decision which does not accord with these policies. As a result, some of the concerns raised during the ISG inevitably related to policies over which the City Council has no controls, such as Planning Policy Statement 4 (PPS4) and the South East Plan.

2.2 However, policy continues to change and latest Government guidance requires planning authorities to place a far higher priority on supporting business growth. The Minister for Decentralisation issued a Written Ministerial Statement on 23 March this year which said:

*“The Government's top priority in reforming the planning system is to promote sustainable economic growth and jobs. Government's clear expectation is that the answer to development and growth should wherever possible be 'yes', except where this would compromise the key sustainable development principles set out in national planning policy.”*

This statement has consistently been drawn to the attention of the City Council's Planning Development Control Committee, including during notable recent debates on the holiday lodge development in Black Wood and the Sainsbury's plan for Bishop's Waltham.

2.3 Local policy is also evolving, and it is generally acknowledged that elements of the current Local Plan for the Winchester District may now appear dated. At present, certain types of commercial development in the countryside can present difficulties in policy terms. Innovative businesses which are keen to respond to customer trends and emerging opportunities find it exceptionally hard to deal with the constraints of containment policies, sequential testing and the fact that re-use/refurbishment of rural business premises must not currently lead to a material increase in jobs or traffic. By their nature, innovative businesses will always tend to push the limits of conventional policies because business needs can be fast changing in an era of exceptional economic upheaval and global knowledge-sharing.

2.4 The Government's proposed abolition of regional spatial plans (The South East Plan) and the introduction of 'Localism' led to the Council's recent round of community consultation known as 'Blueprint'. This extensive programme brought forward a range of aspirations for business growth, from 'no change' to active proposals for economic development in rural areas.

- 2.5 Officers explained to Members that the City Council had adopted a ten year economic strategy in 2010 which named five key sectors to support and develop (creative/knowledge-based; land-based; tourism; retail; public administration), all of which were present in the market towns and rural areas of the District. The Local Development Framework (LDF) would be the delivery mechanism, in spatial planning terms, for the vision set out in the economic strategy. It will be the first time that the District's planning policy has been developed explicitly to support stated economic outcomes in this way.
- 2.4 The LDF will also seek to make provision for the local aspirations expressed through Blueprint, albeit balanced against other statutory considerations and a strategic overview of the District. Officers explained to Members that future decisions about development in the countryside will not be determined according to rigid policies but according to a set of criteria which would provide a more flexible approach.
- 3 Planning Policy: Key Findings and Options for Change
- 3.1 Members felt that current policy restricted business growth in the rural areas, but they were greatly reassured by the Council's draft document 'Plans for Places' which was going forward to the June meeting of [Cabinet](#) as a consultation document which would form the basis for the LDF. The new document, based on the 'Blueprint' exercise, identified the ten larger settlements but moved away from a 'planning hierarchy' which attempted to specify in advance which communities should be 'developed'. It would effectively enable local communities to support the creation of more businesses in the countryside, and more jobs for those living in the countryside.
- 3.2 Members felt that this, boosted by the Government guidance on economic growth, would to a large extent address their concerns around planning policy. Three outstanding concerns to be addressed were:
- a) the need to define more clearly the meaning of 'sustainability' when assessing planning applications: this was likely to be dictated nationally through the Government's proposed National Planning Policy Framework. It was unlikely to be 'black and white' so would continue to be judged on a case by case basis – indeed, one agent requested that no attempt be made to develop a 'one size fits all' measure for sustainability.
  - b) the need to facilitate inter-parish discussions where local aspirations impacted on areas outside the immediate parish: officers indicated that whilst a discussion could be facilitated, there would be no way to 'enforce' a view on a parish or community, particularly one from another district.

- c) the impact of the introduction of the South Downs National Park's own LDF in 2014: Members recommended active dialogue with the Park Authority to ensure that the work of the 'Blueprint' process was not lost in the development of this much bigger document.

3.3 Overall, Members were keen to ensure that planning policy demonstrated clearly the Council's aspirations in relation to the rural economy. These were summarised by one Member on behalf of the group as follows:

- i. *This Council recognises that a variety of economic activity throughout the district is essential to the sustainability of communities.*
- ii. *This Council recognises that the special character of some areas requires protection and conservation, but that should not result in the discouragement of all economic activity.*
- iii. *This Council is an active partner in economic development in all areas of the district.*

#### 4 Planning Process: The Current Situation

4.1 It was recognised at the outset that customers who had not had planning applications approved were likely to feel aggrieved at some aspect of the planning process. A decision was therefore taken only to invite representations from businesses which had successfully secured planning permissions, or from agents who had a broad range of experiences on which to draw and could also provide comparisons with other planning authorities. External contributors acknowledged that, as in any team, Winchester City Council's Planning Management Service was made up of some very professional and approachable officers, but others were felt to be less responsive to, or supportive of, applicants trying to navigate their way through the process. The experience of the small businesses was compared to that of Marwell Wildlife, one of the District's largest rural businesses, and there was a noticeable difference: the availability of in-house expertise, advance planning capacity and funding within a larger organisation, combined with a perceived greater willingness by officers to communicate and visit, highlighted the problems presented other speakers.

4.2 The key issues raised in connection to the process were as follows:

- a) Communication: although it was acknowledged that planning officers have a difficult role to carry out, it was felt that applicants would benefit from a more customer-friendly service. This would include:
  - a quicker response to phone and email messages;
  - a positive attitude, particularly to resolving difficulties;

- provision for continuity of dialogue where flexible working arrangements exist;
  - greater accessibility, with a willingness to meet face to face and visit the site at an early stage in the process to build mutual understanding;
  - use of plain English and avoidance of planning 'jargon' or an over-formalised written style to increase understanding.
- b) Information: businesses are often working at speed because they are driven by external factors (eg growing seasons, bank loan deadlines, visitor demand, funding windows). In order to plan a project in a way which keeps costs to an affordable level and has the desired business outcome, they need more information about the planning process from the outset, including:
- clarity about the length of time the planning process will realistically take;
  - up-front discussion of the conditions that may be attached to applications, to allow for some negotiation and also some advance preparation for these by the business;
  - advice on how to go about finding a 'good' planning agent or consultant who will add value to the process rather than complicate it and in so doing add cost for the applicant (although obviously the Council is not in a position to make specific recommendations);
  - reduced reliance on long letters where this was possible, in favour of short and more immediate conversations or emails to speed up the process;
  - consulting applicants on timings for reconnaissance visits so that officers could be hosted and shown around, at least in part, to ensure no wrong assumptions were made about proposals.
- c) Greater understanding of the nature and needs of rural business: officers were perceived to be more 'town-focussed', and seemed to take a long time to resolve issues thrown up by rural business interests. The County Land Agent was praised as an arbitrator in such matters. However, officers were considered to resort to a 'tick box' approach which seemed to create unnecessary burdens for small businesses running on tight timescales and tight profit margins.
- d) Inconsistent or inaccurate advice: policies could lead to different interpretations, and officers should take advice if there was any uncertainty of this kind before making recommendations to applicants. Examples of poor advice included:

- businesses being required to seek planning permission where it was not required;
- businesses being advised to withdraw applications when this was not necessary;
- applicants being advised that particular materials/approaches would not be acceptable when they were.

Applicants acknowledged that this was not a universal picture, but where such advice was given it could add extra expense and delay to a finely-balanced project.

f) Planning Development Control Committee Meetings: no satisfactory way had been found to avoid long periods of waiting for business applicants, which often meant they were away from their business for a whole day with no one else to take their place. The lack of timings also meant that it could be difficult for representations to be made. There was also a concern that when factual errors were reported in debate, there was no means for applicants to correct these during the meeting: the Head of Planning Management offered to review this with the Chair of the Committee at the start of the new cycle.

- 4.3 One planning consultant summarised the main requirements of a good service as
- good communication, both about planning and on an interpersonal level
  - certainty, providing robust but not necessarily negative, advice
  - value for money, ensuring that customers were not caused to expend unnecessary time or cash during the process.
- 4.4 The Planning Management Team are currently preparing their assessment for Customer Excellence Accreditation, the national standard which the Council is seeking for all its Teams. This exercise is focusing attention on all aspects of the customer experience, and is helping both to raise awareness and identify improvements within the Team to address concerns such as those raised.

## 5 Planning Process: Recommendations for Change

- 5.1 During the course of the ISG, the Head of Planning Management considered the issues being raised by contributors. He was able to bring to the final meeting of the ISG a number of proposals designed to improve the experience of rural businesses. These were fully endorsed by Members as follows:

a) *Rural Business Planning Workshops* – annual workshops for the owners of rural businesses contemplating making applications, to be hosted by the Planning Management Team. This will be an opportunity for owners of rural enterprises to meet planning officers who will be able to explain the policy



background and what needs to be considered when making an application including supporting documentation and fees. This will enable potential applicants to make more informed decisions, at an early stage; decide whether it is worth pursuing proposals; consider the need for an agent, and considering the benefit of obtaining formal pre-application advice from the Council.

b) *Guidance* – the production of a Rural Planning Guidance Note which sets out planning policies, application procedures and material considerations such as transport, ecology, landscape impact. This would help businesses when deciding whether to make a formal application. This would be available on the web.

c) *Business Customer Planning Advisor* – the nomination of a planning officer to discuss issues of process and procedure regarding planning applications for rural businesses. They would not be an expert on all rural issues, but they would be able to provide advice on how potential applicants should approach the submission of a planning application and could signpost further specialist support if desirable.

d) *Role of Economic Development Team* - the production of a list of development types that would benefit from economic development input. This would include tourism and leisure uses as well as businesses more traditionally identified as employment generating such as industrial workshops, offices and agriculture. This would help planners to identify schemes requiring economic development comments at an early stage of the decision making process. Recognising the capacity of the economic development team, however, consultations would be restricted to those applications which were likely to be more challenging or 'marginal' in policy terms.

e) *Raising the Profile of Rural Businesses* - emphasising to planning officers the important contribution rural businesses make to the District's economy and management of the countryside and encouraging them to deal with applications for rural development as positively and flexibly as possible.

5.2 During this same period, the Head of Planning Management was also drawing up a plan to improve the decision making time for planning applications. Although very specific in its remit, this plan was also informed by the ISG's discussions and some of the actions will benefit rural businesses as well as other applicants. These include:

a) a review of the local requirements list to reduce the 'tick box' culture, and so the burden on small businesses to provide specialist reports if they were not strictly necessary;

b) changes to the validation process, to give officers an early 'heads up' about incoming applications which would enable them to start to plan site visits earlier in the process;

c) return to a four-weekly planning committee cycle, to give officers more time for progressing casework;

d) more decisive indications from planning officers, where negotiation with applicants would simply lead to a long and unsatisfactory process;

e) changes to the structure of the team, introducing team leaders with a responsibility for overseeing officer caseloads, to ensure efficient management of work and consistent standards.

Again, the ISG supported these proposals and commended the officers for having taken steps already to introduce these changes.

## 6 Principles for Improvement and Recommendations

6.1 During the course of their meetings, Members of the ISG effectively developed a number of principles as a basis for improvement. One Member summarised these on behalf of the group as follows:

- We wish change the way we work with the rural business community to:*
- 1. Create a climate in planning and conservation where economic activity is seen as being essential to the community in rural areas and market towns.*
  - 2. Amend local policy to support sustainable land use in rural areas and market towns, where appropriate to site and meeting established community need.*
  - 3. Create the perception and actuality of Winchester City Council as an organisation that supports economic activity in rural areas and market towns.*
  - 4. Ensure that when we get things wrong as a planning authority, we apologise, and are supportive in finding a way to resolve the issues effectively.*
  - 5. Ensure that officers set realistic expectations regarding time and process, then meet them.*
  - 6. Acquire skills, by recruitment or agreement, to provide constructive advice to businesses wishing to provide employment and/ or community services in rural areas and market towns.*

6.2 Members were pleased to note progress being made in addressing key issues even during the life of the ISG. They felt the speakers had provided an excellent insight into the experience of businesses, and some clear options for improving both policy and practice to support the development of a vibrant rural economy in the future.

6.3 The ISG's recommendations are as follows:

- i. That *Plans for Places* and subsequent LDF policy documents carry forward the Council's aspirations to support and develop the rural economy as set out in section 3.3 of this report;
- ii. That Members be appraised of the definition of 'sustainability' set out in the Government's National Planning Policy Framework as soon as it emerges, and understand how this will be applied by planning officers in the context of the very different needs of rural businesses;
- iii. That the Council's Head of Community Planning be asked to facilitate inter-parish discussions on policy the aspirations of one parish impact on those of a neighbouring one;
- iv. That the Corporate Director (Operations) take forward discussions with the South Downs National Park Authority to ensure synergy and consistency between the LDFs for Winchester and the Park area i in relation to rural business development;
- v. That all the proposed improvements to the planning management service put forward by the Head of Planning Management and outlined in section 5.1 of this report be implemented as soon as possible;
- vi. That the Portfolio Holder for Planning work with the Head of Planning Management to drive forward other improvements to the planning process which would improve the experience of all customers, as summarised in section 5.2 of this report.

#### OTHER CONSIDERATIONS:

##### 7 SUSTAINABLE COMMUNITY STRATEGY AND CHANGE PLANS (RELEVANCE TO):

- 7.1 The subject of the ISG was directly relevant to delivery of the Economic Prosperity outcome of the Sustainable Community Strategy, in seeking to ensure that rural businesses can start up and thrive without facing having to deal with unnecessarily bureaucratic or time-consuming processes.
- 7.2 Proving an efficient and helpful planning management service also supports delivery of the Council's own Efficient and Effective outcome, which identifies the provision of 'Customer Service We're Proud Of' as a key priority.

## 8 RESOURCE IMPLICATIONS:

- 8.1 There are no new resource implications arising from any of the recommendations of this report. All improvements can be accommodated within existing budgets.

## 9 RISK MANAGEMENT ISSUES

- 9.1 In seeking to make improvements to its planning service for rural businesses, the Council will be tackling an issue which has already – based on the feedback of the speakers to the ISG – led to some reputational damage. The speakers were pleased to be involved in identifying future improvements, and a proactive response from the Council should, in turn, lead to a positive reaction from agents and businesses alike.
- 9.2 There is a risk to the local economy associated with restricting the vitality of rural businesses, particularly as the opportunities become more widely available and more global thanks to the internet and as traditional sectors (eg farming and forestry) seek to diversify rapidly to manage new challenges. Winchester could fall behind other parts of the country by not fostering entrepreneurial talent through an efficient and supportive planning system.

## BACKGROUND DOCUMENTS:

Minutes of the ISG, held by the Democratic Services Team

## APPENDICES:

Appendix 1: Work Programme of the *Planning and the Rural Economy* ISG

## **Appendix 1**

### **Work Programme of the *Planning and the Rural Economy* ISG**

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|---------------------------------|---|
| Meeting one:<br>8 March 2011    | <p>Theme: Contextualising the ISG</p> <ul style="list-style-type: none"> <li>• Refine and agree the terms of reference and proposed work programme for the Group</li> <li>• Economic strategy for the rural areas of the Winchester District – Eloise Appleby, Asst Director (Economic Prosperity)</li> <li>• Spatial planning policies for the economy in the rural areas – Steve Opacic, Head of Strategic Planning</li> </ul>  |
| Meeting two:<br>29 March 2011   | <p>Theme: The business experience of the planning management process</p> <ul style="list-style-type: none"> <li>• Expert witnesses from 4 small businesses who have recently made applications to WCC</li> </ul>  |
| Meeting three:<br>11 April 2011 | <p>Theme: The business experience of the planning management process (cont)</p> <ul style="list-style-type: none"> <li>• Expert witnesses from a planning practices offering comparisons with other planning authorities</li> <li>• Expert witness from a large rural business offering comparisons with the experience of smaller businesses in relation to planning matters</li> <li>• The Planning Development Committee – observation from a WCC Member who regularly speaks at Planning Committee</li> </ul> |
| Meeting four:<br>10 May 2011    | <p>Theme: The Council's approach to planning management</p> <ul style="list-style-type: none"> <li>• Expert witnesses from 2 more planning practices offering comparisons with other planning authorities</li> <li>• The Planning Development Committee – observations from a long-serving member of the committee on the experience of rural businesses</li> </ul>   |

Meeting five:  
6 June 2011

### Conclusions

- Member questions on planning policy and practice service: Simon Finch, Head of Planning Management, and Steve Opacic, Head of Strategic Planning
- Summary of findings for Overview and Scrutiny report