

APPENDIX 2

Neighbourhood planning – The Government's proposals in the Localism Bill

1. The Localism Bill (published in December 2010) makes new provisions for neighbourhood planning, which would create a radical new element in the planning system in England. Through these provisions, local community groups (where designated as neighbourhood forums) and parish councils will be empowered to bring forward proposals for a development plan for their neighbourhood area or for an order granting planning permission(s) in that area. They will be able to require the local planning authority (LPA) to assist them in the preparation of their proposals and require them to take the proposals to independent examination. Proposals for plans or orders which are carried in a referendum will need to be brought into force by the local planning authority. In this way, neighbourhood communities will be given real power to shape the way that the areas in which they live develop and grow. Neighbourhood planning also provides for community organisations to bring forward site specific development proposals through a Community Right to Build Order.
2. More specifically, it is envisaged that the neighbourhood planning process will be undertaken as follows:
 - Parish councils and other certain community organisation would approach the local authority with a request to define an area for the purposes of neighbourhood planning. In parished areas, the applicant would have to be a parish council and the expectation is that in considering any application is that such areas will be followed. A local planning authority will need to have clear reasons relating to the planning of its area, if it does not follow parish boundaries in approving neighbourhood areas. In non-parished areas, the applicant would need to be an organisation that is capable of being designated as a neighbourhood forum.
 - Once a neighbourhood area has been designated, a local planning authority will have to start considering applications from organisations to be designated as the neighbourhood forum for that area. Once an organisation has been designated, it will be free to bring forward proposals for neighbourhood development plans and orders. A parish council will be free to bring forward such proposals in respects of its neighbourhood area once that area has been defined, provided it has the consent of the other parish councils (if any) whose areas are wholly or partly within the neighbourhood area.
 - Local planning authorities would be subject to a duty to support the parish councils and forums in the development of their proposals. Support provided might include, for example, the provision of advice or assistance on good practice in plan-making, and alignment with national policy, EU

law and local plans. There would be no duty on the local planning authority to provide financial assistance.

- If the proposed plan or order was compliant with certain legislative requirements, it would have to be submitted to an independent examination by a qualified assessor (normally held only by written representations). The examination would lead to a report which would be given to the parish council or forum promoting the plan or order and the local planning authority. The report would not be binding except in the case of Community Right to Build Orders.
 - Following the independent examination (and following any modifications), as long as the draft plan or order meets certain tests including ones relating to national policy, EU law and the strategic elements of local plans, the local authority concerned would need to hold a local referendum on whether the draft plan or order should be brought into force.
 - Where the draft plan or order receives the support of more than 50 per cent of voters at the referendum (subject to compatibility with EU law and Convention rights), the local planning authority would be required to bring the plan or order into effect.
3. Within the neighbourhood planning process is the Community Right to Build. Under Community Right to Build, community organisations, established as a corporate body for the express purpose of furthering the economic, social and environmental well-being of an area, would be able to bring forward a proposal for a site specific development where the benefit, or receipts, from the development will be retained for the benefit of the local community. The process for applying for a Community Right to Build Order would largely follow that for a neighbourhood development order, but has been adapted so it is proportionate to the types of schemes envisaged. A Community Right to Build Order could be instigated independently of a plan or order being promoted by a neighbourhood forum or parish council.
 4. Neighbourhood planning will be additional to – and not a replacement for – the existing planning system in England. However, following enactment of the Localism Bill, we anticipate that development plan documents prepared by local authorities will be strongly informed by neighbourhood planning initiatives within their areas.
 5. The contents of a neighbourhood plan or order under the Localism Bill is very flexible and they could be more or less detailed prescriptive. It may contain the following:

A Neighbourhood Development Plan – Generic or specific neighbourhood policies against which traditional planning applications could be judged. These policies may augment or refine or add to the policies in the local authority plan. Policies within a neighbourhood development plan could cover:

- planning objectives for the neighbourhood
- the broad planning context (e.g. transport connections), local facilities, services
- key neighbourhood projects and infrastructure priorities
- development management policies on housing, economic development, environment
- site-specific policies on housing, economic development and environmental issues
- changes in the coverage of some planning designations.

Neighbourhood Development Orders - A Neighbourhood Development Order which would directly grant planning permission for certain specified kinds of developments within the neighbourhood area. Permission could be full or outline, and could have conditions attached and it could be site specific or an order could grant more generalised development rights across the neighbourhood area. A **Community Right to Build Order** will be a special kind of Neighbourhood Development Order brought forward under the Community Right to Build and will be subject to similar requirements as a Neighbourhood Development Order in respect of independent examination and its requirements in respect of legal and policy provisions.