

Report to	Planning Committee
Date	12 June 2014
By	Director of Planning
Title of Report	Adoption of the East Hampshire Joint Core Strategy
Purpose of Report	To present the Inspector's Report and recommended modifications to the Committee and recommend adoption of the modified plan by SDNPA, as well as to adopt the updated Guide to Developer Contributions.

Recommendation: The Committee is recommended to:

- 1) Recommend that the National Park Authority adopts the East Hampshire District Local Plan: Joint Core Strategy, as changed by the Inspector's recommended main modifications to the Plan (Appendix B) and other more minor modifications (including those referred to in paragraphs 4.5 and 4.6 of this report and other inconsequential changes delegated to the Director of Planning in consultation with the Chair of the Planning Committee), as the basis for the planning of the National Park within East Hampshire District up to 2028 or until superseded by the South Downs National Park Local Plan;**
 - 2) Adopt the consequential amendments to the Guide to Developers Contributions.**
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I. Introduction

- I.1** The East Hampshire Joint Core Strategy (JCS) is one of the four joint core strategies across the South Downs National Park on which the South Downs National Park Authority (SDNPA) and District Councils have agreed to work in partnership.
- I.2** The plan was submitted to the Secretary of State in May 2012 and examined by a planning inspector in October / November 2012. Following a preliminary report from the Inspector, East Hampshire District Council (EHDC) and SDNPA sought a suspension to the examination in December 2012, pending further work sought by the Inspector to address his concerns about the submitted plan.
- I.3** Following the completion of the updated evidence studies, the SDNPA and EHDC approved Further Proposed Modifications (FPMs) and these were subject to consultation in August and September 2013, prior to the resumed examination in public Hearing between 29 October and 2 November 2013. On 20 December the Inspector wrote to the local planning authorities setting out his Final Main Modifications (FMMs) to the JCS and requesting that these be consulted upon. The consultation on these was undertaken between 20 December 2013 and 7 February 2014. At its meeting on 23 January 2014 this Committee agreed comments on these FMMs.
- I.4** The Inspector has subsequently produced his report (**Appendix A**) including the main modifications (**Appendix B**) that are needed to make the Plan sound and legally compliant so that it can be adopted by EHDC and the South Downs National Park Authority (the Authorities). EHDC have already adopted the JCS for application within the part of the district outside the National Park. The written text of the JCS incorporating the main and minor modifications (as so far identified) can be downloaded from the East Hants web-site at:
[http://www.easthants.gov.uk/ehdc/formsfordownload.nsf/0/3998CC63D6066CA980257CE1002C8E3F/\\$File/JCS+FINAL+VERSION+TEXT+ONLY+220514.pdf](http://www.easthants.gov.uk/ehdc/formsfordownload.nsf/0/3998CC63D6066CA980257CE1002C8E3F/$File/JCS+FINAL+VERSION+TEXT+ONLY+220514.pdf)

2. Background

2.1 The report to the Planning Committee and the SDNPA in July 2013 described the updated evidence which included:

- Strategic Housing Market Assessment (SHMA)
- Strategic Housing Land Availability Assessment (SHLAA)
- Landscape Assessments
- Alton Study
- Employment Land Review (ELR)
- Sustainability Appraisal (SA)
- Habitats Regulation Assessment (HRA)
- Hampshire Gypsy and Traveller Accommodation Assessment (GTAA)

These updated evidence base studies are accessible via:

<http://www.easthants.gov.uk/ehdc/planningpolicy.nsf/webpages/Background+Research> .

2.2 The draft Proposed Modifications, as consulted on in August/ September 2013, reflected the updated evidence. The most significant proposed modifications affected the following policies in the submitted Joint Core Strategy:

- Policy CP1 – spatial strategy
- Policy CP2 – new employment provision
- Policy CP8 – new housing provision
- Policy CP9 – affordable housing
- Policy CP13 – gypsy, travellers and travelling showpeople.

2.3 In particular, the draft Proposed Modifications proposed 400-700 dwellings on new allocations in Petersfield and 150 in Liss, together with 100 dwellings in the 16 larger villages with settlement boundaries in the National Park. These new allocations are in addition to:

- previous completions since April 2011,
- existing commitments as at April 2013, and
- the allowance for windfall sites

In the National Park these represent a total of 728 dwellings comprising 217 dwellings in Petersfield, 159 in Liss and 352 in the other settlements in the National Park part of the district.

2.4 Specific sites are being pursued through the Neighbourhood Plan, in the case of Petersfield and other communities that wish to adopt a Neighbourhood Plan, or the South Downs National Park Local Plan. Work is well progressed on the Petersfield Neighbourhood Plan in order to identify where a minimum of 700 dwellings should be allocated.

3. SDNPA Comments on the Main Modifications Consultation

3.1 At its meeting on 23 January 2014, the Planning Committee agreed comments on the Main Modifications to the East Hampshire Joint Core Strategy as summarised at (1) to (5) below and requested the Inspector to take these into account in preparing his final report:

1. No objection to the 700 target for Petersfield (IMM13), subject to reiterating to the Inspector that it cannot be guaranteed that this level of housing will not have an adverse impact on the landscape of the National; Park and to clarification in the supporting text that identified large urban brownfield sites within settlement boundaries may form part of the allocations to be determined through the Petersfield Neighbourhood;
2. The SDNPA's strong reservations over the introduction of 'a minimum of' in place of 'about' in relation to settlements within the National Park, since the policies of the NPPF place a restriction on meeting needs in nationally designated areas based on landscape and because the proposed wording would create inconsistency with the

adjoining Winchester Joint Core Strategy, making the standardisation of policies within the SDNP Local Plan more difficult;

3. No objection to the non-deletion of the Reserve Sites from the Local Plan Second Review saved policies subject to clarification in the supporting text that these are not allocations other than as reserve sites in the existing Local Plan, and that they will be re-assessed as part of the Neighbourhood Plan or South Downs Local Plan process on the same basis as other emerging sites;
4. No objection to the changes to the second part of Policy CP8;
5. Strong reservations over the deletion of the first part of the fifth paragraph of Policy CP 1 ('New development will make the best use of previously developed land and buildings within existing built-up areas.') and the deletion of paragraph 7 of FPM6 since this would be in accordance with the core planning principles in paragraph 14 of the NPPF and the deletion would create inconsistency with the adjoining Winchester Joint Core Strategy, making the standardisation of policies within the SDNP Local Plan more difficult.

4. Inspector's Report

- 4.1 The Inspector has taken into account all consultation responses in writing his report. On the crucial issue of housing figures his conclusions are set out in paragraph 25 as follows:

"I consider that need should be set at the top of the mid range i.e. around 610 dpa¹, that being 10,370 new dwellings up to 2028. According to the latest figures relating to completions, commitments and windfall, total provision is estimated at 10,268 (604 dpa), 10,370 would, therefore, appear to be achievable. The Plan proposes 592 dpa (10,064 dwellings) which is less but not significantly so (about a 4% difference). Forecasting household need is not an exact science and I consider the difference to be well within a reasonable margin for error. Consequently, I consider that the evidence submitted to the examination supports the figure of 10,060 as the minimum number of new homes that should be provided to 2028."

- 4.2 With regard to the issue of the housing allocation for Petersfield, the Inspector states:

"The largest and most sustainable settlements at the top of the hierarchy take the largest proportion of new growth. This includes Petersfield which lies in the National Park and which should, in my view, accept a level of growth commensurate to its status provided it does not conflict with the purposes of the National Park. The NPA accepted at the examination that it was likely that 700 dwellings could be satisfactorily accommodated in Petersfield. Landscape evidence submitted by the NPA regarding certain directions of growth is challenged."

"I do not consider that the evidence submitted to the examination demonstrates that no more than 700 could be accommodated without harm to the National Park and so consider that 700 should be set as the minimum that should be provided in the plan period. It will be for the Neighbourhood Plan to determine which sites are allocated."

- 4.3 The Inspector states that all of the main modifications necessary to make the Plan sound arose from the discussions at the hearings and most of them have been suggested by the Authorities. While this may be true, there was no explicit discussion at the October 2013 hearing of the use of the word 'minimum' or of how to calculate a 5 year housing land supply and its implications for the deletion of the reserve sites. The principal modifications are summarised as follows:

- The introduction of a new policy presuming in favour of sustainable development,
- Increasing the housing requirement to a minimum of 10,060 dwellings overall and, to be consistent with the Authorities position that 10,060 is the minimum to be provided, expressing the targets for settlements in a similar fashion,
- The replacement of the 400-700 dwelling range in Petersfield with a requirement for a minimum of 700 dwellings,

¹ dpa= dwellings per annum

- The retention of reserve housing sites allocated under the Second Review Local Plan until they are reassessed through the South Downs National Park Local Plan or Petersfield Neighbourhood Plan,
 - Deletion of a sequential approach to the release of land for housing,
 - Setting targets for the provision of accommodation for gypsies, travellers and travelling showpeople,
 - The introduction of a new policy relating to accommodation for the elderly,
 - Updating the amount of housing, employment and retail development to be provided in Whitehill and Bordon and,
 - The introduction of a new policy supporting development that improves employment and workforce skills.
- 4.4 Throughout the process a number of more minor modifications have been suggested that do not go to the soundness of the Plan. These have already been published for comment together with previous main modifications. The Inspector has not included the minor modifications (see **Appendix C**) in his schedule of main modifications but they will be included in the adopted version of the Plan. There may still be some further minor updating of the original text of the Plan prior to its publication.
- 4.5 In particular it has been noticed that MM24 states that: “An update Retail Study (NLP, 2012) identified a need for 1,366 sq.m. net of convenience floorspace and 1,608 sq.m of comparison floorspace beyond existing commitments”, but does not make it clear that this sentence relates to Petersfield. This needs amending as a further minor modification. More importantly, it is noted that the Inspector previously raised a concern about a minor discrepancy between this sentence and Policy CP5, which he proposed to correct by deleting the word “(comparison)” from the policy. However he has not followed this through in his final main modifications. It is proposed to clarify his intentions on this before the Plan is adopted.
- 4.6 In addition MM29 states that “Paragraph ... above states that housing provision in the SDNP is restricted to that to serve its communities and not for unrestricted housing to meet general housing targets. The allocation of housing sites to meet this new strategy needs to be determined through the Local Plan: Allocations, South Downs National Park Local Plan or a Neighbourhood Plan”. This is potentially confusing since the Local Plan: Allocations does not apply in the National park. The modified version of the text therefore corrects this by deleting “Local Plan: Allocations” from this sentence.
- 4.7 With regard to the comments raised in section 3 above, the following is noted:
1. The clarification sought in 3.1(1) is not specifically referred to in the Inspector’s report, although the quotation in paragraph 4.2 above makes it clear that the Petersfield Neighbourhood Plan must determine which sites are allocated.
 2. The Inspector has not changed his main modifications in response to the strong reservation set out in 3.1 (2) above. He comments that “Policy CP8 says that the JCS provides for a minimum (my emphasis) increase of 10,060 dwellings. To leave the targets for the settlements listed in Policy CP8 as ‘around’ or ‘about’ would not be consistent with the overall thrust of the policy”.
 3. The clarification sought in paragraph 3.1 (3) above is not specifically referred to in the Inspector’s report, but he sets out the background to reserve sites as follows:

“Any undeveloped reserve sites were to be re-assessed during any review taking into account, amongst other things, national policy and whether there is a need for sites to be allocated. It was envisaged that the less sustainable reserve sites allocated in the Second Review Local Plan would be replaced by sites that are considered to be more sustainable...”

“The National Park did not exist when the Second Review Local Plan was adopted but Petersfield lay within an Area of Outstanding Natural Beauty, the landscape of which benefits from the same level of protection as a National Park. The Inspector who examined the Second Review Local Plan clearly considered all the reserve sites to be suitable for housing, otherwise they would not have been

included in the Plan. I am not aware that there has been any significant change to the landscape around Petersfield since the adoption of the Second Review Local Plan.

“Not deleting the reserve allocations would not solve the five year supply problem but ruling them out now is not justified in my view, particularly as if suitable in all other respects they could contribute to supply in the early period of the plan post adoption. To my mind, this outweighs waiting for the adoption of a Neighbourhood Plan for Petersfield.”

4. No change requested.

5. The Inspector has made a change to his previous proposal in relation to brownfield land so that the phrase referred to in paragraph 3.1 (5) above is retained, but without requiring a ‘brownfield first’ approach to land release. His comments are as follows:

“Policy CPI (Spatial Strategy) states, amongst other things, that new development should make the best use of land and buildings within existing built up areas. It goes on to say that ‘additional land for development will be released in accordance with a sequential approach identified in the Settlement Hierarchy’. The NPPF encourages the development of brownfield land but does not state that it must be used before greenfield land. Further, there is no detailed policy or mechanism for such an approach in the Plan. MM9 removes paragraph 4.22 and that part of Policy CPI which implies a brownfield first sequential approach to the release of land.

“MM9 has generated significant concerns but the district has a limited supply of available brownfield land and most allocations are likely to be greenfield. There is insufficient evidence to show that a brownfield first approach would deliver the homes the district needs at the pace or numbers required. Further, Policy CP8 directs most development outside Whitehill and Bordon to the most sustainable settlements and requires the Authorities and others in allocating sites (Neighbourhood Plans) to look to opportunities within settlement boundaries first. To my mind this is sufficient to ensure compliance with the NPPF’s requirement for plans to encourage the effective use of brownfield land.”

Conclusions on the Inspector’s Report and Modifications

- 4.8 Although not all the previous strong reservations about the proposed Final Main Modifications have been satisfactorily addressed by the Inspector, it will be possible to introduce more consistency in relation to the issue of “minimum” figures through the emerging South Downs National Park Local Plan and to test the issue of brownfield allocations through Assessment of the Petersfield Neighbourhood Plan, programmed for later this year.
- 4.9 Following comments made on the first draft, it is now considered that the Inspector’s comments on 5 year land supply are not inconsistent with the approach accepted by the Inspector at the Selborne appeal, namely that the lack of a five year supply in East Hampshire does not mean that such a supply cannot be demonstrated for the part of the housing market area within the South Downs National Park local planning authority area.
- 4.10 Unless the Authorities accept the Modifications proposed by the Inspector, the Joint Core Strategy cannot be considered sound. The Authorities cannot legally adopt an unsound plan. It is therefore recommended that the JCS be adopted subject to the Main Modifications proposed by the Inspector (many of which came from the Authorities in the first place). The only other course of action open to the Authorities would be to withdraw the Plan, which would then leave them open to ‘planning by appeal’ until such time as a new plan (such as the South Downs National Park Local Plan) was at an advanced stage of preparation.

5. Guide to Developers’ Contributions

- 5.1 The Guide to Developer Contributions (the Guide) (**Appendix 4**) is a non-statutory planning guidance document which sets out the Council’s and the SDNPA’s developer contribution requirements for new development. The existing Guide is based upon the policies of the East Hampshire District Local Plan: Second Review and was ‘inherited’ by the SDNPA when it became the local planning authority in 2011. With the forthcoming adoption of the JCS it is necessary to update the Guide to reflect the policies in the JCS.

- 5.2 A revised Guide was subject to public consultation by EHDC in January 2014. The consultation was undertaken in order to increase its validity as a policy document.
- 5.3 It is important to note that the revised Guide is likely to be the last in the current format, since it is proposed to adopt the Community Infrastructure Levy (CIL) by summer 2015. The current tariff-based S106 regime (with the ‘pooling’ of contributions as reflected in the Guide) will not be permitted after 1 April 2015.
- 5.4 The revised Guide therefore sets out the requirements for a pre-CIL interim period. The forthcoming restrictions on ‘pooling’ and the inability to require generic S106 contributions for open space, transport and so on (rather than site specific infrastructure requirements) will, as 2014/15 progresses, gradually begin to impact upon developers’ intentions with regard to the timing of planning applications and decisions, and S106 negotiations.
- 5.5 This Guide sets out the EHDC’s and SDNPA’s requirements for developers’ contributions towards infrastructure improvements and other means of mitigating the impact of new development upon the District. The use of developer contributions in assisting in the provision of infrastructure is a crucial element in achieving the implementation of the policies and proposals in the JCS. The Authorities have identified the key infrastructure requirements with partners and relevant bodies and these will be set out in the Infrastructure Delivery Plan (IDP) for the JCS. In due course the relevant parts of this can be incorporated into the National Park-wide IDP to support the SDNPA CIL.
- 5.6 The Guide sets out the specific requirements for all the following categories of infrastructure:
1. Public open space, recreational facilities and green infrastructure
 2. Affordable housing
 3. Community facilities and public services
 4. Landscape, biodiversity and built environment
 5. Transport improvements
 6. Flood protection, drainage and water
 7. Local employment and training

6. Resources

- 6.1 Most of the costs of the Joint Core Strategy have already been incurred or budgeted for. EHDC will be invoiced by the Planning Inspectorate shortly. The National Park Authority’s share of this is estimated to be £35,000 and this will be funded from within existing budgets. There are no further significant resource implications in relation to this Joint Core Strategy.

7. Risk management

- 7.1 Risk – if members choose to reject the recommendation to adopt the JCS, there is an increased risk of planning by appeal and the loss of the opportunity for the National Park Authority to have a strong influence the quality of development proposals coming forward within the National Park part of the district.
- 7.2 Mitigation – reliance on out of date plans, non-statutory policies and national guidance, none of which will offer the same weight in the event of a wish to refuse unsatisfactory planning applications and defend such refusals at appeal.

8. Crime and Disorder Implications

- 8.1 It is considered that this report does not does not raise any crime and disorder implications.

9. Human Rights Implications

- 9.1 The Main Modifications have been considered in light of statute and case law and any interference with an individual’s human rights is considered to be proportionate to the aims sought to be realised.

10. Equalities Act 2010

10.1 11.1 Due regard, where relevant, has been taken to the South Downs National Park Authority's equality duty as contained within the Equalities Act 2010.

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- Appendices
- A. Inspector's Report on the Examination into East Hampshire District Local Plan Joint Core Strategy
 - B. East Hampshire Joint Core Strategy Main Modifications, April 2014.
 - C. East Hampshire District Local Plan: Joint Core Strategy: Schedule of Minor Modifications, May 2014
 - D. East Hampshire District Council: Guide To Developers' Contributions, April 2014

In addition the modified text (subject to any further minor modifications identified in this report or before publication) can be found at:

[http://www.easthants.gov.uk/ehdc/formsfordownload.nsf/0/3998CC63D6066CA980257CE1002C8E3F/\\$File/JCS+FINAL+VERSION+TEXT+ONLY+220514.pdf](http://www.easthants.gov.uk/ehdc/formsfordownload.nsf/0/3998CC63D6066CA980257CE1002C8E3F/$File/JCS+FINAL+VERSION+TEXT+ONLY+220514.pdf)

SDNPA Consultees Chief Executive Officer, Director of Corporate Services, Director of Strategy and Partnerships, Director of Operations, Chief Finance Officer, Deputy Chief Finance Officer, Monitoring Officer & Legal Services.

External Consultees East Hampshire District Council

- Background Documents
1. South Downs National Park Authority Planning Committee Report PC66/11, Dec. 2011, http://www.southdowns.gov.uk/_data/assets/pdf_file/0009/167490/Agenda-Item-8.pdf;
 2. South Downs National Park Authority Report 34/12, December 2012; http://www.southdowns.gov.uk/_data/assets/pdf_file/0009/291960/Agenda-item-13.pdf;
 3. South Downs National Park Authority Report 29/13, July 2013; http://www.southdowns.gov.uk/_data/assets/pdf_file/0003/362208/Agenda-Item-9.pdf;
 4. South Downs National Park Authority Report 12/14, 23 January 2014 http://www.southdowns.gov.uk/_data/assets/pdf_file/0019/407800/Agenda-Item-7.pdf

The evidence base studies relevant to the report and set out below are accessible via:

<http://www.easthants.gov.uk/ehdc/planningpolicy.nsf/webpages/Background+Research>

5. Strategic Housing Market Assessment Update
6. Strategic Housing Land Availability Assessment
7. Strategic Landscape Assessment for Petersfield and Liss
8. Strategic Landscape Assessment for Major Settlements Outside the National Park
9. Landscape Assessment for Petersfield Reserve Sites
10. Petersfield Retail Study