

Committee **AUDIT AND REVIEW**
Date: **9 November 2021**

Report: **MAJOR PROJECT REVIEW: LESSONS LEARNED FROM
IMPLEMENTATION OF LOCAL PLAN POLICY L2
(BARN CONVERSIONS)**

Purpose of report

1. To provide an assessment of the implementation of Local Plan policy L2 – barn conversions - and to identify lessons learnt from it that should be taken into account in the development/implementation of future policy.

RECOMMENDATIONS

2. That Members note the lessons learnt from the implementation of Local Plan Policy L2, and agree the recommendations to be taken into account in the development and implementation of future policy.

Strategic Planning Framework

3. The information and recommendation(s) contained in this report are consistent with the Authority's statutory purposes and its approved strategic planning framework:

Corporate Plan objective:

By 2022, secure significant funding to repair, restore, and, where appropriate, find adaptive new uses for traditional field barns, particularly those in Swaledale, Arkengarthdale and Littondale

Background

4. Reports on lessons learned from 'major projects' provide Members with an opportunity to hear from officers about what has been achieved; what worked and what didn't, and make recommendations for future project development and management across the Authority.
5. This Committee agreed in April one of the reviews this year should focus on lessons learned from the introduction in 2015 of new, more flexible barn conversion policies in the former (pre-2016) National Park area. The policies were part of a new Local Plan, and were intended to encourage adaptation and re-use of the more accessible traditional farm buildings.

6. The review would look at the lessons learned from the implementation to date. This could help to inform the development of policies for the new Local Plan.

Findings from the review

7. The full findings from the review are set out in the **Annex**.
8. In terms of specific outcomes, the policy has led to:
 - a. The approval of almost 200 residential conversions of traditional farm buildings;
 - b. The completion of 42 residential conversions;
 - c. Significant – but unquantified – private investment in the repair and re-use of traditional farm buildings that might otherwise have been left to decline.
9. The implementation of the policy has identified a number of practical issues that will need to be taken into account in developing (and then implementing) future policy as part of the new Local Plan that is currently in development. These are highlighted in paragraphs 46-51 of the attached report.

Conclusion

10. Securing the restoration, repair and re-use of traditional farm buildings — especially *field* barns — is critical to retaining one of the National Park’s special qualities.
11. Whilst there were some initial high profile disagreements about its implementation, the introduction of a new, more flexible policy in 2015 has undoubtedly led to more barns being brought back into use, and has generated investment that we know leads directly to local employment and economic benefits.
12. Experience of the day-to-day implementation of the policy over 5 years has identified a number of practical issues to take into account in developing any new policies as part of the new Local Plan.

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21 October 2021

LESSONS LEARNED FROM LOCAL PLAN POLICY L2 (BARN CONVERSIONS)

THE INTENTION

Why was the policy introduced?

1. Traditional farm buildings are a key element of the National Park's special qualities, and yet they pose a significant conservation challenge. It is estimated that there are around 6,200 barns in the National Park, but the last comprehensive survey revealed that around 45% were in poor or very bad condition. Conversion to residential use forms part of the wider debate about how best to conserve these buildings. In the face of limited agricultural use value and only patchy public subsidy to fund repair, the stark reality is that many buildings will be faced with the prospect of dereliction and ruination unless they have some utility value to justify maintenance regimes.
2. Successive planning policies have favoured towns and villages as locations for residential barn conversion. Over time, the list of settlements in which conversion would be permitted had gradually widened. By the time of the 2011 Housing Development Plan, 76 settlements were listed, down to the level of small villages and hamlets with 20 or more properties. Almost all conversions permitted in these settlements were restricted to local occupancy. The only exception to this rule was that some barns that were outside of the listed settlements but within building groups could still be converted, provided they were tied to the farm holding to which they belonged. These conversions were restricted to either local occupancy or short stay holiday letting.
3. Limiting the scope of barn conversion policy in this way had long proved controversial, with debates at every Local Plan examination and on a case by case basis when planning applications were brought forward to convert buildings that did not meet the policy requirements.
4. The Authority commenced work on a new Local Plan in 2012 and, as part of the early consultations, posed questions about whether the approach to barn conversion should change. In 2013 the Government consulted on a proposal to largely remove planning control over the conversion of agricultural buildings to dwellings. This would have been a radical change as it would have largely rendered Local Plan policies on the subject redundant and provided flexibility for almost any building to be converted with little influence over location or design.
5. During a Local Plan consultation later in 2013 the Authority simply asked consultees whether they would be happy with the Government's proposed changes, or whether they would prefer a policy-led approach, albeit one where additional locational flexibilities were increased. Respondents were overwhelmingly in favour of the latter, allowing more locations to be considered, but with a very clear message that isolated field barns should be excluded from the policy.
6. Following a period of intensive lobbying, the Government eventually elected not to apply their proposed reforms in National Parks. In doing so they indicated a clear expectation that National Park Authorities should take a more 'positive and proactive'

approach to their policies and this aligned with the general consensus from Local Plan consultations that sought greater locational flexibilities.

7. As a result, the Authority needed to develop a policy that struck a balance between greater flexibility and the inherent sensitivities involved in converting traditional buildings that are an intrinsic part of the National Park's special qualities.

What was the policy intended to achieve?

8. The policy was designed principally as a conservation-orientated policy. Conversion is an effective means of giving buildings a new use value and securing their long term future. But intensive uses also bring pressure for a lot of alteration to the building and its surroundings, which can pose a very real risk to achieving conservation outcomes. As a result, the policy sought to ensure that both the location and the building itself had the capacity to accommodate the new use.
9. In terms of location, the policy had to strike a balance between affording greater flexibility while continuing to prevent the more inaccessible buildings from being converted. It did so by defining acceptable locations as: existing settlements; building groups; and, at the 'roadside'. This represented a way of limiting conversions to locations that were well connected to public highways and other infrastructure connections, and that already experienced a degree of routine human activity. This was a significant new area of policy flexibility compared to the much narrower settlement-based approach previously adopted. When the policy was being formulated, it was estimated that it would yield an additional 8 roadside barn conversions each year.
10. The other main aspect of the policy was to limit the occupancy of the dwellings created through barn conversion to try ensure that they were of wider socio-economic benefit to the National Park. Although primarily a conservation-orientated policy, L2 had regard to the Authority's wider policy objectives. This included the housing strategy where there was a strong emphasis on meeting local housing needs.
11. Previous policies had required local occupancy occupation of most barn conversions, the only exception being where it was linked to farm diversification, where holiday letting was also permitted. The new policy broadened this flexibility to all barn conversions. Offering this wider choice was consistent with the recommendations of a report commissioned in 2013 to review the approach to visitor accommodation in the Local Plan to help boost the tourism economy by increasing overnight stays. The change attracted relatively little comment during the policy's development.

Original timescales

12. The Local Plan was intended to have a 15-year time horizon from the point of adoption and so the policy was intended to endure from late 2015 until 2030.

Proposed means of implementing the policy

13. Delivery of most planning policies happens through the planning application process where proposals are determined in accordance with the adopted policy, unless other material considerations are considered to outweigh it. In this sense, delivery is completely demand-led, in response to planning application submissions (and pre-application advice). Applications are determined by Development Management Officers and Members of the Planning Committee.
14. The implementation of Policy L2, as with any policy, is strongly influenced by the level of prescription it contains. The policy could have adopted a less-prescriptive criteria-based approach that allowed a nuanced judgement to be made on a case by case basis, but this would have left a lot of room for interpretation and offered insufficient clarity for all involved in the decision making process.
15. The alternative was to offer a clearer steer on which locations were suitable, in principle, defined in terms that would be readily understood by the general public. This is the approach that was ultimately taken by defining suitable locations for conversion as being any building group, together with 'roadside' locations.
16. The roadside concept could never be an absolute guarantee of acceptability. Instead, it is a proxy measure of likely acceptability and Local Plan policies still provide scope to refuse planning permission on some roadside barns where, for example, significant alterations are required to facilitate a vehicular access.
17. On the issue of occupancy, the policy was prescriptive in defining the criteria that determined whether a household would qualify for local occupancy. In line with wider changes to the occupancy strategy, new flexibilities were introduced to extend those criteria to additional households, for example those with a child at a local school, while also making provision for occupants to be sourced from further afield. It is at the discretion of applicants whether they choose to opt for local occupancy, holiday letting, or the flexibility of either.
18. In terms of the building itself, it was important for the Local Plan to ensure a standard of conversion that was consistent with delivering the Policy's conservation aims. A separate policy – L3 – set out requirements for ensuring that alterations to the building, including new openings, extensions, curtilages and rebuilding, were carried out in a sympathetic manner. Policy L1 is also relevant in ensuring that barns are offered a level of protection against unsympathetic alterations that is commensurate with their level of significance as heritage assets.
19. The policy was supported by two pieces of supplementary guidance. The first is the Design Guide, which contains a dedicated section on conversions and seeks to ensure that the physical changes to the barn and its setting are as sympathetic as possible. This includes addressing issues such as new window openings, extensions, curtilages etc. The second is the Traditional Farm Buildings Toolkit. This seeks to encourage applicants to look carefully at the building and realistically assess its capacity for change. In doing so, it highlights other options, beyond residential conversion, that

may be more suitable for buildings that are more sensitive because of their architectural, historical or landscape significance.

20. While the Design Guide was adopted as a supplementary planning document (affording it greater weight in planning decisions), the TFB Toolkit remains informal guidance as it is not restricted only to planning and development issues.

Original resourcing

21. The initial policy and associated guidance were prepared in house as part of the Local Plan preparation process.
22. The costs of implementing the policy were expected to be met from within the existing Development Management budget for dealing with all planning applications.

THE REALITY

Actual achievements of the policy

23. **Appendix 1** is an extract from the Authority's Annual Monitoring Report. It highlights the number of planning permissions approved and refused, the tenures of the dwellings created, their geographical spread and the locations in terms of whether they are in settlements, other building groups, or roadside.
24. Since the policy came into effect in October 2015, the Authority has given planning permission¹ for 198 barn conversions, an average of 33 per year. In the 15 years prior to policy coming into effect that average stood at 14 per year.
25. The bulk of the uptake of the policy (85%) has come from the extra locational flexibilities to convert buildings outside of larger settlements. So, from this point of view, it has clearly made a difference. The 'roadside' element of the additional flexibility has seen far less take-up (27%) than locations within smaller hamlets and building groups (58%), no doubt influenced by the lower costs of servicing conversions in locations that already have utility connections close at hand.
26. The first 6 years of the Local Plan period have yielded 53 roadside conversion permissions (just under 9 per year). This is slightly higher than envisaged. However, it is too early to say whether this rate will be sustained or whether approval rates will tail off and not all permissions will be implemented.
27. In terms of occupancy, most applicants (56%) have opted to have the flexibility of either local occupancy or holiday letting accommodation.
28. Despite the high levels of planning permissions, actual completions always lag behind. By March 2021, 42 of the 198 planning permissions issued had reached completion, with a further 58 underway. Across all type of housing development in the National Park the lag between permission and completion averages between 3 and 4 years, so

¹ 166 of which have received full planning permission, with 32 approved but still awaiting the completion of a Section 106 legal agreement

this is not unsurprising. Many conversions will have an element of 'self-build' which may prolong timescales further than for more commercial developments.

29. By virtue of the relatively low level of completion, the 'real world' impact of the policy, in terms of both the locational and occupancy flexibilities, has still not been fully felt. Of the 42 completions to date, just 6 have fallen into the roadside category.
30. In terms of occupancy flexibility, an important factor is the degree to which these units are being occupied as local occupancy or holiday letting. This can of course vary at any given time. Only 15 of the units completed so far have carried the flexible occupancy restriction and, where a Council Tax or Business Rates registration is recorded for these (12), the majority (8) are currently being occupied as permanent local occupancy residences.

Actual timescale

31. Members elected to start to 'give weight' to the emerging policy in planning decisions from October 2015.
32. The policy was intended to apply between 2015 and 2030. The Government confirmed its decision to extend the boundaries of the National Park when the Local Plan was at an advanced stage of preparation. As a result, although the bulk of the National Park had the benefit of an up to date set of planning policies, the 'extension areas' were covered by a series of different policies that were either ageing or still being developed. These include differences in approach to barn conversions. The Authority therefore took the view that a new Local Plan covering the whole National Park would need to be brought forward sooner than anticipated and adoption of this is envisaged in 2023.

Actual means of delivery

33. As expected, the policy has been delivered through planning applications. The degree of take-up has represented a significant proportion of Development Management caseloads.
34. Although predominantly demand-led, the Authority did promote the policy, including through a dedicated web page, but ultimately it could not anticipate the rate of take up of the new policy flexibilities.
35. After some early high-profile cases, the Head of Development Management decided it was in the best interests of the Authority if all applications for residential barn conversion were determined by the Planning Committee. This meant that more applications were determined at Committee than originally anticipated. Following a review, normal delegation arrangements resumed in 2019.

Actual costs

36. Aside from staff time, the costs associated with producing the TFB Toolkit were offset by external funding from Historic England. The Authority also needed to commission

an opinion from Counsel on some of the legal issues raised by the Planning Inspector during the examination process.

37. There are no records of the time spent in dealing with individual planning applications, so meaningful estimates are hard to make. However, the initial high-profile applications, and the period where all applications were going to the Planning Committee, certainly resulted in higher costs (in staff and Member time) than might originally have been expected.

LESSONS LEARNED

What went well, and why?

38. The early stages of the policy's development were disrupted by Government proposals to remove the need for planning permission for barn conversions. While this created significant challenges in responding to this previously unforeseen announcement, the Authority, alongside the wider family of National Parks, was ultimately successful in making the case in favour of retaining policy control. In some ways the Government's proposals were timely in drawing public attention to the issues surrounding barn conversions, resulting in more engagement in the development of the policy than might otherwise have been the case. They also undoubtedly influenced the direction of the policy and created a greater imperative for a change in direction.
39. The policy has undoubtedly produced plenty of take-up – and broadly in line with what was expected. Many policies in the Local Plan, whatever their good intentions, are seldom used. Barn conversion is an example of where newly introduced and highly publicised flexibilities, together with pent up demand, coincided to produce plenty of take-up.
40. In the absence of the conversion potential introduced by the policy, many of these buildings would face a much more uncertain future. Although there has been some encouragement that public subsidy for barn repairs may be increasing, it is still nowhere near the levels seen in the heyday of the 1990s and early 2000s. Even at the peak of public subsidy for barn repair and even that only benefitted a little over 500 buildings out of the estimated total stock of 6200. While other, non-residential re-use options exist, they have rarely proved popular with applicants, even during periods of greater policy constraint on residential conversion.
41. Despite the fundamental shift in policy, approval rates for barn conversion under the new policy stand at 94%.

What went less well, and why?

42. In the immediate aftermath of Policy L2 first being used to determine planning applications, there was clearly a 'bedding-in' period as Members and Officers developed a common understanding of how it should be interpreted and applied to individual cases. This is not surprising given the marked shift in policy flexibility compared to previously adopted policies. It resulted in a period in which Officer

recommendations were being overturned and a period where every barn conversion planning application had to be referred to Planning Committee.

43. Barn conversion proposals, but most notably the handful of refusals issued, have inevitably been high profile in local media since the policy's adoption, and generated some negative publicity despite an overall approval rate of 94% of applications.
44. The need to conclude s106 agreements for barn conversions has inevitably added to the time taken to issue permissions, and the costs for applicants and the Authority.
45. Policy L3 – which controls the details of works to barns - has generally been perceived by applicants as being too restrictive, particularly where it rubs up against expectations of 21st century living, and has resulted in sometimes tortuous negotiations.

RECOMMENDATIONS FOR THE FUTURE

46. The Local Plan is in the process of being reviewed so that it embraces the whole of the post-2016 National Park. This includes a review of the collective policies on barn conversion spread across the various different policy documents that currently apply.
47. A consultation was undertaken in August and September this year on the options for reviewing the policy and the paper can [still be accessed here](#). The responses received will be reported to Members at the PDF in November to inform decisions that will be taken at the December Authority meeting.
48. Initial indications from consultation responses are that there remains a general lack of consensus on the main issues surrounding locations, occupancy and design approach to conversions. At the heart of these tensions is, perhaps, a lack of agreement about what the primary objective of the policy should be. Policy L2 is clearly presented as a conservation-orientated policy, and yet the residential uses produced in these buildings clearly crossover with housing and tourism policies. Reconciling these issues in the new Local Plan will undoubtedly be challenging, but it is important that the Authority arrives at a clear and consistent policy that can be applied Park-wide. This needs to start with a clear understanding of what the policy objective is and how it should be interpreted, to avoid some of the 'bedding-in' issues encountered with Policy L2.
49. In light of Members' eventual decision on the policy objective(s), policy L3 will need to be reviewed to ensure that the detailed design of barn conversions is sympathetic to their character without imposing disproportionate controls.
50. Wider consideration of local housing issues in the new Local Plan should provide the opportunity to look at whether there are alternative ways to control occupancy without recourse to s106 agreements.
51. Finally, more might also be done to celebrate the successes of the policy, as a counterpoint to the negative publicity generated on the rare occasions where applications are refused. When refusals are issued, the Authority should be clear in explaining the reasons for doing so.

APPENDIX 1 – Extract from 2020/21 Annual Monitoring Report

Policy L2 – re-use of traditional farm buildings

The objective of Policy L2 is to secure the long term future of traditional buildings in a manner that conserves their intrinsic value. It encourages a range of potential re-uses, but only where the buildings and their locations have capacity to absorb them. In particular, it allows more intensive uses of traditional buildings (notably permanent residential use), in settlements, other building groups and in roadside locations.

Take up

Since October 2015 when the new, more flexible, policy started to be applied, planning permission² has been given for barn conversions that will yield 198 new residential units³. Over the same period planning permission has been refused for 20 different barns, although 7 of these have successfully obtained a subsequent approval, meaning only 13 barns have received an outright refusal. This equates to a 94% approval rate overall.

Of the 198 units permitted, 42 have completed and 58 are in progress.

Locations of approved traditional farm building conversions

Policy L2 allows traditional buildings to be converted within settlements, building groups and suitable roadside locations. Table 3 below shows the breakdown according to location types.

Table 3 - Traditional farm building residential conversion permissions by location October 2015-SeptemberAugust 2021

Situation	Number of permissions	Percentage	Grouped percentage
1. Local Service Centre	2	1%	14.5%
2. Service village	17	8.5%	
3. Small settlement	10	5%	
4. Hamlet	33	16.5%	58.5%
5a. Residential building group	77	39%	
5b. Non-residential building group	6	3%	
6a. Roadside (public road)	39	20%	27%
6b. Roadside (private road)	7	3.5%	
7a. Non-roadside (with some form of established access)	6	3%	
7b. Non-roadside (field barn)	1	0.5%	
TOTAL	198		

² Including permissions that are subject to completion of a Section 106 agreement meaning a formal decision notice has yet to be issued

³ Excluding permissions that have subsequently expired.

Tenure of approved traditional farm building conversions

Table 4 shows the breakdown of permissions for traditional farm building conversion according to tenure, with over half favouring flexibility between local occupancy and holiday letting use.

Table 4 – Traditional farm building residential conversion permissions by tenure October 2015-September 2021

Tenure	Permissions	Percentage
Local occupancy or rural worker	55	28%
Flexible local occupancy/holiday	111	56%
Holiday letting	32	16%
TOTAL	198	

Geographical spread of traditional farm building conversions

Take up of Policy L2 has been concentrated in the Craven part of the National Park and in particular in Wharfedale, as shown in Table 5 below.

Table 5 - Traditional farm building residential conversion permissions by location October 2015-September 2021

District	Sub area	Permissions	District total
Craven	Upper Wharfedale	14	104
	Mid/Lower Wharfedale & Malhamdale	62	
	Three Peaks	28	
Richmondshire	Wensleydale	41	54
	Swaledale	13	
South Lakeland	Dentdale/Garsdale	18	40
	Sedbergh/Cautley	22	
TOTAL			198