



The Planning Inspectorate

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# Report to Cornwall Council

**by Simon Emerson BSC Dip TP MRTPI**

**an Inspector appointed by the Secretary of State for Communities and Local Government**

**Date 23 September 2016**

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PLANNING AND COMPULSORY PURCHASE ACT 2004 (AS AMENDED)

SECTION 20

## **REPORT ON THE EXAMINATION INTO THE CORNWALL LOCAL PLAN STRATEGIC POLICIES**

Document submitted for examination on 5 February 2015

Examination hearings held between 18-22 May 2015 and 16-24 May 2016

File Ref: PINS/D0840/429/12

## Abbreviations Used in this Report

AONB	Area of Outstanding Natural Beauty
CIL	Community Infrastructure Levy
CNAs	Community Network Areas
DCLG	Department of Communities and Local Government
DPD	Development Plan Document
FTE	Full time equivalent
HMA	Housing Market Area
HR	Headship Rates
HRA	Habitat Regulations Assessment
LDS	Local Development Scheme
LEP	Local Economic Partnership
MM	Main Modification
NE	Natural England
NP	Neighbourhood Plan
NPPF	National Planning Policy Statement
OAHN	Objectively assessed housing need
OBR	Office for Budget Responsibility
ONS	Office for National Statistics
PF	Preliminary Findings
psm	Per square metre
RCH	Royal Cornwall Hospital
RS	Regional Strategy
SA	Sustainability Appraisal
SAC	Special Area of Conservation
Sq m	Square metre
SHLAA	Strategic Housing Land Availability Assessment
SHMA	Strategic Housing Market Assessment
SNPP	Sub National Population Projections
SPA	Special Protection Area
SPD	Supplementary Planning Document
WHS	World Heritage Site
WMS	Written Ministerial Statement

## **Non-Technical Summary**

This report concludes that the Cornwall Local Plan Strategic Policies Plan provides an appropriate basis for the planning of the Cornwall, providing a number of modifications are made to the Plan. Cornwall Council has specifically requested me to recommend any modifications necessary to enable the Plan to be adopted.

With one exception, all of the necessary modifications were proposed by the Council and were largely accepted or agreed as required changes. The exception is the change to the threshold of the affordable housing policy to which the Council was specifically opposed, but where a change is required to be consistent with Government policy. Where necessary for clarity, I have edited the detailed wording from that published by the Council and I have recommended their inclusion after considering the representations from other parties on these issues.

The Main Modifications can be summarised as follows:

- An increase in the overall housing requirement from 47,500 to 52,500 dwellings and a revised apportionment of this figure to the main towns and Community Network Areas.
- A clearer explanation of this Plan's role in taking forward the Council's economic strategy and the identification of a jobs target of 38,000 new jobs.
- An increase in the proposed floorspace for B class employment development to give needed flexibility in delivery and a revised apportionment to the Community Network Areas.
- Updating future retail capacity for the main towns, resulting in much lower capacity estimates compared with the submitted Plan.
- Deletion of the place-policies for individual CNAs and related text referring to housing, employment and retail requirements which have become out of date given the above changes.
- Greater clarity on the role of the Council's Site Allocations Plan and of Neighbourhood Plans in delivering necessary allocations to take forward the requirements of this Plan.
- Amendment to the policy on affordable housing to ensure that the proportion of such housing sought from market developments is consistent with the evidence on viability and that the threshold for such requirements is consistent with Government policy.
- Introduction of a new policy to ensure that there is adequate mitigation of recreational pressures on European protected natural habitats arising from new residential development.
- The rewriting of policies for the natural and historic environment to ensure that they are comprehensive, clearly structured and consistent with national policy.
- Various changes to other policies to ensure consistency with national policy.

## Introduction

1. This report contains my assessment of the Cornwall Local Plan Strategic Policies in terms of Section 20(5) of the Planning & Compulsory Purchase Act 2004 (as amended). It considers first whether the Plan's preparation has complied with the duty to co-operate, in recognition that there is no scope to remedy any failure in this regard. It then considers whether the Plan is sound and whether it is compliant with the legal requirements. The National Planning Policy Framework (NPPF, paragraph 182) makes clear that to be sound, a Local Plan should be positively prepared; justified; effective and consistent with national policy.
2. The starting point for the examination is the assumption that the local authority has submitted what it considers to be a sound plan. The basis for my examination is the document (A.1) combining the text and policies in the *Proposed Submission Local Plan* (published in March 2014) together with the changes proposed in *Schedule of Focussed Changes* (September 2014). The latter was published for consultation prior to submission. I have taken into account the representations made on the *Submission Plan* published in March 2014 and those made on the *Focused Changes*. I refer to this combined document in this report simply as the *Plan*.
3. My report deals with the main modifications that are needed to make the Plan sound and legally compliant and they are identified in bold in the report (**MM**). In accordance with section 20(7C) of the 2004 Act the Council requested that I should make any modifications needed to rectify matters that make the Plan unsound/not legally compliant and thus incapable of being adopted. These main modifications are set out in the Appendix.
4. The MMs that are necessary for soundness and/or legal compliance all relate to matters that were discussed at the hearings or otherwise appropriately explored in writing during the Examination. Following the first group of hearings in May 2015, I set out *Preliminary Findings (PF, June 2015, ID.05)* which identified a number of shortcomings requiring further work. In response, the Council requested a suspension of the Examination to undertake this work and to consult on changes to the Plan. To assist the Council consider the need for changes on matters not discussed at the hearings in May 2015, I also published *Advice on Other Matters* (July 2015, ID.06) and responded to a question from the Council on the structure and scope of the Plan in *Advice on CNA Policies* (August 2015, ID.07). The Council published extensive changes for consultation in the *Proposed Schedule of Further Significant Changes* (January 2016, J.1).
5. On resuming the Examination in March 2016, I identified a number of concerns with the changed wording of several policies proposed by the Council in J.1. This resulted in revised wording being suggested by the Council prior to the hearings and further revisions after the hearings. Taking into account various amendments to the wording that I put forward (NS.SC.6), the Council undertook consultation for six weeks on the final version of *Schedule of Post Hearing Changes* (July 2016, N.SC.6.1) and carried out a further sustainability appraisal (*SA Report Addendum* and technical annexes 1-4, July 2016).

6. I have taken account of the consultation responses in coming to my conclusions in this report and as a result I have made some amendments to the detailed wording of the main modifications. None of these amendments significantly alters the content of the modifications as published for consultation or undermines the participatory processes and sustainability appraisal that has been undertaken. Most of these changes are minor editing to improve clarity, but where necessary I have highlighted these amendments in the report.
7. Some of the changes proposed by the Council are not needed for soundness and are not included in my Appendix of MMs. Where I have not needed to recommend a change proposed by the Council, I am not making any change to the Plan as submitted and thus no further consultation is required. In some cases a MM to a policy or section of text includes detail which, in isolation, is minor and not necessary for soundness, but for simplicity and clarity it is preferable to retain these details within the MMs. Within the limits prescribed by the Regulations, the Council can make additional modifications to the Plan at adoption.

## **Statutory Matters**

8. I summarise the position on all relevant statutory matters in the table towards the end of the report. But 3 matters require more detailed commentary which I set out below together with comment on the Policies Map.

### ***Assessment of Duty to Co-operate***

9. Section s20(5)(c) of the 2004 Act requires that I consider whether the Council complied with any duty imposed on them by section 33A of the 2004 Act in relation to the Plan's preparation.
10. By the time of the hearings in May 2015, there was no substantial challenge with regard to the Duty. During the long period over which the Plan was developed, various concerns had been raised by the Council's partners, but these issues had been overcome or were no longer regarded by those partners as raising a conflict with the Duty. The Council's record of working with its Duty partners and its response to concerns expressed is set out in its *Duty to Cooperate Statement* and Appendices (A.7).
11. Plymouth City Council has a long-established aim of growing the City well above demographic projections. A new Plymouth Plan aims to continue this approach, but it has not yet been submitted for Examination. The City Council is not currently seeking any of its aspirational need to be met in Cornwall. Whether or not the City's needs/aspirations are justified and whether they can be adequately met outside Cornwall will be a matter for the Examination of the City's plan in due course. But at the present time there is no requirement for additional housing for Plymouth to be accommodated in Cornwall. It is appropriate for the Plan to refer to its strategy *complementing* Plymouth's significant role in relation to South East Cornwall rather than *underwriting* it (**MM35**).

12. Overall I am satisfied that where necessary the Council has engaged constructively, actively and on an on-going basis in the preparation of the Plan and that the Duty to Co-operate has therefore been met.

### **Cornish Minority Rights**

13. In April 2014 the Government recognised the Cornish as a National Minority. The Cornish therefore benefit from the *Framework Convention for the Protection of National Minorities* (HD.CC.03). This recognition by the Government was without prejudice as to whether the Cornish meet the definition of a racial group. Minority status is based on a wide variety of factors, including cultural and historical factors (see *Why should the Cornish be recognised as a national minority within the UK?* p11, HD.CC.04). The Cornish language was recognised by the Government in 2005 under the European Charter for the protection of minority languages.
14. The Convention is based on individuals' self-identification with a minority. In the 2011 Census, 14% of the population self-identified as Cornish (even though this had to be written into the box under *other*). School Census' show a steady increase in self-identification (48% in 2014, HD.CC.04 p20). Bewnans Kernow estimate that about one third of the existing population of Cornwall may regard themselves as Cornish. Whilst some might regard being born in Cornwall as a pre-requisite of being Cornish, that is not the basis on which the minority status is to be treated for the purposes of the Convention.
15. A number of parties consider that the scale of housing proposed in the Plan (derived from an assessment of housing need which includes a substantial proportion of net inward migration – see below) is in breach of Article 16 of the Convention which states: *The Parties shall refrain from measures which alter the proportions of the population in areas inhabited by persons belonging to national minorities and are aimed at restricting the rights and freedoms flowing from the principles enshrined in the present framework Convention.*
16. The Explanatory Report to the Framework Convention gives examples of actions that might restrict the enjoyment of the rights and freedoms of the national minority which flow from the Framework Convention. There is no evidence to support any suggestion that it is the Council's *intention* that the Plan will result in such actions. The Plan seeks to respond and manage housing and migration pressures which would remain even if there was no plan. Among the Plan's aims (explored further under other issues below) are seeking to maximise the provision of affordable housing, improving the skills of the local labour-force, providing higher-value jobs and opportunities for higher and further education. Such measures are likely to be of particular benefit to those already resident in Cornwall. Given the attractiveness of Cornwall as a destination for people to move to, not planning to adequately address migratory pressures is likely to put existing residents at a greater disadvantage in the housing market (as incomers are more likely to be able to afford higher house prices). Furthermore, a proportion of inward migrants may have a past connection with Cornwall or, in due course, embrace Cornish culture such as to self-identify as Cornish in the future.
17. At the hearing on this matter, emphasis was also placed on the importance of Cornwall's cultural landscape, such as Ancient Monuments, as a part of the

identity of the Cornish with concern that development threatens that landscape. However, as proposed to be amended, the Plan will include comprehensive policies for the protection of historic assets (as well as landscape and biodiversity) including the need to appropriately identify the significance of assets when assessing the impact of development. The importance to Cornish culture of a historic asset can be part of its significance.

18. Given all the above, I am satisfied that the Plan is not in breach of the Convention and, more generally, is not at odds with interests of the Cornish Minority.

### ***Habitat Regulations Assessment***

19. Early in the Examination, I highlighted (ID.01) the concerns of Natural England (NE) with 2 inconsistencies between the assumptions and conclusions of the *Habitat Regulations Assessment* (HRA, at that time document A.6, October 2014) and the contents of the Plan. Firstly, with regard to measures necessary to protect the water quality of the River Camel Special Area of Conservation (SAC) and, secondly, with regard to recreational pressure on 7, mainly coastal, SACs/Special Protection Areas (SPAs). There needs to be transparent consistency between the mitigation measures set out in the HRA and what the Plan proposes. I give particular weight to the views of NE as it is the Government's principal adviser on the protection of European sites, with experience of such issues across the country
20. Prior to the hearings in May 2015, the Council proposed various changes to the Plan in agreement with NE to address these concerns (ID.01.CC.2.4.2). But matters have moved on since then. Over the summer of 2015, during the suspension of the Examination, recreational visitor surveys were undertaken for the relevant SACs/SPAs. The initial results have enabled the identification of precautionary zones of influence for 5 of the 7 designated sites, within which residential development has the potential to have significant effects on the SACs/SPAs in the absence of mitigation. At this stage, such zones have not been identified nor appear justified for Godrevy Head to St Agnes SAC or for Carrine Common SAC (HRA, April 2016, J25.2, section 3). I have amended the published change on this matter to make this clear (**MM119/2**) using text suggested by the Council in the pre-hearing version of related changes.
21. Falmouth Bay to St Austell is a proposed SPA because of the presence of particular bird species in the winter. It is not very vulnerable to increases in recreational pressures. There is no evidence at present to indicate any potential harm from recreation and thus no mitigation is required. This needs to be made clear when reference is made to mitigation for European sites. But it is not unreasonable for the Plan to indicate that any recreational effects will be monitored. (I have amended the published changes in this regard - **MMs 119 and 119/2.**)
22. The Council and NE have agreed revised wording for a new policy (23a) and new text to put in place the necessary protection and headline mitigation strategy to ensure that residential and related development does not result in any significant adverse effects on these designated sites. The detailed mitigation measures will be set out in a forthcoming Supplementary Planning Document (SPD) - **MMs 117-120a and MM121** (part).

23. In relation to the River Camel SAC various changes to the text are necessary in the section on infrastructure and in the CNA sections for Camelford and Bodmin to make clear that protection of water quality in the SAC will require appropriate wastewater treatment facilities to be in place - **MMs 142, 190A and 193B**. Subject to all the above MMs, the Plan is compliant with the Habitat Regulations.

### ***Policies Map***

24. The Council must maintain an adopted policies map which illustrates geographically the application of the policies in the adopted development plan. When submitting a local plan for examination, the Council is required to provide a submission policies map showing the changes to the adopted policies map that would result from the proposals in the submitted local plan. In this case, the submission policies map comprises the set of plans included in the Plan showing: the *town centre boundary, primary shopping area and primary retail frontage* for 16 centres.
25. The policies map is not defined in statute as a development plan document and so I do not have the power to recommend main modifications to it. However, as addressed under Issue 3 below in relation to retail, I consider that the proposed boundaries are sound and no changes are needed to what the Council shows in the Plan. When the Plan is adopted, in order to comply with the legislation and give effect to the Plan's policies, the Council will need to update the adopted policies map as proposed in this Plan.

## **Assessment of Soundness**

### **Main Issues**

26. Taking account of all the representations, written evidence and the discussions that took place at the Examination hearings, I have identified the following main issues upon which the soundness of the Plan depends.

### **Issue 1 – Whether the coverage and level of detail in the Plan is consistent with national policy and guidance and sufficient to be an effective part of the overall development plan.**

27. The submitted Plan is in 2 main parts. The first part sets out strategic policies, including the overall quantum of new housing and employment floorspace and its distribution to the main towns and the Council's 19 Community Network Areas <sup>1</sup>(CNAs). In addition, the first part of the Plan contains a number of generic policies for development management. The second part of the Plan

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<sup>1</sup> The CNAs are administrative groupings of wards and parishes by the Council to provide a local level for service provision. Whilst used in the Plan as the main means of expressing the spatial strategy, the CNAs and their boundaries were not created by this Plan and exist independently of it.

has a section on each CNA with an accompanying place policy (PP1-17; 3 CNAs are combined for the China Clay Area). These policies repeat the housing and employment floorspace figures for each CNA already set out in part 1 of the Plan, but are the only place in the submitted Plan where the retail floorspace requirements are set out.

28. The NPPF assumes that local plans will normally be single comprehensive documents, but neither this expectation nor the relevant Regulations preclude a local plan being progressed in separate parts at different times. The submitted plan is similar to a pre-NPPF Core Strategy. The submitted Plan purports to make 2 strategic allocations with respect to the proposed Eco Communities at West Carclaze/Baal and Par Docks (see Issue 3 below), but there is no detail for these allocations. I expressed concern about the inadequacy of this approach early in the Examination and the Council agreed that they should be identified only on the Key Diagram (**MM181a** and **MM226**).
29. The absence of any allocations means that the adoption of the Plan will not make an immediate difference to the delivery of housing land. That will arise from progression of the Council's Site Allocations Plan (SAP, April 2016, J.24.1) which is ready to be published for consultation once this Plan is finalised. The Council has a strong commitment to Neighbourhood Plans (NPs) and the strategic approach of the present Plan, without allocations, is seen as the best way of enabling NPs to come forward. The format of the overall development plan is a matter of choice for the Council and the absence of specific site allocations does not make the present Plan unsound.
30. In the *Proposed Schedule of Further Significant Changes* (January 2016, J.1) the Council proposed the deletion of all the place policies (PP1-17) together with some deletions and amendments to the text of the CNA sections, whilst retaining most of the text. As submitted, the PP policies are unsound because the figures they contain for housing, employment and retail development are all out of date and are not justified by the most up-to-date evidence (as discussed in issues 2, 3 and 4 below). Irrespective of this specific shortcoming, the PP policies contribute little or nothing to the clear expression of the spatial strategy, subject to retail floorspace provision being addressed in the first part of the Plan (as now proposed by the Council). Accordingly, the deletion of the policies is the simplest means to remedy the unsoundness arising from these policies being out of date. The deletions of the PP policies and related out-of-date text are covered in **MMs 1, 145-181, 183-190, 191-193A, 194, 195, 197-222, 224**. These deletions and alterations result in the descriptive text for each CNA being of varying length and scope. In my view, this remnant text for each CNA is superfluous to the main purpose of this Plan, but the Council wishes to retain it to provide some background for each local area. Its retention does not make the Plan unsound.
31. As proposed to be changed, the spatial strategy is expressed in descriptive terms in policy 2 which highlights particular towns/locations for growth and by means of the apportionment of housing, employment floorspace and retail floorspace to different areas. Housing is apportioned to 39 locations consisting of 18 main towns listed in policy 3; the 16 residual CNAs where there is a main town; the 3 CNAs without a main town; and the 2 Eco-Communities. For employment floorspace, separate figures for office and industrial floorspace

are provided for the 19 CNAs. Retail is apportioned to 14 main towns with separate figures for convenience and comparison floorspace.

32. I consider that this matrix of apportionments together with the description of the strategy in policies provide a sufficiently clear spatial strategy to enable the effective progression and future testing of subsequent plans (SAP and NPs) to provide the site-level detail. Further detail of the spatial direction of growth for the larger towns is not necessary to make the Plan sound.

## **Issue 2 – Whether the housing requirement in the Plan is justified and consistent with the economic strategy**

### *Background*

33. The Plan as submitted (policy 2, part 4) provides for 47,500 dwellings at an average annual rate of 2,300 dwellings per annum. This figure is consistent with the dwelling requirement identified in the *Strategic Housing Needs Assessment* (SHMNA) July 2013 (C.9) derived from the rebased Sub National Population Projection (SNPP) of 2010 (Table 6.24, C.9) which incorporates a 3% vacancy rate to convert future households to dwellings required.
34. Soon after the Council had submitted the Plan for Examination, the Department for Communities and Local Government (DCLG) published new household projections based on the Office for National Statistics' (ONS) 2012 SNPP. These projections post-date the SHMNA. From analysis subsequently undertaken on behalf of the Council, publication of these projections would not, in isolation, have justified a change in the housing requirement in the Plan (Edge Analytics ID.01.CC.3.3 and ID.01.CC.2.2.). The first round of hearings in May 2015 considered the justification for the housing requirement on the basis of the SHMNA (C.9) and Edge Analytics' further work on the latest household projections.
35. My *PF* (ID.05) address objectively assessed housing need (OAHN) and the housing requirement in some detail. My main concerns were the need to take into account the high rate of second home/holiday home ownership in Cornwall in translating the OAHN to a housing requirement and the unclear relationship between the likely resident workforce resulting from this requirement and the job growth expected or planned as a result of the economic strategy being advanced by the Council and the Cornwall and Isles of Scilly Local Enterprise Partnership (LEP). Given that much further work was required during a suspension, I indicated a need for some refinements of the methodology and further considerations to be taken into account in updating the OAHN and resulting housing requirement.
36. The *Schedule of Further Significant Changes* published in January 2016 proposed a new housing requirement of **52,500** dwellings to 2030 in new policy 2a (J.1, change 15). The main evidence supporting that figure is *Cornwall's Full Objectively Assessed Need* (J.12) and *Cornwall Population, Household & Labour Force Forecasts* (Edge Analytics, J.19). The justification for this new figure was considered at the hearings in May 2016, within the context established by my *PF*.
37. My *PF* noted that Cornwall is sufficiently aligned with a single housing market area (HMA) for housing needs to be considered on a Cornwall-only basis and

that I had seen no substantial evidence to justify requiring an alternative approach to the geographic coverage of the SHMNA. That remains the case.

*The demographic starting point*

38. The Council's new demographic starting point is 45,520 (households) for 2010-2030, using migration data over 12 years and DCLG 2012 based headship rates (HR – also known as household formation rate) (J.12, paragraphs 12, 13). The various permutations of the projections produced by *Edge Analytics* are summarised in J.19, Tables 3 and 4. Without any adjustments, the 2012 SNPP based DCLG projection is 44,348 over the same period.
39. National Practice Guidance (Reference ID: 2a-015-20140306) indicates that household projections published by DCLG should provide the starting point estimate of overall housing need. In response to the Plan as published and in response to the *Further Significant Changes* some representations highlighted that past projections for Cornwall by the ONS and DCLG over-estimated future growth compared with what actually happened and that therefore they are not a reliable basis for planning.
40. I addressed this concern in my *PF* (paragraph 3.4) and have not seen any new evidence to come to a different conclusion now. Since the Census of 2011, ONS has undertaken considerable updating and correcting of the data that is used for population/household projections to ensure that projections are as robust as possible. Accordingly, evidence that past projections may have been inaccurate is of limited weight. I have not seen evidence to demonstrate that current ONS projections are inherently unsuitable for Cornwall or to justify a departure from national policy/guidance on their use as the demographic starting point. The ONS projections now used by the Council for modelling are based on the corrected Mid-Year Estimates for the inter-census period 2001-2011. In addition, the Council adjusts past migration rates by the inclusion of ONS' *Unattributable Population Change* (which is a negative figure for Cornwall). Both these factors help to ensure that what actually happened in the past is fully reflected in the projections for the future.
41. After the hearings had concluded, ONS published 2014 based SNPP and these were followed by DCLG's updated household projections in July 2016. These publications were too late to be effectively incorporated into the Examination without causing considerable further delay. They are not relied on by any party. I have not taken them into account.
42. In my *PF* (3.6) I indicated that given the significance of migration as a component of change for Cornwall and to even-out the likely effect of the recent recession on migration between 2008-2012, a longer period than 5 years would give a more realistic basis for projecting this component of change and that a period of 10-12 years would be reasonable. I also indicated that the ONS' *Unattributable Population Change* component should be assigned to international migration for the reasons given by *Edge Analytics* in ID.01.CC3.3. As indicated above, the Council has selected a 12 year period for migration. This results in a significantly higher migration rate than occurred over the 10 year period. Considered in isolation, use of either period would be a reasonable choice.

43. In my *PF* (3.7) I also indicated that to avoid embedding any effects of the recession, a blending of 2008 and 2012 HRs should be used to derive the household projection from the population projection. The justification for doing so was discussed again at the hearing in May 2016 taking into account advice in the Planning Advisory Service's *Objectively Assessed Needs and Housing Targets Technical Note 2<sup>nd</sup> Edition* July 2015 (6.36 -6.43) which was published after my *PF*. This *Note* endorses the latest HRs as a new starting point and discourages any attempt to blend these with earlier rates.
44. I accept that the 2012 HRs may still embed some recessionary effect for the younger age group, but it is not such a fundamental problem as it was for earlier projections. A mid-point blending of the 2008 and 2012 HRs would be too crude and unjustified. Furthermore, the use of different rates does not give a significantly different outcome to the Council's preferred figure (J.19, Tables 3 and 4). The Council's use of 2012 HRs may embed some recessionary effect (and thus slightly under-project the real long term trend in household formation), but the practical consequences of this is modest. It is effectively offset by the use of the higher migration rates derived from the 12 year period used (rather than an equally reasonable, 10 year period). Accordingly, I consider that the Council's use of 2012 HRs is acceptable.

*Possible adjustments to the demographic starting point*

45. The demographic projection is only a starting point and national policy and guidance requires consideration of a number of other matters, including whether any uplift is required in response to market signals and to meet in full affordable housing needs and to ensure alignment between the economic strategy and future workforce availability.
46. Evidence relating to market signals was discussed at the hearing in May 2015 and I addressed the matter in some detail in my *PF* (paragraphs 3.11 -3.15). I concluded that in the particular context of Cornwall, a generic uplift for market signals did not seem a relevant response to the housing problems identified.
47. The Council has proposed an uplift of 500 to the demographic starting point as a market signal in response to evidence that the proportion of concealed families in Cornwall is higher than the comparator authorities used by the Council in J.12 (paragraph 32). If concealed families were to be reduced by 500 then the figure for Cornwall would be comparable to those other authorities. Clearly this adjustment is a theoretical exercise since there is no direct relationship between the 500 uplift and actually addressing the particular needs identified. Nor would a modest adjustment of this nature be likely to make any difference to the overall state of the market and affordability. In my view, it is better to regard this uplift as an element of the response to the gap in meeting affordable housing needs which I consider further below. Various parties included further evidence of trends in market signals in their representations on the *Further Significant Changes* (J.1). But I have not seen anything to alter my previously expressed view that it would be inappropriate to make any significant uplift to the demographic starting point in response to market signals.
48. The total affordable housing need identified in the SHMNA (C.9) is about

30,900 households (summarised in Table 8, ID.02.CC.1, drawn from SHMNA figs 7.2 and 7.3). To address the backlog element of this need over 5 years and still meet newly arising need would require 2,240 units a year, which is most of the overall annual housing requirement in the Plan. At the hearing in May 2015, there was broad acceptance that the scale of need had been adequately identified. There has been no subsequent evidence to indicate that the position has significantly changed.

49. The Council has a very strong commitment to the delivery of affordable housing using imaginative models and substantial Council funds. Expected delivery is discussed under Issue 6. A robust figure for affordable housing delivery has had to be revised downwards during the Examination, in particular as a result of the changes to the affordable housing policy to be consistent with the minimum thresholds in the Written Ministerial Statement following the Court of Appeal judgement of May 2016<sup>2</sup>. There has always been a very substantial gap between expected delivery and identified need. The Council now expect to deliver only 58% of the total need (17,836 units compared with need of 30,900 - L1.CC.10.2A and L1.CC.10.3)
50. National guidance requires *consideration* of an uplift where there is a gap, but it does not require a mechanistic increase in the overall housing requirement to achieve all affordable housing needs. The realism of achieving the intended benefit of additional affordable housing from any such uplift is relevant, otherwise any increase may not achieve its purpose
51. In my *PF* I indicated (paragraph 3.19) that the Council should give explicit consideration to the need for an uplift, within the context of my overall findings. The Council adopts a cautious view of the potential for an uplift given uncertainties about the deliverability of the additional affordable housing that any such uplift is intended to provide. This caution is justified for the reasons given by the Council (J.12, 54-66).
52. The proposed uplift of 1,500 is seen by the Council as consistent with the range of housing required for the economic strategy. As already indicated, the uplift of 500 dwellings in response to concealed families is also best considered as an uplift responding to affordable housing need since the reasons for those families being concealed may well be affordability issues and the practical consequence of such an uplift would be the delivery of additional affordable housing. The 7% increase applied when converting the OAHN to a housing requirement would also deliver additional affordable housing and such housing (as currently defined) would not be available for acquisition as second homes/holiday homes. Looked at in the round, the 1,500 specifically identified by the Council as an uplift for affordable housing is reasonable, albeit modest, given the additional uplift contributed by other factors, alignment with the

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<sup>2</sup> The *Secretary of State for Communities and Local Government v West Berkshire District Council & Reading Borough Council* C1/2015/2559.

economic strategy (see below) and my previously expressed concern about the unreality of a substantial uplift above the demographic trend given the relatively isolated nature of the Cornwall HMA.

53. The Council's demographic starting point figure of 45,520 is a projection of future households. It does not include the future population in communal establishments. The Council's evidence identifies a need for an additional 2,550 bed spaces in communal establishments for persons aged 75+ who would require specialist accommodation (eg nursing or residential care). Similarly, any future growth in students at the Falmouth/Penryn Universities is not captured in the household projections and would be additional to the provision of housing to meet the identified requirement.
54. The Council agreed that changes should be made to policy 2a to identify these distinct elements of need (N.SC.4) and these additions have been included in **MMs 14, 15 and 17**. This clarity is required because in the future it would not be appropriate to count student accommodation provided for future growth or additional communal establishments for older persons as contributing to the general housing supply required to meet the 52,500 housing requirement. These are the only changes necessary to the OAHN/overall housing requirement to reflect the needs of different groups. Whilst other people/households may have particular needs (eg accessible dwellings) they are incorporated into the overall household projection.

#### *Alignment of housing, workforce and jobs*

55. Under Issue 3 below, I conclude that the Council's revised target of accommodating about 38,000 jobs over the plan-period is justified. The Council's demographic projection plus the uplifts for affordable housing and concealed households results in 47,520 households who could potentially be contributors to the labour force (L1.CC.7, Table 5 revised). Using the baseline workforce assumptions provided by *Ash Futures* and the Council's preferred demographic modelling assumptions (eg 2012 HRs) household growth of 51,409 would be required to provide sufficient workers to meet the jobs target/expectation of 38,000 jobs (J.19 Table 10 and L1 CC.7, Table 4 revised). (This figure is for households and would thus need to be increased by about 10% for vacant homes and second/holiday homes if comparison is made with the housing target in the Plan). If reliance was placed solely on the baseline assumptions it is clear that there is a gap in providing sufficient workforce to meet the jobs target.
56. A gap between planned job growth and workforce might justify an increase in the housing requirement to provide sufficient workforce, as argued in this Examination by most of those representing housing/developer interests. However, the Council sees this gap being filled from within the existing/planned population by a combination of improved labour utilisation and increasing labour participation (explained initially in J.20, 1.5.3). *Ash Futures* estimate that about 4,860 people could benefit from planned programmes of skills training (Table 10, J.20) and also estimate about 15,180 people are under-employed and want to work more hours. (Table 10 and 2.4.16 give a figure of 20,000, but this was corrected at the hearing to 15,180.)

57. *Ash Futures* consider that there is not sufficient clarity and transparency about these elements to construct robust assumptions to be used in demographic modelling (2.4.7, J.20). But that does not justify ignoring these factors. Whilst there is inevitably considerable uncertainty about the precise scale of the contribution these elements could make to the labour force, the figures highlighted by *Ash Futures* have more than sufficient potential to fill the jobs gap identified above. Fundamentally, placing reliance on these factors is consistent with the Council's and LEP's Economic Strategy. Indeed, such expectation is an integral part of the strategy to improve earnings. Ignoring the contribution to the labour force from these changes (improving skills of existing workers and reducing under-employment) and consequently increasing the housing requirement would undermine the strategy.
58. Accordingly, I consider that there is no need to increase the housing requirement to close the jobs gap referred to above. However, the uncertainties in the assumptions used strengthen the expectation in national guidance that plans should be reviewed every 5 years. The Council already envisage an early review of this Plan. Five years is long enough for progress to have been made and results to be emerging from the planned investment and to be able to take into account the updating of the LEP's and Council's Economic Strategy.

#### *Second homes/holiday homes*

59. One of the key conclusions of my *PF* was that when converting the OAHN to a housing requirement, 7% should be added to account for the loss of homes to second homes/holiday homes in addition to the conventional use of a vacancy/churn rate. In its calculations, the Council has applied this uplift before the addition of the 1,500 uplift for affordable housing (J.12, Table 10). I consider that it is more logical to apply it towards the end of the overall assessment process along with the vacancy rate (as shown in LI.CC.7, revised Table 10). There is a slight difference in the resulting figure for the housing requirement, but this is not significant for the purpose of identifying a sound figure in the Plan.
60. The uplift for second homes/holiday homes has been strongly opposed in a number of representations. These highlight, among other factors, the negative effect that a high proportion of such homes can have on local communities and the upward pressure on house prices that occurs. Whilst I understand these concerns, there appears to be a misunderstanding of the purpose of the uplift and of the consequences of not addressing this factor in the housing requirement.
61. The purpose of the uplift is not specifically to meet any particular need for second homes/holiday homes, but to reflect the reality of this market in Cornwall. This uplift is not being set aside for such homes – this element of the overall housing requirement would be a mix of general market and affordable housing like the rest of the intended provision. Irrespective of whether this uplift is made, in some locations a proportion of new homes and additional homes from the existing stock will be acquired in the coming years for use as second homes/holiday homes. Those dwellings would not then be available to meet the OAHN. If no uplift is made, there would be under-provision of homes to meet the OAHN.

62. Some parties sought the imposition of restrictions to preclude new dwellings being acquired as second homes/holiday homes, as now proposed in the St Ives Neighbourhood Plan. But there is nothing in national policy or guidance to suggest that this is something that a planning authority has to consider in a local plan. Accordingly, the absence of any such restriction in this Plan does not make it unsound. I recognise that the changing market and tax environment may affect future demand for second homes/holiday homes and it is a factor that the Council may wish to monitor. But for the present, there is no evidence to justify a different figure to the 7% uplift I previously put forward and which is incorporated in the Council's evidence. This uplift remains necessary.

*Converting the OAHN to a housing requirement*

63. The NPPF requires (paragraph 14) local plans to meet their objectively assessed needs unless any adverse impacts of doing so would significantly and demonstrably outweigh the benefits when assessed against the policies in the Framework taken as a whole or specific policies in the Framework indicate development should be restricted. The Council has translated the identified OAHN into a housing requirement of 52,500 and has not suggested that any adverse impacts would justify not meeting the OAHN. The main evidence to justify this approach is the Sustainability Appraisal and the SHLAA which identifies more than sufficient sites considered suitable, in principle, for housing.

64. Many representations were made in response to the consultation on the *Further Significant Changes* that the housing target of 52,500 would, in summary, damage Cornwall and its communities, environmentally, culturally and economically. These concerns were also strongly expressed at the hearings in May 2016. I recognise that these concerns are genuinely held. But there is little tangible evidence put forward to demonstrate that, taking Cornwall as a whole, the test in NPPF paragraph 14 is met so as to justify a requirement below the OAHN. Examples were given of local services and other infrastructure under strain, but new development can be required to contribute to infrastructure where there is insufficient existing capacity and resulting harm from further development. Other concerns highlighted were the perceived unreliability in ONS data and the effect on the Cornish Minority, both of which I have already addressed.

**Issue 3 – Have economic needs been adequately assessed and is the economic strategy consistent with national policy and guidance?**

65. The stated intention of the Plan as submitted (eg paragraph 2.3) is to support the Council's and the LEP's Economic Strategies (ID.01.CC.1.4 and ID.01.CC.1.5 respectively) which are closely aligned. These strategies seek to address the underlying and long term economic weaknesses in the economy of Cornwall (summarised for example in ID.01.CC.2.3). The poor performance of the Cornish economy means that Cornwall is the only part of England which qualifies for EU regional convergence funding. The LEP strategy is to address these deficiencies by a range of interventions supported by substantial public funding eg targeting companies and sectors that will promote high quality jobs growth; improving infrastructure, including transport connections and broadband; improving skills.

66. The only representations which seriously dispute the thrust of the economic strategy of the Council and the LEP are those which argue for a radical alternative model to conventional assumptions about the benefit of economic growth. However, economic growth is a key Government aim which is reflected in the NPPF. The Plan is sound in seeking to facilitate the mainstream model of economic growth, albeit with the particular focus already highlighted. Other representations consider that the Plan does not sufficiently address the needs of particular sectors (eg agriculture and tourism), but overall the LEP's and Council's economic strategy is largely accepted or unchallenged. LEPs are the lead body endorsed by the Government for promoting local economic development. The Government is clearly supportive of the LEP's aims and substantial national and EU funds for economic growth are being channelled through the LEP or in joint programmes in which it is a key partner.
67. I accept that a simple continuation of past trends is unlikely to address the problems which exist. Accordingly, a more targeted approach is required, as expressed in the LEP's strategy. The Plan is sound in as much as it intends to support and deliver the land use elements of that strategy. However, as I set out in my *PF*, at submission there was not the evidence to demonstrate that its policies and proposals would achieve its stated economic aims and there was not sufficient clarity in the wording of the Plan's policies and proposals to enable them to be effectively delivered.
68. In response to those findings, the Council commissioned further work on economic/employment growth from Ash Futures, *Cornwall Employment Projections: Technical Advice* (August 2015, J.20) and explains its review of employment land and alignment with the strategy in *Economic Strategy Briefing Paper J.8.1*.
69. The *Ash Futures* report sets out 3 job scenarios which cover a range of between 25,000 and 46,000 new jobs in the period 2015-2030 (Table 9). The report considers that the lower end of the range could be considered the most appropriate, but recognising the national policy aim of planning for growth, it suggests an alternative position may have merit (J.20, 1.6.6 and 1.6.13). This alternative is described as *trend plus* and suggests 33,000 jobs (all types) in the period 2015-2030. Converting this figure to full time equivalent (FTE) gives a figure of 28,000 jobs (1.6.13). For the plan-period the jobs already created between 2010-2015 need to be added. These are estimated at 10,600 FTE. This scenario thus gives a projection of a total of 38,600 for the plan-period. It is the *trend plus* scenario that the Council has adopted as the basis for the changes in *Further Significant Changes* in January 2016 (J.1) including the specific reference to the provision of 38,000 jobs in new policy 2a, part 3.
70. The *Ash Futures* report provides a particularly thoughtful assessment of the uncertainties of projecting economic/employment growth for Cornwall. I note among other matters that projections by the Office for Budget Responsibility (OBR) indicate that employment growth will not be as high as projected economic growth - the latter will be depend on productivity improvements (1.1.7, 1.2.7, 1.2.12, J.20). In addition, recent employment growth represents a "bounce-back" after the recession, but is unlikely to be a sustainable trend. Recent employment growth in Cornwall will have reflected

previous high levels of public investment in economic development.

71. The report includes as Scenario 3 the most recent projections available at the time from the established forecasters at Cambridge Econometrics and Experian. The Experian job projection is higher than either of the other 2 scenarios put forward by *Ash Futures*. The Cambridge forecast is in the middle of the range of scenario 2 (Table 9, J.20). The report explains some of the reasons for the differences between these forecasts and the scenarios in the report (1.2.29, J.20) and why it treats them with caution (eg 1.2.39, J.20). There is no evidence of substance to justify me taking a different view or to prefer either of these forecasts to the *trend plus* assumption chosen by the Council.
72. I consider that the *Ash Futures* report and the Council in following its advice are justified in adopting a modestly cautious approach to future job growth. The report presents a coherent analysis to justify the approach taken. Clearly a number of assumptions have to be made and professional judgements will differ about the appropriate assumptions, but I have not seen evidence to persuade me that the assumptions made in the report are unreasonable.
73. Planning for job growth towards the upper end of the more optimistic scenarios (and increasing housing provision as a consequence) would carry a serious risk of not being achievable. Such a failure would fundamentally undermine the Council's and LEP's strategy of significantly improving productivity and earnings within Cornwall if job growth did not occur as expected, but housing growth did. Planning simply for the continuation of the past trends of relatively high job growth in Cornwall during the last period of national economic growth would not fit with the strategy. It is clear that such favourable job growth did not deliver the required step-change in economic conditions in Cornwall.
74. To compare this chosen jobs forecast with the likely available workforce within Cornwall, the *Ash Futures* report reviewed 3 key assumptions to include in a baseline scenario for subsequent demographic modelling: the commuting ratio; the economic activity rate; and the unemployment rate. For the commuting ratio the report recommends a continuation of the very small downward trend observed between 2001 and 2011 (2.1.12-2.1.14, J.20). This is reasonable given the aims of the economic strategy for Cornwall.
75. For the economic activity rate, the report recommends adopting the latest OBR adjustments for the older age groups (60-74) reflecting changes to State Pension age. I accept that there is now some evidence of a slight decline in the activity rate for young people. This does not justify a change to the baseline, but supports the need for such assumptions to be kept under review. The report recommends an assumption that unemployment reduces to 4.1% by 2020 and remains at that figure thereafter. This is slightly above the rates of the best 3 years of the last economic boom of 4.0% and 3.9%. There may be a degree of optimism in this assumption, but it is not unreasonable given the strategy.
76. The published Cornwall and LEP Economic Strategy are relatively short term, extending only to 2020. The Council addresses the longer term in J.8.1 (paragraphs 6-10) and envisages the same aims continuing. The scale of

publicly funded interventions to assist economic development in the longer term is unknown. This uncertainty is undoubtedly increased by the result of the national referendum to leave the EU. The possible consequences of such an outcome were discussed at the hearings in May before the referendum took place. There is unlikely to be an immediate change to committed investment programmes. Given the uncertainty about the timing and the terms for the UK leaving the EU, there is nothing more that can be included in the Plan at this stage. The position will need to be reviewed when there is more certainty, but it would be too arbitrary for the Plan itself to set a date for any such review.

77. Given all the above, the jobs target of 38, 000 now proposed by the Council is justified. This is included as part of new policy 2a (**MM15**). Proposed changes to the text, inter-weave elements of the overall economic strategy together with the spatial strategy. Necessary references to the economic strategy are made in **MMs 4, 5, 8/1, 8/2, 8/3, 8/4, 14** and **36a**. The importance of traditional industries such as agriculture is also now appropriately highlighted - **MM8/1** (part) and **MM36**.

*Employment floorspace and distribution*

78. As submitted, the Plan (policy 2) proposed 422,400 sq m of B class employment space split equally between B1a/b office space and the rest (B1c, B2 and B8). The *Further Significant Changes* in January 2016 (J.1) propose in policy 2a, 704,000 sq m with marginally more B1a/b than for other B classes. The primary reason for the change from the submitted Plan is the addition of the 40% increase recommended in the *Employment Land Review* (ELR, C.14) for market churn and non-implementation of permissions and the correction of an error (J.8.1, paragraphs 33- 4). In my *PF* I indicated that the Council's original omission of the 40% uplift was unjustified.
79. Unfortunately, in the *Further Significant Changes* the references to *offices* were not presented clearly or consistently with the evidence in the *ELR* from which the floorspace figures in the Plan are derived. The *ELR* indicates that office space refers to B1(a) and B1(b) (paragraph 2.5, C.14). The Council has confirmed that all references to offices in the Plan should be to B1(a) and (b) (LI.CC.9) and this is now made clear in the relevant modifications (**MMs 15, 39** and **225**).
80. There is no evidence of substance to undermine the overall scale of employment floorspace proposed or its broad distribution, which is consistent with the spatial strategy, as explained by the Council in J.8.1. I consider the soundness of the overall spatial strategy under issue 4 below. Provision of floorspace for B class employment is only one element by which the overall job target will be met and it is more than adequate for this purpose. More jobs are likely to occur in all other sectors (such as construction, retail and personal services which mostly do not require traditional employment sites). The updated and sound employment floorspace figures are included in policy 2a - **MM15** and in new Table 3 - **MM39**.

*Employment Policy 5 and related text*

81. I made specific comments on the soundness of policy 5 in my *PF* (eg

paragraph 4.19). On resumption of the Examination following the publication of the *Further Significant Changes* in January 2016 (J.1), I raised various questions and comments on the clarity of policy 5 and the text relating to employment (LI.ID.1). The Council's response is in L1.CC.1 which proposed fresh changes to the text and policy 5 relating, in particular, to how the employment floorspace targets should be taken forward in the SAP and NPs and the definition of Strategic Sites. In my agenda for the hearing on policy 5 I expressed continued concern on several points and the Council tabled further suggested changes which were discussed at the hearing. This culminated in a new policy wording being included in the consultation on post-hearing changes (N.SC.6.1).

82. This strategic plan leaves considerable further work to the SAP and to NPs to determine the type and scale of new employment allocations which should be made in each CNA. For effectiveness, it is essential that the policy sets out a checklist of what needs to be done as part of this work, taking into account not just the quantitative scale of sites available to meet the floorspace targets, but also the viability/attractiveness of sites for investment consistent with the sectors that the Plan and wider Council/LEP strategy is targeting. Because of the need for this further qualitative assessment, it is not appropriate for the employment floorspace distribution table to identify a specific figure as the residual to be provided.
83. I was also concerned that the changes put forward by the Council in J.1 and in L1.CC.1 set out a very restrictive approach to the protection of all types of employment sites, even though in several CNAs there is a considerable over-supply of land for industrial use (as shown in J8.2), making such protection unjustified. More appropriate, flexible wording was included in the post-hearing changes.
84. The policy as submitted referred to the safeguarding of strategic employment sites and buildings, but there was no definition of what was regarded as strategic. This has now been rectified to refer not only to size (5ha), but also to sites which are important (either as existing or as proposed) for targeted economic sectors. But it would be too inflexible to restrict those sites to development solely for those particular sectors (such as marine), not least because there is no established definition for such uses and also a variety of conventional types of business may be appropriate to support more specialist activities. All the above points are addressed in the following necessary modifications - **MMs 8/4(part), 33A, 34, 37, 38, 39, and 40.**

### *Retail*

85. The retail policies of the submitted Plan and the distribution of convenience and comparison floorspace to 14 main towns (set out in the Place Policies, PP1-17) were informed by the *Cornwall Retail Study* (2010, C.15). Because of several substantial planning permissions for retail development that had been granted since that study was undertaken and other likely changes in the retail sector, the Council commissioned a further retail capacity study. This was published in March 2015 as *Retail Study Update* (ID.01.CC.3.1). This new study was too late to change the proposals in the submitted Plan. Its assessments of capacity for the period 2014-2030 are substantially lower than the figures in the Plan.

86. At the hearings in May 2015 there were no objection to the use of the figures in the *Retail Study Update* and a new table of convenience and comparison floorspace capacity for 14 towns was included in the *Further Significant Changes* (J.1, new table 2). Subsequent representations highlighted that recent planning permissions/resolutions to grant further out of centre retail schemes made even these new figures out of date. It will always be the case that evidence of this nature is a snapshot in time, but the proposed text makes clear both the context of that evidence and what will need to be taken into account in the future concerning retail capacity - **MM 32**.
87. For most of the main towns, at March 2015, there was little or no capacity for either new comparison or convenience floorspace in the short term and only modest capacity for some by 2024 or 2030. The position will have worsened for some towns since the study. Nevertheless, the policy 4 needs to make clear that the SAP and NPs should ensure that the retail capacity targets can be delivered (**MMs 31 and 33**).
88. The projections in the *Retail Study Update* are based on existing centres retaining their current market share (or adapting to the consequences of unimplemented permissions in adjoining centres). Although the Plan refers to retail as a positive feature of a number of towns, the Council confirmed at the hearing that it was not the intention for retail growth in any of the existing centres to be at the expense of the market share of any other centres in Cornwall and this is made clear in **MMs 27 and 32**.
89. The submitted Plan includes proposed changes to the Policies Map to identify: the *town centre boundary*, *primary shopping area* and *primary retail frontage* for 17 centres (counting 2 in Hayle). The Council has not identified any secondary frontages, but the primary shopping areas extend beyond the primary retail frontages and the Council have confirmed that these primary shopping areas have been defined to include appropriate secondary frontages (**MM29**). Whilst the Council's approach does not entirely fit with the definitions in the Glossary of the NPPF, the outcome of the exercise is consistent with the aim of national policy.
90. The evidence reviewing the boundaries is in C.16-16.3. There were few representations made on the detail. The Co-op Store in West Hill, St Austell is appropriately within the town centre boundary, but outside the primary retail area (given the marked change in uses and character along Trinity Street). Town centre boundaries must encompass sufficient areas to accommodate a range of future town centre uses, not just retail. I appreciate that as extended, Tate St Ives now straddles the town centre boundary for St Ives, but that does not make the Plan unsound on this issue and is unlikely to have any material consequences.
91. Despite having identified primary shopping areas and primary retail frontages the submitted Plan did not set out any clear policy for these particular areas or differentiate between them to reflect their different function. **MM31** introduces appropriate policy wording. I have amended the published change to make clear that a change of use of a retail unit in a primary frontage may be acceptable even though the unit is not vacant and has not been marketed for retail. The other factors listed in the proposed policy should normally be sufficient to assess the suitability of any such proposals. I have also deleted

the proposed monitoring target for this policy (maintain or increase A1 retail units) as this does not accurately reflect the aims of the policy. Permitted development allows various changes of use to take place within town centres, but the Plan does not need to set these out and the policy requirements would only apply where planning permission is required.

92. The Council had not intended the Plan to depart from national policy, including the proper application of the sequential approach. However, poor drafting of the Plan at submission and of some of the changes in J.1 implied the opposite or were not clear (see *PF* 4.25-4.26 and L1.ID.2). I am satisfied that the **MMs 2, 28** and **31** now ensure that the Plan is consistent with national policy on this matter.
93. A party proposed that the Plan should introduce a local threshold for impact assessments (NPPF, paragraph 26). The Council does not see the need to do so. Whilst the NPPF assumes there will be a local threshold in most cases, I do not regard it as mandatory and thus its absence does not make the Plan unsound.

#### **Issue 4 – Whether the spatial strategy and spatial distribution of development is justified**

##### *Policies 2 and 3*

94. In the submitted Plan, policy 2 covered both key targets and spatial strategy. This policy is unsound primarily because its targets for housing and employment are now out of date and it did not provide a sufficiently comprehensive expression of the strategy in terms of locations, priority economic sectors or of the overarching approach to conserving and enhancing Cornwall's landscape, heritage, cultural, biodiversity and geodiversity assets.
95. I am satisfied that Council's final iteration of proposed changes to policy 2 and supporting text (which includes some detailed changes to the wording published in J.1) now refers to all the towns/locations which have a particular role to play in the strategy and include all the important economic sectors consistent with Council's and LEP's wider economic strategy. There are no critical omissions. The proposed wording also addresses the overarching approach to the conservation of environmental assets consistent with national policy and with the other more detailed policies in the plan - **MMs 6, 7, 8/1 - 4, 9, 11, 12, 13,** and **36a**.
96. Policy 3 concerns the role and function of places and, in particular, lists the main towns for which a specific apportionment of housing is set out in the Plan. The Council now propose that Callington and Camelford should be added to the list in the policy as submitted despite their modest size. This is reasonable given their functional role as service centres for large surrounding rural areas. In addition, the scale of development now envisaged at both these towns makes it likely that housing site allocations would be required either in the SAP or an NP and thus specific apportionments to these named towns gives a greater focus for this further work (MCC.HS.1, Appendix A, *Housing Implementation Strategy* 31 March 2016). These additions are therefore justified. But it is not essential that every CNA has a named town in the policy. In the remaining CNAs in this position there may be little or no

need for specific housing allocations.

97. For clarity, it is also necessary to add the names of some outlying parts of the main towns consistent with: references elsewhere in the Plan; the physical form of the settlement; or to reflect where major development already has permission. But I see no need to include reference to Shortlanesend, which is a small settlement well-separated from Truro (notwithstanding its inclusion within the Truro and Kenwyn NP). Similarly, I see no need to refer to Trewoon which, although very close to St Austell, is not contiguous with it and a small settlement in its own right. What role, if any, these settlements or others close to the main towns should play in meeting housing needs or the extent to which development should take place on any intervening open land between the named parts of a main town will be for the SAP and NPs to determine - (**MM16**). All the necessary changes to policy 3 are in **MM25**.
98. I am not convinced that policy 3 needs to include another tier of named settlements. I recognise that in many of the residual CNA areas (ie outside the main towns) there are several settlements and the Plan does not provide a steer as to the apportionment between them. In most of the 16 rural residual CNAs the apportionment can be more than met by existing permissions (subject to deliverability) and small site windfalls, so there would be no need to make allocations at individual small settlements. Even where this is not the case, the outstanding part of the apportionment is not so large as to be likely to cause any great difficulties, given the scale of SHLAA sites available (MCC.HS.1 Appendix A). NPs provide a means for local communities to deliver more housing if desired by the local community and too much prescription in this Plan would weaken their role.
99. Part 3 of the policy as submitted defined *infill* in the context of the type of development permissible in the smaller settlements. But this definition was inconsistent with the definition in the text at paragraph 1.35 and, confusingly, covered types of development not normally regarded as infill. Changes in *Further Significant Changes* (J.1) did not sufficiently clarify the matter and revised wording was provided by the Council following the hearings and included in N.SC.6.1 for consultation. I am satisfied that the Council's approach is now justified, allowing for: infilling of small gaps, but requiring consideration of the significance for the character of settlements of larger gaps; allowing rounding-off where there are clear physical boundaries; and for the redevelopment of previously developed land within or adjoining the settlement. The necessary modifications relating to policy 3 and infilling are: **MMs 17** part, **18, 19, 20, 21, 22, 25** and **47**. Whilst inevitably specific proposals will require interpretation of the policy and judgement to be used, I consider that as now set out the principles to be applied are sufficiently clear to be effective.
100. Policy 7 concerns *Housing in the Countryside*. The policy and supporting text define the approach to the open countryside and thus the policy complements policy 3. As submitted the policy is unsound because: there was a lack of clarity about what constitutes *open countryside* or *isolated* dwellings within in it; the policy did not explicitly seek to restrict residential development in the open countryside consistent with national policy (although that has always been the Council's intention); and because it did not impose any test of necessity for residential accommodation for rural businesses, such as for

agricultural workers, including seasonal workers. The wording as submitted also sought to exclude from redevelopment those caravans and chalets which already have a lawful residential use, but there is no justification for such a blanket approach.

101. I can appreciate the concern expressed that the policy as submitted might encourage, and certainly does not inhibit, the replacement of existing traditional dwellings with new dwellings and the loss of local character that might result. But where such dwellings are not listed or are outside a conservation area, resistance in principle to such proposals would be difficult to achieve. The changes now proposed by the Council make clear that consideration should always be given to retaining traditionally built sound existing dwellings. I am satisfied that with the changes proposed the policy would be sound and clear – **MMs 48, 49, 50, and 51.**

*Spatial Distribution - principles and application*

102. The spatial distribution of housing and B class employment floorspace is set out in the table in policy 2a, based on the Council's existing 19 CNAs. For the 18 main towns listed in policy 3, a specific housing apportionment is given for the town with a separate figure for the remainder of the CNA. Three CNAs: St Agnes and Perranporth; St Blazey, Fowey and Lostwithiel; and China Clay do not have a named main town within them and so there is a single figure for those CNAs. In addition to the CNAs a housing apportionment is given to the proposed Eco-communities at West Carclaze/Baal and Par Docks.

103. The Council's starting point for the distribution is a pro-rata apportionment based on the proportion of existing dwellings in the main towns and settlements. The submitted Plan referred to the distribution as being *proportionate*. Adjustments had been made to increase or lower the figure from pro-rata, but the reasons for adjustments were not transparent. I expressed concerns on this issue in my *PF* (paragraphs 2.14.-2.18)

104. Following the suspension and the proposed increase in the housing requirement, the Council's primary explanation for the housing distribution is set out in J.13. The main principles are: a reduction in pro-rata levels in areas of environmental constraint such as the Areas of Outstanding Natural Beauty (AONB) and the World Heritage Site (WHS); consideration of an increase above pro-rata in areas with a particularly high affordable housing need and in those areas which are the focus for economic growth. The prospects for delivery have also been taken into account. J.13 is supported by the SA, which tested 4 distribution options (pro-rata; and 3 variations - avoiding impacts on the AONB and its settings; reflecting affordable housing need; and reflecting economic growth priorities as summarised in Table 4.3, J.3).

105. As a starting point, a pro-rata distribution is reasonable given the generally dispersed settlement pattern in Cornwall, the varied nature and scale of settlements and the Council's recognition that all communities have some needs which development can help meet. The factors taken into account to make adjustments are also justified given the pro-rata starting point.

106. The final apportionment results in about 68% of the total housing requirement

(the proposed 52,500) being allocated to the 18 main towns listed in policy 3 (as proposed to be changed), 29% to the rest of the CNAs and 3% to the Eco-communities. This is a slightly greater focus on the main towns than in the submitted Plan (see PF 2.16). This town-based focus is justified bearing in mind that constraints such as AONB primarily affect the rural areas; that the greatest need for affordable housing is in some of the main towns; and the focus for economic growth is also selected main towns. The outcome is also consistent with one of the core principles of the NPPF to focus significant development in locations which are or can be made sustainable in terms of accessibility. I therefore see no general justification for any redistribution away from the main towns to the residual CNAs.

107. Concern was expressed that the apportionment had not taken adequate account of potential harm to the AONBs and their settings. However, I consider that *An assessment of SHLAA sites potentially within the setting of the Cornwall AONB and Tamar Valley AONB* (J.14) adequately addresses this concern for the residual CNA areas, particularly in the light of the very limited need for any allocations in these residual CNAs when windfalls are taken into account (MCC.HS.1, Appendix A). For the main towns, the assessment made in the SA accompanying the *Further Significant Changes* is adequate. (See *SA Report Addendum: Technical Annex January 2016* - maps of constraints and SHLAA sites and summary in Table 4.2.) The SA also took into account the WHS in and around the main towns and some other settlements.
108. In relation to windfalls in the AONB, the Plan relies only on the contribution from sites of less than 10 dwellings. Because these sites are not yet identified it is impossible to specifically assess their potential impact. The policies in the Plan (as now proposed) seek to conserve and enhance the landscape of the AONB and any small scale development that was judged harmful could be refused (having weighed in the balance any benefits). If, over time, such refusals meant that the windfall rate was much lower than expected, the distribution to any particular CNA could be revised. Any such scenario is likely to emerge over time and enable a re-assessment of the matter to be made at the first review of the Plan.
109. Some parties consider that the housing apportionment should be increased in those areas with a high proportion of second/holiday homes to better meet local needs. However, I am not convinced that is a logical or necessary step, since it may simply result in a greater proportion of new dwellings being used as such homes compared with new dwellings elsewhere. This factor is best addressed solely by the Cornwall-wide uplift discussed under Issue 1.
110. As I indicated on my agenda for the hearing on spatial distribution, I consider that the arguments of most parties seeking an uplift for particular towns primarily highlight (in their view) the opportunity to accommodate more housing, rather than the proposed figures being unsound. If I had concluded that the housing requirement needed to be increased those arguments would come into play. But as I have found the requirement now proposed by the Council to be justified I do not need to consider where additional housing should be apportioned. I turn below to those few locations where other local factors have been emphasised in relation to the soundness of the distribution. I consider separately below the Eco-communities together with the 3 CNAs within the China Clay Regeneration Area. Where not otherwise referred to

below, the apportionments to the main towns and residual CNA areas are sound.

111. The National Trust is concerned that the scale of the apportionment to Penzance would result in an allocation for housing at Heamoor which would harm the setting of heritage assets at Trengwainton House and Garden. This concern has been crystallised by the inclusion of an allocation at Heamoor in the emerging SAP, which has been recommended for consultation by the Council's Planning policy Advisory Committee, pending resolution of this current Examination (J.24.1). I explored this issue in my Pre-hearing Questions and the Council's response is in MCC.HS.1 (and appendices D, D1-3). I summarised my understanding of the Council's position on the agenda for the spatial distribution hearing.
112. I remain of the view that I should not assess the site-specific impact of the emerging allocation currently proposed by the Council at Heamoor. The SAP is not before me and will be subject to a separate Examination in due course. I explored whether the scale of the apportionment at Penzance would unduly constrain the choices available to a future decision maker if they were to conclude that there would be harm (or even substantial harm) from any such allocation.
113. In the light of the discussion at the hearing, I am satisfied that I should continue to give considerable weight to the evidence in the Council's SHLAA of alternative sites and capacity to accommodate the apportionment at Penzance. There is a SHLAA capacity (which is a discounted figure from the maximum capacity) for about 450 dwellings around Penzance, in addition to the draft allocations made in the emerging SAP and a notional *surplus* of 100 dwellings when taking into account all sources of supply (MCC.HS.1, Appendix A). The SHLAA and the resulting discounted capacity is the fundamental evidence on which the deliverability of the apportionments to all the main towns is based and which has not been significantly criticised for the purposes of this Examination. Whilst the Council now considers that at Penzance most other SHLAA sites are not suitable, the detailed assessment of those alternatives is essentially for the SAP and its subsequent Examination.
114. Given the above, I consider that there is sufficient evidence of flexibility to deliver the apportionment for Penzance so as not to unduly constrain a future decision maker. Furthermore, I also recognise that if there had to be a balancing of some harm to heritage assets against the delivery of the required housing that would be consistent with the policies in the Plan (as proposed to be changed) and with national policy. Accordingly, the apportionment for Penzance does not need to be reduced. Nevertheless, the need to retain some flexibility for the future decision maker is sufficient to preclude any increase in the apportionment, despite the high need for affordable housing.
115. Developer interests sought a higher apportionment for Saltash questioning the Council's particular rationale for treating it as *constrained*. In the Council's published changes, provision at Saltash is now 1,200 (increased from 1,000 in the submitted Plan). The apportionment is below what would be pro-rata (1,475 dwellings, Table 4.3, J3). The SA indicates that meeting affordable housing need would suggest slightly more, but economic priority less than proposed. The Council consider that Saltash is constrained by the capacity of

the Tamar Bridge (supported by the views of Plymouth City Council) and the current imbalance in jobs and housing. A high proportion of residents work elsewhere (as explained in the emerging SAP, 13.10-13.14 and 13.34).

116. The Council has resolved to grant planning permission for 1,000 dwellings at Saltash subject to a S106 agreement. The Council and the developer have now agreed that all those dwellings should be regarded as deliverable in the plan-period. If delivery proceeds as the Council now expects, there would be a *surplus* of about 185 dwellings over the proposed apportionment. (This is a revision to the figure given in MCC.HS.1, Appendix A). That permission also included 6ha of land for employment.
117. The evidence regarding the capacity of the bridge is *The River Tamar Crossings Study Final Report* August 2013 (ID.01.CC.1.3). The bridge operates with tidal flow lanes. The first critical capacity issue is the westbound peak morning movement, where only one lane is available. Locally generated increases in westbound flows are more likely to arise from employment development in Saltash than residential development. Residential development is more likely to increase eastbound flows where in the morning peak 2 lanes operate and capacity is not yet critical.
118. The evidence does not demonstrate that the Tamar Bridge should be regarded as an absolute constraint on further residential development at present. The Council felt able to increase the apportionment to Saltash and resolved to allow a development likely to deliver more housing than that apportionment (when other sources of delivery are taken into account). However, increasing housing provision yet further without employment provision would increase the number/proportion of residents having to commute for work, which is undesirable. Significantly more employment development would trigger capacity concerns westbound.
119. The Council has overstated the constraint of the Tamar Bridge in relation to a modest uplift in residential development and there may well be an opportunity to deliver some more housing on suitable land, but I am not convinced that these matters make an increased apportionment necessary for soundness, given the poor homes-job balance. Given the constraint of the bridge on major employment growth there is some tension in the reference in new policy 2 part 3o to: *strengthening the role of Launceston and Saltash as gateways to Cornwall* as now proposed, but no representations suggest that aim, in principle, is unsound and it does need to be removed from the published changes/MMs. As part of the general deletion of PP policies and related text, the Council proposed new shorter text for Saltash and Torpoint. This avoids some of the ambiguities in the original text. But I have deleted the reference to Saltash and Torpoint being *constrained* by the proximity of Plymouth as it is ambiguous. It is important to refer to the approach to the Tamar Estuary delivering the conservation objectives for the Plymouth Sound/Tamar European site (**MMs 215-222**).
120. Wadebridge town has an apportionment of 1,100 which is above all 4 of the options in the SA, but it is absorbing some of the lower provision in the residual CNA, which is constrained. The town has a good employment base, but it is not an identified focus for economic growth, unlike nearby Bodmim and Newquay. The office and industrial floorspace targets proposed in policy

2a are of a modest scale. The apportionment is sound and no further increase is required. Nor should there be any redistribution to the residual CNA given the justified focus on the main towns.

*Eco-communities; St Austell CNA; St Blazey Fowey and Lostwithiel CNA, China Clay CNA*

121. In the submitted Plan, 2,300 dwellings is apportioned for Eco-Communities of which Policy PP9 allocated 1,800 dwellings to West Carclaze/Baal Eco-community and 500 to Par Docks Eco-Community. The land so allocated was indicated in outline, but no other detail concerning these allocations was provided. In response to my questions about the lack of detail, the Council decided to identify the Eco-communities in principle only (on the Key Diagram) and to undertake the formal allocation of the land in the SAP. With the proposed deletion of all the PP policies, the proposals for the Eco-communities are set out in new policy 2 and policy 3, part 2. The Council proposed in J.1 to apportion 1,500 dwellings to these communities within the plan-period (1,200 to West Carclaze/Baal and 300 to Par Docks). However, both the Council and landowner/developer consider that the overall scheme at West Carclaze/Baal would be for about 1,500 dwelling and that at Par Docks about 500 dwellings.

122. Proposals for an Eco-town at *St Austell (China Clay Community)* were included in the *Eco-towns: Planning Policy Statement 1 (Supplement)* published in 2009. This was cancelled in March 2015. The Council strongly affirmed at the hearing what it saw as the continuing need for a transformational project of this nature to change the image of the China Clay area and of the northern approach to St Austell and to attract further investment, particularly in support of economic development. Such an assessment involves intangibles and judgement. Although considerable opposition and questioning of the proposal at West Carclaze/Baal has been expressed (much less in relation to Par Docks), this has not significantly undermined the Council's case that a transformational change is a legitimate goal in this area. I am satisfied that the proposals have the potential to deliver this – whether they achieve that goal will largely depend on the detailed delivery of the development and fully realising the ambitions set out in policy 3.

123. Given the intended transformational nature of the proposals it is difficult to identify what are realistic alternatives against which they should be tested. However, various alternatives have been considered and tested in iterations of the SA and related work during the long evolution of this Plan. At submission, the main evidence in support of the Eco-communities was in 2 documents: *West Carclaze/Baal and Par Docks Eco-Communities Site Allocations Overview Report* (January 2015, A.15) and the *Strategic Flood Risk Assessment* (January 2015, A16). It is clear from A.15 (section *Regeneration Area Summary Paper*) and from earlier work (*Core Strategy Area Based Discussion Paper Mid Cornwall* January 2012, E2.6) that a range of sites were considered for major development in the area, including greenfield land on the edge of St Austell. A further alternative was considered in the SA of January 2016 (J.3, 4.6.16) which accompanied the *Further Significant Changes*. I consider that alternatives have been adequately addressed.

124. It is agreed that the despoiled china clay areas at West Carclaze/Baal are not previously developed land as defined in the NPPF as there are conditions

requiring eventual restoration of the land to agriculture. However, that does not significantly undermine the weight given by the Council to transformational change by creating extensive public parkland in this area, to create something special. It is also the case that some of the area is greenfield in visual as well as definitional terms and local people are particularly opposed to the loss of such land. But it is inevitable that the overall scale of development that is justified in the St Austell and the China Clay areas would result in the loss of greenfield land somewhere.

125. The policy seeks provision of local health, shopping and community facilities, as well as a new primary school, so day-to-day needs could be met on site and the Technology Park would provide local employment. But I accept that the location would not be as accessible to a full range of services and facilities as some locations on the edge of the built-up area of St Austell. Taking all these factors into account, I am nevertheless satisfied that the proposal at West Carclaze/Baal is justified because of the weight that can be given to its transformational potential.
126. An ambitious strategy of this nature inevitably has risks, but there is sufficient evidence that, in principle, West Carclaze/Baal is deliverable as proposed. The land for the proposal (and an extensive adjoining area of existing and former china clay workings) is owned by Imerys who have formed a partnership with a development company to take forward the proposal. The A391 Carludon Road Improvement, which runs through the centre of the area, has been completed and provides direct access for the development. Planning permission has been granted for the Carludon Technology Park which would be an integral part of the proposal and EU funding for the ESAM (Employment Space for Advanced Manufacturing) building which forms the first phase of this Park was expected shortly after the hearings. These developments have progressed because of the willingness of the landowner to make land available at minimal cost. Planning permission has also been granted for 2 solar farms at the location which would help achieve the policy ambition for provision of renewable energy to the development.
127. Government funding was provided to enable Cornwall Council to prepare and submit a planning application in January 2015 for the Eco-community here. Whilst at one stage progress on that application appeared to have stalled, it is now being taken forward by the developer and amendments to the application have been the subject of consultation. No evidence of viability has been put in the public domain, but the Council has had regard to information provided to it in confidence in support of the planning application and considers the proposal viable. The developer no longer contests the policy objective for 30% affordable housing (which is above the 25% generally applicable in this area).
128. Given all the above, there is sufficient evidence of deliverability for it to be a sound component of the Plan. But the uniqueness of the proposal means that its attractiveness to the market and thus of the rate of housing delivery is inevitably uncertain. A cautious approach is justified in terms of the delivery actually being relied on. In the context of my proposed change to increase the apportionment to St Austell town (see below) it is reasonable to lower the expected delivery from West Carclaze/Baal. The Council supported this change and it is accepted by the developer. This makes the Plan more robust without imposing any constraint on how fast the Eco-community should be

delivered. An increased rate of delivery, if it were to happen, would be consistent with the overall strategy to promote growth in the Newquay, St Austell, Bodmin Triangle. The Council has proposed a change to review progress 2 years after adoption of the Plan to consider whether any redistribution of the apportionment is necessary. This is a useful fall-back to respond to changing circumstances.

129. There is little real criticism of the identification of Par Docks for residential development as a new community. It is previously developed land and contains extensive buildings. The scale of that site and the unique opportunity that it provides for redevelopment given its scale and coastal/quayside location justifies its identification now to provide a long term steer for the extensive further work necessary to bring the project forward.
130. For clarity and effectiveness (particularly in terms of the task of the SAP and/or of a masterplan in the context of a planning application) this Plan should indicate the likely overall scale of these proposals. But there is not the evidence before me to confirm the position with certainty. Only an indicative figure can be given which is subject to further testing in the SAP or master-planning process.
131. I therefore conclude that, as now proposed by the Council, the proposals for Eco-communities are sound. These are included as part of **MMs 13, 15, 17, 25 and 26**, with necessary deletions in **MMs 181, 181a, 227 and 228**.
132. I turn now to apportionments for the respective CNAs in the area. The West Carclaze/Baal Eco-community is within the China Clay CNA. That CNA's apportionment is 1,800, which is well below pro-rata and the other alternatives tested in the SA (Table 4.3, J.3). This reduced provision is justified because the high rate of past development has not achieved transformational change and the Eco-community provides an alternative location for additional development in the area.
133. The apportionment to St Austell now proposed is 2,600 which is nearly a 20% uplift above pro-rata, but not as high as the D4 option to reflect economic growth priorities (Table 4.3, J.3). The residual CNA is well below pro-rata which is justified by environmental constraints. This means that there needs to be some redistribution to adjoining areas. Taking the CNA as a whole it is clear that provision is below what might be expected at a large town referred to in the economic strategy. But one of the key transformational aims of the Eco-community at West Carclaze/Baal is to boost the economic attractiveness of the area. The Eco-community would form a northern gateway to the St Austell area. Given the progress on the Technology Park it is justified for this Eco-community to be regarded as taking some of the economic uplift that might otherwise have been ascribed to St Austell.
134. I recognise that even taking the combined overall provision in these CNAs and the Eco-communities, provision has not been boosted as much as some other areas such as Newquay, Bodmin and Truro. But the Council see those areas as having much greater economic potential (eg *Aero-hub* and the Enterprise Zone at Newquay Airport and the A30 Corridor for Bodmin) in comparison to which St Austell is considered less attractive for inward business investment. There is no substantial evidence to counteract that broad analysis.

135. Nonetheless, there is one anomaly affecting the assessment for the appropriate apportionment for St Austell town. Part of the contiguous built-up area of the town is outside the St Austell CNA and within the China Clay CNA (in Treverbyn Parish, southwest of the A391). This part of the built-up area was not therefore taken into account in assessing the right scale of apportionment to St Austell. Given that the justified aim of policy 3 is to steer major development to the main towns as the most sustainable locations the full size of the built-up area should be taken into account, rather than the administrative area of the "town" which is artificially truncated by the CNA boundary, which is solely an administrative boundary.
136. The Council has confirmed (LI.CC.8) (all responses, L1.RE 8) that on the basis of its apportionment methodology, the figure for the physical town of St Austell should increase from the current target of 2,600 to approximately 2,900 based on the inclusion of households south west of the A391 in Treverbyn Parish, plus a 20% uplift to reflect the economic role assigned to St Austell. I consider that this is the figure which should be ascribed to St Austell in policy 2a and Table 1 - part of **MMs 15** and **26**. The text of the submitted Plan (12.24) already notes that: *due to the nature of existing administrative boundaries the growth of St Austell is likely to occur on the edge of the current built up area outside the St Austell CNA*. This needs no further elaboration. **MM17** also, rightly, includes more general text indicating that housing allocations may cross or straddle CNA boundaries.
137. The St Blazey, Fowey and Lostwithiel CNA has a below pro-rata apportionment, but the gap is narrowed when the apportionment to Par Docks is taken into account. Lostwithiel and Fowey are small towns. They are not the focus for any particular economic development and the surroundings of Fowey are in the AONB. The Council highlighted complex and significant flood risks as a constraint at St Blazey. I recognise that St Blazey is part of the wider China Clay Regeneration Area, but the town is sufficiently separate from St Austell not to be grouped with it and is rather peripheral to the Newquay, Bodmin, St Austell triangle, particularly given the focus of development to the north of St Austell in the largest Eco-community. No changes are required.
138. The new figure for St Austell town and the indication of the full potential scale of each of the Eco communities need to be added to the Key Diagram. This had already been proposed to be changed by the Council to reflect the other changes proposed in policy 2 and 2a – **MM226**.
139. I conclude under issue 5 below that a change is required to ensure that the overall housing requirement is regarded as a *minimum*. However, it is not necessary to similarly indicate that all the apportionments for each town and CNA residuals should be minimum figures. The basis for the apportionments is not an exact science and some flexibility in delivery is reasonable. A number of towns and CNA residual areas are projected by the Council to deliver more than their apportionment (MCC.HS.1, Appendix A). The Council suggested additional text to make clear that the apportionments are not a ceiling. This addition is necessary for effectiveness to avoid inflexibility (part of **MM17**).

### **Issue 5 - Whether the Plan provides a clear and justified framework for housing delivery**

140. As already noted, at submission the only "allocations" this Plan sought to make were in respect of the proposed Eco-communities at West Carclaze/Baal and Par Docks. But there is insufficient detail to support these as allocations and they are to be removed. In the absence of allocations, the Plan at adoption will not directly alter the housing land supply position. It will, of course, enable a land supply to be calculated based on the justified housing requirement of 52,500. In addition, the Plan has established a small sites windfall rate to be taken into account (see below).
141. It is necessary to ensure that the requirement of 52,500 is met and is not interpreted in the future as a cap or ceiling on housing delivery as there is no evidence to justify such an approach. Accordingly, I consider that policy 2a should refer to the delivery of a *minimum* of 52,500 (part of **MM15**).
142. There is no evidence of substance to undermine the SHLAA's assessment that there are more than sufficient potential housing sites to deliver the housing requirement in accordance with its broad distribution over the plan-period. The Council's *Housing Implementation Strategy* (MCC.HS.1, Appendix A) indicates that for many of the main towns, the combination of completions, permissions granted (or resolved to be granted) and small site windfalls are sufficient or nearly sufficient to deliver the housing apportionment. I recognise that actual delivery will depend on the successful implementation of permissions, but the Implementation Strategy is evidence that delivery is credible over the plan-period.
143. Paragraph 1.41 of the Plan indicates that the 5 year supply will be calculated on a whole-Cornwall basis. That approach is not seriously disputed and is logical given the housing requirement is calculated for the whole county. Where there is a 5 year supply in Cornwall as a whole (and so policies for housing are fully engaged) it is appropriate for the Plan to seek any shortfall within an individual CNA to be made up within that CNA – (**MM24**).
144. The Plan now requires an annual average rate of housing delivery of 2,625 dwellings. This was not delivered in any of the first 4 years of the plan-period, but was achieved in 2014/2015 (MCC.HS.1, Table 1). The Council accepts that the accumulated shortfall can and should be made up in the next 5 years. This should be made clear in the Plan (**MM42**) and is shown in the simple housing trajectory (**MMs 24** and **24a**). Because that trajectory is based on the Council's expected delivery rates at various sites which have not been examined in detail in this examination (see below), the trajectory should be labelled as illustrative only.
145. The SHLAA used a site threshold of 10 units or more. Accordingly, in projecting future supply it is appropriate to include consideration of small site windfalls. The Council's assessment does not rely on this within the first 5 years, thus avoiding any double counting with existing permissions and also discounts small sites windfalls that had occurred on garden land (J.9, 3.7.1-3.73). Whilst the consideration of the future acceptability of small site windfalls will be affected by the proposed removal of settlement boundaries, I consider that the proposed opportunities for infill and rounding off (see above) should allow at least a similar quantum of small site windfalls to occur in the future as in the past. Overall, there is sufficiently compelling grounds to conclude that the Council's small site windfall allowance is justified.

146. Although only small site windfalls should be counted as part of the long term supply, the wording of a number of the changes published by the Council in J.1 indicated or implied that 10 dwellings was a cap on the scale of infill and windfall sites. This was not the intention and is not justified. That misleading text has not been included in the finalised MMs.
147. Although a substantial amount of housing has already had planning permission granted/agreed, the delivery of the full housing requirement will depend on additional site allocations to be made in the Council's SAP and in NPs for some of the towns referred to in policy 3. In order to facilitate delivery, particularly in emerging NPs, this Plan should provide a clear basis for assessing the residual requirement. Thus Table 1 should show not only the apportionment for each town/CNA, but also completions, permissions and the appropriate small-site windfall allowance. The text should explain the need to take into account the deliverability of the sites with planning permission as set out in the Council's *Housing Implementation Strategy*, which is updated annually - **MM17** part, **MM26** and related factual updating in **MM41**.
148. Of the towns listed in Policy 3, NPs are the delivery vehicle for Liskeard, Truro, Camelford, Callington, Bude, St Ives and Wadebridge. The NP for St Ives has passed referendum and Truro is well advanced (and, in any case, existing permissions exceed the apportionment). Allocations for 10 areas are made in the Council's emerging SAP. Based on the figures in the Council's current *Housing Implementation Strategy* only 4 rural/residual CNAs will require a NP to make allocations to deliver the full apportionment (Bude, Camelford, China Clay and Cornwall Gateway). The scale of the required allocations in each area is not substantial. This Plan needs to make clear that the Council will monitor delivery in NP areas and make allocations if necessary in a subsequent SAP - **MM17** (part) and **MM23**. In all the circumstances, the extent of reliance on NP for delivery is reasonable, is consistent with the aim of Government policy and should not jeopardise delivery over the plan-period.
149. In the context of all the above, it was agreed at the hearing in May 2016 that it is neither necessary nor appropriate to review further the current status of the 5 year land supply position. Whether or not there is a 5 year supply (or would be at adoption of this Plan) does not directly affect the soundness of the Plan and no changes could be made to this Plan to alter the position. It will be for the SAP and NPs to determine the appropriate scale and mix of allocations that, along with planning permissions, collectively ensure a rolling supply of housing to meet the on-going 5 year requirement.

### **Issue 6 - Whether the Plan has sound policies for affordable housing and to meet the needs of different groups**

150. As submitted, Policy 8 sets a threshold of 2 units for developments to contribute to affordable housing and sought 50% or 40% provision depending on the location of the site. The Court of Appeal judgement in May 2016, already referred to, reinstated the Written Ministerial Statement (WMS) on *Small Scale Developers* 28 November 2014. The WMS indicates that affordable housing contributions should not be sought from developments of 10 units or less and which have a maximum combined gross floorspace of no more than 1,000 sq m (gross internal area). It also indicates that in designated rural areas (under Section 157 of the Housing Act 1985) and

AONBs, local planning authorities may choose to apply a lower threshold of 5 units or less. Where the lower threshold is applied, affordable housing and tariff style contributions should be sought from developments of between 6 and 10 units in the form of cash payments. The threshold of 2 dwellings in policy 8 is therefore inconsistent with the WMS.

151. The soundness of policy 8 in the context of the WMS was discussed at the first hearing on affordable housing (21 May 2015). The Council resisted the application of the WMS in principle. In the alternative, if the policy had to apply, it sought to extend the areas/Parishes subject to the lower threshold beyond those which are formally designated under 157 of the Housing Act (as shown in HS3.CC, Appendix 2).
152. My *PF* (June 2015) addressed the matter in paragraphs 5.1-5.4. I was not persuaded that the pattern of development in Cornwall or the past success in delivering affordable housing on small sites is so different in Cornwall to other parts of the country as to justify a departure from the WMS. Given that the AONB and rural parishes designated in accordance with the WMS cover a substantial part of Cornwall, I saw no justification for introducing additional locally defined designated areas. I therefore advised that the policy should be amended to comply with national policy. In the light of the High Court judgement in June 2015 which disallowed the application of the WMS, the Council decided not to pursue any change to policy 8 in response to those particular findings. The Court of Appeal judgment effectively puts the position back to where it was at the time I issued my *PF*.
153. The matter was reviewed at the hearings in May 2016. The Council reiterated its strong desire to retain the existing threshold, citing both its success in securing affordable housing contributions from small sites and, cumulatively, the importance of these payments in achieving additional provision of affordable housing over and above that secured by conventional means. Nothing new was raised to justify a different conclusion to that in my *PF*.
154. The WMS is not a mandatory requirement, but it was clearly a change in policy to which the previous Government attached considerable importance and the current Government continues to do so. There will be many parts of the country where its application makes little or no difference to the delivery of affordable housing because thresholds are already at or above those in the WMS. It is only those areas with thresholds below WMS that will be affected and inevitably result in a reduction in provision.
155. The Council's estimate is that adherence to the WMS would result in a reduction in delivery of about 1,100 affordable dwellings to 2030 (comparing expected delivery from windfalls in MCC.HS.1.2 with that in L1.CC.10.1 - amended trajectory; and L1.CC.10.2A - corrected version of methodology paper). A reduction in affordable housing delivery, albeit substantial given the size of Cornwall, is not, in my view, a weighty reason to not apply the WMS since it is an inevitable and expected outcome of the Government's policy. Accordingly, I conclude that the threshold in policy 8 as submitted is unsound and needs to be amended to accord with WMS, including the 5 dwelling threshold in designated areas/AONBs - **MM60**.
156. The Plan (Figure 2) divides Cornwall into 5 house price value zones for the

purposes of considering the viability of affordable housing on market sites. Policy 8, as submitted, requires 50% provision in zones 1 and 2 and 40% in zones 3, 4 and 5. With the exception of Zone 1, these proportions are not viable on the basis of the viability evidence at the time the Plan was published and submitted - *Housing Strategic Viability Appraisal Final Report* (September 2012, D.6) - nor in the light of the update of that report commissioned by the Council - *Viability Study Refresh* (March 2015, ID.01.CC3.2). Other evidence on the delivery of affordable housing was considered in some detail at the hearings in May 2015.

157. In my *PF*, I advised that the policy should be amended to accord with recommended proportions in the viability evidence with different proportions for each of the value zones (50%, 40%, 35% and 30% for zones 1-4 respectively). The only exception was for zone 5 (the lowest value zone) where I considered that an appropriate balance between aspiration and realism was in the order of 25%. This advice was reflected in the changes to policy 8 in the *Further Significant Changes*. I have seen no subsequent evidence to alter my previous findings. Accordingly, these proportions are required to make the policy sound (part of **MM60**).
158. It is important that the plan makes clear which zone each town and parish comes within (**MMs 52, 57, 58 and 229**). Where a development straddles 2 affordable housing value zones (eg an urban extension) the Council should negotiate a percentage of affordable housing in accordance with the value zone that best reflects the sales values likely to be achieved by the development (**MM55**). This means that the position is not clear-cut at the application stage and, inevitably, will require negotiation. Whilst specifying that a particular value zone should apply in such cross border cases, there is not the evidence to justify any such conclusion. It is also necessary to indicate that sites which have been artificially divided to come below the size threshold will be treated as a single site when applying policy 8 (**MM59**, part **MM60**).
159. I have amended **MM59** to make clear that reference to collection of any financial contribution for affordable housing on completion of the development applies only to schemes of 6-10 units in designated rural areas and AONBs. This is required by the WMS. But on larger schemes elsewhere I see no need for this necessarily to be the case. Completion of a development can be many years after commencement or long after most of the development has actually occurred. For such larger sites the matter can either be left for negotiation or addressed in the Council's Supplementary Planning Document on affordable housing.
160. Policy 8 does not refer to viability, but this is addressed in policy 11. For clarity and effectiveness a cross reference is required in policy 8 to demonstrate that the policies are intended to work together (part of **MM60**). The text should also acknowledge that viability may result in a variation in the desired mix of affordable units. Some reordering of policy 11 is necessary to avoid the unintended impression that the factors to be considered in viability are in a sequential preference (*PF* 5.12) – **MMs 56, 72 and 73**.
161. The Regulations necessary to bring in the requirement to provide Starter Homes have not yet been made, but may come into effect in the near future.

To provide some future-proofing of the Plan, policy 8 should acknowledge any provision of Starter Homes required by legislation and for Starter Homes to be explained in the text on a provisional basis - **MMs 52A, 53 and 60**. I have slightly altered the policy 8 (**MM60**) to better incorporate the Council's published change as it affects the wording relating to the tenure split between the existing types of affordable housing. The Housing and Planning Act 2016 requires (Section 5(2)) that the subsequent Regulations concerning Starter Homes must give planning authorities power to dispense with the condition requiring Starter Homes on rural exception sites. It is therefore reasonable for the Council's proposed text to state that Starter Homes will not be accepted as part of the affordable housing provision on such sites.

162. Other than in Zone 1, policy 10 in the submitted plan seeks a higher proportion of affordable housing (50%) on public sector sites than private sites. For the reasons given in *PF* 5.19, this policy is unsound and should be deleted (**MMs 70 & 71**). There was little comment on this deletion in response to consultation on this change. It is also not justified to seek affordable housing contributions from non-residential development (**MM54**).
163. Policy 9 in the submitted plan is entitled *affordable housing led schemes* and is a policy to enable affordable housing schemes in smaller towns, villages and hamlets. The Council accepted at the hearing in May 2015 that this policy is intended as a *rural exceptions policy* as referred to in paragraph 54 of the NPPF. Such schemes are defined in the Glossary of the NPPF as small sites for affordable housing where sites would not normally be used for housing. The policy allows up to 50% of the homes or land-take to be market housing where it is essential for successful delivery.
164. As explained in my *PF* (5.15-5.16), for some time the Council had been applying a rural exceptions approach to large schemes where it considered them a departure from the development plan. But this confuses 2 distinct matters. To avoid any lack of clarity about the scope of the policy, it is important to refer to it as a *rural exceptions policy* so as to engage the definition in the Glossary of the NPPF. For the reasons given in *PF* 5.17 and 5.18 the reference to *local need* should apply only to the affordable housing element and requiring *local community support* is not justified. These and consequential restructuring of the policy and text are made in **MMs 63-66 and 69**.
165. In addition to delivery of affordable housing under policy 8 from market housing and policy 9 from rural exception sites, the Council is pursuing a range of other measures to deliver additional affordable housing including through its own capital funding and land sales. The likely delivery from these other sources was discussed at the hearing in May 2015 and I commented extensively in *PF* 5.23 - 5.32. By the time of the hearings in May 2016 the Council was projecting total affordable delivery over the plan-period of more than 19,000 dwellings (of which about 5,500 were a projected uplift from those already secured and expected from the operation of policy 8 MCC.HS.1.2). At the hearing in May 2016, the Council accepted that the uplift of 375 units in note 5f could be removed from the trajectory to avoid any possible appearance of double-counting of the use of commuted payments secured for affordable housing.

166. Within the figure of 5,500, I continue to have reservations about the projection of 2,700 dwellings to be delivered from rural exceptions sites as this may still be reflecting the Council's previous *departure* approach rather than a truly rural exceptions policy. But I have no basis to substitute an alternative figure. In addition, there must be some uncertainty about capital funding to 2030 for other elements of the projected uplift. Accordingly, even without any other changes, the Council's projections might not be achieved. As already noted, making policy 8 accord with the WMS will result in a reduction in delivery of about 1,100 affordable dwellings as projected by the Council. (Comparing the expected delivery from small site windfalls in MCC.HS.1.2 with that in L1.CC.10.1.)
167. Notwithstanding the above, it remains the case that affordable housing delivery will be greater than solely from the application of the policies in the Plan. I have taken this into account under issue 2 when considering whether any further uplift is required to overall housing provision. Accordingly, I consider that the Plan should indicate the sources of the anticipated uplift so that they can be monitored to check delivery against expectations. A summary table of affordable housing need and an explanation of the various sources of uplift above the policy 8 requirements should therefore be included in the Plan, otherwise this important wider element of the strategy will be obscured - **MM59A**.
168. As submitted, policy 6 *Housing Mix* is unsound because it does not refer to the full range of types of housing and needs that developments should seek to meet. This has been addressed in **MMs 43, 44, 45** and **46**. The Council's published change on this policy (J.1, 46) was too prescriptive in requiring larger developments to provide at least 5% of development as serviced plots for self-build/custom-build. There is not yet the evidence to justify this level of prescription and there must be considerable uncertainty as to whether plots on large new housing estates would be attractive to self-build/custom-builders. There are substantial opportunities for self-build/custom-build from the anticipated small site windfalls and the modification to policy 8 to apply the WMS would ensure that plots for 1-5 dwellings do not have to contribute to affordable housing, thus making gaining permission and implementation more straightforward.
169. The introduction of the Optional Technical Standards for Housing which were published in March 2015 came too late for the Council to refer to them in the submitted Plan. As part of the *Further Significant Changes* the Council proposed changes to policy 14 *Development Standards* to require adherence to the nationally described space standards and for developments of 10 or more dwellings to provide 25% of dwellings as adaptable and accessible homes (Building Regulations M4(2)). The Council subsequently accepted that the viability implications of the space standards had been assessed only in the context of affordable housing (as currently defined). In addition, such standards were particularly required for the affordable sector as potential occupiers have little freedom of choice in terms of internal space standards. As amended the Council's approach is justified. I am not convinced that the application of the space standards to affordable housing only would seriously disadvantage Registered Providers in delivering affordable housing.
170. In relation to adaptable and accessible homes, the Council accepted that there

was limited evidence and the requirements in the policy were an informed judgement, albeit a conservative one. This standard is to provide dwellings capable of being easily adapted to the likely changing needs of people through their lifetime. In my view, the proportion being sought should not be limited simply to the proportion of the population that may have need of such accommodation at any one time, given the difficulty of moving house and of finding a suitable property on the market when the need arises. In addition, this standard applies only to new dwellings which make up only a small proportion of the total housing stock. The 25% requirement is therefore fully justified. The requirement should have no material effect on viability (J.10, paragraph 23)

171. Some further amendments are required to policy 14 in the light of the limitations imposed by the Housing Technical Standards. There should no longer be a reference to the *fabric* of buildings or achieving high levels of *insulation* as these are to be covered only in the Buildings Regulations. The reference in the policy to decentralised heat networks remains reasonable provided that it refers to both the feasibility and viability of doing so. All required changes to policy 14 are in **MM91** with explanatory text in **MMs 88, 89 and 92**.

*The accommodation needs of travellers*

172. In the submitted Plan, policy 12 *Gypsies, Travellers and Travelling Showpeople* addressed the need for new pitches and plots and set out development management criteria for additional sites. The topic was discussed at the hearings in May 2015. In my *PF* (6.1- 6.11) I explained why the methodology for assessing the permanent accommodation needs of travellers was not robust and indicated that further work was required. In addition, I highlighted various shortcomings in the policy wording. On this issue the Plan was not sound as submitted.

173. In response, the Council commissioned a fresh assessment of the accommodation needs of travellers - *Supporting an Assessment of the Accommodation Needs of Gypsies and Travellers in Cornwall* (November 2015, J.17). This study concluded that (excluding Travelling Showpeople) current demand exceeds supply by 139 pitches; the need increases to 198 pitches by 2020 through family formation; and applying a compound family formation rate of 3% for the period 2020-2030 results in a total need of 318 pitches by 2030. This final figure has been included in new policy 2a Key Targets together with 11 plots for Travelling Showpeople and 60 transit pitches. The consultation on the *Further Significant Changes* did not produce any criticism of the new evidence or the proposed level of provision.

174. I consider that J.17 is a thorough piece of work that has successfully engaged with the traveller community. As is widely acknowledged, it is very difficult to assess some aspects of the future need for pitches, such as travellers living in conventional dwellings, but who seek a pitch for cultural reasons. The assessment treats this aspect seriously, but there is inevitably uncertainty about whether the estimate of this type of need is accurate. Similarly, the use of the 3% growth factor may be too high, but there is no evidence before me to justify an alternative.

175. The new assessment found evidence of only a small need for additional plots for Traveling Showpeople (J.17, 4.9 and 5.3). The requirement for 11 plots proposed in new policy 2a is the same as in the submitted Plan and is adequate to cover this modest need and allow for some uncertainty. The transit provision is similar to that in the submitted Plan and is based on work done for the Regional Spatial Strategy. As explained in my *PF* (6.9), this is a reasonable starting point. I understand that planning permission has recently been granted for a transit site alongside the A38, near Liskeard. Making progress on some provision, such as at this site, is more important than trying to get more up to date information, which is particularly difficult for transit needs.
176. The text of the plan should explain the background evidence justifying the figure of 318. In addition, as this Plan is identifying the scale of need, it is necessary to make clear how the 5 year supply of pitches should be assessed. Given the high existing (backlog) need, the starting point for the 5 year supply calculation should be the need for 198 pitches to 2020. (Both changes made in **MM77**). Allocations to meet the identified needs are to be made in a Travelling Communities Site Allocations Development Plan Document (DPD). Bearing in mind that the SAP does not cover all the main settlements (because of the intended coverage by NPs) it is appropriate to have a separate DPD for traveller provision. The proposed text makes clear that this DPD is intended to deliver the pitch requirements set out in the policy (**MM79**). The former DCLG Guidance *Designing Gypsy and Traveller Sites* has been cancelled and so reference to the Council's support for it should be deleted (**MM78**).
177. The criteria in policy 12 for assessing future applications/sites (J.1, change 80) have largely been re-written from those in the submitted Plan. Importantly, the policy now seeks to protect such sites from redevelopment for alternative use unless replacement provision is made and to ensure that living conditions on the site are adequate. These are necessary additions to the policy. Further revisions of the policy wording were made by the Council in the light of representations on the published changes in J.1. The criterion relating to accessibility is now sufficiently flexible to be realistic. Rightly, the policy no longer requires evidence of need (since that has been demonstrated in the Council's evidence). With these changes the policy would be sound (**MM80**, supporting text changes in **MM75** and **76**).

**Issue 7 - Whether policies 18-21 for Minerals and Waste are consistent with national policy and informed by appropriate local evidence**

178. These policies were discussed at the hearings in May 2015. There was agreement between the Council and the minerals industry that there were some omissions from the policies which should be rectified and some corrections needed to the evidence base. Proposed changes were included in the *Further Significant Changes* (J.1). These prompted little comment, with no new issues raised. I consider that these changes are needed for soundness for the following reasons.
179. There is a large landbank of sites with permission for the extraction of aggregates, but some of this landbank is sites not currently worked. The Plan (policy 18 and related text) needs to make clear that further development at existing sites (including extensions) are not ruled-out solely because of the

landbank and that the benefits of any such proposals will be weighed against harm. More efficient working practices at existing sites should be supported. Minerals can only be worked where they are found and for some types of minerals, such as traditional building materials and specialist aggregates, the only sources are within the AONB, where extraction should not be prohibited in principle. The Plan needs to make clear that there is agreement between Devon, Somerset and Cornwall Mineral Planning Authorities that Cornwall does not need to make provision for the supply of sand and gravel due to a lack of resources (**MMs 98, 100, 101, 102**)

180. The Council is intending to prepare a Minerals DPD to identify appropriate safeguarded sites/areas, so policy 19 in the present Plan is providing the overarching approach rather than the detail. The policy should encompass *existing, planned* and *potential* resources (NPPF, paragraph 143), include storage areas and for metals, shaft and adits of (old) mines. Safeguarding should be considered for all minerals, not just aggregates. (**MM103**).
181. Because of the risk of bird strikes, aviation safety is a relevant consideration to be highlighted in both minerals and waste policies to ensure activities, including restoration uses, do not result in a dangerous concentration of birds near airfields/airports (NPPF, paragraph 143). It is important to ensure that the effective operation of existing waste sites is not prejudiced by new incompatible development being permitted nearby. This should be a strategic principle included in policy 20. No new facilities for handling hazardous waste are envisaged in Cornwall, but it needs to be made clear that any such proposals would be assessed against the criteria in policy 20. (**MMs 102, 105, 106, 110** and **111**).
182. The Council reworked and significantly reduced its assessment of recycling capacity for commercial and industrial waste (HD.CC.07). However, I am satisfied that the revised evidence does not point to a need for new allocations to be made in the Plan. The Plan must, however, make clear that, given the importance of moving the treatment of waste up the waste hierarchy, proposals for additional reuse/recycling/recovery will be supported notwithstanding the Council's assessment of capacity. The Plan should refer to up-to-date national policy on waste. (**MMs 104, 107 -109**).
183. The *St Austell Tipping and Restoration Strategy* (2000) has long provided informal guidance for such activities in the china clay area and the Council intend to continue to have regard to it. A reference to this document is appropriate (without giving it any unjustified status) - **MM99**. As indicated at the hearing, a number of other matters raised by parties are concerned with operational waste matters, such as the collection of waste, or the interpretation and enforcement of environmental regulations. These are not matters for me or for this Plan.

### **Issue 9 - Whether policies 22-26 for the Natural and Historic Environment are consistent with national policy and local circumstances**

184. As submitted, policies 23 *Natural Environment* and policy 24 *Historic Environment* are unsound. In short, they are insufficiently comprehensive, they lack the required hierarchical approach to protection commensurate with the status and significance of different designations and they use key words

differently from their use in the NPPF. The Council's intention is to be consistent with national policy. These policies were originally envisaged as high level strategic policies with more detail in Supplementary Planning Documents or NPs. However, this Plan will be the only development plan covering the whole of Cornwall and the Council now accepts that the policies need to be more comprehensive to be effective in development management decision making.

185. Unfortunately the wording of the policies and related text published in the *Further Significant Changes* (J.1, changes 121 – 131) did not resolve the matter, attracting detailed objections from NE, Historic England and others. I highlighted my concerns in a note, encouraging further discussion with these bodies (L1.ID.2). The Council has subsequently agreed with these 2 bodies new wording for these policies and supporting text, which (with minor amendments I made) was included in the post-hearing consultation.
186. As proposed to be changed, the policy approach to the AONBs is now fully consistent with national policy and expressed in the same terms. In relation to habitats and biodiversity, the policy now sets out a hierarchy of international, national and local designations and features of interest so that protection is commensurate with their status and gives appropriate weight to their importance, consistent with NPPF, paragraph 113. I have made some minor amendments to the published post-hearing wording for clarity and consistency with NPPF. **MMs 121, 122 and 122b** make the plan sound in relation to the protection of the natural environment.
187. The proposed text sufficiently describes what is meant by the *undeveloped coast*. There will inevitably be occasions where judgement is required as to whether a particular site is within the coastal zone and whether a proposal offends the aim of the policy. Defining areas of undeveloped coast on the Policies Map would bring clarity for future development management decisions, but would involve substantial work and be potentially controversial. The Plan is not unsound by not doing so. I have already addressed the need for a new policy (23a) for mitigation in relation to European designated sites in the context of the Habitats Regulations Assessment discussed earlier.
188. In relation to the historic environment, substantial new text is proposed summarising the wide range and distinctiveness of historic assets in Cornwall. With addition to the published change of a reference to the setting of heritage assets, policy 24 is now fully consistent with the NPPF. The Plan would be made sound on this matter with **MMs 123-131**.
189. As submitted, policy 22 *Best use of land and existing buildings* sought to give priority to (in summary): the use of previously developed or despoiled land; increasing density; safeguarding Grade 1, 2 and 3a agricultural land (and grade 3b where reasonable alternatives can be identified); and to land needed for flood storage. In my *Advice on Other Matters* July 2015 (paragraph 4.3) I questioned the purpose of the policy and how it would be applied in practice. The policy is unsound as submitted because it gives priority to certain matters out of context with any other considerations of sustainability.
190. The Council proposed changes to the policy in *Further Significant Changes* (J.1, change 116) and further changes were suggested by the Council before

the hearing in May 2016 (N.SC.1, change 34) and afterwards (N.SC.1.3, change 34). As finally proposed for post-hearing consultation, encouragement is given to sustainably located proposals which come within the categories listed. Reference to density is now in the context of the character of the area and accessibility and the wording relating to agricultural land fully reflects NPPF paragraph 112. The reference to functional flood storage has been moved by the Council to policy 26, which is logical. **MMs 112, 112a and 113.**

191. In the submitted Plan policy 22A *Protection of the countryside* seeks to prevent the unnecessary loss of countryside by requiring proposals to show that existing urban capacity and allocated land cannot meet identified local need and sets out a list of features and characteristics which should not be harmed. In my *Advice on Other Matters* July 2015 (paragraph 4.3) I questioned the justification for the policy and how it would be interpreted and applied in practice. As a result, the Council proposed its deletion in J.1.
192. The NPPF recognises *the intrinsic character and beauty of the countryside*. A variety of policies in this Plan are relevant to conserving those attractive qualities. However, policy 22A imposes an unrealistic and unjustified requirement on applicants, bearing in mind that the Council accepts that significant development of greenfield land will be required to implement the proposals in the Plan. In addition, the policy confusingly duplicates the protection of features which are addressed more fully in other policies. The policy is unsound and should be deleted (**MMs 114-116**).
193. Policy 25 *Green Infrastructure* overlaps considerably with elements of policy 23 as now proposed. Various parties seek additions to the policy, but those would increase the extent of unnecessary and potentially inconsistent duplication. The Council itself has proposed various additions and changes to the policy and supporting text (J.1, changes 132-136). Whilst some of these may well be improvements, I consider that the policy is not unsound as submitted and so there is no need for me to recommend any changes.
194. Policy 26 *Flood risk management and coastal change* is unsound because neither the policy nor the text refers to the sequential test nor, where applicable, the exception test which are very important elements of national policy and guidance. This can be overcome by the text making clear that the policy is intended to complement national policy in relation to these matters, not replace it. The considerations applicable to development proposals should include the vulnerability of the proposed use. The Council has added to this policy the reference to safeguarding land for flood storage previously in policy 22, which is a logical change (**MMs 137 & 138**).
195. NPPF paragraph 106 states that Local Planning Authorities should identify as *Coastal Change Management Areas* any areas likely to be affected by physical changes to the coast and to set out an appropriate policy framework for such areas. Further advice is given in the Practice Guidance. The present Plan is not the vehicle for site-specific designations of this type and the appropriate policy response is likely to vary depending on the particular circumstances of coastal change in different locations. It will be for NPs to identify particular policies in areas where coastal change is a major factor. As part of **MM138** the Council has proposed that policy 26 should ensure that development takes

account of, and is consistent with, the Shoreline Management Plan (among other plans). I consider that this is all that is necessary in this strategic plan to address this issue.

### **Issue 9 - Whether the remaining policies in the Plan are sound**

196. Policy 27 *Transport and accessibility* sets out general criteria that development proposals should meet and Policy 28 *Infrastructure* seeks the provision of appropriate infrastructure necessary to deliver development. Both these policies are generic in nature and do not refer to any specific projects or site-specific matters. It is not necessary for them to do so. The Plan is accompanied by a very comprehensive schedules of infrastructure, both strategic and for each CNA (J7.1 -J7.21). These identify *Critical, Necessary or desirable* infrastructure/projects.
197. The largest elements of strategic infrastructure are not directly related to specific development proposals in the Plan, but need to be referred to as part of the overall economic strategy (**MM8/4**). Such schemes include the dualling of 2 sections of the A30. Work is already underway on the Temple to Higher Carblake Scheme and the Carland Cross to Chiverton Cross Scheme should be started within the next 5 years. Signalling improvements are planned for the main rail line through the County. Infrastructure relevant to particular towns will need to be reviewed in the light of the specific scale and location of allocations proposed in the SAP. No more detail needs to be included in the present Plan.
198. The wording of policy 27 needs some changes to make clear that most of the criteria are relevant only for major development. An additional criterion is needed to require a safe access, but this should apply to all development and I have amended the published change to make this clear. I see no reason to delete (as proposed by the Council in J.1) the reference to public transport solutions, including Park and Ride - **MM141**.
199. Policy 28 needs some changes to delete an inappropriate reference to the Community Infrastructure Levy (CIL). Explanatory text should be moved out of the policy. The application of this policy will be governed by the CIL Regulations and its practical operation will be limited by the pooling restriction on section 106 contributions for the same item of infrastructure - **MM143**.
200. It is likely that the absence of a local plan and thus of a properly coordinated approach to the scale of development at particular towns has created difficulties in delivering infrastructure improvements in a timely manner. That has contributed to local concerns about the scale of development proposed in the Plan. But the adoption of the Plan will provide the context for progress on the SAP and NPs with more site-specific consideration of infrastructure needs.
201. Some parties highlight that the Royal Cornwall Hospital (RCH) at Trerule, Truro is frequently on *black alert* because demand has reached or exceeds its capacity. However, there are no representations from the relevant hospital trust or other parts of the NHS suggesting that the overall housing requirement in the Plan period should be reduced. The Council's *Strategic Infrastructure Needs Assessment* (J.7.1) lists 4 phases of improvements to the RCH as necessary over the plan-period. Whilst it is clear that additional

resources will be required by the RCH over the plan-period, I do not consider that its present difficulties justify reducing the housing requirement.

202. Policy 1 sets out a *Presumption in favour of sustainable development*. A policy along these lines was sought as a requirement in local plans after the publication of the NPPF as one means of handling the transition to the new approach in that document. It is no longer essential for plans to contain such a policy as the totality of other policies should fully reflect the aims of the NPPF. However, it is not unsound to include the policy, but if included the wording must be consistent with the NPPF.
203. The reference to Supplementary Planning Documents in policy 1 gives them a status which is unjustified. The policy does not address the important circumstance where relevant policies in the development plan are out of date. With changes to address these points the policy is sound (**MM3**). There is no need to expand this policy or include in the Plan a definition of sustainable development, since sustainable development is effectively defined by the approach of the NPPF.
204. Policy 13 *Design* and its supporting text are sound as submitted. The Council had proposed various changes, but these are not required and I have omitted them from the MMs.
205. Policy 15 *Renewable and low carbon energy* includes policy on wind turbines. At submission there were a large number of representations seeking changes to make the policy more restrictive. In response to the Ministerial Statement of 18 June 2015 on *Wind Energy* the Council proposed changes to the policy such that wind turbines would be supported only within an area allocated for such development in a NP. Apart from the inclusion of a reference to noise being a consideration and to clarify references to the setting of the AONB/WHS and of other historic assets, no other changes are required to make this policy sound given that the Plan is intended to be read as whole (**MMs 94 and 95**). Policy 16 seeks to safeguard the performance of renewable energy installations/sites and is sound as submitted.
206. Policy 17 *Health and Wellbeing* seeks to protect human health and promote good health. It is necessary to refer in the policy to the approach to be taken where developments may affect Air Quality Management Areas. Health Impact Assessments should not be a policy requirement, but a tool to be used to explain compliance with the policy and thus referred to in the text only (**MMs 96 & 97**).
207. Given all the above changes, the monitoring section at the end of the Plan needs updating and supplementing to ensure that all the key elements that the Plan indicates are delivery requirements are monitored - **MM225**.

## **Assessment of Legal Compliance**

208. My examination of the compliance of the Plan with the legal requirements is summarised in the table below. I have already explained the changes required in relation to the HRA.

<b>LEGAL REQUIREMENTS</b>	
Local Development Scheme (LDS)	The Local Plan is identified within the approved LDS (February 2016) which indicates expected adoption in Autumn 2016. The Local Plan's content and timing are compliant with the LDS.
Statement of Community Involvement (SCI) and relevant regulations	The SCI was adopted in December 2011 and consultation has been compliant with the requirements therein, including the consultation on the post-submission proposed 'main modification' changes (MM).
Sustainability Appraisal (SA)	SA has been carried out and is adequate.
Appropriate Assessment (AA)	The <i>Habitats Regulations Assessment</i> April 2016 (J25.2) identifies where mitigation measures are necessary to avoid any significant effects on European sites. The Assessment has been agreed with Natural England along with modifications to the Plan to ensure mitigation is achieved. (See paragraphs 19-23 above.)
National Policy	The Local Plan complies with national policy except where indicated and modifications are recommended.
2004 Act (as amended) and 2012 Regulations.	The Local Plan complies with the Act and the Regulations.

## Overall Conclusion and Recommendation

209. The Plan has a number of deficiencies in relation to soundness and legal compliance for the reasons set out above which mean that I recommend non-adoption of it as submitted, in accordance with Section 20(7A) of the 2004 Act. These deficiencies have been explored in the main issues set out above.

210. The Council has requested that I recommend main modifications to make the Plan sound and legally compliant and capable of adoption. I conclude that with the recommended main modifications set out in the Appendix the Cornwall Local Plan Strategic Policies satisfies the requirements of Section 20(5) of the 2004 Act and meets the criteria for soundness in the National Planning Policy Framework.

*Simon Emerson*

Inspector

This report is accompanied by the Appendix containing the Main Modifications