

EXAMINATION OF THE TELFORD & WREKIN LOCAL PLAN (2011-2031)
INSPECTOR'S NOTE TO TELFORD & WREKIN COUNCIL – 30 March 2017

Introduction

1. Although a number of matters remain outstanding, I am now in a position to provide an overview of progress with the examination. As you will recall, I advised that I would contact the Council if I identified serious soundness concerns with the potential to affect the examination programme. Unfortunately I have identified such concerns. The purpose of this note is to highlight the issues involved, and to suggest possible courses of action to enable the examination to proceed. I also raise a number of other points upon which further actions remain outstanding.
2. For the avoidance of doubt, all comments set out in this Note are interim only and are made subject to the contents of my final report.

Objectively Assessed Housing Needs (OAN)

3. I have now had the opportunity to review the evidence submitted on this matter, and the discussion at the Matter 1 hearing session, in the light of the recent appeal decision at Kestrel Close, Newport¹. You will be aware that much of the evidence presented to that appeal is also before the present examination.
4. I note that the Inspector concerned adopted a figure of 864 dwellings per annum as a 'generous maximum' in respect of OAN for the purposes of that appeal. While I am not bound by that figure, it is clearly an important material consideration to which I must have regard. Furthermore, I can advise that I share some of the concerns raised by that Inspector in respect of the robustness of the Council/PBA approach to testing the labour market implications of its demographic projections. Specifically, I consider that the stated position that 'double-jobbing' will rise to 7% by 2031 – which has a significant effect on labour supply estimates – is not firmly evidenced. I also share my colleague's caution about the increase in activity rates that is suggested for those ages 65 and over. The rate of increase suggested by PBA in that regard appears striking.
5. I accept that as a result of the methodology that PBA has used, these figures represent outputs of the Experian model rather than inputs. However, they suggest to me that the Council's position that (in summary) the level of jobs growth that it has identified could be supported by the supply of labour is insufficiently robust. It is important that a labour force shortfall does not arise that could restrict the Council's job growth ambitions. For the avoidance of doubt, I consider that a more cautious approach is therefore justified. This is likely to involve an uplift to the Council's

¹ Land east of Kestrel Close/Beechfields Way, Newport APP/C3240/W/16/3144445 – document K24/31a.

demographic-based OAN figure to take account of the economic evidence.

6. **Accordingly, I request that the Council reconsiders its OAN evidence in the light of these comments.** Specifically, I request that the Council/PBA conclusions in respect of labour market implications are revisited in order that a suitably robust uplift figure can be calculated. If such work is considered to be impractical, then I would seek the Council's view on whether the findings of the Kestrel Close Inspector in respect of OAN should be adopted for the purposes of the present examination. Clearly, the adoption of an OAN figure in excess of the Plan's stated housing requirement would imply the need to review that requirement and reconsider the housing land supply position (although I note the conclusions of the Kestrel Close Inspector in respect of that matter). Any revision of the Plan's housing requirement may also have implications for other policies within the Plan, as well as potentially needing additional Sustainability Appraisal (SA) work to be undertaken.

Housing Site Selection Methodology

7. You will recall the concerns that I raised at the Matter 8 hearing session in respect of this matter. While I accept the need for a Plan's evidence base to be proportionate, it is also the case that all parties need to understand why certain sites were allocated and why other sites were not allocated.
8. In that context, I sought to examine the methodology that the Council has employed in selecting the 17 housing sites proposed for allocation in the Plan. Unfortunately, the commentary set out in the Council's (pre-hearing) written answer to my question in respect of this matter² and in section 5 of the Housing Delivery Technical Paper³ contain only a brief summary of that process. Indeed, the latter document states (para 5.6) that 'the site selection or rejection reasons for each individual site can be found in the Integrated (Sustainability) Appraisal Report (2015)' (the IA).
9. However, Appendix X of the Integrated (Sustainability) Appraisal Report⁴ comments that 'the IA findings are not the sole basis for a decision; other factors including planning and deliverability, play a key role in the decision-making process'. Bearing in mind the position set out in Housing Technical Paper as described above, this suggests to me an element of circular reasoning.
10. Clearly, the detailed selection of sites for allocation involves an element of planning judgement. However, that judgment needs to be both explicit and transparent. In short, there needs to be a clear

² Document J8/TWC.

³ Document B2b.

⁴ Document A3a – page 53/71 of that appendix.

'audit trail' that shows how the final decisions were arrived at, and what factors were taken into account in making such decisions.

11. In response to my questions along those lines at the Matter 8 Hearing session, your officers offered to table working spreadsheets that would give more information about how the Council reached its decisions in this regard. I accepted that suggestion and allowed other parties the opportunity to make representations accordingly. However, the document that was subsequently produced⁵ was not the working spreadsheet that had originally been offered. Instead it represents a commentary, apparently prepared after the event, that seeks to apply planning considerations to some (but not all) of the sites that were considered at the 'strategic fit' stage of the site assessment process. I have now been advised that the Council is unable to find the spreadsheets that were apparently referred to at the hearing session⁶.
12. The evidence that has been submitted since the hearing session is inadequate for several reasons. First, it does not represent the actual selection exercise, as it was prepared after the event. Second, comments are only given on a number of some 315 sites considered at the 'strategic fit' stage of the assessment. Over 200 sites are missing. This represents a substantial gap in the evidence base. While the Council comments that the sites listed are only those that scored 5 or above in that exercise, it is clear that some sites with a lower score were also assessed – and indeed subsequently allocated in the Local Plan. Clearly, an additional sieving exercise had taken place prior to the one that is presented in the new evidence. Third, it is clear from the comments made in this document that a number of sites that scored highly against the 'strategic fit' criteria were then discounted on the basis of their existing use. It is unclear why these were not screened out at the earlier site assessment stage, at which the site's development potential was considered in terms of various factors – including use.
13. I note the Council's responses to the specific comments made by representors in respect of this additional evidence⁷. For the avoidance of doubt, the present note does not seek to comment on the detailed scores that have been assigned to specific sites in the IA. However, I share a general concern raised by some parties in respect of strategic fit criterion 2 (promoting sustainable urban extensions) that it is not immediately clear why some large sites (notably those that have been allocated) were given a positive score in respect of that criterion while other large sites – also adjoining the urban area – were deemed to not comprise a sustainable urban extension. To my mind, a more robust approach – in the light of the strategic option that has been pursued for the Local Plan's spatial strategy – would have been to evaluate larger sites for potential

⁵ Document K24/40a.

⁶ Document K24/40g, paragraph 7(i).

⁷ Document K24/40j.

urban extensions in a more detailed manner examining their comparative strengths and weaknesses.

14. A further concern is that the inclusion of one specific criterion (criterion 8) appears to favour the allocation of land in public ownership over that in private ownership. Given that the IA scoring, as described above, appears to have had some influence on site selection it seems possible that the inclusion of this criterion may have disadvantaged otherwise acceptable sites in private ownership. Clearly, it is accepted that the best use should be made of public land. The particular history of Telford as a New Town and the activities that the Council is now progressing with its public sector partners in this regard are acknowledged. However, I see no basis in national planning policy to explicitly favour land in public ownership over that in private ownership when selecting sites for allocation in a Local Plan.
15. In addition, Historic England (HE) maintains an objection to the treatment of the historic environment, heritage assets and their setting in respect of the site selection methodology. I have now received Council's responses⁸ to my written questions in that regard, although it is unclear whether HE has had the opportunity to respond to that document. In any event, I share HE's concern that the use of a 200m radius in order to assess potential heritage impacts (other than inclusion in a Conservation Area and World Heritage Site) is poorly justified. In my experience, the setting of a listed building can, for example, extend over a markedly larger distance. HE's Advice Note 3 on The Historic Environment and Site Allocations in Local Plans⁹ suggests a more holistic process that seeks to understand the significance and value of the assets concerned. I see little evidence that this has been undertaken in the present case. For example, while the Council's response to HE acknowledges that eight of the Plan's housing allocations have one or more listed buildings within 200m of the site, its comment that 'suburban style housing would not affect the setting of any of these heritage assets' appears to lack an appropriate level of detail and analysis of the particular circumstances of the particular heritage assets concerned.
16. **Drawing these matters together, and noting that some further comments are yet to be submitted by the Council, it appears likely that I will reach a finding that the housing site selection exercise underpinning the Local Plan is flawed. Such a finding would call into question my ability to reach a finding of soundness on a Local Plan containing these site allocations.** I should however emphasise that these comments do not represent any view on the particular merits of those sites that have been selected for allocation – or, indeed, those that have been rejected.

⁸ Document K25a.

⁹ Quoted in J8/24/1, paragraph 3.1.3.

Next Steps

17. I have considered the implications of the above comments for the progress of the Local Plan examination. While I have a number of other outstanding concerns, I am broadly satisfied that these are capable of resolution through the recommendation of appropriate Main Modifications. In principle, and subject to the Council's response to my comments above, I am also satisfied that my concern about OAN is capable of being resolved within the context of the examination. As such, I feel that it would be premature, as well as wasteful of time and effort, for the Plan to be withdrawn at the present stage.
18. In terms of my concerns about the housing site selection methodology, I have considered whether the failings summarised above could be remedied by a revised site selection exercise undertaken within the context of the present examination. I reject that approach for two reasons. First, such an exercise has the potential to take up a significant amount of time and resources, thereby delaying the Plan's adoption. Second, it may be difficult to avoid the perception of such an exercise merely providing retrospective justification for decisions that have already been made.
19. My suggestion to the Council is therefore that a third alternative is pursued – namely the deletion of those housing site allocations that have been identified through the above-noted site selection process but have yet to gain planning permission or section 7(1) consent. You have already identified the sites concerned in response to my earlier question. Clearly I would need to assess the implications of such changes in respect of other housing policy matters – notably housing land supply. However, I note that a significant proportion of the intended yield from the Plan's site allocations relates to sites where planning permission has already been granted. For the avoidance of doubt, I see little reason to delete those allocations that relate to extant planning permissions or section 7(1) consents. The site already allocated in the Madeley Neighbourhood Development Plan (Land West of Woodside Avenue) would also be unaffected.
20. Such changes would require to be progressed through the Main Modifications, and may well require an amended SA. However, that is also likely to be the case in respect of a number of other changes that I may recommend and that the Council has already suggested. Clearly, the opportunity would exist for interested parties to make formal representations in respect of the Main Modifications. Further hearing(s) may be necessary.
21. Such changes would also, in my view, require modifications to both the submitted Local Plan and the Council's Local Development Strategy to ensure that housing site allocations, supported by an appropriately robust site selection methodology, are brought forward as soon as possible – either through an early review of the Local Plan or the early preparation of a separate Site Allocations DPD.

22. I would be grateful to receive the Council's comments in respect of this matter so that I can continue to progress the examination. I can confirm that in the meantime I will continue to draft my report and prepare the draft Main Modifications.

Other Matters

23. There are a number of other outstanding matters, which I summarise below.

Schedule of Modifications

24. You will be aware that I have asked that the Council's draft schedule of modifications be reformatted to create a single schedule of changes in Plan order, with consistent page numbering. However, it may be prudent to delay this matter in view of the concerns raised in this Note.

Policy SP4

25. As I have also requested, the Council should clarify whether it is suggesting that the list of criteria in policy SP4 is proposed to be deleted.

Mineral Safeguarding

26. As set out in my note dated 10 March 2017, further justification of the Council's position in respect of this matter is necessary – along with legible attachments.
27. In addition, I would welcome clarification of the intended new paragraph proposed for policy ER2. This is not at all clear. Could it be more appropriately reworded along the following lines: 'Planning permission for non-mineral development affecting mineral resources within urban areas adjoining Mineral Safeguarding Areas and their buffer zones will be supported where it can be demonstrated: ...'?

Special Landscape Areas & Shrewsbury & Newport Canal

28. The Council will be aware of the concerns that I have raised in respect of both of these matters: I have taken note of the comments that the Council has made in response. While I do not intend to go into details at the present stage, I can clarify that I am likely to be recommending additional Main Modifications in respect of both of these matters. Both are likely to require additional SA work to be carried out. The Council should give early consideration to the time and resource implications of such work. It should also consider whether other modifications that it has suggested (notably in respect of minerals policies) will require further SA to be undertaken.

Conclusion

29. I request that the Council gives urgent consideration to the matters raised in this note, particularly to my concerns about OAN and the housing site selection methodology. In principle, if the Council accepts the courses of action that I have suggested then my initial view is that the examination could progress without the need for an Exploratory Meeting. If however the Council wishes the examination to take a different course then such a meeting may well be required.
30. While it is expected that the matters discussed above will be of interest to other parties, I must stress that **I am not seeking further representations at this stage**. Unsolicited contributions will not be accepted. As already noted, there will be an opportunity for formal representations to be made when the draft Main Modifications are published. These will be taken into account and further hearing(s) arranged if necessary. However, if additional material is published before that date then I will consider whether a specific consultation exercise is required on a case-by-case basis.
31. If you have any queries regarding the matters raised in this note then please contact me via the Programme Officer.

Michael J Hetherington
Inspector