



Action with Communities in Rural England

ACRE Briefing: Neighbourhood Plans and the Localism Bill

February 2011

Government claims Neighbourhood Plans '*will become the new building blocks of the planning system where communities have the power to grant planning permission if a local majority are in favour*'. Communities will be able to develop a plan which, if it succeeds both at an independent examination and at a public referendum, can be adopted through a **Neighbourhood Development Order** that gives it statutory basis within the local development plan documents.

The basic process for generating the Neighbourhood Development Order is prescribed in the Localism Bill¹ (Schedule 9 and 10). Items in bold in the details below have specific meanings within the Bill. For more information as to other provisions, see ACRE's overall briefing on the Localism Bill.

Stages of the process

1. In a **parished area**, the parish or town council initiates the Neighbourhood Plan, specifying the area to be considered. Where the area covers more than one parish, the consent of other relevant parish councils is required.
2. In an **unparished area**, a suitably qualified body in the community applies to become a '**neighbourhood forum**' covering a specific '**neighbourhood area**'. The local authority has first to approve these designations. An applicant can be a self-appointed community group whose aims cover the social, environmental and economic well-being of residents and where membership is open to all residents in the area concerned. There must be at least 3 such members who live in the specified area. The area designated must not include land which falls into a parished area. Local authority approval of a neighbourhood forum prevents any other group being similarly designated for a period of 5 years. However, the local authority can amend the neighbourhood area boundary and subsequently amend this again at any time, regardless of the status of the Neighbourhood Plan. The intention is that a local authority area will eventually be covered by designated neighbourhood areas, none of which overlap each other.
3. The Neighbourhood Plan is developed by the community. There are currently no restrictions as to what kind of content can be in a Neighbourhood Plan. It is submitted to the local authority accompanied by a **draft neighbourhood development order** (NDO) which contains all those elements relevant to a spatial planning and which will eventually become a development plan document. It is the NDO that is officially assessed from this point on.

¹ <http://www.publications.parliament.uk/pa/cm201011/cmbills/126/11126.284-290.html#j878s> (page 288)

4. The local authority may decline the draft NDO if it includes '**excluded development**', or is the same or similar to a proposal that has failed in the previous two years, with no change of planning context that would alter the assessment.
5. The local authority then appoints a suitably qualified person, agreed with the applicant, to act as an independent examiner for the NDO proposal. The local authority pays the costs of the **examination**, which will be through written representations unless the examiner considers it necessary for oral evidence to be heard on one or more of the issues.
6. The examiner approves or rejects the application on criteria which include the following:
 - Whether **the referendum area** should be the NDO neighbourhood area or needs extending
 - Whether the proposal is '**in general conformity with the strategic policies in the development plan for the area**'
 - Meets conditions that may apply in terms of sustainable development (to be defined in the **National Policy Planning Framework**, which does not currently exist).
7. The examiner can recommend modifications so that it meets the basic conditions laid out above, and can then recommend it is submitted to a referendum.
8. The local authority can decline the order at this stage, but on strictly limited grounds, such as new evidence or interpretation of facts stated at the examination, in which case they may refer the relevant issues back for a second examination.
9. The local authority, if it accepts the verdict of the examiner, must then arrange and pay for a **referendum** in the area as originally defined or modified by the examiner, but can further extend the referendum area if they wish.
10. If the proposal achieves support from more than 50% of the vote at the referendum, the local authority makes a **neighbourhood development order**, which carries the same meaning as a current local development order. Any proposed development that is consistent with the order does not need to apply for full planning permission, though the NDO itself defines who can give permission and what conditions might be applied.

Related provisions in, or associated with the Localism Bill

- **Community Right to Build**, which shares the neighbourhood development order process, but is site-specific and can be mounted by a community organisation
- **Assets of Community Value**, previously known as the Right to Buy, which will enable communities to list sites of particular interest to help preserve services, facilities or land of amenity value
- **National Policy Planning Framework**, which will help define what is, and is not allowed in a Neighbourhood Plan
- **New Homes Bonus**, which, if devolved to communities, may help gain local acceptance of development
- **Community Infrastructure Levy** – government has stated that they expect some to be devolved to communities accepting development
- CLG investment in **Supporting Communities and Neighbourhoods in Planning**, which will give a limited number of 1-year grants to organisations during 2011 – 2013 to help communities negotiate their way through the planning system.