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North Norfolk District Council's Response to Inspector's Matters and Issues: Questions i - x In Relation to the Single Policy Review

References in square bold brackets [xx] refer to examination library document numbers.

1. Introductory Remarks

- 1.1 This paper is prepared by North Norfolk District Council in response to the Matters and Issues identified by the Inspector and will provide the basis of the Council's position at the Hearing session.
- 1.2 The Council considers that the Draft Policy **[A2.1]** is sound as submitted, however, it has suggested a number of minor modifications to the submission document which can be considered by the Inspector. These changes are designed to improve the clarity and consistency of the policy and are listed in a schedule of possible changes. The Schedule of Minor Modifications **[A2.3]** includes minor editorial corrections, points of clarification, or are changes responding to points made by representors. The Council considers that none of these minor modifications, either individually or cumulatively, affect the overall thrust of the policy and therefore further consultation or sustainability appraisal is not required.

2. Response to Inspectors specific questions

i) Is the DPD legally compliant? If not, why not?

- 2.1 See separate statements in relation to legal compliance **[A2.7]** and **[J3.1]**

ii) Does the draft policy comply with recent national policy in PPS4, PPS15 (etc)?

- 2.2 Since the draft policy was published in October 2009 government has issued new national policy:
 - PPS4: Planning for Sustainable Economic Growth (29 December 2009)
 - PPS5: Planning for the Historic Environment (23 March 2010)
 - PPS25: Development and Flood Risk (23 March 2010)
 - Supplement: Development and Coastal Change (9 March 2010)
 - PPS3: Housing (June 2010)
- 2.3 PPS4 on publication replaced national advice pertaining to the re-use of buildings in the countryside previously contained in PPS7 (Sustainable Development in Rural Areas) and is considered directly relevant to this single policy DPD. Although Policy EC12 of the



PPS relates specifically to 'Determining planning applications for economic development in rural areas', it does include a reference to the circumstances where residential conversion may be appropriate. The policy restates previous advice included in para. 17 of PPS7 that the '*re-use of buildings in the countryside for economic development purposes will usually be preferable, but residential conversions may be more appropriate in some locations and for some types of building*'.

- 2.4 Full regard has been had to PPS7 during the formulation of the policy approach as evidenced particularly by the Background and Methodology document accompanying the DPD [A2.8]. Building type and location are key determining criteria and included on the basis of national policy advice and the direction given in the Core Strategy Inspector's Binding Report [G11]. Policy EC12 restates previous advice in PPS7 and the proposed approach remains consistent with the national planning advice on this subject. The Background and Methodology document (Submission Version) [A2.8] was updated to reflect this changed policy context. More detailed consideration of PPS4 is included in response to Question iii.
- 2.5 PPS5 relating to Planning for the Historic Environment issued in March this year restates the Government's overarching aim that the historic environment and its heritage assets should be conserved and enjoyed for the quality of life they bring to this and future generations. The policy statement highlights the value of heritage assets - not only designated assets such as Listed Buildings but also those that are not designated but of sufficient heritage interest to be a material consideration. The PPS is material to the consideration of this single policy DPD given the policy specifically relates to buildings that are worthy of retention due to their appearance, historic, architectural or landscape value. The value of these buildings and their long term viable future use is recognised and was identified as a specific policy aim. This approach is considered entirely consistent with PPS5.
- 2.6 In relation to PPS25 this district is strongly influenced by coastal change as well as flooding associated with both the sea and Norfolk Broads river system. As a result the adopted Core Strategy includes specific policies (EN10, EN11 and EN12) that influence the nature of development in affected area. The draft policy does not include any specific reference to these environmental constraints and assessment of such matters would be considered against the Core Strategy policies referred to and the most up to date advice in PPS25. The supporting text to the proposed policy (para. 2.8) makes it clear that compliance with all elements of adopted policy is required.
- 2.7 Recent changes to PPS3 Housing (June 2010) have no impact on the proposed policy.

iii) Given PPS 4's "preference" (in its policy EC12) for the re-use of rural buildings for "economic development" purposes, will the draft policy militate against such non-residential uses?

- 2.8 Reflecting national planning guidance and the stated preference to the economic re-use of rural buildings, Core Strategy policies SS2, EC1 and EC2 relate directly to the approach to be taken to the re-use of rural buildings for economic purposes, these policies apply across the whole of the countryside, have been found sound, and are not subject to review:

- Policy SS2 Development in the Countryside - provides for the re-use of buildings in the Countryside for 'appropriate purposes'.
 - Policy EC1: Farm Diversification - permits a range of farm diversification proposals including the re-use of existing buildings.
 - Policy EC2: The Re-use of Buildings in the Countryside - provides for the re-use of such buildings for economic uses (including holiday accommodation).
- 2.9 PPS4 states that residential re-use may be appropriate 'in some locations and for some buildings. The draft policy therefore sets out the circumstances where residential conversion may be appropriate as a re-use option. The policy will not apply across the whole district or to all buildings, and economic re-use will remain the only policy compliant option in many cases
- 2.10 The objective of creating and maintaining sustainable rural communities will be a key consideration when assessing individual planning applications. Safeguarding employment opportunities is integral to achieving such aims. This is recognised in the proposed policy approach. Consequently where buildings are within the locations identified for conversion but last used or presently used for commercial purposes and provide a significant number of jobs, residential conversion would not normally be supported. In terms of what constitutes 'significant' - this assessment will be carried out at planning application stage informed by the nature and scale of the business involved and its connection with the village and or surrounding area.
- 2.11 In addition the adopted Core Strategy includes policies that seek to protect a range of economic uses:
- Policy EC8 Retaining an Adequate Supply and Mix of Tourist Accommodation
 - Policy CT3 Provision and Retention of Local facilities and Service – (includes convenience stores, post offices, public houses)
- 2.12 As such where existing rural buildings provide important local facilities or tourist accommodation, these policies would apply and there would be an additional requirement to justify the loss of these facilities prior to consideration of alternative uses.
- 2.13 Where buildings are outside of the locations identified for residential conversion but are being promoted on the basis of their heritage value, it will be necessary to demonstrate that economic uses are not viable or appropriate to secure the protection of the building. This Council is preparing a Practice Guide to provide detailed advice on the information required to support such applications.
- 2.14 Hence the proposed approach facilitates residential use of good quality buildings in the more sustainable parts of the district whilst ensuring that opportunities will be retained for other uses.

iv) *Is the draft policy consistent with other Core Strategy policies?*

- 2.15 The Core Strategy (adopted September 2008) sets out the vision, objectives and strategic policies for North Norfolk and provides clear direction for development in the district up to 2021. The Core Strategy outlines in general terms the broad quantities, types and distribution of new development planned for the district and was prepared taking into account the most up to date national policy guidance and the regional

framework outlined in the East of England Plan. Draft Policy HO9 was originally examined along with the Core Strategy in 2008 and as such has been informed and guided by the core aims and development strategy for the district. Particular attention is drawn to the following Core Aims:

- Core Aim 1 – To address the housing needs of the whole community
- Core Aim 2 – To provide for sustainable development and mitigate and adapt to climate change
- Core Aim 3 -To protect the built and natural environment and local distinctive identity of North Norfolk, and enable people's enjoyment of this resource.

- 2.16 These core aims along with the direction given in the Core Strategy Binding Report **[G11]** and the further consultation carried out in June 2009, informed the specific policy aims for the rural residential conversion policy **[A2.8]**;
- Aim 1 - To help support the sustainability of rural communities and services
 - Aim 2 - To secure the future of traditional rural buildings that positively contribute to the local distinctiveness of North Norfolk.
- 2.17 Core Strategy Policy SS1 sets out the Spatial Strategy for North Norfolk and directs the majority of new housing growth to the Principal, Secondary Settlements and Service Villages identified in the Core Strategy. Development in the countryside is restricted to particular types which support the rural economy and address affordable housing needs. This approach is consistent with the national and regional objective of creating mixed sustainable communities and the provision of new housing in suitable locations which offer a range of community facilities with good access to jobs, key services and infrastructure.
- 2.18 The approach to the conversion of rural buildings is consistent with the adopted development strategy and seeks to promote the scope for sustainable residential development in particular locations in the countryside and of particular types of building and where there are clear wider social and environmental benefits. The approach acknowledges the balance to be struck between protecting the countryside, supporting rural communities and safeguarding the rural built heritage. The location and building type criteria will allow for a number and distribution of new homes created through conversion to come forward in a manner consistent with the CS Spatial Strategy and Strategic Housing Policy **[A2.8 para 3.11-3.14]**. Unrestricted re-use across the district for residential purposes would not comply with the CS Spatial Strategy policy and would result in isolated dwellings in the countryside delivering very limited public benefit.
- 2.19 Core Strategy policies supporting economic development in the countryside have previously been referred to. The draft policy augments the existing policies on the re-use of rural building in the countryside, identifying the specific circumstances where residential use may also be an option. Given the scope of the policy i.e. some locations and particular building types, the policy compliments rather than undermines the economic objectives of these other policies.
- 2.20 Core Strategy Policy EN8 Protecting and Enhancing the Historic Environment aims to ensure that North Norfolk's built heritage is conserved and enhanced and that new development is of high quality design. In relation to the built rural heritage the draft policy directly supports this objective and offers the opportunity for residential conversions where such buildings are in appropriate locations or where that use is shown to be the optimum viable use for buildings of particular heritage value/significance.

- 2.21 Lastly the policy supports the Core Strategy objective of providing a variety of housing types in order to meet the needs of a range of households (CS Core Aim 1) particularly in relation to the addressing affordable housing need in the rural areas through the inclusion, where it is viable to do so, of an affordable housing requirement.
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v) Are the draft policy criteria both “justified” and “effective”?

- 2.22 The draft policy criteria are considered justified and would be effective in identifying where the residential re-use of rural buildings would be appropriate and consistent with sustainable development objectives. Each criteria is discussed below:

Criterion 1, the policy area definition on the Proposals Map;

(‘the building is located within an area identified on the Proposals Map for that purposes..’)

- 2.23 The ‘location’ of a building is considered justified as a qualifying criterion for residential conversion and consistent with PPS4. To have no regard to location would not be justified by the Sustainability Appraisal process, result in a scale and pattern of residential development in the countryside contrary to CS policies SS1 and SS3 **[G10]** and conflict with the stated preference of re-using buildings in the countryside for economic purposes - PPS4 and Core Strategy Policy EC2.
- 2.24 In relation to ‘location’ the policy identifies countryside locations where the occupiers of new residential conversions would have access to and help support, existing local facilities and services (Aim 1). The approach responds to the comments of the Core Strategy Planning Inspector **[G11]** who in examining original Policy HO9 **[G14]** was concerned that by only including areas well related to the Core Strategy Settlements, the approach excluded places with ‘some, but not a full range of local services’ where conversions could help support the vitality of the remaining services. He commented that he was particularly conscious of the Spatial Strategy’s re-classification of many former ‘Selected Small Villages’ to “countryside” for settlement planning purposes.
- 2.25 For the purposes of residential conversion the settlement hierarchy has been extended by adapting the Core Strategy Service Village Selection Methodology **[G32]** to identify villages that have ‘some but not a full range of facilities’ **[A2.8]**. ‘Some’ facilities has been deemed to be three or more in order that at least basic day to day needs can be met locally. Former Local Plan Selected Small Villages with at least one key daily facility (either a community school or a local convenience store) as well as two other facilities from a specified list were selected. As a consequence the policy includes the 24 Core Strategy settlements as well as an additional 20 villages (44 settlements in total). An important element of the intended approach to location is that ‘acceptable’ locations are not simply linked to facilities but also require proximity to a place, namely, one of the identified settlements. In this way the proposed approach reflects a broader definition of sustainability embracing environmental, social and economic considerations.
- 2.26 For the purposes of identification the Core Strategy Proposals Map has been amended to identify the locations subject to this policy designation - this provides clarity and certainty as to where the draft policy will apply. For Core Strategy Settlements, a zone has been identified extending 1km from the adopted settlement boundaries. For the additional 20 settlements within the ‘Countryside’, the locations consist of an area within and extending 1km beyond the former Local Plan Selected Small Village boundaries.

Given advice in PPG13 and the consultation responses received, 1km is deemed to be a reasonable walking distance.

- 2.27 Outside of these areas residential conversion would not support sustainable development objectives and would not be permitted. Exceptionally where buildings are of particular heritage value (i.e. Listed, or of sufficient heritage merit to qualify for local listing) residential may be allowed where it is demonstrated that use would best secure the future of the building.
- 2.28 Consideration was given to identifying appropriate 'locations' in a number of different ways [G26]. This included approaches that assessed the suitability/appropriateness of a location relative to criteria based requirements i.e. distance to key services, and as such would not have allowed for locations to be identified on the Proposals Map. In these cases the suitability of each location would be individually assessed on its merits. However this approach was deemed to lack sufficient clarity/certainty for everyday development management and for those involved in the development process.

Criterion 2, a building's worthiness for retention;

(the building is worthy of retention due to its historic, architectural or landscape value..)

- 2.29 The approach to building type is considered justified. The intended policy approach seeks to prevent conversion of buildings which are either poorly constructed or not worthy of retention.
- 2.30 Criteria 2 of the policy requires that as well as being structurally suitable a building must be 'worthy of retention for its architectural, historic or landscape value. This building quality test was supported by the Inspector previously at the Core Strategy examination and is included to positively assist in the safeguarding of buildings that contribute to the rural built heritage of the district (Policy aim 2). This approach has the advantage of allowing the better quality buildings to be converted to residential use and maintaining a stock of other buildings, not meeting the quality test, for re-use for economic uses under policy EC2. This will allow the potential for rural buildings close to settlements to be used for a mix of uses of benefit to the rural community.
- 2.31 As drafted the policy may exclude certain buildings e.g. former hotels or schools, which although of no particular architectural, historic or landscape value are worthy of retention due to their appearance and presence within rural communities. Minor modifications (MM2 & MM6 in document [A2.3]) are proposed by the Council to provide further clarification and to include such buildings within the scope of the policy.
- 2.32 The supporting text states that the policy would not normally apply to the sub-division of existing dwellings. To include such buildings would substantially widen the scope of the policy and increase the potential number of new dwellings coming forward in less sustainable locations in the district, inconsistent with CS Policies SS1 and SS3. But it is recognised that there may be circumstances where such an approach may be justified and this will be assessed at planning application stage. The policy does not preclude these proposals from coming forward and being considered.
- 2.33 The supporting text states that the policy would not normally apply to the conversion of outbuildings providing an ancillary domestic function. To include such buildings would substantially widen the scope of the policy (to include domestic sheds, garages etc. provided they meet the building type and worthy of retention tests) and increase the potential number of new dwellings coming forward in less sustainable locations in the

district, inconsistent with CS Policies SS1 and SS3. Many of these buildings can be erected as permitted development under the provisions of the GPDO and a consequence of inclusion may be the proliferation of curtilage development. This would be contrary to the spatial strategy and likely to result in a form of development detrimental to the appearance and character of the countryside.

Criterion 3, a building's structural soundness and suitability for conversion;

(‘the building is structurally sound and suitable for conversion to a residential use without substantial rebuilding or extension and the alterations protect or enhance the character of the building and its setting..’)

2.34 The criterion relating to the soundness and suitability of a building is considered justified. Buildings that have fallen into substantial decline and light weight timber/metal structures are not considered suitable for conversion to residential. Not applying such a quality test would result in the effective replacement of poor quality buildings in the countryside with new dwellings.

Criterion 4, a scheme's appropriateness in scale;

(‘the scheme is of an appropriate scale in terms of the number of dwellings proposed for the location..’)

2.35 It is anticipated that the schemes likely to come forward under this policy will usually comprise individual and small groups of dwellings. Such schemes would be consistent with sustainable development objectives and the Development Strategy for the District that directs the majority of new housing to the towns and other key centres. However, proposals for the conversion of substantial buildings or groups of buildings to a large number of dwellings may conflict with the overarching strategic policies of the Core Strategy. It would not be desirable to allow the creation of new communities in locations where their collective needs can not be adequately met. In addition it would run contrary to the Development Strategy of the District to deliver substantial housing growth through development in the rural area. The criterion offers flexibility and the assessment of what is appropriate in scale will be made at planning application stage - as it will depend on the nature of the scheme and the suitability / sustainability of the particular location e.g. 25 units may be acceptable in a location well related to North Walsham but not on the edge of a much smaller settlement e.g. Binham.

Criterion 5, provision of affordable housing, including by way of financial contributions)

(‘where it is viable to do so, on all schemes resulting in two or more units, not less than 50% of the total number of dwellings proposed are affordable, or an equivalent contribution is made in accordance with the requirements of Policy HO2’)

2.36 The provision of an affordable housing requirement where it is viable to do so is considered justified. The Government has made clear that a community's need for a mix of housing type, including affordable housing is a material consideration which should be taken into account in formulating development plan policies (PPS3). Where there is a demonstrated lack of affordable housing to meet local needs LDFs should include policies for seeking affordable housing in suitable housing developments. Recent evidence indicates¹ [H2, H2i] that there is a significant need for affordable housing across North Norfolk which will continue for some time. As a consequence the Core Strategy includes a number of policies to assist in the delivery of affordable housing in the district:

¹ North Norfolk Housing Need Survey (2007), update (2010).

- 2.37 Policy HO2 - Provision of Affordable Housing: This policy relates to new residential development (including conversions) in the Core Strategy settlements and requires where it is viable to do:
- Not less than 45% of the total number of dwellings are affordable on schemes of 10 or more in the Principal and Secondary settlements, and
 - Not less than 50% of the total number of dwellings are affordable on schemes of 2 or more in the Service Villages.
- 2.38 Policy HO3 - Affordable Housing in the Countryside: This policy allows for housing development in the countryside only where it is for affordable dwellings to meet a proven local housing need - rural exception site policy consistent with PPS3 and SS4 of the East of England Plan.
- 2.39 The rural exceptions policy is key to assisting the Council in meeting its corporate objective of addressing housing need in this rural district. Significantly, the delivery of Rural Exceptions schemes allows a Local Lettings policy to be applied meaning that people occupying the accommodation have to have a direct connection with the village or immediately adjacent civil parish either through residence, previous residence or employment.
- 2.40 Extending the opportunity for open market residential development in the countryside, through conversions, requires consideration of how such development should contribute/assist the delivery of affordable housing in the district. Although it is recognised that it may be difficult and not always appropriate for all schemes to provide for affordable housing on site, it is considered entirely consistent with other Core Strategy policies to seek a contribution where it is viable to do so. Such a contribution would be used by this Council to bring forward affordable housing schemes in the countryside. A Planning Obligations Supplementary Planning Document (SPD) will provide further guidance on the detailed nature of any financial or other contribution. The policy seeks where it is viable to do so the same level of affordable housing provision sought by CS Policy HO2 in the Service and Coastal Service Villages. Applicants seeking to justify a lower proportion of affordable housing will be required to demonstrate why it is not economically viable to make provision. This Council will consider evidence submitted on this basis and seek the level of contribution demonstrated to be viable.

In criterion 5, how will viability/non-viability be established, and by whom?

- 2.41 The Council will consider viability in the same way as it does other forms of residential development where CS policy requires the provision of affordable housing. In these cases the Council's Local Requirements require the submission of an Affordable Housing Statement alongside planning applications. This document sets out how the proposal complies with policy requirements and includes details of unit number, unit sizes, location, tenure and RSL partner. Applicants seeking to justify a lower proportion of affordable housing will be required to demonstrate why it is not economically viable to meet the policy requirement. This will require submission of a comprehensive Development Appraisal and Viability Assessment. This will include 'open book account' details of development costs and projected returns. The Council will review this information and determine whether the case has been made to justify a lowering of the affordable housing requirements. The Council has in house expertise to review this information although on large/complex schemes external advice, (normally from the

District Valuation Office) may be sought. This Council will consider evidence submitted on this basis and seek the level of contribution demonstrated to be viable.

- 2.42 The North Norfolk Local Development Scheme [G25] includes a commitment to produce a Planning Obligations Supplementary Planning Document. This will include further details of the Development Appraisal process and is timetabled for publication and adoption by May 2011

vi) *Is the draft policy's greater flexibility/permmissiveness towards the conversion of high value buildings (historic, architectural, landscape) in more remote countryside locations justified?*

- 2.43 Where it is demonstrated that the heritage value of a building is of such significance that its long term retention/enhancement is in the public interest, it is considered justified that a key planning objective should be to secure an appropriate and viable use that is consistent with the conservation of that asset. This approach is consistent with up to date government advice in relation to Planning for the Historic Environment as set out in PPS5.
- 2.44 The inclusion of this policy advice for high value buildings in part responds to the comments made by the CS Planning Inspector, who commented that the original policy HO9 was 'silent on the approach for such buildings within conservation areas or outside the selected settlements where residential conversion may represent the best future for some buildings'[G11].
- 2.45 The draft policy is potentially permissive of the residential use of high value buildings but only where such a use is shown to be the best use to secure the future of the building. There will be an onus on the applicant to demonstrate the significance of the building as a heritage asset and that a range of options (i.e. economic uses) have been considered. This comparison will be required to ensure that residential is the best viable use to protect the special interest of the building and because there is a general presumption against residential development in remote countryside locations.
- 2.46 The Council is in the process of preparing a Practice Guide setting out how proposals submitted on this basis will be assessed and the information applicants will need to submit in support of such planning applications.

vii) *Are the draft policy criteria sufficiently clear and unambiguous for everyday development management purposes?*

- 2.47 The policy criteria are sufficiently clear and unambiguous for everyday development management purpose.
- 2.48 Although it is accepted that it is would be possible to be more definitive in relation to the meaning of specific terms such as 'appropriate in scale' (criterion 4) and 'significant number' in relation to job loss - it is also important to retain a degree of flexibility. This is particularly important given the difficulty of predicting the range and nature of planning proposals which might come forward under this policy.

- 2.49 However, the Council does recognise following Draft Policy consultation that a small number of minor modifications to the policy would assist in improving clarity. The Council requests that the Inspector incorporates the changes as set out in the Schedule of Minor Modifications [A2.3].
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viii) Will the draft policy help to conserve good quality rural buildings, and deliver both sustainable development and affordable housing, or will it lead to inappropriate and unsustainable residential development in the countryside?

- 2.50 The policy will help to conserve good quality rural buildings and both deliver sustainable development and affordable housing by:

- Identifying **locations** where the occupiers of new residential conversions would have access to, and help support, existing local facilities and services therefore contributing to sustainable development objectives.
- Identifying **types of building** where residential re-use may provide a viable future use ensuring the retention of such buildings and their continued contribution to the rural landscape of the district.
- Addressing rural housing need by seeking where it is viable to do so an **affordable housing** contribution.
- Ensuring the **scale of development** is appropriate to the location.
- Ensuring that important **economic uses** are safeguarded.

- 2.51 As with all other Core Strategy policies the performance of the policy will be monitored against core aims and objectives [A2.4]. Table 4 of the Core Strategy sets out the indicators and targets for each Core Strategy aim and objective in order to measure if they are being achieved. The table already includes reference to saved Local Plan Policy 29 and these references will be replaced with references to the new draft policy. This will ensure the monitoring of the number and distribution of residential conversions and the delivery of affordable housing.
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