

# Local Plan Working Group



Forest Heath  
District Council

<b>Title of Report:</b>	<b>Core Strategy Single Issue Review (SIR) – Sustainability Appraisal of Housing Distribution Options</b>	
<b>Report No:</b>	<b>LOP/FH/16/002</b>	
<b>Report to and date:</b>	<b>Local Plan Working Group</b>	19 January 2016
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<b>Purpose of report:</b>	To note progress made on the Core Strategy Single Issue Review (CS SIR), specifically the Sustainability Appraisal (SA) outcomes of the draft housing distribution options.	
<b>Recommendation:</b>	<b>It is <u>RECOMMENDED</u> that the Local Plan Working Group note the progress made on the Core Strategy Single Issue Review (CS SIR) Sustainability Appraisal, specifically the outcomes for the housing distribution options. The outcomes of the Sustainability Appraisal will inform the preparation of the Core Strategy Single Issue Review (CS SIR) preferred options document. The draft will be considered by Members of the Local Plan Working Group on 15 February 2016.</b>	
<b>Key Decision:</b>  <i>(Check the appropriate box and delete all those that <b>do not</b> apply.)</i>	<i>Is this a Key Decision and, if so, under which definition?</i> Yes, it is a Key Decision - <input type="checkbox"/> No, it is not a Key Decision - <input checked="" type="checkbox"/>	

<b>Consultation:</b>	<ul style="list-style-type: none"> <li>• In accordance with Regulation 18 of the Town and Country Planning (Local Planning) Regulations 2012, the Council's Statement of Community Involvement and Local Development Scheme.</li> </ul>
<b>Alternative option(s):</b>	<ul style="list-style-type: none"> <li>• Options for progressing the SIR and SSA Local Plan Documents were considered by LPWG on 16 October 2014.</li> <li>• Housing Options Paper was considered and endorsed by LPWG on 22 April 2015.</li> <li>• CS SIR and SSA Local Plan Documents and the accompanying SEA/SA and supporting documents were considered by LPWG on 30 June 2015 and agreed by Cabinet on 14 July 2015 for consultation.</li> <li>• Working Paper 1 is the draft Sustainability Appraisal of the housing distribution options which will inform the preparation of the CS SIR Preferred Options Local Plan document to be considered by LPWG on 15 February 2016.</li> </ul>
<b>Implications:</b>	
Are there any <b>financial</b> implications? If yes, please give details	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Are there any <b>staffing</b> implications? If yes, please give details	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Are there any <b>ICT</b> implications? If yes, please give details	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Are there any <b>legal and/or policy</b> implications? If yes, please give details	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> There is a requirement for Local Planning Authorities to produce a Local Plan and Sustainability Appraisal and to undertake consultation during its preparation under the Planning and Compulsory Purchase Act 2004 as amended by the Localism Act 2011 and the Town and Country Planning (Local Planning) Regulations 2012.
Are there any <b>equality</b> implications? If yes, please give details	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
<b>Risk/opportunity assessment:</b>	The Local Development Scheme includes a risk assessment of issues that could affect the Councils ability to deliver the Local Plan(s) in accordance with the programme. Actions to manage the risks have also been identified. Failure to prepare a sustainability appraisal which appraises all reasonable alternatives

		may result in an unsound Plan or legal challenge.	
<b>Risk area</b>	<b>Inherent level of risk (before controls)</b>	<b>Controls</b>	<b>Residual risk (after controls)</b>
Significant public opposition	High	Local Plan documents have the potential to be highly contentious. Whilst every effort will be made to build cross-community consensus, there is a high risk of significant public opposition.	Medium
Loss of Staff	Medium	The structure and staffing levels within the Place Shaping Team will be constantly monitored and reviewed to ensure that the appropriate level of skills and resources are maintained.	Low
Financial shortfall	Medium	In the short/medium term, the Council has allocated funds through its Financial Services Planning process to allow for the preparation of the Local Plan. In the longer term, should costs increase, a review of the financial allocation will be required.	Low
Changing Political Priorities	Medium	Proposals are discussed with Members of all parties via a variety of means, the Local Plan Working Group etc.). This helps build consensus and reduces the likelihood of wholesale change of direction from local politicians.	Low
Legal Challenge	High	As a measure of last resort anyone may issue a legal challenge within six week of adoption of the Local Plan. Officers will continue to seek to ensure that local plan documents are prepared within the legal framework in order to reduce the risk of successful legal challenge.	Medium
<b>Ward(s) affected:</b>		All Wards in the District.	
<b>Background papers:</b> <i>(all background papers are to be published on the website and a link included)</i>		<p>Forest Heath Core Strategy Development Plan Document (May 2010).  <a href="http://www.westsuffolk.gov.uk/planning/Planning_Policies/local_plans/forestheathcorestrategy.cfm">http://www.westsuffolk.gov.uk/planning/Planning_Policies/local_plans/forestheathcorestrategy.cfm</a></p> <p>Forest Heath Core Strategy Policy CS7 Single Issue Review – issues and Options 2012.  <a href="http://www.westsuffolk.gov.uk/planning/Planning_Policies/local_plans/upload/Core-strat-policy-CS7-single-issue-review-1.pdf">http://www.westsuffolk.gov.uk/planning/Planning_Policies/local_plans/upload/Core-strat-policy-CS7-single-issue-review-1.pdf</a></p>	

	Forest Heath Core Strategy Policy CS7 Single Issue Review – issues and Options 2015 <a href="http://www.westsuffolk.gov.uk/planning/Planning_Policies/local_plans/fh-single-issue-review-sir-of-core-strategy-policy-cs7.cfm">http://www.westsuffolk.gov.uk/planning/Planning_Policies/local_plans/fh-single-issue-review-sir-of-core-strategy-policy-cs7.cfm</a>
<b>Documents attached:</b>	<b>Working Paper 1:</b> Sustainability Appraisal of the draft housing distribution options for Forest Heath district

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## **1. Key issues and reasons for recommendation(s)**

### **1.1 Background**

- 1.1.1 The Core Strategy Single Issue Review (CS SIR) revisits the quashed parts of the 2010 Core Strategy as well as reassessing overall housing need/numbers to ensure compliance with the National Planning Policy Framework (NPPF).

An 'Issues and Options' (Regulation 18) consultation was completed on the Core Strategy SIR in July to September 2012, with a second Issues and Options (regulation 18) consultation taking place between August and October 2015.

A third Issues and Options consultation is scheduled to take place between March and May 2016, and it is the Sustainability Appraisal of the housing distribution options in this forthcoming consultation that are attached to this paper for noting (See Working Paper 1).

#### **August-October 2015 consultation on the SIR**

The 2015 CS SIR consultation document proposed four options for the distribution of homes across Forest Heath District.

- Option 1. Focus on Mildenhall, Newmarket and Lakenheath
- Option 2. Focus on Lakenheath and Red Lodge, with a planned extension at Red Lodge and medium growth at Mildenhall and Newmarket
- Option 3. Focus on Red Lodge, with a planned extension, and focus on Lakenheath and Mildenhall with lower growth in Newmarket
- Option 4. Focus on Mildenhall, Newmarket and Red Lodge with more growth in those primary villages with capacity

The consultation document emphasised that these were alternatives for consideration and the final preferred option could be a combination of these four options, or even an approach that is entirely new and different.

364 individual consultation responses were received to the Single Issue Review consultation which, along with further evidence based work, has resulted in the identification of three distribution options which vary slightly to those consulted on in 2015.

The three options are set out below:

*N.B Under all three options the environmental constraints at Brandon would continue to be protected from the negative effects of development, with only limited infill development within the settlement boundary.*

*Under all three options the approach at Lakenheath is constant to ensure the provision of an appropriate level of natural greenspace*

*to take the pressure off existing designated sites. This approach would also deliver a school in the village.*

- **Option 1: Higher growth at Mildenhall and Red Lodge and Primary Villages, enabling lower growth at Newmarket**
  - The highest growth would take place in Mildenhall, to be concentrated on the western side of the town
  - The lower growth in Newmarket would deliver approximately 400 homes on the Hatchfield Farm site, balancing the need to protect the horse racing industry while delivering additional growth to meet the needs of the town
  - The lower growth at Newmarket means that Red Lodge and Lakenheath would have similar levels of higher growth which would deliver additional infrastructure benefits including schools and open space
  - The primary villages would be protected from any further large increases in development
  
- **Option 2: Higher growth at Newmarket, enabling lower growth at Mildenhall, Red Lodge and Primary Villages**
  - Under this option the growth in Mildenhall and Newmarket would be more evenly balanced than in Option 1
  - This option would deliver approximately 800 homes on the Hatchfield Farm site in Newmarket, however, the past issues of trying to bring this site forward need to be taken into account when considering whether this level of growth is appropriate and deliverable in the plan period
  - Growth in Mildenhall would be slightly lower than in option 1 and would be concentrated to the west of the town
  - The growth in Red Lodge and the primary villages would be slightly lower than in Option 1, as a consequence of the higher growth in Newmarket
  
- **Option 3: Higher growth at Mildenhall (similar to option 1) and Newmarket (similar to option 2), enabling lower growth at Red Lodge and Primary Villages.**
  - The highest growth would take place in Mildenhall, at a similar level to Option 1, and would be concentrated on the western side of the town
  - This option would deliver approximately 800 homes on the Hatchfield Farm site in Newmarket, however, the past issues of trying to bring this site forward need to be taken into account when considering whether this level of growth is appropriate and deliverable in the plan period
  - As a consequence of the high growth at both Mildenhall and Newmarket, the growth at Red Lodge and primary villages would be the lowest out of all the options.

It is the view of Officers, and the consultants appointed to undertake the

Sustainability Appraisal work, that in order to progress the CS SIR and to ensure a more engaging consultation, a smaller number of options for consultation should be included in the next CS SIR document - one to be indicated as the council's preferred option and one as an alternative.

In order to assist with deciding on the final options for inclusion in the CS SIR document, the three options above have been tested to determine whether they can deliver the required level of housing in a sustainable manner. Part of this testing has involved a high level Sustainability Appraisal (SA) to ensure they are acceptable in terms of meeting the overall SA objectives. This SA summary is attached as **Working Paper 1**.

It should be noted that the final SIR document will propose distribution numbers for each settlement, and for primary villages as a whole, but for the purposes of this SA work it is more relevant to consider the options using the broader headings above.

## 1.2 **Sustainability Appraisal (SA) of the Distribution Options**

1.2.1 A Sustainability Appraisal (SA) is a tool for appraising policies to ensure they reflect sustainable development objectives. Sustainability Appraisals are required for all local development documents. The initial SA of the three options (Working Paper 1) has assessed the levels of growth against various objectives such as housing, health, noise and biodiversity. By looking at the different distribution options against these objectives, it highlights potential differences in sustainability and is therefore a useful and important tool in the Local Plan decision making process.

The SA conclusions of the three distribution options (final page of Working Paper 1) states that the sustainability impact of the options varies between higher levels of growth in Newmarket and Mildenhall, and to a lesser extent the amount of growth directed to Red Lodge.

Therefore, there is little potential to differentiate between the options in terms of the majority of objectives (i.e. there is no clear most sustainable option). Notably, in terms of community related topics - 'Education', 'Health', 'Sports and leisure' and 'Poverty' - the alternatives perform broadly on a par. This primarily reflects the fact that under all options there would be a focus of growth at either Newmarket (the largest settlement, with the greatest offer in terms of services/facilities/retail and employment) or Mildenhall (where there are opportunities, given the assumption that growth would support development of a new 'hub' to the west of the town). There are also 'community' type issues associated with Red Lodge and the primary villages (highest growth under Option 1 and lowest growth under Option); however, it is not clear that there is the potential to differentiate the alternatives on this basis.

Looking closer, the appraisal finds the potential to differentiate between the options in terms of five topics, with 'biodiversity' perhaps being the most prominent. Biodiversity is a key consideration in the Single Issue

Review, reflected in the fact that the three new options propose that Brandon – as the most environmentally constrained settlement – would still be assigned low growth, as proposed in all of the options in the 2015 SIR consultation document.

With no further significant growth being proposed at Brandon, the main options for further growth are at Mildenhall and Newmarket, both of which present issues when different levels of growth are assessed against the SA objectives.

Higher growth at Mildenhall (options 1 and 3) does flag the risk of a potential significant effect on biodiversity. Mildenhall is constrained, but initial work has identified good potential to sufficiently mitigate the impacts of growth (primarily through delivery of Suitable Alternative Natural Greenspace, SANG). This is a subject that is being explored in detail through a separate process of Habitats Regulations Assessment (HRA); however, taking a precautionary approach it is deemed appropriate to 'flag' the risk of significant negative effects to result from Options 1 and 3 (higher growth at Mildenhall) within this appraisal.

Other notable considerations, that enable the alternatives to be differentiated, relate to: 'Noise' (given constraints at Mildenhall, Beck Row and West Row); 'Air quality' (given the designated Air Quality Management Area in Newmarket); 'Renewable energy' (given the opportunity that presents itself at Mildenhall, where a hub scheme could enable delivery of district heating); and 'Accessible natural greenspace' (given the opportunity at Mildenhall to deliver Suitable Alternative Natural Greenspace alongside housing).

Finally, it is important to note that the appraisal finds there to be a high degree of uncertainty in respect of 'Unemployment'. This is on the basis that further evidence is needed regarding the merits of housing growth at Newmarket. Growth at Newmarket is in many respects to be supported from a local economy and employment perspective, given good links to Cambridge and also the likelihood that housing growth at Newmarket can stimulate development of new employment floorspace, thereby diversifying the local employment offer. However, there is also a need to consider the risk of housing/employment growth impacting on the horse racing industry. Recent studies have served to confirm the importance of the industry as an employer, and it is also understood that the industry is sensitive to growth and internationally 'footloose'; however, there remains uncertainty regarding the potential for the scale of growth under consideration at Newmarket to negatively impact.

The Council is currently finalising work on the CS SIR consultation document with a view to selecting a preferred option and a non-preferred option. The results of this early SA work will inform the council's decision, along with other evidence based considerations.

Given the issues raised in the SA, the Council's preferred and non-preferred options are likely to include both lower and higher growth options for Mildenhall and Newmarket, which is likely to rule out Option 3



in this paper from further consideration.

The reasons for this are the issues around biodiversity and unemployment raised in the SA conclusions, along with the further testing needs to be undertaken on the infrastructure implications of high growth in Mildenhall.

There is also ongoing uncertainty around the issuing and content of the Hatchfield Farm decision, meaning it would be inappropriate to consult on two options which propose high growth in Newmarket at this time. However, should this situation change as a result of the Hatchfield decision, this can be taken into account at the next and final SIR consultation stage. In the event that the Hatchfield Farm decision results in no development on Hatchfield Farm in perpetuity, the Council would need to consider whether it would be able to deliver its overall housing need.

It is therefore likely that Option 1 will be presented as the Council's final preferred Option, a decision which is reinforced by this option ranking mostly highly in terms of performance against the SA objectives, and option 2 will be presented as an alternative option, but will not be preferred. Members will be invited to discuss the merits of these two options and endorse a preferred option for public consultation at the next Local Plan Working Group Meeting on 15 February 2016.

The Consultants who have undertaken this initial SA work have been appointed to undertake the full SA and SEA work in relation to the next consultation draft of the SIR document. A full report setting out the findings of the SA and SEA and the proposed CS SIR Regulation 18 consultation will accompany the document for consultation in March 2016.

## **2. Next Steps**

2.1 Following this Local Plan Working Group, the final CS SIR document and Site Allocations Local Plan (SALP) will be prepared and presented in full at Local Plans Working Group meetings on:

- 15 February 2016 - (Single Issue Review document and officer responses to all of the comments received to the Single Issue Review and Site Allocations document)
- 18 February 2016 - (Site Allocations Local Plan)

The documents will then be taken for approval for consultation by Cabinet on 1 March 2016.

The next steps in terms of Sustainability Appraisal will be to re-appraise the final options selected for consultation, updating the appraisal attached as Working Paper 1 to this document.

The design and printing of the documents will take a further few weeks from the Cabinet meeting; therefore consultation is planned from the end

of March until the end of May 2016 – with dates to be advised at the Local Plan Working Group Meetings in February 2016.

Comments received during this next consultation will be considered and brought back to the Local Plans Working Group before being fed into the final consultations for both the Site Allocations and Core Strategy Single Issue Review in late Summer/Autumn 2016. Submission of the documents for independent examination will follow in December 2016.