



Report to New Forest District Council

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PLANNING AND COMPULSORY PURCHASE ACT 2004

SECTION 20

REPORT ON THE EXAMINATION INTO THE NEW FOREST DISTRICT OUTSIDE THE NATIONAL PARK CORE STRATEGY

DEVELOPMENT PLAN DOCUMENT

Document submitted for examination on 27 February 2009

Examination hearings held between 2 and 18 June 2009 at the Town Hall,
Avenue Road, Lymington, Hampshire

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1. Introduction and Overall Conclusion

- 1.1 Under the terms of section 20(5) of the Planning & Compulsory Purchase Act 2004, the purpose of the independent examination of a development plan document (DPD) is to determine:
- (a) whether it satisfies the requirements of sections 19 and 24(1) of the 2004 Act, the Regulations under section 17(7), and any Regulations under section 36 relating to the preparation of the document; and
 - (b) whether it is sound.
- 1.2 This report contains my assessment of the New Forest District outside the National Park Core Strategy DPD (henceforth referred to as the Core Strategy) in terms of the above matters, along with my recommendations and the reasons for them, as required by section 20(7) of the 2004 Act.
- 1.3 I am satisfied that the Core Strategy meets the requirements of the Act and Regulations. My role is also to consider its soundness against the three tests set out in Planning Policy Statement 12: *creating strong safe and prosperous communities through Local Spatial Planning* (PPS 12) paragraphs 4.51-4.52. In line with national policy, the starting point for the examination is the assumption that the Council has submitted what it considers to be a sound plan. The changes that I have specified in this binding report are made only where there is a clear need to amend the document in the light of the legal requirements and/or the tests of soundness in PPS 12. None of these changes should materially alter the substance of the overall plan and its policies, or undermine the sustainability appraisal and participatory processes already undertaken.
- 1.4 My report firstly considers the legal requirements, and then deals with the relevant matters and issues considered during the examination in terms of testing justification, effectiveness and consistency with national policy. **My overall conclusion is that the Core Strategy is sound, provided that it is changed in the ways that are specified in this report.** All of the required changes are set out in the main text of the report. A number of these broadly accord with amendments that, although not presented as formal modifications, were endorsed by the Council during the examination.
- 1.5 The most significant changes that I have recommended are summarised below. Matters (c), (d), (e), (f), (h) and, in part, (i) broadly reflect changes supported in principle by the Council during the examination.
- (a) Changes to some housing supply assumptions including: updating to take account of recent permissions and completions; deletion of the allowance for unallocated "windfall" sites in years 6 to 10; and use of a 10% (rather than 5%) discount for large site commitments.
 - (b) Deletion of specific site allocations at Crow Lane, Ringwood and Durley Farm, Hounslow, Totton.
 - (c) Introduction of greater flexibility in affordable housing policy CS15.

- (d) Removal of the requirement that care homes should contribute to affordable housing provision.
- (e) Amended reference to Dibden Bay.
- (f) Strengthening of the linkage between the delivery of housing development and mitigation of potential effects on internationally designated nature conservation sites.
- (g) Deletion of 'local gaps'.
- (h) Strengthening of the policy approach to development and flood risk, in line with national policy in Planning Policy Statement 25: *Development and Flood Risk* (PPS 25).
- (i) Clarification of the policy approach to developer contributions.

1.6 In addition, and for the avoidance of doubt, I have not accepted the case made by a representor that land should be allocated at Ower for a regional distribution centre.

2. Legal Requirements

- 2.1 The updated version of the Council's Local Development Scheme (LDS) was approved on 19 March 2009. I am satisfied that the timing and content of the Core Strategy accords with the LDS, as required by section 19(1) of the 2004 Act.
- 2.2 The Council's Statement of Community Involvement (SCI) has been found sound by the Secretary of State and was formally adopted by the Council in June 2006. Its adoption predated the procedural changes set out in the Town and Country Planning (Local Development) (England) (Amendment) Regulations 2008. Nevertheless, bearing in mind relevant documents submitted by the Council, including the Regulation 30(d) and 30(e) Statements and its statement for the examination hearing, I am satisfied that the SCI's intentions, in terms of appropriate community involvement throughout the plan preparation period, have been met. While there was some overlap with the preparation of the Hampshire Minerals and Waste Core Strategy, I see no substantive reason why concurrent consultation exercises would necessarily have precluded public involvement in either case.
- 2.3 Alongside the preparation of the DPD it is evident that the Council has carried out a parallel process of sustainability appraisal. I am satisfied that this has appropriately informed the selection of options and the content of policies in the Core Strategy.
- 2.4 An Appropriate Assessment has been undertaken in accordance with the Habitats Directive. I deal with this matter in more detail later on in my report, and recommend a number of changes to the Core Strategy. Subject to these, I am satisfied that there would be no adverse effects on the integrity of the River Avon SAC (Special Area of Conservation), the Avon Valley SPA (Special Protection Area) and Ramsar site, the Dorset Heathlands

SPA, SAC and Ramsar site, the New Forest SPA, SAC and Ramsar site, the Solent and Isle of Wight Lagoons SAC, the Solent Maritime SAC and the Solent and Southampton Water SPA and Ramsar site as a result of the policies and proposals within the Core Strategy.

- 2.5 I am satisfied that the Core Strategy has had regard to national policy. However, as will be apparent from my later conclusions, I consider that a number of changes are required in order to ensure that it is consistent with such policy. I set these out in detail later in my report.
- 2.6 The South East Plan was published during the examination period, replacing the previous Regional Planning Guidance (RPG 9) as the Regional Spatial Strategy for the Core Strategy area. The South East England Partnership Board, which is the Regional Planning Body, has indicated that the Core Strategy is in general conformity with the South East Plan. I have no reason to take a different view.
- 2.7 While I recommend some detailed changes later in my report for reasons of consistency, I am satisfied that the Core Strategy has had regard to 'Future Matters - the Sustainable Community Strategy for the New Forest District 2008-2012'. The relationship between the two documents is summarised in paragraph 1.3 and Appendix 2 of the Core Strategy.
- 2.8 I consider that the Core Strategy complies with the specific requirements of the 2004 Regulations (as amended) in respect of publication of the prescribed documents, their availability for inspection and local advertisement and the notification of DPD bodies. However, the Core Strategy does not contain a list of superseded saved policies, as is required by Regulation 13(5). Accordingly, the following change is needed to make the Core Strategy legally compliant:

<p>RC1: Add a new appendix containing a list of the saved policies that are superseded by the Core Strategy, as set out in Annex 1 of this Report. (Where necessary, this has been amended to take into account other changes that I have recommended).</p>

- 2.9 Subject to this change, and relevant changes below, I consider that the legal requirements have all been satisfied.

3. Soundness Tests

- 3.1 PPS 12 states that for a Core Strategy to be sound, it should be **justified, effective and consistent with national policy**. Bearing in mind the evidence before me, the representations that have been made and the discussions that have taken place at the examination hearings, I have identified six main issues that bear upon the Core Strategy's soundness in respect of these tests. I deal with each below. However, I begin by making some general comments
- 3.2 The Core Strategy area is unusual in that it is split into three discrete units. These are separated by the New Forest National Park. I consider the Plan's

effects upon the National Park later on. However, as a general point, it seems to me that the relationship between the Core Strategy area and the National Park is so close that it is less than ideal for their Core Strategies to be considered separately. Paragraph 4.16 of PPS 12 requests local authorities to explore and exploit opportunities for joint working on Core Strategies. I understand that, initially, the Council and the National Park Authority intended to prepare a joint Core Strategy. To my mind, the abandonment of this initiative was unfortunate. The submitted document represents a missed opportunity to properly integrate the forward planning of the Park with that of its immediate hinterland. Nevertheless, for the reasons that I set out below, I do not consider that the absence of a joint Core Strategy necessarily results in a finding of unsoundness.

- 3.3 The Core Strategy's examination has taken place in the context of an economic downturn that has caused several respondents to question the Plan's underlying assumptions, as well as the deliverability of its proposals. I am unable to take a view on the likely length and severity of present economic difficulties. While I note that the area's housing market has remained relatively strong to date, it is possible that there may be some slippage in the implementation of the Plan's proposals. This may affect the viability of developments and their ability to deliver infrastructure and affordable housing. I have taken this into account in my considerations. Nevertheless, the Core Strategy covers a 20 year time period and, as such, it is generally appropriate to take a medium to long term view in respect of its policies and proposals. Furthermore, the Government has recently emphasised¹ that the planning system should be in a position to deliver land for housing and economic development to respond to a future upturn in the economy. Therefore, while I have recommended a number of changes to the Core Strategy's approach, for example regarding infrastructure delivery and affordable housing, I do not feel that a more fundamental reassessment of the Plan's assumptions or objectives is presently required. Nevertheless, should current economic difficulties persist, such an exercise may well become necessary.

Main Issue 1: Is the Core Strategy's objective of meeting the housing requirements of the South East Plan achievable on the basis of the approach set out in policies CS10 and CS11?

- 3.4 The South East Plan seeks the provision of some 3,920 additional dwellings within the Core Strategy area during the period 2006-2026. The resulting annual figure (196 dwellings a year) would be significantly lower than recent rates of house building in the Plan area: for example, completions during the period 2003 to 2008 ranged from 283 to 535 dwellings a year.
- 3.5 The Council's housing supply figures and assumptions are summarised in Table 2 of the Core Strategy – which derives from its Strategic Housing Land Availability Assessment (SHLAA) published in November 2008. Updated figures (as at 31 March 2009) were supplied by the Council during the examination. I accept that the information in Table 2 inevitably records a snapshot in time. However, bearing in mind the advice in paragraph 53 of

¹ Letter to from the Chief Planner CLG to Chief Planning Officers dated 12 May 2009.

Planning Policy Statement 3: *Housing* (PPS 3), I see merit in aligning the relevant details with the start of 2009/10 – the likely year of the Core Strategy's adoption. Furthermore, a number of planning permissions granted during 2008/9 contribute markedly towards the Council's ability to achieve the required housing target. Accordingly, I recommend that the updated figures, subject to further changes that I set out below, are included in the Core Strategy in a revised Table 2 [RC2]. Consequent changes are needed to the housing trajectory set out in figure 21 and to the supporting text [RC3-RC4]. However, I reject the view of some representors that the breakdown by settlements should be removed from Table 2: to my mind, this provides necessary guidance to aid subsequent DPD preparation.

- 3.6 Particular criticism has been voiced about the Core Strategy's reliance upon the likely contribution of housing development from unallocated sites ("windfall sites"). I share these concerns. It is common ground that, on the basis of the updated figures, the SHLAA assumes the delivery of 275 dwellings from windfall sites in years 6 to 10 of the Core Strategy. Paragraph 59 of PPS 3 states that allowances for windfalls should not be included in the first 10 years of land supply unless robust evidence is provided of genuine local circumstances that prevent specific sites from being identified. I do not feel that the evidence presented by the Council meets this test. While I accept that small sites are, by their very nature, difficult to identify, this argument is not unique to the present Core Strategy. Previous high completion rates on windfall sites cannot, in my view, be relied upon in future years – particularly in view of the Core Strategy's acceptance (paragraph 7.3.7) that policy CS2 is likely to result in significantly lower rates of development in the towns and larger villages than in recent years. Furthermore, as discussed below, the Core Strategy itself proposes the identification of additional sites in order to accommodate more than 800 dwellings to meet local needs over and above the RSS total. Clearly, sites for housing development can, in principle, be identified.
- 3.7 Accordingly, I consider that the Core Strategy's inclusion of an allowance for windfall housing during years 6 to 10 conflicts with national policy set out in paragraph 59 of PPS 3. I recommend that this allowance be deleted and I have amended the revised Table 2 accordingly [included in RC2]. However, bearing in mind the difficulty of predicting the delivery of small sites over a longer term, I see no reason to remove the windfall allowance for years 11 onwards (totalling 385 dwellings). I have used the Council's previous assumptions to split this total between settlements. This is incorporated into column (d) of the revised Table 2, which also takes into account the Council's updated information about outstanding permissions for small sites as at 31 March 2009.
- 3.8 Concern has also been raised about the 5% discount that the Core Strategy applies to large site commitments (column (b) of Table 2) to allow for an element of non-delivery. When considering the previous New Forest District Local Plan – First Alteration, the Local Plan Inspector recommended that, generally, a discount rate of 10% should be applied to housing commitments. I accept that the Core Strategy is intended to cover a substantially longer time period than the previous Local Plan. However, the Council has not provided specific evidence that supports my taking a more optimistic view

than that of my predecessor. In this context, I do not rely upon a "further discount" in relation to the Hanger Farm (Totton) site, as completion of the additional units concerned is already anticipated to occur after the plan period. Furthermore, the history of development on a number of the sites identified in this category, some of which have already appeared at more than one Local Plan Inquiry and do not presently have planning permission, does not support confidence in their timely delivery. Accordingly, I consider that the suggested 5% discount is not supported by the evidence base, and I recommend that it be changed to 10% [included in RC2]. The revised figures are set out in the amended Table 2. Nevertheless, it will be seen that, taking into account the additional sites that have come forward, the resulting total for this column (1,250 units) represents a small increase over that in the submitted Core Strategy (1,230 units).

- 3.9 It was also put to me that a discount should be applied in respect of the "large urban potential" figures in column (c) of Table 2. These are derived from the sites listed in table 5 of the SHLAA. I accept that, in some cases, ownership constraints may create uncertainty about whether particular sites will come forward. I am also concerned that while some of these sites include land within Flood Zone 2, as defined in PPS 25, I have seen no evidence that they have been subject to a sequential site assessment. Such factors may call into question site deliverability. Nevertheless, the Council intends that the column (c) figures will form the basis for allocations to be made in a subsequent Sites and Development Management DPD – and to meet the test of effectiveness, I recommend that this intention be set out in the notes to Table 2 [included in RC2]. Accordingly, I consider that the development potential of individual sites can be more properly addressed at the detailed allocation stage. Such consideration will necessarily involve an assessment of progress towards meeting the Core Strategy's housing requirements and need not be restricted to those sites presently listed in SHLAA table 5. In the meantime, I have seen no substantive evidence that, in principle, the broad level of development envisaged in column (c) is unattainable. A discount is not therefore required for soundness reasons.
- 3.10 Two greenfield sites (Crow Lane, Ringwood and Durley Farm, Hounslow, Totton) are allocated for housing development by policy CS11. Their identification in the Core Strategy derives from their status as reserve sites in the previous Local Plan. I have no reason to doubt the suitability of either site for development. Both were supported by the previous Local Plan Inspector. Nevertheless, paragraph 4.6 of PPS 12 makes it clear that while Core Strategies may allocate strategic sites for development, progress should not be held up by inclusion of non-strategic sites. I accept that size alone does not necessarily determine strategic significance. However, in the present case, I consider that neither site is central to the Core Strategy's achievement in the terms required by PPS12. While both would contribute to housing supply, with the Crow Lane site also including land for employment uses, these objectives could equally be achieved by the allocation of land in the subsequent Sites and Development Management DPD – as is proposed in respect of the "large urban potential" sites already discussed. Furthermore, it is clear that the Council does not see either CS11 site as an immediate priority, with both being held back to the latter part of the Plan period.

- 3.11 To my mind, the allocation of non-strategic development sites, and the consideration of detailed site requirements such as phasing and specific developer contributions, is more properly a matter for subsequent LDDs. As well as according with paragraph 4.6 of PPS 12, this would enable the merits of the two CS11 sites to be considered along with those of other potential development opportunities. Such a comparative assessment does not form part of the Core Strategy's evidence base. Irrespective of their non-strategic nature, the identification of these two sites (as opposed to others) has, in my view, not been sufficiently justified in terms of their particular *planning* merits. I note in this context that the previous Inspector recommended that a number of additional "reserve" housing sites should be included in the Local Plan. However, with the exception of Crow Lane, these recommendations were not accepted by the Council.
- 3.12 Drawing these factors together, I consider that the Core Strategy's identification of specific housing sites at Crow Lane, Ringwood and Durley Farm, Hounslow, Totton does not accord with national policy set out in paragraph 4.6 of PPS 12. I recommend that they are deleted and that policy CS11 be reworded accordingly [RC5]. Consequent amendments are needed to Table 2 [included in RC2], the supporting text [RC6], the Proposals Map [RC7] and section 9 of the Core Strategy [RC8-RC9]. I have amended the schedule of superseded policies [see RC1] by deleting the references to LP policies H-1, RW-12 and TE-14 to ensure that both sites retain their existing "reserve" status. However, I accept the Council's view (expressed at the examination hearings) that in order to provide adequate guidance for future DPD preparation, and consistent with the Plan's settlement hierarchy, it remains necessary for CS11 to indicate both the scale and broad location of new housing allocations. These are unchanged.
- 3.13 The location of development to be accommodated within the Plan area has been influenced by the settlement hierarchy set out in policy CS9. While concerns have been raised about the position of some of the settlements, notably Totton and Bransgore, I am satisfied that the resulting hierarchy broadly accords with the Plan's evidence base. Primarily, this is provided by the comparative exercise set out in Background Paper (BP)11. However, there are some discrepancies between that paper and the hierarchy in policy CS9. It was clarified during the examination that, in addition to the BP11 assessment, settlements have been considered with regard to their potential to accommodate further development. This has, for example, resulted in Milford-on-Sea, which is rated in BP11 as having very good access to facilities and some access to workplaces, being allocated to level 3 in policy CS9. Bearing in mind that several settlements are affected to a greater or lesser extent by potential constraints upon development, such as the presence of the Green Belt or proximity to the National Park, this approach is understandable. However, it is not explicit from the reasoned justification that such consideration has taken place. To meet the test of being justified, I recommend a change accordingly [RC10].
- 3.14 The overall effect of the changes that I have recommended above is that Table 2's out-turn figure (of 3,920 units) remains unchanged. However there is some change to the balance of housing between different parts of the Plan area, requiring amendments to the supporting text [RC11-RC12]. Within the

South Hampshire sub-region, the changes create an excess of 95 units over the South East Plan figure – largely in respect of Totton. However, this is consistent with Totton's particular range of facilities and accessibility and, as such, I am satisfied that the Plan's overall spatial strategy and underlying sustainability assumptions are not threatened. A deficit of 95 units from the South East Plan total is created in the remainder of the Plan area. Bearing in mind the potential for the extra provision of housing to meet local needs (discussed under the next main issue), which is more substantial in that part of the Plan area than in the South Hampshire sub-region, I consider that it is unlikely that this area's South East Plan housing total will fail to be achieved. Nevertheless, this is a matter that the Council may wish to review, in the light of future monitoring information, when preparing its subsequent Sites and Development Management DPD.

- 3.15 Drawing the above together, and subject to the changes that I recommend below [RC2-RC12], I conclude that the Core Strategy's objective of meeting the housing requirements of the South East Plan is achievable on the basis of the approach set out in policies CS10 and CS11. In this respect, and subject to these changes, the Core Strategy satisfies the soundness tests of being justified, effective and consistent with national policy.
- 3.16 The following changes are needed to make the Core Strategy sound in respect of this issue:

RC2: Delete Table 2 (page 55) and insert new Table 2 as set out in Annex 2 of this report.

RC3: Consequent amendments to the housing trajectory (Fig 21; page 96) to reflect the recommended changes to Table 2 (see RC2). Paragraph 9.6: 1st sentence: delete "810" and insert "955". Paragraph 9.12: 3rd sentence: delete "120" and insert "110". Paragraph 9.20: 2nd sentence: delete "345" and insert "335". Paragraph 9.25: 2nd sentence: delete "245" and insert "235". Paragraph 9.28: 2nd sentence: delete "905" and insert "910". Paragraph 9.35: 1st sentence: delete "670" and insert "650". Paragraph 9.39: 2nd sentence: delete "90" and insert "85". Paragraph 9.42: 2nd sentence: delete "100" and insert "75". Paragraph 9.46: 1st sentence: delete "465" and insert "420". Paragraph 9.49: 3rd sentence: delete "90" and insert "75". Paragraph 9.51: 2nd sentence: delete "25" and insert "15".

RC4: Para 7.3.8: Delete 3rd sentence and insert "This is derived from the Strategic Housing Land Availability Assessment (Background Paper 21) and updated monitoring information as at 31 March 2009,"

RC5: Delete policy CS11 and replace with the following:

"Policy CS11 New Housing Land Allocations

Provision will be made for new housing development during the plan period by identifying sites in the Sites and Development Management Development Plan Document for:

- (i) around 100 dwellings at Totton; and
- (ii) around 150 dwellings at Ringwood."

RC6: Paragraph 7.3.2: last sentence: add "require to be" after "greenfield allocations will". Delete paragraphs 7.3.3, 7.3.4 and 7.3.5. Paragraph 7.3.6: 1st sentence: delete "greenfield site allocations" and insert "provision". Paragraph 7.3.12: 1st sentence: delete "allocation of the previous "reserve sites" at" and insert "allocations at".

RC7: Delete proposed allocations at Crow Lane Ringwood and Durley Farm Totton from the Proposals Map. Delete Map Changes 2 and 3. Consequent amendments to Table A4.1 (Appendix 4) as set out in Annex 5 of this report.

RC8: Paragraph 9.6: 2nd sentence: delete "and by bringing forward for development ... future housing" and insert "and by future site allocation for around 100 dwellings to be considered in the Sites and Development Management DPD."

RC9: Paragraph 9.46: 2nd sentence: delete "and by bringing forward for development ... future housing" and insert "and by future site allocation for around 150 dwellings to be considered in the Sites and Development Management DPD."

RC10: Paragraph 7.1.6: 2nd sentence: after "but also reflects" add "the existence of potential constraints upon development and".

RC11: Paragraph 7.3.9: 2nd sentence: delete "slight" and insert "some"; 1st bullet point: delete "1,465" and insert "1,635". Paragraph 7.3.10: delete "slight".

RC12: Paragraph 7.3.9: 2nd bullet point: delete "2,455" and insert "2,285".

Main Issue 2: Is the Core Strategy effective in meeting local housing needs, including the needs of local people for housing which is affordable?

- 3.17 Core Strategy policy CS14 sets an annual target of 100 additional affordable dwellings. Although well short of the full scale of affordable housing need identified in the Plan area (which is detailed in the evidence base – notably BP24), this target seems to me to be a pragmatic attempt to balance such need with site availability, deliverability constraints and environmental factors. Based upon past delivery rates, it appears realistic. At the examination hearings, the Council stated that this figure would not amount to a limit, merely a target. Additional provision would be accepted. This approach accords with the requirements of PPS 3 paragraph 29 and, for consistency with national policy, I recommend that policy CS14 is amended in order to clarify this point [RC13].
- 3.18 It is proposed to increase the proportion of affordable housing to be sought in new developments from the 35% figure required by Local Plan policies AH-1 and AH-2. With the exception of those sites to be allocated to meet a local housing need under policy CS12 (considered in more detail later in this report) and rural exception sites, the Core Strategy sets two broad levels of affordable housing requirement. On greenfield housing allocations and within the defined settlements of Lymington, Everton, Hordle and Milford-on-Sea

and Bransgore, an overall target of 50% affordable housing is applied. Within other defined towns and villages the target is 40%.

- 3.19 This "split target" approach is one of three alternative policy options recommended by the main supporting economic viability study (BP25 - July 2007). The underlying methodology of this study, which was revisited, in part, in September 2008 (BP26), has not been substantively challenged by respondents. Subject to my comments below, I am satisfied that it supports the Council's assessments, first, that some parts of the Plan area, notably Totton and the Waterside settlements, are weaker in terms of housing market value than others and, second, that greenfield sites can potentially deliver a greater proportion of affordable housing than redevelopment within existing built-up areas. Taking these factors into account, the "split target" approach has some merit – albeit at the cost of a rather more complex policy matrix than in the previous Local Plan.
- 3.20 The lower (40%) element of the proposed target does not markedly exceed the overall regional target of 35% set by South East Plan (SEP) policy H3, and is in line with the average figure (of 30-40%) set by SEP policy SH6 for the South Hampshire sub-region. In view of the scale of need for affordable housing in the Plan area, I am satisfied that the 40% figure, which was the minimum recommended by the viability study and which, in any event, represents only a small increase over the existing policy requirement, is soundly based. Indeed, this aspect of policy CS15 has not proved to be particularly controversial.
- 3.21 A greater degree of challenge has been raised to the split target's 50% element. The non-statutory affordable housing framework agreed by the Partnership for Urban South Hampshire (PUSH) authorities allows the application of affordable housing proportions in excess of 40% 'in the more rural parts of the sub-region' (which I accept applies to the relevant part of the present Core Strategy area), where supported by local evidence. In the rest of the Plan area, the overall regional target does not represent an absolute limit, SEP policy H3 emphasising that policy decisions should be supported by a sound evidence base. The submitted viability study suggests that, other than in Totton and the Waterside settlements, a 50% affordable housing requirement would generate strong residual values – i.e. that the viability of developments would not be unduly constrained. Bearing in mind the context of the overall need for affordable housing in the Plan area, the 50% figure appears justified by the evidence base.
- 3.22 Nevertheless, the publication date of the main viability study (July 2007) precedes the most significant effects of the current economic downturn. The evidence before me suggests that, while continuing to perform *relatively* well in respect of other parts of the region, the Core Strategy area has been subject to house price falls in *absolute* terms. It was accepted by the Council at the examination hearings that even a modest reduction in the final sale price can have significant effects on development viability, with consequent implications for the delivery of affordable housing. However, such house price falls have explicitly not been tested by the Council's viability model. As such, I have no evidence that the assumptions underlying the viability assessment are valid in the present economic downturn.

- 3.23 In view of the above, it has been put to me that it would be prudent to delete the 50% requirement. However, notwithstanding the Council's ability to undertake future policy reviews, an important feature of Core Strategies is that they should look over a long time frame – in this case to 2026. In this context, I have seen no substantive evidence that the present economic difficulties represent a structural reversal in the way in which housing markets have historically operated. I am satisfied both that the "split target" requirement is justified by the submitted viability assessment and that the viability assessment itself is soundly based in terms of normal market conditions. Accordingly, and on balance, I consider that the "split target" represents a robust policy approach for the longer term. I do not therefore feel that recent falls in house prices justify deleting the 50% requirement.
- 3.24 Nevertheless, it is clearly necessary for the Core Strategy to be flexible enough to accommodate abnormal market conditions. In this context, paragraph 7.3.22 provides for negotiations between developers and the Council where the viability of an individual scheme is in dispute. During the examination hearings, the Council conceded that in practice, and subject to sufficient evidence being provided by the developer, this could result in a reduction in the overall percentage of affordable housing provided in the scheme concerned. This seems to me to be a reasonable approach. However, it implies a greater degree of flexibility than is set out in the wording of policy CS15: the 3rd main paragraph of which only refers to amending the proportion of intermediate housing. This is too restrictive and, in any event, does not reflect the Council's intended practice. As such, it fails the test of effectiveness. I recommend that this reference be amended along the lines endorsed by the Council [RC14].
- 3.25 In addition, policy CS15 requires the provision of affordable housing where the development is a care home. I note that the Council's stance on this matter derives from comments by a previous Local Plan Inspector. However, he was not considering the specific issue of affordable housing provision. Notwithstanding their residential element, care homes (Use Class C2) are explicitly distinguished from dwelling houses (C3) in the Use Classes Order. Affordable housing falls within Class C3. Accordingly, it seems to me that the suggested requirement would fail ODPM Circular 05/2005's test of being fairly and reasonably linked in scale *and kind* (my italics) to the proposed development. For consistency with national policy, I recommend that this requirement is deleted from policy CS15 and its reasoned justification [RC15-RC16]. Other aspects of the Council's general approach to affordable housing provision, such as the proposed site size thresholds and the required proportions of social rented and intermediate housing have not been substantively challenged. I am satisfied that these are broadly in accordance with relevant national, regional and sub-regional policies. The intended application of a temporary discount until December 2010 represents a pragmatic way of addressing the effects of changing the site size thresholds.
- 3.26 Policy CS12 makes provision for the allocation of additional housing sites to meet local needs. Policy CS15(b) sets a minimum threshold of 70% affordable housing in such cases. Clearly, this is a high figure. However, the policy represents a particular response to the scale of affordable housing

need in the Core Strategy area. To my mind, it is an innovative approach that should, in principle, be welcomed. To reduce the 70% limit, as has been requested by some respondents, would remove the policy's underlying justification. I have seen no substantive evidence that the dwelling mix envisaged by the Council would deter developers. Indeed, planning permission has already been granted for a 100% affordable housing scheme of 40 units at New Milton. In line with the Council's 'endorsed changes', this permission has been incorporated into the amended Table 2 [included in RC2]. For consistency, the revised numbers need to be reflected in policy CS12 and its reasoned justification [RC17].

- 3.27 However, as the Council accepts, there is some confusion in the terminology of policies CS10 (f), CS12 and CS15 (b). For reasons of effectiveness, it is necessary to amend these policies (and associated text) to clarify, first, that the intended allocations could in principle include an element of non-affordable housing and, second, that such non-affordable housing would be limited to low-cost market housing. It is also necessary to clarify (in policies CS10 and CS12) that such allocations will be made in the Sites and Development Management DPD. I recommend accordingly [RC18-RC21].
- 3.28 I am satisfied that the setting of limits on the numbers of houses to be provided by policy CS12 has been sufficiently justified, particularly in regard to potential environmental constraints, notably the presence of international nature conservation sites. The suggested breakdown of additional housing by settlement is broadly consistent with the Plan's settlement hierarchy, while the level of detail will provide certainty when guiding subsequent DPD preparation. The detailed allocation of sites in line with this policy is likely to result in the removal of some land from the Green Belt. Potentially affected settlements are Lymington and Pennington, Milford-on-Sea, Hordle and Everton, New Milton and Bransgore: in all cases, the Green Belt extends close to (and/or adjoins) the settlement boundary. Paragraph 2.7 of Planning Policy Guidance Note 2: *Green Belts* (PPG 2) states that where existing local plans are being revised and updated, existing Green Belt boundaries should not be changed unless, among other matters, exceptional circumstances exist which necessitate such revision. In my view, the requirement for affordable and local needs housing referred to above, a demand that is so great that it will not be fully met, is sufficient in principle to amount to an exceptional circumstance in the context of such site allocations. Nevertheless, the detailed identification of sites will be a matter for the subsequent Sites and Development Management DPD.
- 3.29 Various respondents have raised concern that the Core Strategy does not respond adequately to the needs of older people. Bearing in mind that the Council's Sustainable Community Strategy (SCS) identifies the provision of more care facilities, day centres and care homes as a priority, I have some sympathy with this view. I am also mindful of the requirements of South East Plan policy CC5, as well as national policy set out in paragraph 21 of PPS 3. However, there is no need to duplicate these policies. Furthermore, the amendments that respondents have suggested in respect of this matter propose new and detailed policy requirements – including specific targets for extra care and sheltered housing. These have not been subject to public consultation and the various procedural requirements of the LDF process.

I do not feel that it would be appropriate to introduce such detail at the present stage. Nevertheless, in order to comply with national and regional policy, as well as to align more closely with the SCS, it is necessary to make a more explicit policy statement in respect of this matter. I recommend a change to policy CS13 accordingly, along the lines suggested in the Council's 'endorsed changes' [RC22]. The need for more detailed policy guidance should be considered when preparing subsequent LDDs.

- 3.30 Paragraph 7.4.2 of the Core Strategy refers to national policy for gypsy and traveller caravan sites (ODPM Circular 01/2006). For consistency with national policy, reference is also required to CLG Circular 04/2007. I recommend accordingly [RC23]. I am satisfied that the criteria set out in policy CS16 are sufficient to guide the future location of sites for gypsies, travellers and showpeople. However, to meet the test of effectiveness, paragraph 7.4.4 should be changed to indicate that this matter will be addressed in the Sites and Development Management DPD [RC24].
- 3.31 Subject to the changes recommended below [RC13-RC24], I conclude that the Core Strategy is effective in meeting local housing needs including the needs of local people for housing which is affordable. In this respect, and subject to these changes, the Core Strategy satisfies the soundness tests of being justified, effective and consistent with national policy.
- 3.32 The following changes are needed to make the Core Strategy sound in respect of this issue:

RC13: Policy CS14: 1st sentence: insert "at least" before "100 additional affordable dwellings".

RC14: Policy CS15: Delete the 3rd main paragraph ["Where it can be ... target"] and insert "Where it can be demonstrated that provision of the target level of social rented and/or intermediate affordable housing is not economically viable the Council will: First, seek to maximise the potential for affordable housing contributions from that development by allowing a higher proportion of intermediate housing to be provided to meet the overall housing target; Second, seek to negotiate a percentage of affordable housing as close as possible to the target level set in this policy, having regard to a site specific economic viability assessment."

RC15: Policy CS15: Delete "Where the proposed development is a care home".

RC16: Paragraph 7.3.23: replace comma after "Sheltered housing" with "and". Delete "and care homes all".

RC17: Policy CS12: section (e): delete "150" and insert "110". Penultimate paragraph: delete "2006" and insert "2009": delete "850" and insert "810". Paragraph 7.3.6: 5th sentence: delete "850 dwellings over the 20 year period" and insert "810 dwellings from 2009 to 2026". Paragraph 9.35: 3rd sentence: delete "150" and insert "110".

RC18: Policy CS10 (f): insert "and low-cost market" after "affordable".
Policy CS12: 1st sentence: Delete "which will not otherwise be met". Delete 2nd sentence. Insert "and low-cost market housing (in accordance with policy CS15(b)) which will not otherwise be met. These sites will be identified through the Sites and Development Management Development Plan Document, working with local communities." Paragraph 7.3.6: 4th sentence: insert "and low-cost market" after "affordable".

RC19: Policy CS10 (o): delete "in a subsequent Development Plan Document" and insert "in the Sites and Development Management Development Plan Document".

RC20: Paragraph 7.3.11: 1st sentence: delete "the involvement of subsequent Development Plan Documents" and insert "the preparation of the Sites and Development Management Development Plan Document".

RC21: Policy CS15 (b): Delete 3rd sentence and insert "The remainder of the site should be developed for low-cost market housing which could include starter homes, self-build units and extra-care housing."

RC22: Policy CS13: add new section (e) to read "providing housing which meets the needs of older people (in accordance with policy CC5 of the South East Plan)."

RC23: Paragraph 7.4.2: Delete "highlights" and insert "and CLG Circular 04/2007 'Planning for Travelling Showpeople' highlight".

RC24: Paragraph 7.4.4: Delete ", in a subsequent Development Plan Document," and insert "in the Sites and Development Management Development Plan Document".

Main Issue 3: Will the Core Strategy be effective in achieving the objective of facilitating a healthy and growing local economy without fuelling wider development pressures in the area?

3.33 The South East Plan includes a general criteria-based policy (RE3) for employment and land provision in the region, with specific floorspace requirements for the South Hampshire sub-region set out in policy SH3. Apportionment of the sub-regional figures has been undertaken by the Partnership for Urban South Hampshire (PUSH) in its *Policy Framework for Employment Floorspace*. The resulting requirements of 16,000 square metres of B1 office space and 10,000 square metres of B8 warehousing space set the context for Core Strategy policy CS18. I accept that the PUSH policy framework does not form part of the development plan. Nevertheless, I have seen no substantive evidence sufficient to justify a departure from its underlying principles, which have had regard to the PUSH objective of focussing development in existing urban areas. Furthermore, I am satisfied that the apportionment is supported by a substantial evidence base, including an assessment of land supply within the sub-region, a study of economic drivers and growth (the DTZ report) and a study of the property requirements for distribution and logistics (the Roger Tym Report). As a

result, I consider that the intended floorspace allocations for that part of the Core Strategy area lying within the sub-region are soundly based. It was clarified during the examination hearings that these allocations could be somewhat exceeded in respect of the Core Strategy's proposals for Totton. However, the likely scale of any such overprovision would not be so great as to disrupt the overall strategy. Indeed, it would provide a measure of flexibility in achieving the stated requirement.

- 3.34 In contrast, the scale of development suggested by a representor seeking the identification of land at Ower for a regional distribution centre (comprising some 42,000 square metres of B8 floorspace with complementary B1 and B2 uses), would grossly exceed the Core Strategy's employment land provisions. It would represent a substantial departure from the Plan's strategy that, to my mind, would seriously unbalance the apportionment of floorspace within the wider PUSH area. While the Roger Tym Report (referred to above) identified a 33 hectare shortfall of warehousing space in the western part of the sub-region (which includes the Core Strategy area), it was clarified at the examination hearings that this shortfall has been expressly addressed by the PUSH apportionment. Accordingly, and notwithstanding the operational requirements of the particular representor, I see no reason to make further provision for warehousing within the present Core Strategy area over and above that referred to in policy CS18. It follows that the absence of an allocated site for a regional distribution centre at Ower does not cause the Core Strategy to be unsound. No change is needed in this regard.
- 3.35 Turning to specific settlements, no substantive case has been put before me that the overall level of employment land provision proposed for Ringwood would be inadequate. Nevertheless, for similar reasons to those discussed for policy CS11 above, I consider that the site at Crow Lane referred to in policy CS18(a)(iii) is not a strategic site in PPS 12 terms and I recommend its deletion [RC25]. This also resolves the anomalous position whereby only 3 of the suggested 5 hectares of employment land in this location have been specifically allocated in the Core Strategy. For the purpose of clarification, a change is also required to delete the reference to the Ringwood reserve site from paragraph 7.5.20 [RC26].
- 3.36 Although not proposed as a specific allocation, I take a similar view with respect to policy CS18(a)(ii)'s reference to land east of Caird Avenue, New Milton. While I appreciate that the Council has sought to narrow the debate, the submitted evidence base does not support such a prescriptive approach. For example, I have not seen a comparative assessment of other potential employment sites at New Milton. As with the housing proposals, I consider that the assessment and detailed allocation of sites is more appropriately undertaken in the context of the Sites and Development Management DPD. I recommend accordingly [RC27]. However, I accept that it is necessary for the Core Strategy to indicate the likely scale and broad location (by settlement) of the allocations to be made. These remain unchanged.
- 3.37 Concern has been raised that further employment land has not been allocated at Fordingbridge. However, this settlement is both markedly smaller and at a lower level in the Plan's hierarchy than those proposed for such allocations by policy CS18. The additional housing numbers proposed

for this settlement are relatively modest. Moreover, some vacant employment land remains at nearby Sandheath. Accordingly, it has not been demonstrated that the Core Strategy would create a substantial imbalance between housing provision and employment opportunities in this settlement. No change is therefore required in this regard.

- 3.38 Similar concerns have been raised in respect of the southern part of the Core Strategy area. However, some land remains to be developed at existing employment allocations in Lymington and New Milton, while (as already noted) policy CS18 provides for additional employment land to be allocated at New Milton. Bearing in mind that this part of the Plan area is particularly affected by environmental designations – notably the Green Belt – I am satisfied that the Council's strategy of restraint strikes an appropriate balance in line with the Core Strategy's objective of facilitating a healthy and growing local economy without fuelling wider development pressures in the area. On balance, I consider that the absence of additional employment allocations in this part of the Plan area (over and above that proposed for New Milton) does not cause the Core Strategy to be unsound.
- 3.39 For reasons of effectiveness, the Core Strategy should be clearer about how employment allocations will be taken forward in policy terms. I recommend accordingly, broadly as suggested by the Council [RC28-RC31]. I am however satisfied that policies CS17 and CS18, with supporting paragraphs, provide a realistic balance between certainty and flexibility in respect of the range of uses that should be accommodated on employment sites. If more detailed guidance in this regard is needed at the site allocation stage, it can be set out in the Sites and Development Management DPD, along with any SPDs and/or site briefs. Bearing in mind the need to support the local economy, and noting that SEP policy RE3 seeks to retain accessible and well-located industrial and commercial sites where there is a good prospect of employment use, I reject the suggestion that the Core Strategy should allow for a wider range of uses on such sites – such as care homes.
- 3.40 While the Core Strategy recognises the particular importance of the marine sector, its comment (paragraph 7.5.12) that suitable employment sites with direct access to the coast should be retained for marine-related businesses seems to me to be a statement of policy that, for reasons of effectiveness, should be expressed in policy CS17. I recommend accordingly [RC32]. Subject to this change, I am satisfied that the Core Strategy broadly accords with the objectives of the Solent Waterfront Strategy (SWS) which, although not explicitly referenced in the Plan, has clearly influenced its preparation.
- 3.41 Policy DW-C3 of the previous Local Plan (LP) permits port development requiring access to deep water at Dibden Bay, subject to compliance with policy EC6 of the Structure Plan Review (SP) and a list of additional criteria. Bearing in mind that SP policy EC6 has now been superseded, I accept that it is no longer appropriate to retain LP policy DW-C3, which is included in the schedule of deleted/replaced policies in Annex 1. I have however removed the reference to policy CS10 from the relevant line of the schedule, as this policy does not specifically address the issue of port-related development at Dibden Bay [included in RC1].

- 3.42 The way in which the Core Strategy should address this matter was the subject of debate during the examination. A previous proposal, the subject of a major inquiry held in 2001-2, was not allowed by the Secretary of State. There is no specific reference to Dibden Bay in the South East Plan. Nevertheless, several SEP policies are of relevance. In particular, policy T10 identifies Southampton as a gateway port, requiring local development documents to include policies and proposals for infrastructure that maintains and enhances its role. SEP paragraph 8.33 recognises the Port of Southampton as a major international deep-sea port with significant global and economic importance and advises that its infrastructure and development needs, both short and long term, require further consideration. SEP policy T10 encourages major ports to give priority to the preparation of port masterplans as a means of identifying future infrastructure requirements. A pre-consultation draft of the Port of Southampton Masterplan 2009 was made available during the Core Strategy examination. As its name suggests, this has not been subject to its intended consultation exercise and, accordingly, is at an early stage in its progress to approval. I can afford it only limited weight. Nevertheless, it clearly indicates the future development and infrastructure needs that are envisaged by the Port – including a potential expansion into the Dibden reclaim. It also acknowledges the need, among other matters, for any such proposal to undergo environmental impact assessment and to address the requirements of the Habitats Regulations, as well as other relevant consent regimes.
- 3.43 In view of the above, I do not feel that paragraph 9.15 of the Core Strategy accurately represents the planning context affecting Dibden Bay. During the examination, a revised version was agreed by the Council and relevant representors. To my mind, this represents a more accurate assessment and, accordingly, I recommend that it replaces paragraph 9.15 [RC33]. However, as the resulting text does not represent a specific policy, it is not necessary for soundness reasons that Dibden Bay should be identified by a particular notation on the Core Strategy's Key Diagram. To my mind, such an addition would act to create, rather than resolve, confusion.
- 3.44 Subject to the changes that I recommend below [RC25-RC33], I conclude that the Core Strategy will be effective in achieving the objective of facilitating a healthy and growing local economy without fuelling wider development pressures in the area. In this respect, and subject to these changes, the Core Strategy satisfies the soundness tests of being justified, effective and consistent with national policy.
- 3.45 The following changes are needed to make the Core Strategy sound in respect of this issue:

RC25: Policy CS18: delete text in section (a)(iii) and insert "adjoining Ringwood (up to around 5 hectares)".

RC26: Paragraph 7.5.20: delete "37 hectares is already identified (including the Ringwood reserve site)" and insert "34 hectares is from existing supply".

RC27: Policy CS18: delete text in section (a)(ii) and insert "adjoining New Milton (up to around 5 hectares)".

RC28: Paragraph 7.5.11: delete 2nd sentence and insert "Sites will also be identified through the Sites and Development Management Development Plan Document for office development in Totton and the Waterside area.

RC29: Paragraph 7.5.15: 2nd sentence: "a subsequent Development Plan Document" and insert "the Sites and Development Management Development Plan Document".

RC30: Policy CS18(b): 1st sentence: delete "subsequent Development Plan Documents" and insert "the Sites and Development Management Development Plan Document".

RC31: Paragraph 7.5.21: Delete paragraph and insert "New allocations proposed in Policy CS18 will be identified in the Sites and Development Management Development Plan Document, with, where appropriate, additional guidance in Supplementary Planning Documents and/or site briefs".

RC32: Policy CS17: add new section (j): "encourage the marine sector by retaining suitable employment sites with direct access to the coast for marine-related businesses".

RC33: Paragraph 9.15: delete paragraph and insert the following two paragraphs: "National policy and the Regional Spatial Strategy recognise the Port of Southampton as a major international deep sea gateway port with significant global and economic importance. The reclaimed land known as Dibden Bay is the only area of land which is physically capable of accommodating significant expansion of the port. However, the land at Dibden Bay is a Site of Special Scientific Interest (SSSI) and adjoins the New Forest National Park. The foreshore is of international importance, being designated as a Special Protection Area (SPA) and Ramsar site, as well as an SSSI. In 2004 the Secretary of State rejected previous proposals for port development at Dibden Bay principally because of its environmental impacts.

Whilst there may be a strong economic case for the physical expansion of the Port of Southampton, any future expansion would, amongst other considerations, need to satisfy the requirements of the Habitats Regulations. In particular, the applicant would need to demonstrate either that the proposals would have no adverse impact on the integrity of the international designations; or, if there is an adverse impact, that the alternative put forward for approval is the least damaging (regardless of economic considerations), that no other feasible alternative exists that would not affect the integrity of the site, and that there are imperative reasons of overriding public interest. Adequate compensation would also be required."

Main Issue 4: Does the Core Strategy take adequate account of the potential effects of development on the natural and built environment – with particular reference to national and international nature conservation designations, the New Forest National Park and the Cranborne Chase and West Wiltshire Downs Area of Outstanding Natural Beauty (AONB)?

- 3.46 As already noted, an Appropriate Assessment (AA) has been undertaken in accordance with the Habitats Directive. It states that, with the exception of the recreational effects of policies CS9, CS10 and CS11, the policies of the Core Strategy do not require full appropriate assessment under the Habitats Regulations because in themselves, or in combination, they are unlikely to have a significant impact on the integrity of international sites. It was confirmed at the examination hearings that, as set out in table 6 of the AA, the potential effects of the overall level of housing development proposed under policy CS12 have been assessed under the heading of policy CS10. Although this approach could have been clearer, I am satisfied the relevant statutory procedures have been complied with.
- 3.47 Section 5 of the AA concludes that 'with delivery of the mitigation identified within the submission Core Strategy and other plans and strategies, the [above-noted] policies will not adversely affect the integrity of the New Forest SAC, SPA and Ramsar sites alone and in-combination'. It lists six recommendations to be implemented through the Core Strategy and subsequent DPDs. Achievement of these actions is therefore a necessary requirement to ensure compliance with the AA. One vehicle for their delivery is the PUSH Green Infrastructure Strategy, a draft of which was made available during the examination. However, this has yet to be finalised and, while it provides useful information about likely actions and initiatives, I can afford it only limited weight. In any event, I am not satisfied that the submitted Core Strategy contains either sufficient detail about what actions are required or sufficient safeguards to ensure that their implementation takes place. In principle, these concerns have been accepted by the Council and, in consultation with Natural England, it has endorsed a number of changes to make the relationship between development and mitigation more explicit. These are necessary in order to make the plan effective. Subject to some further amendments for reasons of clarity, consistency of terminology, compliance with national policy on planning obligations and the avoidance of unnecessary repetition, I recommend accordingly [RC34-RC37]. More detail on this matter is also set out in the new implementation schedule, which I address later in this report. Given the findings of the AA, I do not feel that further references to internationally designated nature conservation sites are required in respect of the Core Strategy's employment policies. However, for reasons of consistency in terminology, an amendment is needed to paragraph 7.5.12 regarding marine industries [RC38].
- 3.48 As already noted, the Core Strategy area has particular and significant linkages with the New Forest National Park. While I consider that the failure of the Council and the National Park Authority to prepare a joint Core Strategy represents a missed opportunity, I am satisfied that, in general, adequate account has been taken of the Core Strategy's relationship with the Park. References to the National Park permeate the Core Strategy document, notably in sections 3.1, 5 (which sets out the strategy's

objectives) and 7.1. It is clear to me, both from the Council's comments during the examination hearings and the details of the Plan's evidence base, that the potential effects of the Core Strategy's proposals on the National Park have been taken into account. Indeed, it seems to me that the area's proximity to the National Park has been an important factor influencing the Council's decisions about both the scale and location of new development. In that context, the absence of notations denoting "key interactions" between the Core Strategy area and the National Park from the Key Diagram (Fig 1) is at odds with the evidence base, and I recommend that these are added [RC39]. Bearing in mind that many of the international nature conservation sites mentioned above lie within the National Park, the changes that I have recommended in respect of those matters will act to further clarify the linkage between development in the Core Strategy area and its potential effects on the Park. In addition, the Park Authority's delivery role is set out in more detail in the new implementation schedule (see below).

- 3.49 Consistent with those changes, and mindful of the level of protection afforded to National Parks by, for example, Planning Policy Statement 7: *Sustainable Development in Rural Areas* (PPS 7), it is necessary to delete the word "significant" from Core Strategy Objective 8 (paragraph 5.8) [included in RC40]: in general terms, all harmful impacts on the National Park should be avoided. Bearing in mind that a similar status of protection is given to Areas of Outstanding Natural Beauty (AONBs), the absence of a reference to the Cranborne Chase and West Wiltshire Downs AONB in Objective 8, which explicitly deals with landscape quality, is a surprising omission. I recommend that this is remedied [included in RC40]. However, I am satisfied that, in other respects, the Core Strategy has taken adequate account of the AONB designation, notably at paragraphs 3.2.6 and 6.3.1. Explicit reference is made to the AONB Management Plan. Although not mentioned as a background paper, it is clear from the Council's comments during the examination that account has also been taken of the New Forest Landscape Character Assessment. Paragraph 6.3.2 explains that national and regional policies will apply generally and do not need to be repeated. This accords with PPS 12 paragraph 4.30. Within the Plan area, the AONB does not contain defined settlements and, as such, is subject to national countryside protection policies. These are augmented by the more detailed requirements of policy CS3. Additional policy protection is therefore unnecessary.
- 3.50 As countryside protection policies apply generally in rural areas outside defined settlement boundaries, the Council has not adequately justified the inclusion of 'local gaps' as proposed in policy CS10(p). It is clear from the Council's evidence that these are not intended as local landscape designations – an approach that would, in any event, require robust justification as set out in PPS 7. Rather, they are intended as a 'place-shaping tool', to protect the setting and distinctiveness of settlements, to prevent coalescence and (in the case of the Waterside settlements) to maintain countryside links between the National Park and Southampton Water. I accept that this policy has significant local support. However, I have seen no evidence that its aims cannot be achieved through the application of general countryside protection policies and the definition of robust boundaries for the settlements concerned (a matter for detailed consideration in the Sites and Development Management DPD). Neither the

'strategic gaps' contained in the previous Structure Plan, nor its support (SP policy G3) for the definition of local gaps, have been carried forward into the South East Plan. Accordingly, I consider that the inclusion of 'local gaps' fails the soundness test of being justified and I recommend that they are deleted [RC41-RC43]. I have amended the schedules of replacement policies and Proposals Map changes accordingly – see Annexes 1 and 5.

- 3.51 Core Strategy policies CS2, CS3 and CS4 provide guidance on, among other matters, design quality, the built environment, and energy and resource use. I am satisfied that these relate to the Plan area's particular features and circumstances, taking appropriate account of local distinctiveness. Policy CS2 seeks to introduce Lifetimes Homes Standards in line with the timetable set by national policy. I see no reason to disagree. Policy CS4 seeks, in some regards, to advance national policy on sustainable construction. Policy CC4 of the South East Plan requires that local circumstances be clearly demonstrated to justify such a departure. In the present case, the proposed standards are based upon principles set out in the PUSH *Sustainability Policy Framework* – which itself aims to provide a consistent basis for development within the sub-region. On balance, I consider that this provides adequate justification for the policy approach now proposed. In this context, I agree with the Council that there would be little logic in not applying this policy to those parts of the Plan area that lie outside the sub-region.
- 3.52 It has been suggested that consideration be given to extending Conservation Areas and Areas of Special Character. However, I agree with the Council that such matters are appropriately addressed elsewhere. Conservation Area designation is the subject of separate legal procedures, while other local heritage areas can be better considered in detailed LDDs. I note that the Council intends to review Areas of Special Character in the forthcoming Sites and Development Management DPD. The LDS identifies a programme of work on Local Distinctiveness SPDs. To my mind, an appropriate level of detail has been set out in the Core Strategy in respect of this matter.
- 3.53 Subject to the changes that I recommend below [RC34-RC43], I conclude that the Core Strategy takes adequate account of the potential effects of development on the natural and built environment. In this respect, and subject to these changes, the Core Strategy satisfies the soundness tests of being justified, effective and consistent with national policy.
- 3.54 The following changes are needed to make the Core Strategy sound in respect of this issue:

RC34: Policy CS7: add new section (i): "in order to prevent adverse effects on internationally designated nature conservation sites, the Council will work with other local authorities to develop and implement a strategic approach to protecting such sites from recreational pressures, including provision for new and enhanced open spaces."

RC35: Policy CS10(d): delete first "local" (after "that the") and delete "sensitive".

RC36: Delete paragraph 6.7.12 and insert the following two paragraphs: "In order to prevent adverse effects on internationally designated nature conservation sites, the Council will work in conjunction with other local authorities (including the New Forest National Park Authority and the Partnership for Urban South Hampshire), as well as other stakeholders including the Forestry Commission, to develop and implement a strategic approach to protecting such sites from recreational pressures. This will include a suite of avoidance and mitigation measures, supported by developer contributions where appropriate and in accordance with ODPM Circular 05/2005, such as adequate provision of alternative recreational space and support for access management measures.

The sub-regional requirement to provide alternative natural greenspace to relieve recreational pressure on internationally designated nature conservation sites in and surrounding the Core Strategy area is recognised. Appropriate provision will need to be made in order to ensure that the levels of growth proposed by this Core Strategy (and those of neighbouring authorities) do not result in adverse effects on these sites. This will include the development and implementation of green infrastructure strategies in order to improve local access to informal open spaces, the countryside and the coast in easily accessible but less sensitive areas and the provision of new alternative natural greenspaces. This could, for example, include the provision of a new country park."

RC37: Policy CS6: 4th main paragraph: 2nd sentence: delete "economic" and insert "the most economic or environmentally sustainable option".

RC38: Paragraph 7.5.12: delete "be no significant additional impacts" and insert "not be any adverse effects".

RC39: Fig. 1 Key Diagram: add 'key interaction' arrows between the Core Strategy area and the New Forest National Park.

RC40: Paragraph 5.8: Core Strategy Objective 8: delete 2nd sentence and insert "To avoid harmful impacts on the New Forest National Park and the Cranborne Chase and West Wiltshire Downs Area of Outstanding Natural Beauty."

RC41: Policy CS10: delete section (p). Delete notation from figures 16 and 19. Delete "Local gap" from key to figures 16, 18 and 19. Appendix 4: Amend Map Change 1 to delete the following text references: "Replaced by CS10(p) ... (detailed boundaries to be defined in subsequent DPD)". Add map showing new Map Change (to be denoted Map Change 2) to delete local gaps between Fordingbridge and Ashford and Ashford and Sandleheath (Local Plan policy DW-E33). Consequent changes to Table A4.1 (see Annex 5).

RC42: Delete paragraph 3.2.10 and sub-heading. Paragraph 7.3.13: 1st sentence: delete "where there are existing Local Gaps": 2nd sentence: delete "and the definition of Local Gap boundaries (Policy CS10(p))".

RC43: Paragraph 7.2.6: 2nd sentence: delete “important Local Gaps” and insert “gaps”. 3rd sentence: delete “and the background to the designation of important local gaps is set out in paragraph 3.2.10”.

Main Issue 5: Does the Core Strategy take adequate account of national policy on planning and flood risk and does it provide clear guidance on the assessment of flood risk in subsequent Development Plan Documents?

- 3.55 PPS 25 sets out a sequential risk-based approach to determining the suitability of land for development in flood risk areas. I share the concerns of some respondents, notably the Environment Agency (EA), that the Core Strategy does not fully accord with PPS 25's requirements. In response, and in consultation with the EA, the Council has endorsed a number of changes. Policy CS1(f) seeks to avoid the development of previously undeveloped land at risk from flooding and to manage and reduce flood risk for development on previously-developed land which has wider sustainability benefits to the community or where there is no reasonable alternative site compatible with sustainability considerations. However, this approach is contrary to that of PPS 25 because it does not explicitly build in the sequential test. Paragraph 18 of PPS 25 requires the exception test to be applied after the application of the sequential test – which, in summary (as set out in PPS 25 paragraph D5), aims to steer new development to Flood Zone 1, only considering sites in Flood Zone 2 where no reasonably available options exist (and only considering Flood Zone 3 where no reasonably available options exist in Flood Zones 1 and 2).
- 3.56 Similar concerns apply to policy CS6, which also fails to properly apply the sequential test. I recommend that both policies are amended along the lines suggested by the Council during the examination [RC44-RC45], with a related change to the supporting text explaining the potential requirement for further Strategic Flood Risk Assessments (SFRAs) for sites at risk from flooding [RC46]. However, it is not necessary to introduce references to flood risk into policies CS5 and CS8: in my view, these would create unnecessary duplication.
- 3.57 As already noted, some of the housing sites identified within the SHLAA as “large urban potential” include land within PPG 25's Flood Zone 2. I have seen no evidence that they have been subject to a sequential site assessment along the lines described above. However, while such sites contribute to figures in column (c) of Table 2, this does not mean that they have been allocated for development by the Core Strategy. As stated above, the allocation of non-strategic sites is more appropriately a matter for subsequent DPDs. The changes that I recommend will enable proper account to be taken of flood risk when making site allocations at that stage.
- 3.58 Subject to the changes that I recommend below [RC44-RC46], I conclude that the Core Strategy takes adequate account of national policy on planning and flood risk and provides clear guidance on the assessment of flood risk in subsequent Development Plan Documents. In this respect, and subject to these changes, the Core Strategy satisfies the soundness tests of being justified, effective and consistent with national policy.

- 3.59 The following changes are needed to make the Core Strategy sound in respect of this issue:

RC44: Policy CS1(f): add the following at the start of this section "following a sequential approach to flood risk, in line with the requirements of Planning Policy Statement 25: *Development and Flood Risk* (PPS 25),"

RC45: Policy CS6: delete 1st and 2nd main paragraphs and insert the following two paragraphs: "Flood risk will be taken into account at all stages in the planning process to avoid inappropriate development in areas at current or future risk from flooding, and to direct development away from areas of highest risk in accordance with the sequential test. Development should not worsen flood risk elsewhere.

Subject to this, development which provides regeneration benefits may be permitted on previously-developed land within defined settlements which is at risk from flooding, provided:"

RC46: Paragraph 6.6.1: add the following to end of paragraph "A further Strategic Flood Risk Assessment (Level 2) may be required if, following the sequential test, sites within areas at risk of flooding need to be considered for development, particularly if this would bring regeneration benefits. This should assess the levels of risk and the requirements for flood risk infrastructure and mitigation measures needed for potential sites within Flood Zones 2 and 3 (as defined by Planning Policy Statement 25: *Development and Flood Risk* (PPS 25))."

Main Issue 6: In all other respects, does the Core Strategy provide satisfactorily for the delivery of development and enable adequate monitoring of its effectiveness?

- 3.60 Paragraphs 4.44 and 4.45 of PPS 12 require Core Strategies to be deliverable, flexible and able to be monitored. They should show how the vision for the area will be delivered and by whom, and when. While section 10 of the Core Strategy contains a monitoring schedule, the main responsibilities for ensuring its delivery are set out in two separate background papers (BP34a and BP34b). I accept that the second of these (the Draft Infrastructure Delivery Plan) contains a level of detail that would be inappropriate for inclusion in the Core Strategy. Such detail is clearly susceptible to changing circumstances. Nevertheless, in order to comply with PPS 12 it is necessary for some information about the delivery of key elements to be incorporated within the Core Strategy document.
- 3.61 In response to this concern the Council has prepared a schedule of key outcomes, which brings together relevant actions from other parts of the Core Strategy and the Draft Delivery Plan. Subject to some minor changes, for example removing the phasing of employment development (which represents an additional policy requirement that does not appear in the submitted Core Strategy), I am satisfied that this strikes an appropriate balance between the conflicting requirements of providing detail and enabling flexibility. Accordingly, and in order to meet the test of effectiveness,

I recommend that this schedule is included in the Core Strategy in the form set out in Annex 3, with a reference added to the start of chapter 10 [RC47]. I have also edited the version submitted by the Council to avoid being unduly prescriptive, to ensure consistency with other recommended changes and to remove unnecessary duplication.

- 3.62 The schedule also clarifies where particular outcomes of the Core Strategy are dependent upon the preparation of subsequent LDDs. Specific details in this regard are generally lacking from the Core Strategy as submitted. However, it is essential that a clear 'policy audit trail' is established. Several of the changes recommended above introduce greater clarity in this regard. However, several further references need similar clarification, and, to meet the test of effectiveness, I recommend changes accordingly [RC48-RC54].
- 3.63 Section 8 of the Core Strategy provides the basis for contributions to be sought from developers for a range of infrastructure and other matters. Although it does not fully describe how relevant contribution regimes will operate, I am satisfied that such detail is more appropriately contained in subsequent LDDs. The Council has not sought to prioritise different types of contribution and I agree that this is more properly a matter for site specific negotiations, bearing in mind the particular circumstances of the development concerned. Nevertheless, I share representors' concerns that policy CS25 lacks clarity and, in parts, is inconsistent with national policy in ODPM Circular 05/2005. In particular, the policy's 4th paragraph does not take account of the caveats that the Circular (in paragraphs B18-B20) applies to maintenance payments. I recommend a change accordingly [RC55].
- 3.64 Respondents have also criticised policy CS25's references to the payment of standard charges and the use of standard formulae. The use of such methods in assessing the level of developer contributions is not, in itself, contrary to Circular 05/2005. Indeed, their use is encouraged where appropriate by the Circular's paragraph B33. However, this must accord with the general tests set out in paragraph B5. In particular, such charges should not be applied in blanket form regardless of actual impacts (B35). Accordingly, standard charges and formulae will not always be the most appropriate methods for determining the required levels of contribution: for example, infrastructure needs can be met in kind rather than by financial payment. To my mind, policy CS25 takes too narrow and inflexible a view of this policy context. For example: its 2nd paragraph states that standard charges "will" be imposed, and the 3rd paragraph refers to "the requirement to pay the standard charges and/or standard formulae". I recommend a number of changes to align more closely with Circular 05/2005 [included in RC55]. In addition, the reference to "existing community interests" in the 1st paragraph of this policy is vague and potentially misleading. To meet the test of effectiveness, I recommend that it is deleted [also included in RC55].
- 3.65 I am also mindful of the potential effects of developer contributions on development viability. At the examination hearings, the Council explained that, in practice, where the overall level of financial contributions is shown to have a significant impact upon development viability, this would be a matter for detailed site-specific negotiations. This appears to me to represent an appropriate element of flexibility. However, such an approach is not clearly

reflected in the wording of policy CS25. I recommend a change accordingly [included in RC55], broadly as endorsed by the Council.

- 3.66 The Core Strategy proposes an increase in the existing Local Plan standard for public open space provision from 2.8 to 3.5 hectares per 1000 population. The proposed figure derives from a local assessment carried out on the lines recommended in Planning Policy Guidance Note 17: *Planning for Open Space, Sport and Recreation* (PPG 17). It represents a reduction from that study's recommended standard (of 4 hectares per 1000 population), the difference resulting from a lower informal open space standard and the removal of the allotments element (addressed separately). I have seen no substantive reason to cause me to disagree with this quantitative assessment. Although I am aware of concerns that policy CS7's open space requirements lack flexibility, I consider that the Council's approach is in line with PPG 17's requirement that locally-derived standards should be set, based upon assessments of needs and opportunities. This is what the Council has done. Clearly, open space provision involving planning obligations will need to accord with the principles of Circular 05/2005 – and, as already noted, the Council accepts that the overall package of developer contributions may be subject to detailed site specific negotiations. I have addressed this matter in my comments regarding policy CS25. For reasons of effectiveness, I agree with the Council that the 1st paragraph of policy CS7 should be amended to recognise that this is intended to refer to the general location of provision, rather than specifically within settlement boundaries [RC56].
- 3.67 Concerns have been raised that the Core Strategy gives insufficient encouragement to transport modes other than the motor car. In general terms, I do not agree. Among other matters, policy CS23 seeks specific improvements to public transport provision, while policy CS24 promotes walking and cycling. More generally, policy CS1(b) refers to minimising reliance on the private car. However, this aim is lacking from policy CS10. I recommend a change accordingly, in line with national policy in Planning Policy Guidance Note 13: *Transport* (PPG 13) [RC57].
- 3.68 Subject to the changes that I recommend below [RC47-RC57], I conclude that, in all other respects, the Core Strategy provides satisfactorily for the delivery of development and enables adequate monitoring of its effectiveness. In this regard, and subject to these changes, the Core Strategy satisfies the soundness tests of being justified, effective and consistent with national policy.
- 3.69 The following changes are needed to make the Core Strategy sound in respect of this issue:

RC47: Add the Key Outcomes schedule (as set out in Annex 3 of this Report) to Chapter 10 of the Core Strategy. Paragraph 10.1: delete paragraph and insert "Taken together, this Chapter and the Core Strategy Delivery Plan set out the main responsibilities for ensuring the delivery of the Core Strategy."

RC48: Paragraph 1.2: last sentence: delete "Subsequent Development Plan Documents" and insert "Subsequent Local Development Documents, and in

particular the Sites and Development Management Development Plan Document".

RC49: Policy CS7(a): delete "other Development Plan Documents" and insert "the Sites and Development Management Document".

RC50: Paragraph 7.7.10: delete "to be given in other DPDs, of opportunities to provide for a higher level of comparison shopping floorspace" and insert "of opportunities to provide for a higher level of comparison shopping floorspace to be given in forthcoming Local Development Documents".

RC51: Paragraph 9.47: 3rd sentence: delete "A future" and insert "The Sites and Development Management".

RC52: Paragraph 10.3: 2nd sentence: delete "Development Plan Documents" and insert "Local Development Documents (Development Plan Documents and Supplementary Planning Documents)"; 3rd sentence: delete "Development Plan Documents (DPDs) and insert "Local Development Documents (LDDs)"; 4th sentence: delete "DPD".

RC53: Paragraph 10.5: delete "Development Plan Documents" and insert "Local Development Documents".

RC54: Paragraph 10.6 (table): delete "Development Plan Documents" and insert "Local Development Documents".

RC55: Policy CS25: delete 1st paragraph and insert "Development proposals will be required to provide, or meet the reasonable costs of providing, the on-site and off-site infrastructure, facilities and/or mitigation necessary to make a development acceptable in planning terms, including the mitigation of the effect of cumulative developments."

2nd paragraph: 4th line: delete "will" and insert "may".

Delete 3rd paragraph and insert "Where standard charges and/or standard formulae have been set in other Local Development Documents, the requirement to pay such charges may be reassessed in cases where actual provision of such infrastructure, works or facilities normally covered by standard charges is provided as part of the development proposal."

Delete 4th paragraph and insert "Provision may be required for subsequent maintenance where contributions are secured for facilities which are predominantly for the benefit of users of the development concerned."

Add the following new paragraph to the end of the policy: "In implementing this policy regard will be had to economic viability considerations, consistent with meeting the Core Strategy Objectives."

RC56: Policy CS7: 1st paragraph: delete "within" and insert "to serve".

RC57: Policy CS10(c): delete "any adverse impact of traffic and parking is" and insert "reliance upon the private car, and any adverse impacts of traffic and parking, are".

4. Other Matters

- 4.1 Although the Core Strategy's retail evidence base derives from a suite of reports submitted to the Council in 2006, I have seen no substantive evidence that the Plan's intended strategy for town and other centres is either unrealistic or at odds with national planning policy. Policy CS20 highlights particular elements of national policy that are relevant to the Plan area. It also provides adequate guidance for the preparation of subsequent Local Development Documents. No changes are needed in this regard.
- 4.2 Two of my recommended changes [RC7 and RC41] affect the changes that the submitted Core Strategy proposed to the adopted Local Plan Proposals Map. For ease of reference, I have set out a revised and consolidated version Proposals Map changes in Table A4.1, contained in Annex 5. In doing so, I have adopted a more consistent approach to Map Changes than was evident in the submitted version. For example, it is not clear why the reference "Map Change 1" applies to the deletion of the Strategic Gap at Totton-Nursling from Proposals Map 1A, but not to its deletion from Proposals Map 1. For reasons of brevity, I have rationalised the table by removing those rows where no changes are indicated to the section of the Proposals Map concerned. My revised table incorporates the Council's suggested minor change [MC33 – see Annex 4] in respect of removing the policy notation for Dibden Bay (DW-C3). For consistency, this should also be shown on Map Change 1, and I have referenced it accordingly.

5. Minor Changes

- 5.1 The Council wishes to make a number of minor changes to the submitted Core Strategy in order to clarify, correct and update various parts of the text. Although these changes do not address key aspects of soundness, I endorse those set out in Annex 4 in the interests of clarity and accuracy; they have however been edited for reasons of brevity and consistency. I have added further minor changes to reflect the publication of the South East Plan during the examination period [MC34-MC35]. It should be noted that the list of minor changes does not generally include the Council's list of corrections to misspellings and typographical errors. For the avoidance of doubt, these and any other errors relating to matters of fact should be corrected, as should any consequential amendments and renumberings that arise from the changes that I have recommended.

6. Overall Conclusions

- 6.1 I conclude that, with the amendments I recommend, the New Forest District outside the National Park Core Strategy satisfies the requirements of section 20(5) of the 2004 Act and meets the tests of soundness in PPS12.

M J Hetherington

INSPECTOR

Annex 1

Schedule of Saved Policies that are superseded by Core Strategy (see RC1)

This schedule identifies policies in the adopted New Forest District Local Plan (First Alteration) (2005) which will be entirely replaced by policies in the adopted Core Strategy. Local Plan policies not identified in this schedule will continue in operation alongside the Core Strategy policies, until such time as they are replaced by new policy and/or guidance in subsequent Local Development Documents.

Policy No.	Policy title	Policies deleted or replaced by Core Strategy (Replacement policies indicated)
AH-1	Affordable housing – built up areas	CS15
AH-2	Affordable housing – rural areas	CS15
DW-E1	General development criteria	CS1, CS2
DW-E3	Infrastructure	CS1, CS2
DW-E5	Recycling	CS1, CS4
DW-E6	Requirement for landscape scheme	Deleted
DW-E10	Private open space	CS2
DW-E14	Crime prevention	CS2, CS5
DW-E15	Access for impaired or restricted mobility	CS2
DW-E30	Green Belt	CS10 (o)
DW-E31	Land between Green Belt and built-up areas	CS10
DW-E32	Strategic Gaps	Deleted
DW-E33	Local Gaps	Deleted
DW-E34	Development in AONBs	Deleted
DW-E39	Nature conservation interest	CS3
DW-E40	New sites of nature conservation value & enhancement of existing	CS3
DW-E41	Protected species	CS3
DW-E43	Control of pollution	CS5
DW-E44	Minimising conflicts with polluting sources	CS5
DW-E45	Developments involving hazardous substances	CS5
DW-E46	Development near notifiable installations	CS5
DW-E47	Development in other safeguarding consultation zones	CS5
DW-E49	River and coastal flooding	CS6
DW-E50	Drainage	CS6
DW-T1	A326 improvements	CS23
DW-T2	A35 Totton/ Redbridge	CS23
DW-T4	Roadside facilities	Deleted
DW-T5	Public transport infrastructure	CS23, CS24
DW-T7	Location of new development	CS1, CS10
DW-T8	Access, safety and traffic management requirements	CS1, CS10, CS25
DW-T9	New car parking on development sites and elsewhere	CS2, CS24
DW-T13	Contributions to footpaths, cycleways and bridleways	CS25
DW-R1	Protection of public open space	CS7

Policy No.	Policy title	Policies deleted or replaced by Core Strategy (Replacement policies indicated)
DW-R2	Protection of private or education authority recreational facilities	CS7
DW-R3	Open space contributions	CS7
DW-R4	Retention of recreational buildings	CS7
DW-P1	Water and waste water infrastructure	CS1
DW-P2	Power stations	Deleted
DW-C3	Port development at Dibden Bay	Deleted
DW-C5	Development requiring coastal works	CS6
DW-F1	Developer' Obligations	CS25
FP-1	Fawley Power Station	CS8
CO-E1	The countryside outside the New Forest	CS10(q)
CO-H7	Affordable housing for local needs in the countryside outside the New Forest	CS22
CO-TM1	New hotels in the countryside outside the New Forest (change of use)	CS19
CO-TM2	Retention of existing hotel accommodation	CS19
CO-TM3	Extensions to hotels in the countryside outside the New Forest	CS19
CO-TM8	Visitor attractions in the countryside outside the New Forest	CS19
CO-S2	Loss of shops	CS21
CO-S4	Amusement centres in the countryside outside the New Forest	Deleted
CO-R4	Country recreation areas in the countryside outside the New Forest	CS7
CO-R5	Outdoor recreation facilities for local needs in the countryside outside the New Forest	CS7
CO-P3	Health and social services facilities in the countryside outside the New Forest	CS8
CO-P6	Community facilities in the countryside outside the New Forest	CS8
CO-P7	Loss of community facilities and care homes in the countryside outside the New Forest	CS8
CO-P8	New utilities in the countryside outside the New Forest	CS8
CO-P9	Telecommunications in the countryside outside the New Forest	CS8
BU-1	Assessment of development proposals	CS20
BU-TC6	Amusement centres in town centres	Deleted
BU-TC10	Loss of community facilities in town centres	CS8
BU-TC11	Developer contributions from town centre development towards community and education facilities	CS25
BU-H1	Residential infilling, redevelopment, or extensions outside town centres	CS10
BU-CE1	Industrial/ office/ business development in built-up areas outside town centres	CS2 CS10 CS17
BU-CE2	Retention of employment sites in built-up areas outside town centres	CS17
BU-CE3	Office development in local centres	CS17 CS20
BU-CE4	Extensions to offices in built-up areas outside town centres	CS17 CS20

Policy No.	Policy title	Policies deleted or replaced by Core Strategy (Replacement policies indicated)
BU-CE5	Storage and distribution in built-up areas outside town centres	CS18 CS24
BU-CE7	New shopping developments outside town centres and local shopping frontages	CS20
BU-LC4	Hotels and guest houses in built-up areas outside town centres	CS19
BU-LC5	Visitor attractions in built-up areas outside town centres	CS19
BU-LC6	Recreational facilities to meet local needs in built-up areas outside town centres	CS7
BU-LC7	Community facilities and services in built-up areas outside town centres	CS8
BU-LC8	Developer contributions for community and education facilities in built-up areas	CS25
BU-LC9	Loss of community facilities in built-up areas outside town centres	CS8
BU-P1	Utilities in built-up areas	CS1, CS2, CS8
TE-2	Ringwood Road – Salisbury Road link road	Deleted (CS24)

Annex 2

Revised Table 2 (see RC2)

Proposed Housing Distribution April 2006 – March 2026 (Rounded Figures)

	(a) Already developed 2006-2009	(b) Large site commitments @ April 2009	(c) Large urban potential	(d) Small urban potential	(e) Further allocation needed	(f) Total 2006-2026	(g) Possible additional provision to address local housing needs
Settlement							
Totton & Eling	100	505	150	100	100	955	Up to 50
Marchwood	55	0	40	15	0	110	Up to 150
Hythe & Dibden	165	70	30	70	0	335	Up to 50
Holbury, Fawley & Blackfield	110	55	0	70	0	235	*See below
Plan area east sub-total	430	630	220	255	100	1635	
Lymington & Pennington	285	405	55	165	0	910	Up to 150
Milford-on-Sea	55	0	10	20	0	85	*See below
Hordle & Everton	30	0	10	35	0	75	*See below
New Milton	230	175	50	195	0	650	Up to 110
Plan area south sub-total	600	580	125	415	0	1720	
Bransgore	20	0	15	20	0	55	*See below
Ringwood	90	40	15	125	150	420	
Fordingbridge	30	0	10	35	0	75	Up to 100
Ashford & Sandleheath	10	0	0	5	0	15	*See below
Plan area west sub-total	150	40	40	185	150	565	
Possible additional developments at smaller settlements							*Up to 200 in total
Total	1180	1250	385	855	250	3920	Up to 810

(a) Number of dwellings completed (net of losses) between April 1st 2006 and March 31st 2009.

(b) Existing allocations and sites of 10 or more dwellings with planning permission which were either not started or were under construction at April 1st 2009 (discounted by 10% to allow for an element of non-delivery).

(c) Derived from SHLAA assessment of sites within settlements which offer potential for 10 or more dwellings. Specific sites to be allocated in Sites and Development Management DPD.

(d) Additional development on sites of less than 10 dwellings anticipated within settlements (including unimplemented small site planning permissions).

(e) Specific sites to be allocated in Sites and Development Management DPD.

(f) Total provision proposed towards the South East Plan target.

(g) Indicative provision on new greenfield sites. Specific sites to be allocated in Sites and Development Management DPD.

Annex 3

Schedule of Key Outcomes (see RC47)

KEY OUTCOMES OF THE CORE STRATEGY					
Objective	Key outcomes	How to be delivered	Who will deliver	When to be delivered and specific targets	
1. Special qualities, local distinctiveness and a high quality living environment.	Improvements in local character and distinctiveness.	Application of Policy CS2 through development management.	NFDC.	Throughout plan period.	
		Series of SPDs on local distinctiveness.	NFDC with local communities.	SPDs for: - New Milton, Lymington and Ringwood 2010. - Milford and Totton 2011. - Hythe, Fordingbridge and Fawley 2012.	
		Design guidance and Housing Design SPD.	NFDC, Development industry.	Throughout the plan period. Existing Housing Design SPD to be reviewed 2011.	
		Design and Access Statements.	Development industry.	Required for all significant developments throughout the plan period.	
	Safe and healthy communities	Application of Policy CS5 through development management.	NFDC working with relevant agencies.	Throughout plan period.	
		Avoiding allocating sites in areas of risk.	NFDC.	Sites and Development Management DPD 2011.	
2. Climate change and environmental sustainability.	Improved energy efficiency in new buildings.	Application of Policy CS4.	NFDC, Development industry.	Code for Sustainable Homes: - Level 3 from 2010-2012 - Level 4 from 2012-2016 - Level 6 from 2016. Commercial buildings to meet BREEAM "very good" standards up to 2012 and "excellent" standards after 2012. Major developments to provide at least 10% of energy from renewable sources.	
		Reduced water consumption in new development.	Application of Policy CS4.	NFDC, Development industry.	New development to achieve a decrease in water consumption of 8% - 20% (against 2005 levels).
		Development in sustainable locations.	Application of Policies CS1 and CS10.	NFDC.	Throughout plan period.
		Responding to increasing flood risks.	Application of Policy CS6.	NFDC, Environment Agency.	Throughout plan period.
3. Housing.	At least 3,920 dwellings between 2006 and 2026.	Application of Policies CS10 and CS11. Housing provided on sites committed through allocation or planning permission. New sites to be identified through Sites and Development Management DPD and sites which come forward under policies for development on	NFDC, Development industry, Affordable housing providers.	Delivery of housing in line with housing trajectory. Sites and Development Management DPD 2011 to identify sites.	

KEY OUTCOMES OF THE CORE STRATEGY				
Objective	Key outcomes	How to be delivered	Who will deliver	When to be delivered and specific targets
		sites not previously identified.		
	100 additional affordable dwellings a year.	Application of Policies CS10, CS11, CS12, CS14, CS15 and CS22. Affordable housing contributions on development sites. Additional sites to be allocated under CS12 in Sites and Development Management DPD.	NFDC, Development industry, Affordable housing providers.	Annual target applies throughout the plan period. Sites and Development Management DPD 2011 to identify sites. SPD on Affordable Housing 2010.
	Types, sizes and tenures of housing to meet the Plan Area's needs.	Application of Policy CS13.	NFDC, Development industry, Affordable housing providers.	Development management throughout the plan period. Sites and Development Management DPD 2011.
4. Economy.	Development of up to 49 hectares of employment land.	Application of Policies CS17 and CS18. Sites committed through allocation or planning permission. New sites to be identified through Sites and Development Management DPD.	NFDC, Development industry.	Identification of sites through Sites and Development Management DPD 2011.
	24,000sqm of new office floorspace in Totton and the Waterside.	Application of Policy CS18. Sites committed through allocation or planning permission. New sites for 16,000sqm to be identified through Sites and Development Management DPD.	NFDC, Development industry.	Sites and Development Management DPD 2011.
	11,500sqm of new manufacturing floorspace in Totton and the Waterside.	Application of Policy CS18. Sites committed through allocation or planning permission. No new sites required.	NFDC, Development industry.	n/a
	37,000sqm of new warehouse floorspace in Totton and the Waterside.	Application of Policy CS18. Sites committed through allocation or planning permission. New sites for 10,000sqm to be identified through Sites and Development Management DPD.	NFDC, Development industry.	Sites and Development Management DPD 2011.
	Increased representation of high value and knowledge-based employment, higher local wage levels and reduced need for out-commuting.	Application of Policies CS17 and CS18. Development management.	NFDC, Development industry.	Throughout the plan period
	Retention of existing and enhanced provision for tourism.	Application of Policy CS19. NFDC Tourism Development activities. Development Management.	NFDC New Forest Tourism. Local businesses.	Throughout the plan period.

KEY OUTCOMES OF THE CORE STRATEGY				
Objective	Key outcomes	How to be delivered	Who will deliver	When to be delivered and specific targets
5. Travel.	Transport schemes.	Application of Policies CS23 and CS24. Local Transport Plan. Towards Delivery.	Hampshire County Council, NFDC.	Walking and cycling measures – incremental implementation up to 2026. <ul style="list-style-type: none"> • Ringwood – implementation of Town Access Plan 2017-2026. • Totton and Waterside – A326 bypass improvements, bus priority, tackling congestion 2017-2026. • Totton A35 improvements 2017-2026. • Totton Town Centre improvements, Salisbury Road/Water Lane 2009. Remainder 2017-2026. • Totton air quality management up to 2011. • Totton and Waterside works to facilitate reopening of passenger rail services 2017-2026. • West Totton new station at Bartley Park 2017-2026.
	Improved scope for travel by modes other than private car.	Application of Policies CS23 and CS24. Local Transport Plan and other transport strategies. Development management.	Hampshire County Council, NFDC.	Throughout the plan period.
6. Towns, villages and built environment quality.	Additional retail floorspace.	Application of Policy CS20. Development management.	NFDC, local businesses and the development industry.	Total of 26,500sqm distributed in Totton, Hythe, Lymington, New Milton, Ringwood and Fordingbridge (Policy CS20).
	Protection and enhancement of areas of heritage importance.	Conservation Areas appraisals. Listed Buildings and archaeological sites and records. Development management.	NFDC, English Heritage.	Conservation Area Appraisals - rolling programme of appraisals and reviews.
	Provision of infrastructure and community services to serve new development.	Application of Policies CS8 and CS25. Development management. Section 106 Agreements/Community Infrastructure Levy.	NFDC, Development industry.	Throughout the plan period. Decision on CIL in 2010.
7. The countryside.	Improved rural economy.	Application of Policy CS21. Development management. Economic Development activity. Work with the National Park Authority on the protection of Forest-related grazing land.	NFDC, SEEDA, National Park Authority.	Throughout the plan period.
8. Biodiversity and landscape.	Protection and enhancement of areas of nature conservation value. Relief of pressures on sensitive areas, including within the New Forest National Park.	Application of Policies CS3 and CS7. Work with National Park Authority and PUSH on measures to mitigate the impacts of development in the district and South Hampshire on protected nature conservation sites. PUSH Green Infrastructure Strategy.	NFDC (through developer contributions towards mitigation measures to be identified in Sites and Development Management DPD). PUSH (through joint mitigation measures for	Sites and Development Management DPD 2011. PUSH Green Infrastructure Strategy 2009. High priority to start within 3 years. Medium priority to start in 3-5 years). Lower priority to start within 5-10 years.

KEY OUTCOMES OF THE CORE STRATEGY				
Objective	Key outcomes	How to be delivered	Who will deliver	When to be delivered and specific targets
		New Forest National Park Recreation Management Strategy.	South Hampshire). New Forest National Park Authority.	
	Promotion of biodiversity.	Biodiversity targets for Priority Species and Habitats.	NFDC, Natural England, Hampshire and Isle of Wight Wildlife Trust.	Throughout the plan period. Biodiversity Targets for the South East (part of UK Biodiversity Action Plan).
	Protection and enhancement of special landscapes (including AONB and National Park).	Application of Policy CS3.	NFDC, NPA, AONB Management Board.	Throughout Plan period.
9. Leisure and recreation.	Increased quantity and quality of open space and recreational opportunities.	Application of Policy CS7. New provision for open space made in Sites and Development Management DPD. SPD on public open space delivery.	NFDC (through securing open space contributions and decisions on planning applications), Town and Parish Councils including Community Plans.	Sites and Development Management DPD 2011. Public Open Spaces SPD 2010.
10. Minimising deprivation and meeting needs of all sectors of population.	Access to opportunities that allow a more fulfilling life for all.	Application of many Core Strategy policies, including those on affordable housing, recreation and open space, economy, town and village centres, community facilities and infrastructure.	NFDC working with LSP partners and others.	Throughout Plan period. Sustainable Community Strategy Action Plan reviewed annually.
	Gypsy and traveller sites to meet the South East Plan requirements.	Application of Policy CS16. New allocations for pitches and sites made in Sites and Development Management DPD.	NFDC working with National Park Authority (combined requirement in SE Plan), Hampshire County Council, and with gypsy and travelling showpeople interests.	Sites and Development Management DPD 2011.
	Provision of homes to lifetime homes standards.	Application of Policy CS13. Development management.	NFDC, Development industry.	For affordable housing from 2011 and all housing from January 2013.

Annex 4

Schedule of Minor Changes proposed by the Council (excluding the correction of minor spelling and typographical errors)

MC1: Paragraph 3.5.3: delete "requires" and insert "require".

MC2: Policy CS1(g): delete "; and" and insert full stop.

MC3: Paragraph 6.2.6: delete "Supplementary Planning Guidance" and insert "A Supplementary Planning Document".

MC4: Paragraph 6.4.1: delete "January 2008" and insert "March 2008".

MC5: Policy CS4: 5th main paragraph: delete "should".

MC6: Paragraph 6.8.5: 3rd sentence: delete "year" and insert "years".

MC7: Paragraph 6.8.6: delete 2nd sentence and insert "Chapter 10 and the Core Strategy Delivery Plan summarise the key responsibilities and actions for delivery."

MC8: Policy CS8: 1st sentence: delete "as set out in the Delivery Plan (see Background Paper 34)" and insert "Chapter 10 and the Delivery Plan".

MC9: Policy CS10(g): delete "gypsy" and insert "gypsies".

MC10: Policy CS10(m): 3rd bullet (Village and Local Centres): delete "provide" and insert "providing".

MC11: Paragraph 7.3.22: replace both references to "CS14" with "CS15".

MC12: Policy CS15: 1st paragraph 1st sentence: delete "house" and insert "housing".

MC13: Policy CS15: 4th main paragraph: delete "circumstance" and insert "circumstances".

MC14: Policy CS16: 5th line: delete "are" and insert "is".

MC15: Policy CS20(b): 2nd sentence: insert "of" after "loss".

MC16: Paragraph 7.9.2: delete paragraph and insert "Core Strategy Objective 5 is: To improve accessibility to services, employment, social and leisure opportunities in a safe and convenient way, thus minimising the need to travel, particularly by private car. To manage congestion on key traffic routes."

MC17: Paragraph 7.9.6: 3rd sentence: delete "increase" and insert "increases".

MC18: Paragraph 7.9.17: last sentence: delete "service" and insert "services".

MC19: Paragraph 7.9.22: 1st sentence: delete "60 or over" and insert "aged 60 or over and for disabled people".

MC20: Policy CS23: delete "Strategic" from policy title. Consequent change to list of policies (page 4).

MC21: Paragraph 7.9.30: last sentence: delete "(2008)" and insert "(2009)".

MC22: Paragraph 7.9.31: 1st sentence: delete "with" and insert "within".

MC23: Paragraph 7.9.33: last sentence: delete "will start" and insert "started".

MC24: Paragraph 7.9.34: delete 1st sentence and insert "Significant work on improving Rumbridge Street in Totton town centre was completed in 2008 and further work in the Water Lane area was undertaken during 2009".

MC25: Policy CS24: delete "Local" from policy title and from 1st and 5th main paragraphs. Consequent change to list of policies (page 4).

MC26: Paragraph 7.9.38: 4th sentence: delete "working".

MC27: Figures 16, 18 and 19: amend policy references in key as follows: delete "CS6" and insert "CS20": delete "CS4" and insert "CS11 and CS12": delete "CS5" and insert "CS18".

MC28: Chapter 10: Monitoring Schedule: Objectives 3, 4, 8 and 9: Policies column: add "CS25 Developers' Contributions".

MC29: Chapter 10: Monitoring Schedule: Objective 5: delete text in Indicator column and insert:

- Transport schemes implemented (local indicator).
- Amount of completed non-residential development within Use Classes A, B & D complying with car parking standards (local indicator).
- Use of different modes (car, bus, rail, ferry, bicycle, walking) (contextual indicator).
- New public transport routes/facilities (local indicator).
- Length of journeys to work (contextual indicator).
- Volumes of traffic on road network (local indicator).
- Numbers of accidents involving personal injury/deaths (local indicator).
- Percentage of public car parking bays designated for disabled people (local indicator).

MC30: Chapter 10: Monitoring Schedule: Objective 5: delete text in Data Source column and insert:

- Survey of implemented schemes.
- Local Transport Plan annual monitoring.
- Public transport operators' data.
- NFDC planning records.
- HCC/police records.
- NFDC data.

MC31: Appendix 1: amend date of Background Paper 2 to 2007.

MC32: Appendix 1: amend number of Core Strategy Delivery Plan to 34a: add further Background Paper: "34b – Core Strategy Draft Infrastructure Delivery Plan – February 2009 – Yes".

MC33: Appendix 4: Table A4.1: add reference to deletion of LP policy DW-C3 from Proposals Map and show change on Map Change 1 diagram [included in revised Table A4.1 set out in Annex 5].

Additional Minor Changes to reflect publication of South East Plan

MC34: Delete 2nd and 3rd sentences of paragraph 2.3 and insert "The final South East Plan was published in May 2009."

MC35: Paragraph 2.4: 1st sentence: delete "will form" and insert "forms".

Annex 5

Revised Table A4.1 Proposal Map Changes (see RC7, RC41 and MC33)

Proposals Map	Amendment Reference	Relevant Local Plan Policy	Relevant Core Strategy Policy	Subject/Site	Type of Change
East	Map Change 1	DW-E32		Strategic Gaps: Totton-Marchwood Hythe-Fawley	Deletion
1	Map Change 1	DW-E32		Strategic Gaps: Totton-Nursling Totton-Marchwood	Deletion
1		DW-T1	CS23	A326 Improvements	Keep notation and revise reference to policy
1A	Map Change 1	DW-E32		Strategic Gap: Totton-Nursling	Deletion
1A		DW-T2	CS23	A35 Rushington- Redbridge Causeway	Revise reference to policy
1A		TE-2		Ringwood Road – Salisbury Road link road	Deletion
2	Map Change 1	DW-E32		Strategic Gaps: Totton-Marchwood Marchwood – Hythe Hythe-Fawley	Deletion
2		DW-T1	CS23	A326 Improvements	Keep notation and revise reference to policy
2	Map Change 1	DW-C3		Dibden Bay	Delete notation and policy reference
3	Map Change 1	DW-E32		Strategic Gap: Hythe-Fawley	Deletion
7	Map Change 2	DW-E33		Local Gaps: Fordingbridge – Ashford Ashford-Sandleheath	Deletion
7A	Map Change 2	DW-E33		Local Gap: Fordingbridge – Ashford	Deletion
7B	Map Change 2	DW-E33		Local Gap: Ashford-Sandleheath	Deletion
12		DW-E45, E46 & E47	CS5	Public safety & safeguarding consultation zones	Amend with information in Fig 12
Note: Other changes to the published Proposals Maps will be made at adoption to reflect policies from the Local Plan which have not been 'saved'.					

Annex 6

List of Abbreviations used in this Report

AA	Appropriate Assessment (under the Habitats Regulations)
AONB	Area of Outstanding Natural Beauty
BP	Background Paper
CLG	Communities and Local Government
CS	Core Strategy (policy)
DPD	Development Plan Document
EA	Environment Agency
LDD	Local Development Document
LDF	Local Development Framework
LDS	Local Development Scheme
LP	Local Plan
MC	Minor Change (to the Core Strategy)
ODPM	Office of the Deputy Prime Minister
PPG	Planning Policy Guidance note
PPS	Planning Policy Statement
PUSH	Partnership for Urban South Hampshire
RC	Recommended Change (to the Core Strategy)
RSS	Regional Spatial Strategy
SAC	Special Area for Conservation.
SCI	Statement of Community Involvement
SCS	Sustainable Community Strategy
SEP	South East Plan (the Regional Spatial Strategy)
SFRA	Strategic Flood Risk Assessment
SHLAA	Strategic Housing Land Availability Assessment
SP	Structure Plan
SPA	Special Protection Area
SPD	Supplementary Planning Document
SWS	Solent Waterfront Strategy