

**G14 – Telford & Wrekin Local Plan Examination Background Paper:
Objectively Assessed Housing Need November 2016**

Evidence Document submitted by Telford & Wrekin Council post Submission

Telford & Wrekin Council wishes to submit this document to examination, with reference to the council's response to Matter Question 1.1 and 1.3 of the Inspector's Matters, Issues and Questions (MIQs)

25 October 2016



Telford & Wrekin Local Plan Examination
Background Paper: Objectively Assessed Housing Need

Peter Brett Associates
November 2016

Project Ref 32548

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1 INTRODUCTION

- 1.1 Policy HO1 of the submitted Local Plan puts forward a housing target of 15,555 new dwellings over the plan period 2011-31, informed by an objectively assessed housing need of 9,940 dwellings. This needs figure equals an average of 497 dwellings per annum (dpa). It is taken from the Objectively Assessed Housing Need study produced by Peter Brett Associates (PBA) on behalf of the Council¹.
- 1.2 Since the OAN study was published in March 2015, additional evidence has come to light about housing need in the borough. This paper, produced by PBA on behalf of the Council, summarises this additional evidence for the information of the Local Plan examination. Chapter 2 sets out the additional analysis produced in response to objections received, both in and planning appeals and the Local Plan consultation. Chapter 3 considers the implications of the latest official demographic projections, which post-date these appeals and consultation.

¹ C2a-i

2 RESPONSE TO OBJECTIONS

- 2.1 In this chapter we respond to criticisms of the OAN study which came forward in the Local Plan consultation conducted in February 2016.
- 2.2 Of the representations received in the consultation, five relate to objectively assessed housing need and the HO1 target. The objections fall into two groups:
- Gladman (supported by Barton Willmore) and SPRU (DLP Planning, commissioned by JVH Planning, on behalf of Redrow Homes) have produced large reports, which challenge and rework the PBA need assessment step by step. Both conclude that the OAN is much greater than the PBA assessment.
 - The remaining objections are more limited. A second Barton Willmore document, this time representing Metacre, provides a broad-brush version of its argument for Gladman and adds a brief discussion of affordable housing need. The Home Builders Federation (HBF) generally supports the plan and raises just two points of tentative criticism. Finally, RPS (representing Harworth Estates) makes one single criticism, relating to cross-boundary unmet need.

Barton Willmore for Gladman

- 2.3 Gladman's consultation response comprises a short covering document by Gladman Developments and a supporting technical report by Barton Willmore (BW) ('Appendix 1') - in effect an alternative version of PBA's OAN study for the Council. BW concludes that the borough's OAN is to 961 dpa, against 497 dpa in the PBA report.
- 2.4 There are three main points of disagreement between BW and PBA, summarised briefly below.

Household formation rates

The BW view

- 2.5 BW takes issue with the household formation rates (headship rates, HRRs) used in our OAN report. These rates were taken from the 2012-based household projection ('CLG 2012'). BW considers that these rates should be adjusted upwards, *'in order to address the issue of household suppression, particularly in the younger age groups..., which is inherent in the 2012-based household projections.'*
- 2.6 To that end, BW assume that in future years the CLG 2012 formation rates move back towards the higher levels that were shown in the CLG 2008-based projections, so by 2031 they have caught up with that 2008-based projection. The adjustment is applied to the age group 25-34 because BW consider that household formation in that group was suppressed in the past – quoting as evidence the comparison of formation rates in successive projections in the BW report. It is also applied to 35-44-year olds, because *'it is considered that over a 20-year plan period the rates for 35-44-year-olds will also be affected'*. The outcome of these adjustments is a dramatic uplift to the housing need over the plan period from PBA's 497 dpa to 652 dpa.

2.7 In PBA's opinion this view is badly misguided. There is no good reason to expect a return towards the 2008-based formation rates, as we demonstrate below.

The national picture

2.8 In the CLG projections, future formation rates are based on rolling forward past trends for each demographic group. The base period being rolled forward in this case is very long, starting at the 1971 Census. Across England CLG 2012 shows lower formation rates, and hence fewer households and smaller housing need, than the previous full version, CLG 2008 (2011-based projections were published in between but were badged 'interim'). This is because the Census found considerably lower formation rates, and hence fewer households, than the 2008 projections expected, and CLG 2012 rolls forward this more subdued household formation into the future. Some analysts consider that these lower rates are permanent. Others maintain that they are due to the last recession and its aftermath, and household formation in the long term will return towards the higher rates projected in 2008, either fully or partially.

2.9 The issue is discussed at length in recent two academic papers, respectively by Prof Ludi Simpson² and by Neil MacDonald and Prof Christine Whitehead³. Both papers provide in depth analysis of the 2008 and 2012 projections. Simpson notes that when preparing the 2008-based projection the authors already feared that they were over-estimating future household formation, because they saw evidence that the previous trend of increased formation rates had been broken, prior to the recession. Simpson discusses the causes of this as follows:

'[The] causes of reduced household formation are varied, began before the recession, and mostly are likely to continue with or without recession'

2.10 The causes referred to include:

- *'a sustained increase among young people not leaving home'* which began at the turn of the millennium and accelerated after 2008;
- *'the introduction of student fees from 1998;*
- *the increase in precarious employment, including the rapid growth of part-time work;*
- *the long-term increase in the number of childless women, ... which increased the number of smaller households, [and which] stopped and has fallen since 2000'; and*
- *the increasingly older formation of couples or families, which had increased the number of single-person households in the 1980s and 1990s, [and] has levelled out since 2001'.*

2.11 Prof Simpson concludes that some of these factors may be reversed, but the first three *'appear at the moment as fixed circumstances of the policy and economic environment'*. Consequently *'we are not in a position to expect further increases in household formation rates of the same kind [as suggested in the 2008-based projections]. ... The future in the UK is likely to be a continuation of precarious*

² L Simpson, *Whither household projections?* in *Town and Country Planning*, December 2014, Vol 83

³ N McDonald and C Whitehead, *New estimates of housing requirements in England, 2012 to 2037*

household formation. It will probably be lower than once projected and carry more uncertainty’.

- 2.12 In the second paper referenced above, McDonald and Whitehead endorse these conclusions. They add that there are further factors to suggest that household formation could be even lower than the 2012 official projections show – including welfare reforms and rising student debt that had not yet occurred at the time of the 2011 Census and are not taken into account by the 2012 projections.
- 2.13 It is also important to note that, although the CLG 2012 shows lower formation rates than CLG 2012, it still shows improving formation rates overall. The authors show that, while rates increase for some groups and fall for others, *‘there will be more “winners” than “losers” by a ratio of 3:1, so overall housing formation rates will improve’*. This means that, on balance, more people will have *‘an increased chance of setting up their own household’*.
- 2.14 McDonald and Whitehead conclude that the 2012 projections:
‘can be taken as a reasonable indication of what is likely to happen to household formation rates if recent trends continue. This is because, although economic growth might be expected to increase the household formation rate, there are both longer-term structural changes and other factors still in the pipeline (such as welfare reforms) that could offset any such increase.’
- 2.15 The research quoted above reinforces the view of the PPG. At national level the headship rates shown in CLG 2012 are the best information available at present. Far from reflecting underlying long-term trends, the rates that CLG projected in 2008 represented an over-optimistic view of housing demand, which has since been refuted by real-life evidence.
- 2.16 Inspectors examining Local Plans have generally taken the same view. For example:
- The Stroud Inspector (November 2015) acknowledged that the CLG 2012 projections already showed a recovery in formation rates for the key 25-34 age group compared to earlier projections. He noted that the 2012-based projections superseded both the 2008-based and interim 2011-based projections, and concluded that there was *‘little reason to use the trends based on these earlier projections’*.⁴
 - The Charnwood Inspector (September 2015) held that *‘whilst there are concerns regarding the extent to which the 2012-based household projections are affected by past economic conditions, they are statistically robust... They are the most up to date projections available’*⁵.
 - At Horsham (Oct 2015), the Inspector noted that the 2012-based household formation rates were higher than 2011-based ones, reflecting a return to headship rates more aligned with expectations preceding the economic downturn. He added that it was not reasonable to assume that headship rates in the key 25-44 cohort would return to the levels projected earlier. In his view, therefore, there

⁴ Para 45, Inspector’s Report to Stroud DC, November 2015

⁵ Para 41, Inspector’s Report to Charnwood BC, September 2015

was no evidence to indicate that the CLG 2012 projections needed significant adjustment⁶.

- 2.17 By contrast, at Canterbury (August 2015) the Inspector took a different view. He agreed with the Council's 'partial catch-up' (or partial return) scenario, in which formation rates were a mid-point between the 2008 and 2012 CLG projections. But his conclusion was based on a range of evidence considered in the round - including market signals which strongly suggested that Canterbury had undersupplied housing land against demand and need, and therefore the demographic projections should be adjusted upwards. Thus, the Canterbury Inspector is not suggesting that the CLG 2012-based formation rates are too low in general. Rather, he is suggesting that they are too low in Canterbury specifically, because by projecting local reality into the future the CLG 2012 figures carry forward past underprovision⁷.
- 2.18 In summary, Inspectors' advice suggest that full return to the 2008-based headship rates is not appropriate, and even partial return is only appropriate if there is other local evidence to suggest that household formation in particular places was abnormally low. This view is in line with the PPG, which advises that the CLG 2012 projections provide the best information on future household growth available at this time, but allows the projections to be adjusted if local evidence justifies it.
- 2.19 In the next section we start look for such local evidence in relation to Telford and Wrekin. We start with a critical review of BW and go on to provide some additional analysis.

Local evidence

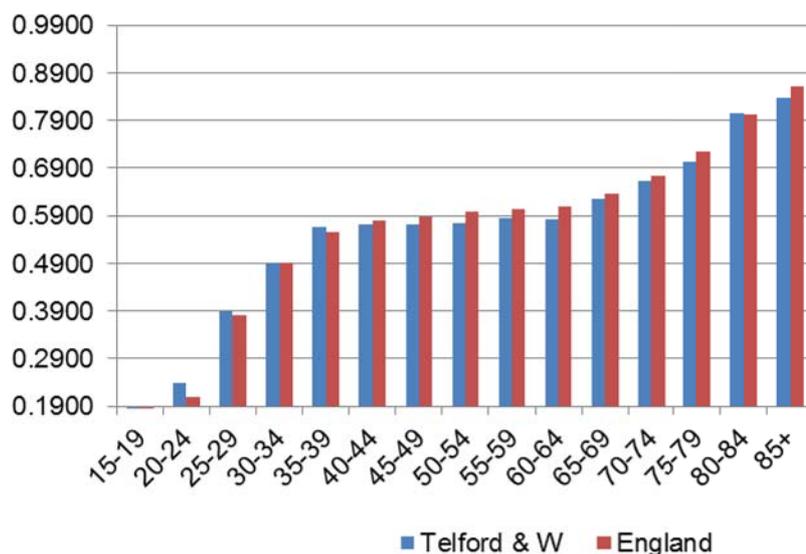
- 2.20 As noted earlier the BW study maintains that the household formation rates in CLG 2012 are suppressed by the recession, and therefore should be adjusted upwards. As evidence of this, the BW study compares the CLG 2012 formation rates with the CLG 2008 and CLG 2011 ones.
- 2.21 The charts in BW Appendix 1 confirm that the 2012 formation rates are below the 2008 ones. This is generally known and not in dispute. But it tells us nothing about 'suppression', because as discussed earlier the CLG 2008 rates are not a measure of underlying long-term trends for 2011-31, or indeed any other period.
- 2.22 Figure 2.1 below shows household formation rates at 2011, as estimated further to the 2011 Census, for Telford and Wrekin compared to England. The comparison cannot necessarily be interpreted as an indicator of housing market balance, because differences in formation rates depend on many factors besides housing supply. Such factors include differences in lifestyles or family structures, for example the proportion of people living in couples.
- 2.23 But for the age groups below 35 or 40 it seems more likely that differences in formation rates reflect housing-related factors, because it is generally recognised (including by BW, above) that in these groups household formation is liable to be suppressed by housing difficulties. The problem may be on the demand side (low /

⁶ Paras 30/31, Inspector's Report to Horsham DC, October 2015

⁷ Para 26, Note on main outcomes of Stage 1 hearings, August 2015

falling incomes, credit crunch) or on the supply side (lack of housing land). Either way, the result is that younger people live in the parental home for longer, or share with others, rather than forming their own households.

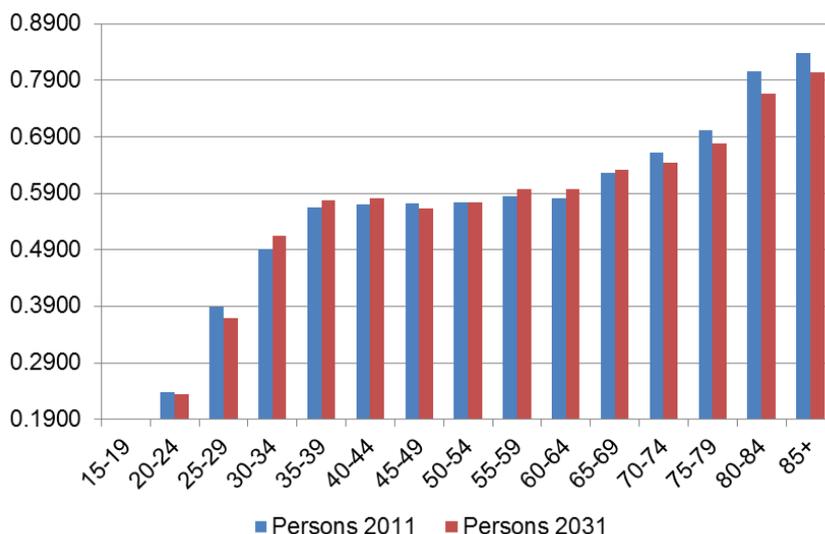
Figure 2.1 Household representative rates by age, persons, 2011



Source: CLG 2012-based household projections

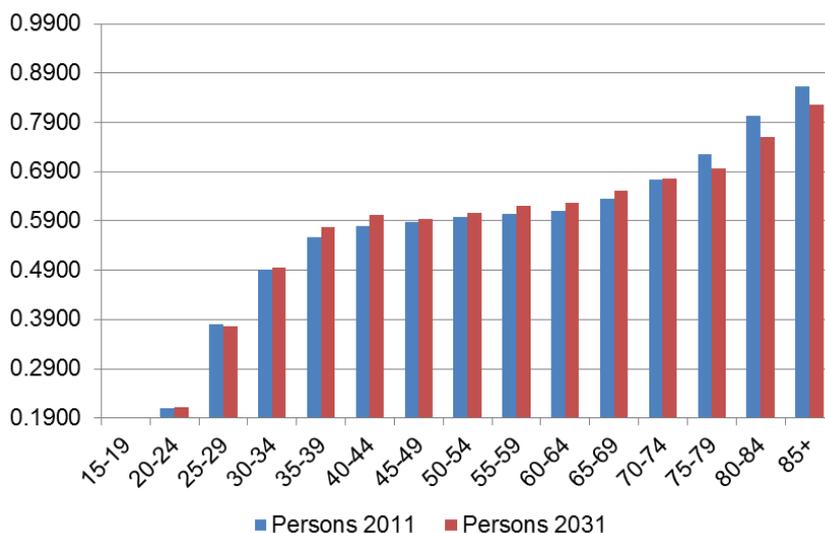
- 2.24 In Telford and Wrekin, formation rates for the age groups up to and including 39 are the slightly above, or equal to, the national benchmarks. For persons aged 40 and above formation rates are slightly below those benchmarks, but as noted earlier these differences are less likely to reflect differences in access to housing. Thus, there is nothing in the 2011 formation rates to suggest that household formation in Telford and Wrekin has been particularly constrained by bad access to housing.
- 2.25 Figure 2.2 shows change in formation rates by age group in the plan period 2011-31, as projected by CLG 2012. The projection shows stable or increasing rates for most age groups up to 609. For those 70 and older the rates are projected to fall; this is likely due to the closing gap between male and female life expectancies, which means that among elderly people there are more couples and fewer widows. Again the pattern is very similar to that for England (Figure 2.3). So there is nothing to suggest that CLG 2012 expects the formation rates in the borough to worsen in future, either in absolute terms or relative to national trends.

Figure 2.2 Projected formation rates by age, persons, Telford and Wrekin, 2011 and 2031



Source: CLG 2012-based household projections

Figure 2.3 Projected HRRS by age, persons, England, 2011 and 2031



Source: CLG 2012-based housing projections

- 2.26 In summary, we have found no evidence that formation rates in Telford and Wrekin have been abnormally low in the past, or that the CLG 2012 projection expects them to be abnormally low in the future. Rather, the projection shows future increases in virtually all age groups except for the elderly – whose formation rates are projected to fall, but due to changing life expectancies rather than lack of housing.
- 2.27 As mentioned earlier, the BW analysis comes to the opposite conclusion. BW considers that past household formation for the 25-34 age group in Telford and Wrekin was ‘suppressed’, and the CLG 2012 projection rolls forward that suppression into the future. But the only evidence in support of BW’s assertion is the diagrams in their report, which show that the formation rate fell between 2001 and 2011, and from 2012 onwards the CLG 2012 projection the CLG expects a partial recovery - where the CLG grows slowly and later stabilises, without returning to the higher rate shown

in the 2008 projections. These changes are not specific to Telford and Wrekin. They broadly parallel the national trajectory analysed in the Mc Donald and Whitehead paper:

- In 2001-11, formation rates for the age group fell, partly due to the recession and partly to unrelated, longer-term factors
- For the future, therefore, the CLG 2012 projections show a partial recovery, in which the formation rate grows again but does not return to previous levels.

2.28 In summary, both in regard to past change and the projected future formation rates for Telford and Wrekin follow the national trend. There is nothing about the borough that would justify a local adjustment to the CLG 2012 rates.

Conclusion

2.29 For England as a whole, expert analysis, the PPG and Inspectors' advice agree that the CLG 2012 projection provided the best view of trend-driven household formation rates available at the time they were published. The CLG 2008 projections are not relevant to housing need assessments, because they are based on very old evidence, they were over-optimistic at the time they were produced, and in the light of subsequent evidence they look even more over-optimistic.

2.30 In line with the logic of the PPG, projections for individual areas may depart from these rates if there is local evidence to show that they are misleading. But for Telford and Wrekin there is no such evidence. Again, this confirms that at the time of the OAN report the CLG 2012 formation rates were the correct basis for the housing need calculation.

2.31 Since the above analysis was completed the CLG has published new projections, which are 2014-based. We will discuss the implications of these projections in Chapter 3 below.

Past supply and market signals

Price and occupancy indicators

2.32 The 2015 OAN report concluded that there was no justification for a market signals adjustment to the demographic measure of housing need. In relation to price and occupancy signals, it argues that four pieces of evidence point to under-supply:

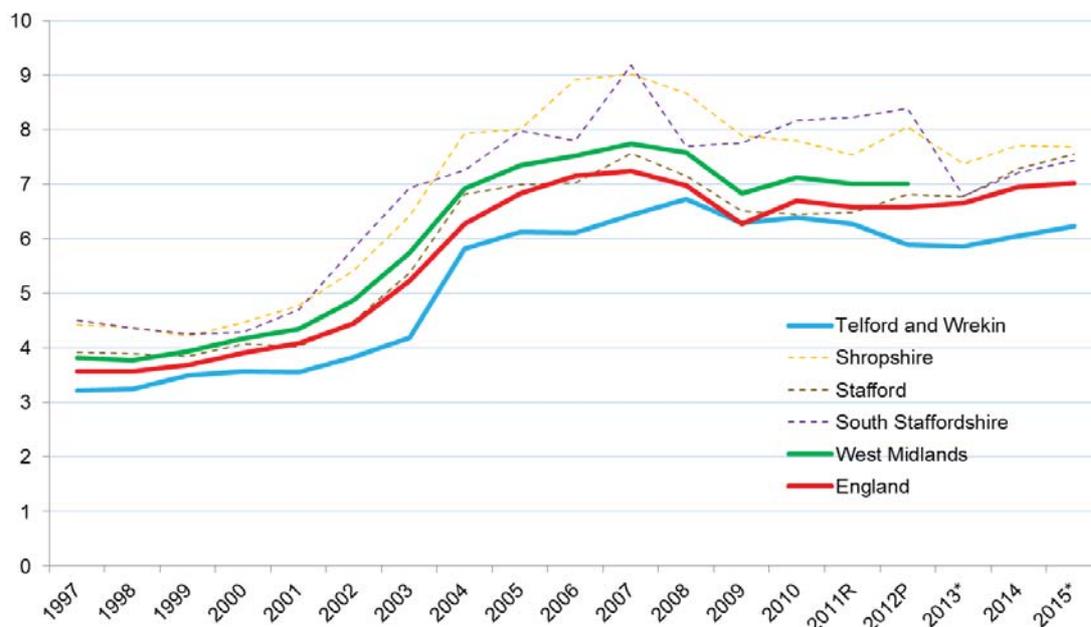
- From 1997 to 2012 median and lower-quartile house prices in the borough rose very slightly faster than the West Midlands, though not England.
- Although affordability (2013) is better than the regional and national averages, in 1997-2013 it increased very slightly faster than the region – by 75% against 71% for the West Midlands.
- Rents in the borough increased faster than the national average in a single year, 2014-15 – by 4% against 0.8% for England.
- The proportion of concealed families increased between Censuses at a greater rate than the national average.

2.33 There is nothing in this analysis to refute the view of the PBA report – that there is no evidence of undersupply in Telford and Wrekin:

- In relation to house prices and affordability the analysis does not cover the base period of the demographic projections used by PBA; therefore it does not tell us anything about whether those projections should be uplifted.
- In relation to rents, BW is cherry-picking change in a single year –which is not even part of the base period that the PBA projections roll forward (though it *is* part of the base period for the updated projections discussed in Chapter 3 below). This tiny difference in a single year is a meaningless statistic.
- As regards concealed families, to understand BW’s analysis we need to look at the absolute numbers behind their percentages. It is true that between the Censuses numbers of concealed families in the borough grew faster than England and Wales. From 2001 to 2011 concealed families in the borough doubled from 426 (1.2% of all families) to 853 (1.8% of all families). If the number had increased in line with the national total, in 2011 there would have been 726 concealed families. So the borough has an ‘excess’ of 853 minus 726 equals 127 concealed families – 0.3% of all families. This tiny departure from the average, based on two data points only, tells us nothing meaningful about the state of the housing market in Telford and Wrekin.

2.34 In BW’s analysis, the evidence is picked selectively from a wealth of data that suggests there is no undersupply in the borough. The chart below shows what is probably the most important indicator of market balance, housing affordability. We have updated this to incorporate the latest information from CLG.

Figure 2.4 Affordability: ratio of lower-quartile house price to lower quartile earnings



Source: CLG Table 576 and Table 576 (discontinued).

2.35 The updated chart tells the same story as the 2015 OAN report. Affordability in the borough was better than the UK and adjoining areas throughout the base period of the demographic projections and at all times since records began. Over the base period of the projections the change in affordability in the borough paralleled the

national trend. Again, there is nothing here to suggest housing undersupply in Telford and Wrekin.

Past supply

- 2.36 BW identify that past housing delivery has consistently and significantly fallen short of targets set in earlier plans. This is true in a literal sense. But BW's interpretation is misleading, because it leaves aside the crucial fact that these targets were maximums. Therefore, although housing development in the borough fell short of these maximums, the borough did not under-deliver housing against the development plan. No minimum targets were set, therefore even if no houses had been built in the borough this would not constitute under-delivery against the plan.
- 2.37 The PPG at paragraph 015 explains the relevance of past delivery as follows:
- 'The household projection-based estimate of housing need may require adjustment to reflect factors affecting local demography and household formation rates which are not captured in past trends. For example, formation rates may have been suppressed historically by under-supply and worsening affordability of housing. The assessment will therefore need to reflect the consequences of past under delivery of housing. As household projections do not reflect unmet housing need, local planning authorities should take a view based on available evidence of the extent to which household formation rates are or have been constrained by supply.'*
- 2.38 The logic of the PPG is clear. As mentioned earlier, demographic projections roll forward trends from a past period known as the base period or reference period. If in that period planning underprovided land against demand or need, actual housing development – and hence household growth – will also have fallen short of that demand or need. By the same token, since projections roll forward that past growth into the future, they will understate future demand or need, and therefore should be adjusted upwards.
- 2.39 Barton Willmore misunderstands that logic. In effect they assume that the past 'undersupply' and 'under-delivery' referred to at paragraph 015 of the PPG means underprovision against plan targets. But the text makes it clear that these words mean something quite different: failure to meet demand or need, rather than failure to meet targets.
- 2.40 In the case of Telford and Wrekin, delivery below the previous maximum targets tells us nothing about whether demand or need was met, because those targets were deliberately set, in line with the policy objectives of the RSS, far above the borough's demand or need. The RSS (adopted Jan 2008) and Core Strategy (adopted Nov 2007) set maximum figures of 1,330 dpa to 2011, reducing to 700 dpa from 2011 onwards. The Joint Structure Plan set an annual target of 1,180 dpa for the period 1996/2011, but this policy was not saved and was superseded by the Core Strategy. These figures were very high, about double the RSS targets for much larger settlements such as Coventry and Wolverhampton. They reflected Telford's strategic role as a designated New Town, to absorb housing development from constrained parts of the region to an area which benefitted from large physical capacity, relatively fewer constraints and concentrated infrastructure provision and investment. The Council's Technical Paper notes:

*'In planning terms, the recent history of the borough has been dominated by the designation, in 1969, of Telford urban area as a new town (originally named 'Dawley New Town') under the New Towns Act. This has meant that over the last forty years or more the borough, and Telford in particular, has been planning for a growing town that not solely met the needs of its own population.'*⁸

- 2.41 In short, levels of past delivery compared to the maximum targets set in earlier plans tells us nothing about whether past housing supply in Telford and Wrekin fell short of demand or need.

Conclusion

- 2.42 The 2015 OAN study concluded that there was no justification for a market signals adjustment to the demographic measure of housing need. The Gladman / BW objections provide no valid evidence against that conclusion. Price and occupancy indicators, considered in the round and over the relevant period, provide no evidence of undersupply. Nor is there anything in the history of housing delivery to suggest that delivery fell short of past housing need.

Labour market balance

Activity rates

- 2.43 Labour market alignment – the balance of labour demand and labour supply – is the main issue between the PBA and BW assessments of housing need. In the PBA study, the labour market analysis started from Experian local economic forecasts. In addition to the published outputs of the forecasting model we used an output which is not normally published, called 'job demand. As its name indicates, this is an estimate of the workplace jobs that employers in Telford & Wrekin want to fill, which takes no account of the available labour supply in the locality. To assess the balance of the labour market, Experian compares this demand with the local labour supply that will be generated by a given population projection:
- If the forecast labour supply (taking account of commuting to and from other areas) is enough to meet job demand, then the forecast number of actual workplace jobs equals job demand; the local economy is not constrained by labour supply.
 - Conversely, if labour supply falls short of demand, the forecast number of actual jobs is less than the forecast demand. In that case the local economy is constrained by lack of labour. The gap between demand and supply is called 'excess jobs' or 'unfilled jobs'. To fill these unfilled jobs, so the constraint is removed, requires additional population, and hence additional homes, over and above the demographic projections. In the housing need calculation, these additional homes are the 'future jobs uplift' to the demographic starting point.
- 2.44 In the 2015 OAN study, the Experian forecast suggested that the 2012-based Sub-National Population Projection ('ONS 2012') would not provide enough workers to meet labour demand over the plan period. But the study used as its demographic

⁸ Telford and Wrekin Council *Technical Paper - Housing Growth*, June 2016, Section 3.2.1.1

- starting point an alternative demographic scenario, called Trends 2003-13, which showed greater population growth over the plan period and implied a housing need of 497 dpa. The Experian modelling suggested that this alternative population *would* provide enough (or more than enough) workers to meet the demand for jobs over the plan period, amounting to 850 net new jobs per year (the full labour market balance is at Appendix A below). The study concluded that the demographic starting point of 497 dpa did not need a 'future jobs uplift'.
- 2.45 The BW study takes a different view. Its starting point is a forecast job demand of 690 jobs p.a. over the plan period - the average of forecasts from Experian, Oxford Economics (OE) and Cambridge Econometrics (CE). To fill these jobs, BW calculates that the borough would need 961 new dwellings per annum. This job-led need is BW's version of the OAN. It is almost twice the PBA figure of 497 dpa.
- 2.46 In summary, PBA in the 2015 study considers that in annual terms 497 new dwellings will be enough to support 847 new jobs; while BW considers that 961 new dwellings will be needed to support 690 new jobs.
- 2.47 The main reason for this disagreement is that the two studies take different views of economic activity rates – the factor that translates resident population into resident labour supply:
- The activity rate is the proportion of the population that is economically active (part of the labour force).
 - PBA and BW agree that local activity rates follow the same broad trends as national rates, because they are driven by the same factors, including rising State Pension ages and life expectancies – which mean that people are retiring later, so activity rates among late middle-aged and older people are rising.
 - But BW expects lower rates in future than the forecasters – based on national rates of change forecast by Kent County Council, which it applies to the local economy. (The KCC rates are similar to those forecast by the Office for Budget Responsibility (OBR)). This means that to fill a given number of jobs requires more population is required, and so there is greater housing need.
 - This is why the BW calculation estimates that more homes are needed to fill fewer jobs than in the PBA calculation.
- 2.48 But the BW calculation is invalid, due to an error often described as 'the logic trap'. It models the impact of its expected activity rates on local labour supply, as described above. But it ignores the fact that activity rates also impact on labour demand. In economic forecasting models, as in real life, if national activity rates are lower then there are fewer jobs and less output in the UK as a whole; this means lower demand for labour in each local area, because local economies are largely driven by national growth.
- 2.49 Thus, the BW calculation is inconsistent. Its labour demand reflects the high national activity rates assumed by the economic forecasters, while its labour supply reflects the lower activity rates assumed by BW. If BW is right about future activity rates, then labour demand will be lower than the forecasts show, offsetting the upward pressure on housing caused by these lower activity rates.

- 2.50 To correct this distortion, we commissioned from Experian an alternative forecast scenario, using the lower activity rates used by BW. This scenario is shown at Appendix A below. It assumes that the population grows in line with SNPP 2012 – as in the standard, or baseline, Experian scenario – but economic activity rates, both national and local, are as assumed by BW following Kent County Council.
- 2.51 The Experian alternative forecast is shown at Appendix A below, alongside the baseline one. Not surprisingly it shows considerably less job growth than the standard Experian scenario – some 470 additional jobs p.a. for Telford and Wrekin in 2011-31, against 810 in the standard forecast. But in the variant forecast the relationship between this job demand and labour supply is slightly better than it was in the baseline scenario. By 2031 demand is fractionally above supply, but only by an insignificant number - in this case 120 jobs. This suggests that:
- If population grows in line with SNPP 2012 and economic activity rates are in line with BW's, by the end of the plan period economic growth will be on the brink of being constrained by labour supply.
 - Hence, if population growth is in line with our Trends scenario, which shows more growth than the SNPP, economic growth will definitely not be constrained by population – even if activity rates are as forecast by BW.
- 2.52 Economic forecasters have confirmed that it is inconsistent to use part of their forecasts, such as future jobs numbers, while rejecting other elements of the forecasts, such as activity rates. One example is paragraph 2.5 of Appendix B below, which provides Experian's representations on the Local Plan Expert Group proposals; the paper discusses the issue of inconsistent activity rates at paragraph 2-5. Similarly Kerry Houston, head of regional modelling at Oxford Economics, wrote to PBA in June 2016:
- 'When we provide an organisation with employment forecasts, we also provide the forecasts for all indicators for that area given that the forecasts are produced within a fully-integrated system. This ensures that the user is provided with the consistent assumptions on migration, commuting and activity rates within on which the employment forecasts are based. If adjustments are made to some but not all assumptions/forecasts, it is important to acknowledge this and justify the rationale for doing so. Such forecasts should not be sourced as Oxford Economics. Whether the resulting forecasts provide a plausible combination of outputs would be dependent on the scale of the changes made.'*
- 2.53 Our approach to labour market balance and economic activity rates has been supported by a number of planning Inspectors, most recently in the Bicknacre and Great Leighs appeal decisions in Chelmsford provided at Appendix C below and the Swale Local Plan examination (Appendix D). The same approach, put forward by the consultancy NMSS, was recently endorsed by the Inspector examining the Gloucester Cheltenham and Tewkesbury Core Strategy (Appendix E).

Commuting

- 2.54 PBA also disagree with another element of BW's labour market analysis, which relates to commuting – albeit this issue has a much smaller impact on the OAN than activity rates. The BW study assumes that the 'commuting ratio' remains fixed over

the plan period. By contrast, in the Experian forecasts used by PBA net in-commuting into the borough increases over the period, in response to the interaction of demand and supply in the labour market; hence the 'commuting ratio' increases slightly. In defence of its position BW quotes the Planning Advisory Service (PAS) advice on housing needs assessment, which says that strategies that aim for a change in commuting should be believable and acceptable to the other authorities affected.

- 2.55 In this argument BW confuses forecasting and policy-making. The modest changes in commuting forecast by Experian are not derived from strategy or policy objectives. They are simply the forecasters' policy-neutral expectations, produced by a model that takes account of past trends and relationships between economic variables and the macroeconomic context. With reference to the PAS advice, there is evidence that these changes are believable; that evidence is the forecasts. If the changes were unacceptable from a policy perspective, for example because they would harm the economies of neighbouring authorities, it would be advisable to take policy action to change the outcome, including adopting housing numbers that depart from the forecast. But this would be a matter for policy-making rather than the housing needs assessment.
- 2.56 The Experian paper at Appendix B below explains in more detail why a fixed commuting ratio would produce a 'fundamentally unsound' forecast, and hence 'commuting ratios must... be allowed to flex to achieve realistic results'. The paper also notes:
- 'If [the fixed commuting ratio used] is the ratio at the latest point in history, this is a very volatile measure, which can change drastically between different dates... Using a fixed commuting ratio exacerbates this problem, since results will vary arbitrarily based on the base date chosen.'
- 2.57 To sum up, in forecasting labour market alignment there is no good reason to assume that commuting will stay fixed in the future. Such an assumption can only distort the calculation of labour market balance.

Summary

- 2.58 There are two fundamental points of difference between PBA's assessment and BW's – which produces a housing need almost twice as high. The most important difference relates to labour market alignment. BW's assessment of housing need over the plan period, at 961 dpa, is a job-led figure – based on calculating how many homes would be needed to ensure that future labour demand is met. We have shown that this calculation is invalid.
- 2.59 The second major difference relates to household formation rates, where BW argues for a partial return to the high formation rates expected by the CLG 2008 household projection. We have shown that at the time of the OAN report. In line with the PPG, projections for individual areas may depart from these rates if there is local evidence to show that they are misleading. But for Telford and Wrekin there is no such evidence. At the time of the OAN report the CLG 2012 formation rates were the correct basis for the housing need calculation.

SPRU for Redrow Homes

Overview

- 2.60 The SPRU report, like the BW one, purports to be a full assessment of the borough's objectively assessed housing need. It arrives at an even higher figure than BW, 24,291 dwellings for the plan period 2011-31, equal to 1,215 dpa.
- 2.61 Unlike BW, the SPRU's assessment does not follow the method set out in the PPG. Chapter 1-6 are a free-ranging discussion of factors that bear on the housing market in general. The discussion uses headings that echo the topics in the Guidance (demographic projections, market signals, 'economic drivers'). But it does not follow the sequence of steps set out in the Guidance. It also includes lengthy discussion of issues not mentioned in the Guidance and which have no direct bearing on the housing needs assessment – in particular a history of the 'housing crisis' including the NHPAU and Barker analyses.
- 2.62 Another general theme of the discussion is that neighbouring areas are likely to export much housing need over the plan period, which will result in high migration into Telford. The report does not distinguish between the borough's own need and cross-boundary unmet need, nor does it provide quantitative analysis or projections of the cross-boundary flows,
- 2.63 The meat of the SPRU is in Chapter 7, which shows 11 alternative population and household scenarios, comprising the official projection (labelled 'SNPP') and 10 alternative scenarios, created through the Chelmer demographic model.
- 2.64 Of these alternative scenarios, four are derived by altering the ONS/CLG demographic inputs – including two 'zero net migration' scenarios, which obviously have no bearing on housing need, and two others which vary assumptions on migration and household formation. The remaining SPRU scenarios are job-led: they start from a view of future jobs (labour demand) and calculate the numbers of resident workers, and hence dwellings, that will be required to fill these jobs.
- 2.65 For these job-led scenarios SPRU tests five alternative versions of future job growth:
- Two versions based on economic forecasts:
 - from Cambridge Econometrics (2016 vintage, forecast period 2011-36) 909 additional jobs p.a.)
 - from the Experian forecasts already used in the PBA report (forecast period 2011-31, 810 jobs p.a.);
 - Four versions that continue the trend of different historical period: all show lower growth than the forecasts, at ranging from 440 to 655 jobs p.a.
- 2.66 For the job-led scenarios SPRU uses the CLG 2012 household formation rates and its own assumptions on the factors that link jobs to population. The most important of these factors is economic activity rates, for which the SPRU assumptions are based on two sources: a research paper by the Institute for Fiscal Studies that assessed the impact of increasing women's State Pension Age through cross-sectional analysis of the Labour Force Survey (2013), and an Equality Assessment that aimed to predict the impact of that increase (2011).

2.67 Against the 463 dpa implied by the official household projection (CLG 2012), SPRU's alternative demographic scenarios show housing need between 502 and 615 dpa over the plan period. The job-led scenarios produce much higher figures, from 820 to 1,215 dpa:

- As one would expect the greatest housing need goes with the greatest job growth – the Cambridge Econometrics forecast, which in the SPRU calculation requires 1,215 dpa over the plan period (1,277 dpa for the longer period 2011-36).
- The Experian job forecast used in the PBA study produces a housing need of 1,108 dpa for the plan period (1,161 dpa for 2011-36)⁹.

2.68 The SPRU report does not come to a clearly stated conclusion on the objectively assessed housing need. By implication, in its near-final paragraphs it supports the highest of the job-led scenarios, based on Cambridge Econometrics:

'8.9 In promoting the higher OAN at 1,277 dwellings a year [for 2011-36] it is accepted that this increase will be sufficient to deliver the required affordable housing albeit over the 20-year period rather than the preferred 5-year period. It is also an appropriate response to market signals.

8.10 In addressing where such households might come from, this is likely to be increased migration from Shropshire and the Black Country, the former generated by the relative affordability of Telford and Wrekin, the latter generated by the lack of availability of housing [in the Black Country]. The other attraction [of Telford and Wrekin] would be the growth in employment.'

2.69 The first of the above paragraphs is superseded by the Council's new Strategic Housing Market Assessment (SHMA) published in March 2016. The document identifies the borough's affordable need as 665 net new units per annum, assuming that the accumulated backlog of need is absorbed over a five-year period. At Appendix F below we provide an alternative calculation, in which the backlog is absorbed over 20 years. This reduces the total annual affordable need to 264 net new units per annum.

2.70 It is important to understand that affordable housing need, as measured in the SHMA, is not a component of the OAN or overall housing need, and there is no requirement that the OAN cover affordable need in full. This principle is now well established, following the Kings Lynn High Court judgment¹⁰ issued in July 2015, which has been widely reflected in plan-making and development management decisions. A recent example is the Secretary of State's decision in the Great Dunmow appeal (UTT/13/1043/OP), 25th August 2016:

'25 The Secretary of State agrees with the Inspector, for the reasons given [in the Inspector's report] that a shortfall in affordable housing should not mean that a substantially greater target should be set for overall housing need or for establishing whether or not the Council has a 5 year housing land supply. He concludes that

⁹ The presentation of these numbers in the SPRU report is confusing. The eighth column of Table 10 is labelled 2011-31, when it should be 2011-36. Also the text, for example at paragraphs 8.3 and 8.9, refers to the period 2011-36 rather than the (shorter) plan period, 2011-31.

¹⁰ Kings Lynn & West Norfolk BC v SSCLG [2015] EWHC 2464 (Admin)

neither the Framework nor the PPG suggest that the affordable housing needs need to be met in full in the OAN, on the grounds that this may produce a figure which has no prospect of being delivered in practice.'

2.71 The Inspector's report referenced by the Secretary of State advises as follows:

'6.14 The SHMA identifies a need for 6,200 affordable housing units over the period of the emerging plan and a policy of requiring 40%. However, to extrapolate from this, to argue that the overall LP figure of 10,460 is too low, is to assume an independent relationship between affordable and overall housing numbers. The 40% policy figure is a compromise between viability and shortage. To calculate backwards in this way would be to make an overall provision far in excess of what is needed.

6.15 To grant permissions on this basis would be in no-one's interest. It would depress house prices (ultimately) and be anathema to housebuilders.'

Labour market balance

The SPRU analysis

- 2.72 As shown above, the SPRU's assessment of housing need is based on a job-led calculation. This purports to show that the population projected by PBA will not be enough to meet labour demand in the borough, and therefore the demographic projection should be adjusted upwards – resulting in higher housing need.
- 2.73 In this section we show why this conclusion is unjustified. In the next section we defend the PBA calculation of labour market balance against SPRU's criticisms.
- 2.74 The SPRU's job-led calculations are invalid for the same reason as the Barton Willmore version discussed earlier (para 2.43 onwards). SPRU, like BW, is more pessimistic about future activity rates than Experian and Cambridge Econometrics. It is entitled to this view. But if SPRU is right about activity rates the job demand forecasts it is using are wrong, and hence its labour market calculation is also wrong. For a correct calculation of labour market balance it would need to use different demand forecasts, based on its own assumptions on future trends in activity rates.
- 2.75 This inconsistency relating to activity rates is enough to invalidate the SPRU's housing needs figures. But its analysis of labour market balance is faulty in many other ways.
- 2.76 To pick an important example, the evidence underpinning SPRU's view of future activity rates is out of date and not directly relevant. Thus, the 2013 IFS research that it quotes it is a cross-sectional survey that estimates the impact of increasing the State Pension age from 60 to 61 on women who reached those ages in 2011 or 2012 and those women's partners. The survey says nothing about the impact of changing women's State Pension ages on women at ages other than 60-61 or at other times, or about the impact of rising SPA for men. And it makes no attempt to forecast future change. Also IFS does not consider the impact on activity rates of other changes, such as rising life expectancies, the growth of part-time jobs or the decline of physically demanding occupations.
- 2.77 In relation to activity rates, as mentioned earlier, the second piece of evidence quoted by SPRU is an official document titled '*When the State Pension Age will increase to*

66 Equality Assessment, January 2011'. This assessment is out of date, being based on expectations formed before the increases in SPA were actually put into effect. Now that SPAs have actually been increasing for around six years, we have real-life evidence to go on, which is reflected even in the relatively conservative Kent County Council rates used by Barton Willmore. PBA consider that SPRU ignores that evidence.

SPRU's criticisms of the PBA report

- 2.78 Aside from the question of activity rates, which is discussed in the last section, the SPRU report makes many other criticisms of PBA's analysis. Below, we summarise these criticisms and respond to those which relate to the main issue of contention, labour market balance.

The Experian forecast used by PBA is constrained by labour supply, because it is based on the SNPP 2012 population projection (see paragraphs 4.25 and 5.8 of the SPRU report among others).

- 2.79 PBA does not accept this. As explained in the OAN report, for the purposes of that report Experian provided future labour demand, which is a standard output of its forecast but not displayed on the website. This demand figure takes no account of projected labour supply and thus is not constrained by it. To assess labour market balance, PBA compared that demand with the labour supply in the 'demographic starting point' projection.

At Table 5.1 of the PBA report, the figure of 4,900 should be -4,900.

- 2.80 This is correct (a typing error in the PBA table). But it has no implications for the rest of the analysis and does not affect PBA's conclusions.

'There is a considerable difference between the growth in the working age population in the "baseline scenario" in the PBA Table 5.1 and the DCLG SNPP which is left unexplained... such a difference might only be explained by changing assumptions about the age and sex of migrants or increasing migration.'

- 2.81 It is true that PBA's preferred demographic projection shows significantly more growth in the working age population, and indeed the labour force, than SNPP 2012 (which incidentally is produced by ONS, not DCLG). But this difference is not unexplained. Rather, it is explained at length in the PBA report, at paragraphs 3.19 onwards and 5.12 onwards.

- 2.82 Briefly, the analysis in PBA's OAN study suggested that the SNPP 2012 projection did not provide a correct continuation of past trends, either in regard to total population growth or the age mix of that growth. Therefore, PBA modelled an alternative and more accurate projection. The results show greater population than the SNPP and a younger age profile. Both these factors contribute to increasing the labour force, because in the PBA scenario there are more people in total and fewer of them are retired. These figures are not assumptions that have been input into PBA's demographic modelling. On the contrary, they are results (outputs) of that modelling.

- 2.83 The observation that our findings are 'unexplained' suggests that the author of the SPRU report does not grasp, or does not accept, the basic logic of modelled

demographic projections. Yet the report's findings are generated by demographic modelling, using the Chelmer software.

'The PBA assumption is that the level of out commuting from the borough will decrease from 13.1% to 11.5%, which would add some 3,600 additional persons to the workplace based employment. There is no explanation as to why there should be a change in the pattern of commuting'.

2.84 PBA consider the figures quoted by SPRU to be incorrect:

- They relate to the SNPP 2012 (called 'baseline scenario' in the PBA report), which is not the basis of PBA's housing needs assessment.
- The figures quoted are incorrect, since the report says nothing about out-commuting.
- The Trends 2003-13 scenario, which is the basis of PBA's housing needs figure, also says nothing about gross out-commuting from the borough. It says that Telford & Wrekin has *net* in-commuting (it is a net importer of labour), and that net in-commuting will rise fractionally over the plan period, from 9,870 people (11.8% of workplace-based employment) to 11,610 in 2031 (12.1% of workforce-based employment). This will add 1,740 people to the workplace-based employment, as shown in Appendix A below.

2.85 SPRU's interpretation of the figures is also wrong. The forecast commuting figures in the PBA report are not assumptions. Like all the economic forecasts in the report, they are outputs of Experian's forecasting model – which, like all economic models, incorporates historical evidence on a wide range of economic variables and the relationships between them. In the model, as in real life, commuting is one of the mechanisms that balance demand and supply across different geographical areas. Accordingly the model predicts that commuting will change in the future, as it has in the past. From 2011 to 2015, for example, according to the Annual Population Survey net in-commuting for Telford and Wrekin has already increased by 1,320 people, from 9,870 to 11,190. This change, along with longer-term history, is part of the evidence base that informs Experian's forecast.

The PBA analysis suggests that, of the 16,300 net new jobs forecast over the plan period, 4,300 (26%) will be taken by residents who already have jobs. The evidence does not support this level of double-jobbing, given that the Financial Times in January 2015 reported that there are now 1.2m workers with two jobs, up from 1.05 m in 2007, and this is only 4% of the labour force.

2.86 Again the Telford & Wrekin figures that SPRU takes from the PBA report are not quite right, although in this case they are almost right. SPRU is referring to the SNPP 2012 scenario, which is not directly relevant to PBA's housing need figure. In the PBA Trends 2003-13 scenario, which does underpin that housing need figure (see Appendix A below) there are 17,060 net new jobs in the borough over the period, but only 12,760 net additional people working in the borough. The difference of 4,300 jobs is accounted for by people who take a second job – which could be an existing job or a new one. This increases the proportion of double-jobbers in Telford and Wrekin from 3% in 2011 to 7% in 2031.

- 2.87 Like all the economic figures in the PBA report, this prediction is not an assumption. Rather, it is an output of the Experian forecasting model, based on wide-ranging historical evidence and expert quantitative analysis. To estimate past double-jobbing, for example, Experian compares numbers of jobs (derived from official surveys of employers, such as the Business Register Employment Survey (BRES)) with numbers of people working (derived from official surveys of individuals and households, such as the Census and Annual Population Survey (APS)). The resulting estimates can only be approximations, albeit they are Experian's best estimate based on the information available.
- 2.88 One specific factor related to double-jobbing is the increase in part-time working. In the Experian forecast, while total workforce jobs increase by 17,060 over the plan period as noted earlier, the increase of full-time equivalent (FTE) jobs is only 12,260 – virtually equal to the increase of 12,760 workplace employed people. So the forecast tells us that in future, although more people will have two (or more) jobs, the average hours worked will not increase, because a higher proportion of jobs will be part-time. We see nothing unrealistic about this view of the future.
- 2.89 Turning to SPRU's Financial Times reference, the FT figures quoted no doubt relate to the UK, rather than Telford & Wrekin. The FT figures broadly support our analysis: they tell us that for the UK as a whole:
- Double-jobbing was 4% of the workforce in 2015; this confirms that Experian's figure for Telford & Wrekin, 3% in 2011, is reasonable;
 - Double-jobbing rose by 14% from 2011 to 2015; again this broadly confirms Experian's view that double-jobbing is on an upward trend.
- 2.90 Thus, SPRU's view that '*The [FT] evidence does not support this [Experian's] level of double-jobbing*' is the exact contrary of the truth. The FT broadly supports Experian's view of recent and current double-jobbing, while saying nothing about future double-jobbing.

Summary

- 2.91 The SPRU concludes that the borough's objectively assessed housing need is 1,215 dpa for the plan period 2011-31 (and 1,277 dpa for the longer period 2011-36). This conclusion is based on an analysis of the population growth required to meet future labour demand. But SPRU's analysis is logically invalid and based on implausible assumptions. SPRU's criticisms of PBA's modelling are equally unwarranted, partly because the authors seem not to understand economic or demographic statistics.
- 2.92 Another general problem with the SPRU report is that it does not seem to understand, or accept, either demographic or economic modelling. Yet SPRU's findings are produced by demographic modelling (using the Chelmer software); and SPRU's main conclusion, the OAN figure, is critically dependent on the Cambridge Econometrics job forecast.

Other objections

Barton Willmore for Metacre

- 2.93 The Barton Willmore representations for Metacre make broadly the same points as those for Gladman, discussed above. But the discussion is more general, with no formal quantitative analysis or forecasting. The Metacre representation also pursues one additional argument, that the plan should increase its housing target in order to provide more affordable housing:

'The housing requirement does not seek to resolve the affordable housing situation as it is seemingly thought to be unachievable; we do not necessarily dispute this. However, the housing growth technical paper does not explain why the target cannot be set higher to resolve the situation as far as practicably possible other than to say that, in essence, there are economic and environmental factors that need to be considered to ensure sustainable development.'

- 2.94 BW seems to accept that, as discussed in the PBA report, the affordable housing need is not a constituent part of the OAN and the OAN cannot be expected to meet it in full.

Home Builders Federation

- 2.95 The HBF comments only briefly on objectively assessed housing need, and most of its comments are supportive of the Council's position. There are only a few points on which HBF either disagrees with the Council or raises doubts. Below, we summarise these points and provide our response

Household formation rates

- 2.96 HBF's comments on formation rates are worth quoting at length:

'Whilst the 2012 SNHP draw upon longer term trends since 1971 the methodology applied by DCLG means that there is a greater reliance upon trends experienced over the last 10 years than those experienced over the longer term. The implication of this bias is that the latest household projections continue to be affected by the most recent HFR trends which were suppressed by the impacts of the economic downturn, constrained mortgage finance and past housing undersupply as well as increasing unaffordability from the period before the economic recession... These factors have had the greatest impact on the formation of younger aged households. It is arguable that in the future as the economy improves so should HFR in younger age groups (Town & Country Planning Tomorrow Series Paper 16, "New estimates of housing demand and need in England, 2001 to 2031" by Alan Holmans).

- 2.97 The Alan Holmans research quoted by HBF did indeed suggest that part of the deterioration in formation rates was due to the recession and would be reversed in the long term. But in our view this evidence is superseded by:

- The CLG 2012 household projections, which among other things provided a revised view of actual formation rates at 2011, using Census results;
- Subsequent research by McDonald, Simpson and Whitehead, discussed in the Muxton and Haygate proofs of evidence;

- The addition of a sentence to the PPG, supporting the CLG 2012 projections as the most up-to-date view of household growth.

2.98 In any case, the HBF goes on to acknowledge that:

'Whilst the Council's evidence has not considered this aspect of its demographic projections it is accepted that as a consequence of the Council's proposed uplift of the housing requirement above a demographic only based OAHN in order to deliver more affordable housing there will also be a knock on effect of improving affordability for younger age groups.'

Market signals

2.99 Under the heading 'market signals', the HBF says:

'... although affordability is not considered adversely expensive in comparison to other national, regional and Shropshire benchmarks (Telford & Wrekin OAHN Final Report para 4.29) this comparison masks affordability problems in the more desirable rural areas. Locally within Telford & Wrekin housing affordability remains a challenge. The cost of a typical house is 7 times mean income rising to 9 times in parts of the rural area and Newport (Local Plan para 2.33). Moreover average house prices are 36 – 46% higher in the rural areas...

...as a consequence of the Council's proposed housing distribution strategy, there will be minimal impact on affordability in the rural areas. The Council should recognise the particular issues of limited housing supply and unaffordability faced by rural communities. The NPPG identifies that all settlements can play a role in delivering sustainable development in rural areas so blanket policies restricting housing development in some settlements and preventing other settlements from expanding should be avoided.'

2.100 Despite its heading, this text does not call for a market signals uplift to the borough's objectively assessed housing need. Rather, it suggests that the spatial distribution of supply should be more responsive to market requirements.

Supporting economic growth

2.101 In relation to the Council's 'supergrowth' proposals, the HBF says:

'The Experian economic forecast shows a potential deficit of labour to support expected jobs growth (Technical Paper Housing Growth) which would not align the Local Plan with the LEP SEP. Indeed the Marches LEP SEP describes Telford as an "urban powerhouse" (para 4.2 of Local Plan) with a role to fulfil as a regional hub for economic growth (para 4.7 of Local Plan) and to promote prosperity across the Marches LEP area. Therefore the Council is proposing "super" growth brought about by positive economic policy interventions (Telford & Wrekin OAHN Final Report para 5.27). This positive economic strategy over and above a business as usual expectation together with a reduction in commuting (Telford & Wrekin OAHN Final Report para 5.28) produces 6,700 more resident workers under the 750 dwellings per annum scenario. Whilst there is no reason that the Council cannot provide a housing requirement over and above its objectively assessed housing need... this growth should be set within a regional context and co-ordinated through the Duty to Cooperate.'

2.102 This is a comment about housing and jobs targets (requirements), rather than objectively assessed need. The HBF acknowledges that the Council is targeting growth over and above its need, but seems to suggest this growth is insufficient when considered against the aspirations of the Strategic Economic Plan (SEP). We cannot find any factual basis for this assertion. The SEP mentions targets of 70,000 new homes and 40,000 new jobs in 2014-34, but it shows no source for these figures and does not quantify the share of Telford & Wrekin.

Conclusion

2.103 The HBF representation concludes that the Local Plan is unsound, for four reasons. None of these reasons relates directly to the objectively assessed housing need. One of them does relate to the housing provision target (requirement), as follows:

'Currently the Local Plan is unsound because of... inconsistencies associated with the role of the borough as a regional growth centre identified under the Duty to Co-operate'

2.104 As noted in the last section, we cannot find any factual basis for this view.

RPS for Harworth Estates

2.105 RPS on behalf of Harworth Estates comments as follows:

2.4.14 The Local Plan's housing requirement figure of 15,555 dwellings to 2031 provide only for Telford's own housing needs and based on its own Local Growth Agenda as stated at section 3.2.2 of the Housing Growth Technical Paper (January 2016). Any future housing needs from DtC requirements would require an up-lift from that allowed for in the plan, as stated in paragraph 3.2.3.3 [of the same paper].

2.4.16 Given the significant potential for this DtC housing requirement to be provided at Telford, the Local Plan should be sufficiently flexible to accommodate housing growth which may come from this source over its plan period to 2031. It currently does not do this and does not meet the requirements of NPPF paragraph 14 and 153 and is therefore unsound.

2.106 The RPS representations conclude that the plan should allocate reserve sites to cater to possible future need from neighbouring areas. Candidates to be assessed should include Harworth Estates' site at Lawley.

2.107 As an interpretation of the OAN study this is incorrect. The study concludes that the OAN for Telford and Wrekin is 497 dpa, equal to 9,940 net new dwellings over the plan period. This number has been calculated, in line with the Guidance, to accommodate a continuation of past demographic trends (including past in-migration from other areas) and to support 'business-as-usual' expectations of future job growth.

2.108 As mentioned earlier, the Council's proposed requirement, or policy target, is above the OAN at 15,555. Thus the Council is planning for 5,615 dwellings over and above the OAN. The resulting above-trend population growth is intended to match above-trend employment growth of 15,000 net new jobs. The source of the 'supergrowth' could be cross-boundary need from other areas, which do not have the capacity to meet their own need.

2.109 The Council is free of course aim for even greater supergrowth over and above the OAN, so it meets a larger volume of imported need. In doing this it should consider feasibility, sustainability and Duty to Cooperate implications. But as things are at present it is untrue to say that the proposed requirement does not address cross-boundary unmet need. It does make provision for such imported need, to the tune of 5,615 dwellings over the plan period, or 281 dpa.

3 THE 2014-BASED OFFICIAL PROJECTIONS

- 3.1 2016 saw the publication of new official demographic projections, comprising the 2014-based Sub-National Population Projection ('SNPP 2014'), followed by the 2014-based CLG household projection ('CLG 2012'), which translates that population into housing. We have reviewed our earlier demographic analysis in the light of these new projections
- 3.2 The analysis is summarised in the table below, which compares the 2014-based projection with the 2012-based version used in the original OAN study. The table also shows two alternative projection scenarios PBA have created, called PBA Trends. Both these scenarios roll forward the base year of the projection to 2015, so they take account of the latest mid-year population estimates. In addition the Trends projections test alternative base periods:
- As explained in the 2015 OAN report, the official population projection rolls forward historical migration trends from a base period of five years (six years for international migration). Trends 2005-15 tests the impact of using a ten-year base period, in order to iron out the effects of short-term factors including the recent recession.
 - Trends 2010-15 uses a five-year period like the official projections, but rolls it forward so it takes account of the most recent population data. It is not a robust starting point for the OAN calculation, because its base period is too short to iron out short-term effects; in particular, it is distorted by the very highly unusual net in-migration recorded for a single year, 2015 – which is almost four times as high as in any previous year, at least since 2002.
- 3.3 Appendix G below discusses the alternative projections in more detail.

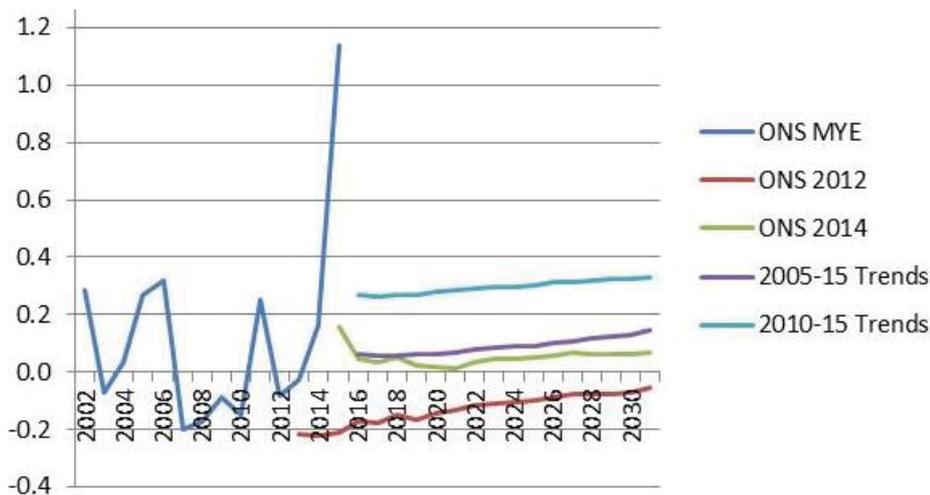
Table 3.1 Alternative demographic projections for Telford & Wrekin

		ONS/CLG 2012	ONS/CLG 2014	PBA Trends 2005-15	PBA Trends 2010-15
Population					
2001	thousands	158.6	158.6	158.6	158.6
2011	thousands	166.8	166.8	166.8	166.8
2021	thousands	173.6	174.8	175.9	177.1
2031	thousands	178.5	180.9	183.4	186.1
2001-11	thousands	8.3	8.3	8.3	8.3
2011-31	thousands	11.7	14.0	16.5	19.3
p.a.	persons	583	702	827	963
Households					
2001	thousands	63.8	63.8	63.8	63.8
2011	thousands	66.7	66.7	66.7	66.7
2021	thousands	71.6	72.0	72.2	72.6
2031	thousands	75.6	76.4	76.4	77.4
2001-11	thousands	2.8	2.9	2.8	2.8
2011-31	thousands	8.9	9.7	9.7	10.7
p.a.	households	447	487	486	535
Dwellings					
2011-31	thousands	9.2	10.0	10.0	11.0
p.a.	dwellings	461	502	502	552
Average Household Size					
2001	persons	2.452	2.452	2.452	2.452
2011	persons	2.470	2.469	2.469	2.469
2021	persons	2.391	2.394	2.405	2.406
2031	persons	2.322	2.330	2.365	2.369

Source: ONS, CLG, PBA

- 3.4 In the original OAN report PBA found that the ONS 2012 projection was not an accurate reflection of past trends, in that it understated migration and hence population growth. In the new ONS projection this problem has been eliminated: future migration is higher than ONS 2012 and looks reasonably consistent with past migration, as can be seen in the chart below.

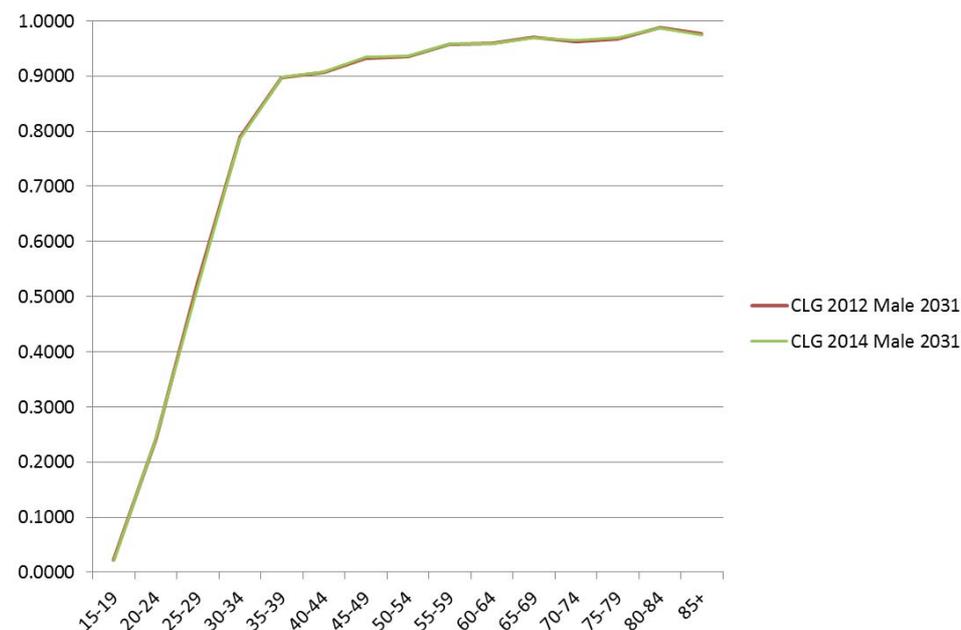
Figure 3.1 Alternative migration projections for Telford & Wrekin



Source: ONS, CLG, PBA

- 3.5 But the 2014 official projection has another weakness. As we demonstrate in Appendix G below, it is strongly affected by the short-term effects of the recession, and therefore is a poor indication of the long-term underlying trends that a housing needs assessment should capture. Therefore we base our updated housing needs figure on the Trends 2005-15 scenario. As shown in the table above this predicts faster population growth than ONS 2012, due to greater net in-migration. The Trends projection also shows a younger age profile, because migrants are younger on average than the existing local population.
- 3.6 To translate the Trends 2005-15 population into households PBA used the CLG 2014 household formation rates, which are virtually identical to the 2012 rates discussed earlier, being produced by the same method (Figure 3.2).

Figure 3.2 Projected Household formation rates 2031, CLG projections



Source: CLG. The two separate lines on the chart are difficult to see, because the two sets of formation rates are almost identical

- 3.7 The result of the Trends 2005-15 projection is an updated 'demographic starting point' of 502 dpa. This is not significantly different from the 497 dpa figure. It is also precisely equal to the housing number implied by the ONS 2014 household projection. Comparing the Trends 2005-15 scenario with CLG 2014, Trends 2005-15 shows the same number of households for a larger population, because in the Trends version the population is younger and hence the average household is larger (older people tend to live in smaller households, for obvious reasons).
- 3.8 Finally we have tested the demographic starting point of 502 dpa against the latest Experian economic forecast (September 2016), to see if a 'future jobs uplift' is required. This latest forecast shows 710 net new jobs p.a. – slightly lower than earlier versions, probably reflecting the impact of Brexit. The forecast suggests that the ONS 2014 population will be more than enough to support this job growth, so that if population grows in line with the ONS 2014 projection labour supply will not be a constraint on economic growth at any point in the forecast period (up to 2031). Since the Trends 2005-15 projection that is our demographic starting point shows a larger and younger population than ONS 2014, this population will be more than enough to support the jobs forecast by Experian.
- 3.9 Based on the above analysis there is no case for a 'future jobs uplift' to the demographic starting point of 502 dpa. Nor is there a case for a market signals uplift, given the analysis of market signals and past supply in the 2015 OAN report and Chapter 2 above. We conclude that, taking account of the latest demographic projections, the borough's objectively assessed housing need for the plan period 2011-31 is 502 net new dwellings p.a. (dpa). This is not significantly different from our earlier figure of 497 dpa.

4 CONCLUSIONS

- 4.1 The draft Local Plan is based on an objectively assessed housing need of 497 net new dwellings per annum (dpa). Objections to this figure revolve round three main issues.
- Whether household formation rates for younger adults should be adjusted upwards towards the CLG 2008 projections
 - Whether there should uplifts for future jobs and/or market signals
 - How much of the borough's affordable need the plan can and should aim to meet.
- 4.2 PBA's updated analysis, in Chapter 2 above, refutes these objections. PBA find that:
- The CLG 2008 formation rates are no longer relevant, and at the time the OAN report was produced the rates projected by CLG 2012 were the best available indication of future household formation.
 - An uplift for future jobs is not called for, because the demographic starting point of 497 dpa can be expected to provide enough workers to meet labour demand over the plan period. Nor is a market signals uplift justified, because there is no evidence that housing land in the borough was undersupplied in the base period of the 'starting point' demographic projections.
 - How much of the borough's affordable need the plan should meet is a matter of policy, not directly related to the OAN.
- 4.3 PBA have revised the findings of the main report in the light of the 2014-based demographic projections, published earlier this year. This update produces an objectively assessed need of 502 dwellings per annum, not significantly different from the figure of 497 in the original OAN study.

APPENDIX A

LABOUR MARKET SCENARIOS

Thousands unless otherwise specified	2011	2031		2031
		Baseline scenario Population = SNPP 2012 Activity rates = Experian	Alternative scenario Population = SNPP 2012 Activity rates = OBR	Trends 2003-13 scenario Population = Trends 2003-13 Activity rates = Experian
Labour Force	81.5	85.8	80.7	88.9
Labour Force - 16 to 64	79.5	77.9	74.0	81.5
Labour Force - 65 Plus	2.0	7.8	6.7	7.4
Population - retired	29.5	36.5	36.5	34.1
Population - student	34.2	34.3	34.3	37.2
Population - 16 Plus	132.6	144.4	144.4	146.2
Population - 16 to 64	108.2	103.3	103.3	107.7
Population - 65 Plus	24.4	41.1	41.1	38.6
Total Population	166.8	178.7	178.7	183.5
Economic Activity Rate (%) - 16+	61.5	59.4	55.9	60.8
Economic Activity Rate (%) - 16 to 64	73.5	75.4	71.6	75.7
Economic Activity Rate (%) - 65 Plus	8.1	19.1	16.2	19.2
Workforce Jobs	86.1	102.4	95.6	103.2
Jobs Demand	86.2	103.0	95.7	103.2
FTE jobs	71.9	84.0	78.3	84.2
Workplace based employment	83.5	95.5	89.1	96.2
Residence based employment	73.6	82.1	77.3	84.6
Net commuting balance (inflow)	9.9	13.4	11.9	11.6
Unemployment	7.9	3.6	3.4	4.2
Unemployment Rate %	9.7	4.3	4.2	4.8

APPENDIX B

EXPERIAN ECONOMICS PAPER

Future jobs and labour market alignment

By Sunil Joshi

Experian Economics

1 Appendix 6 of the LPEG report advises on labour market balance as follows:

'Where plan makers choose to set a 'policy on' housing requirement in excess of the FOAHN, based on employment growth, this should be based on applying the changes in economic activity rates that are projected in estimates produced annually by the Office for Budget Responsibility, applied to the local baseline rates of economic activity. The existing commuting ratio should be applied, based on a comparison of economically active residents drawn from the Annual Population Survey and the number of jobs drawn from BRES'.

2 This advice involves a series of errors and omissions relating to economic forecasting models and economic data. These are discussed below, roughly in order of their likely impact on the result of the calculation.

3 The first problem is an omission and relates to economic activity rates. LPEG advises that calculations of labour market balance should use activity rate forecasts from the OBR. The OBR forecast only shows national figures, rather than rates for local areas. Therefore what LPEG clearly means is that the OBR's national trends (i.e. rates of change should be applied to activity rates for individual areas.

4 The advice should add that, if the OBR's national activity rate trends are used to forecast labour supply, the forecast job demand used in the market balance calculation should be based on the same trends in activity rates. Otherwise the calculation will be fundamentally inconsistent, because:

- Economic forecasting models incorporate a view about future trends in national activity rates into their predictions of future jobs.
- These trends in economic activity rates inform the prediction of national economic performance and hence job growth, which largely drive forecasts of local job demand.
- In the models as in real life, local and national activity rates follow similar trends, because these rates everywhere are driven in large part by national factors – including the rising State Pension Age and increasing longevity.

5 If inconsistent activity rates are used the calculation of labour market balance may be seriously distorted, because assumptions on future activity rates have a large impact on forecasts of local job demand.

6 Other significant problems with the advice include the following.

i. Using fixed activity rates is fundamentally unsound because:

- This requires that the increase in employment lead to a one-to-one reduction in unemployment (and vice-versa);
- This is empirically not true and fails to take into the fact that activity rates are endogenous responding to the state of the labour market:

- As unemployment rises, discouragement rises and activity falls;
 - As unemployment decreases, people are drawn into the market and activity rates rise);
 - Since the situation specifically involves a policy-on increase in employment, this assumption cannot be made.
 - As an assumption, it necessarily overstates the population required to satisfy a particular increase in employment (since the inactive pool of workers are not available to fill jobs).
- ii. Using a fixed commuting ratio is fundamentally unsound for these reasons:
 - A particular commuting ratio implies a certain structure to the forecast which may be untenable:
 - Each job provided in an area has implications regarding the labour force in other areas (including the labour force available to fill jobs added there):

A fixed number of additional workers must be added in the other area (subject to flex in unemployment rates);
 - Each worker provided in an area, it has implications regarding the available jobs in other areas (including the jobs available in that area to fill job there):

A fixed number of additional jobs must added in the other area (subject to flex in unemployment rates);
 - This structure may not be possible because (for instance):
 - One area may be aging so that adding sufficient workers to maintain commuting ratios may imply implausible activity rates (and potentially contradict the fixed activity rate previously assumed);
 - There may be no realistic way the additional jobs necessary to maintain commuting ratios.
 - Fundamentally, commuting ratios are likely to change (even ignoring transport and preference issues which are hard to model) because of the population and job demand factors being studied. These changes are both cyclical and related to long-term trends.
 - Commuting ratios must, accordingly, also be treated as endogenous (or at least allowed to flex) in order to achieve realistic results.

7 Lesser problems with the advice are:

- i. Using the economic activity rates from the Office of Budget Responsibility may not be appropriate for this purpose for reasons we have set out elsewhere. In particular:

- They are prepared for the purpose of the FSR and not for planning purposes;
 - They have an unusual reduction in participation rates.
- ii. Using raw BRES numbers to estimate jobs is problematic for the following reasons:
- BRES does not deal with agriculture satisfactorily;
 - BRES does not address, and is not designed to address, self-employed workers at all (it has some information on a subset of unincorporated self-employed workers);
 - BRES does not address Her Majesty's Forces or Government Sponsored Trainees;
 - BRES' coverage of the public sector is not adequate (the ONS uses the Public Sector Census for Public Sector Jobs);
 - Raw BRES numbers are inherently volatile because BRES is a survey and is not constrained so as to be consistent with e.g. the Census or the APS;
 - In particular, BRES on its own is not constrained so as to be consistent with the official Workforce Jobs estimates at the Regional, GB and UK levels.
- iii. BRES is a job count (not a people count as is APS employment). Some adjustments must, accordingly, be made to address the issue of multiple jobs. Assuming a fixed-ratio of multiple jobs does not take into account the facts that:
- The multiple jobs ratio varies over time;
 - This variation is both:
 - o Cyclical (double jobbing decreases during times of economic hardship);
 - o A long-term shift (double-jobbing varies over time due to preferences and policies regarding multiple jobbing and also demographic changes in the labour force).
- iv. It is not clear what is meant by the 'existing commuting ratio'. If this is the commuting ratio at the latest point in history, this is a very volatile measure, which can change drastically between different dates. This is less of a problem if long-term averages or endogenous commuting ratios are used. But using a fixed commuting ratio exacerbates this problem, since results will vary arbitrarily based on the base date chosen.

APPENDIX C

CHELMSFORD PLANNING APPEALS

Appeal Decision

Inquiry held on 10-13 May 2016

Site visit made on 17 May 2016

by Lesley Coffey BA Hons BTP MRTPI

an Inspector appointed by the Secretary of State for Communities and Local Government

Decision date: 20 July 2016

Appeal Ref: APP/W1525/W/15 3129306

Land East of Main Road, Bicknacre, Essex CM3 4EX

- The appeal is made under section 78 of the Town and Country Planning Act 1990 against a refusal to grant outline planning permission.
 - The appeal is made by Gladman Developments Ltd against the decision of Chelmsford City Council.
 - The application Ref 14/01976/OUT, dated 2 December 2014, was refused by notice dated 12 June 2015.
 - The development proposed is a residential development of up to 110 dwellings, land for a Doctors surgery, open space, landscaping, ancillary infrastructure and means of access.
-

Decision

1. The appeal is dismissed

Procedural Matters

2. The proposal is an outline application for up to 110 dwellings with all matters except the access reserved for subsequent approval. The Appellant submitted a plan showing how the development might be accommodated, but the plan is for illustrative purposes only and there could be alternative layouts for the site. It nevertheless provides a useful guide when considering the proposal before me.
 3. The parties submitted Statements of Common Ground in relation to general planning matters and housing land supply. These outline a number of areas where the parties are in agreement.
 4. The appellant submitted an agreement under s106 of the Act. This covenants to provide 35% of the proposed dwellings as affordable housing, local open space, a Local Open Space Maintenance Plan and a residential travel plan. A separate Unilateral Undertaking was submitted which covenants to transfer an area of land for the provision of a Doctor's surgery.
 5. During the course of the inquiry, the Council submitted an amendment to Appendix C of Ms Howick's rebuttal statement. The appellant submitted written comment on the final day of the inquiry and the Council was provided with an opportunity to respond to these comments. I have taken the comments of both parties into account in reaching my decision.
-

6. Following the close of the inquiry the appellant submitted a recent appeal decision¹ which considered similar issues to this appeal. Both parts were provided with an opportunity to comment on that decision and I have taken their comments and the decision into account in reaching my decision.

Main Issues

7. I consider the main issues to be:
- Whether the principle of the development outside of the defined settlement boundary is acceptable;
 - The effect of the proposal on the character and appearance of the surrounding area; and
 - Whether the Council can demonstrate a five year housing land supply.

Reasons

Policy

8. The development plan for the area includes the Chelmsford City Council Core Strategy and Development Control Policies Development Plan Document (adopted 2008), the Chelmsford City Council Site Allocations (adopted 2012), and Chelmsford City Council Core Strategy and Development Control Policies Focused Review (adopted 2013).
9. The Focussed Review identified those development plan policies that could be readily amended to be consistent with the provisions of the NPPF without the need to prepare further evidence in respect of those specific policies. Therefore it did not update or consider the housing requirement within the Core Strategy. The amendments were considered at an Examination in Public and found to be sound.
10. The National Planning Policy Framework (NPPF) states at paragraph 215 that due weight should be given to relevant policies in existing plans according to their degree of consistency with the Framework (the closer the policies in the plan to the policies in the Framework, the greater the weight that may be given).
11. Together policies CP1, CP2, CP5 and DC2 provide the spatial strategy for the area for the period up to 2021. Policy CP1 is an overarching policy that seeks to secure sustainable development. It closely reflects the wording within the NPPF and the appellant does not dispute that it should be afforded full weight.
12. CP2 sets out the borough wide spatial strategy. It identifies the urban areas of Chelmsford and South Woodham Ferrers as the main focus for new development supported by appropriate development within the Key Defined Settlements (which include Bicknacre). It provides for a minimum increase of 14,000 dwellings over the Borough in the period 2001-2021. The Council acknowledges that the housing requirement within policy CP2 is not based on the full objectively assessed needs (OAN) for market and affordable housing within the housing market area (HMA), but on the now revoked East of England Plan. Moreover, it represents a 'policy on' figure. Therefore it cannot be considered to comply with paragraph 47 of the NPPF which requires local planning authorities to use their evidence base to ensure that their Local Plan meets the full, objectively assessed needs for market and affordable housing in

¹ APP/W1525/W/15/3049361

the housing market area. Accordingly the housing requirement within policy CP2 cannot be considered to be up to date and I afford it little weight. Notwithstanding this, the overall strategy whereby policy CP2 seeks to make best use of previously developed land and direct development to the most sustainable locations is consistent with the aims of the NPPF.

13. Policies CP5 and DC2 were both amended as part of the Focussed Review process. Policy CP5 seeks to prevent the erosion of the intrinsic beauty and character of the countryside from inappropriate forms of development, by defining the physical limit of the Urban Areas of Chelmsford and South Woodham Ferrers and the Defined Settlements. Policy DC2 has a similar aim and sets out the detailed criteria against which proposals outside of the settlement boundaries will be assessed. It restricts development to a specified list of acceptable development.
14. The settlement boundaries on which both policies are predicated were fixed having regard to the need to accommodate the housing requirements of the Core Strategy, which the parties agree do not represent an OAN in accordance with the NPPF. Recognising the intrinsic character and beauty of the countryside is one of the core planning principles at Paragraph 17 of the NPPF. Whilst policies CP5 and DC2 could be said to be consistent with the NPPF in so far as they seek to protect the countryside, the defined settlement boundaries are a fundamental part of the overall spatial strategy for the supply of housing within Chelmsford. In so far as they restrict the supply of housing in accordance with the spatial strategy, I find that the settlement boundary for Bicknacre is also out-of-date. I therefore afford policies CP5 and DC2 reduced weight.
15. I am aware that the Council's emerging OAN is not dissimilar to that within the Core Strategy, however, it is still at an early stage in the plan-making process so it carries only limited weight.
16. I am aware that my conclusion on this matter differs from that reached by the inspectors in respect of the Lion Inn, Boreham; Baileys Cottage, Chatham Green; and Pondsides Cottage². In the case of the Lion Inn, the inspector afforded full weight to policies CP1, CP5 and DC2 on the basis that the Examination in respect of the Focussed review found them to be sound. The inspector at Baileys Cottage afforded policies CP5 and DC2 significant weight on the basis that the aim of protecting the countryside within the policies was consistent with the NPPF. However, these decisions did not address the consistency of the housing requirement within the Core Strategy with paragraph 47 of the NPPF which require the housing requirement on full objectively based needs for market and affordable housing.

Whether the principle of the development outside of the defined settlement boundary is acceptable

17. The appeal site is situated outside of the settlement boundary where policies CP5 and DC2 preclude residential development other than for specific purposes. The proposal therefore conflicts with these policies, however, for the reasons given above, the weight to be attributed to the settlement boundary is limited.

² APP/W1525/W/14/3001771, APP/W1525/W/15/3137020 & APP/W1525/W/15/3009062

18. Bicknacre is a Key Defined Settlement and as such is a village which the Core Strategy considers can accommodate additional development due to its size, population, accessibility and range of services.
19. Bicknacre also benefits from public transport links with Chelmsford. Therefore the location of housing development in this location, close to the centre of the village, would accord with paragraph 34 of the NPPF which encourages new development to be located where the need to travel will be minimised and the use of sustainable transport modes can be maximised. It would also be consistent with paragraph 55 which states that within rural areas, housing should be located where it will enhance or maintain the vitality of rural communities.
20. I therefore conclude that although the proposal would conflict with Core Strategy policies CP5 and DC2 due to its location outside of the settlement boundary, subject to the effect of the proposal on the intrinsic character and beauty of the countryside, the proposal is acceptable in principle.

The effect of the proposal on the character and appearance of the surrounding area;

21. The appeal site comprises a single irregular agricultural field, which is currently in use as arable land. The site boundaries to the north-east, east, south and west are defined by a largely continuous belt of existing mature trees and relatively tall hedgerows. To the north-west the site adjoins the rear gardens of existing development and the pub car park.
22. The trees along the boundary of the appeal site with Main Road are protected by a Tree Preservation Order (TPO). A further TPO protects the trees along the field boundary with Horseshoe Farm.
23. The access to the proposed development would be located opposite the existing dwellings in White Elm Road. The illustrative layout shows the dwellings situated to the rear of the existing development within White Elm Road with an area of open space and an equipped play area located towards the south of the site adjacent to Main Road. It is proposed to provide a network of footpaths through the site and a potential bridleway along the south eastern boundary of the site.
24. Although the weight to be attributed to the settlement boundaries on which policies CP5 and DC2 is limited for the reasons given above, they also seek to recognise the intrinsic character and beauty of the countryside. This aim accords with one of the core principles in the NPPF. The accompanying text to policy CP5 states that in assessing the character and beauty of the countryside, the Council will make a judgement on a site-by-site basis. The Council seek to protect the characteristics of different areas including the open, arable fields, low lying marshlands and the Crouch and Roach river estuaries to the south.
25. The Braintree, Brentwood, Chelmsford, Maldon and Uttlesford Landscape Character Assessment (LCA) describes Bicknacre as a clustered settlement with very limited built form beyond the consolidated built up area. Bicknacre is centred on the junction of Main Road, White Elm Road, and Priory Road. The appeal site is located towards the centre of the village, and extends behind the Swan public house and its car park. Bicknacre is unusual in that it has historically developed along the main roads and infill development, much of

which is relatively recent, is located towards the periphery of the settlement. As a consequence development within the centre of the village tends to be older and does not display the tight urban grain evident towards the periphery of the village. In this context the openness of the land to the south of White Elm Road and the east of Main Road makes a significant contribution to the setting of the village.

26. Distant views of the proposal would be limited. The bridleway 237_4 is separated from the appeal site by the intervening fields. Due to the undulating nature of the landscape and the hedgerows and trees the proposal would have little discernible effect on the wider landscape.
27. The south western boundary of the site adjoins Main Road and takes the form of mature trees set within a hedgerow. At the time of my visit the trees were in full leaf and the appeal site was not readily discernible. The illustrative layout shows a buffer zone and public open space adjacent to this boundary. Therefore whilst some of the proposed dwellings may be noticeable in the winter months, the proposal would not significantly alter the views from Main Road. Moreover, in views from this direction the proposal would maintain the suburban appearance of this part of Bicknacre.
28. The southern side of White Elm Road differs in character from the remainder of the village and is distinctly rural in character. Built development to the east of the appeal site comprises a garden centre and stables, and Britannia Farm – a rare breed centre. At the present time this part of White Elm Road is very open in character and appearance, with views across the fields to the tree line beyond. The proposed access would require the removal of a number of trees along the boundary and would open up views of the site to the wider area. The proposed dwellings would be noticeable in views from this part of the village and would replace the existing rural landscape with housing.
29. Although there is a hedgerow and some trees along the boundary with the Swan Public House and car park, these provide limited screening and the proposed development would be noticeable in views across the car park and from elsewhere within the village.
30. The appellant suggests the proposal would consolidate the layout and form of the village. When considering aerial views of the village, the appeal site may seem to be a logical extension to the village boundary, but when looked at on the ground it would replace the open rural character of the eastern side of the village with suburban style development. Therefore the proposal would significantly alter the rural setting that characterises the centre of the village. The site displays the characteristics which policy CP5 specifically seeks to protect and would therefore give rise to intrinsic harm to the countryside.
31. I therefore conclude that the proposal would harm the character and appearance of the surrounding area and the rural setting of the village, and in this regard would fail to comply with those aspects and purposes of development plan policies CP5 and DC2 as well as, importantly, paragraph 17 of the NPPF.

Housing Land Supply

32. National planning policy in relation to housing is set out in the NPPF. This seeks to significantly boost the supply of housing. It encourages local planning

authorities to ensure that their local plan meets the need for market and affordable housing in their housing market area and to identify a supply of deliverable sites sufficient to provide 5 years' worth of housing against their requirements. To ensure choice and competition in the market an additional buffer of 5% is required or, where there has been a record of persistent under delivery, a buffer of 20%.

33. The assessment as to whether a Council is able to demonstrate a 5 year supply of housing land needs to take account of the housing requirement, any previous shortfall in delivery, the appropriate buffer, and the available housing land supply.
34. The parties agree that the housing requirement within the Core Strategy is out-of-date in that it was not based on an objective assessment of housing need in accordance with the provisions of the NPPF. They also agree the extent of the previous shortfall, that a buffer of 20% should be applied to the 5 year housing requirement due to the persistent under delivery in previous years, and that the Council has identified sufficient land to deliver 5,832 dwellings over the 5 year period 2016/17 to 2020/2021. They differ as to the Objectively Assessed Need (OAN) and as to whether a lapse rate should be applied.

Objectively Assessed Need

35. Paragraph 47 of the NPPF requires Local Planning Authorities to use their evidence base to ensure that their Local Plan meets the full, objectively assessed needs for market and affordable housing in the housing market area, as far as is consistent with the policies set out in the NPPF. The Planning Practice Guidance (PPG) advises that in the absence of a relevant requirement within a Local Plan the housing requirements should be assessed against the full objectively assessed need for the area.
36. The Council commissioned Peter Brett Associates (PBA) to calculate its OAN. PBA consider the OAN to be 775dpa, whereas the appellant considers the OAN to be considerably higher at 1,129dpa. The difference between the parties is due to different household formation rates, the approach to affordability and economic activity rates. Thus there is a difference of 354 dpa between the parties in relation OAN. Of this, 109 dpa is accounted for by the appellant's adjustment to household formation rate and 245 is due to different economic activity rates.
37. The parties agree that the starting point for the housing requirement is the 2012 based household projections. These are trend based projections based on the 2011 census and do not attempt to predict the impact that future government policies, changing economic circumstances or other factors might have on demographic behaviour. PPG explains that the household projection-based estimate of housing need may require adjustment to reflect factors affecting local demography and household formation rates which are not captured in past trends. It also advises that household projections may need to be adjusted to take account of market signals, economic activity and migration.
38. The Council considers an adjustment to household formation rates to be unnecessary. It acknowledges that there is evidence of worsening affordability, but submits that this should be addressed by way of an adjustment in relation to market signals and not household formation rates. The appellant is of the

opinion that the starting point should be uplifted to take account of suppressed household formation rates in recent years.

39. Evidence submitted by the appellant³ shows a decline in household formation rates for all types of household within the 25-34 age group, both nationally and within Chelmsford. On behalf of the appellant it was submitted that there has been a decrease in affordability in recent years and this has particularly impacted on the 25-44 age group leading to an increased proportion of concealed households. For this reason the appellant believes that the household formation rates for this age group should be adjusted to reflect the 2008 trends for this age group, which the appellant considers can be taken as a reasonable proxy for a projection that was not suppressed due to affordability.
40. Household formation rates have fallen nationally since the time of the 2001 census for a variety of reasons. The Council referred to a number of academic articles which find that the causes for reduced household formation rates are varied and that some are likely to continue regardless of recessionary influences. The 2008 projections follow a 40 year trend (1961-2001), whilst the 2012 projections are based on 2011 census information.
41. However, within Chelmsford the household formation rates for the 25 -44 year age group are either at, or above, the national average. Therefore whilst I accept that recent recessionary influences may have reduced affordability for this age group, there is no substantive evidence to indicate that that local demographic factors justify an uplift in the household formation rates. I share the Council's view that the correct approach to the decline in affordability is by way of an adjustment to take account of market signals.
42. Market signals take account of house prices, affordability and overcrowding including concealed households. Therefore although it is broader in its scope than household formation, it addresses the affordability issues that have arisen in recent years. Both approaches would increase the OAN above the 2012 based household projections. The two affordability adjustments would give rise to a similar figure, 723 based in the Council's suggested 10% uplift in relation to market signals, or 749 based on the appellant's approach. Even if there were local evidence to indicate that that household formation rates should be adjusted, there is no compelling evidence to support a return to the 2008 rates. I am therefore satisfied that the 2012 household projection rates provide a reasonable starting point for the assessment of the relevant OAN within Chelmsford.

Economic Activity Rates

43. Although the appellant considers the predicted future annual employment growth of 887 employed people to be conservative, the parties agree it is a reasonable figure for the purposes of assessing the OAN in the context of this appeal. The Council states that it corresponds to an annual job growth of 1,013 due to some people having more than one job. The essential difference between the parties relates to the size of the labour force necessary to meet the projected jobs growth. This in turn is dependent upon the economic activity rate. If activity rates are lower, then for a given number of jobs more workers will be required and so there will be a greater housing need.

³ JD rebuttal proof table 2

44. PBA consider that the provision of 775 dpa would provide sufficient workers to meet this demand, whilst the appellant calculates that 1,020 dpa (assuming the 2012 headship rates) will be required. The Council's figure was informed by three different economic and labour market scenarios. Of these only one, the Edge Analytics, found that in order to meet the predicted labour demand the population would need to be greater than that predicted by household projections alone. On the basis of this finding the OAN figure was increased from 657dpa to 775dpa.
45. The Edge Analytics Report adopts the economic activity rates from EEFM⁴, and uses them in its own model, PopGroup. The mechanics of the Edge Analytics model are different from EEFM's. In particular, in PopGroup there is no demand-side link whereby the resident population creates local jobs through its consumption of local services. The supply link within the Edge Analytic model is based on fixed ratios, rather than the dynamic adjustment through unemployment rates as used in the EEFM. Edge Analytics show the economic activity rates for Chelmsford would increase from 74% in 2013 to 80.1% in 2031. It is this figure that informs the Council's OAN.
46. The appellant considers the economic activity rates (derived from EEFM) used to be implausible and unrealistic. For the population aged 16-64, EEFM assumes that the employment rate will be 95.3% in 2031. The appellant considers that the level of activity is likely to be much lower due to a number of factors, such as the numbers in full time education, those with caring responsibilities, early retirement, and disability. However, the Council explain that the rate concerned is the ratio of the total number of employed people in the population (regardless of age) to the population aged 16-64. It does not express the percentage of people aged 16-64 in employment⁵
47. Appendix B to Ms Howick's proof shows that EEFM predict that the '*Residence employment rate*' will increase to 78.8% by 2031. The Council acknowledges that the figure is high, but explains that it includes those currently unemployed and anyone with a job, including part-time jobs regardless of the number of hours worked. The population aged 65 and over is the cohort of population which is growing fastest as a proportion of the total population (because the population is ageing), and also the cohort in which economic activity is expected to rise fastest due to the increase in the state pension age, improved health and life expectancy.
48. The appellant considers the employment rate assumptions are extremely high in the context of past trends and compared to the predictions made by EEFM for the County, the East of England region and for the UK. Whilst past trends are clearly helpful in assessing future employment and economic activity levels, they do not reflect recent changes such as the increase in the state pension age, and the increasing economic activity rate amongst older people. Data relied upon by the appellant from the ONS Annual Population Survey shows that economic activity rates for the 16-64 age group within Chelmsford generally exceed those for the East of England and Essex, and are consistently higher than 80%. Therefore on the basis of the evidence submitted to the inquiry I am satisfied that the employment rate assumptions used by Edge Analytics are not unrealistically high.

⁴ East of England Forecasting Model

⁵ This point was accepted by Mr Donagh in the Erratum in his rebuttal

49. The appellant's approach to economic activity rates relies on the Kent County Council (KCC) research which is calibrated against the Office for Budget Responsibility rates (OBR). On the basis of these projections there would be a need for 1,129dpa. Mr Donagh also considered the OBR rates and the EU rates, but preferred the KCC rate since it only addresses the economic activity rate in the 16-74 age group. He considered that the reliance on persons working over the age 74 was misplaced, since this age group is significantly above programmed changes to the State Pension Age. However, even on the basis of the OBR and EU figures the current participation rate for this age group varies between 3.1 and 4.8% at the present time. Notwithstanding this, Mr Donagh stated that even if this age group is included, there would only be a marginal difference of about 4 dpa to the overall number of dwellings required. Therefore there is no reason to prefer these alternative economic activity rates.
50. The Council considers that there is a logical inconsistency with the appellant's approach, in that it applies a different set of national-level assumptions about economic activity rates (from the OBR) to that which fed into the prediction of job demand (EEFM's own). The national job forecast depends in part on a prediction as to the likely economic activity of the population (the national economic activity rate). This is then translated to the local level by providing sector by sector predictions to the particular split of sectors at the local level, and thereby provides the local employment growth figure.
51. The Council submit that it cannot be methodologically sound to discard those assumptions when comparing job demand to likely labour supply needed and choose an entirely different set of assumptions. In order to illustrate this using the Experian forecasting model, it substituted the OBR economic activity rates preferred by the appellant. The forecast found that whilst labour supply fell so did job demand. The appellant was critical of the submitted forecast due in particular to the high economic activity rates of 96.14% amongst the 16-64 age group. Whilst it is not the Experian forecast on which the Council rely, nonetheless, I agree with the appellant that this figure does seem particularly high, even taking account of the explanation provided by Experian for the figure. Notwithstanding this, the purpose of the alternative forecast was to illustrate the relationship between the activity rates and jobs demand.
52. Whilst I have no reason to doubt that the OBR figures are robust, and accept that they are confirmed by the UK Statistics Authority and relied upon by the Government. Nevertheless they take a different approach to activity rates and project forward the currently behaviour of people in a particular age gender group into the future. This means that reduced participation rates in a particular age group today will lead to a permanent decrease by comparison with older generations. Accordingly the participation rates tend to be lower for the younger male cohorts and contribute to the lower overall OBR activity rates.
53. The appellant refers to the Longbank decision⁶ where the inspector attached greater weight to the OBR rates put forward by the appellant. The extent of the evidence before the Longbank inspector is unclear, but it would seem that the evidence before this inquiry differs in that at this appeal the Council used three different forecasts to arrive at the OAN. Moreover, the Council provided a clear

⁶ APP/V0728/W/15/3018546

explanation for the activity rates put forward, which would provide 18% uplift over the demographic starting point.

54. As explained by PPG, establishing future need for housing is not an exact science. No single approach will provide a definitive answer. This is evident in that despite agreement in respect of many aspects of the housing requirement there remains a significant difference between the parties due mostly to the application of different economic activity rates. The Council's assessment of the OAN took account of three different forecasts all of which differed from each other. It decided that since it was not possible to tell which job-led demographic scenario was more plausible it based its OAN on the highest of the three projections which was not constrained by labour supply.
55. PPG advises that plan-makers should make an assessment of the likely change in job numbers based on past trends and/or economic forecasts as appropriate and also having regard to the growth of the working age population in the housing market area. Whilst the appellant is critical of the economic activity rates used by the Council, for the reasons given above I do not find them implausibly high. I have therefore found no obvious shortcomings with the Council's approach to assessing its OAN. The Council has approached the OAN in an open and transparent manner. In my view, on the basis of the information submitted to this inquiry, there is no reason to doubt that the Council's OAN is consistent with paragraph 47 of the NPPF and the advice in PPG. I therefore consider it to be the best indicator of housing need that is available at the present time.
56. I am aware that I have reached a different conclusion on this matter from my colleague in respect of the Boreham appeal⁷. However, it would seem that the evidence before this inquiry differed from that at the Boreham appeal in that there was no evidence from Experian about the effect of applying less optimistic economic activity rates to its prediction of labour market balance; no re-run of their model using the KCC economic activity rates; and no critique of the KCC/OBR economic activity rates made by Ms Howick at the Bicknacre Inquiry. Therefore the circumstances of this appeal differ from the Boreham appeal.

Lapse Rate

57. The Inspector in respect of the Lion Inn Appeal considered it improbable and unrealistic that all the sites in the Council's housing trajectory will come forward within the 5 year period. On this basis he applied a lapse rate of 5% for sites with planning permission and 10% for other sites. The appellant suggests that a similar lapse rate should be applied in the case of this appeal.
58. At the inquiry the Council explained that it has recently adopted a much more robust methodology for assessing housing land supply and recent completions have exceeded predictions. It explained that 97% of its sites either have planning permission or are allocated in the development plan. Footnote 11 to paragraph 47 of the NPPF states that sites with planning permission should be considered deliverable until permission expires, unless there is clear evidence that schemes will not be implemented within five years, for example they will not be viable, there is no longer a demand for the type of units, or sites have long term phasing plans.

⁷ APP/W1525/W/15/3049361

59. The appellant did not dispute the delivery of any of the sites within the housing trajectory. I acknowledge that it is unlikely that all of the sites predicted to come forward will do so. However, the NPPF requires the 20% buffer (moved forward from later in the plan period) to provide a realistic prospect of achieving the planned supply and to ensure choice and competition in the market for land. In the light of the very high proportion of sites with planning permission and the robust approach of the Council towards assessing housing land supply I do not consider that a lapse rate is justified.

Housing Land Supply Conclusion

60. I have found the Council's OAN to be robust, accordingly there is a five year housing requirement of 3875. When an allowance for the previous shortfall and the 20% buffer are added the five year housing land supply requirement is 4934. When set against the identified supply of 6,212 I conclude that the Council is able to demonstrate a 5 year housing land supply

Other Considerations

61. Local residents were concerned that the proposal would unacceptably increase traffic within the village, particularly during peak periods. Residents also believed that the additional traffic arising from the proposal would add to the accidents that occur at the roundabout. The Highway Authority did not object to the proposal and is satisfied that the traffic likely to be generated by the proposal could be accommodated without giving rise to any highway capacity or safety concerns. On the basis of the submitted evidence I have no reason to reach a different conclusion.

Affordable Housing

62. The Appellant proposes that 39 affordable dwellings will be delivered on the appeal site within the next 5 years. The LPA's Strategic Housing Market Assessment (SHMA) identifies the need for 246 affordable dpa to be delivered. This is equivalent to 23% of all completions and considerably exceeds the Council's previous delivery rate. Therefore there is a considerable un-met need for affordable housing within Chelmsford. Balanced against this need, the Council's housing land supply includes 1601 affordable dwellings to be delivered in the next 5 years (an annual average of 320 dpa) and would therefore comfortably exceed the SHMA requirement. Notwithstanding the Council's projected supply the delivery of 39 affordable dwellings would be a significant benefit of the proposal.

63. At the inquiry Councillor Poulter explained that residents within Bicknacre have identified a need for about 10 affordable homes and have been in discussion with a social housing provider. Whilst a site to the rear of the Brewers Arms PH had been identified the landowner does not wish to pursue this at the present time. In these circumstances the proposal would meet an existing need for affordable housing in the village and would be a benefit of the proposal.

Doctor's Surgery

64. The unilateral undertaking submitted by the appellant covenants to provide land for a doctor's surgery. However the NHS England do not support the proposal because a new surgery has recently been established in Danbury, and it does not consider that there is a need for the proposed surgery. I am aware

that Doctor Sankar still hopes to be able to self-fund the surgery. Whilst the provision of a surgery would be a benefit to the village, the weight to be afforded to this matter is limited due to the lack of certainty that it will come forward.

Flooding

65. The appellant advises that the proposal will make provision for the storage of additional flood water on the site to help alleviate existing flooding problems within the village. This would be a benefit of the proposal and I afford it moderate weight.

Overall Planning Balance

66. The Framework sets out a presumption in favour of sustainable development. Economically, the development would bring short-term advantages in respect of jobs during the construction period. In the longer term it would increase household spending within Bicknacre and Chelmsford. It would also support economic growth through the creation of jobs in local services to meet the additional demands arising from the development and would also add to the number of economically active residents within Chelmsford.
67. The appeal site is located in an area well served by public transport and close to local shops and services including the primary school. The proposal would be socially sustainable in that it would provide up to 110 new dwellings, including 39 affordable dwellings to meet the needs of present and future generations. This would be a significant benefit of the proposal. The provision of an area of open space within the site and would also create additional ecological habitats would be a further benefit of the proposal.
68. The Council can demonstrate a five year housing land supply and so there is no immediate pressure to release further land for housing. Although paragraph 49 of the NPPF is not engaged, for the reasons given above policies, CP2, CP5 and DC2 are out-of-date in so far as they relate to the settlement boundary. Paragraph 14 of the NPPF states that where the development plan is absent, silent, or the relevant policies are out-of-date, planning permission should be granted unless any adverse impacts of doing so would significantly and demonstrably outweigh the benefits, when assessed against the policies in this Framework taken as a whole.
69. Although the NPPF seeks to significantly boost the supply of housing, it is also clear that this should be achieved by local authorities properly planning for the full objective needs of their areas through the local plan process. Since the Council have a greater than five year housing land supply for market and affordable dwellings, the appeal site does not need to be developed in order for the Council to significantly boost the supply of housing.
70. The proposal would erode the character and appearance of the surrounding area and would also harm its intrinsic character and beauty. As such it would be contrary to the aims of policies CP5 and DC2. Although the weight to be afforded to these policies is reduced in that the boundaries on which they rely are out of date, the proposal would also be contrary to paragraph 17 of the NPPF due to the intrinsic harm to the countryside and its failure to take account of the different roles and character of different areas. In this regard the proposal would not be environmentally sustainable. Sustainable development

has three dimensions, economic, environmental and social. Paragraph 152 of the NPPF states that significant adverse impacts on any of these dimensions should be avoided. Therefore I conclude that looked at in the round the proposal would not be sustainable development.

71. Whilst the proposal would not accord with the development plan as a whole, due to the conflict with policies CP5 and DC2, however, for the reasons given above, the weight to be afforded to this conflict is reduced. Nevertheless, when the harm to the countryside is assessed against the policies in the Framework taken as a whole, including the presumption in favour of sustainable development, I conclude that the adverse impacts of the proposal would significantly and demonstrably outweigh the benefits.

Conclusion

72. For the reasons given above, and taking account of all material considerations. I conclude that the appeal should be dismissed.

Lesley Coffey

INSPECTOR

APPEARANCES

FOR THE APPELLANT:

Sarah Reid	Of Counsel
She called	
Jonathon Dixon	Savills
James Donagh	Barton Willmore
Steve Lucas	Development Economics
George Venning	George Venning Associates
Garry Holliday	FPCR Environment and Design Ltd

FOR THE LOCAL PLANNING AUTHORITY:

Josef Cannon	
He called	
Julie Broere	Chelmsford City Council
Cristina Howick	Peter Brett Associates
Laura Percy	Chelmsford City Council

INTERESTED PERSONS:

Councillor Richard Poulter
Councillor June Saltmarsh
Fiona Wilson
Andrew Armstrong
Jo Mathieson
Ann Fricker

DOCUMENTS

- 1 Letter dated 25 April 2016 notifying interested parties of arrangements for the Inquiry
- 2 Appeal decision Ref: APP/F1610/A/14/2228726 submitted by Council
- 3 Suffolk Coastal & Hopkins Homes Judgement submitted by Council
- 4 Household headship rates Chelmsford submitted by Council
- 5 Housing Land Supply Statement of Common Ground
- 6 List of suggested conditions submitted by Council
- 7 S106 Agreement submitted by the appellant
- 8 Unilateral Undertaking submitted by appellant
- 9 Opening submissions on behalf of the appellant
- 10 Opening submissions on behalf of the appellant
- 11 Statement of Common Ground
- 12 Affordable housing Statement of Common Ground
- 13 Submission on behalf of Woodham Ferrers and Bicknacre Parish Council
- 14 Submission on behalf of Fiona Wilson
- 15 Note justifying Planning Obligations submitted by Council

- 16 Transport note submitted by appellant
- 17 Updated Appendix C of Cristina Howick's Rebuttal
- 18 Appellant's Response to Appendix C of Cristina Howick's Rebuttal
- 19 Councils Final Comments in respect of Appendix C
- 20 Appeal decision Ref: APP/W1525/W/15/3049361



Appeal Decision

Inquiry held on 14, 15, 16 and 17 June 2016

Site visit made on 16 June 2016

by **J Dowling BA(Hons) MPhil MRTPI**

an Inspector appointed by the Secretary of State for Communities and Local Government

Decision date: 26 September 2016

Appeal Ref: APP/W1525/W/15/3121603

Main Road, Great and Little Leighs, Great Leighs CM13 1NP

- The appeal is made under section 78 of the Town and Country Planning Act 1990 against a failure to give notice within the prescribed period of a decision on an application for outline planning permission.
 - The appeal is made by Mr Steve Latham (Gladman Developments Ltd) against Chelmsford City Council.
 - The application Ref 14/01791/OUT, is dated 30 October 2014.
 - The development proposed is development of up to 100 dwellings with associated infrastructure, open space and landscaping with all matters reserved except for access.
-

Decision

1. This appeal is allowed and outline planning permission is granted for the development of up to 100 dwellings with associated infrastructure, open space and landscaping at Main Road, Great and Little Leighs, Great Leighs CM13 1NP, in accordance with the terms of the application, reference 14/01791/OUT, dated 30 October 2014, subject to the conditions set out in the attached schedule.

Procedural Matters

2. The appeal was made on the grounds of non-determination although subsequent to this the Council resolved that had it been in a position to determine the application, it would have refused it for four reasons. Prior to the start of the Inquiry the Council indicated that it no longer wished to defend its third reason for refusal as following the submission of the appellant's evidence, information pertaining to current travel to school patterns that were not addressed in the original planning application had been included. In light of all that I have read, heard and seen I have no reason to disagree with this position and have revised the main issues to reflect this.
 3. The application was made in outline with all detailed matters other than access reserved for future consideration and I have determined the appeal on this basis.
 4. In discussing the suggested conditions it became clear that although the description of development used by the appellant on the original planning application made reference to a 'phased' development, given the number of units proposed the scheme, if consented, would not be built out in phases. For clarity I have therefore amended the description of development in the banner heading to reflect this.
-

5. The Inquiry sat for four days. I had an accompanied site visit on 16 June 2016 and I also undertook two unaccompanied site visits on the 13 and 16 June 2016.
6. A number of separate topic based Statements of Common Ground were submitted prior to and at the start of the Inquiry which set out the policy context along with matters of agreement and those in dispute.
7. Due to time constraints it was agreed that both parties could submit their closing statements in writing to an agreed timetable. The Council also agreed to publish the closing statements on their website so that they would be available for inspection by any of the interested parties.
8. Following the close of the Inquiry the Council submitted a recent appeal decision¹ which was lodged by the same appellant as for this appeal and which considered similar issues to this appeal. Both parties were provided with an opportunity to comment on that decision and I have taken their comments and that decision into account when considering this appeal.

Main Issues

9. The main issues are:
 - Whether the Council can demonstrate a 5 year housing land supply; and
 - whether the proposal would result in a sustainable form of development which includes consideration of the effect of the proposal on the character and appearance of the area and access to facilities.

The Policy Background

10. The development plan for the area consists of the Chelmsford City Council Core Strategy and Development Control Policies Development Plan Document (2008) (the CS and DCP). Following the publication of the National Planning Policy Framework (the Framework) in 2012, the Council undertook a focused review of the CS and DCP in order to update those policies within the development plan that they considered needed to be amended to ensure consistency with the Framework. Following an examination in public, where it was found sound, the Council adopted the Chelmsford City Council Core Strategy and Development Control Policies Focused Review (2013) (the Focused Review). In addition the Council have an adopted Site Allocation Development Plan Document (2012) (the SA DPD) which was also the subject of a public examination.
11. The Framework² advocates that the closer the policies in a plan are to the policies in the Framework, the greater the weight that they may be given.
12. The policies relevant to the determination of this appeal are CP1, CP2, CP4, CP5 and DC2. Policies CP1, CP5 and DC2 were policies that were subject to the Focused Review.
13. CP1 seeks to promote and secure sustainable development by linking housing and employment needs and directing development to those locations where there is the infrastructure to support it. It also reflects paragraph 14 of the

¹ Appeal Ref: APP/W1525/W/15/3129306

² Paragraph 215 of the National Planning Policy Framework (2012)

Framework in that it advocates that where there are no policies relevant to the application or relevant policies are out of date at the time of making the decision then planning permission will be granted unless material considerations indicate otherwise. As such this policy is compliant with the Framework and can be given full weight.

14. Policy CP2, which was not part of the Focused Review, outlines a spatial strategy which provides a framework for sustainable housing and job growth for the area. It advocates that new development should make the best use of previously developed land and buildings. It also sets out a sequential approach to the location of development whereby Chelmsford and South Woodham Ferrers are to be the main focus for development, supported by appropriate development within the Key Defined Settlements. The latter includes Great Leighs and the North of Chelmsford's Urban Area.
15. Whilst this sequential approach is broadly consistent with the Framework it is based on the housing requirement figures contained within the Draft East of England Plan which was revoked in 2013 and not on any objective assessment of need (OAN) as required by the Framework³. Consequently, policy CP2 is out of date and can only be afforded limited weight.
16. Policy CP5 was amended as part of the Focused Review with the aim of easing restrictions placed on development within the Rural Area beyond the Green Belt⁴. As with CP2 it seeks to focus growth within the Urban Areas of Chelmsford, South Woodham Ferrers and the Key Defined Settlements. In the Rural Areas beyond the Green Belt it advocates that the Council will protect the intrinsic character and beauty of the countryside. This approach is reinforced by policy DC2 which restricts development within the Rural Area beyond the Green Belt generally to sites within the defined settlement boundaries.
17. I am aware that a number of Inspectors⁵ have differed about the weight that can be attached to policies CP5 and DC2. However, I consider that the sequential approach to focusing new housing in existing urban areas and key defined settlement areas is consistent with the aims of sustainable development which the Framework promotes⁶. Whilst I consider the principle of focusing development in sustainable locations accords with the Framework, nonetheless, the housing figures on which CP5 and DC2 are based are not up to date. As a result whilst policies CP5 and DC2 carry some weight as part of the development plan, their weight is reduced.
18. Finally, the Council is in the early stages of drafting a new Local Plan and as part of this process it has highlighted that Great Leighs could possibly accommodate between one and two thousand new homes. However, the plan is still at a very early stage in the process and has not been the subject of any robust testing and as a result I have afforded it very limited weight.
19. Policy CP4 of the CS and DCP requires, through the use of planning contributions, all new development to meet the necessary on and off-site

³ Paragraph 47 of the National Planning Policy Framework (2012)

⁴ Paragraph 3.3 of the Core strategy and Development Control Policies Focused Review (2013)

⁵ Appeal Ref: App/W1525/W/14/3001771, APP/W1525/15/3137020, APP/W1525/W/15/3009062 and APP/W1525/W/15/3129306

⁶ Paragraph 17 of the National Planning Policy Framework (2012)

infrastructure requirements required to support the development or mitigate its impact.

Reasons

Whether the Council can demonstrate a 5 year housing land supply and the implications that this has for this appeal

20. At the Inquiry the disagreement over the robustness of the OAN centred upon the demand side of the calculation focusing upon household formation rates (with the appellant arguing that those used by the Council were suppressed) and the Economic Activity Rates (EARs) used by the Council which were considered by the appellant to be unrealistic and implausible.
21. The Planning Practice Guidance⁷(the PPG) advocates that housing requirement figures should be used as the starting point for calculating the five year supply of housing. Considerable weight should be given to the housing requirement figures in adopted Local Plans. However the PPG acknowledges that evidence that dates back several years, such as that drawn from revoked regional strategies, may not adequately reflect current needs. For the reasons detailed earlier I consider that the figures contained within the CS and DCP which are based on the revoked East of England Plan are out of date.
22. The PPG goes on to state that where evidence in Local Plans has become outdated and policies in emerging plans are not yet capable of carrying sufficient weight, as is the case here, information provided in the latest full assessment of housing needs should be considered. However, it recognises that the weight given to these assessments should take account of the fact that they have not been tested or moderated against relevant constraints.
23. Whilst the OAN for Chelmsford has not been the subject of a formal examination it has, through the appeal process, been the subject of significant testing. With the exception of the Boreham decision⁸ most of the previous Inspectors⁹ concluded that the Council had a robust OAN and could demonstrate a five year housing land supply. This conclusion was reached again most recently in the appeal for land east of Main Road, Bicknacre¹⁰.
24. It is not the purpose of this appeal to provide a definitive critique of the Council's OAN as that is the function of the Local Plan examination. However, what is clear from the evidence I heard at this Inquiry is that much of the argument turns on which figures, particularly for household formation and economic activity rates, should be used when calculating OAN.
25. As with the Boreham and Bicknacre appeals the starting point for this appeal is that the Council consider the OAN to be 775 dwellings per annum (dpa), whereas the appellant considers that the OAN should be 1,129 dpa. The Council's approach to household formation or headship rates followed the requirements of the PPG and I consider takes reasonable account of local factors such as affordability. Furthermore, I agree with the Council that the

⁷ Planning Practice Guidance paragraph 03 Reference ID: 3-030-20140306

⁸ Appeal reference: APP/W1525/W/15/3049361

⁹ Appeal references: APP/W/1525/W/14/3001771, APP/W1525/W/15/3137020

¹⁰ Appeal reference: APP/W1525/W/15/3129306

2012 projection rates, which are based on the 2011 census information are an appropriate base for calculating and producing an up to date OAN.

26. With EAR the main difference between the parties was the size of the labour force that would be necessary to meet the projected growth in jobs and whether this could predominantly be met by the existing population (the Council's view) or whether additional workers would be required thus triggering the need to deliver additional housing (the appellant's view). The difference in the figures came down to the use of different forecasting models.
27. The Council used the activity rates from the EEFM¹¹. However, these figures, due to the very high employment rates they predict, were considered unrealistic and implausible by the appellant who felt that the activity rates, would in reality, be much lower and produced a number of alternative EARs based on a different set of projections including OBR, EU and KCC¹².
28. Whilst I agree that the OBR rates are highly regarded, they project forward current patterns of behaviour this would mean that future likely changes to activity, such as people working longer would not be captured. However, on the basis of what I have read and the evidence provided at the Inquiry, whilst I acknowledge that the employment rates used by the Council are high I am satisfied with the explanation provided by the Council as to how they have been calculated. As these have then been used to calculate the OAN I consider that the Council's OAN to be robust. The Council have identified a supply of housing based on the figures generated by the OAN that would deliver in excess of a 5 year supply of housing including an allowance for the previous shortfall and a 20% buffer. As a result I am satisfied that the Council is able to demonstrate a five year housing land supply in accordance with the requirements of the Framework.
29. However, it is also important to recognise that the housing figures that result from an OAN represent a minimum and not a maximum requirement for an area and that accepting that an area has a 5 year supply of housing does not necessarily preclude a scheme from being sustainable development or mean that it would be inherently harmful.

Whether the proposal would result in a sustainable form of development

30. At the heart of the Framework is a presumption in favour of sustainable development¹³. Paragraph 7 states that there are three dimensions to sustainable development: economic, social and environmental which give rise to the need for the planning system to perform a number of roles.
31. It was clear from the evidence given at the Inquiry that Great Leighs benefits from a healthy and vibrant local community which has access to a good range of facilities including a combined shop and post office, two pubs, a village hall and primary school all of which are located within the village. Immediately adjacent and opposite the site entrance are bus stops that provide a direct regular service for village residents to Chelmsford and Colchester. As outlined at the Inquiry, in the short term the proposal would deliver a number of construction jobs and local investment. In the longer term the 100 new

¹¹ East of England Forecasting Model

¹² Office for Budget Responsibility, European Union and Kent County Council

¹³ Paragraph 14 of the National Planning Policy Framework (2012)

dwellings would bring 100 more households utilising these local business and services and providing an increased local workforce which would assist in the availability of local labour. As a consequence the proposal would contribute to building a strong, responsive and competitive economy (the economic role).

32. Great Leighs is a Key Defined Settlement where policy CP2 of the CS and DCP advocates that new development should be directed. Although outside the Defined Settlement Boundary (DSB), due to its fairly central location within the village, I consider that unlike many sites that come forward that are outside of the development boundary the application site physically appears to form part of the village. The scheme would provide a mix of housing of a variety of different types and tenures, including on-site affordable housing for which, from the evidence given at the Inquiry, there is a considerable local need. Consequently, given the Framework's aim to maintain or enhance the vitality of rural communities¹⁴ and boost significantly the supply of housing¹⁵ I consider that the scheme would contribute to meeting the needs of present and future generations (the social role).
33. The Council confirmed at the Inquiry that the site has no specific landscape designation or protection in adopted planning policy terms. However, they advocated, and I agree, that a lack of formal designation or protection does not necessarily mean that the site's landscape is without worth or value. Under a Borough/District wide assessment¹⁶ the site is included within the Terling Farmland Plateau Landscape Character Area which is characterised by, amongst other things, rolling arable farmland, remnants of ancient woodland and scattered settlement patterns.
34. From my site visit I observed that, although the site has a pleasant pastoral aspect due to its location within the village, it is bounded by housing to the north, south and west. To a large extent therefore, its value appears to stem from the fact that it is open and undeveloped and allows views from the village towards Sandylay and Moat Woods. From the evidence given at the Inquiry its open and undeveloped nature is clearly appreciated and valued by those who live in and around the area and particularly those who use the public footpaths through and in the vicinity of the site. However, I agree with the appellant that this does not amount to a valued landscape within the meaning of paragraph 109 of the Framework.
35. All parties agreed that the proposal would affect the character and appearance of the area by virtue of introducing housing and its related infrastructure into what is effectively a greenfield site. However, what needs to be assessed is whether harm would result from this change and the effect that this would have on the character and appearance of the area.
36. As outlined earlier although the site is not 'within' the DSB. However, unusually for a site outside a DSB it is located centrally within the village and appears as an uncharacteristic gap in an otherwise built up road frontage with the existing ribbon of development continuing north for about 500m. It is only when one continues to the northern and southern edges of the village that other gaps begin to develop along Main Road and the village takes on a

¹⁴ Paragraph 55 of the National Planning Policy Framework (2012)

¹⁵ Paragraph 47 of the National Planning Policy Framework (2012)

¹⁶ Braintree, Brentwood, Chelmsford, Maldon and Uttlesford Landscape Character Assessments (2006)

more rural character. As a consequence I consider that the site physically forms part of the village and appears to be 'within' Great Leighs.

37. I observed at my site visit that Great Leighs has been the subject of numerous infill developments. This is most evident by the recent developments on the western side of Main Road but there are also a cluster of earlier housing schemes on the western side of Main Road, in particular around Aragon Road. As a consequence I consider that, whilst Great Leighs may have originally been a linear village, over time development has occurred behind the houses which front onto Main Road which is of a tighter urban grain than the original village and the proposal would reflect and replicate this pattern of development.
38. Due to their location within the centre of the village, the topography and the surrounding vegetation and buildings, I consider that the fields do not appear as part of the wider open countryside, but instead look towards and are more strongly associated with the existing village to the north, south and west. Whilst currently open land, the character of the site is derived from its location within the centre of the village.
39. A Landscape and Visual Assessment (LVA) was undertaken by the appellant which found that the visual impacts of the proposal would be mainly limited to users of the public footpaths and views from the surrounding houses. Specific concerns were raised by residents at the Inquiry regarding views from Sandylay and Moat Woods. I acknowledge that the woods are predominantly deciduous and that, as a result, there will be seasonal variations. However, as I observed at my site visit, due to their dense nature views out from the woods towards the site are limited to the edges of the woodland where public access is limited as the main footpaths meander through the centre of the woods.
40. I acknowledge that there would be some long distance glimpsed views from Banters Lane, however observers from these viewpoints would view the site against the backdrop of the existing village and, as a result, I consider that the proposal would not appear out of character.
41. Furthermore, the scheme would not harm any ecological, arboricultural or heritage assets and would, through the use of conditions, include new planting and measures to enhance biodiversity (the environmental role).
42. The appeal site has a unique set of characteristics not least its central location within the village and the fact that it is bounded by development on three sides. As a consequence whilst I recognise that it would be a sizeable scheme, I consider that the proposal would reflect and respect the pattern and density of existing development within the village and would, due to its location appear as part of the village. Furthermore, the site is located in a sustainable location and the delivery of additional housing would help maintain the vitality of the existing community.
43. As a consequence I conclude that the proposal would be outside the DSB and would result in some loss of open countryside, contrary to policies CP5 and DC2 of the Focused Review. However, I consider that the harm that would result from this loss would be limited. Furthermore, for the reasons outlined above I consider the proposal would be sustainable development and as a

result would be in accordance with policy CP1 of the Focused Review and the development plan as a whole.

Section 106 Agreement

44. A signed Section 106 agreement was submitted at the end of the Inquiry¹⁷. In addition to delivering on-site affordable housing and a contribution towards secondary school transport the agreement would also provide a recreational open space including a play area within the development in accordance with a specification and maintenance plan that would be agreed with the Council and provide a residential travel information pack to encourage sustainable travel patterns by future residents.
45. In order to comply with the Framework and the policy DC31 within the CS and DCP, a percentage of the proposed units would need to be affordable. Under the terms of the S106 agreement 35% of the dwellings in the development would be required to be affordable housing units two thirds of which would be rented housing, with the remaining third being intermediate and/or shared ownership. The proposal would therefore comply with the Framework and policy DC31.
46. Although the Council chose not to defend their third reason for refusal, the effect of the proposal on local services, in particular access to places at the local school, remained a concern for local residents. The Council at the Inquiry confirmed that it has an adopted CIL charging regime and as a result the development would deliver a financial contribution to ensure that services, such as education and healthcare provision, could be expanded to accommodate the needs of future residents of the site. Furthermore, the Council confirmed that they were satisfied that the contributions towards secondary school transport provision proposed by the S106 agreement would ensure that secondary school age children would have access to facilities that were not located within the village. As a result the proposal would meet the necessary off-site infrastructure requirements required to support the development and mitigate its impacts in accordance with policy CP4 of the CS and DCP.
47. Policy DC40 of the CS and DCP requires the provision of Open Space for all residential developments and policy DC6 seeks the mitigation of significant increases in vehicle movements on the highways network including through the use of Travel Plans to encourage the use of more sustainable methods of transport
48. The obligations within the Section 106 agreement are necessary to make the development acceptable in planning terms; directly related to the development and fairly and reasonably related in scale and kind to the development. As a consequence they meet the tests within CIL regulation 122 and paragraph 204 of the Framework.

Other matters

49. At the Inquiry it was clear that Local Residents had concerns regarding the volume of traffic, particularly at peak times, which use Main Road and the effect that the additional traffic that would be generated by the development would have on the local road network. At their request I visited the site

¹⁷ Inquiry Document 20

during the morning peak. The Council confirmed that the Highways Authority did not object to the proposal and considered that any additional traffic generated by the development could be satisfactorily accommodated on the local network. Whilst I have noted the traffic survey undertaken by the Parish Council it does not lead me to a different conclusion to the Highways Authority.

50. Local residents were also very concerned about the potential impacts on the Sandylay and Moat Wood nature reserve in particular the potential impacts on flora and fauna during construction and the impact on trees with particular reference to a veteran tree which would be in close proximity to the site boundary. In addition residents advised that the woods were home to badgers and used for foraging by bats. Construction work could be managed through a condition requiring the submission of a Construction Method Statement which amongst other things, would control the hours of working and measures to suppress dust. As a consequence, given that the majority of the woods are some distance from the appeal site and the indicative layout indicates that where the woods are closest to the site boundary construction would be kept to a minimum, I consider that the woods would not be adversely affected by the noise and disturbance from construction works. When I visited the site the location of the veteran tree was pointed out to me and, whilst it is close to the site boundary, the illustrative plans indicate that it would be some distance from any construction work and I am therefore satisfied that subject to a condition requiring protective fencing around trees, the tree would not be damaged or lost as a result of the proposals. Finally, regarding the references to bats and badgers inhabiting the woods I note that the Council is satisfied that the environmental and ecological reports submitted with the application were robust and I heard no evidence at the Inquiry to lead me to a different conclusion.

The Planning Balance

51. Section 38(6) of the Planning and Compulsory Purchase Act 2004 and section 70(2) of the Town and Country Planning Act 1990 state that determination of a planning application must be carried out in accordance with the development plan unless material considerations indicate otherwise. These other considerations include the Framework, whether the development would be sustainable and whether any other planning harm resulting from the development is of such weight that the appeal should be dismissed.
52. The proposal would result in the development of a site outside the DSB and through the loss of the open countryside there would be some harm, albeit very limited, to the character and appearance of the area. As a result I recognise that the proposal would be contrary to a number of the Council's adopted policies, including CP2, CP5 and DC2, and as such the development would not be in accordance with the development plan in this respect. However, these policies were drafted on the basis of what are now out of date housing figures, and even though an adequate supply currently exists, they nevertheless imply a significantly greater degree of protection for the countryside than is envisaged in the Framework. Bearing in mind the Framework's advice about consistency in paragraph 215, for the reasons outlined at the beginning of this decision, when determining this appeal I have afforded these policies reduced weight.

53. The proposal would result in the provision of 100 units which would deliver economic, environmental and social benefits including the creation of jobs, a range of different housing types and tenures (including a contribution towards affordable housing in an area where there is a recognised need) and measures to enhance the biodiversity of the site. Although, not within the DSB, due to its central location within the settlement, the site physically does form part of the village which has a good supply of easily accessible local services. Furthermore, Great Leighs is recognised in the development plan as a Key Defined Settlement and due to its transport links and access to local services is considered a sustainable location.
54. The proposal reflects the form, density and scale of existing development within the area and as a consequence would not be out of character. Whilst the appeal scheme would encroach to some extent into open countryside, due to its unique and specific location, topography and very limited long distance views I consider that there would be limited harm to the intrinsic character and beauty of the countryside.
55. Whilst I have found that the Council can currently demonstrate a five year housing land supply, and so there is no immediate pressure to release further land for housing, the housing figures calculated from the OAN are not a maximum. It is clear from the work being undertaken by the Council on the emerging Local Plan that further sites will be required to maintain a continuing supply of housing five year supply of housing land, beyond the current five year period, and that all of this need cannot be met through brownfield sites. As a consequence I consider that the housing supply situation alone is not a reason to justify refusal of the scheme.
56. The Framework seeks to boost significantly the supply of housing¹⁸ and advocates that planning should respond positively to wider opportunities for growth¹⁹. It also refers to the need to promote sustainable housing and other development in rural areas in locations where such development would enhance or maintain the vitality of rural communities²⁰, all of which the scheme would deliver.
57. I acknowledge that the Framework strongly supports a plan led system and that the proposal would be in conflict with a number of development plan policies. However when taking into account the Framework and the development plan as a whole, I consider that on balance the benefits that the scheme would deliver outweigh the limited harm that it would cause. Finally, the Framework²¹ advocates that there is a presumption in favour of sustainable development and that for decision making this means approving developments that accord with the development plan without delay. Therefore having concluded that the proposal would accord with the development plan as a whole, this is a material consideration that weighs heavily in favour of granting conditions.

¹⁸ Paragraph 47 of the National Planning Policy Framework (2012)

¹⁹ Paragraph 17 of the National Planning Policy Framework (2012)

²⁰ Paragraph 55 of the National Planning Policy Framework (2012)

²¹ Paragraph 14 of the National planning policy Framework (2012)

Conditions

58. At the end of the inquiry the Council and the Appellant produced an agreed list of conditions²². Paragraph 206 of the Framework sets out a number of tests that conditions need to meet. I have considered the conditions suggested by the Council against paragraph 206, the advice contained within the PPG²³ and the discussions at the Inquiry. Where necessary I have adjusted their wording in the interests of clarity. Conditions relating to the submission of reserved matters and the timing of commencement of development are needed due to the outline nature of the proposal.
59. Having heard the Council's evidence I consider that to help provide clarity for both the Council and the appellant a condition listing the information to be submitted with regards to the reserved matters details would provide precision and aid enforceability. In view of the constraints of the site and the surrounding residential development and having regard to the amount of development which the illustrative plans indicate could be accommodated within the site a condition limiting the number of dwellings to 100 is necessary in order to ensure a satisfactory form of development.
60. To ensure highways safety, conditions requiring the approved access to be constructed prior to the occupation of the units and the surfacing, lighting and signage or roads, footways and cycleways within the development are necessary. However, a condition requiring the provision and retention of onsite car parking could be dealt with as part of the reserved matters and therefore I do not consider the suggested condition as worded would meet the Framework tests.
61. Drainage schemes, including sustainable methods of dealing with surface water and restricting surface water from discharging on to the highway are necessary to ensure that there is no detriment to adjoining areas. Archaeological finds have been found within the area and therefore a condition requiring further investigation and setting out what would need to be done if remains are unearthed would also be reasonable.
62. Given the proximity of the adjoining Sandylay and Moat Woods nature reserve a condition requiring the development to be carried out in accordance with section 4 of the Ecological Appraisal is considered necessary to ensure that the development would not impact upon the surrounding biodiversity or any protected species. Although landscaping is a reserved matter conditions requiring future maintenance and management are considered necessary. Whilst this is a greenfield site and it is therefore unlikely, given the evidence presented by the Council at the Inquiry, it is appropriate to adopt a precautionary approach and have a condition requiring an assessment of contamination in order to ensure the health and safety of future occupiers.
63. In order to protect the trees shown to be retained a condition requiring approval of protective fencing is considered relevant. The need to submit a public art statement reflects the requirements set out in policy DC43 of the CS and DCP and is therefore appropriate.
64. To ensure highway safety, protect the living conditions of neighbouring properties during construction and to minimise the impact on the adjacent

²² Inquiry Document 18

²³ Planning Practice Guidance ID 21a

nature reserve a condition requiring the submission and approval of a Construction Method Statement, which would control amongst other things working hours; delivery times and routes; construction workers parking; dust suppression measures etc. is considered appropriate.

65. In order to encourage sustainable travel patterns a condition requiring the upgrading of the bus stops adjacent to the site, including the stop which would need to be relocated as a result of the proposed site entrance, would be reasonable.
66. At the Inquiry a local resident submitted a request²⁴ that should the development be granted planning permission a condition be attached requiring the public footpath that currently runs through the middle of the site to be located to the southern edge of the site and the land on which the footpath runs be made inalienable to protect it for future use by the community. The relocation of a public footpath is a matter that would be dealt with by a footpath diversion order under the Highways Act 1980 and as a result a condition to move the footpath and make the land inalienable would not meet the tests set out in paragraph 206 of the Framework.

Conclusion

67. For the reasons given above and having regard to all other matters raised, I conclude that the appeal should be allowed.

Jo Dowling

INSPECTOR

²⁴ Inquiry Document 15

APPERANCES

FOR THE LOCAL PLANNING AUTHORITY:

Josef Cannon, of Counsel

He called

Simon Drummond-Hay	Director, HDH Planning and Development Ltd
Richard Pestell	Director, Peter Brett Associates
Jeremy Potter	Senior Planning Officer, Chelmsford City Council
Simon Quelch	Solicitor, Chelmsford City Council
Clive Tokley	Independent Planning Consultant

FOR THE APPELLANT:

Giles Cannock, of Counsel

He called

Ivor Beamon	Project Manager, Gladman Developments Ltd
Jonathan Dixon	Associate Director, Savills
James Donagh	Director, Barton Willmore
Gary Holliday	Director, FPCR Environment and Design Ltd
John Londensborough	Assistant Planner, Gladman Developments Ltd
Steve Lucas	Director, Development Economics Ltd
George Venning	Director, Bailey Venning Associates Ltd

INTERESTED PERSONS:

Terri Amory	Local resident
Brian Barnes	Local resident
Dot Creighton	Local resident
James Donnelly	Local resident
Councillor John Galley	City Councillor for Boreham and Leighs ward
Joanne Hawes	Local resident
Alan James	Local resident
Robert McGuigan	Local resident

Councillor Richard Poulter City Councillor for Bicknacre and East and West Hannigfield ward and Vice Chair of the Planning Committee

Alison Ratcliffe Local resident

Jeff Therlow Great Leighs Parish Council

Janet Thomas Local resident

DOCUMENTS SUBMITTED AT THE INQUIRY

- Document 1:** Signed Statement of Common Ground for Education
- Document 2:** Signed Statement of Common Ground for Affordable Housing
- Document 3:** Draft section 106 Agreement
- Document 4:** Opening submission of Appellant
- Document 5:** Opening submission of the Council
- Document 6:** Tables to accompany Mr Lucas's Proof of Evidence
- Document 7:** Signed Statement of Common Ground for Housing Land Supply
- Document 8:** Copies of transcripts from the residents of Great Leighs oral evidence
- Document 9:** Copy of transcript of Councillor John Galley's oral evidence
- Document 10:** Copy of letter from Gladman Developments Ltd to Julie Broere of Chelmsford City Council dated 15 January 2016 referred to by Mr Jeff Thurlow in his oral evidence
- Document 11:** Copy of traffic survey conducted by the Parish Council carried out between 3-9 September 2015 referred to by Mr Brian Barnes in his oral evidence
- Document 12:** Hard copy of PowerPoint presentation (photo montage) by the residents of Great Leighs
- Document 13:** Copy of letter dated 15 June 2016 from Miss Janet Thomas
- Document 14:** Copies of internal consultation responses for planning application reference 14/01791/OUT
- Document 15:** Written request from Mr James Donally for a suggested condition
- Document 16:** Replacement document for Core Document 8.3
- Document 17:** Email of 17 June 2016 from Olivia Gibbons
- Document 18:** Joint response by the appellant and the Council to queries raised regarding the list of suggested conditions
- Document 19:** Written legal justification for planning obligations produced by the Council

Document 20: Signed and dated copy of the S106 agreement

DOCUMENTS SUBMITTED AFTER THE CLOSE OF THE INQUIRY

Document 1 Closing submissions on behalf of the Local Planning Authority

Document 2 Closing Submission of the Appellant

Document 3 Copy of appeal decision for Land east of Main Road, Bicknacre, appeal ref: APP/W1525/W/15/3129306 and covering email dated 26 July 2016 from Julie Broere on behalf of the Council

Document 4 Email response from Kate Fitzgerald on behalf of the appellant dated 2 August 2016

Schedule of conditions

- 1) An application for the approval of the reserved matters shall be made to the local planning authority no later than three years from the date of this permission. The development hereby permitted shall take place no later than two years from the date of approval of the last of the reserved matters to be approved.
- 2) Details of the appearance, landscaping, layout and scale (hereinafter called "the reserved matters") shall be submitted to and approved in writing by the local planning authority before any development takes place and the development shall be carried out as approved.
- 3) The reserved matters submitted in accordance with condition 2 shall include, but not be limited to, the following details to the extent that they are relevant to the reserved matters application in question:

A. Layout

- i. The layout of routes, buildings and spaces, the block form and organisation of all buildings, the distribution of market and affordable dwellings and full details of the approach to vehicle parking including visitor parking (together with details of the design approach for access points for undercroft parking), full details of the approach to cycle parking including the location, distribution, types of rack, spacing and any secure or non-secure structures associated with the storage of cycles and the location and form of open areas and where appropriate street furniture.
- ii. The identification of 3% of the dwellings to be wheelchair accessible housing and to be constructed in accordance with Category 2 of the Building regulations – Part M 2015.
- iii. The access and circulation of modes of travel, the design of roads and paths and junction layout including the retention of existing footpath links and the provision of new footpath and cycleway links between development phases and the existing network.

B. Scale and Appearance

- i. Scale, form and appearance of the architecture and public/private realm definition.
- ii. Detailed drawings and sections showing the finished levels of all parts of the development illustrated in relation to the levels of the surrounding area and any adjoining buildings.
- iii. Details of the proposed treatment of all boundaries, including drawings of any gates, fences, walls and railings.
- iv. Details of proposed materials of the development hereby permitted.
- v. Details of the location and design of all artificial lighting and lighting furniture to all buildings, amenity areas, roads and parking areas.

C. Estate Roads

Details of the estate roads and footways (including layout, levels, visibility splays, gradients, surfacing and means of surface water drainage) and the surface treatment of the public footpaths across the site.

D. Landscaping

The landscape design and specification of hard and soft landscape works including details of ecological habitat, corridors or foraging grounds, measures to be taken to protect trees to be retained both within and adjacent to the site and a programme for the carrying out of all hard and soft landscaping.

- 4) The residential development hereby approved shall be limited to a maximum of 100 dwellings.
- 5) The development will be constructed in accordance with the approved access drawing number 1387/01 dated May 2014. No dwelling shall be occupied on the site unless and until the access works shown in that drawing have been completed to the satisfaction of the local planning authority.
- 6) There shall be no discharge of surface water from the development onto the highway.
- 7) No development shall take place until a programme of archaeological trial trenching has been secured and undertaken in accordance with a written scheme of investigation which has previously been submitted to and approved in writing by the local planning authority.

A mitigation strategy detailing the excavation/preservation strategy for any archaeological deposits shall be submitted to the local planning authority following the completion of this work.

No development shall commence on those areas containing archaeological deposits until the satisfactory completion of fieldwork, as detailed in the mitigation strategy, previously submitted to and approved in writing by the local planning authority in consultation with its historic environment advisors.

The applicant shall submit to the local planning authority a post-excavation assessment (to be submitted within six months of the completion of fieldwork, unless otherwise agreed in writing in advance with the Planning Authority). This will result in the completion of post-excavation analysis, preparation of a full site archive and report ready for deposition at the local museum, and submission of a publication report.

- 8) No development shall take place until:
 - i. A detailed site wide surface water drainage scheme for the site has been submitted to and approved in writing by the local planning authority. This shall be based on sustainable drainage principles and an assessment of the hydrological and hydro-geological context of the development; the Flood Risk Assessment and Surface Water Drainage Strategy dated October 2014 prepared by Hydrock and the

consultation response dated 4 March 2015 from the Lead Local Flood Authority confirming the 1 in 1 greenfield rate.

- ii. A detailed site wide Sustainable Urban Drainage Management Plan has been submitted to and approved in writing by the local planning authority

The development shall not be carried out other than in accordance with the approved schemes and shall thereafter be maintained in perpetuity in accordance with the approved Sustainable Urban Drainage Management Plan.

- 9) The development shall be carried out in accordance with Section 4 of the Ecological Appraisal produced by FPCR dated October 2014.

If within a period of five years from the date of planting any tree/hedge/plant, that tree/hedge/plant or any tree/hedge/plant planted in replacement for it, is removed, uprooted, destroyed, or becomes, in the opinion of the local planning authority, seriously damaged or defective, another tree/hedge/plant of the same size and species as the original, shall be planted in the same place unless the local planning authority gives its written consent to any variation.

- 10) Prior to the occupation of any dwellings, a site-wide landscape management plan shall be submitted to and approved in writing by the local planning authority. The plan shall cover all landscape areas other than private domestic garden areas and shall include the long term landscape design objectives, management responsibilities (and measures to resist public ingress where appropriate), and a programme of maintenance that will be applied in perpetuity. The development shall not be carried out otherwise than in accordance with the approved landscape management plan.

- 11) No development shall take place until a scheme to assess and deal with any contamination of the site has been submitted to and approved in writing by the local planning authority.

Prior to the first occupation of any dwelling any remediation of the site found necessary, shall be carried out and a validation report to that effect submitted to the local planning authority for written approval.

- 12) Prior to the commencement of development details of the surfacing, lighting, signage and street furniture to be applied to the roads, footways and cycleways within the development shall be submitted to and approved in writing by the local planning authority.

Prior to the occupation of any dwelling served by them the roads, footways and cycleways shall be surfaced and provided with the associated furniture as approved pursuant to this condition and shall thereafter remain as approved for public use.

- 14) Within six months from the commencement of the development, a public art statement shall be submitted to and approved in writing by the local planning authority. The statement shall include the following:

- i. Proposed Public Art and location including details of the chosen theme and medium of the scheme; and
 - ii. Details of the installation and future maintenance.
- 15) No development shall take place including any ground works, until a Construction Method Statement has been submitted to and approved in writing by the local planning authority. The development shall be constructed in accordance with the approved details and shall include but not be limited to:
 - construction site access details;
 - areas for parking of vehicles of site operatives and visitors;
 - areas for loading and unloading of plant and materials;
 - areas for storage of plant and materials used in constructing the development;
 - wheel and underbody washing facilities;
 - measures to suppress dust;
 - measures to prevent the tracking out of mud and debris onto the highway;
 - hours of working and receiving deliveries; and
 - measures to ensure the maintenance of the footpath route during the construction period.
- 16) Trees that are indicated to be retained both within and on the boundaries of the site shall be protected by a barrier erected in accordance with BS 5837: 2012 – trees in relation to design, demolition and construction – Recommendation Figure 2, or as otherwise agreed in writing by the local planning authority. The fence shall be erected before the commencement of any clearing, demolition and building operations. No material shall be stored, no rubbish dumped, no fires lit and no buildings erected inside the fence, nor shall any change in ground level be made within the fenced area unless previously agreed in writing by the local planning authority.
- 17) No occupation of the development shall take place until upgrades to the two nearest bus stops to the site frontage on Main Road (northbound and southbound) to include raised kerbs, passenger shelters, real time passenger information and road markings as appropriate have been completed in accordance with details that shall have been previously submitted to and approved in writing by the local planning authority.

APPENDIX D

SWALE INSPECTOR'S INTERIM FINDINGS

Interim Findings on Swale Local Plan

Part 2: Headline Interim Findings on Housing Supply

Sue Turner MRTPI

ID/9c

An Inspector appointed by the Secretary of State for Communities and Local Government

Matter 1: Duty to Co-operate (for OAN, housing market area and meeting housing need)

1. A Duty to Co-operate (DTC) statement was submitted with the Plan and was updated in October 2015 in a DTC addendum. The DTC statement summarises co-operation that has taken place on strategic issues during preparation of the Plan. The DTC addendum records continuing dialogue with neighbouring authorities on the evidence update, particularly the Council's further work on OAN in Swale's 2015 SHMA - Part 1: Objectively Assessed Housing Need (2015 SHMA) (SBC/PS/025a).
2. In preparing the Plan the Council has worked effectively with Kent County Council, the neighbouring authorities of Ashford Borough Council, Canterbury City Council, Medway Council and Maidstone Borough Council as well as with the prescribed bodies. With regard to housing needs and development targets in particular, the Council sought to establish its housing market area in the context of the SHMAs for North Kent, East Kent and Mid Kent. The DTC statement concludes that there was only limited overlap with Canterbury in the east of the Borough and with Medway in the west. However when the Plan was submitted Swale had not been asked to accommodate the unmet need from any other districts and no other district had the capacity to meet Swale's unmet need.
3. As part of the evidence update the 2015 SHMA seeks to address the complex HMA situation and tests the rationale behind a self-contained Swale HMA. It examines cross boundary migration, cross boundary commuting and travel to work areas, house price data and contextual evidence such as retail and school catchment areas. It concludes that despite links to Medway and Canterbury there is enough evidence to show that a Swale centred HMA is a pragmatic response to the characteristics of this area. It is highlighted, however, that strong links to the west with Medway and to the east with Canterbury need to be reflected in DTC discussions.
4. Discussions with Canterbury City Council and Medway Council have continued during the evidence update and both agree with the approach Swale is taking in seeking to meet its own OAN. The Council has also continued dialogue with the other neighbouring authorities, based on work set out in the 2015 SHMA and the conclusion that Swale intends to meet its own housing need within its own area. The DTC addendum confirms that all of the neighbouring authorities are seeking to meet their own OAN within their administrative boundaries.
5. Neither the DTC statement nor the DTC addendum provide any detail regarding engagement with the GLA and this raises the question of whether the OAN takes account of London's unmet housing need. However the 2015 SHMA looks in detail at the relationship between London and Swale with regard to migration. In addition, the Council has submitted its Note re London & the Swale OAN (SBC/PS/093) dated 11

November 2015. This provides further information about the way in which the 2015 SHMA addresses the issues of London's housing need.

On the basis of the above I am satisfied that preparation of the Plan and additional work which will inform proposed draft main modifications has been based on co-operation and effective collaboration with the relevant organisations and that the DTC has been met.

Matter 2: Early Local Plan review

6. Policy ST2 and Chapter 8 provide for an early review of the Plan within 3 years of its adoption or sooner. A commitment to an early Local Plan review has been used in some cases to address shortcomings in plans and allowed them to proceed to adoption. However advice by the Planning Advisory Service in 'Early Reviews' and Local Plans suggests that they cannot be used to resolve matters critical to the Plan's strategy and that they are not a panacea for addressing the difficult issues.
7. In this case the justification for making the Plan short term in nature, as set out in paragraph 4.2.32, is neither logical nor appropriate. The Local Plan review is shown on the Local Development Scheme as commencing in September 2015. By this time the Council had commenced its evidence update, the results of which has fed into proposed main modifications and has informed these Interim Findings. The timing in the LDS suggests that preparatory work should already have started on the review but it is hard to see what will have changed in such a short time that would enable a review to overcome the failure of the Plan to meet OAN. Furthermore even if the review date were delayed it would be based on the same updated evidence and work that is informing this examination. For example the 2015 SHMA addresses the balance between employment development and housing and further work on infrastructure planning has been undertaken to support delivery of the Plan. Subject to the main modifications required by these Interim Findings the Plan will have addressed the difficult issue of housing delivery and there will be no need for an early review.

To conclude, there is no justification to rely on an early Local Plan review and the Plan should plan positively for the full Plan period.

Matter 3: Objectively Assessed Need and revised base date for the Plan

8. The submitted Plan is informed by the 2013 SHMA and identifies an OAN of 14,000 dwellings for the Plan period 2011-31. The 2015 SHMA uses the ONS 2014 mid-year population estimates and updated economic data to consider housing need over the period 2014 – 2031. The 2015 SHMA takes account of under delivery up to 2014/15 and provides up to date evidence to support re- basing the Plan period to start in 2014. It concludes that the full objectively assessed need for this period is 776 dwellings per annum. WAS 700.
9. Various aspects of the methodology used in the 2015 SHMA have been questioned during the examination. Most significantly criticism has been levelled at the use of the ONS 2014 mid-year population estimates, rather than the ONS 2012 sub-national population projections (SNPP) and the CLG 2012 Household Projections, as well as the

use of a longer trend period (2004-2014), compared to the five year trend used in the SNPP.

10. The 2012 SNPP and the CLG Household Projections represent the official indication of baseline demographic needs for Swale. It is this data, published by the DCLG, that Planning Practice Guidance (PPG) on Housing and Economic Needs Development Assessment recommends to provide the starting point estimate of overall housing need. However the PPG accepts that there is no one methodological approach or use of a particular dataset(s) that will provide a definitive assessment of development need. It advises that councils should explain why their particular local circumstances have led them to adopt a different approach where this is the case.
11. The Swale 2015 SHMA sets out the results of testing of the ONS 2012 SNPP and the CLG 2012 Household Projections, which lead to a requirement for 861 net new homes per annum for the period 2014 – 31. However it highlights concerns that the five year trend period may not correctly reflect long term migration into Swale and that the SNPP based figure may be too high due to the failure to adjust for unattributable population change (UPC). It explores a number of alternative projections, using both 5 and 10 year trend periods and 2014 based projections and identifies the 2004-14 trends projection as the preferred scenario. This scenario mirrors the GLA's demographic modelling and reflects the level and age profile of inward migration to Swale. The 2015 SHMA proceeds to test this scenario against market signals and future job growth to conclude that the OAN remains at 776 dwellings per annum for the period 2014-2031.
12. Part 2 of the SHMA identifies a net need of 288 affordable dwellings pa, which when refined to meet the local housing market becomes 190 affordable dwellings pa, which is approximately 25% of the OAN. It concludes that this number can be met through the OAN. However it advises that when setting the affordable housing target the Council will need to consider the full range of evidence, including viability assessment.
13. The Council's Position Statement (SBC/PS/031) (PS) explores viability, particularly in the context of differences across the Borough and the proposed variable policy for affordable housing provision. I endorse the Council's conclusions on this matter and agree that an increase in the housing target to improve the rate of affordable housing delivery is unnecessary and in any event would undermine the settlement strategy by requiring an increase above OAN in Faversham and the rural areas.
14. I have carefully considered arguments that the 2015 SHMA has methodological failings, that it proposes a scenario based on inappropriate data and that there is inadequate justification for lowering OAN from the 2012 SNPP figure of 861. I have also taken account of criticism of the inclusion of a UPC adjustment, the allowance for the younger age profile of inward migration and arguments that insufficient weight has been given to supporting employment growth and boosting affordable housing. Detailed information has been submitted both for and against the approach taken in the 2015 SHMA and I have carefully considered all of this evidence, but I am satisfied that the report follows a

methodical and logical process which is consistent with the PPG and that its conclusions are robust.

In these circumstances I support the Council's proposal that the Plan should be based on the revised Plan period 2014 – 2031 with an OAN of 13,192 or 776 dwellings per annum.

Matter 4 - Housing Target

The target in the submitted Plan

15. The submitted Plan proposes delivery of 10,800 dwellings with an indicative split of 9,350 in the Swale Thames gateway area and 1,450 in Faversham and the rest of Swale. This split reflects the concept of two planning areas which underpins the Plan's settlement strategy. However the overall target clearly falls short of the OAN in the Plan which is 14,800 (740 dwellings p.a.) for the 20 years of the Plan period and is significantly below the updated OAN of 13,000 (776 dwellings p.a.) for the proposed re-based Plan period.
16. The reasons given in the Plan to justify not planning to deliver the OAN of 14,800 dwellings fall into three broad areas. First, environmental concerns, including impact on best and most versatile agricultural land (BMV); second, infrastructure concerns, including impact on the strategic road network; and third the issue of viability and deliverability, including past performance and the need to maximise housing delivery whilst maintaining the focus for growth on the Thames Gateway where viability is poorest.

Review of constraints as part of the evidence update

17. The Council has revisited these constraints as part of the evidence update and summarises its approach to the environmental and infrastructure constraints in its PS. This concludes that subject to confirmation by SA and HRA work and based on the Plan's settlement strategy, no barriers to delivering the revised OAN delivery of 776 dwellings per annum appear to be presented by international, national or local environmental designations, flood risk or heritage assets.
18. The PS notes that the impact of any further site allocations should be considered individually against these considerations. Additionally the individual and cumulative impact of any new allocations on important local countryside gaps and locally sensitive landscapes should be assessed, whilst any loss of the best and most versatile (BMV) agricultural land will need to be taken into account as proposed by the Council in paragraph 42 of the PS. On this basis I endorse the conclusion in the PS that in principle environmental capacity does not prevent the Plan meeting the OAN.
19. Transport infrastructure is cited in the Plan as a constraint to delivering more than 740 dwellings pa. During the examination the Council has continued dialogue with Kent County Council and Highways England and has prepared statements of common ground (SCG) with both organisations (**SBC/PS/028** and **SBC/PS/011**). These confirm that whilst transport capacity does not present a barrier to delivering up to 740 dwellings per

annum, a higher level may require further work on the Swale Borough Council/ Kent County Council Transport Model, possibly requiring a new model.

20. Other infrastructure is addressed in the Kent and Medway Growth and Infrastructure Framework 2015, which provides a starting point for assessing the level and cost of infrastructure to support growth in Swale to 2031. Whilst this is based on delivery of 11,300 dwellings, KCC has expressed its willingness to work with SBC to test an increased quantum of development and further site allocations in order to identify infrastructure requirements. The work that the Council has undertaken during the examination demonstrates that, subject to further testing, infrastructure provision presents no barrier to delivering the full OAN of 776 dwellings per annum for the revised plan period.
21. The inability of the submitted Plan to meet OAN is partially justified by a weak housing market and poor viability. It is common ground that Swale is one of the weaker housing markets in Kent with particularly poor viability in the Thames Gateway area, where the settlement strategy seeks to direct housing growth. As the Council states in paragraph 44 of its PS, short term viability issues should not lead to a viability-led strategy which could undermine the growth in the Thames Gateway. However poor housing delivery in the past does not justify taking a pessimistic approach to the future and indeed this would be inconsistent with paragraph 47 of the NPPF, which seeks to boost significantly the supply of housing. Setting a target that is too low could be self-fulfilling and act as a constraint to development.
22. With its new base date of 2014 and removal of the early review requirement the Plan is for a period of 17 years rather than the three years proposed in the submitted Plan. In this context short term viability concerns do not justify deliberately suppressing growth for the whole of the Plan period.

Site allocations

23. The Plan's housing site allocations have been considered through the examination process and the Council has embarked upon a process of monitoring progress and updating the number of units that each will deliver. The proposed draft main modifications include amended details and numbers on some of the allocations and address some concerns raised by participants during the examination. Subject to these modifications the housing site allocations are soundly based and consistent with the settlement strategy.
24. The Council has responded positively to criticism of the Plan's failure to meet the OAN for housing. As part of the evidence update it has produced three documents which use different methodologies to assess non allocated sites. These are:
 - The Provisional 2014/15 SHLAA (SBC/PS/037). This is based on the original 2013-14 SHLAA (submitted with the Plan), but overcomes a number of shortcomings in the earlier SHLAA and provides a clear and transparent analysis of all land and sites put forward during consultation on the submitted Plan. There has been no new call for sites therefore the Council will need to decide whether

this is necessary or whether it is satisfied that assessment of sites brought to its attention through the examination process, together with the updated SHLAA are adequate to ensure that all potential sites have been considered. However the provisional SHLAA includes assessment of the omission sites (non-allocated sites promoted by developers or landowners) and takes all potential sites through various stages or “sweeps” to assess their suitability for development.

- The Ranked Assessment of non-allocated site options (SBC/PS/039) places sites in tiers and rankings using a methodology that reflects their environmental constraints and landscape impacts. The seven tiers reflect international, national and local environmental designations, Flood Zone 3A as well as non-designated environments and constraints and matters affecting the transport network.
- The Post submission interim SA report Part II (Site Options) (SBC/PS/033a) is, as its title suggests, an interim assessment of the non-allocated sites which has been carried out by the Council.

25. These three documents together represent a robust and methodical analysis of non-allocated sites. They provide a sound basis for the Council to allocate additional sites to deliver the OAN.
26. However the assessment documents are clearly a technical survey of the sites and they do not take a strategic approach or refine the ranking in relation to the settlement strategy or cumulative impact on infrastructure or the environment. The Council will need to take account of these factors when allocating additional sites. However the ranked assessment in particular, whilst noting the presence of locally defined Important Countryside Gaps, makes it clear that this definition does not necessarily preclude the allocation of sites within the gaps. This is consistent with the wording of DM Policy 25, which recognises that allocated sites may lie within the defined Countryside Gaps.
27. Concerns have been raised that additional site allocations could undermine the settlement strategy or harm the rural character of some villages and rural lanes. However the evidence demonstrates that there is a range potential additional sites across the Plan area. This provides the Council with sufficient flexibility to plan for a carefully managed uplift in allocations across the two planning areas without undermining the settlement strategy or harming its objectives.
28. The work that the Council has done places it in an informed position to sensitively nudge the housing target upwards across the Borough so that growth continues to be focused on the Thames Gateway area, but with a proportional boost to allocations in Faversham and the rural areas. This is consistent with the approach suggested by the Council in paragraph 38 of its PS and the evidence is now available to enable those difficult decisions to be made in a logical and consistent way.

The Council’s work to update the evidence base demonstrates that there are sufficient sites available to enable it to deliver the full OAN for the plan period whilst maintaining

the settlement strategy of two planning areas. The Council should therefore proceed to allocate sites to meet a revised target of 776 dwellings pa.

APPENDIX E GLOUCESTER CHELTENHAM TEWKESBURY INSPECTOR'S INTERIM REPORT

Inspector's Interim Report on the Gloucester, Cheltenham and Tewkesbury Joint Core Strategy.

1. The examination of the Gloucester, Cheltenham and Tewkesbury Joint Core Strategy (JCS) has proved to be complex and controversial and has attracted considerable public participation and suggestions for amendments throughout. Since the Plan's submission to the Planning Inspectorate in November 2014 substantial additional evidence has been submitted and several round table discussions have taken place generating additional information. This has resulted in the need to reconsider a large number of matters and consequently to bring forward proposals for significant amendments to the Pre-Submission JCS¹.
2. Throughout the three stages of hearings between May 2015 and April 2016, the JCS team have agreed to many changes to the JCS, which they intend to put to Council Members in due course. Whilst the general thrust of many main modifications has been agreed in principle, for most of them the exact wording is yet to be put forward. Moreover, there are still a number of outstanding matters which require my further consideration and, where appropriate, recommendations for modifications.
3. This interim report (IR) deals with those outstanding matters and, at the request of the JCS team, recommends additional strategic allocations to meet the identified housing requirements of the JCS area. In general, I have not covered those proposed main modifications that have already been agreed during the hearing sessions, except to the extent that they usefully set the background to recommendations within this paper. All findings within this IR are preliminary and will be reviewed as necessary in the light of all information before me when completing my formal, final report to the JCS authorities.
4. Following receipt of this IR, the JCS team have agreed to complete the drafting of all main modifications, including those which have already been agreed and those which flow from this report. This wording will be discussed at the forthcoming main modifications hearings commencing on 21 July 2016. Main modifications should include updates on Strategic Allocations Policies², and updated evidence should be provided on infrastructure needs for the initial 5 years³ and on the Infrastructure Delivery Position Statements⁴ to cover my recommendations on strategic allocations.

¹ SUB 100

² Drafts set out in EXAM 167

³ EXAM 225

⁴ EXAM 168

5. Thereafter, I understand that the JCS team will seek member approval for the finalized list of main modifications, which will then go out to public consultation for a minimum six week period. The JCS team are now invited to provide a suggested programme with time scales going forward for the remainder of the examination.

Objectively Assessed Housing Need (OAHN)

6. The demographic OAHN for the Gloucestershire Housing Market Area has been assessed⁵ in accordance with the National Planning Policy Framework (NPPF) and the Planning Practice Guidance (PPG). This assessment uses the 2012-based population and household projections as the starting point, making adjustments based on appropriate assumptions and judgements to come to the demographic figure of 31,830 dwellings. The overall figure is then broken down into figures for the three districts resulting in demographic needs of 13,290 dwellings for Gloucester, 9,900 dwellings for Cheltenham and 8,640 dwellings for Tewkesbury. I accept the workings of this assessment and the resultant figures.
7. Nonetheless, taking account of updated economic evidence and the Councils' revised economic strategy for the JCS area, in my judgement, the full OAHN should be economically led to accommodate the proposed 39,500 jobs target. Given the uncertainties of economic forecasts, a broad-brush approach to assessment is appropriate. Therefore, taking the average number of required dwellings in the adjusted employment OAHN note⁶, with a range between 31,200 and 36,600, seems a reasonable approach. This results in an OAHN of 33,500 dwellings for the JCS area for the Plan period (2011-2031). 33,500 is, therefore, the OAHN for the JCS area.

The Strategic Housing Market Assessment (SHMA)

8. The scale and mix of various tenures and types of housing has been re-assessed in the Strategic Housing Market Assessment (SHMA) Further Update⁷. I am minded to accept the workings of this update save for one aspect of affordable housing. However, before dealing with affordable housing, I would like to stress the need for clarity in the JCS over the way older people's and students' accommodation is dealt with.

Older Peoples' Housing

⁵ EXAM 119

⁶ EXAM 164

⁷ EXAM 118

9. Within the OAHN the SHMA identifies the need for 1,456 C3 use retirement/sheltered market housing units and 1,011 C2 use extra-care housing units over the plan period. There is also an identified need for 1,558 non-specified institutional class C2 bed spaces⁸, which are to be provided over and above the OAHN and would usually be in care homes or nursing homes. However, I understand from RPS's evidence⁹ and the JCS Older Peoples' Housing note¹⁰ that extra-care housing is sometimes used as an alternative to care homes/nursing homes and that the distinction between these housing types is blurred.
10. I am not aware of any guidance on whether extra-care housing units should be included or excluded in the OAHN. Therefore, it seems to me that, as long as there is clarity over how it is being dealt with, that is acceptable. As the supporting evidence includes 1,011 extra-care units within the OAHN, if any additional extra-care units are planned from the 1,558 bed spaces, they should be added to the OAHN for consistency and the OAHN be accordingly increased. This should be clearly reflected in the JCS and any split between districts shown. Only on this basis should new extra-care units be counted towards supply in meeting OAHN.
11. Overall, to provide clarity, the JCS should set out the scale and type of older people's housing that is counted within the OAHN and that which is not. Numbers should be set down so as to avoid potential confusion in the future when considering supply against housing requirements. The JCS should also set out how and where it is envisaged the institutional spaces over and above the OAHN will be delivered.

Student Accommodation

12. The SHMA indicates that additional growth in student numbers is estimated to result in about 450 new private dwellings in the private rented sector over the plan period, although this growth has largely been accounted for in the OAHN and, therefore, no additional provision is required. However, there is an additional need for campus accommodation over and above the OAHN¹¹. The JCS should reflect this by setting out clearly the potential additional units of accommodation required and how and where it is envisaged this accommodation will be provided.

Affordable Housing Need

⁸ Broken down as Cheltenham 126, Gloucester 425 and Tewkesbury 1,007 (EXAM 224)

⁹ Post Stage 3 hearing submission no16

¹⁰ EXAM 224

¹¹ EXAM 191

13. The aspect of the affordable housing need assessment, about which I have reservations, is the treatment of single person households under the age of 35 years who can afford a room within shared private rented accommodation but cannot afford a one bedroomed flat. The question in relation to these households is whether they are in need of affordable housing.
14. The JCS team's SHMA Note¹² states that the affordable housing need figure, calculated in line with the PPG, is 638 units per year. This is on the basis of single person households under 35 years being accommodated in one bedroomed self-contained housing. Nonetheless, because the benefits system only provides assistance for single person households under 35 years to be housed in shared accommodation, the SHMA calculation excludes them from affordable housing need. This reduces the annual figure by 218 to 420 units.
15. There is no basis in the NPPF or PPG for reducing affordable housing need on the basis of the workings of the benefits system. Consequently, in my judgement, the affordable housing need figure should stand at 638 units per annum.

Housing Requirement - Policy Uplift for Affordable Housing and to Boost 5 year Housing Land Supply

16. Based on the viability evidence¹³, the JCS team's Affordable Housing Delivery Note¹⁴ and its Policy Update¹⁵, the proportion of affordable housing that is deliverable through market housing schemes, will not meet the affordable housing need. This is the case, even taking account of the economic uplift to the democratic OAHN of 1,670 dwellings, and assuming that all strategic allocations and other housing development provide the suggested percentages of affordable housing¹⁶.
17. Furthermore, it is likely that some strategic allocations will not deliver the required percentages of affordable housing. For example, during the hearing sessions there was much debate over what level of affordable housing the brownfield MOD Ashchurch site would provide in reality, given

¹² EXAM 175

¹³ EXAM 176

¹⁴ EXAM 177

¹⁵ EXAM 178

¹⁶ 35% for strategic allocations; no contribution for sites of less than 10 dwellings; 20% for sites of 11 dwellings or more in Gloucester City and 40% in Cheltenham Borough and Tewkesbury Borough

the uncertainties over its potential contaminated land issues¹⁷.
Winneycroft was also said to be unable to deliver expected levels of affordable housing.

18. Although there are other possible sources of affordable housing, as set out in the Affordable Housing Note¹⁸, these numbers are comparatively small and there is no certainty over how much will come forward.

Consequently, in accordance with the PPG, consideration should be given to increasing the total housing figures in the JCS to help deliver the required number of affordable homes. Increasing the housing requirement by 5% would assist in delivering these much needed affordable homes.

19. I have considered the OAHN and the effect of a 5% uplift in the light of NPPF paragraph 14, and whether the adverse impacts of meeting either the OAHN or the uplift would significantly and demonstrably outweigh the benefits, or whether specific policies in the NPPF indicate that development should be restricted. In my judgement, whilst there will be adverse environmental impacts from development, and land will need to be removed from the Green Belt to provide supply, I have not found sufficient reason to lower the OAHN or to refrain from adding a 5% uplift.

20. Whilst this may still leave a shortfall in affordable housing, there is a balance to achieve, and in view of the constraints to development within the JCS area and the limited availability of suitable sites, a greater uplift would be inappropriate. Therefore, in my judgement, a 5% uplift should be made to the economic led OAHN.

21. There is another reason for considering an uplift and this is with respect to the deliverability of the five year housing land supply. As shown in the latest housing trajectories¹⁹ much of the five year housing land supply is expected to come forward from the strategic allocations. However, these allocations have long lead-in times and could be prone to slippages in the rates of delivery.

22. The trajectories may not be achievable if completions are delayed and, therefore, it would be advisable to provide for some additional housing, which could meet a possible shortfall. Uplifting the housing requirement and increasing supply would give more certainty of delivery and provide choice and flexibility to adapt to rapid change, thereby increasing the

¹⁷ The Viability Assessment (EXAM 176, p70) states that the MOD part of the Ashfield allocation (1,900 units) is at risk of not being viable if 35% affordable housing is required

¹⁸ EXAM 44A

¹⁹ EXAM 226

chances of maintaining a five year supply, and avoiding JCS housing policies becoming out of date.

23. For these reasons, there should be a policy uplift of 5% on 33,500 (1,675), making a total housing requirement of 35,175 dwellings. In order to boost significantly the supply of housing in accordance with national policy, this requirement should be expressed as a minimum figure. There is no justifiable reason to defer the provision of any of the housing requirement to the next Plan review and full provision should be made now within the JCS.

Supply

24. There is currently a shortfall in supply, which has accumulated since the start of the plan period. The question over whether this should be accounted for via the Sedgefield or Liverpool method was debated at the March hearings. Whilst the PPG generally prefers the Sedgefield method, there can be circumstances in which the Liverpool method is justified.

25. As indicated above, the 5 year housing land supply relies heavily on strategic allocations coming forward at pace, and consequently there is a risk that not all units will deliver on time. Moreover, the housing buffers add to the required supply. As agreed at the March hearing, a 20% buffer should be added to the 5 year housing land supply for both Tewkesbury and Cheltenham, and a 5% buffer for Gloucester. These buffers should be applied to the housing requirement plus the shortfall, not just the housing requirement.

26. On the figures presented in the most recent trajectories²⁰ only Tewkesbury could demonstrate a 5 year housing land supply using the Sedgefield method. Whilst the figures will change with the recommendations set out in this report, there is nonetheless a good argument for using the Liverpool method. In order to increase the chances of maintaining a 5 year housing land supply, particularly in the case of Cheltenham, I take the view that the Liverpool method is justified.

27. Turning to lapse rates, I note that they have only been applied to small sites of between 1 and 4 dwellings. Whilst it is appropriate to restrict lapse rates to small sites, I take the view that small sites should include those of up to 10 dwellings²¹.

²⁰ EXAM 226

²¹ This is in contrast to "Major Development" which is defined in the Town and Country Planning (Development Management Procedure)(England) Order 2015 as, amongst other things, the provision of 10 or more dwelling houses.

28. Updated trajectories should be prepared for inclusion in the JCS, taking account of the matters set out above and to accord with all other recommendations in this paper. Set out below is my recommendation to the JCS authorities to liaise with Stroud and Wychavon District Councils over the potential supply of land within these districts to meet the JCS area's housing requirement. Depending on how discussions proceed, there may be difficulties in saying with sufficient confidence if or when this potential might become available. Consequently, the trajectories may need to be caveated accordingly.

Employment

29. Employment issues have attracted extensive discussion at hearing sessions and round table events. Informed by updated employment evidence²², my current view is that these issues have been resolved by appropriate proposals for main modifications, as generally suggested in the JCS Economic Update Note of February 2016²³, and as supplemented by my recommendations expressed during hearing sessions.

30. These modifications include making an employment-led strategic allocation at West Cheltenham to ensure sufficient employment land is available within the JCS area. All that remains is for the JCS team to complete the wording of the proposed main modifications, including additions/amendments to the suggested text in the Update Note²⁴ as appropriate.

Retail

31. At the first retail hearing in June 2015 I expressed concern about a number of matters including the absence of up to date retail evidence on need and supply, the lack of town centre boundaries and primary shopping area frontages for the three main centres, and the failure to consider the need for strategic allocations. I also felt that insufficient opportunity had been provided to involve interested persons from the retail sector in the plan making process.

32. Accordingly, I suggested a round table discussion with relevant participants to feed into the additional retail evidence I required²⁵. The result was the production of a Retail Study Update and subsequent

²² Particularly EXAM 138 and EXAM 182; EXAM 180 contains a list of new employment evidence submitted during the examination

²³ EXAM 180

²⁴ EXAM 180 Appendix 3

²⁵ EXAM 78

amendments/additions²⁶ arising partly from issues discussed at the January 2016 hearing.

33. There is now substantial agreement on the methodology and assumptions that underpin the retail floorspace requirements, although issues remain over whether Gloucester's market share should be increased in order to reclaim trade lost to other destinations. However, I do not propose discussing market shares in this paper.
34. For the reasons discussed at the March hearing session, and as set out below, I am recommending an immediate review of JCS retail policy and the question of market shares would best be addressed along with other retail matters as part of that review. In the interim, a constant market share, as put forward in the updated evidence, will suffice.
35. With respect to other matters, as set out in my Retail Issues note²⁷, progress has been disappointing despite further round table discussions and three hearing sessions. These shortcomings relate mainly to supply and town centre boundaries.
36. The evidence suggests that, on a constant market share basis, a substantial unmet comparison goods need will arise within the plan period for Cheltenham and Gloucester²⁸. Whilst both centres are shown to have sufficient supply up to at least 2021, the shortage becomes apparent for the period up to 2026. Cheltenham's shortage up to 2026 is shown to be 18,039 sq m net, rising to 37,928 sq m net by 2031, and Gloucester's is shown as 11,125 sq m net, rising to 29,286 sq m net by 2031. I accept these figures which, as agreed in the developers' and JCS team's statement of common ground²⁹, could be expressed as minima within the JCS and not caps, in the interests of positive planning.
37. Whilst JCS Strategic Objective 2 (town centres) aims to ensure provision of sufficient retail uses within designated centres, it is unclear from the evidence how Cheltenham and Gloucester's needs are to be met. Although a few large potential schemes have been suggested for Gloucester³⁰, I understand that some of them are no longer to be retail led³¹, whilst at least one potentially suitable site, the Peel Centre, has been omitted.

²⁶ EXAM 136 & 136A; EXAM 194

²⁷ EXAM 169A

²⁸ EXAM 194 section 3 paragraph 1 Table 1, and EXAM 219

²⁹ EXAM 192

³⁰ EXAM 136B; EXAM 199

³¹ See for example WYG statements of 3 and 18 March, and RPS/CgMs statement of 7 March

38. The JCS indicates that supply will be dealt with in the forthcoming district plans. However, this takes no account of the strategic nature of the sites under consideration, which are for major development of more than local impact. The NPPF requires strategic priorities to be set out in the plan³², and the strategic part of the plan is the JCS. Therefore, strategic allocations should be considered through the JCS plan making process.
39. However, in view of the dearth of site evidence before me, the lack of sustainability appraisal, and the fact that no call for strategic retail sites has been made during the preparation of the JCS, I am not in a position to make strategic retail allocation recommendations. Waiting for this evidence would cause a significant delay to the JCS and would not be in the public interest.
40. Nonetheless, as there are sufficient retail commitments in place to provide the required floorspace to beyond 2021, there is no short term unmet need to satisfy. Therefore, in consideration of the Dacoram judgement³³ and Peel Land and Property's legal submissions³⁴, a policy commitment to undertake an immediate review of JCS retail policy would resolve this soundness issue. Accordingly, I recommend an immediate review.
41. Of further concern is the failure to include town centre boundaries in the JCS for Cheltenham, Gloucester and Tewkesbury, which are centres with more than a local impact. This is particularly so for Gloucester, which has no extant local plan and, therefore, no existing defined town centre boundary.
42. The JCS team have recently suggested including within the JCS³⁵ the City Centre boundary for Gloucester and the Primary and Secondary Shopping Frontages³⁶, as proposed for the emerging City Plan. However, the City Centre boundary does not include the Peel Centre, which lies adjacent to it. Whether the Peel Centre should be so included largely depends on the City Centre's retail capacity being able to meet Gloucester's unmet needs, and the suitability of the Peel Centre. It is not possible to adequately assess these matters on the information before me.
43. Nonetheless, as I am suggesting an immediate review of retail policy, boundary designations could readily be revisited as part of that review. This is my recommendation. In the interim, and on the basis of the

³² NPPF paragraph 156 second bullet point

³³ EXAM 35C

³⁴ EXAM 217

³⁵ EXAM 192

³⁶ EXAM 219 Appendix 2

evidence before me, the suggested emerging City Plan boundaries should be included in the JCS.

44. With respect to Cheltenham and Tewkesbury, insufficient work has been carried out to identify updated town centre and shopping frontages. Therefore, the statement of common ground between developers and the JCS team³⁷ suggests putting the boundaries that are within the existing local plans into the JCS with a suitable note indicating they will be subject to review. Given my recommendations on an immediate retail review, this approach is appropriate and I recommend it.

Gypsies and Travellers

45. The issues of quantum and location of sites has exercised participants considerably over the course of the examination, and there has been almost universal objection to pitches being sited at strategic allocations. However, following the publication of new Government policy in August 2015³⁸, a new assessment³⁹ has demonstrated a reduction in the need for gypsy and traveller pitches from 151 pitches⁴⁰ to 82 pitches⁴¹, apparently due to temporary planning consents being made permanent and the evidence based use of a lower household formation rate⁴².
46. Taking the re-definition for planning purposes of Gypsies, Travellers and Travelling Showpeople in the new Government policy, which excludes non-travelling households, the need for 82 pitches is shown to further reduce to 28 over the plan period⁴³. On the same basis, a slight increase in the need for Travelling Show-people plots has been identified from 36 to 38, mainly due to the large numbers of children on site who will form their own households⁴⁴.
47. The methodology behind this assessment included undertaking a full demographic study of all occupied pitches, interviewing Gypsy and Traveller households, including those living in bricks and mortar accommodation, and considering the implications of the new Government policy⁴⁵. On the evidence before me, I am satisfied that the assessment

³⁷ EXAM 192

³⁸ Planning policy for traveller sites, August 2015

³⁹ EXAM 223B - Gypsy and Traveller Accommodation Assessment Draft Update Summary of April 2016

⁴⁰ Set out in the previous 2013 GTAA - EHO 117

⁴¹ See also EXAM 223A Fig 1

⁴² EXAM 223A paragraph 1.3

⁴³ EXAM 223A Fig 3

⁴⁴ EXAM 223A Fig 2

⁴⁵ EXAM 223B p2 onwards and Appendix A

has been appropriately carried out, and there is no reason for me to dispute the figures.

48. The evidence demonstrates that there is a five year land supply for pitches and plots and, indeed, that Gypsy and Traveller needs can be met throughout the plan period without the use of Green Belt sites⁴⁶. There is no longer a strategic requirement for Gypsy and Traveller sites as needs can be met on smaller sites. A main modification to Policy SD14 (Gypsies, Travellers and Travelling Showpeople) should set out the identified needs and how they are proposed to be met. The accommodation needs of those people who are no longer classified as Gypsies, Travellers and Travelling Showpeople⁴⁷ should be considered as part of the overall housing requirements addressed within the SHMA.

49. At the March hearing session the JCS team confirmed that it no longer proposed siting pitches at strategic allocations, but instead required a financial contribution towards Gypsy and Traveller needs. I requested viability evidence in support of the proposal and this has now been provided in the form of a Viability and Impact of Gypsy and Traveller note⁴⁸. The note indicates sufficient headroom for all residential sites to contribute.

50. Whist, in principle, a contribution is appropriate, taking account of the West Berkshire District Council Court of Appeal judgement⁴⁹, which upheld the Secretary of State's Written Ministerial Statement of 28 November 2014, affordable housing and tariff style contributions should not be sought from sites of 10 units or less. Therefore, subject to the exclusion of these small sites, a main modification requiring financial contributions is justified.

Spatial Strategy

51. For the reasons set out in my Preliminary Findings⁵⁰, I take the view that the JCS spatial strategy, which focuses on urban extensions to Gloucester and Cheltenham, and strategic allocations at Tewkesbury, is generally sound. However, there should be greater emphasis on the development potential of the wider Tewkesbury Town urban area to reflect its sustainable location for housing and its planned employment growth.

⁴⁶ EXAM 223A Figs 5, 6, 7 & 8 and section 4

⁴⁷ EXAM 223A Fig 4

⁴⁸ EXAM 223

⁴⁹ EXAM 229 SoS for Communities and Local Government v West Berkshire District Council and Reading Borough Council, 11 May 2016, [2016] EWCA Civ 441

⁵⁰ EXAM 146, paragraphs 22 to 37

Apportionment

52. Gloucester is unable to make any land contribution towards the urban extensions and, therefore, the Gloucester urban extensions consist of land within Tewkesbury district, which lies on the urban edge of Gloucester. Cheltenham makes some contribution towards the urban extensions from land within Cheltenham district. The remainder of the urban extension land lies within Tewkesbury district on the urban edge of Cheltenham. Other strategic allocations lie within the wider Tewkesbury Town area, close to Ashchurch within Tewkesbury district.
53. The JCS was produced on the understanding that each authority would maintain its own 5 year supply. The JCS Councils proposed apportioning supply between the three authorities so that housing on the edge of Cheltenham contributed towards Gloucester's and Tewkesbury's needs, and housing on the edge of Gloucester contributed towards Tewkesbury's needs. However, the proposed methodologies⁵¹ for distributing supply from shared urban extensions as they were built out seemed over-complicated and uncertain, potentially leading to 5 year housing land supply issues between authorities. None of the methodologies presented were effective and were, therefore, unjustified.
54. The primary reason for allocating urban extensions around Gloucester and Cheltenham is to meet the unmet needs of Gloucester and Cheltenham where that need arises. The proposed apportionment would not have fulfilled this aim. Keeping matters simple and allocating Gloucester's strategic allocations to Gloucester, Cheltenham's to Cheltenham, and those in the wider Tewkesbury Town/Ashchurch area to Tewkesbury, is the most logical and effective way forward. This is my recommendation, which the JCS team accepted verbally during the March hearings and which is reflected in the most recent housing trajectory⁵².

Green Belt Release

55. As set out in my Preliminary Findings⁵³, due mainly to land constraints around Gloucester and Cheltenham and their inability to meet need outside the Green Belt, exceptional circumstances exist for the release of some Green Belt land for Gloucester's and Cheltenham's urban extensions. However, Tewkesbury does not have such land constraints and there are sustainable strategic sites available in the vicinity of the wider Tewkesbury Town area, which are outside the Green Belt and accord with the spatial strategy. These alternative sites could make a

⁵¹ See for example EXAM 184

⁵² EXAM 226

⁵³ EXAM 146 paragraph 9 onwards

significant contribution to Tewkesbury's requirements and, if brought forward, would enable the urban extensions around Gloucester and Cheltenham to serve primarily the needs of those areas.

56. Consequently, taking a sequential approach to Green Belt release, Tewkesbury's reasonable alternative sites should be properly considered ahead of Green Belt urban extensions that are further away from Tewkesbury Town on the edges of Gloucester and Cheltenham and which are required in full for Gloucester's and Cheltenham's needs. Therefore, on the evidence before me, I am not persuaded that exceptional circumstances exist for the release of strategic Green Belt land to meet Tewkesbury's needs.

Re-balancing

57. In order to meet the three authorities' housing requirements there needs to be a re-balancing of land supply towards Gloucester and Tewkesbury. Despite the land constraints around Gloucester, there are appropriate options available. I therefore recommend additional urban extensions around Gloucester to replace supply from Cheltenham's extensions and to meet Gloucester's housing requirements. I also recommend additional strategic allocations within the wider Tewkesbury Town area, outside the Green Belt, to meet Tewkesbury's requirements and to replace supply from Gloucester's and Cheltenham's extensions.

58. Subject to a small increase in District capacity, Cheltenham has sufficient supply within its urban extensions to meet its requirements in full. Therefore, no additional allocations are recommended. However, a small release of Green Belt land is recommended adjacent to the north Cheltenham urban boundary to free up smaller sites for potential allocation in the Cheltenham District Plan.

Spatial Distribution - District Requirements

59. As previously stated, the demographic OAHN figures for the districts are 13,290 for Gloucester, 9,900 for Cheltenham and 8,640 for Tewkesbury, totalling 31,830, to which the overall economic uplift of 1,670 units and the 5% policy uplift of 1,675 units must be added to obtain the housing requirements for the districts.

60. With respect to the economic uplift, I have considered all representations on the issues relating to alignment of homes and jobs and it is clear that there are several ways of dealing with this and none are an exact science. It seems to me that the best that can realistically be achieved is a broad

brush approach to spatially aligning economic growth and housing in an attempt to roughly provide housing where new jobs are to be created.

61. Whilst accepting that the level of jobs generated at new employment sites may be uncertain, the distribution of additional housing to reflect the extent of employment land attached to each district seems the most appropriate approach. Therefore, the additional 1,670 dwellings should be split according to the extent of employment land proposed for each authority⁵⁴.

62. There appears to be about 238 hectares of employment land available⁵⁵. Whilst I recognise that not all of this land may ultimately come forward as employment land, on the evidence before me, it seems a reasonable basis upon which to distribute the additional housing requirement between the districts. On the figures provided it seems that about 134 hectares would be in Tewkesbury⁵⁶, 67 hectares around Cheltenham⁵⁷ and 56 hectares around Gloucester⁵⁸, totalling 257 hectares.

63. In percentage terms 52% would be in Tewksbury, 26% would be around Cheltenham and 22% would be around Gloucester. If the additional 1,670 dwellings were to be allocated according to these percentages, Tewksbury would have an additional 868 dwellings⁵⁹ totalling 9,508, Cheltenham an additional 434⁶⁰ totalling 10,334, and Gloucester an additional 367⁶¹ totalling 13,657. Adding a further 5% would result in a requirement of 9,983 for Tewkesbury⁶², 10,851 for Cheltenham⁶³, and 14,340 for Gloucester⁶⁴.

Need for Additional Allocations

64. For the reasons set out in my Preliminary Findings⁶⁵ I am minded to find that, with the exception of North Churchdown, the proposed strategic allocations are sound, subject to reductions in the extent of development at North West Cheltenham and Leckhampton. In reaching these conclusions, I have considered all additional evidence submitted subsequent to my Preliminary Findings.

⁵⁴ Including West Cheltenham which is intended to be added as a main modification

⁵⁵ EXAM 184 paragraph 2.7

⁵⁶ A8 MOD Ashchurch (20); A9 (34); existing undeveloped capacity (40); other sites (40)

⁵⁷ A5 (23); West Cheltenham (40); existing undeveloped capacity (3); other sites (1)

⁵⁸ A1 (9); A3 (17); A4 (3) existing undeveloped capacity (20); other sites (7)

⁵⁹ $52\% \times 1,670 = 868$

⁶⁰ $26\% \times 1,670 = 434$

⁶¹ $22\% \times 1,670 = 367$

⁶² $9,508 + 475 = 9,983$

⁶³ $10,334 + 517 = 10,851$

⁶⁴ $13,657 + 683 = 14,340$

⁶⁵ EXAM 146 paragraph 40 onwards

65. The proposed housing supply will not meet the identified requirements and there is a need for additional allocations to be made. The JCS team have asked me to identify potential sites for allocation to meet these unmet requirements. Based on the evidence before me and subject to further sustainability appraisal I set out below my recommendations.
66. Some of these recommendations relate to sites outside the JCS boundary in Stroud and Wychavon and bring into play the duty to co-operate under the Planning and Compulsory Purchase Act 2004. Under the Act Stroud and Wychavon have a duty to co-operate in maximising the effectiveness with which the JCS is prepared, as regards strategic matters⁶⁶. Both Stroud and Wychavon have recognised this duty and have made provision in the Stroud Local Plan and South Worcestershire Local Plan respectively, enabling consideration to be given to requests for assistance in meeting the JCS authorities' needs.

Gloucester

67. The housing requirement for Gloucester is 14,340 dwellings and the district capacity⁶⁷ is 7,685, leaving a residual requirement of 6,655 (14,340 – 7,685) dwellings.
68. Excluding North Churchdown, Gloucester's urban extensions (all within Tewkesbury) are said to provide 3,618 dwellings⁶⁸, made up from Innsworth (1,250) South Churchdown (868) and North Brockworth (1,500). This leaves another 3,037 (6,655 – 3,618) dwellings to find.
69. The planning application for Innsworth is for an additional 50 dwellings (1,300 dwellings) and the numbers for South Churchdown have increased by an additional 232 (to 1,100)⁶⁹. These additional 282 dwellings are said to be deliverable within the Plan period and could potentially bring the supply to 3,900 (3,618 + 282), leaving another 2,755 (6,655 – 3,900) dwellings to find.
70. There are few strategic-scale alternative sites around Gloucester that appear to be appropriate for allocation, and in order to meet Gloucester's remaining requirement in full, the co-operation of Stroud District will be required. However, before considering Stroud, I set out below recommendations for the allocation of sites within the JCS area.

⁶⁶ PCPA 2004, paragraph 33A

⁶⁷ Taken from EXAM 184, Table 2 and including completed sites, commitments, existing allocations, district plan potential and a windfall allowance

⁶⁸ SUB 100 Pre-Submission JCS Table SP2b and EXAM 184

⁶⁹ EXAM 185

Twigworth

71. The Councils' preferred location for Gloucester strategic allocations is to the north and west of the City, apparently to re-balance growth which has already occurred to the south. In this regard Twigworth (OM1)⁷⁰, to the north of the City, is an obvious choice for an additional housing led allocation, as I indicated at the March hearings. It has been assessed as making a limited contribution to the Green Belt and the JCS team has already suggested⁷¹ that it could reasonably be allocated if necessary.
72. I note that the JCS team's latest housing supply estimates⁷² indicate that Twigworth has a potential for 2,318 dwellings with 1,600 being deliverable during the plan period. An outline planning application for 750 dwellings, amongst other development, has already been submitted⁷³. However, at the March hearings when Twigworth's capacity was discussed, there seemed to be uncertainty over the deliverability of housing over and above the 750 dwelling application. Therefore, whilst I am satisfied that Twigworth has the capacity for additional dwellings, I question whether there are issues over the timing of delivery.
73. Twigworth has undergone Sustainability Appraisal, showing no major negative impacts, and was incorporated into the October 2013 Draft version of the JCS. Stagecoach indicates that it is probably the only Gloucester omission site within Tewkesbury district that is well located to take advantage of public transport⁷⁴.
74. The main issue around Twigworth appears to be flood risk and its separation from Innsworth by the functional flood plain. However, large parts of the site are outside the flood hazard zones⁷⁵ and the flood risk appears to be no worse than for Innsworth. Furthermore, the promoters of the 750 dwelling site only intend to build housing in Flood Zone 1. With respect to integration, a master plan has been produced for the 750 dwelling development, which appears to satisfactorily integrate this Twigworth site with Innsworth via green infrastructure.
75. In these circumstances, it seems to me that the primary objections to allocating Twigworth, at least for the 750 dwellings, have been overcome. My recommendation is, therefore, to allocate Twigworth for housing-led

⁷⁰ See EXAM 95 - map of allocations and omission sites

⁷¹ In their Matter 9 Statement (response to Qu. 159)

⁷² EXAM 226

⁷³ EXAM 140

⁷⁴ Stagecoach Matter 11 Statement

⁷⁵ ENAT 104 – Halcrow's Stage 2 SFRA - Flood Hazard Map drwg no 004 sheet no. 6 of 7

development of at least 750 dwellings, thereby raising the supply to at least 4,650 (3,900 + 750), leaving at most 2,005 (6,655 – 4,650) dwellings to find. The allocation could be increased if the JCS team demonstrate that more housing in this location is appropriate and deliverability is addressed.

Winnycroft

76. The sites South of Winnycroft Lane/Corncroft Lane also appear appropriate for allocation in the JCS. Although these conjoined sites would not add to Gloucester's overall supply, having already been included in the district capacity as part of the emerging Gloucester City Plan⁷⁶, they can deliver over 600 dwellings on the built-up edge of Gloucester⁷⁷ and conform to the Spatial Strategy. A planning application has been made for up to 420 dwellings on one of the sites.
77. The sites are agricultural land, outside the Green Belt, and are of medium landscape sensitivity⁷⁸. They are in a sustainable location and Stagecoach supports them being brought forward into the JCS on public transport grounds. I understand that Gloucester City Council has already determined that the larger of the two sites is suitable for housing development but that a planning decision has stalled due to s106 issues. In my judgement, there do not appear to be any insurmountable planning constraints to allocating these two adjacent sites in their entirety.
78. Other strategic allocations composed of several adjacent sites have been included in the JCS and, as these two sites could together deliver above the JCS' minimum strategic site threshold, it seems anomalous to exclude them. The promoters of the sites have requested their inclusion in the JCS and allocating them now would give more choice, flexibility and certainty to the five year housing land supply. I therefore recommend that the sites at Winnycroft Lane/Corncroft Lane be allocated in the JCS as an urban extension and I note that the JCS indicated their agreement to this at the March hearing.

Sites outside the JCS area

79. On the evidence before me there appear to be no other appropriate sites to form additional, sustainable, urban extensions to Gloucester, which fall entirely within the JCS area and have not otherwise been counted within

⁷⁶ See Exam 188

⁷⁷ Matter 9 Statements – WYG on behalf of Barwood Development Securities Ltd; & JCS councils' response to Qu. 161

⁷⁸ Part of broad location G6 in EBLO 100; see also Matter 9 Statement of Barwood Development Securities Ltd.

Gloucester's district capacity. Nonetheless, there seem to be two reasonable omission sites on the southern edge of the Gloucester urban area in Brookthorpe/Whaddon (OM3)⁷⁹ and Hardwicke (OM4)⁸⁰, the former of which straddles the border with Stroud and the latter of which lies wholly within Stroud.

80. These sites are outside the Green Belt and, despite the City Council's desire to expand to the north, accord with the Spatial Strategy. I have driven and walked around these sites and the wider surrounding area. In my judgement they appear to be in sustainable locations, being close to local centres, employment opportunities and schools, and within reasonable distance of the City centre.

81. Whilst these sites have undergone initial sustainability appraisal showing no absolute constraints, they have been omitted from further assessment on the basis they are wholly or in part outside the JCS area in Stroud⁸¹. However, given the shortage of appropriate strategic housing sites around Gloucester, I am not convinced that this is a justified planning reason for rejecting these omission sites.

82. Under the duty to co-operate, Stroud District Council has signed a Statement of Cooperation with the JCS authorities to demonstrate its commitment to work with them to ensure OAHNs can be accommodated effectively⁸². Furthermore, its recently adopted Local Plan (November 2015) recognises the possibility of assisting the JCS authorities in meeting their housing needs⁸³.

83. The Stroud Local Plan has already started to be reviewed and the JCS authorities should engage with Stroud District Council with a view to discussing the potential for Stroud to contribute to Gloucester's requirements by allocating land at Brookthorpe/Whaddon and Hardwicke. Pending completion of this review, a specific Memorandum of Understanding could be entered into, setting out relevant details including scale, location and type of development. If Stroud agree to allocate part or all of these sites for Gloucester's needs in their Local Plan Review, their commitment to allocate and the type and scale of development should be set out in the JCS.

⁷⁹ See EXAM 95 for location

⁸⁰ See EXAM 95 for location

⁸¹ See for example SAPR100 pages 49 & 50

⁸² See appendices to SUB 108c

⁸³ EXAM 145 – Inspector's report on the examination of the Stroud District Local Plan, change number MM014

84. Part of the overall site, namely Land South of Grange Road, lies within the JCS area and is being considered for allocation in the Gloucester City Plan, having already been counted in the City's capacity figures. However, as part of the larger Brookthorpe/Whaddon site, it should be brought forward for allocation in the JCS, thereby providing more choice, flexibility and certainty in meeting the five year housing land supply.

85. I shall now set out specific reasoning in support of each site's allocation.

Brookthorpe/Whaddon

86. The site at Brookthorpe/Whaddon straddles the border with Stroud and consists of Land South of Grange Road within the Gloucester City area, together with a larger adjacent site within Stroud district. Whilst the Land South of Grange Road is being considered for inclusion in the Gloucester City Plan⁸⁴, I understand that the Stroud site, after being assessed as part of the Stroud Local Plan making process, was rejected as it was not needed to contribute to Stroud's OAHN.

87. I am told by the developers that the Grange Road Land has capacity for about 250 dwellings⁸⁵ and that the larger site overall could provide a housing led development in the region of 2,750 dwellings, together with a new primary school and local centre⁸⁶. Apparently the Regional Spatial Strategy Panel Report indicated that this area was suitable for about 1,500 dwellings, and this number is reflected in the Broad Locations Report for Broad Location G6, which covers the site⁸⁷. The developers have undertaken a suite of baseline studies to inform development design, and I understand that the site could move forward to planning application quickly.

88. The site is largely agricultural and is surrounded by built development to the north and west. It is bounded by the M5 Motorway to the south east and the railway line to the west. The Stroud Road (A4173) runs close to and partly adjacent to its eastern boundary. The Broad Locations Report⁸⁸ indicates that this area has varied landscape sensitivity although none of it seems to be highly sensitive. The report suggests that land to the north east closest to Robins Wood Hill and to the south west at Nass Farm is of medium sensitivity, with that to the far west being medium to low. In my judgement, landscape is not a bar to development.

⁸⁴ See EXAM 188

⁸⁵ Savills Matter 9 Statement

⁸⁶ Origin 3 Matter 9 Statement

⁸⁷ EBLO 100 p13

⁸⁸ EBLO 100, pp 12 & 13

89. Whereas the functional floodplain runs through the site along Daniels Brook, taking up about 7% of the site according to the developers, the masterplan shows it being used as well integrated green infrastructure. This, I am told, is integral to resolving flooding issues downstream in Gloucester and should be considered a benefit⁸⁹. The Broad Locations report also refers to the site's potential for flood betterment for downstream properties. On this basis, I accept this could be a benefit.
90. The Broad Locations Report suggests that there is poor transport connectivity to Gloucester City. Nonetheless, it points to Local Transport Plan proposals to expand the park and ride facility at nearby Waterwells, and the possibility of an additional rail station at nearby Huntsgrove. However, I understand that the Regional Spatial Strategy Panel did not find these facilities to be essential to allow development to proceed⁹⁰.
91. Stagecoach has indicated⁹¹ that a public transport service could be provided to the north of the site although large scale development to the south would put pressure on the existing local highway. Therefore, they say that some kind of north-south bus spine would be needed through the site, which should feed northwards into a bus advantage corridor to allow swift bus movements.
92. The developers suggest that such a major development would be more than capable of improving access to sustainable transport and also emphasise the potential for a new rail station on site, which is shown in their masterplan. Whilst I have not examined any viability evidence for this, it seems to me that, in principle, such a large scale development should be capable of resolving these transport issues.
93. Overall, in my judgement, there are no insurmountable constraints to developing the Brookthorpe/Waddon site and it would make an appropriate allocation to help meet the housing requirements of Gloucester and the JCS area.

Hardwicke

94. Land at Hardwicke lies entirely within Stroud District on the south western urban edge of Gloucester. The developers suggest that the site can provide between 1,200 and 1,500 dwellings⁹² as well as a primary school and local centre, and the Broad Locations Report⁹³ indicates that broad

⁸⁹ Origin 3 Matter 9 Statement

⁹⁰ See Savills' Matter 9 Statement

⁹¹ Stagecoach Matter 11 Statement

⁹² See RPS Matter 9 Statement

⁹³ EBLO 100 pp14 & 15

location GA7, in which the site lies, has capacity for about 1,000 dwellings. I understand that the developer is in a position to progress with a planning application immediately.

95. Whilst the Broad Locations Report suggests that the site is poorly connected to Gloucester City, both in terms of transport and integration, I am not persuaded that this is the case. The site lies in close proximity to the A38, which seems to me to provide good access to roads linking the City centre and Gloucester Quays within reasonable journey times.

96. Stagecoach⁹⁴ is very supportive of its development from a public transport perspective and indicates that it could be instrumental in providing the opportunity for enhanced bus services to the area in general. I also note that the potential expansion of the Waterwells park and ride and the possibility of a new rail station at Huntsgrove would improve access.

97. The site is largely agricultural land, bordered to the north west partly by the Gloucester and Sharpness Canal, to the south by the Quedgeley Trading Estate West, and generally around the rest of the site by minor roads. The A38 lies in close proximity to the south and east. Development at nearby Quedgeley lies to the north and Huntsgrove development lies close by to the south.

98. The Broad Locations Report identifies the land sensitivity as medium to low, indicating that views and tranquillity have been degraded owing to nearby industrial units, new housing developments and the busy A38. Whilst there is a small area of the site (about 12%) that falls within the functional floodplain, the majority of the land is within flood zone 1 to which built development could be readily restricted. The developers suggest that there is opportunity for flood betterment over the existing situation.

99. Overall, in my judgement, there are no insurmountable constraints to developing the Hardwicke site and it would make an appropriate allocation to help meet the housing requirements of Gloucester and the JCS area.

Overall conclusion

100. Twigworth and Winnycroft appear to be appropriate sites to allocate for urban extensions within the JCS to help meet Gloucester's housing requirement and to give choice, flexibility and certainty in meeting the five year housing land supply and beyond. Brookthorpe/Waddon and Hardwicke also appear to be suitable sites which, if they come forward for

⁹⁴ See their Matter 11 Statement

JCS needs, could make up the balance of Gloucester's remaining requirement.

Cheltenham

101. The housing requirement for Cheltenham is 10,851 dwellings, and the district capacity⁹⁵ (excluding strategic allocations) is 4,827, leaving a residual requirement of 6,024 (10,851 – 4,827) dwellings.
102. The Cheltenham side of the North West Cheltenham allocation is proposed for 2,225 dwellings and the Tewkesbury side for 2,560⁹⁶, totalling 4,785. The Leckhampton allocation is proposed for 1,124 dwellings in the JCS but has since increased to 1,141⁹⁷, consisting of 764 dwellings on the Cheltenham side and 377 on the Tewksbury side. Taking this higher Leckhampton figure of 1,141, the total number of proposed dwellings amounts to 5,926 which, if accepted, would leave another 98 (6,024 – 5,926) dwellings to find.
103. I indicated in my Preliminary Findings, that I was minded to find both of these allocations sound, at least in part. This remains my view for North West Cheltenham, albeit with some reduction in housing numbers. With respect to Leckhampton, I take the view that the housing numbers should be substantially reduced, bringing it below the JCS threshold for strategic allocation within the JCS. I am therefore recommending its removal from the JCS. I shall now consider each proposed allocation in turn.

North West Cheltenham

104. My Preliminary Findings indicated that I had reservations about the numbers of dwellings proposed for North West Cheltenham and that built development should seek to avoid areas of high landscape and visual sensitivity⁹⁸.
105. The Landscape and Visual Sensitivity and Urban Design Report shows areas of high landscape sensitivity generally to the north west⁹⁹, and on my site visit I observed this land as appearing particularly sensitive. This area also forms the setting for the Grade II* listed Church

⁹⁵ Taken from EXAM 184, Table 2 and including completed sites, commitments, existing allocations, district plan potential and a windfall allowance

⁹⁶ SUB 100 pre-Submission JCS June 2014, p35 Table SP2b; and EXAM 184

⁹⁷ See EXAM 184

⁹⁸ EXAM 146, paragraphs 91 to 98

⁹⁹ EBLO 106, Appendix 4, p11

of St Mary Magdalen¹⁰⁰. I note that Indicative Site Layout 5 of the JCS¹⁰¹ appropriately avoids built development in this area and shows it as green infrastructure.

106. Further areas of high sensitivity are shown in the Urban Extensions Boundary Definition Study Report¹⁰² around the north west, north and north east of Swindon Village. From my two site visits to the area, and noting in particular the attractive approach to the village from the north east and the pleasant views of the Cotswolds and Malvern Hills, I concur with this analysis.

107. Also, the Historic Environment Assessment records potential concerns about development, stating that the allocation area contains heritage assets of medium significance, and that it makes a medium contribution to the setting of designated buildings within its boundary. It goes on to say that Swindon Village is a Conservation Area, with key views overlooking the allocation area, and predicts good archaeological potential¹⁰³.

108. From my site visits I noted inter-visibility between the Conservation Area and the site from the south west of the village and clear views of the church tower of St Mary Magdalene from the nearby public rights of way on the site. I also noted the locally listed Home Farm on the northern edge of the village and its agricultural setting.

109. It is important that these assets and views are protected. The Historic Environment Assessment suggests that development should preserve and, where possible, enhance the character and setting of Swindon Conservation Area and the Church of St Mary Magdalene. It also states that development should be designed so as to preserve the separation and landscape character of Swindon village¹⁰⁴.

110. Accordingly, on landscape/visual amenity and heritage grounds, in my judgement a green buffer should remain around the village of Swindon, and this is my recommendation. Swindon Parish Council has indicated what they believe to be an appropriate green area around the village and this could be used as a starting point for the JCS team to amend Indicative Site Layout 5 in the JCS¹⁰⁵.

¹⁰⁰ See ENAT 107, section 9 from p58

¹⁰¹ SUB 100, p150

¹⁰² EBLO 101, maps after p142

¹⁰³ ENAT 107, p65

¹⁰⁴ ENAT 107, p66

¹⁰⁵ SUB 100, p150

111. This green buffer would displace housing, which I understand would be in the order of 500 dwellings. The allocation should, therefore, be reduced by 500 units. Reducing the allocation by 500 increases the number of remaining dwellings to find to 598 (98 + 500).

Leckhampton

112. In my Preliminary Findings¹⁰⁶ I indicated that I was not minded to find the Tewksbury side of the Leckhampton allocation, West of Farm Lane, sound and that overall, built development should avoid areas of high landscape and visual sensitivity. Having considered additional evidence submitted since then, including Redrow's planning application documents relating to Land West of Farm Lane¹⁰⁷, I remain of this view.

113. Whilst the Cotswolds Conservation Board did not object to the West of Farm Lane planning application, the Board commented that the most suitable option for the land's future management and retention of character would be to leave it undeveloped as agricultural land¹⁰⁸. Although Natural England in their letter of August 2015 stated they did not wish to comment, deferring to the Conservation Board's knowledge of the location, they did raise significant concerns over the impact on the AONB in their earlier letter of November 2014¹⁰⁹.

114. I also note that the Council's Landscape Officer referred to stunning views from Leckhampton Hill from the Devils Chimney and Cotswold Way, which would be negatively impacted, bringing the perception of the southern edge of Cheltenham closer to the viewer with a greater mass of conurbation in view¹¹⁰. In my judgement, development on the West of Farm Lane site is environmentally unsustainable mainly due to its impact on the setting of the Cotswold Hills AONB and the high landscape and visual sensitivity of the site.

115. Tewkesbury Borough Council has granted planning permission for the West of Farm Lane site¹¹¹ and the developers are ready to proceed. Whilst it was suggested at the March hearing that this part of the allocation could be retained for pragmatic integration reasons, in my judgement, this is inappropriate. The permission is now being challenged by residents and a letter before claim has been issued¹¹². Consequently, the permission could be overturned. Given my finding of unsoundness

¹⁰⁶ EXAM 146, paragraphs 54 to 60

¹⁰⁷ EXAM 150 to 150J

¹⁰⁸ EXAM 190A

¹⁰⁹ EXAM 190A

¹¹⁰ EXAM 190A

¹¹¹ EXAM 227

¹¹² EXAM 227A

and the uncertainty surrounding the site, I recommend that it be removed from the allocation and the urban extension boundaries be accordingly redrawn.

116. As the Tewkesbury side of the allocation was proposed for 377 dwellings, removing this site increases the number of remaining dwellings to find to 975 (598 + 377).

117. From my site visit observations, the adjacent land, East of Farm Lane, is also highly sensitive to development mainly due to its proximity to the AONB and stunning views into and out of the AONB. The various significant heritage assets in the south of the site add further interest and sensitivity, rendering this area unsuitable for built development on environmental sustainability grounds. Therefore, the area to the south of the allocation, coloured red for high landscape and visual sensitivity on the Landscape and Visual Sensitivity plan¹¹³, should remain as green infrastructure.

118. Furthermore, the Urban Extensions Definition Study shows other areas of high landscape sensitivity¹¹⁴ scattered throughout the site. Additionally, there are important views from the A46 Shurdington Road across the site onto the Cotswolds Hills, the most spectacular being from the junction with Kidnappers Lane¹¹⁵.

119. Moreover, the site is crossed by an intricate network of footpaths over the fields, providing impressive views of the Hills from the site's own pleasant, rural environment. On landscape and visual grounds Natural England and the Conservation Board objected to the recently dismissed Bovis/Miller planning appeal for development of up to 650 dwellings on the Cheltenham side of this allocation¹¹⁶.

120. I note that the Cheltenham *Assessment of land availability*¹¹⁷ states "*In general, a site is considered unsuitable where it is assessed as being of 'high' landscape sensitivity.*" On this basis, a large part of the site would be unsuitable for built development and, in my judgement, the extent of the proposed development should be significantly reduced.

121. Of further concern is the impact of traffic generation from the proposed allocation. The limited highway capacity on the surrounding roads has been highlighted in the evidence before me, and the issue has

¹¹³ EBLO 106, Appendix 4, p15

¹¹⁴ EBLO 101, maps after p90

¹¹⁵ EXAM 121C

¹¹⁶ EXAM 228, Inspector's report paragraphs 86, 208 and 212

¹¹⁷ EXAM 195A p8

recently been examined in detail at the Bovis/Miller Homes inquiry. I have considered the Inspector's report on this appeal¹¹⁸ and particularly the sections on transport. Taking account of the Inspector's finding that the cumulative impact of the proposed development would be severe¹¹⁹, this strengthens my view that the extent of residential development at this location should be significantly reduced.

122. Whilst Stagecoach highlights issues with new bus services to the south of the site, it supports some development on the northern flank on public transport grounds. It indicates that an existing bus service could directly serve the northern part of the allocation and that a small diversion might be possible, bringing a larger proportion of the allocation within convenient reach of a bus stop.

123. Overall, in my judgement, a limited amount of development could be supported towards the north of the site where public transport is more accessible, subject to the avoidance of land of high landscape and visual sensitivity. Therefore, for reasons of landscape/visual amenity and highway impacts, I recommend that the Cheltenham part of the site be allocated for a modest level of built development in the order of 200 dwellings.

124. This remaining modest level of housing would not classify as an urban extension and, therefore, it would be more appropriate to allocate the site in the emerging Cheltenham Local Plan rather than in the JCS. It is, therefore, my recommendation that the Leckhampton urban extension be removed in its entirety from the JCS.

125. As the Cheltenham side of the allocation is proposed for 764 dwellings, lowering the capacity to 200 reduces the overall supply by 564, thereby increasing the number of remaining dwelling to find to 1,539 (975 + 564).

West Cheltenham

126. An additional employment led site at West Cheltenham has been agreed for allocation by the JCS team, who suggest it is also suitable for about 500 dwellings, albeit the developers have put forward a figure of 750. This is in a sustainable location on the edge of Cheltenham and, for the reasons given in my Preliminary Findings¹²⁰, I recommend this site for allocation in the JCS. Allocating this site for 500 dwellings would reduce the remaining unmet requirement to 1,039 (1,539 – 500).

¹¹⁸ EXAM 228

¹¹⁹ EXAM 228, paragraphs 221 to 238 for transport conclusions

¹²⁰ EXAM 146, paragraphs 109 to 114

Non-strategic Green Belt supply

127. There are no other appropriate omission sites around Cheltenham of sufficient scale to form an urban extension, according to the JCS's size criterion of accommodating at least 450/500 dwellings. However, there are other smaller sites, which may be suitable for allocation, and which appear not to have been included in Cheltenham's urban capacity figure.
128. The JCS authorities have been clear that they require the flexibility to remove smaller areas of land from the Green Belt where exceptional circumstances exist and where such areas are required for designation in the emerging Cheltenham and Tewkesbury local plans¹²¹. Whilst they envisaged this process occurring through the district plans, these plans are still some way from examination and the delay in site release could adversely impact on the five year housing land supply for Cheltenham. Release of appropriate non-strategic scale areas in the JCS would assist in meeting Cheltenham's five year housing land supply requirement, which otherwise may not be met.
129. Whilst the JCS team recently stated that Cheltenham no longer requires further small scale Green Belt releases to meet its OAHN¹²², this was on the basis that there were sufficient sites within the town to meet this need along with development at North West Cheltenham, Leckhampton and West Cheltenham. However, with the removal of Leckhampton as an urban extension and the reduction in housing numbers at North West Cheltenham, smaller Green Belt sites should be re-considered. On the evidence before me, it would seem that several of these sites are likely to be more appropriate for allocation than the sensitive areas of the proposed Cheltenham urban extensions identified above.
130. That having been said, the JCS team has been clear that it does not wish to allocate sites below its 450/500 strategic threshold in the JCS, due largely to issues over sustainability appraisal of reasonable alternatives and consequent delays to the JCS. Although I raised concerns about this threshold in my Preliminary Findings¹²³, mainly due to Green Belt and five year housing land supply issues, I do accept the JCS team's submission that attempting to allocate smaller sites at this stage in the JCS examination, is likely to cause further, unwanted delay.

¹²¹ EXAM 196, 7th and 8th pages in, and EXAM 196E legal advice

¹²² EXAM 196, 7th page in

¹²³ EXAM 146, paragraphs 129 and 130

131. Nonetheless, there are some sites that should be further considered to increase Cheltenham's housing capacity, and this could be done through the forthcoming Cheltenham Local Plan. In order to aid this process, I have examined the Green Belt locations of these sites and whether exceptional circumstances might be demonstrated for their release.

132. This exercise has led me to the conclusion that there are some small areas of land, which could appropriately be removed from the Green Belt. Releasing these sites now through the JCS will facilitate development, where appropriate, without having to overcome Green Belt restrictions. This should enable suitable sites to come forward more quickly, thereby increasing Cheltenham's chances of demonstrating a five year housing land supply. In fact, from developer evidence, I understand that some sites could be progressed immediately. Overall, these smaller Green Belt sites could have the potential to supply Cheltenham's remaining housing requirement.

North Cheltenham

133. Smaller Green Belt sites exist within Cheltenham district, adjacent to Cheltenham's northern urban edge and far enough away from Bishop's Cleeve to maintain sufficient separation and avoid merging. Although these sites lie within the larger red parcels NE18 and NE22 of the AMEC report¹²⁴, indicating a significant contribution to the Green Belt, some smaller parcels close to the urban boundary have been assessed as having a lesser impact by the AERC report¹²⁵.

134. There are several sites along Cheltenham's north eastern urban edge, close to the racecourse, which appear from observations on my site visit to have potential for allocation, having reasonable access to facilities and, from a public transport point of view, being generally supported by Stagecoach. These include Land at Shaw Green Lane, Prestbury (OM15/CP022), Land off Apple Tree Close (OM17/CP017) and Land off New Barn Lane (CP016), all of which are in sustainable locations. Another officer identified site lies close by (CP015)¹²⁶. The three developer promoted sites together have an indicative capacity of 265 dwellings¹²⁷ and the officer found site has 35¹²⁸.

¹²⁴ ENAT 100 Fig 5.2

¹²⁵ EXAM 81 Fig C

¹²⁶ For locations of all these sites see Cheltenham Plan sites within EXAM 142

¹²⁷ CP022 – 200; CP016 – 13; CP017 - 52

¹²⁸ CP015

135. These sites were assessed in the AMEC report¹²⁹ as part of the larger NE22 parcel, but in the AERC report¹³⁰ they have been assessed under smaller parcels A9 and A5¹³¹ which have the lowest scores against Green Belt Purposes. Indeed they are largely surrounded by built development and, in my judgement, no longer contribute to Green Belt purposes. For this reason, exceptional circumstances exist, and I recommend that parcels A9 and A5 be released from the Green Belt.
136. I note that parcel A5 was considered for release in the Draft JCS to assist with the drawing of a more consistent Green Belt boundary, but was not taken forward because the sites within it were too distant to help with the needs of Gloucester and Tewkesbury Town¹³². The sites within A9 and A5 should only contribute to the needs of Cheltenham and their distance from Gloucester and Tewkesbury Town is irrelevant.
137. There are two other sites that lie close by, adjacent to each other and to the south eastern boundary of the racecourse, again in a sustainable location. These are officer identified site CPO 18 and the developer promoted site CPO 19¹³³. These sites were also assessed in the AMEC report as part of parcel NE22. However, as part of smaller parcel A6 within the AERC report¹³⁴, they were found to make an average contribution to Green Belt purposes. Indeed, they are bounded on three sides by built development and by the racecourse on the fourth, thereby substantially limiting their contribution.
138. Although CPO 19 would only provide 15 dwellings, CPO 18 has potential for 136 dwellings and might come forward in the future. Their removal from the Green Belt, along with existing built development to the east, would provide a strong, more logical Green Belt boundary. Therefore, for the reasons given, I find that exceptional circumstances exist for the release of this land and I recommend accordingly.
139. Altogether, adding the 15 developer promoted dwellings to the previously identified 265, this overall strip of land to the south and south east of the racecourse currently has potential to provide 280 dwellings towards Cheltenham's supply, and possibly more in the future.
140. There is another small area with potential for development within the large Broad Location C2 (OM 11), described as land to the north of

¹²⁹ ENAT 100 Fig 5.2

¹³⁰ EXAM 81 Fig C

¹³¹ EXAM 142 shows that A9 is the Shaw Green Lane site, identified as CP022, and A5 consists of the three smaller sites CP015, CP016 & CP017

¹³² EXAM 142, p17

¹³³ Cheltenham Plan sites within EXAM 142

¹³⁴ EXAM 81 Fig C

Cheltenham in the Broad Locations Report¹³⁵. The sustainability appraisal, which assessed sub areas of C2¹³⁶, indicated that sub area C2c (land to the West of Cheltenham racecourse) performed reasonably well against most sustainability objectives. With generally low landscape value, a location peripheral to a range of services, and the potential to positively impact on the vitality of the town centre, it recommended that this sub-area be retained in the JCS broad location search¹³⁷. Similar comments were made about the most southern part of C2d. These areas have not, however, made it into the JCS.

141. CP004, Land at Hunting Butts (west)¹³⁸, lies within the most southern part of sub area C2d in the far south western corner of Broad Location C2, where the Broad Locations report identifies the landscape as being of low sensitivity¹³⁹. The site has been given an indicative capacity of 229 dwellings¹⁴⁰. Although in AMEC segment NE18, the AERC report puts about half of this site within parcel G17¹⁴¹, which has an average Green Belt score, and the other half within AERC parcel G16, which has the highest score.

142. Nonetheless, the site abuts built development to the south and north-west and the railway line runs to the west. Beyond this, in close proximity, lies Swindon village and the North West Cheltenham urban extension, the building out of which will impact on the contribution CP004 makes to the Green Belt.

143. Given the need for housing and the site's sustainable location, I take the view that exceptional circumstances exist for the release of at least the southern part of the site which lies within AERC parcel G17. However, this would leave a weak Green Belt boundary. A more permanent, physical boundary would be along the northern edge of the site bounded by Hyde Lane. Therefore, it is more appropriate for the boundary to be redrawn along Hyde Lane, thereby extending exceptional circumstances to the whole site. I, therefore, recommend that the whole of CP004 be removed from the Green Belt.

144. There are other non-strategic sites promoted through the Cheltenham Plan, which lie along the northern urban edge of Cheltenham¹⁴² that are within sub area C2c¹⁴³, west of the A435. Whilst I

¹³⁵ EBLO 100 pp 18-20

¹³⁶ SA 104 Fig 2: map showing the broad locations broken down by sub area

¹³⁷ SA 104 p21

¹³⁸ Cheltenham Plan sites within EXAM 142

¹³⁹ EBLO 100 p19

¹⁴⁰ EXAM 142 Appendix 4

¹⁴¹ EXAM 81 Fig C; identified as CP004 in EXAM 142

¹⁴² EXAM 142 map showing Cheltenham Plan Issues and Options sites (June 2015)

have little information on these sites, I note that the Broad Locations Report¹⁴⁴ states that there is some potential for developing land west of the A435, close to the urban edge of Cheltenham and below the sensitive ridgeline, although the topography would be challenging in terms of integrating development into the landscape. Nonetheless, it indicates that the area has potential for about 300 dwellings. It is possible that a case could be made out to demonstrate exceptional circumstances for removal of a strip of Green Belt land in this location. The JCS team might consider revisiting this area.

West/North West Cheltenham

145. Other sites with potential are CP034 and CP035¹⁴⁵, which are developer promoted sites with indicative capacities of 207 and 59 dwellings respectively¹⁴⁶, totalling 266. They adjoin the northern boundary of the proposed West Cheltenham strategic allocation and, as with the West Cheltenham allocation, they lie in a sustainable location on the urban edge of Cheltenham. Whilst they form part of the large AMEC segment NE6¹⁴⁷, suggesting a significant contribution to the Green Belt, they are within the smaller F1 parcel of the AERC report¹⁴⁸, indicating an average contribution to the Green Belt.
146. Indeed, these sites lie within the small gap between the strategic urban extensions of North West Cheltenham to the north and West Cheltenham to the south which, once developed, will further reduce the contribution parcel F1 makes to the Green Belt. Consequently, exceptional circumstances exist for the removal of F1 from the Green Belt. The JCS team could consider either removing parcel F1 only, or finding a more consistent boundary between the two strategic allocations. Therefore, my recommendation is to redraw the Green Belt in this area following either option.
147. There are other omission sites south of the proposed West Cheltenham urban extension within AMEC segment SE10, which are assessed as making a significant contribution to the Green Belt by the AMEC report, but as making an average contribution by the AERC report¹⁴⁹. Nonetheless, they lie within the narrow gap between Cheltenham and Churchdown and play a critical role in the separation of

¹⁴³ SA104 Fig 2 & text on p21

¹⁴⁴ EBLO 100 p20

¹⁴⁵ Cheltenham Plan sites map within EXAM 142

¹⁴⁶ EXAM 142 Appendix 4

¹⁴⁷ ENAT 100 Fig 5.2

¹⁴⁸ EXAM 81 Fig C and EXAM 142 AERC sites

¹⁴⁹ EXAM 81 Fig C

Cheltenham and Gloucester. Therefore, they should not be promoted ahead of other more suitable sites.

148. *Small Green Belt Sites Contribution*

149. Overall, these additional identified sites have the potential for significant residential development. Taking the capacities of developer promoted sites alone, they add up to 735 dwellings (280 + 229 + 226). If these sites were to be included in Cheltenham's district capacity, this would bring the remaining dwelling requirement down to 304 (1,039 – 735). If other sites were incorporated along Cheltenham's northern boundary, such as those west of the A435 with a capacity of about 300 dwellings, Cheltenham's remaining housing requirements could be met in full.

Overall conclusion

150. The removal of Leckhampton as a strategic allocation and the reduction of housing numbers at North West Cheltenham leaves Cheltenham with a need to find alternative housing capacity. The newly proposed strategic allocation of West Cheltenham will go part way to doing this, although a deficit still remains. In my judgement there is additional potential capacity in non-strategic Green Belt sites, which could significantly increase Cheltenham's district capacity and which could be allocated in the emerging Cheltenham Local Plan. Releasing these areas of Green Belt now within the JCS would facilitate these sites coming forward and contributing to Cheltenham's five year housing land supply. Following this approach should also enable Cheltenham's housing requirements for the Plan period to be met in full.

Tewkesbury

151. The housing requirement for Tewkesbury is 9,983 dwellings and the district capacity figures put forward (excluding strategic allocations) is 6,475¹⁵⁰, although I understand that local plan potential could increase if needs be. On current figures, this leaves a residual requirement of 3,508 (9,983 – 6,475) dwellings.

152. The strategic allocation at MOD Ashchurch is now expected to deliver 2,325 dwellings within the Plan period¹⁵¹ rather than the 2,125

¹⁵⁰ Verbally given by the JCS team at the March 2016 hearings including 5,991 completed sites, commitments, existing allocations and a windfall allowance, together with 484 district plan potential

¹⁵¹ EXAM 185

stated in the JCS¹⁵². However, I have doubts as to whether the brownfield part of the site will deliver this level of housing within the Plan period due to likely delays occurring mainly as a result of potential contamination and the re-location of MOD assets and personnel. Therefore, it would not be appropriate to increase the JCS number, which should remain at 2,125.

153. Adding in the MOD Ashchurch allocation brings the supply to 8,600 (2,125 + 6,475) and leaves another 1,383 (9,983 – 8,600) units to find.

154. The JCS team indicated at the March hearing session that additional capacity could be considered in the Tewkesbury Local Plan and distributed across the borough. However, scattering such a large amount of housing around the Tewkesbury villages would not be the most sustainable approach. More appropriate would be the allocation of strategic sites close to Tewkesbury Town, which is identified as the second most important tiered location in the settlement hierarchy, after Gloucester and Cheltenham.

155. Substantial economic growth is planned for the wider Tewkesbury Town area, particularly close to Junction 9 where there is high demand for employment land¹⁵³. Significant regeneration is also planned for Tewkesbury Town itself¹⁵⁴. Consequently, to provide sufficient housing in this growing economic area, and to support the vitality and viability of the Town Centre, further residential development in sustainable locations around the wider Tewkesbury Town area is appropriate. I shall therefore, consider the potential for additional strategic allocations in this general locality.

Fiddington

156. Having considered the Tewkesbury omission sites, there appears to be only one site within the JCS area that is appropriate for strategic allocation and that is Land at Fiddington (OM 20). I understand from the developers¹⁵⁵ that this site could accommodate about 900 dwellings as well as a primary school and local centre and that various supportive reports and assessments have already been undertaken in readiness for a planning application. It is envisaged that the site could contribute to Tewkesbury's 5 year housing land supply.

157. The site lies within the wider Tewkesbury Town area, close to the urban edge of Ashchurch, immediately to the south of strategic allocation

¹⁵² SUB 100, p35 Table SP2b

¹⁵³ EXAM 184 paragraph 2.16

¹⁵⁴ EXAM 180 paragraph 2.39

¹⁵⁵ Pegasus Matter 9 Statement

A9, and in proximity to strategic allocation A8. It is within easy reach of the A46 and Tewksbury Town, and lies adjacent to the M5 close to junction 9. It also has good access to existing nearby employment sites and other facilities. It is largely agricultural land, outside the Green Belt, unaffected by AONB, and according to the Broad Locations Report is within an area of medium to low landscape sensitivity.

158. The main issue with this site seems to be flood risk and integration, as land along the Tirlle Brook in the north of the site appears to lie in Flood Zones 2, 3a and 3b (functional floodplain)¹⁵⁶. However, most of the site seems to be in Flood Zone 1 and the submitted masterplan¹⁵⁷ shows the higher flood risk areas being used as green infrastructure with built development being confined to less risky areas. Such green infrastructure would integrate well with the employment/retail allocation to the north and, in my judgement, on the evidence before me, neither flooding nor integration should be a bar to development.

159. Therefore, I recommend that Land at Fiddington be allocated for 900 dwellings. This would bring the supply up to 9,500 (8,600 + 900) and would leave 483 (9,983 – 9,500) dwellings to find.

Sites outside the JCS area - Mitton

160. Whilst there are no other appropriate strategic omission sites within the JCS area to meet Tewkesbury's needs, there is potential for strategic development at Mitton (OM19) within Wychavon District. I understand that the two OM19 sites could together deliver a total of up to 1,100 dwellings together with a primary school, amongst other things¹⁵⁸. The sites have been assessed in the South Worcestershire Strategic Housing Land Availability Assessment as being suitable, available and achievable¹⁵⁹.

161. The sites are located adjacent to the urban edge of Tewkesbury Town and the Tewkesbury Industrial Estate with good access to facilities and employment opportunities. Given their close proximity to the Town Centre and local services, they have the potential to enhance the Town's vitality and viability. The sites also lie close to the M5 motorway and are within reasonable access of junction 9.

¹⁵⁶ See Robert Hitchins Ltd Position Statement p14 attached to Pegasus' Matter 9 Statement; and EBLO 100 pp30 & 31

¹⁵⁷ See Robert Hitchins Ltd Position Statement p5 attached to Pegasus' Matter 9 Statement

¹⁵⁸ See RPS (Barratt West) and Carter Jonas' Matter 9 Statements

¹⁵⁹ EXAM 55 A, B & C

162. The sites lie outside the Green Belt, within Broad Location T1¹⁶⁰, in an area of mainly medium to low landscape sensitivity, which is unaffected by AONB. Whilst there are flooding concerns with T1, the South Worcestershire Strategic Flood Risk Assessment Extract Map¹⁶¹ shows the site as lying mainly within Flood Zone 1, within which development is intended to be located. I understand that there are also opportunities to provide betterment to the flooding in the Tewkesbury area.
163. The southern part of Broad Location T1, including land at Mitton, was subjected to sustainability appraisal early on in the plan making process and was identified as being suitable for further appraisal on the grounds of its close proximity to Tewkesbury Town and its reasonable access to services, facilities and employment development. However, it was not taken forward on the basis of its location outside the JCS area¹⁶². The sites at Mitton should undergo further sustainability appraisal and in carrying this out, the developer's objections to the way previous appraisals have been undertaken¹⁶³ should be taken into account.
164. There has been objection that OM19 lies outside the Gloucestershire Housing Market Area and, therefore, should not be considered for the JCS districts' needs. However, defining housing market areas is not an exact science and they often overlap. The Mitton sites are closer to the Tewkesbury urban settlement than to any other Town or village and, in terms of sustainability, are better related to Tewkesbury Town than elsewhere. Mitton clearly has the capacity and potential to contribute to meeting Tewkesbury's needs and its exclusion from the Gloucestershire housing market area should not be an obstacle to its delivery.
165. The South Worcestershire authorities have already contemplated the possibility of Mitton being used to meet the JCS authorities' housing needs¹⁶⁴, although at that time, it was not envisaged that there would be an immediate requirement to call upon this land. Furthermore, South Worcestershire's Local Plan, which was adopted in February 2016, recognises the possibility of assisting the JCS authorities in meeting their housing needs¹⁶⁵.

¹⁶⁰ EBLO 100, pp26 and 27

¹⁶¹ See Delivery Statement, Appendix 1.3 within RPS (Barratt West) and Carter Jonas' Matter 9 Statements

¹⁶² SAPR 100 pages 53 and 54

¹⁶³ See RPSs (Barratt West) and Carter Jonas' Matter 9 Statements

¹⁶⁴ See Exam 57

¹⁶⁵ See Inspector's report EXAM 106 and EXAM 212

166. Accordingly, I recommend that the JCS authorities engage in constructive discussions with Wychavon District Council with a view to seeking their agreement on the release of land at Mitton to contribute towards Tewkesbury's housing requirement. If Wychavon agrees to allocate part or all of these sites for Tewkesbury's needs in a future Local Plan Review, this should be set out in a Memorandum of Agreement. Any such commitment to allocate, together with the type and scale of development, should be set out in the JCS.

Overall Conclusion

167. Green Belt land should not be released to meet Tewkesbury's strategic housing requirements and the urban extensions to Gloucester and Cheltenham should be left to meet the requirements of those constrained settlements. There are more appropriate sustainable sites outside the Green Belt, that are not unduly constrained by matters such as AONB, landscape and flooding, which could meet Tewkesbury's needs.

168. Fiddington is an appropriate site to consider for allocation within the JCS and, outside the JCS area the potential of Mitton in Wychavon District should be explored to meet Tewkesbury's remaining requirement.

Reserve Sites

169. As previously indicated, I have some concerns that not all of the strategic allocations will deliver to the estimated timescales and this could impact on the five year housing land supply. Should monitoring show a need for additional housing delivery to meet the five year requirements, then a flexible mechanism should be in place for the release of reserve sites. The ability to draw on reserve sites would help ensure that delivery is maintained and ad hoc planning by appeal is reduced.

170. For Gloucester, if Twigworth is allocated for higher numbers than the identified 750 dwellings, there will be less of an immediate need to draw upon the south Gloucester sites in Stroud, albeit some contribution will still be required. Even with lower Twigworth numbers, the combined capacity of the Brookethorpe/Whaddon and Hardwicke sites is sufficiently large to allow one or both of them, at least in part, to be designated as reserve sites to the extent they are not needed as allocations.

171. It is, therefore, my recommendation that Stroud district council be approached to seek their agreement to designate some reserve capacity in south Gloucester for Gloucester's needs as part of their review. In the meantime, Stroud might agree to another mechanism for the sites coming forward, if needed, in an appropriate Memorandum of Understanding.

172. Similarly for Tewkesbury, the capacity of Mitton is greater than is currently needed for allocation, and the remaining site is suitable for designation as a reserve site. It is, therefore, my recommendation that Wychavon District Council be approached to seek their agreement to designate reserve capacity at Mitton for Tewkesbury's needs as part of a future plan review. In the meantime, Wychavon might agree to another mechanism for the sites coming forward, if needed, in an appropriate Memorandum of Understanding.

173. Should early agreement be possible with Stroud and Wychavon District Councils, new policies for these reserve sites could be included in the JCS and appropriate trigger mechanisms be put in place.

Local Green Space

174. As indicated in my Preliminary Findings, in my judgement, the case for Local Green Space designation within both the proposed North West Cheltenham and Leckhampton urban extensions has been made out¹⁶⁶. However, as I am recommending the removal of Leckhampton as a strategic allocation, the Local Green Space designation can be made in either the emerging Cheltenham Local Plan or the forthcoming Neighbourhood Plan. Consequently, I no longer propose recommending indicative areas for Local Green Space in the JCS.

175. Turning to North West Cheltenham, as discussed and agreed with the JCS team at hearing sessions, my recommendation is to set out indicative Local Green Space Areas within the JCS, leaving the actual designation to either the Cheltenham Local Plan or any forthcoming Neighbourhood Plan. The reason for this is to avoid unnecessarily fettering the effective master-planning of this urban extension.

176. Objections have been made to Local Green Space being considered at the strategic level within the JCS¹⁶⁷ on the basis that the NPPF envisages designation as a one staged process that should be carried out at local or neighbourhood plan level¹⁶⁸. However, the whole of the NPPF envisages local plan making being carried out in one stage within a single local plan¹⁶⁹, encompassing all matters that were previously separated into pre-NPPF core strategies and lower tier local plans. Nonetheless, for pragmatic reasons, split plans such as the JCS and its district plans, which

¹⁶⁶ EXAM 146 paragraphs 61 to 66 and 99 to 103

¹⁶⁷ See particularly Post Stage 3 Hearing Submission – Representors no. 6 Hunter Page Planning

¹⁶⁸ NPPF paragraph 76

¹⁶⁹ NPPF paragraph 153

were already in preparation prior to the publication of the NPPF, may still be found sound.

177. Whilst I am also directed to Regulation 5 which, although unstated, I take to be of the Town and Country Planning (Local Planning)(England) Regulations 2012, there is nothing in this regulation which would prevent this approach. Furthermore, I draw an analogy with Green Belt, and note Mr Justice Jay's findings in the Calverton Parish Council judgement¹⁷⁰. In that case the Judge found a two-staged approach to altering Green Belt boundaries acceptable, with the precise boundaries for individual released sites being left to the Part 2 local plans.

178. Consequently, there is nothing unsound about identifying indicative areas at this stage and leaving the detail to later plans. However, taking account of my findings in relation to both the North West Cheltenham and Leckhampton urban extensions, it might be possible to make a final designation of Local Green Space within the JCS if the JCS authorities were minded to do so, but that is a matter for the authorities. Either approach would be sound. With respect to indicative areas I make the following recommendations.

179. For North West Cheltenham the indicative Local Green Space area should coincide with the aforementioned green buffer around Swindon village. The exact extent of this buffer should be determined by the JCS team in accordance with my above recommendations on this urban extension.

180. Policy wording within the JCS should make it clear where the indicative areas are located and how it is envisaged the designation will be moved forward in subsequent plans. The amended site layout should reflect the Local Green Space indicative areas.

Safeguarded Land

181. There are two areas of safeguarded land in the submitted JCS, namely, land adjoining the North West Cheltenham urban extension and land to the West of Cheltenham. I shall consider each area in turn.

North West Cheltenham

182. In my Preliminary Findings I expressed some reservations over the Green Belt release of the huge area of countryside covered by the North West Cheltenham urban extension and the adjoining safeguarded land

¹⁷⁰ EXAM 35D

combined, and questioned whether exceptional circumstances exist¹⁷¹. Nonetheless, the AMEC report shows this safeguarded land as roughly corresponding to segment NE9, thereby making only “a contribution” to the Green Belt, unlike much of the land around Cheltenham and Gloucester, which makes a “significant contribution”¹⁷².

183. There is no doubt that there would be a substantial cumulative impact on the environment associated with any future development of the safeguarded land, which lies in such close proximity to the large North West Cheltenham allocation. This part of Cheltenham would be completely transformed from a pleasant rural landscape to a large built out suburb.

184. Also, there could be issues over the consolidation of the North West Cheltenham urban extension and the subsequent building out of the safeguarded land in succession. To ensure appropriate integration of such major development, careful attention will need to be paid to infrastructure and phasing of schemes. The situation over the upgrading of junction 10 of the M5 is also likely to impact on the release of the safeguarded land for development and, at present, there are no firm proposals for a junction upgrade.

185. However, that having been said, Cheltenham is constrained and there is a limit to where future strategic development can reasonably take place. The Broad Locations Report states that Broad Location C3, which contains this land, has the greatest potential to accommodate a significant element of Cheltenham’s needs¹⁷³, and the Site Assessment/Capacity Report states that longer term development for commercial uses could potentially be accommodated on land along the A4019 towards the M5¹⁷⁴. Indeed, this M5 corridor is favoured for economic development by the Local Enterprise Partnership in their Strategic Economic Plan for Gloucestershire¹⁷⁵.

186. The Landscape and Visual Sensitivity Report shows the land as being generally of medium sensitivity¹⁷⁶, and the Strategic Allocations Report does not highlight any absolute constraints to development, indicating instead that it is one of the most sustainable locations for new residential and employment development¹⁷⁷.

¹⁷¹ EXAM 146 paragraphs 104 to 108

¹⁷² ENAT 100 Fig 5.2

¹⁷³ EBLO 100 paragraph 3.28

¹⁷⁴ EBLO 105 pp 14 to 17

¹⁷⁵ EXAM 37A & B

¹⁷⁶ EBLO 106 p11

¹⁷⁷ EBLO 102 pp61 to 67

187. Having considered carefully the evidence before me, including all representations, in my view the North West Cheltenham safeguarded land would be the best option for meeting strategic development needs beyond the plan period. Whilst paragraph 14 of the NPPF does not require local plans to meet objectively assessed needs where the adverse impacts of so doing would significantly and demonstrably outweigh the benefits, or specific policies in the NPPF indicate development should be restricted, in this instance, the adverse environmental impacts of appropriate future development at this location and the removal of the land from the Green Belt would not significantly and demonstrably outweigh the substantial social and economic benefits it would bring.

188. Paragraph 83 of the NPPF indicates that, when Green Belt boundaries are being reviewed, regard should be had to their permanence in the long term, so that they should be capable of enduring beyond the plan period. Paragraph 85 then goes on to state that, where necessary, safeguarded land should be identified to meet longer term development needs well beyond the plan period. Consequently, in accordance with the NPPF and for the reasons given above, in my judgement exceptional circumstances exist for the proposed safeguarded land North West of Cheltenham to be released from the Green Belt. Therefore, I find this safeguarded land designation to be sound and I do not make any recommendations for modification.

West Cheltenham

189. The proposed safeguarded land at West Cheltenham lies within segment NE4 of the AMEC report and makes a significant contribution to the Green Belt¹⁷⁸. Nonetheless, the area that lies within the Cheltenham boundary, close to the urban edge, makes a lesser Green Belt contribution according to the AERC Report¹⁷⁹. For the reasons set out previously above, I find that the recently proposed West Cheltenham strategic allocation, which broadly corresponds to this area, is sound. Therefore, I recommend that the JCS be modified to remove this part of the safeguarded land and to allocate it as an urban extension.

190. Nonetheless, as per my Preliminary Findings¹⁸⁰ I take the view that, in order to maintain a sufficient gap between Cheltenham and Gloucester, development should not extend too far to the west. The unallocated western part of this proposal stretches close to the village of Staverton, Staverton Industrial Estate and Gloucestershire Airport, beyond which lies North Churchdown, the allocation of which I have found unsound for

¹⁷⁸ ENAT 100 Fig 5.2

¹⁷⁹ EXAM 81 Fig C

¹⁸⁰ EXAM 146 paragraphs 109 to 114

Green Belt reasons. New development in this location runs the risk of coalescing with existing pockets of development, further narrowing this critical gap between Cheltenham and Gloucester.

191. Consequently, due to the significant contribution this land makes to Green Belt purposes, exceptional circumstances do not exist for its release. Therefore, in my judgement, this proposed safeguarded land should be removed from the Policies Map and the JCS be amended. I recommend accordingly.

Infrastructure

192. As stated in my Critical Infrastructure note¹⁸¹ the JCS does not adequately identify and address critical infrastructure requirements as envisaged in the PPG¹⁸². Additionally, the Infrastructure Delivery Plan¹⁸³ identifies a funding gap of nearly £750 million but the JCS does not set out how this is to be met.

193. The JCS team has recently produced Strategic Allocations Infrastructure Delivery Position Statements¹⁸⁴ and Updates¹⁸⁵ for proposed allocations, which satisfactorily set out key infrastructure requirements for the first five years of the plan and how they will be provided. In order to comply with PPG advice, I recommend that the main points identified in these statements be reflected in the JCS. A similar process of producing Infrastructure Delivery Position Statements and recording main points in the JCS should also take place for additional recommended strategic allocations.

194. With respect to transport, there have been wide spread concerns that the transport modelling, based on the Central Severn Vale SATURN strategic highways 2008 base year model is outdated and not fit for purpose. Whilst I understand that the model has been refined to make it as robust and up to date as possible, Gloucestershire County Council and Highways England have commented that further refinement work needs to be done¹⁸⁶.

195. Nonetheless, I note Atkin's evidence¹⁸⁷ that the model was peer reviewed in 2012 and found to be generally fit for purpose. Whilst the 2008 model contains weaknesses, it is currently the best information

¹⁸¹ EXAM 202

¹⁸² PPG 12-018-20140306

¹⁸³ SUB 109

¹⁸⁴ EXAM 168

¹⁸⁵ EXAM 168A-E and EXAM 225

¹⁸⁶ Highways England and Gloucestershire County Council Matter 11 Statements

¹⁸⁷ EXAM 220

available. There were no objections to its use at the March hearing session from Highways England or Gloucestershire County Council.

196. Although Highways England and Gloucestershire County Council are working on a 2013 based update, it is not expected until later on in the year and, even then, model runs will have to be undertaken to make refinements to the mitigation packages and transport strategy. Waiting for this updated evidence would cause undue delay to the JCS, which in the public interest needs to progress. Therefore, I do not recommend delaying progress to await the 2013 based model.

197. According to Atkins¹⁸⁸, most of the increase in traffic on the Strategic Road Network by 2031 will come from growth not attributable to the strategic allocations, the latter of which will generally account for only 5% to 10% of total growth. Consequently, it is said that many of the traffic issues arising are unrelated to the allocations. I have no good reason to dispute this evidence.

198. The transport mitigation strategy "DS3a"¹⁸⁹ should go a reasonable way to relieving that part of the impact which is attributable to most of the strategic allocations, although it should be amended, as appropriate, once the updated modelling is available. In the case of Leckhampton, more detailed site specific traffic evidence was examined at inquiry¹⁹⁰ indicating that an unacceptable cumulative impact would result from the development proposed. I have dealt with Leckhampton above.

199. Although strategic allocations are likely to contribute to the cumulative traffic impacts, with the exception of Leckhampton, there is insufficient evidence before me to demonstrate that these impacts will be so severe as to justify the removal of allocated development from the JCS. Whilst there will be some issues on the network overall, particularly at certain junctions, Highways England indicated at the March hearing that these issues would be manageable and resolvable over time.

200. Consequently, on the evidence before me, I am satisfied that the JCS can justifiably proceed with the proposed transport mitigation strategy, the main parts of which should be reflected in the JCS with a suitable note referring to the awaited update.

Elizabeth C Ord

Inspector

¹⁸⁸ EXAM 220 and EXAM 84

¹⁸⁹ EXAM 84

¹⁹⁰ EXAM 228

APPENDIX F
AFFORDABLE HOUSING NEED

1 The SHMA¹¹ summarises its assessment of affordable need at Appendix table D1. The calculation assumes that the backlog of accumulated housing (called 'current need') is fulfilled over a five-year period. In the table below we recalculate affordable need on the assumption that the backlog is met more slowly, over 20 years.

Table A1 Affordable housing need, 2011-31

Stage	Step	Stage and step description	Calculation	Total households
STAGE 1 CURRENT NEED ('BACKLOG')				
	1.4B	Total cannot afford open market		3,373
STAGE 2 FUTURE NEED				
	2.4	Total newly arising need gross per year		442
STAGE 3 AFFORDABLE HOUSING SUPPLY				
	3.1	Affordable dwellings occupied by households in need		171
	3.2	Surplus stock		0
	3.3	Committed supply of new affordable units	Total	525
	3.4	Units to be taken out of management	Total, 20 years @240 per year	4,800
	3.5	Total affordable housing stock available	3.1+3.2+3.3-3.4	-4,104
	3.6	Annual supply of social re-lets (net)		536
	3.7	Annual supply of intermediate housing re-let or re-sale		16
	3.8	Annual supply of affordable housing	3.6+3.7	552
STAGE 4 ESTIMATE OF ANNUAL HOUSING NEED				
	4.1	Total backlog need	1.4B-3.5	7,477
	4.2	Quota to fulfil over 20 years (5%)	5%	
	4.3	Annual backlog reduction	4.1 / 20	374
	4.4	Newly arising need	2.4	442
	4.5	4.3+4.4		816
	4.6	Annual affordable capacity	3.8	552
	4.7	Net annual imbalance (affordable housing need)	4.5-4.6	264

Source: SHMA, PBA

Note: In the SHMA, unlike the OAN report, numbers of dwellings equal number of households. Vacant affordable dwellings are accounted for in other parts of the calculation.

- 2 In this alternative calculation we change two aspects of the method:
- i At Stage 3.4 we recalculate the future loss of housing stock due to 'units being taken out of management' (mostly from sales of social rented stock). Over 20 years the fixed annual loss of 240 units becomes 4,800 units.
 - ii At Stage 4.3 backlog is spread over 20 years rather than five.

¹¹ Arc 4 for Telford and Wrekin Council, *Telford and Wrekin Strategic Housing Market Assessment (SHMA) 2016*

- 3 In the table these and consequent changes are coloured red. The result of spreading the backlog over 20 years is that the annual affordable need falls from 665 affordable units per annum to 264 units per annum.

APPENDIX G
MIGRATION NOTE

Telford & Wrekin Migration Note

October 2016

John Hollis
Demographic consultant

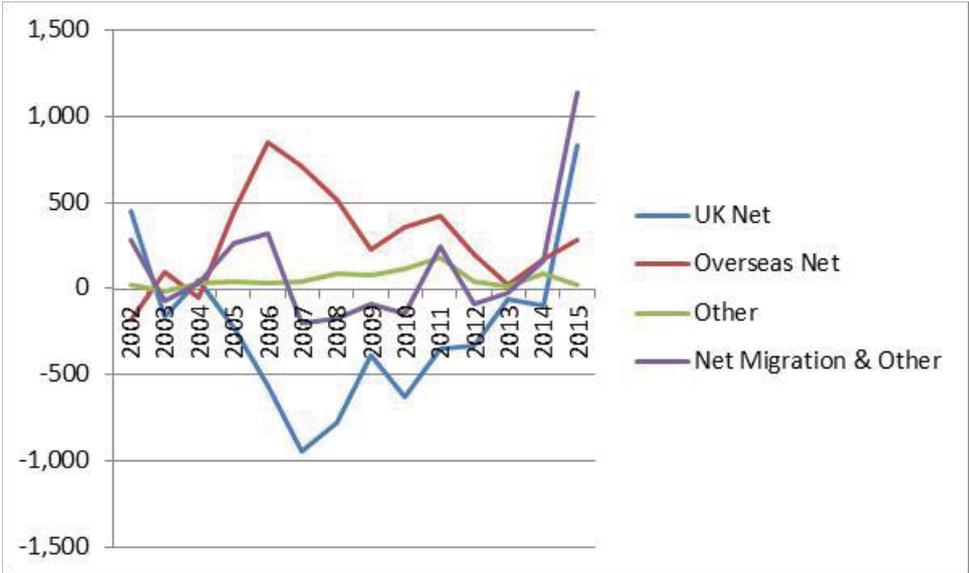
1. Background

1.1 This note will describe estimated migration for Telford & Wrekin since mid-2001 and compare trends with the results of the ONS 2012 SNPP, ONS 2014 SNPP and recent projections using the latest 5 and 10 years of data.

2. Estimated Migration

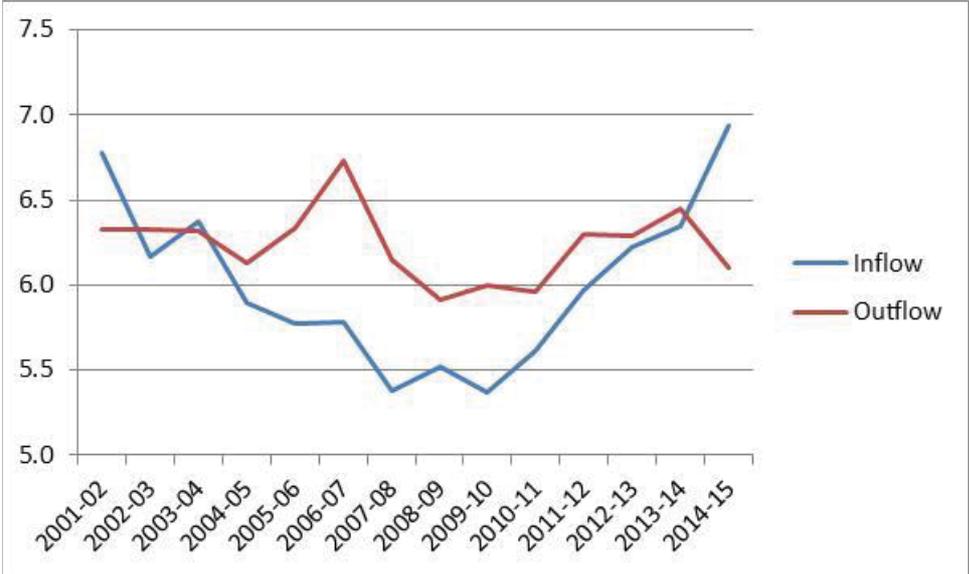
2.1 Figure 1 shows the net migration and other changes between 2001-02 and 2014-15 as estimated by ONS¹². Up to mid-2014 net migration and other changes varied between -200 and +320 but in 2014-15 jumped to over +1,100. Most of this change was an increase in net migration from within the UK due to the gross inflow rising by 600 and the gross outflow falling by 300. Details are shown in Figure 2. Since the peaks of the mid-2000s net international migration has been less than 500 per year. Other changes, mainly 'unattributable population change', have been modest with a peak of fewer than 200 in 2010-11.

Figure 1: Telford & Wrekin: Annual Net Migration by Origin, 2001 to 2015, ONS mid-year estimates change analyses



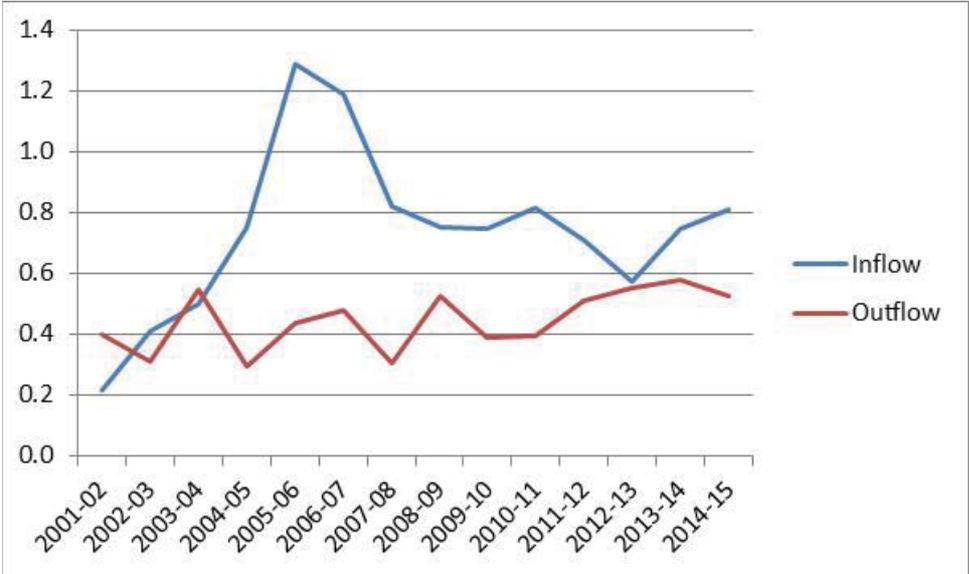
¹² All ONS estimates and projections are © Crown Copyright

Figure 2: Telford & Wrekin: Annual Gross Migration with the rest of the UK, 2001 to 2015, ONS mid-year estimates change analyses (thousands)



2.2 The gross inflow from the rest of the UK has risen sharply, by nearly 1,600, since 2009-10. The outflow has been more regular, averaging 6,100 since mid-2007. Figure 3 shows that inflows from Overseas have averaged around 750 since mid-2007. Outflows averaged about 470 per year in the same period.

Figure 3: Telford & Wrekin: Annual Gross Migration with Overseas, 2001 to 2015, ONS mid-year estimates change analyses (thousands)

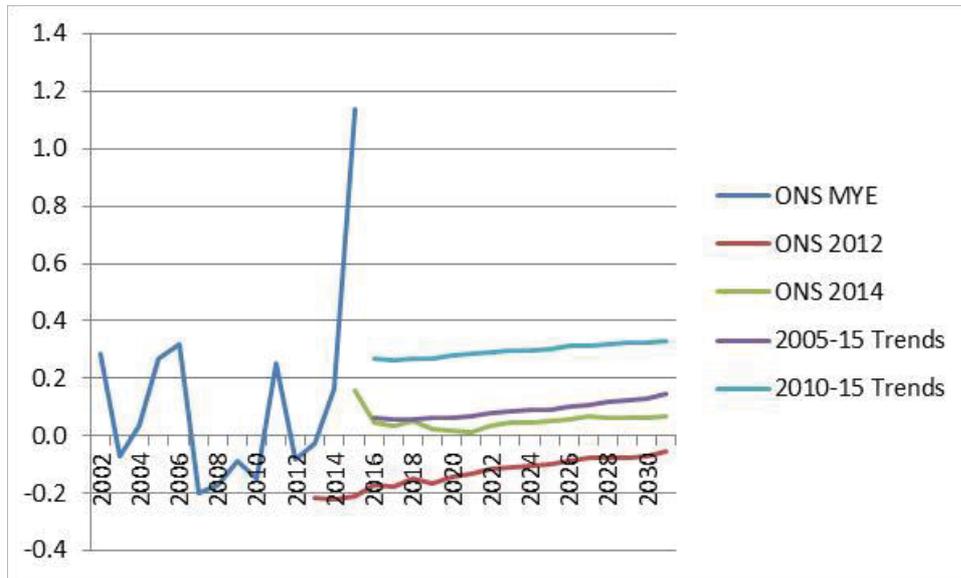


3 Projected Migration

3.1 Figure 4 shows estimated annual net migration and other changes in 2001-15 as well as recent projected migration levels for Telford & Wrekin from four sources: ONS

2012 SNPP, ONS 2014 SNPP and our own recent PBA Trends projections, using the latest 5 and 10 years of data. The ONS 2012 SNPP was lower than the lowest estimates between 2001 and 2012 and has been shown by later estimates to be relatively lower still. The 2010-15 Trends projection, that has the peak year of 2014-15 within its base period, remains higher than virtually all years since 2001 except for 2014-15. The other two projections are relatively close even though the ONS 2014 SNPP is based on the previous 5 or 6 years of data and the 2005-15 Trends has a ten year base period. Both appear to represent well the recent range of annual figures up to 2014 and are significantly lower than the estimate for 2014-15.

Figure 4: Telford & Wrekin: Net Migration, estimates and projections, 2001-31 (thousands)



- 3.2 The ONS 2014 SNPP shows an initial decline in the net Overseas flow to Telford from 400 in 2014-15 to 200 in 2016-17. The latter level is then assumed to be constant. The net UK flow also varies little between 0 and -200 per year. The total projected flow from 2015 to 2031 is about 760. The 2005-15 Trends projection is consistently higher and amounts to a net inflow of 1,440 in the 16 years. The reason is the exceptionally high migration in 2014-15, which is an outlier far above any other year.
- 3.3 The main difference between the ONS 2014 SNPP and the 2005-15 Trends projection is that the Trends, due to taking a longer base period that included pre-recession years, shows a relatively larger net inflow of younger workers aged 20-39 but fewer retired people. This explains why the two projections have the same household growth but different population growth as younger workers, with their families, have lower household representative rates than retired people.

4 Choice of Projections

- 4.1 The sharp upturn in net migration into Telford & Wrekin in 2014-15 must put a question mark against all projections of migration. If it is a precursor of higher migration in the next few years all recent population projections will be too low with the 2010-15 Trends projection being the closest, but still too low. However 2014-15 is more likely to be an isolated migration value..
- 4.2 As already indicated the ONS 2012 SNPP appears to be well below recent migration levels.
- 4.3 The choice between then ONS 2014 SNPP and the 2005-15 Trends projection is between slightly lower net migration based upon a shorter period that contains a higher proportion of retired people or higher migration with fewer retirees and more younger workers based on a longer period. The inclusion in the migration base of some pre-recession years rather than purely immediately post-recession years should offer a better longer term migration structure. Therefore, while the difference between the two projections is relatively small, particularly as regards the implied housing requirements, the better choice should be the 2005-15 Trends projection.