# LOCAL PLAN EXAMINATIONS CAMBRIDGE CITY and SOUTH CAMBRIDGESHIRE

INSPECTOR: Laura Graham BSc MA MRTPI ASSISTANT INSPECTOR: Alan Wood MSc FRICS PROGRAMME OFFICER: Gloria Alexander Tel: 07803 202578

email: programme.officer@cambridge.gov.uk / programme.officer@scambs.gov.uk

Our Ref: CCC/SCDC/Insp/Prelim

Your Ref:

20 May 2015

Mrs S Saunders Planning Policy Manager Cambridge City Council

Mrs C Hunt Planning Policy Manager South Cambridgeshire District Council

Dear Mrs Hunt and Mrs Saunders

## Cambridge City Local Plan Examination and South Cambridgeshire District Local Plan Examination

At the Joint Pre Hearing Meeting we indicated that we would advise you of any serious concerns as soon as possible, rather than waiting for the end of the examinations hearings. Having now held hearing sessions on issues relating to the development strategy, Green Belt, transport and housing delivery, we have identified some issues which we consider need to be addressed at an early stage. In accordance with the wishes of the Councils, and the general guidance for civil servants regarding controversial issues in the pre-election period, we have not been able to provide this letter at an earlier date. These comments should be considered as preliminary conclusions and are made without prejudice to the content of our final report.

### Overall development strategy

The Cambridge and South Cambridgeshire Sustainable Development Strategy Review (SDSR)(RD/Strat/040) states that "the main aim of the existing development strategy in adopted plans is to enable genuinely sustainable development that balances economic, social and environmental needs". It notes that this is the central purpose of the planning system as set out in the National Planning Policy Framework, and that existing development plan proposals which remain deliverable will be carried forward into the updated plans. It further states that the question for the (local plan) reviews is the extent to which <u>additional</u> (our emphasis) development allocations contribute to this overarching objective.

Section 4 of the SDSR outlines the existing approach to the location of development and considers how each of the options performs against the sustainability considerations set out in section 3 of the document. Amongst other things it is noted that locating development on the urban edge has significant advantages in sustainability terms and that key considerations in assessing the suitability of specific locations will be any potential conflict with Green Belt purposes and the deliverability of infrastructure improvements. The consideration of new settlements finds that "depending on their overall scale new settlements should be sustainable due to their self- containment..." However, the assessment notes the various challenges to the delivery of self-contained settlements and that out-commuting to workplaces and other facilities and services is likely.

The National Planning Policy Framework affords a high degree of protection to the Green Belt. The letter from Nick Boles MP to Sir Michael Pitt dated 3 March 2014 notes that it has always been the case that a local authority could adjust a Green Belt boundary through a review of the Local Plan. The letter goes on to state that it must always be transparently clear that it is the local authority itself which has chosen this path. In the case of Cambridge City and South Cambridgeshire District the two authorities have individually and jointly undertaken a review of the inner Green Belt boundary during the course of plan preparation and concluded that a very small number of sites should be released to meet housing and employment needs.

A number of respondents have questioned the methodology employed in the Green Belt Review and we have found it difficult, in some cases, to understand how the assessment of 'importance to Green Belt' has been derived from the underlying assessments of importance to setting, character and separation. For example, sector 8.1 is given a score of 'high' with regard to importance to setting, and 'medium' with regard to importance to both character and separation, but the importance to Green Belt is then scored as 'very high'. Sector 8.2 is given a score of 'low' for importance to both setting and character, and 'negligible' in relation to separation but yet is given an overall score of 'medium'. These areas are referenced only as examples of the methodology, not as any indication that we consider that they are suitable for development.

Whatever the shortcomings of the Green Belt Review may be, the Councils accept that it does not take account of the need to promote sustainable patterns of development, as required by paragraph 85 of the National Planning Policy Framework. In response to our question on this point under Matter 6Aiii, the Councils indicated that this requirement had been taken into account in the wider evidence base across a range of documents. Following a further request the Councils provided a more detailed Note of where this information could be found. The Note provides more detailed references across a significant number of documents, but this kind of paper trail does not aid clear comprehension and we have found it difficult to understand how the various dimensions of sustainable development were assessed in accordance with the requirements of paragraph 85 of the National Planning Policy Framework.

It might be expected that such an exercise would be carried out through the SEA/SA process. However, larger releases of Green Belt land to meet development needs were rejected at an early stage in the process of sustainability appraisal. No further consideration was given to a number of proposals for development on the urban edge on the grounds that these could not be considered as reasonable alternatives. Bearing in mind the conclusions of the SDSR and the apparent shortcomings of the Green Belt

Review (see above) we have significant concerns regarding the robustness of the SEA/SA process.

The assertion that 55% of the housing requirement of both Councils from 2011 to 2031 will take place in the urban area or the edge of Cambridge can only be demonstrated by including commitments carried forward from previous Plans. If the allocations that are new to these Plans are considered, then the figures, taken from paragraph 2.21 of the South Cambridgeshire Local Plan, are as follows:

| Sites in the urban area             | 3,324 | 36% |
|-------------------------------------|-------|-----|
| Sites on the edge of the urban area | 530   | 6%  |
| New Settlements                     | 4,370 | 48% |
| Villages                            | 895   | 10% |

A situation where almost half of new allocations are at the third tier of the sequence does not appear to support the contention that the Plans accord with the SDSR.

Of course, the SEA/SA process is not a wholly mechanistic one, as much depends on the weight to be given to the various dimensions of sustainability. It may be that the Councils take the view that protection of the Green Belt should outweigh other considerations. In our view, however, the way in which weight has been attributed in coming to that decision should be clearly set out without the need to trawl through so many documents. In addition, if the Green Belt is to be protected, the plans should make it clear that the Sustainable Development Strategy will not be pursued beyond the completion of existing commitments and the very limited releases of Green Belt proposed through the Plans currently under examination.

Furthermore, if development is to be directed to new settlements rather than the edge of the urban area, it needs to be clear that the challenges of making such development as sustainable as possible have been addressed, in particular infrastructure requirements and sustainable transport options. Evidence presented to the Examination so far indicates that there is a significant funding gap in relation to infrastructure provision. In some cases, the ways in which infrastructure requirements will be met are still at a very early stage of consideration. For example, at the hearing into Matter 7 it was suggested that the segregated bus link to serve proposed development at Bourn Airfield (policy SS6) may be pursued via an off-line route, but little work has yet been done on the feasibility of, or options for, such a scheme. The likely difficulties of land assembly, apart from any other considerations, could well have significant implications for cost and timing which are as yet unknown. We are aware that this development is not expected to come forward until the latter part of the plan period (post 2022) and that an AAP is to be prepared. Nonetheless, the lack of evidence available at this stage does not provide any reassurance that the Plans will deliver sustainable development bearing in mind the reservations expressed in the SDSR. It was also suggested that some development could come forward at Bourn in advance of the provision of the segregated bus route but the Councils were unable to say how much could be provided in advance of the infrastructure requirements identified in Policy SS6.

To summarise, we are concerned that an apparent inconsistency between the SDSR and the Plans' reliance on meeting development needs in new settlements may lead to a finding of unsoundness. Without further work we are not confident that we could recommend modifications to overcome these concerns.

#### Objectively assessed need for new housing

The SHMA methodology for assessing the need for new housing is not entirely consistent with Planning Practice Guidance, as it does not use national household populations as the starting point for the assessment. However, the Councils have explained that the national household projections for the Cambridge area are implausibly low due to the migration methodology used. A number of representors have concurred with this view, even though they may not agree with the final figures in the SHMA assessment (14,000 new homes in Cambridge City and 19,000 in South Cambridgeshire). Alternative assessments of need, using different methodologies, have been promoted by some representors and these indicate that the level of need may be around 43,000 new homes across the two authorities. Planning Practice Guidance notes that no single approach will provide a definitive answer. In these circumstances, it may be concluded that the SHMA Assessment is at the lower end of the likely range of possible levels of need to 2031. However we are concerned, in particular, that the Councils approach to the establishment of the full objectively assessed need has not fully taken into account the advice in the Planning Practice Guidance regarding market signals, particularly in relation to affordability.

From the discussion at the hearing, it seems to be generally accepted that there is a chronic shortage of affordable housing in Cambridge, even taking into account the Councils' recent updating of the SHMA following the review of the housing registers. There is no evidence before us that the Councils have carried out the kind of assessment of market signals envisaged in the Guidance; or considered whether an upward adjustment to planned housing numbers would be appropriate. It is not, in our view, adequate simply to express doubts as to whether such an upward adjustment would achieve an increase in the provision of affordable housing (which appeared to be the approach taken by the Councils at the hearing), or to suggest, as in the Councils' Matter 3 Statement, that this could only be tackled across the HMA, rather than in individual districts. There should be clear evidence that the Councils have fully considered the implications and likely outcomes of an upward revision in housing numbers on the provision of affordable housing.

The DCLG 2012-based household projections were published in late February 2015 after the relevant hearing had taken place and notwithstanding the comments in your Matter 3 statement that these projections would not have any implications for objectively assessed housing need, we are asking you to consider whether the 2012 based household projections suggest a different level of need and if so, how big is the difference and does it indicate that further modifications should be made to the Plans. We will also be seeking the views of those who made relevant representations on this issue.

#### Conformity with Revisions to National Planning Policy

You will be aware of two recent Written Ministerial Statements (WMS). The WMS by Brandon Lewis MP dated 28 November 2014, and consequential amendments to Planning Practice Guidance, has implications for the provision of affordable housing on small sites (less than 10 dwellings). Aspects of Policy 45 of the Cambridge City Local Plan and Policy H/9 of the South Cambridgeshire Local Plan do not appear to accord with the WMS.

The WMS dated 25 March 2015 by Eric Pickles MP, Secretary of State for Communities and Local Government, details Government Policy in relation to, amongst other things,

Housing Standards and car parking provision. Policies 27, 50, 51 of the City Plan and Policy H11 of the South Cambridgeshire Local Plan do not appear to accord with the WMS. This is not intended to be an exhaustive list of policies which may be affected by both of the WMS and we are therefore inviting the Councils to undertake a rigorous audit of both plans and propose modifications to ensure compliance with both WMS.

#### Next steps

In the circumstances, we consider that the best course of action would be for the Examinations to be suspended while the Councils revisit the sustainability appraisals so as to appraise all reasonable alternatives (including sites on the urban edge) to the same level as the preferred option, and to suggest modifications based on that work. For the avoidance of any doubt this letter should not be interpreted as an indication that further releases of Green Belt land would be necessary to ensure soundness. We envisage that further modifications would either align the plans with the SDSR; or more fully explain the reasons for departing from that Strategy together with a clearer and more fully evidenced explanation of how the challenges of delivering sustainable development in the proposed new settlements will be met. During the suspension further work could be undertaken on the other issues raised in this letter.

We recognise that the Councils will be disappointed by these preliminary conclusions but we look forward to hearing how you wish to progress together with a timetable for undertaking the further work identified, including any periods of public consultation.

Laura Graham Alan Wood

Inspectors