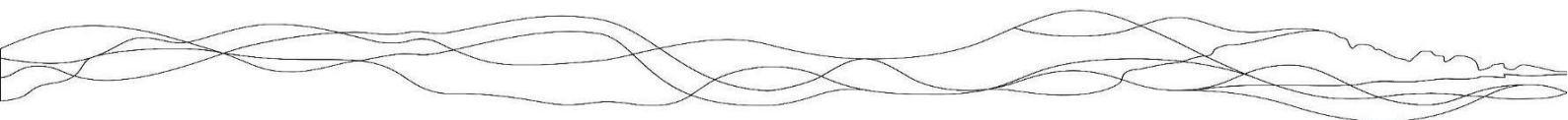


Development Strategy Background Paper

South Downs Local Plan

October 2017



I. INTRODUCTION

Policies covered:

- **Policy SD25:** Development Strategy

1.1 This paper outlines the background to the development of Policy SD25: Development Strategy. It explains how the policy takes forward the Spatial Strategy set out in Section 3 of the Local Plan, i.e. a medium level of development dispersed across the towns and villages of the National Park. It includes a summary of relevant national policy, and also summarises the key evidence base studies which have fed into the policy.

2. NATIONAL PARK PURPOSES & DUTY AND SPECIAL QUALITIES

2.1 Policy SD25 contributes to both purposes and the duty. The appropriate development of sites will conserve and enhance natural beauty, cultural heritage and wildlife, given that the Local Plan taken as a whole requires this for all material changes to land within the National Park. Some development is also necessary to promote understanding and enjoyment of the National Park, for example supporting sustainable tourism, and facilities for education and cultural enrichment.

2.2 However, a strong development strategy is particularly important for meeting the Duty (seeking to foster the economic and social well-being of the communities of the National Park). Facilitating some landscape-led housing and employment growth helps to ensure that towns and villages within the National Park remain sustainable and vibrant communities, by addressing the significant housing needs that exist, and ensuring local job opportunities continue to exist for local communities.

2.3 The approach supports Special Quality (SQ) 7: distinctive towns and villages, and communities with real pride in their area, and also supports the latter part of SQ4: an environment shaped by centuries of farming and embracing new enterprise.

2.4 Policy SD25 also has strong regard to the Partnership Management Plan 2014-19¹ (PMP). Particularly relevant within the PMP are Policy 48, which seeks to support the towns and villages in and around the National Park; Policy 49, which seeks to maintain and improve a range of essential community services and facilities. Policy 50 specifically supports balanced communities, referencing housing and other development, so that people can live and work in the area.

¹ South Downs Partnership Management Plan 2014-19 (SDNPA, 2015)

3. NATIONAL POLICY AND GUIDANCE

- 3.1** The National Planning Policy Framework (NPPF)² sets out the high-level purpose of the planning system, which is to contribute to the achievement of sustainable development. There are three dimensions to sustainable development: an economic role, a social role, and an environmental role. Promoting sustainable development involves seeking positive improvements in the quality of the built, natural and historic environment, as well as in people's lives. A presumption in favour of sustainable development will, in plan-making terms, normally mean meeting objectively assessed needs. However in the case of National Parks, NPPF recognises that development will need to be restricted, and objectively assessed needs need not met. The section on Supporting a Prosperous Rural Economy promotes rural diversification, including the development and diversification of agricultural and other land-based rural businesses; supports rural tourism and leisure developments that benefit businesses, communities and visitors, and promotes retention and development of community facilities in villages.
- 3.2** The English National Parks Vision and Circular 2010³ indicates that new development in England's National Parks should be facilitated by the authorities, to ensure that Park communities are places where people can live and work by maintaining sustainable livelihoods. It promotes an appropriate planning regime, which encourages new development to broaden the economic base, and foster more diverse and higher value local employment opportunities. With regards to new housing, the Vision and Circular recognises the particular struggle that National Parks face in terms of housing affordability. As such, it recognises that National Parks are not suitable locations for unrestricted housing, and states an expectation that new housing will be focused on meeting affordable housing requirements, and supporting local employment opportunities and key services.
- 3.3** The recent Housing White Paper⁴ sets a direction of travel which maintains the exclusion of areas designated as National Parks from the presumption that objectively assessed needs should be accommodated. Draft text proposed for a revised NPPF states that local plans should accommodate objectively assessed needs, with sufficient flexibility to adapt to rapid change, unless specific policies in the Framework provide a strong reason for development to be restricted. A footnote to this statement defines such policies as including land within a National Park (or Broads Authority).

² National Planning Policy Framework (CLG, 2012)

³ English National Parks and the Broads: UK government vision and circular 2010 (Defra, 2010)

⁴ Fixing our broken housing market (CLG, 2017)

4. LOCAL CONTEXT AND EVIDENCE

4.1 The development strategy is the overarching strategy guiding how and where new development happens in the National Park. The strategy has evolved iteratively from when the outcome of the Options consultation, held in February 2014, was known. The sub-headings below provide a brief recap of the evidence that has informed the Authority's drafting of Policy SD26. It should be noted that the main focus of the evidence base was in relation to housing, as it was evident from early on in the process that this use made up the lion's share of local development needs, in the context of potential land-take.

Early evidence gathering on settlement hierarchy

4.2 As part of the early preparation of the Local Plan, the Authority identified the current role and function of settlements based on the number and type of facilities and services they provide, to inform the spatial strategy of the Local Plan. This led to categorisation of settlements into 5 tiers. This approach helped to evidence the settlements' roles and opportunities, and fed directly into the Options consultation document.

Options consultation⁵

4.3 There was an overall indication that some development was needed in both smaller and larger settlements, and the level guided by the facilities already available in those settlements and to help meet local need specific to the settlement. However there was little support for smaller settlements helping to meet the wider housing and other needs beyond the settlement, whereas there was strong support for the larger 'tier 1' settlements to help meet this wider need. Feedback received from the consultation also indicated that adherence to a settlement hierarchy was too rigid an approach, and that the strategy should not exclude development in smaller settlements, but instead maintain the viability of these settlements by allowing small levels of growth. This was confirmed by a series of meetings with a number of town and parish councils in Autumn 2014.

Strategic Housing Land Availability Assessment (SHLAA) 2015⁶

4.4 The SHLAA was undertaken to provide evidence as to the development potential of sites identified across the National Park. Over 400 sites were considered, and the potential for some 2,344 homes identified. An important part of the study was an assessment of landscape sensitivity, which was undertaken by a qualified landscape officer. The capacity for individual settlements to accommodate new housing informed the approach taken, by showing that there were suitable, available and achievable sites across the National Park, in smaller as well as larger settlements.

⁵ South Downs National Park – Local Plan: Options consultation document (SDNPA, 2014)

⁶ South Downs National Park Strategic Housing Land Availability Assessment (SDNPA, 2015)

Sustainability Appraisal (SA)⁷

4.5 The SA published alongside the Preferred Options version of the Local Plan tested different housing growth scenarios that emerged from the Strategic Housing Market Assessment (SHMA) 2015 and from current land supply availability as set out in the SHLAA 2015, based on specific quanta of housing. The outcome of the testing of numbers is outlined in the Supply of Homes Background Paper. However more relevant to the development strategy was the testing of spatial options for meeting this growth in the SA. Following the screening out of four scenarios considered not to be reasonable alternatives, the following scenarios were tested against SA objectives (note the number of homes quoted excludes all unimplemented planning permissions and windfall development):

- **Option 1:** Dispersed High (6,087 homes allocated to a wide range of settlements across the National Park)
- **Option 2:** Dispersed Medium + 60% (3,429 homes allocated to a wide range of settlements across the National Park)
- **Option 3:** Concentrated Medium (2,578 homes restricted to Petersfield, Lewes, Midhurst, Liss and Petworth)
- **Option 4:** Dispersed Medium (2,578 homes allocated to a wide range of settlements across the National Park)
- **Option 5:** Dispersed Medium (Sustainable Transport) (2,578 homes located in areas with established sustainable transport infrastructure, specifically well-established bus routes, rail and cycle routes sustainable for commuting)

4.6 The appraisal of these options concluded that, overall, Options 4 and 5 performed better than Options 1, 2 and 3 as the effects on sensitive environmental receptors (such as landscape, biodiversity, tranquillity and cultural heritage) would be less. Option 3 was found to have significant effects on landscape and biodiversity, albeit limited to significant effects in the vicinity of Lewes, Petersfield, Midhurst, Petworth and Liss. Options 1 and 2 emerged least favourably, with potential to lead to significant environmental effects to the detriment of the National Park Purposes.

Settlement Facilities Assessment⁸

4.7 This assessment built on the Settlement Hierarchy Study, but in a way that recognised it was not appropriate to take a prescriptive approach to deciding which settlements should accommodate development in the future. Instead, this study assigns scores based on education, retail, transport, health and other facilities (either within the settlement itself, or in close proximity) and ranks them by score. This assessment has been important in determining which settlements are included in Policy SD25, and therefore deemed appropriate locations for new development.

⁷ Sustainability Appraisal (SA) of the South Downs Local Plan: SA report to accompany the Local Plan Preferred Options (Aecom, 2015)

⁸ South Downs National Park Settlement Facilities Assessment (SDNPA, 2015)

Settlement Boundaries Review⁹

4.8 The development strategy is premised on determining which settlements are in principle suitable for accommodating development, and what the spatial extent of the settlement (including known development sites) should be. A clear methodology was therefore developed for guiding the precise settlement boundaries, within which the principle of development is accepted. This methodology was refined in summer 2017 and has been published as Settlement Boundary Review: 2017 Update Background Paper.

Preferred Options consultation¹⁰

4.9 Whilst a number of comments were received on the detail of Policy SD25, there was no indication that the overall approach taken to developing the policy was not fit-for-purpose or contrary to evidence. The lack of inclusion of a settlement boundary for some smaller settlements was questioned (some of these had previously had boundaries), but no compelling evidence was presented that outweighed evidence already gathered by the Authority. A number of comments sought clarity on the approach to Whole Estate Plans (this has been addressed in the Pre-submission Plan).

Strategic Housing Land Availability Assessment (SHLAA) 2016¹¹

4.10 Following a new call for sites in late 2015, the SHLAA was updated in 2016 to reassess the new sites as well as re-assess all previously submitted sites. This was essentially an update to refresh the evidence base, ensuring that final recommendations on the housing site allocations were based on up-to-date evidence. It was informed by a further 'call for sites'. The SHLAA 2016 identified potential for 2,902 homes across the National Park.

South Downs Integrated Landscape Character Assessment (2005, updated 2011)¹²

4.11 The purpose of this assessment was to produce a comprehensive, fully integrated assessment of all aspects of landscape character of the South Downs. The National Park is divided into 18 generic landscape types, and sub-divided into 51 individual geographic character areas. These area-based analyses provide high-level evidence of the relationship between settlements and the wider landscape, which in turn has helped determine whether there is reasonable scope for further small-scale development. This evidence is especially important in considering the context of the broad areas, which have been used to structure Policy SD25 part I.

Whole Estate Plans Preparation Guidelines (draft) (2017)¹³

4.12 These guidelines have been drafted to support rural estates and large farms in preparing a Whole Estate Plan (WEP). A WEP is a non-statutory plan that demonstrates the overall position and aspirations of an organisation, enabling effective collaboration between the estate and National Park Authority. The Authority is encouraging production of WEPs to provide context to projects on the estate that might require planning permission. The guidelines therefore explain

⁹ Background Paper: Settlement Boundaries Review (SDNPS, 2017)

¹⁰ South Downs Local Plan Preferred Options (SDNPA, 2015)

¹¹ South Downs National Park Strategic Housing Land Availability Assessment (SDNPA, 2016)

¹² South Downs Integrated Landscape Character Assessment (LUC, 2005, updated 2011)

¹³ Whole Estate Plans preparation guidelines: Background, Content and FAQs Rev B (SDNPA, 2017)

the importance of linking land management strategies to ecosystem services, and the special qualities of the National Park.

5. ROUTE MAP FOR POLICY FORMULATION

5.1 Policy SD25 is a strategic policy which applies to all development within the National Park. The 'meat' of the policy is the identification of 53 settlements that may, in principle, accommodate some new development. Key to this are the following Local Plan objectives:

- **Objective 7:** To conserve and enhance the villages and market towns of the National Park as thriving centres for residents, visitors and businesses, and
- **Objective 8 of the Local Plan:** To protect and provide for the social and economic wellbeing of National Park communities.

5.2 In pure terms, development – particularly to meet local housing and employment needs – can benefit any settlement, irrespective of size. However, a balance has been sought between achieving the objectives above, and avoiding a proliferation of isolated developments that are not supported by local community-focused services. The second of these would lead to an over-dispersal of development, potentially diluting community cohesion and encouraging unsustainable patterns of transport. It would also have a disproportionate impact on the landscape due to significant changes to the historic pattern of development in the countryside.

5.3 Therefore the starting point for determining the list of settlements in Policy SD25 was the Settlement Facilities Assessment. The SD25 settlements have been confirmed as appropriate locations for some degree of new development, using the following broad approach, which is illustrated in flowchart form in Appendix I.

- The Settlement Facilities Study ranks settlements according to score. All settlements scoring 5 or more points are automatically included as a settlement with a defined boundary in Policy SD25, and assumed in principle to be capable of supporting and benefitting from further development.
- For the remaining settlements (i.e. those scored less than 5(?)), a filtering approach was taken to determine whether settlements should be further considered for potential inclusion in Policy SD25:
 - 1. Stage 1: Sustainability test** – Settlements scoring less than 2 points in the settlement facilities study are excluded.
 - 2. Stage 2: Constraints and Opportunities test** – Settlements scoring between 2 and 4.5 points are considered further against the following criteria:
 - a) Settlement form** –
 - i.** Is it very small in terms of households/population?
 - ii.** Is it of a dispersed nature, i.e. lacks the sense of being a cohesive, defined settlement?

b) Historic character –

- i.** Are significant parts of the settlement within, or provide a setting for, a conservation area?
- ii.** If so, does the historic character and form indicate an over-riding constraint likely to prevent future infill development or substantive building conversions?

c) Infill opportunities –

- i.** Is there reasonable opportunity for infill development within the area that would be included within a settlement boundary?

d) SHLAA sites –

- i.** Are there one or more SHLAA sites with the conclusion ‘Has Potential’ within or closely related to the settlement (which will indicate that development would be acceptable in landscape terms)?

5.4 The filtering process described above was used to confirm the list of settlements to be included in Policy SD25. There is one exception settlement which, on a further ‘sense check’, was considered to not be suitable in principle to have a settlement policy boundary, despite meeting the theoretical tests for inclusion. Bucks Horn Oak is a small settlement to the southwest of Farnham. It is unusual in its status, as it is considered in functional terms to be a detached suburb of Farnham, and is surrounded on all sides by Alice Holt Forest, most of which is proposed as a Site of Importance for Nature Conservation (SINC). The only community facility in close proximity is a petrol station and small convenience store, which are not considered sufficient to indicate existence of a sustainable small settlement in its own right. For these reasons, Bucks Horn Oak has not been included in Policy SD25, and a settlement boundary is not proposed.

5.5 The evidence outcome from the filtering exercise also shows that the addition of Owslebury in Hampshire, and of Slindon in West Sussex, to Policy SD25 is appropriate. Both settlements pass the tests set out in the above methodology, and given that other settlements of a comparable size and form are included in the policy, there is no exceptional reason why Owslebury should not also be included.

Relationship between the Local Plan and Neighbourhood Plans

5.6 Neighbourhood Development Plans (NDPs) are strongly encouraged by the National Park Authority. However the NPPF is clear that neighbourhood plans should support the strategic development needs set out in Local Plans, including policies for housing and economic development.

5.7 As such, NDPs for parishes and towns are expected to be in general conformity with the Local Plan. A Preferred Options version of the Local Plan was published in September 2015, and the Authority has, since that date, strongly encouraged those preparing NDPs to adhere to the preferred development strategy, to ensure reasonable alignment with the final Local Plan.

5.8 In line with the principles of localism, the South Downs Local Plan does not generally allocate sites for development in parishes with an NDP. Nor does it determine settlement boundaries, which establish where development will in principle be supported within the defined boundary. Instead, NDPs are expected to allocate sites, and set a settlement boundary, to meet the

development needs for that settlement (which are identified in the emerging Local Plan). To ensure there is no policy vacuum on adoption of the Local Plan, a cut-off for NDPs' preparation was set. As such, the Local Plan allocates sites in settlements in the National Park that are firstly identified in Policy SD26: Supply of Homes as providing a level of housing; and secondly had not had an NDP published under Regulation 14 of the Neighbourhood Plan regulations (pre-submission consultation) by 30th June 2017.

Whole Estate Plans

- 5.9** Whole Estate Plans (WEPs) are an innovative tool developed by the South Downs National Park Authority that brings together land stewardship, commercial activities, and the enhancement of ecosystems and the special qualities of the National Park, as relate to a particular estate or large farm. WEPs are invaluable tools in achieving positive collaboration between estates and the National Park Authority. The Authority will formally endorse a WEP if and when it achieves positive benefits for the special qualities and ecosystem services, is in line with the published guidelines, and demonstrably meets other objectives of the National Park.
- 5.10** An endorsed Whole Estate Plan will allow planning officers and Members to get up to speed not only with an individual project, but also how that project fits into the estate's wider aspirations. It will also allow estate/landholding managers, all those who work or live on the Estate and development management officers to identify opportunities to create wider community benefits which may have a positive benefit to the Estate itself. This is particularly important when considering the need to demonstrate exceptional reasons for allowing new development outside of settlement boundaries or allocated sites. As such, the Authority considers it is important to state in Policy SD25 part 3 that it will have positive regard to proposals that form part of a wider Whole Estate Plan or Large Farm Plan, provided that there are multiple benefits evident in respect of the special qualities and ecosystem services.

6. CONCLUSIONS

- 6.1** This paper has signposted the key pieces of evidence that have been used to develop Policy SD25: Development Strategy. The precise form of the policy has involved the professional judgement of officers and Members, taking into account all of the evidence outlined above. However the route map set out is limited to explaining the key narrative and rationale of the Policy's development, rather than seeking to explain either the many nuances, or the more 'standard' elements of the policy which closely reflect national policy.
- 6.2** The Authority is confident, given the evidence, time, expertise and attention to consultation outcomes that has gone into developing this policy over a number of years, that it is the most appropriate approach to meet the Local Plan and SA objectives. The SA confirms that this is the case.

APPENDIX I: FLOWCHART FOR SETTLEMENT FILTERING

