

TITLE: Draft Community Led Development Supplementary Planning Document

Committee: Full Council

Date: 22 October 2015

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[Q92]

1.0 ISSUE

1.1 To consider, and approve if content, a guide on CLTs and Community-Led Development; and a draft Supplementary Planning Document for such development schemes.

2.0 RECOMMENDATION(S)

2.1 That

- (A) Council approves the attached “*CLTs and Community-Led Development: a guidebook for communities*”; and
- (B) Council approves, for the purposes of public consultation, the attached draft “*Community-Led Development Supplementary Planning Document*”, with consultation being undertaken for a period of approximately 8 weeks commencing in early November and ending 22 December 2015; and
- (C) All Members take available opportunities to promote the guide within their communities.

3.0 BACKGROUND/OPTIONS

Introduction

3.1 On 9th January 2014, Council adopted an ‘*Interim Policy Guidance on Community-led Development*’¹. It is now considered important to update and review that document for five main reasons:

- (i) The Council has reaffirmed in its Corporate Plan 2015-19 that affordable housing and Community Land Trusts are key priorities of this Council.

¹ See:

<http://www.eastcambs.gov.uk/sites/default/files/SPD19%20Interim%20policy%20guidance%20on%20community%20led%20dev%20Dec13.pdf>

- (ii) The Local Plan has now been adopted (April 2015), therefore the policy (GROWTH 6) on community-led development within that Local Plan has full weight for decision making purposes (something it didn't have in January 2014 when the 'interim guidance' was approved);
- (iii) The 'interim guidance', whilst technically fit-for-purpose, lacked colour and presentational interest – a new guide could act as a better promotional tool and encourage further take-up of this corporate priority;
- (iv) The 'interim guidance' has only very limited weight in planning decision making terms; creating a 'Supplementary Planning Document' (SPD) will have considerably more status and importance in planning decision making; and
- (v) Progress and new ideas have emerged over the past 18 months on community-led development.

Community-Led Development and Community Land Trusts (CLTs)

- 3.2 Members will be familiar with the concept of community-led developments and CLTs, it being a matter raised at various previous meetings and Member briefings.
- 3.3 However, the concept is perhaps less familiar or well understood in some of our communities, with perhaps the exception being those settlements where schemes have commenced or are under active consideration.
- 3.4 As part of a wider corporate drive to press home the positive messages of communities taking control of development in their area, the proposal, therefore, is to prepare two separate documents.
 - A 'guidebook' which aims to spark interest in community-led development, especially CLT based schemes; and
 - A 'Supplementary Planning Document', to help smooth the planning process for community-led development schemes.

Guidebook

- 3.5 The attached guidebook aims to explain the concept of community-led development, encourage discussion and ideas within communities and give communities the confidence to take that all important first step of at least actively considering the idea.
- 3.6 It sets out case studies, a step by step guide and a comprehensive list of where further information can be found.
- 3.7 It is not intended to be a full guide to the full process of a community taking on a development scheme, but rather to spark an idea from which a scheme could develop.

Draft Supplementary Planning Document

- 3.8 In addition to producing a simple guide for communities, the opportunity is also taken to prepare a 'Supplementary Planning Document' (SPD). The rationale for proposing this, in addition to those presented at paragraph 3.1 above, is as follows.
- 3.9 Members will be aware that the Local Plan (Adopted April 2015) contains a policy on Community-Led Development (GROWTH 6). In accordance with the law, this policy must form the starting point for considering all community-led planning proposals. However, such Local Plan policies can be 'supplemented' by further detail in the form of an SPD.
- 3.10 By way of background, the National Planning Policy Framework (NPPF) defines SPDs as:
- "Documents which add further detail to the policies in the Local Plan. They can be used to provide further guidance for development on specific sites, or on particular issues, such as design. Supplementary planning documents are capable of being a material consideration in planning decisions but are not part of the development plan."* (NPPF, 2012)
- 3.11 What this means is that whilst the Local Plan is always the more important document when it comes to making decisions on planning applications, an SPD can help explain in more detail what is expected for a particular issue. It can expand and clarify in more detail what is meant by a policy in the Local Plan and, provided the SPD doesn't attempt to conflict or override a Local Plan policy, it can set detailed additional policy or planning application expectations.
- 3.12 It is therefore proposed that an SPD is produced on the topic of community-led development, to expand on the detail in policy GROWTH 6. The SPD has, therefore, been carefully structured by taking the Local Plan policy (GROWTH 6), and line-by-line explaining in more detail what is meant by the words in that policy.
- 3.13 The benefits of this approach are two-fold:
- First, it helps community groups understand more clearly what is required and expected of them through the planning process. In turn, this prevents the community doing unnecessary work, but equally makes it clear from the start what work the group will need to do (and thus avoid surprises later down the line)
 - Second, it helps decision makers (planning officers, planning committee, planning inspectors, etc) make clear and consistent decisions on community-led development schemes, something which might not happen if just the single strategic GROWTH 6 policy is available.

Future Local Plan Policy

- 3.14 Members will be aware that the Council is embarking on a review of its Local Plan 2015. This will be an opportunity to reconsider the wording of Policy GROWTH 6 (for example, to make it more positively worded, and offer greater facilitation of community-led development schemes through the planning system). However, for now (until probably early 2018), we must use GROWTH 6 as written, and therefore the SPD element of the attached guide must conform and 'supplement' with GROWTH 6.
- 3.15 The new Local Plan also provides the opportunity to further facilitate the bringing forward of community-led development through, potentially, allocation of land for such purposes, and/or facilitate land being made available, at an affordable price, to communities. Members will consider these ideas as the Local Plan review progresses.
- 3.16 When the Local Plan is finally adopted (due 2018), the intention will be to revise and update the SPD once more, to ensure it aligns with the Local Plan.

Next steps

- 3.16 If approved, we intend to publish the Guide as soon as possible, and thereafter keep it updated on and as needed basis.
- 3.17 In respect of the SPD, it must (by virtue of national regulation) undergo a period of public consultation for at least four weeks. With an acknowledgement that the key audience for this document (local community groups, parish councils, etc) don't always meet frequently, it is proposed that the consultation period be extended from the statutory minimum four week. Thus, if consultation commences in early November (aim 2 November 2015) and ends on Tuesday 22 December 2015, it will avoid any holiday periods and be available for comment for nearly eight weeks.
- 3.18 The intention thereafter would be to amend the SPD following comments received, and seek its adoption at Council on either 25th February or 19th April 2016.
- 3.19 Members are encouraged to help facilitate awareness of the guide, and the consultation process on the SPD, by actively encouraging discussions in communities.

4.0 FINANCIAL IMPLICATIONS/EQUALITY IMPACT ASSESSMENT

- 4.1 There are no financial implications associated with this report, other than consultation costs which can be met from existing budgets and the possibility of a loss of a small amount of pre-application fee budget (due to the commitment in the SPD that such a charge will be waived for community-led development schemes).

4.2 Equality Impact Assessment (INRA) completed (for the SPD) – Appendix 3

5.0 APPENDICES

5.1 Appendix 1 – *Community Land Trusts and other Community-Led Development: a guidebook for communities*

Appendix 2 – *Community-led development Supplementary Planning Document: Draft for Consultation*

Appendix 3 – *Equality Impact Assessment*

<u>Background Documents</u>	<u>Location</u>	<u>Contact Officer</u>
None	Room12A The Grange Ely	Richard Kay Strategic Planning Manager (01353) 616245 E-mail: richard.kay@eastcambs.gov.uk

East Cambridgeshire District Council



Community-Led Development
Supplementary Planning Document (SPD)

Draft for Consultation: November 2015

Contact:
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Foreword and Consultation Arrangements

This is a draft Supplementary Planning Document on community-led development.

East Cambridgeshire District Council has a vision to deliver affordable and sustainable development, where and how communities want it. It is a corporate priority to help make this happen, over the period 2015-2019.

The Council is really excited about the prospect of community-led developments popping up all over the district, whether it be a small affordable housing scheme in a rural village, a mixed housing and commercial scheme in a medium size settlement, or a large scale housing and employment scheme in one of our market towns. In fact, we are really excited about helping you to deliver whatever it is you want to deliver in your community!

Separate to this formal Supplementary Planning Document is a user friendly guide to what community led development, and especially Community Land Trusts (CLTs) is all about. Both documents can be found on our website.

By law, because this is formal Supplementary Planning Document, we must consult on it before adoption. We are therefore consulting on this document for nearly 8 weeks, between 2 November and 22 December 2015. Please let us know your views through one of the following channels:

We prefer, if you are able to send your views via email as this is cost effective and easy for us to analyse your comments. Please send you comments to email below.

planningpolicy@eastcamb.gov.uk

If however, you prefer to write to us your views please could you send these to the address below.

Strategic Planning Team
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Ely
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Thank you for your interest. We would welcome the opportunity to talk to you about any ideas or suggestions you have.

Community-Led Development Supplementary Planning Document

1.1 Purpose and scope of this document

- 1.1.1 This draft Supplementary Planning Document (SPD) sets out East Cambridgeshire District Council's planning policy approach to community-led development proposals. It is aimed at local communities, Parish Councils and landowners, and seeks to provide people with a better understanding of how planning applications for community-led development proposals should be prepared and subsequently assessed by the Council. For a more general guide to Community-led Development, including Community Land Trusts (CLTs) in particular, then please see a separate guide published by the Council in November 2015.
- 1.1.2 This draft SPD expands on the Council's planning policies on community-led development, as set out in the adopted East Cambridgeshire Local Plan (April 2015). The Local Plan recognises that community-led development can be beneficial for local communities, and may be appropriate 'exception' development on the edge of settlements or in the countryside. Local Plan policy GROWTH 6 provides specific encouragement and support for community-led development in the district, whilst other policies in the Local Plan also provide support for certain types of community-led development.
- 1.1.3 Giving communities a greater say in and control of their localities is an important theme of Government policy, including the Localism Act 2011. **Community-led schemes are those that are driven by local communities, rather than local authorities or private developers.** They can help communities to tackle local issues such as a shortage of affordable homes or jobs, a lack of local services (such as a shop), and can generate income to provide financial security and help fund further investment in the local area.

What is an 'SPD'?

In accordance with the law, the starting point for considering all planning proposals must be the policies in a 'Local Plan' for the area. However, such policies can be 'supplemented' by further detail in the form of a Supplementary Planning Document (SPD). By way of background, the National Planning Policy Framework (NPPF) defines SPDs as:

"Documents which add further detail to the policies in the Local Plan. They can be used to provide further guidance for development on specific sites, or on particular issues, such as design. Supplementary planning documents are capable of being a material consideration in planning decisions but are not part of the development plan." (NPPF, 2012)

What this means is that whilst the Local Plan is always the more important document when it comes to making decisions on planning applications, an SPD can help explain in more detail what is expected for a particular issue. It can expand and clarify in more detail what is meant by a policy in the Local Plan and, provided the SPD doesn't attempt to conflict or override a Local Plan policy, it can set detailed additional policy or planning application expectations.

1.1.4 This SPD is prepared to support the adopted Local Plan of April 2015. However, it should be noted that the Council has commenced a review of that Local Plan. The timetable for the review is contained in our Local Development Scheme (LDS) which can be viewed on our website. According to the timetable the new East Cambridgeshire Local Plan will be adopted in February 2018. This SPD will be updated accordingly at a similar time.

2.2 Status of this document

2.2.1 This SPD, when adopted, will be a material consideration in assessing planning applications. Before the SPD can be adopted, we have to consult on this draft version and this provides the public and stakeholders an opportunity to comment on the SPD – please see previous page for details. Following consultation, changes (if necessary) will be made to the draft SPD in response to the comments made. The final version of the SPD will be adopted by the Council (hopefully in early 2016) and from then on it will become a material consideration in making planning decisions.

2.3 Policy Consideration

2.3.1 This SPD provides guidance on how Local Plan policy GROWTH 6 (see box below), along with other Local Plan policies, will be applied when assessing proposals for community-led development. It also provides direction on the information required to be submitted with a planning application (see Appendix 1 for more detail). Submitting this information to the level of detail required will greatly speed up the decision making process.

2.3.2 The Local Plan forms the basis for all decision making in the district. However, this SPD intends to explain in more detail, and as clearly as possible, what the Local Plan requires. In doing so, community-led development then has the best chance of securing planning permission.

Extract of the Adopted East Cambridgeshire Local Plan (April 2015)

(Note: because this policy is already adopted, it is not subject to consultation as part of the consultation on this SPD)

Local Plan Policy GROWTH 6: Community-led development

The District Council is generally supportive of community-led development. This may include schemes involving affordable housing, small business units, renewable energy generation and other appropriate uses.

The non-housing elements of schemes will be assessed against other relevant Local Plan policies. However, the District Council will also expect schemes to broadly accord with criteria 5 and 6 below.

The affordable housing elements may be permitted outside development envelopes as an exception to the normal policies of control where:

1. The site is well related to a settlement which offers a range of services and facilities, and there is good accessibility by foot/cycle to those facilities.
2. No significant harm would be caused to the character or setting of the settlement and the surrounding countryside.

3. The scale of the scheme is appropriate to the location and the level of identified local affordable housing need.
4. The scheme incorporates a range of dwelling sizes, types and tenures appropriate to identified local need.
5. The District Council is satisfied that (i) the scheme was initiated by, and is being led by, a legitimate local community group such as a Parish Council or Community Land Trust and (ii) the scheme has general community support, with evidence of meaningful public engagement.
6. It can be demonstrated that the scheme will be well managed and financially viable over the long-term and that any benefits provided by the scheme can be retained by the local community in perpetuity; and
7. The scheme accords with all other policies of the Local Plan.

An element of open market housing on the site will only be acceptable where:

- It is demonstrated through a financial appraisal that this is essential to enable the delivery of affordable housing or other community benefits on-site; and
- The community benefits of the scheme (such as the level of affordable housing or open space) are significantly greater than would be delivered on an equivalent open market site.

2.3.4 The rest of this chapter breaks down the above policy and gives more guidance and clarity on what it means and what is expected. Text below in ***bold italics*** is a direct quote from Policy GROWTH 6.

“The District Council is generally supportive of community-led development”

2.3.5 The Council starts with the presumption that all community-led developments will be supported, unless there are fundamental problems with a proposal (for example, it would cause unacceptable highway safety problems). The Council will work with you to find ways to make your proposal acceptable if we find there are problems which we think can be resolved. To help you, any proposed development should be discussed with the Council at an early stage to prevent any unnecessary work. Normally, the Council charges for formal pre-application planning advice, but we are willing to waive that charge for any genuine community-led proposal.

“This may include schemes involving affordable housing, small business units, renewable energy generation and other appropriate uses.”

2.3.6 This part of Policy GROWTH 6 confirms that community-led development need not just be for housing. It could be for any use, or mix of uses. It all depends what the community wants and best fits the site. Depending on the proposal, it will be assessed against the relevant policies in the Local Plan. Listed below are just some of the policies that could be used in assessing community-led development, full details of which can be found in the Local Plan:

- Policy HOU 3 – Affordable housing provision
- Policy EMP 3 – New employment development in the countryside
- Policy EMP 4 – Re-use and replacement of existing buildings in the countryside
- Policy ENV 6 – Renewable energy development
- Policy COM 4 – New community facilities

“The affordable housing elements may be permitted outside development envelopes as an exception to the normal policies of control”

- 2.3.7 Evidence shows that there is a significant need for affordable housing in East Cambridgeshire. Because of high land values, community groups or other providers of, for example, affordable local housing, are often unable to afford to purchase sites within the settlement boundaries. This is a recognised problem nationally. To help overcome this, Policy GROWTH 6 allows community led affordable housing schemes to be developed as ‘exception sites’ on the edge of villages or market towns outside the development envelopes where open market housing would not be normally permitted (though a mixed affordable housing / market housing scheme might be possible, as explained later in this SPD). Overall, the Policy puts in place a number of tests in order that such sites can proceed, and further clarification on these tests are set out in the following paragraphs.

“The site is well related to a settlement which offers a range of services and facilities, and there is good accessibility by foot/cycle to those facilities”

- 2.3.8 Community-led schemes may be located in open countryside outside settlement boundaries, (as discussed above). Schemes should ideally be located as close as possible to the settlement, in order to facilitate easy access to the services and facilities within that particular settlement – particularly by foot and cycle. This will provide residents of community-led schemes with good accessibility and quality of life, as well as minimising the need for a car. Applicants will be expected to demonstrate that the scheme locations are suitable in this respect.

“No significant harm would be caused to the character or setting of the settlement and the surrounding countryside”

- 2.3.9 For sites outside the settlement boundary, the impact on the character of the locality and the countryside will be important to consider. Community-led schemes should avoid causing significant harm to the appearance and character of the local landscape and townscape. This will partly be facilitated by considering site location – but also issues of overall scale, design and layout matters. Applicants will be expected to demonstrate that schemes will not cause significant adverse impacts on the landscape and settlement character. Policy ENV 1 in the Local Plan may help on this issue.
- 2.3.10 Where there is potential for some harm, the Council will work with the community group to overcome them, or put in place a mitigation scheme. In reaching a decision on a proposal, the Council will balance any remaining harm a scheme might have with the undoubted benefits of the proposal, and may well still approve a scheme if such benefits are considered to outweigh any remaining harm.

“The scale of the scheme is appropriate to the location and the level of identified local affordable housing need.”

- 2.3.11 The overall scale of a community-led scheme needs to be appropriate to its location, in terms of avoiding harm to local character, amenity or highways networks, and meeting the needs of the local community. The scale of the settlement and the affordable housing needs of the local community are particularly important in this regard. Applicants will be expected to demonstrate

that the scale of a community-led scheme is appropriate to its location. In relation to the scale of local housing need, applicants should ideally evidence this by reference to a Housing Survey, the local housing register, or similar sources. We can help in this regard.

“The scheme incorporates a range of dwelling sizes, types and tenures appropriate to identified local need”

- 2.3.12 It is important that the type, tenure and size of affordable housing provided in community-led schemes meets local housing needs as far as possible. Applicants should have regard to evidence provided in local surveys, the Housing Register, expressions of interest from future occupiers, and the Cambridgeshire Strategic Housing Market Assessment (2013 and any updates). We can help you find out this information. Proposals of any scale will need to demonstrate an appropriate mix which links to identified local needs, with such needs perhaps identified via a local survey.

“The District Council is satisfied that (i) the scheme was initiated by, and is being led by, a legitimate local community group such as a Parish Council or Community Land Trust and (ii) the scheme has general community support, with evidence of meaningful public engagement.”

- 2.3.13 Considerable positive weight will be given to proposals whereby it is clear the proposal is genuinely community-led and genuinely has community support. If these two elements are in place, then the Council is likely to approve the proposal, even if some elements of the scheme might conflict with wider Local Plan policies.
- 2.3.14 Appendix 1 provides details of the information that is required to be submitted with all community-led schemes, if the applicant wants to be considered as genuinely ‘community-led’. In brief, the following information should be provided with the planning application as evidence of community-led development:
- *Engagement with the community* - applicants will need to provide clear evidence that ‘meaningful engagement’ has been undertaken, and that there is ‘general community support’. This evidence would helpfully be set out in the form of a written ‘Community Engagement Statement’.
 - *Organisational context* – it is expected that all major decisions related to community-led developments will / are made by the local organisation, and for schemes to be initiated by the local community group. Any community-led development will need to be accompanied by evidence of organisational structure. This could include Constitutions or Rules of the Organisation, Codes of Conduct, Membership policies, governance and decision-making policies and local publicity (where possible, newsletters, websites, evidence of workshops, meetings and events could be submitted).

“It can be demonstrated that the scheme will be well managed and financially viable over the long-term and that any benefits provided by the scheme can be retained by the local community in perpetuity.”

- 2.3.14 All community-led development schemes need to demonstrate that they will be financially viable.

2.3.15 Appendix 1 provides information on how community-led development schemes can demonstrate that they will be financially viable over the long-term, and that any benefits provided by the scheme can be retained by the local community in perpetuity. As such, all applications should be accompanied by a:

- ‘Viability Assessment’ - looking at how a scheme will be financed; and a
- ‘Statement of Community Benefit’ – setting out how schemes will benefit local communities and be funded and managed in the long-term. This should incorporate the broad conclusions of the Viability Assessment.

“The scheme accords with all other policies of the Local Plan.”

2.3.16 Although particularly relevant Local Plan policies are highlighted in this SPD, it is the applicants’ responsibility to ensure that their community-led development is in line with all other policies in the Local Plan. For example, the Council believes strongly in raising the standard of design in all proposals, and will expect community-led schemes to have due regard to this matter. It is important therefore for those not familiar with the Local Plan policies to meet the planners at an early stage to discuss their proposal through a pre-application enquiry. This could save a lot of abortive work and valuable resources.

2.3.17 However, it may not be possible for every community-led scheme to fully meet all the policies in the Local Plan. Where there is conflict with one or more policies, the Council will weigh up such ‘harm’ or conflict with the benefits of the scheme, and may well determine that such benefits outweigh the identified harm or conflict.

“An element of open market housing on the site will only be acceptable where:

- ***It is demonstrated through a financial appraisal that this is essential to enable the delivery of affordable housing or other community benefits on-site; and***
- ***The community benefits of the scheme (such as the level of affordable housing or open space) are significantly greater than would be delivered on an equivalent open market site”.***

2.3.18 To fund the construction of the community assets, it is expected that the community organisation will be able to attract grants and loans from external funding sources. However, grant funding may not be readily available or limited in scale – and as such, an element of market housing is likely to be needed to provide cross subsidy for affordable housing and / or other community benefits.

2.3.19 Where market housing is to be provided, this will need to be explained and justified in the Viability Assessment and the Statement of Community Benefit. Where market housing is proposed, applicants will need to demonstrate through financial appraisal that the proposed amount is essential to enable the delivery of the other elements of the community scheme.

2.3.20 Applicants will also need to demonstrate that the community benefits in a scheme are significantly greater than would be delivered on a ‘normal’ open market site. For example, that a significant proportion of affordable properties or other community uses are proposed – which off-set and justify the provision of some market housing on the site. The quantification of these

benefits and justification for the market housing should be highlighted in the Statement of Community Benefits.

2.3.21 The granting of planning permission for a scheme that includes open market housing outside a settlement boundary can significantly enhance site value from (usually) low agricultural values. Because of this, the Statement of Community Benefit should include an explicit statement of site value that will accrue to the landowner as a consequence of the planning permission. The Statement should also include a comparison against the current estimated local market value of a scheme, taking account of the proportional mix of proposed land uses and differing land values (for example affordable housing, open space and industrial units). This information will allow the District Council to ensure that additional value derived from introduction of market housing into the scheme is used to fund the community benefits and does not disproportionately benefit the landowner.

Information required to be submitted if an application is to be regarded as being a 'community-led development' scheme

Engagement with the community

Summary of Expectations

The Council will expect to see widespread engagement of the local community in the process of establishing any community scheme. As set out in Policy GROWTH 6 (criterion 5), this engagement needs to be 'meaningful'. In addition, the community organisation needs to be able to demonstrate that the scheme has 'general community support.'

Whilst the process of engagement must be 'meaningful', the District Council does not wish to prescribe the content or form of this engagement. Consultation or engagement should be fit for purpose for the scale and nature of the scheme proposed. However, 'meaningful' does not mean it is necessary to do expensive, extensive or lengthy consultations – it should be proportional, clear and within resources available.

Demonstrating that a scheme has 'general community support' will involve providing evidence that local people and potentially local organisations are positive about the scheme, and have had an opportunity to shape emerging plans. Obtaining this evidence will necessitate carrying out widespread and meaningful engagement with the local community. Further details of what evidence may be required are set out below.

Further Guidance on format and content of engagement

The exact format and content of engagement will be determined by the scale and nature of the community-led scheme. However, as a general principle the District Council will expect engagement to include some early consultation on concepts which ideally allows local people to shape emerging plans. It is suggested that scheme engagement should typically involve a minimum of 2 stages, as set out below. However, it may also be necessary or desirable to insert other stages of consultation, depending on local requirements. For example, between stages 1 and 2 there could be an additional stage which seeks people's views on a range of reasonable options (relating to matters such as site location, scheme size and content etc).

- Stage 1 – *Issues and Options*: Seeking people's views on the principle of development, what types of community facilities/uses are needed, and possibly exploring some options (e.g. relating to type and size of scheme, scheme finance, delivery mechanisms and site locations).
- Stage 2 – *Preferred Option*: Allowing detailed feedback on proposed plans and schemes (and possibly other options). To include engagement on matters such as types of uses, format, scale, design and layout, scheme finance and delivery mechanisms.

Consultation and engagement can involve a variety of methods. It may include use of focus groups, workshops, questionnaires, exhibitions, public meetings and other forms of printed and online publicity using local newsletters and / or websites, social media etc. The use of a variety of methods, which reach a wide section of the local community, might be the best solution, subject to the availability of resources.

The District Council does not wish to be prescriptive about the groups and organisations which should be engaged in the process. Organisations bringing forward community-led development should undertake a scoping exercise at the start of the process, identifying key local groups and other organisations which operate in their settlement, or whom may be relevant to engage with. As a minimum, this is likely to include the relevant Parish or Town Council, and other statutory agencies such as the Local Highways Authority (Cambridgeshire County Council), District and County Council elected members, and the District Council's housing officers. In particular, the District Council will expect to see close engagement with the local community as a whole at key stages throughout the process.

Evidence of engagement

Community-led schemes will need to provide clear evidence to the District Council that 'meaningful engagement' has been undertaken, and that there is 'general community support'. This evidence would usefully be set out in the form of a written 'Community Engagement Statement'.

The Statement should provide details of what consultation has been undertaken, including:

- Nature of the events undertaken
- Dates of activities / events
- Details of attendance / numbers engaged in the process
- Copies of any written material, such as questionnaires, exhibition boards, publicity etc.
- Schedule of comments and feedback
- Statistical analysis of question replies
- Summary of main issues raised, along with details of subsequent changes made / actions taken

Organisational context

Types of community groups

There are a number of potential local groups or organisations that may want to promote a development proposal via the community-led policy. This may include the following types:

- **Community Land Trusts (CLTs)**. These are corporate bodies that can be established as Companies Limited by Guarantee, BenCom's or Community Interest Companies Limited by Guarantee (see below for details on these bodies). Under statute¹, a CLT is established for the express purpose of furthering the social, economic and environmental interests of a designated local community by managing land and other assets. The assets are protected for

¹ Housing and Regeneration Act 2008 s.79 see <http://www.legislation.gov.uk/ukpga/2008/17/section/79>

the long-term by a legal asset lock, any profits made must be only used to further the objectives of the CLT, and there must be opportunities for local people to become members and for the members to control the CLT. For these reasons, the Council consider that a CLT is well placed to bring forward a community-led development proposal, particularly so if the community themselves will take ownership of valuable community assets as a result.

- **Charities, including Charitable Incorporated Organisations (CIO's) and Almshouse Charities.** These organisations are required to meet public benefit criteria, which may not be the same as community benefit. While many charities are structured to have open, inclusive and representative membership, it is not a requirement of charity law. As such, a group which is already a registered charity cannot *de facto* be assumed to have satisfied the Council's criteria for Community-led recognition. A charity will have to define the community it serves and the public benefit expected.
- **Community Benefit Societies (BenCom) or Mutuals.** These are incorporated Industrial and Provident Societies (I&PS) that conduct business for the benefit of their community, and use an asset lock to prevent specified assets being used for unintended purposes. The I&PS registration will set out the community that the society will benefit, how any surplus profits will be applied, and how the society's activities benefit the community.
- **Community Interest Companies (CICs).** These are designed specifically for those wishing to operate for the benefit of the community rather than for the benefit of the owners of the company. An asset lock is always in place.
- **Co-operative Societies** are part of the BenCom family. The key difference is that BenComs are set up to benefit the community while Cooperative societies are set up to benefit their members. Some CLTs include a co-operative element. It is possible to do so by setting up a two-tier structure where the CLT owns the land and leases it to the co-operative society on a long (99 year) lease.
- **Parish and Town Councils.** These are elected bodies that are responsible for areas known as civil parishes. Their powers can benefit their community through the provision of certain facilities (typically management of open space, community halls, car parks, cemeteries, etc). Parish Councillors are elected to represent their community.

Community groups and organisations often rely on local volunteers. However, the process of bringing forward a community-led development scheme can be complex and time-consuming. Community groups may therefore sometimes wish to seek input and support, involving partnership with professional development partners – such as landowners and agents, developers, and housing associations. Such a partner may also help with administrative support. As set out below, the Council will still expect all major decisions related to community-led developments to be made by the local organisation, and for schemes to be initiated by the local community group. However, the involvement of professional partners can be important to the delivery of a viable and successful project.

Evidence of organisational structure

The District Council anticipates that there are a number of potential local groups or organisations that may want to promote a development proposal via the community-led policy. As set out in Policy GROWTH 6 (criterion 5), it will be important for these organisations to demonstrate that they are a 'legitimate local community group'.

The District Council will expect a 'legitimate local community group' to demonstrate:

- That it is representative of the local community – this might be evidenced by the number and type of local members of the organisation, petitions, letters of support etc. Also evidence that all members of the local community have been encouraged to become members and/or play an active part in its work.
- That it has a democratic structure – the local community are able to be involved in the activities and decisions of the organisation, and there is a management committee which is representative of the local community with a balanced decision-making process.
- That it is controlled by the local community – the local community are able to influence the strategic direction of the organisation through election onto a local board of management. Where there are professional partner groups involved (as discussed above), it will be important to demonstrate that the local community group leads on the major decisions and has appropriate control of matters.
- That it has a clear communication strategy – to ensure effective communication with the community, providing information on the purpose of its work, scheme progress and activities, and clear feedback on decisions that are made.
- That it has clear management policies and procedures in place – particularly to deal with conflicts of interest on decisions around allocation of resources.
- That it avoids any suggestion of financial impropriety – its local board of management acts solely in a voluntary capacity in the best interest of the organisation.
- That it is not-for-profit – any profits generated by the organisation cannot be paid by way of dividend or otherwise to its members but must be used to further the community's interests.

In addition, in order to accord with Policy GROWTH 6, the community group will need to demonstrate that the proposal has been 'initiated and led' by the local organisation. This is particularly important where a partner organisation is involved.

Any planning application will need to be accompanied by evidence of organisational structure. This may include Constitutions or Rules of the Organisation, Codes of Conduct, Membership policies,

governance and decision-making policies and local publicity (newsletters, websites, evidence of workshops, meetings and events).

Financial aspects

Demonstrating financial soundness and community benefits

As set out in Policy GROWTH 6 (criterion 6), all community-led development schemes need to demonstrate that they will be financially viable over the long-term, and that any benefits provided by the scheme can be retained by the local community in perpetuity. All applications should therefore be accompanied by a:

- ‘Viability Assessment’ - looking at how a scheme will be financed (see section below); and a
- ‘Statement of Community Benefit’ – setting out how schemes will benefit local communities and be funded and managed in the long-term. This should incorporate the broad conclusions of the Viability Assessment.

A Viability Assessment will need to be produced by a suitably qualified practitioner such as a Chartered Surveyor. The Assessment will need to be funded by the community group or organisation who is proposing the scheme. Whilst the detailed content of the Viability Assessment will remain confidential, the broad conclusions should be capable of scrutiny either during the planning process or should the planning application proceed to an appeal at a public inquiry. The viability assessments should accord with best practice advice (as set out in the latest RICS Guidance Note on ‘Financial viability in Planning’). However, although the detailed requirements may vary over time, a viability assessment will typically address the following aspects:

Costs:

- Land purchase and Build costs
- Site preparation and land remediation (e.g. clearing waste) costs
- External works costs (e.g. roads, sewers, car parking etc)
- Services and On-site open space
- Site specific sustainability initiatives and other site-specific costs
- Professional and legal fees
- Marketing costs and Community Infrastructure Levy (CIL) costs
- Finance costs
- Building contractor profit
- Contingencies
- On-going costs relating to the community organisation

Revenues

- Sale of homes or other buildings/facilities
- Net rental income from houses or other facilities
- Other income from community facilities
- Any grants
- Any Donations
- Interest from investment of surpluses

The 'Statement of Community Benefit' will set out important evidence on the community benefits arising from schemes, and enable an applicant to demonstrate that a scheme is financially viable in the long term, and that benefits can be retained by a community in perpetuity (as set out in criterion 6 in Policy GROWTH 6). The Statement should set out and build on the broad conclusions of the Viability Assessment, and provide further contextual detail on the following aspects. It should also include a non-technical summary of the Statement of Community Benefit, as well as:

- The beneficiaries of the project.
- What are the tangible community benefits (assets) of the project, what is their commercial value and how do they meet local needs?
- What are the softer outcomes of the project; how is the project going to work in the general interest of all the individuals and organisations that form the community (and not unreasonably exclude certain individuals or groups, including hard to reach parts of the community)?
- How the project will be delivered, funded and managed in the long-term (including how community benefits will be managed in perpetuity)
- Specific explanation and justification for the provision of any open market housing in the scheme
- The site value that will accrue to the landowner as a result of the project.

Other Requirements

As well as the application forms and plans required as part of any planning application, some community-led proposals also need to be accompanied by specific supporting documentation. Each application form should be accompanied by a corresponding validation checklist which can be found on the applications form page of the Council's website. During pre-application discussions officers can advise which documents will be required to support the application.

EQUALITY IMPACT ASSESSMENT – INITIAL SCREENING TEMPLATE (IST)

Initial screening needs to take place for all new/revised Council policies. The word ‘policy’, in this context, includes the different things that the Council does. It includes any policy, procedure or practice - both in employment and service delivery. It also includes proposals for restructuring, redundancies and changes to service provision. This stage must be completed at the earliest opportunity to determine whether it is necessary to undertake an EIA for this activity.

Name of Policy:	Community-led development SPD (draft for consultation, Oct 2015)
Lead Officer (responsible for assessment):	Richard Kay
Department:	Strategic Planning
Others Involved in the Assessment (i.e. peer review, external challenge):	Nil
Date Initial Screening Completed:	2.10.15

(a) **What is the policy trying to achieve?** i.e. What is the aim/purpose of the policy? Is it affected by external drivers for change? What outcomes do we want to achieve from the policy? How will the policy be put into practice?

To help explain to the public how we will consider planning applications for community-led development (such as a CLT scheme).

(b) **Who are its main beneficiaries?** i.e. who will be affected by the policy?

Those communities which decide to embark on a community-led development

(c) **Is this assessment informed by any information or background data?** i.e. consultations, complaints, applications received, allocations/take-up, satisfaction rates, performance indicators, access audits, census data, benchmarking, workforce profile etc.

The ECDC Local Plan (2015)
National Acts and Regulations in terms of how SPDs can be prepared.

(d) Does this policy have the potential to cause a positive or negative impact on different groups in the community, on the grounds of any of the protected characteristics (please tick all that apply):

Ethnicity	No	Age	No
Gender	No	Religion or Belief	No
Disability	No	Sexual Orientation	No
Gender Reassignment	No	Marriage & Civil Partnership	No
Pregnancy & Maternity	No	Caring Responsibilities	No

Please explain any impact identified: i.e. What do you already know about equality impact or need? Is there any evidence that there is a higher or lower take-up by particular groups? Have there been any demographic changes or trends locally? Are there any barriers to accessing the policy or service?

N/A

(e) Does the policy affect service users or the wider community?	/NO/
(f) Does the policy have a significant effect on how services are delivered?	/NO/
(g) Will it have a significant effect on how other organisations operate?	/NO/
(h) Does it involve a significant commitment of resources?	/NO/
(i) Does it relate to an area where there are known inequalities, e.g. disabled people's access to public transport etc?	/NO/

If you have answered **YES** to any of the questions above, then it is necessary to proceed with a full equality impact assessment (EIA). If the answer is **NO**, then this judgement and your response to the above questions will need to be countersigned by your Head of Service and then referred to the Council's Equal Opportunities Working Group (EOWG) for scrutiny and verification. Please forward completed and signed forms to the Principal HR Officer.

Signatures:

Completing Officer: Richard Kay **Date:** 1/10/15

Head of Service: _____ **Date:** _____