



The Planning Inspectorate

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# Report to South Kesteven District Council

**by David Spencer BA(Hons) DipTP MRTPI**

**an Inspector appointed by the Secretary of State**

**Date: 6 January 2020**

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Planning and Compulsory Purchase Act 2004

(as amended)

Section 20

## **Report on the Examination of the South Kesteven Local Plan 2011-2036**

The Plan was submitted for examination on 15 January 2019

The examination hearings were held between 8 and 30 May 2019

File Ref: PINS/E2530/429/7

## Abbreviations used in this report

AA	Appropriate Assessment
BHPSS	Belton House and Park Setting Study
DIO	Defence Infrastructure Organisation
Dpa	Dwellings per annum
DtC	Duty to Co-operate
ECML	East Coast Main Line
EEFM	East of England Forecasting Model
ELS	Employment Land Study
GCLGS	Grantham Capacity and Limits to Growth Study
GLNP	Greater Lincolnshire Nature Partnership
GSRR	Grantham Southern Relief Road
GTAA	Gypsy & Traveller Accommodation Assessment
HIA	Heritage Impact Assessment
HIF	Housing Infrastructure Fund
HMA	Housing Market Area
HRA	Habitats Regulations Assessment
IDP	Infrastructure Delivery Plan
LCC	Lincolnshire County Council
LDS	Local Development Scheme
LEP	Local Enterprise Partnership
LHN	Local Housing Need (as per standard methodology)
MM	Main Modification
MOU	Memorandum of Understanding
NPPF	National Planning Policy Framework
NWQ	North West Quadrant
OAN	Objectively Assessed Need
PPG	Planning Practice Guidance
PPTS	Planning Policy for Traveller Sites
PWOGB	Prince William of Gloucester Barracks
SA	Sustainability Appraisal
SAC	Special Area of Conservation
SCI	Statement of Community Involvement
SCLGS	Stamford Capacity and Limits to Growth Study
SHLAA	Strategic Housing Land Availability Assessment
SHMA	Strategic Housing Market Assessment
SPA	Special Protection Area
SPD	Supplementary Planning Document
SuDS	Sustainable Drainage Systems
WFD	Water Framework Directive

## Non-Technical Summary

This report concludes that the South Kesteven Local Plan 2011-2036 provides an appropriate basis for the planning of the District provided that a number of main modifications (MMs) are made to it. South Kesteven District Council has specifically requested me to recommend any MMs necessary to enable the Plan to be adopted.

The MMs all concern matters that were discussed at the examination hearings. Following the hearings, the Council prepared schedules of the proposed modifications and carried out sustainability appraisal of them. The MMs were subject to public consultation over a six-week period. In some cases, I have amended their detailed wording where necessary. I have recommended the inclusion of the MMs in the plan after considering all the representations made in response to consultation on them.

The main modifications can be summarised as follows:

- Increasing the objectively assessed need (OAN) for housing from 625 dwellings per annum (dpa) to 650dpa to more appropriately respond to market signals. The revised OAN will apply from 2016/17 onwards.
- A revised housing trajectory to reflect the following:
  - (i) the amended OAN;
  - (ii) earlier delivery on a number of the allocated sites;
  - (iii) increased capacities at Wilsford Lane North - Ancaster, Low Road - Barrowby and Linchfield Road - The Deepings;
  - (iv) increased supply within the plan period at Prince William of Gloucester Barracks allocation in Grantham from 500 homes to 1,775 homes including a deliverable supply of 175 homes by 2023/4;
  - (v) the re-allocation of employment land at Manning Road, Bourne; and
  - (vi) application of the 'Liverpool' method in addressing the shortfall since 2011.
- Site-specific policy content for the strategic employment site at the Southern Gateway, Grantham and the enlargement of the allocation from c.106ha to c.119ha.
- A policy commitment to undertake an early plan review to address, amongst other things: (i) latest needs of gypsies and travellers; and (ii) an updated assessment of employment land requirements; and (iii) changing circumstances in local housing need.
- A separate, lower affordable housing requirement (20%) on qualifying sites within a defined Grantham Urban Area, to better reflect viability evidence.
- A range of other alterations necessary to ensure the plan is positively prepared, effective, justified and consistent with national policy.

## Introduction

1. This report contains my assessment of the South Kesteven Local Plan 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. It then considers whether the Plan is sound and whether it is compliant with the legal requirements. The National Planning Policy Framework 2012 (paragraph 182) makes it clear that in order to be sound, a Local Plan should be positively prepared, justified, effective and consistent with national policy. The revised National Planning Policy Framework was published in July 2018 and updated in February 2019. It includes a transitional arrangement in paragraph 214 whereby, for the purpose of examining this Plan, the policies in the 2012 Framework will apply. Unless stated otherwise, references in this report are to the 2012 Framework.
2. The starting point for the examination is the assumption that the local planning authority has submitted what it considers to be a sound plan. The South Kesteven Local Plan 2011-2036 submitted on 15 January 2019 is the basis for my examination. It is the same document as was published for pre-submission consultation in June 2018.

## Main Modifications

3. In accordance with section 20(7C) of the 2004 Act the Council requested that I should recommend any main modifications (MMs) necessary to rectify matters that make the Plan unsound and thus incapable of being adopted. My report explains why the recommended MMs, all of which relate to matters that were discussed at the examination hearings, are necessary. The MMs are referenced in bold in the report in the form **MM1**, **MM2**, **MM3** etc, and are set out in full in the Appendix.
4. Following the examination hearings, the Council prepared a schedule of proposed MMs and carried out sustainability appraisal of them. The MM schedule was subject to public consultation for six weeks. I have taken account of the consultation responses in coming to my conclusions in this report and in this context, I have made some amendments to the detailed wording of the main modifications and added consequential modifications where these are necessary for consistency or clarity. None of the amendments significantly alter the content of the modifications as published for consultation or undermine the participatory processes and sustainability appraisal that has been undertaken. Where necessary I have highlighted these amendments in the report.

## Policies Map

5. 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 identified as South Kesteven Proposed Submission Local Plan 2011-2036 District Policies Map and Inset Policies Maps as set out in examination documents CD1b and CD1c.

6. 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, a number of the published MMs to the Plan's policies require further corresponding changes to be made to the policies map. In addition, there are some instances where the geographic illustration of policies on the submission policies map is not justified and changes to the policies map are needed to ensure that the relevant policies are effective.
7. These further changes to the policies map were published for consultation alongside the MMs as the 'Schedule of Proposed Policies Map Modifications' (September 2019). 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 to include all the changes proposed in the 'Schedule of Proposed Policies Map Modifications' published alongside the MMs.

### **Habitats Regulations**

8. On submission the plan was accompanied by a Habitats Regulations Assessment (HRA) screening report. This concluded that the policies and proposals of the Plan, in combination with other relevant plans and projects, would not result in a likely significant effect on any protected European sites both within the District as well as within a 15-kilometre radius from its boundaries. There was no objection to this approach or these conclusions, including from Natural England.
9. In light of the 2018 judgement of the Court of Justice of the European Union in the case of *People Over Wind, Peter Sweetman v. Coillte Teoranta*, the submitted HRA screening report required further clarity on whether or not mitigation had been factored into the screening stage to reach the conclusion of no likely significant effect. In April 2019 the Council produced a comprehensive update of its HRA report [EX/SKDC/23] including a revised screening that likely significant effects relating to recreational pressure on Rutland Water Special Protection Area (SPA) and Barnack Hills and Holes Special Area of Conservation (SAC) and issues of water quality more generally could not be unequivocally ruled out. Given the uncertainty a more precautionary approach was adopted. This resulted in an appropriate assessment of a small number of district-wide policies and those plan proposals at Stamford and Langtoft proximate to the SPA and SAC.
10. The more detailed appropriate assessment, having regard to existing measures to avoid and mitigate effects from recreational pressure and water quality, identifies that there is not a requirement for specific mitigation to be embedded in the plan. As such the updated HRA has been able to draw a conclusion that the policies and proposals of the Plan, either alone or in combination with other plans and projects, would not result in significant adverse effects on SPA and SAC site integrity.
11. The Greater Lincolnshire Nature Partnership (GLNP), which includes Natural England, has worked collaboratively with the Council to agree further additional text to Policy EN2, as set out in the updated HRA, so that the plan clarifies that project level appropriate assessment may be required where individual development proposals are likely to result in a significant adverse

effect on the integrity of European sites. **MM34** would do this and I recommend it for effectiveness and consistency with national policy.

12. The proposed MMs have been subject to HRA and a conclusion reached that they will not have a likely significant effect on Natura 2000 sites or affect the previously reached HRA conclusions. This is endorsed by Natural England.

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

13. Section 20(5)(c) of the 2004 Act requires that I consider whether the Council has complied with any duty imposed on it by section 33A in respect of the Plan's preparation. The Council's Duty to Co-operate Statement details the strategic cross-boundary issues of relevance to the plan's preparation, including housing, jobs, provision of infrastructure, climate change and conservation/enhancement of the natural and historic environments.
14. The statement identifies the bodies with whom the Council sought to co-operate in preparing the plan, including neighbouring authorities, Local Enterprise Partnerships (LEPs) and various statutory organisations including Lincolnshire County Council (LCC), Natural England, Highways England and the Environment Agency. The statement details the engagement that has taken place and the outcomes. This includes amongst other things, the 2014 Strategic Housing Market Assessment (SHMA) for the Peterborough Sub-Region and the subsequent 2017 SHMA update.
15. The 2017 SHMA update is accompanied by a memorandum of understanding (MOU) signed in March/April 2017 by all four constituent housing market area (HMA) authorities. The MOU agrees the objectively assessed housing need for the market area and identifies that the need for each component authority can be met within its administrative area. Matters have changed since the plan was published in that Peterborough elected through their 2018 plan examination to move from OAN to the latest Local Housing Need (LHN) figure. The assertion is that there is now a consequential degree of unmet need in the HMA by virtue of Peterborough's marginally lower LHN figure.
16. A suggested update of the SHMA MOU has not been submitted; however, this is not fatal to demonstrating the required co-operation. No neighbouring HMA authority has objected that there is an unmet need that South Kesteven should address or that, following Peterborough's late change in approach, there has been a subsequent lack of co-operation on the part of South Kesteven to remedy any HMA wide housing need deficit. At a time of sanctioned transition between housing need methodologies it is conceivable that local plans within the same HMA, at varying stages of preparation/examination, may not precisely align on meeting an aggregate need. South Kesteven on submission had not deviated from the extant, signed MOU and so in this regard the duty to co-operate had been complied with.
17. A key strategic cross-boundary matter is the significant degree to which Stamford is encircled by neighbouring authorities (Rutland, East Northamptonshire and Peterborough). Reasonable options to sustainably expand the town to any appreciable degree within South Kesteven's administrative boundaries are focused to the north. Delivering land to the north of Stamford would require adjoining land in Rutland's administrative

area to enable access and a comprehensive development as part of any wider 'Stamford North' urban extension. Consequently, a development of 650 homes at Quarry Farm in Rutland is seen as part of meeting South Kesteven's housing need through a sustainable strategic urban extension to Stamford.

18. It is evident that work is well-advanced in progressing a memorandum of co-operation and a development brief for the strategic cross-boundary site at the time of plan submission. It is also clear from shared evidence bases (for example the joint Infrastructure Delivery Plan 2018) that both authorities are working co-operatively on this strategic planning matter. Rutland County Council has included land at Quarry Farm as part of the wider Stamford North proposals in two initial consultations on the emerging Rutland Local Plan (RLP). Emerging Policies RLP3 and RLP13 are unambiguous that development in this part of Rutland is a response to meeting South Kesteven's housing needs through a comprehensive strategic extension to the town.
19. In conclusion, 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.

## **Assessment of Soundness**

### **Main Issues**

20. Taking account of all the representations, the written evidence and the discussions that took place at the examination hearings I have identified 8 main issues upon which the soundness of the Plan depends. Under these headings my report deals with the main matters of soundness rather than responding to every point raised by representors.

### **Issue 1 – Does the Plan provide the most appropriate basis for meeting the District's housing and employment needs in order to sustain balanced communities over the plan period, including a justified spatial strategy?**

#### *Establishing housing need*

21. The latest update in the 2017 SHMA for the Peterborough HMA advises that the OAN for South Kesteven, when applying the government's 2014-based household projections, should be 625 dwellings per annum (dpa). The submitted plan recognises that under the new standard methodology the annual LHN figure for the District is projected to increase (currently 767dpa on latest 2019 basis).
22. The Peterborough Local Plan (within the same HMA) adopted a standard methodology LHN figure during its examination in 2018/19, which gave a marginally lower need compared to the SHMA's OAN. Elsewhere within the HMA, South Holland's SHMA OAN was found sound in 2019. Rutland's Local Plan has yet to be submitted and therefore will be examined against an emerging lower LHN figure. At an aggregate level housing need across the HMA when applying either the OAN or the standard methodology LHN are relatively similar at 2,209dpa and 2,259dpa respectively.
23. Meeting HMA need, by either method, relies on authorities adopting the higher component figure for their area to achieve the 2,200-2,250 targets. Based on

the figures before me, when looking at OAN, which remains the valid method for this examination, the HMA shortfall, including South Kesteven's submitted 625dpa, would be in the region of 40dpa<sup>1</sup>. This is a relatively modest figure and to be regarded as an acceptable consequence of the transitional arrangements. It is not necessary for soundness that this plan adopts either the higher standard methodology figure or a hybrid housing need figure as plans within the HMA come forward under both permissible methods for assessing housing need.

24. The approach in the plan to address the gap between the lower OAN figure and the emerging higher standard methodology figure is to boost the supply of housing land. Whilst this is a sound approach, it is evident on current figures that the degree of difference between the SHMA's OAN and the standard methodology figures is most pronounced in South Kesteven compared to other HMA authorities. Against this context, paragraph 153 of the NPPF advises that plan review (either in whole or in part) can be mechanism to respond flexibly to changing circumstances. This report sets out elsewhere that there are justified reasons for an early plan review and a main modification is set out in Issue 8 below. The timing of the review would enable the Council to respond, if as currently expected, the evidence on local housing need is to change significantly. Housing Market Area
25. The original 2014 Peterborough SHMA report includes detailed analysis of house prices, migration patterns and travel-to-work (commuting) areas. Its conclusion that the best fit of the HMA to local authority boundaries comprises Peterborough, Rutland, South Holland and South Kesteven is reasonable. Whilst this analysis is of some age, there is very little to substantiate that in defining the HMA links between parts of South Kesteven and the wider Cambridge sub-regional housing market area (which also includes Peterborough) have been under-estimated. Overall, I find the HMA has been appropriately defined.

#### *Demographic Starting Point*

26. The Planning Practice Guidance (PPG) at paragraphs 2a-015 and 2a-017 is clear that household projections published by the government should provide the starting point for estimating overall housing need and should be considered statistically robust and based on nationally consistent assumptions. The PPG advises at paragraph 2a-016 that where possible, local needs assessments should be informed by the latest available data. Analysis of the 2016-based projections from the Council shows little variance from the 2014-based projections. Overall, the SHMAs assessment using the 2014-based household estimates is a sound starting point.
27. Evaluation of the household projections and applying an adjustment for vacant homes, shows an initial need for 601dpa in South Kesteven. In contrast to all other authorities in the HMA where net migration informs an appreciable upwards adjustment to the demographic starting point, analysis of the 10-year migration trends in South Kesteven reveals a decrease in housing need down to 569dpa. In an overall HMA context this decrease (32dpa) can reasonably

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<sup>1</sup> See Table at paragraph 1.2 in May 2019 update of Topic Paper 2

be described as minor and should be seen in the wider context that when adjustments are consistently made for 10-year migration data (as per South Holland's recent Inspector's Report) the overall demographic starting point for the wider HMA is notably above the 2014-based household projections. There is no persuasive evidence of notable suppression of newly forming households in the 25-44 age groups in South Kesteven. On this basis the downwards adjusted 569dpa is to be considered a sound demographic starting point.

*Adjustments to the demographic starting point*

28. The PPG at paragraph 2a-018 advises that adjustments can be made to ensure that the scale of housing being planned for provides a sufficient working age population to support economic forecasts for the area. Allied to this is the need to avoid unsustainable commuting patterns and to ensure the resilience of local businesses. The East of England Forecasting Model (EEFM) estimates a net jobs growth of 6,400 in South Kesteven over the period 2015 to 2036. Commuting ratios have been held constant and the SHMA also makes reasonable allowances for double jobbing.
29. Across the HMA the demographic projections would provide sufficient workforce growth to meet the EEFM forecast. The exception is South Kesteven where analysis in the SHMA identifies a need to uplift population growth to ensure alignment between jobs and the resident labour supply. The SHMA recommends that the uplift to housing need, when factoring-in economic activity rates, is adjusted upwards to 616dpa (Figure 3.15, p61), an increase of 47dpa. Overall, this is a considered response to the jobs growth that is reasonably expected to occur. It is also worth bearing in mind that whilst the EEFM provides a reasonable starting point on likely number of future jobs, both the Council and the LEP have robust economic ambitions for the area that signal a commitment for a step-change on past employment activity. There is also the need to ensure that existing levels of out-commuting (particularly in the southern parts of the District) do not become exacerbated and that self-containment improves. Taking this all into account the proposed adjustment to 616dpa is justified in ensuring that the OAN positively supports, as a minimum, the EEFM estimated level of job growth.
30. At the time of the SHMA update in 2017 the analysis of the market signals concluded that there was no strong case for a further uplift although it noted an increase in the number of concealed households equating to an increase in the level of housing need of 54dpa across the HMA, of which it is recommended 8dpa would be apportioned to South Kesteven. However, since the SHMA was published in early 2017, it is evident that market signals in South Kesteven in relation to house prices and in turn purchase and rent affordability ratios to incomes have worsened to a point where a modest uplift can be reasonably considered. Consequently, the submitted OAN is no longer sound in only making a very small adjustment for concealed households, this being neither justified, effective nor positively prepared.
31. Establishing future housing need is not an exact science and there is no precise formula or method in the PPG for market signals. I am also mindful that an adjustment has already been made for future jobs, which would simultaneously improve affordability to some degree. Accordingly, some caution is required to avoid multiple adjustments that would bluntly compound

to over-estimate need rather than subtly combine to a point that better reflects actual need. An uplift in the 5-6% bracket (30 to 36dpa) based on similar adjustments made to local plans with comparable market pressures has been considered. Broadly, a mid-point figure in this range, when added to 616dpa, would result in a revised OAN of 650dpa. This would be a positively prepared, justified and effective response to the latest market signals evidence, would realistically improve affordability, and as such I recommend the adjustment. **MM1, MM3, MM4, MM10, MM11** and **MM15** would all make clear at relevant parts of the plan that the soundly based OAN is 650dpa and I recommend them all accordingly.

32. Other than the adjustments for future jobs and market signals, there are no specific local circumstances that indicate that the OAN for South Kesteven should be adjusted further.

#### *Conclusion on Housing Need*

33. On most aspects of calculating housing need the 2017 SHMA represents a robust evidence base, however, in respect of latest housing market signals, the 625dpa OAN would not be sound. Consequently, the OAN from 2016/17 onwards (to align to the availability of the 2014 based projections) needs to be increased to 650dpa as set out above and reflected in the consequential MMs.

#### *Housing requirement*

34. The housing requirement in the submitted plan was based on a continuous 625dpa over the plan period (2011-2036) equating to 15,625 dwellings. Given the need to modify the OAN this would not be a justified or effective approach and is therefore unsound. The modified OAN of 650 dwellings is a response to the 2014-based household projections and the evidence of worsening market signals since 2016. Consequently, it would not be appropriate to retrospectively apply this adjusted need to the early part of the plan period (2011-16). Accordingly, the housing requirement should be stepped so the trajectory is measured against an annual requirement to deliver 625 homes over the first five years of the plan period and then rising to a continuous annual requirement of 650 dwellings over the remainder of the plan period from 2016/17 onwards. Cumulatively, the housing requirement over the plan period on this basis would increase to 16,125 dwellings. I therefore recommend this higher housing requirement for the plan period as being necessary for effectiveness, positive preparation and consistency with national policy. **MM1, MM3, MM5, MM10, MM11** and **MM15** would all make clear at relevant parts of the plan that the sound housing requirement to be planned for is 16,125 dwellings and I recommend them all on this basis accordingly.
35. The 2014 SHMA identifies (at Table 51) an annual need for 343 affordable dwellings as part of the overall need to balance the housing market in South Kesteven through a variety of housing products. The latest 2017 SHMA partial update (Figure 4.8) points to a reducing affordable housing need in main part due to rising income levels. Nonetheless, affordable housing demand represents a significant proportion of the 650dpa OAN. The plan's submitted approach of 30% affordable housing provision (including a modified 20% for the Grantham Urban Area) on qualifying sites is not, on its own, going to meet

affordable housing need in its entirety. That is not a unique circumstance to South Kesteven, but I am required to consider whether the housing requirement should be increased to secure further affordable housing delivery.

36. I have been directed to the recent recommendations from the examination of the adjoining South East Lincolnshire Local Plan where a 5% uplift to the housing requirement was required in response to the need for affordable housing. It does not necessarily follow that a policy uplift in one part of the HMA should be applicable in another part depending on the particular circumstances that prevail in each respective authority. In contrast to South East Lincolnshire, it has been necessary to uplift the OAN in South Kesteven by a similar figure (5-6%). This will improve both affordability and meeting the need for affordable housing.
37. The plan would also positively allow for wholly affordable housing developments (Policy SP4) at the edge of settlements. There is also no policy content that would inhibit the principle of such schemes coming forward as appropriate infill development (Policy SP3). Consideration also needs to be given to the practicality and wider sustainability of increasing the housing requirement at this time. Delivery since 2011/12 has generally lagged behind the submitted 625dpa figure, including some years where delivery has been as low as 428dpa. Whilst there are now signs of performance improving, an OAN of 650dpa (with 20% buffer for choice and competition and a degree of shortfall to recover) is in the short term a realistic and positive ambition for boosting sustained housing delivery.
38. In coming to this view, I have also had in mind paragraphs 35 and 36 of the Elm Park High Court decision [EX/SKDC/33] which state that very often attempting to meet the affordable housing need will result in a figure which the planning authority will have little or no prospect of delivering in practice due to the reliance on the delivery mechanism being a proportion of open market schemes. Affordability, through market signals, is addressed in the full OAN to establish the need for both market and affordable housing. It is a consideration, not an obligation, as to whether the housing requirement should be increased to deliver affordable homes.
39. In the case of South Kesteven, I am not persuaded that increasing the housing requirement further to yield additional affordable housing would be either deliverable or sustainable in the short term. It may well dilute the required focus on a number of long-standing urban extension sites that form part of the most appropriate strategy to secure a sustainable pattern of growth. Once early key infrastructure is in place, the plan makes provision for an appreciable over-supply of housing land in the medium to long term which will include an element of affordable housing delivery, as well as providing a greater degree of resilience in the event that one or more sites might not come forward at the rate anticipated.
40. There are no other local circumstances that indicate that the housing requirement should be other than the OAN. As submitted Policy SP1 introduces some ambiguity around planning for a housing growth that would be approximately 13% above the minimum OAN. For the plan to be effective, it needs to be made clear that this is not a policy adjustment to the plan's housing requirement but a reflection of the degree of over-provision in land

supply. As a consequence of recommended MMs elsewhere, the 13% land supply over-provision figure would change to 18% when taking account of the higher OAN. **MM10** and **MM11** would clarify SP1 and text elsewhere in the plan to address this soundness matters and make the plan effective and so I recommend them accordingly.

### *Conclusion on Housing Requirement*

41. In summary, subject to the above-mentioned modifications, the plan's housing requirement would be soundly based.

### *Employment needs*

42. As set out above the principal econometric forecasting is the EEFM output of 6,400 net jobs (2015-2036). In light of the evidence contained in the Council's Economic Development Strategy 2016-21 and the Greater Lincolnshire LEPs Strategic Economic Plan 2014-30, there are credible signals that this should be regarded as a prudent outlook on the economic potential of South Kesteven. The evidence includes, amongst other things, the establishment of InvestSK as a wholly-owned company of the Council to lead on an ambitious economic growth agenda, recognising the need to intervene and take a positive grip on promoting the district and enticing investment.
43. The 2015 Employment Land Study (ELS) recommends de-allocating and retaining a number of employment sites across the District and identifying a need for additional employment land within a range of 47 to 79 hectares. The submitted plan effectively doubles this to circa 155 hectares. I deal with employment land in more detail under issue 6 below but at a strategic level, however, I do not find the proposed scale of over-provision to be in-principle unsound. There are 3 compelling reasons which lead me to this view.
44. Firstly, the ELS is of some vintage, drawing on data from 2005-2012. It pre-dates more up-to-date evidence including, amongst other documents, the refreshed LEP Strategic Economic Plan to 2030 and future growth potential identified in the Council's Managed Workspace Assessment report (2016). Whilst the ELS at Section 6.7 looks to various factors that may instigate a step-change in land requirements I find the ELS relatively cautious, especially given the shifts to larger logistic and warehouse operations which South Kesteven is well-positioned to accommodate. To pause the examination to produce an update of the ELS would take a considerable amount of time. The judicious way forward would be to acknowledge that the proposed early plan review, already recommended in respect of housing need, also needs to be informed by and respond to updated evidence on employment land demand. What is clear in the short term is that this plan will not constrain jobs growth. I return to a recommendation on plan review in Issue 8 below.
45. Secondly, there is cogent evidence of market demand in the District, including the realistic prospect for sizeable premises for the logistics sector. Past take-up rates of employment land are not to be treated as a reliable barometer for future land requirements. South Kesteven, and Grantham in particular, is well-placed on the A1 and East Coast Main Line (ECML) corridors to accommodate demand, including that potentially displaced from proximate locations where land supply is becoming saturated. The principle of the Grantham Southern Gateway as a sub-regionally significant employment area

at the nexus of the A1 and GSRR represents a significant and soundly-based strategic employment land opportunity. It is also important to take into account the evidence published alongside the ELS of the potential to relocate existing businesses within predominantly residential areas of Grantham (for example Alma Park). New high-profile sites better related to the A1 are likely to enable this. As such, it would seem prudent to err on the side of flexibility to support latest strategies and ambitions for economic growth rather than cut the cloth of employment land supply too tightly.

46. The submission that such an over-provision of employment land would harmfully dilute focus and delivery ignores the fact that the spatial strategy at Policy SP1 squarely focuses the over-provision at Grantham for the reasons set out above. The same does not apply elsewhere, including the 3 market towns, where the spatial strategy, settlement hierarchy and employment site policies soundly align to identify more modest scales of employment land better related to the need to sustain balanced communities.
47. Thirdly, the ELS summarises at pages 52-53 a number of factors that could create a step-change in demand compared to historical rates. These include the LEPs ambition to deliver 140ha of employment land in the District, increased demand for logistics uses and implementation of the GSRR. All of these factors are now coming to fruition, pointing to the need to avoid potentially constraining economic potential through appreciable de-allocations of proposed employment land. As such the spatial strategy as it relates to employment is sound.

#### *Conclusion on employment requirements*

48. Overall, the plan's spatial strategy to focus a significant scale of employment land provision at Grantham and to maintain a healthy employment land supply at other locations within the settlement hierarchy strikes the required balance between aspiration and realism. The plan will not inhibit economic growth in the short term. The degree of over-provision of employment land above the forecasts in the dated ELS is best revisited through updated strategic evidence on employment land that reflects: (1) ongoing monitoring of the plan; and (2) the latest strategies and programmes of the LEP, InvestSK and others. This is best done through the proposed MM for an early plan review (see Issue 8).

#### *Spatial Strategy*

##### *Securing sustainable development*

49. The plan has been prepared in the context of the NPPF's presumption in favour of sustainable development and assessed for consistency against the NPPF for soundness including paragraph 14 of the NPPF in respect of plan-making. Accordingly, it would not be necessary or effective to repeat the NPPF's presumption as proposed at Policy SD1 of the plan. I therefore recommend **MM8** which would remove the policy.
50. Policy SD2 is an overarching policy that seeks to ensure the principles of sustainable development are addressed when development proposals are drawn-up. It is consistent with the fundamental purpose of the planning system as set out at paragraphs 6-10 of the NPPF. It is also a critical policy in ensuring the plan accords with the legal requirements under the Climate

Change Act 2008 to reduce carbon dioxide emissions. The Council has signalled its commitment to preparing a Design Supplementary Planning Document (SPD) which would present an opportunity to clarify how to make successful applications in accordance with Policy SD2 as per paragraph 153 of the NPPF. There is also a need to include policy content on the need to avoid pollution as part of securing sustainable development. **MM9** would introduce an additional criterion on this specific point and I recommend it for effectiveness and consistency with national policy.

*The broad location of development*

51. The plan's spatial strategy to focus growth to the major town of Grantham and then to the other towns and some larger villages is an entirely appropriate response to deliver a sustainable pattern of development in the context of the need to boost the local economy, deliver homes, support the sustainability of communities, maximise sustainable travel options and to conserve and enhance the natural and historic qualities of what is predominantly a rural district. On submission the plan distributed 50% of the housing growth and 75% of employment land growth to Grantham, 20% of housing growth to Stamford and smaller proportions to the other towns and 10% collectively to larger villages. In broad terms this is a reasonable distribution, justified by the evidence including capacity studies for Grantham and Stamford, the Settlement Hierarchy Report and SA.
52. As a consequence of MMs recommended elsewhere, Grantham's proportion would increase to 53% with the share of housing growth to Stamford and smaller villages falling only very marginally. For smaller villages the proportion is 4% which is appropriate for this tier of the settlement hierarchy and would comprise completions to date, existing planning permissions and a windfall allowance. The windfall allowance is an estimate and any schemes would still need to conform with the policies of the plan. It would not be appropriate to specify that the 4% should be met evenly across all 60 smaller villages identified given the variance in character and conditions in each settlement to sustainably accommodate additional small-scale infill development. **MM15** would reflect the amended and up-to-date breakdown of how the housing need would be delivered by spatial strategy settlement tier and I recommend it so that the plan would be justified and effective.
53. To deliver the homes and jobs needed the plan is justified in pursuing a strategy to allocate greenfield sites at the edge of existing towns and larger villages and supporting the effective use of previously-developed land where this becomes demonstrably deliverable. As submitted, however, Policy SP1 does require two further important qualifications in order to be justified, effective and consistent with national policy and therefore sound. Firstly, to make clear that some previously-developed sites may not be appropriate for development. Secondly, to reflect the NPPF at paragraph 112 that account should be taken of best and most versatile agricultural land and the preference to direct development to areas of poorer quality land. This is pertinent in South Kesteven where there are pockets of Grade 1 land as well as appreciable areas of Grade 2 and 3a land. **MM11** would appropriately address both soundness issues within an amended Policy SP1 and I recommend it accordingly.

54. Through a combination of sustainability appraisal, infrastructure planning and the detailed Grantham Capacity and Limits to Growth Study, it is justified and effective that the plan strengthens Grantham as a sub-regional centre in this part of Lincolnshire, capitalising on its location on the ECML railway and A1 road corridor. Committed investment in the Grantham Southern Relief Road (GSRR) further supports the spatial strategy's identification of Grantham as a focal point for growth. The requirement in Policy SP2 (Settlement Hierarchy) that the majority of housing and employment development will be focused in Grantham, including through large scale urban extensions, would be justified and effective in securing delivery. It would also be consistent with NPPF paragraph 52 which states that large scale urban extensions can often represent the best way of achieving the supply of new homes.
55. Elsewhere, it is reasonable that the 3 towns of Stamford, Bourne and The Deepings have a positive and significant role in delivering homes and jobs over the plan period, capitalising on their greater potential to sustain themselves as balanced communities as well as serving a wider rural hinterland. In terms of distribution it is justified that Stamford as the largest of these 3 towns with railway and A1 connectivity and relatively modest rates of growth in recent years takes a more positive role and greater share of growth through new allocations over this plan period. The Stamford Capacity and Limits to Growth Study 2015 and more recent infrastructure planning clearly identifies sustainable options for growth, including through a new urban extension.
56. In the case of Bourne, a significant amount of housing has been delivered since the start of the plan period, with the 1,339 completions being on par with the 1,379 homes delivered at Grantham in the same period. Further substantial volumes of housing remain to be completed at Elsea Park in Bourne (approximately 600 dwellings). The plan at Policy BRN.1, proposes a modest amount of additional housing growth for the town (200 dwellings) to be determined through an emerging neighbourhood plan. I deal with the amount of growth to be determined through a neighbourhood plan separately under Issue 2 below. The principle, however, of assigning a growth level to a neighbourhood plan is consistent with national policy and would be a justified and effective response to the evidence that the neighbourhood plan area for Bourne is already established. There is a reasonable prospect that within the next couple of years a locally endorsed neighbourhood plan will be part of the adopted development plan. However, should this prove not to be the case, I am satisfied that development in Bourne in the short term will not, in any event, come to a halt due to Elsea Park and other sites.
57. Across the district there are a number of larger villages with a reasonable level of services and accessibility. These have been systematically assessed against recognised criteria, principally through the 2017 Settlement Hierarchy Report. As a result, Policy SP2 appropriately identifies 15 larger villages where it would be reasonable to allocate a moderate level of development to provide further housing choices at locations where there are existing levels of day-to-day services. Notwithstanding the proximity of some villages to neighbouring towns in other districts I am satisfied that no obvious candidate settlements have been omitted from the larger villages tier. Collectively, the scale of housing allocation at the larger villages tier is just over 1,000 dwellings. As submitted Policy SP1 on spatial strategy is silent on the considerable role larger villages would play in meeting development needs. This is neither

justified or effective and therefore unsound. **MM11** would address this by underlining the significance of larger villages in the overall spatial strategy and I recommend it accordingly.

58. The inclusion of Barrowby as a larger village for growth is disputed but I find the assessment in the Settlement Hierarchy Report to be robust. The proximity of shops and facilities on the western side of Grantham within reasonable walking and cycling of Barrowby offsets any concerns regarding the scale of the post office /shop in the village. Primary School capacity in the village is limited but additional school provision in adjacent Grantham (already coming on stream at Poplar Farm) may reasonably provide part of a pupil planning strategy. Whilst parts of Barrowby retain a village character, other parts are only segregated from Grantham by the A1 and the adjoining corridor for the national grid pylons. This situation is now being consolidated by recently approved housing developments in Barrowby parish east of the A1. There is not a reasonable basis on character grounds to preclude Barrowby from the larger villages tier.
59. The settlement hierarchy at Policy SP2 supports proportional additional development at the larger villages tier in addition to the plan's proposed allocations. In contrast to the approach for Grantham and the market towns there is no qualification that any such additional development should not compromise the nature and character of these villages. This is not justified, effective or consistent with national policy and therefore would not be sound. **MM12** would introduce necessary consistency within Policy SP2 in accordance with the core planning principle of taking account of the different roles and characters of different areas.
60. Elsewhere the spatial vision appropriately identifies smaller villages as locations to meet local needs and support local services and employment. In a predominantly rural district, the various smaller villages could cumulatively contribute in a modest way to meeting the District's needs through further infill development (Policy SP3) and at the edge of settlements (Policy SP4) including rural exceptions sites for affordable housing. The absence of any reference to smaller villages in the settlement hierarchy would result in an ineffectiveness when implementing the plan.
61. To resolve this soundness matter, the Council has produced a comprehensive addendum to the Settlement Hierarchy Report which applies a cogent process to identify 60 logical settlements within this tier. The criteria and thresholds applied are reflective of local circumstances in South Kesteven and do not need to be drawn more loosely to include very small hamlet scale settlements. The policies of the plan would facilitate only very limited development at these smaller villages and subject to precise criteria. Whilst a broad range of settlements are included in this tier that is not a justification to lower the threshold for the 'larger villages' tier to include better performing smaller settlements that nonetheless do not have all the necessary sustainability credentials to support planned growth. Consequently, **MM12** would introduce the smaller villages tier into the settlement hierarchy at Policy SP2 and I recommend it so that the plan is justified and effective.
62. As submitted the plan does not articulate the spatial strategy in accordance with paragraph 157 of the NPPF by way of a key diagram that shows the broad

locations for strategic development. **MM7** would introduce a key diagram and I recommend it for effectiveness and consistency with national policy.

63. In addition to the proposed settlement hierarchy and the positive allocation of land for housing and employment, it is important to note there are no settlement boundaries as a development management tool. Consequently, the plan includes Policies SP3 and SP4 as part of an essentially permissive framework for infill and edge of settlement development respectively. In order to secure a sustainable pattern of development, it is necessary to clarify that Policies SP3 and SP4 apply to those locations identified in the settlement hierarchy in Policy SP2. **MM13** and **MM14** would do this and I recommend them for effectiveness.
64. Policy SP3 on infill development includes some specific text which is open to interpretation, for example: 'substantially built-up frontage' and 'the main built-up part of the settlement'. Supporting text to the policy provides some guidance on the likely scale of development envisaged through infill development in the small villages (developments of up to 3 dwellings). This is only a steer, is worded so as not to be prescriptive and given the very rural character of these settlements it is a reasonable guide. To assist the submission of successful applications the proposed Design SPD could helpfully clarify the interpretation of Policy SP3. I therefore recommend **MM13** in terms of relating Policy SP3 to the forthcoming SPD for effectiveness.
65. Turning more specifically to the mechanics of Policy SP4 (development on the edge of settlements), the policy is to be read as an accommodating attempt to facilitate a modest scale of locally needed development at the edge of existing settlements where circumstances are conducive to do so. These matters can be controversial but contrary to the submissions that the policy is too restrictive, I find it strikes an appropriate balance in a plan-led system where there is a demonstrable supply of deliverable housing and employment land at higher tier settlements. It is also important to bear in mind that that Policy SP4 applies to all proposals (community facilities, employment, infrastructure, homes for local people etc). In my view, there is a misconception that Policy SP4 is about facilitating considerable additional housing proposals. References are made to content of the 2019 NPPF, for example entry-level exception sites, and consistency with Policy SP4. This is a transitional matter and so it is not necessary for soundness against the 2012 NPPF to modify the policy, recognising that the 2019 NPPF will be a significant material consideration when operating the adopted plan.
66. A chief concern is that the policy sets too high a bar in that edge of settlement proposals must demonstrate local community support through public consultation and/or town or parish council feedback. This criterion, however, appropriately reflects the principle of localism now embedded in neighbourhood planning. It is an entirely appropriate provision for locations where, ordinarily, communities may reasonably expect development not to take place. I see nothing inherently unsound in community support being part of the basis for what are exceptional circumstances. I have been referred to a similar policy in the recently adopted Central Lincolnshire Local Plan and whilst the effectiveness of that policy is disputed, Policy SP4 in this plan should be given time to be implemented and its effectiveness monitored. Whilst the principle of the policy is sound there is a need to make Policy SP4 effective in

terms of its implementation. I therefore recommend **MM14** which would introduce a clearer definition of what would constitute community support at criterion (a) of the policy and clarification of criterion (c) would include areas adjacent to site allocations in the development plan. Both amendments are necessary for effectiveness.

#### *Overall Conclusion on Issue 1*

67. In conclusion, and subject to the main modifications set out above, the plan would provide the most appropriate strategy for meeting the District's housing and employment needs in order to sustain balanced communities over the plan period. It would do so through the most appropriate spatial strategy.

### **Issue 2 – Are the housing allocations including strategic urban extensions at Grantham and Stamford, justified and effective?**

#### *Site Selection Process - General*

68. The plan is underpinned by a comprehensive site selection process, over several years, which includes a Strategic Housing Land Availability Assessment (2015) (the SHLAA), an early call for sites in 2015 to supplement SHLAA data, initial testing through a 'Sites and Settlement' consultation in 2016 and key evidence documents such as the Grantham and Stamford capacity studies. A total of 333 potential sites have been assessed using an approach consistent with paragraph 157 of the NPPF and paragraph 3-006-20140306 of the PPG. A number of the sites that have been appraised have been carried forward from the 2010 Core Strategy and the 2014 Site Allocations Plan.
69. In total there have been five sieves of the prospective sites (neatly summarised in Topic Paper 1 on site selection). These have applied recognised approaches around suitability, availability and achievability as set out in the Site Assessment Methodology Report 2016. The various stages of consultation on the draft plan have informed the sieving process as well as the various updates to the technical evidence as the plan preparation has advanced. The site selection process is also embedded in Sustainability Appraisal, notably in the Technical annex. There are invariably disputes about the scoring and appraisal of individual sites but there is nothing to substantiate that the site selection is fundamentally flawed, or that inherently more sustainable options have been erroneously overlooked or discounted. Overall, I find the site selection to be robust.

#### *Grantham*

70. Securing just over half of the housing growth over the plan period in Grantham is integrally linked to delivery of the Grantham Southern Relief Road (GSRR) to unlock land to the south and west of the town. The road is also essential to overcome capacity constraints within the existing A52 road network as it passes in and around the town centre (including an air quality management area). Consequently, I deal with the GSRR and the plan's Policy GR2 (Sustainable Transport in Grantham) up front under this issue rather than separately under Issue 8 on infrastructure, as without the GSRR the plan strategy and the proposed housing allocations in Grantham and the strategic Southern Gateway site would not be sustainable and in large part undeliverable as well.

71. Lincolnshire County Council (LCC) are committed to delivering the GSRR and have secured the necessary planning and road order consents for the project to proceed. Phase One involving the roundabout off the B1174 and the link road towards the A1 accessing the King 31 Distribution Park has already been constructed. Work on Phase 2, the new grade separated junction with the A1, started in Autumn 2019. Phase 3 which will link to the A52 Somerby Hill roundabout is due to be completed in 2022/23 with initial preparatory works under way. Construction of the GSRR will be implemented by LCC.
72. Forward funding for the £102million(m) scheme is principally underwritten by LCC at £69m, together with substantial contributions from Highway England's Growth and Housing Fund (£5m), the Local Transport Board (£11.9m) and the Greater Lincolnshire LEP (£16.1m). This will cover the estimated £22.6m for phase 2 and the £75m envisaged for phase 3. The Council is progressing with LCC and Homes England a £71m funding bid to Housing Infrastructure Fund (HIF) to support, amongst other things, the delivery of the GSRR (linked to the delivery of key housing sites). If successful, the HIF bid will clearly support the viability of sustainable urban extensions around the town. Consequently, there is a reasonable anticipation of LCCs funding being recouped either through the £71m HIF bid or through a tariff approach applied to development (as negotiated on the emerging planning consent for 3700 homes at Spitalgate Heath).
73. The strategy through Policy GR2 to secure developer contributions towards the GSRR from developments in and around Grantham reflects the Transport Strategy for Grantham 2007-2021. It has been a longstanding principle that development would contribute towards the GSRR and, given the criticalness of the GSRR to ensuring Grantham can sustainably expand, such contributions are likely to meet the relevant legal tests. This applies not only to those sites that are directly accessed by the road such as Spitalgate Heath and the Southern Gateway but also other sites, most notably the Prince William of Gloucester Barracks site (PWOGB). As submitted Policy GR2 would provide an effective and justified mechanism to support the funding of the GSRR on a proportional site by site basis. There is nothing in the approach sought in Policy GR2 that would render the plan undeliverable. Overall, the GSRR is on track to be delivered not long after plan adoption and there is no evidence that delivery trajectories for sites linked to the GSRR are at significant risk.
74. The submitted strategy for housing delivery in Grantham involves significant urban extensions to the north-west and south-east of the town, in combination with consented supply on smaller and more moderate sites in and around the town. The submitted plan provides for three residential-led urban extensions of some 3700 homes at Spitalgate Heath, circa 1550 homes on phases 2 and 3 of the North West Quadrant (NWQ) and some 500 homes at the PWOGB site. Elsewhere significant housing delivery in the town is planned to occur north of Longcliffe Road, the remaining capacity at phase 1 of the NWQ (Poplar Farm) and on two sites to the west of the town at Dysart Rd and Barrowby Road.
75. There is concern that there is not sufficient diversity of supply in Grantham and that the submitted plan by continuing, and arguably increasing, a strategy reliant on large-scale greenfield urban extensions will fail to significantly boost supply. The origins of the Spitalgate Heath and NWQ extensions were established some time ago; however, various significant factors, are now

coming together to give appropriate confidence that the housing strategy for Grantham is deliverable.

76. These factors include, but are not limited to, the good progress and early strategic infrastructure delivery (such as the Poplar Farm Primary School) occurring at Phase 1 of the NWQ, the resolution to grant planning permission for the Spitalgate Heath Garden Village scheme, the realistic timetable for implementation of the GSRR and the involvement of Homes England at Spitalgate Heath and in unlocking the potential of the PWOGB site.
77. Deliverability is an important strand of an appropriate strategy but there are other factors. These are examined through the Grantham Capacity and Limits to Growth Study 2015 (GCLGS) which tested various options and directions for growth around the town. The identified urban extensions accord with areas that the GCLGS concluded were suitable for growth having regard to standard planning factors such as landscape, heritage, infrastructure, accessibility and regeneration potential. Further work on the Infrastructure Delivery Plan (IDP) and plan-wide viability study have reaffirmed the reasonableness of the urban extension options identified.
78. The continued allocation of the Spitalgate Heath allocation (Southern Quadrant) would be a justified, effective and positively prepared approach. A significant amount of work has been undertaken since the principle of the site was established in the 2010 Core Strategy, including central government funding. This has now manifested itself in the submission of and resolution to grant planning permission for the site including an initial phase of housing. Whilst it has been a lengthy process to this point, critical matters for the successful delivery of the site are coming to fruition, not least the GSRR.
79. Whilst the infrastructure demands are appreciable, the funding arrangements for the GSRR secured from the LEP and LCC cannot be underestimated in their significance to unlocking growth at this strategically significant site which adjoins the major employment land proposals at the Southern Gateway. In terms of its place-shaping qualities, the garden village principles are going to add value, enhancing the market attractiveness of what is an appealing and high-profile greenfield location close to the town and the A1. Accordingly, it is reasonable to plan on the basis that around 1,650 homes will be delivered at Spitalgate Heath during the plan period, including a modest number within the first five years post 2019/20.
80. Notwithstanding progress on a planning application, given the strategic significance of the site, it would be necessary to retain the site-specific policy content for the site to guide subsequent proposals. The policy needs to recognise the proximity of the Woodnook Valley SSSI which is approximately 1 kilometre from the southern-most edge of this site. **MM43** would do this and I recommend it for consistency with national policy at NPPF paragraph 117.
81. The principle of additional housing growth at the NWQ through phases 2 and 3 (Rectory Farm) would be a justified and effective strategy providing for a continuation of the progress being made at Phase 1 (Poplar Farm). The policy framework for the NWQ appropriately recognises the need for a comprehensive master-planned approach and to contain the site. Areas of best and most versatile land would be affected but the benefits arising from a

sustainable pattern of development that would be well-connected and integrated to the town, would significantly outweigh the harm.

82. Phases 2 and 3 would integrate with the development and infrastructure underway at Phase 1 to create the critical mass to support an important level of transport, social and green infrastructure as well as a good range of housing to create a genuinely sustainable new community in this part of the town. To secure a successful outcome given the scale of this urban extension (c.1,550 homes in addition to the 1,800 homes on phase 1) it is necessary that detailed development proposals come forward in a comprehensive manner and to reflect the development brief for the site which is coming forward as SPD. **MM44** and **MM45** would do this for both the Phase 2 and 3 allocation policies and I recommend them on this basis for effectiveness.
83. Both Phases 2 and 3 would look to the A52 Barrowby Road as the principal connection into the local road network and this would occur close to the interchange with the A1. Whilst there is no in-principle objection from Highways England this is an area that requires further consideration and detailed transport assessment work may well reveal that mitigation measures may be necessary. Additional policy content for both Phases 2 and 3 would make this clear in **MM44** and **MM45** and again, on this basis, I recommend them for needed effectiveness.
84. To the north-east of Grantham the submitted plan provided for an allocation of some 400 homes north of Longcliffe Road. A development scheme of up to 480 homes was granted outline planning permission on appeal in January 2018 and a detailed reserved matters proposal was submitted in 2018 and is progressing through a design review process. Given the principle of the site for housing, including its suitability, deliverability and relationship to Belton House and Park, have all been tested and accepted, it would not be justified or effective for the plan to continue to identify it as an allocation and provide retrospective detailed policy content. I therefore recommend **MM42** and **MM46** so as to delete the allocation policy and some associated text, so that the plan would be justified and effective.
85. The Prince William of Gloucester Barracks (PWOGB) site is situated on the higher plateau land to the east of the town where the GSSR will connect with the A52 at Somerby Hill. It is a large former airfield site, comprising appreciable areas of previously-developed land. The Defence Infrastructure Organisation (DIO) have provided evidence that the site is surplus to military requirements and is being made available under the Ministry of Defence's 'Better Defence Estate Initiative' to contribute 55,000 homes to the Government's housing targets. The PWOGB site is being made available over a phased disposal from 2020-24. A site delivery questionnaire and trajectory have been provided for the site which signal the anticipated rate of new homes. The submitted plan already allocates the wider PWOGB site (184ha) but only envisages the construction of 500 dwellings during the second half of the plan period (2026-2036).
86. Matters have evolved regarding the PWOGB such that there is now greater clarity around total site capacity (c.102ha for housing), likely infrastructure requirements and trigger points and the likely balance of uses, including ancillary employment land (c.8ha), as set out in the SOCG between the

Council and the DIO (April 2019). It is also significant that Homes England have signed a recent MOU with DIO recognising that the PWOGB is a site that will receive additional support to accelerate housing delivery on surplus public sector land. Against this context the plan as submitted is too prudent, and somewhat arbitrarily constrained, about the potential of the PWOGB site and is therefore not justified, effective or positively prepared.

87. In modifying the plan to provide a more positive role for the PWOGB site I am mindful that the Council's own evidence contained within the whole plan viability study and the GCLGS both looked at the potential of in excess of 4,000 units at this location. The site is also appropriately considered through the IDP. I am therefore satisfied the evidence base exists to find that PWOGB could make a greater contribution to meeting development needs sooner rather later. It is also important to recognise that PWOGB is not a new option, given there are competitor sites vying to assist delivery. The full extent of the wider PWOGB site was identified in the submitted plan and supported by sustainability appraisal as being part of the most appropriate strategy.
88. Parts of the site have a heritage significance stemming from the former RAF Spitalgate including the Grade II listed officer's mess and other non-designated heritage assets. There are also archaeological considerations in terms of the potential presence of Roman remains. Part of the evidence to the examination is a Heritage Impact Assessment (HIA) 2019. The evidence demonstrates, at a plan-making level, that allocation of the site would be compatible with national policy (NPPF paragraphs 184 and 185) in terms of conserving the historic environment at this location. However, the requirement for a full HIA as part of the planning application process needs to be made clearer in the policy for the site.
89. There is concern that boosting the role of the PWOGB site during the plan period would be undeliverable due to: (i) constricted highway capacity at A52/B1174 Gainsborough Corner junction in advance of the GSRR being completed; and (ii) the ability of the market to sustain two urban extensions in broadly the same peripheral location of the town. On this first point, the evidence presented in the highways technical note for the site (Appendix 2 of the DIO submissions) indicates an initial modelled capacity of between 200 and 500 homes in advance of the GSRR without a 'severe' impact on the highway network. This high-level modelling has used inputs (including representative trip generation) and scenarios discussed with LCC and Highways England. The range is reflective of: (i) the effectiveness of a proposed mitigation scheme to increase right hand turn capacity at Gainsborough Corner through better lane demarcation; and (ii) the comprehensiveness of any package of travel planning and modal shift.
90. The verbal evidence from the highway authority (LCC) to the examination is of a potential headroom of up to 500 dwellings before the capacity at Gainsborough Corner acts as a constraint. Any such capacity would need to accommodate both the development on PWOGB as well as consented initial supply on the Spitalgate Heath site. The 500 capacity is only critical in advance of the implementation of phase 3 of the GSRR which is on programme to open in 2022/23. On this basis, I am satisfied that highway capacity will not be severely impacted by early delivery on the PWOGB site to the scale of around 175 units. This would dovetail with the anticipated delivery on

Spitalgate Heath within this timeframe, noting the current condition limiting development to 150 dwellings before the GSRR phase 3.

91. The second issue is around market appetite and potential saturation from two proximate urban extensions given the adjoining Spitalgate Heath site will involve initial outlets close to the PWOGB site to the south-west of the town. The two sites are different in character with the Spitalgate Heath site a more conventional agricultural greenfield site where the garden village concept, on a relatively blank canvas, will drive the character and appearance of the development. In contrast the PWOGB site has an existing character, heritage and established and maturing landscaping into which early phases of development will assimilate. The sites are separated by the A52 which would provide a further degree of separation. On this basis I see no reason why both sites could not come forward simultaneously to boost supply given the evidence of clear housing need. Once the GSRR is open, the opportunity to create numerous distinct developments across both sites, over some distance, significantly reduces any risk associated with market concentration.
92. The evidence demonstrates that the PWOGB site can assist in terms of deliverable supply within the first five years post plan adoption and as a developable site during the plan period and beyond it is therefore appropriate that the broad capacity of the site is expressed as at least 3,500-4,000 homes of which 1,775 can reasonably be expected to be delivered in the plan period. Accordingly, the policy content for the PWOGB needs to be significantly revised to reflect the latest evidence in the April 2019 SOCG including expanded content to reflect the following:
- a requirement to come forward within the garden village principles and in accordance with a comprehensive masterplan;
  - the infrastructure requirements associated with the site, including a new primary school, highways contributions and significant green infrastructure;
  - the need to protect heritage assets, including the Grade II listed officer's mess building, and secure a net gain in biodiversity; and
  - provision of an ancillary 8ha of employment land.
93. **MM47** would provide this necessary policy content and I recommend it so that the plan is justified, effective and positively prepared. I also recommend that part of **MM42** which would clarify in the supporting text the earlier timeframe for delivery at the PWOG site, for plan effectiveness. In recommending the revised site-specific policy content in MM47 I have amended, from that consulted on, proposed criterion (b) to clarify that any improvement to the strategic road network (the A1) will only be sought where it is demonstrably required and if it is, any mitigation will need to be agreed with Highways England. This would make the policy consistent with other urban extension policies in the plan. I also recommend amending criterion (g) to make clear that as much of the recently planted woodland as possible is incorporated into the layout of the development, including as part of any 'community woodland'. I have made this amendment to ensure closer consistency with NPPF paragraph 117. I have also slightly amended criterion (i) to be more positively prepared about encouraging the effective use of SuDS in line with NPPF paragraph 103. Additionally, I have modified criterion (iv) to specify that a HIA would be the evidence to evaluate impact on heritage assets at the site. None of these adjustments I have made to MM47 fundamentally alter the

policy and essentially provide further clarification consistent with the SOCG between the Council and the DIO.

94. Whilst not a housing allocation policy, Policy GR1 seeks to protect and enhance the setting of Belton House and Park, a Grade I listed property and a Grade 1 registered historic park and garden to the north-east of the town, which is a National Trust property. On submission the only land proposed for release in the north-east of the town was north of Longcliffe Road. As set out above, the principle of the site is now established following a planning appeal decision in 2018. There are no other allocations proximate to Belton House and Park but due to the topography of Grantham the extent of the visual setting of these heritage assets is extensive.
95. Going forward Policy GR1 recognises the heritage significance of Belton House and Park, seeks to preserve and enhance their settings and apply the Belton House and Park Setting Study 2010 (BHPSS) in terms of informing assessment through a Heritage Impact Assessment. Whilst a main modification was discussed at the hearings to include a reference to the 2012 SOCG between the Council, National Trust and (then) English Heritage, on further reflection I consider that to be superfluous and not necessary for soundness for three reasons. Firstly, the wording of Policy GR1 is the same as that of Policy SAP11 in the adopted Site Allocations and Policies Plan Document 2014. This plan, including Policy SAP11, was found sound in the context of the same 2012 NPPF against which Policy GSR1 has been submitted. Secondly, Policy GR1 replicates the wording at appendix 1 of the SOCG as agreed. Thirdly, the SOCG is clear that Figure 15 of the BHPSS is not erroneous or needs to be amended but that as a summary plan it is not the defining evidence of the limit of visual sensitivity and recourse is therefore needed to the detailed contents of the BHPSS, particularly Section 3 on the sensitivity of the setting to change. The supporting text to Policy GR1 makes no reference or places any reliance on Figure 15 of the BHPSS. This is in line with the SOCG. Overall, I am satisfied that Policy GR1 and supporting text would provide for the appropriate safeguarding of the setting of Belton House and Park when assessing individual development proposals.
96. The allied issue is whether the GCLGS 2015 has under-estimated the impact of proposed sites in the plan around Grantham on the setting of the house and park. The BHPSS is part of the baseline of evidence to the GCLGS and the consultants who prepared the GCLGS acknowledge they placed a reliance on Figure 15. However, for plan-making purposes I find that a proportionate approach given the SOCG recognises that matters of detail, such as the final height of buildings, will be critical in assessing any wider visual impact.
97. Whether matters of detail in relation to Gonerby Hill point to a more systemic issue with the GCLGS being "flawed evidence", I am not persuaded. The GCLGS assesses the Belton Park direction of growth (Direction B) and this was readily discounted. Other proximate directions of growth (Direction A (North of Manthorpe); Direction C (Alma Park/Londonthorpe) and Direction D (East of Harrowby/towards Cold Harbour)) all recognise that the setting of Belton House and Park is a potential constraint but the potential for mitigation exists. This has been a reasonable and proportionate approach for plan-making.

98. I have considered the potential impact of PWOGB site, on higher land to the south/ south-east and find the assessment in the submitted HIA for this site to have appropriately considered the setting of Belton House and Park (pages 37-38) despite the c.2kilometre intervening distance. The conclusion in the HIA of a negligible impact on the setting of the house, park and gardens due to the location of the PWOGB at the very fringe of the wider rural landscape character around the heritage assets is sound from a plan-making perspective.
99. Elsewhere the BHPSS identifies that parts of the NWQ would be visible from Bellmount Tower and from parts of the roof of Belton House so as to be within Element 1 land. The advice from the BHPSS is that major development will be exceptionally sensitive in Element 1 land and therefore unlikely to be suitable except on flatter ground (within 2km-5km from the House and Park) and no more than 2 storeys tall. An issue for the NWQ is that Phase 1 is already permitted and being constructed within Element 1 land (a point reflected in the GCLGS p.119). The degree to which further development at the Rectory Farm (phase 2 and 3) allocation would be harmful to the setting of Belton House and Park would be less than substantial, due to the appreciable intervening distance and being experienced in the context of, but further away from, adjoining urban expansion. Given the NWQ represents a sustainable location, I find the wider public benefits of providing much needed housing and community infrastructure to significantly outweigh any harm to the setting of the Belton House and Park heritage assets.
100. Overall, Policy GR1 is an appropriate policy approach to Belton House and Park and embeds the 2012 SOCG. The GCLGS has taken a proportionate and reasonable approach to the setting of these heritage assets. The BHPSS remains relevant when determining the detail of individual development proposals and the submitted plan is sufficiently clear on this point.

### *Stamford*

101. It is evident from the Stamford Capacity and Limits to Growth Study 2015 (SCLGS) that directions for growth, notwithstanding administrative boundaries, are constrained by the Grade I listed Burghley House and Grade II\* Burghley Park Registered Park and Garden to the south-east, the landscape quality and flood risk of the River Welland to the south and south-west. Accordingly, it has been justified as part of the plan preparation process to look in more detail at a focussed range of options in an arc around the north of the town.
102. The detailed assessment of these areas identifies a smaller residual land area suitable for development of about 100ha and a capacity for 2,500 dwellings, directly to the north and east of the town. The sieving process is robust and transparently presented in the SCLGS through a detailed narrative assessment against recognised planning criteria. As always, there can be differences of opinion about the judgement of the significance of likely effects but on the whole I find the SCLGS outputs to be reasonable, including those areas discounted for landscape impact or remoteness from the town.
103. The logical and most sustainable option for Stamford to make a significant and proportional contribution to meeting the District's housing need would be the proposed urban extension at Stamford North. In combination with proposals

on adjoining land at Quarry Farm in Rutland's administrative area, there would be the capacity to deliver around 2,000 homes. This would create the critical mass and land availability necessary to deliver an east-west access road linking the A6121 Ryhall Road through to the former A1 Old Great North Road as well as other transport infrastructure to provide connectivity into Stamford, a new primary school and expansion at the adjacent secondary school.

104. The suitability of the proposed Stamford North allocation is demonstrated in the assessment of Area 1 in the SCLGS. The site comprises gently rolling farmland with few landscape features. Consequently, there is considerable potential to provide appreciable green infrastructure and net biodiversity gains, including on land east of the former railway line adjacent to the River Gwash. As submitted the plan states that no development will be permitted in this area closest to the River Gwash but there appears to be little justification for a moratorium, provided that the area remains primarily open. **MM48** would provide an appropriately balanced approach for this part of the site, which could allow for development that maintains openness, such as surface water drainage solutions, and so I recommend it for effectiveness.
105. Elsewhere, existing housing at the north of Stamford already forms a relatively hard ridgeline urban edge such that the proposed Stamford North allocation would present a significant opportunity through a high-level masterplan and accompanying development brief to secure a sensitively landscaped northern perimeter. The extent of the allocation responds to the landscape evidence and avoids breaking the next ridgeline to the north thus avoiding visual intrusion on the rural setting of Ryhall and the Castertons. It would be a suitably contained extension to Stamford.
106. As predominantly arable farmland the allocation presents good opportunities to secure net gains in biodiversity. The capacity of the site is realistic and takes appropriate account of the Candidate Local Wildlife Site at the Quarry Farm site (which could be potentially reconfigured) and the environmental value of the Gwash valley floor at the eastern end of the site.
107. The proposed east-west road through the site would be necessary to ensure that the residual cumulative impacts from traffic generated by the scheme would not have a severe impact on the existing road network, particularly within the relatively constrained historic core of the town. Whilst initial modelling (LCCs updated transport model for Stamford 2017) shows the implemented east-west road would be effective to serve the wider 2,000 home urban extension, further detailed transport assessment work would be necessary. This would include clarification of the trigger points for any off-site highway works as well as the point at which the complete through route would need to be provided and the sequencing of any housing delivery at Ryhall Road in advance of a completed east-west road before the highway network in Stamford would reach a severe threshold. Given the principle purpose of the road is to provide a town centre avoiding route for the development to access the A1 to the west, it seems logical, as the site promoters submit, that development would principally evolve from west to east such that the complete through route may not be needed for some time. Overall, **MM48** would necessarily make clear in policy that a full transport assessment, together with a phasing plan, is required to support the masterplan for the site and I recommend it for effectiveness.

108. The whole plan viability study states (paragraph 12.12) that the proposed extension is marginally viable if it is to support the access road as well as the other policy requirements (including 30% affordable housing). Ongoing work since the Whole Plan Viability Study indicates stronger sales values in Stamford which if replicated on the urban extension site would improve the gross development value. The place-making ambitions for the Stamford North site, to be secured through the plan's requirements and a Development Brief SPD for the site (being prepared jointly with South Kesteven and Rutland) including a site-specific infrastructure delivery plan, point to creating values that feed into a more positive viability picture. The bottom line is that the urban extension is a viable development including the infrastructure requirements that would be necessary to make it a sustainable scheme.
109. Residents of Stamford North would be able to access services and facilities in the town, including employment, by improved connectivity by foot and cycle given the relatively modest distances involved. Recognising a synergy between this part of the District and the economic enticement of nearby Peterborough, residents at Stamford North would have the option to travel to the city by either rail or bus, modal choices that do not exist for many other settlements in the plan area. As such Stamford North offers a location with genuine potential for modal shift from private car use.
110. That does not diminish the fact appreciable volumes of road traffic will disperse from the site including a proportion that will need to connect to the A1 southbound at the A606 junction. In doing so, there is no persuasive evidence that Sidney Farm Lane as the primary route, or alternatively Arran Road or a secondary option, are unsuitable to provide links from the B1081 Casterton Road to the A606 and A1 southbound. The PBA report for Stamford North<sup>2</sup> sets out a number of reasonable options for Sidney Farm Lane, which is already a distributor type road. Signalisation is proposed as the principal mitigation for Sidney Farm Lane junction with the A1 slip roads. There is sufficient technical evidence and acceptance of a "reasonable prospect" for plan-making purposes that this would form the basis of a workable solution<sup>3</sup> such that matters can proceed where details could be developed and agreed at a planning application stage.
111. Whilst there is no objection to the principle of Stamford North in terms of the performance of the strategic road network, the AECOM 2018 technical note for Highways England gives consideration to the mitigation proposed in the PBA report in respect the A606/A1 Empingham Road grade separated junction. The potential mitigation is informed by Mouchel's updated Stamford VISUM transport model work for LCC. It is recognised (as presented in the Council's Examination Topic Paper 3) that improvements are already required to the compact form of the A606/A1 junction such that Stamford North should be seen in this context, including the Midlands Connect Strategy in terms of improvements to the safety and performance of the A1.
112. The PBA report identifies three broad, indicative options to improve the A1/A606 junction. Whilst there is comment about the degree to which growth

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<sup>2</sup> Peter Brett Associates: Land North of Stamford A1 Access Report January 2018

<sup>3</sup> Evidenced in documents EX/SKDC/10c & EX/SKDC/12

in Oakham (west on the A606) has been considered, the peak period considered by Mouchel in the updated modelling, stopping sight distances, lane widths and capacity for signalisation, there is nonetheless a reasonable prospect of achieving suitable mitigation at this junction. AECOM on behalf of Highways England have not dismissed the options in-principle and advise that additional detailed work is required. It would not be appropriate to provide specificity within the policy other than to add a criterion which makes clear that mitigation measures to the strategic road network will need to be agreed with Highways England. **MM48** would do this and I recommend it for effectiveness.

113. The proposed smaller housing allocation at Stamford East comprises sustainably located previously developed land within reasonable walking distance of the town centre and close to other services and facilities including employment and a supermarket. Redevelopment of the site would represent an opportunity to create significant improvements to entrance into the town from the east on the A1175 Uffington Road. With this in mind, and noting the site is in various ownerships, the policy requirement for a masterplan would be necessary and proportionate to ensure a satisfactory relationship to remaining employment uses east on Uffington Road and to the employment land immediately to the north of the site.
114. The site is not without issues including contamination and variable land levels, but the plan-wide viability evidence points to a strong market in Stamford as evidenced by recent redevelopments of other former employment sites around the town. Accordingly, any justification for releasing adjoining greenfield land to the east of the River Gwash to necessarily subsidise the redevelopment of the site is unconvincing.
115. As evidenced in the SCLGS and the 2011 Landscape Study land east of the River Gwash at Stamford is a highly sensitive landscape, important to the setting of the town, and consequently has a low capacity to accommodate development. Development east of the river would breach a strong, identifiable limit to the town into an unspoilt area which retains a deep rural character despite the proximity of the urban edge of Stamford. A modest scale of development east of the Gwash may not appear prominent from the Newstead Lane but it would, however, be visible from the rural public footpath to the north which crosses the Gwash valley from behind the Alltech premises up to Newstead Lane.
116. Whilst I acknowledge flood risk from the River Gwash is to some degree moderated by the controlled conditions of the Rutland Water upstream, the principal reason that the eastern boundary of the allocation as submitted is justified is the need to protect the high-quality pastoral landscape character of the Gwash valley to the east. Overall, I find the landscape assessment at pages 84-85 of the SCLGS and the assessment of Site S3a in the 2011 Landscape Study, reinforced by my observations on site, persuasive as to why the submitted allocation is soundly contained on previously-developed land to the west of the river. Extending the allocation east of the Gwash, even only moderately, and bridging the river to do so, would also adversely affect the setting of the Grade II listed Newstead Mill building due to the loss of the openness of the valley floor. The recently installed fish leap does not urbanise or materially alter the rural character of the valley floor at this location.

117. Historical documentation refers to a potential eastern relief road for Stamford including a 'Ryhall Road Link'. There is no evidence that this project remains a transport objective for the town, or that the potential development sites associated with that project (including on land east of the Gwash) provide appropriate justification for an enlarged Stamford East allocation. The allocation is within a minerals safeguarding area and the site policy needs to be modified to make clear that an assessment would inform the planning application(s). **MM49** would do this and I recommend it for effectiveness.

### *The Deepings*

118. The proposed housing allocations at the edge of The Deepings reflect the evidence on site selection<sup>4</sup> and would be sustainable and deliverable or developable options to meet housing need. The proposed allocation on land east of Linchfield Road for 100 dwellings has been granted planning permission and so it would not be justified for the plan to retain the site as an allocation given the principle of the use has now been established. **MM52** would make this clear and I recommend it for effectiveness. Elsewhere, the proposed allocation at Linchfield Road, whilst sizeable, would nonetheless infill a logical gap between recent residential development to the south and west and employment and sports facilities to the north. There would be no harmful encroachment into the countryside. The site is a straightforward, deliverable greenfield site likely to be attractive to the market. The indicative capacity of the site at 590 dwellings, on a relatively modest 30 dwellings per hectare, would appear to be unnecessarily restrained. **MM53** to boost capacity to a realistic 680 dwellings is therefore recommended so that the plan would be justified and positively prepared.

119. Land at Millfield Road to the west of The Deepings was provisionally allocated for housing in earlier iterations of the plan but was subsequently involved in a Village Green application leading to a justified decision to remove the site prior to submission given the uncertainty on availability/deliverability. The July 2019 decision of the tribunal not to approve the application for Village Green Status was issued after plan submission and after the examination hearings. Nonetheless, it remains that there are sufficient sustainably located sites to meet identified needs in the District both for housing and employment. There is no need as a result of this examination to allocate additional development land in The Deepings as part of this plan. Without prejudice and noting the site has been subject to an extant planning application since November 2018, from a local plan perspective the latest situation at Millfield Road should feed into the usual evaluation of land requirements as part of any plan review process and the submitted plan at paragraph 3.47 is sound in this regard.

### *Bourne*

120. As set out above the spatial strategy for the town of Bourne reflects the situation that the Elsea Park extension to the south of the town has in recent years delivered some 1,700 new homes with a further 600 homes due to be delivered in the next five years. Accordingly, only a modest additional 200 homes are assigned to the town through the submitted plan. Submitted Policy

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<sup>4</sup> usefully presented in Topic Paper 1 [EX/SKDC/8] & Site Appraisal document [EX/SKDC/8a]

BRN.1 looked to the town's emerging neighbourhood plan to make the site allocations for this growth. During the examination, however, evidence was provided of a proposal for around 100 homes on land allocated for employment at Manning Road. This is a site, surrounded by existing development, including housing to the west. It is within easy walking distance of the town centre, schools and other facilities. It would be a sustainably located site that is characteristically different to other potential peripheral housing options. It is an obvious infill site within the built fabric of Bourne.

121. In light of the development interest, the lack of interest in the long-standing employment allocation and the general good employment land supply in Bourne, it would not be the most appropriate strategy to retain the employment allocation (see also Issue 6 below). On this basis the submitted plan would neither be effective nor justified and therefore not sound. Rather than simply de-allocate the site and deal with the potential consequences of a very large residential windfall site on 'white land' within the settlement, the effective and positively prepared approach would be to allocate the Manning Road site and set site-specific policy in the plan to manage its development.
122. Consultation on the main modifications and associated policies map change has not identified any insurmountable issues that would inhibit the residential allocation of the site and it is notable that both Bourne Town Council and the Bourne Neighbourhood Plan Steering Group support the identification of the Manning Road site. Detailed work on flood risk (noting the site is predominantly within flood zone 1), drainage solutions (in accordance with modified Policy EN5) and accessibility may well inform the final capacity of the site, which is expressed as an indicative capacity in any event based on a modest 30 dwellings per hectare.
123. Accordingly, I recommend **MM50** to adjust Policy BRN.1 to specify that the remaining housing balance to be allocated through the Bourne Neighbourhood Plan is moderated from 200 to 100 dwellings. I further recommend **MM51** to re-allocate the Manning Road employment site for indicatively 107 dwellings and to provide necessary site-specific policy content. With these modifications the approach to housing supply in Bourne would be effective, justified and positively-prepared. I am mindful of the representations seeking additional land releases in Bourne, including specifically for care home provision. The neighbourhood plan process will provide a framework for additional provision in the short term in order to conform to this plan, including Policy BRN.1.

### *Larger Villages*

124. A small number of proposed allocations now have the benefit of planning permission at Billingborough (site H5), Swinstead Road, Corby Glen (site H7) and Langtoft (Site H9). Accordingly, it would not be justified or effective for the plan to continue to present these sites as allocations and so **MM57**, **MM58**, **MM61**, **MM62** and **MM63** are all necessary and I recommend them accordingly.
125. The proposed extent of the allocation at Wilsford Lane North, Ancaster as submitted follows initial pre-application discussions resulting in a particularly complex eastern boundary which could be sensibly re-drawn and squared-off for allocation purposes as shown on the consulted modified policies map

[SKPMC-1]. Whilst an edge of village location, the proposed density of 16 dwellings per hectare would be an inefficient use of land for what is a relatively contained and sustainably located site. A higher density of 30 dwellings per hectare would not be out of kilter with the local context and would remain a suitable density for a village location. It would result in an increase from 35 to 96 dwellings. The site-specific policies for both sites north and south of Wilsford Lane should also be amended to recognise they are within a Limestone Mineral Safeguarding Area. There is no evidence, given the adjacent housing, that this would inhibit the allocations coming forward, but it is a valid matter to be addressed in a mineral assessment with any planning applications being submitted. It is also necessary to specify in policy that access to the north site would be taken from Wilsford Lane. These changes are presented in **MM54** and **MM55** and I recommend them for effectiveness.

126. The proposed allocation at Low Road, Barrowby would represent a significant increase in the size of the village but given its location on the southern edge and extent of intervening development it would not harm the character of the historic core of the village. The allocation is in three adjoining land parcels. One of the areas now has outline planning permission, the evidence from which indicates that the site, notwithstanding the need to create landscaped edges, could cumulatively come forward at a capacity that could yield more than the 230 dwellings envisaged in the submitted plan. A careful balance needs to be struck between being transparent about the reasonable capacity of the Low Road and ensuring that the final scale of development would not harm the wider village character. A density of 35 dwellings per hectare would be the appropriate response for the local context and would result in an increased capacity of 270 dwellings. That would be a substantial development for the village and as such it would be justified to express the 35 dwellings per hectare as a maximum density to protect the edge of village character.
127. In order to ensure the scale of development is assimilated into its edge of village context, and notwithstanding part of the site has planning permission, it remains justified that a masterplan is prepared to coordinate remaining development, ensure appropriate phasing and secure substantial landscaping at the southern and eastern boundaries. **MM56** would adjust the capacity of the site to a realistic figure and introduce necessary policy reinforcement on the importance of a masterplan and substantial landscaping and so I recommend it for effectiveness.
128. In respect of Colsterworth there are some relatively evenly appraised options for additional growth in the village. The proposed site for 70 dwellings on Bourne Road would be a sustainable option that would infill an enclosed parcel of land on the eastern edge of the village adjacent to the A1. There is no compelling evidence that the proximity of the A1 cannot be mitigated or that noise or air quality associated with the A1 would result in an adverse effect on the living conditions of future occupants. The proposed allocation would also provide an alternative site to the market to come forward in tandem with the approved 48 home scheme off Bridge End, thus boosting delivery. There are no over-riding sustainability or housing delivery reasons to release additional sites in Colsterworth through this plan.

129. Turning to Corby Glen, the proposed allocation at Bourne Road would be significant at 250 dwellings. Subject to a comprehensive masterplan, landscaping and open space any perceived harm of an over-development would be allayed. The proposed density of 30 dwellings per hectare would be an appropriately efficient use of land at this edge of village location. There is no clear evidence that the safety of the road network would be severely comprised including the B1176/A151 junction in the centre of the village. The policy requires pedestrian and cycle connectivity from the site to nearby village facilities thus reducing reliance on car journeys. Overall, the proposed allocation is soundly based.
130. The proposed allocation at Thistleton Lane/Mill Lane in South Witham is proximate to a regionally important and locally significant geodiversity site at South Witham Quarry and it is important, consistent with NPPF paragraph 117 that any impacts on geodiversity are minimised and harm to geological conservation interests prevented. Additional policy content would require consideration of the matter and it would not be burdensome in bringing the site forward. Consistent with other policies in the plan as a greenfield site at an edge of village location it is justified that development seeks to secure improvements to biodiversity. **MM64** would introduce necessary additional policy content to reflect the environmental context of the site and I recommend it for effectiveness and consistency with national policy.
131. The proposed allocation at part of Elm Farm Yard in Thurlby would be at the southern edge of the village, adjacent to the busy A15 road. Whilst some key facilities are located within walking distance without need to cross the A15, the church, the pub and the southbound bus stop are located on the other side of the main A15 road. Given the volumes of traffic, road alignment and absence of footways along the A15, it would be an unattractive and difficult task for future occupants of the proposed housing to cross the road to access these services. Accordingly, it would be justified to require the development of the site to include for safe pedestrian connection to facilities east of the A15. It would not be reasonable, however, to introduce specificity on what form this should comprise, which is best left to negotiation with the local highway authority as part of securing safe and suitable access for all people. I therefore recommend **MM66** for effectiveness.
132. A number of the proposed allocations in the larger villages are within mineral safeguarding areas and/or specific limestone minerals safeguarding areas. Accordingly, where sites are affected the plan needs to reflect this and be clear that a minerals assessment will be required when proceeding with the submission of a planning application. Accordingly, I recommend **MM59**, **MM60**, **MM64** and **MM65** so that the plan would be effective in relation to the significance of ensuring workable mineral resources are not profligately impeded.

### *Summary and conclusion on Issue 2*

133. Policy H1 of the plan sets out the housing allocations over the plan period. It requires a number of updates and clarifications to reflect the changes to the capacity of sites discussed above and to remove those allocations that have planning permission as of 1 April 2019. **MM16** would update Policy H1 so that

it is justified, effective and positively prepared and I recommend it accordingly.

134. In conclusion, subject to the above-mentioned modifications, the plan's housing allocations, including strategic urban extensions at Grantham and Stamford, would be justified and effective.

**Issue 3 – Does the Plan provide for an adequate supply of developable and deliverable housing land including a positively prepared policy framework to meet all housing needs?**

135. The housing requirement over the plan period (2011-2036) needs to be increased from 15,625 to 16,125. In profiling the annual requirement this would need to reflect a step-change from 625dpa to 650dpa from 2016/17 onwards. The submitted plan asserted that the identified supply of 8,726 dwellings factored in a 13% "over allocation" to offer choice and contingency to the market, recognising the plan's reliance on strategic greenfield sites, particularly at Grantham and Stamford. Given the updated housing requirement this needs to be revisited as the figure is very likely to have changed as a consequence of updated monitoring in 2018/9 and various modifications recommended to the housing allocations.
136. The submitted plan was informed by 2017/18 data on housing land availability, including the short section on monitoring and implementation which presents at Figure 41 the housing trajectory and at Figure 42 completions since 2010/11. Again, the trajectory needs to be revisited in light of the updated housing requirement. During the examination, and prior to the relevant hearing sessions, the Council was able to produce the latest 2018/19 data which would helpfully enable the housing land supply baseline to be updated to 1 April 2019. Bringing this all together, the submitted plan would not be effective, justified, positively prepared or consistent with national policy with regards to housing land supply.
137. Since the start of the plan period 4,506 dwellings have been completed in the District by 31 March 2019. I note that it includes efforts by the Council to appropriately rectify past under-recording of completions on smaller and individual sites (some 270 dwellings).
138. In terms of the general profile of supply there are three large urban extension sites currently under construction that will deliver just over 1,000 dwellings in the next five years. There is then a good spread of over larger sites with planning permission either under construction or where preparatory work is underway that again would reasonably yield over 1,000 dwellings in the next five years. The Council has a good database of smaller sites under construction or with planning permission likely to deliver 500 homes in the next five years. Added to this the Council has a capital programme to utilise some of its own land assets and this is committed to deliver 140 homes in the next five years. An appropriate allowance has also been made for windfalls at a modest 30 dwellings per annum starting from 2021/22 to avoid double counting. Plan allocations are envisaged to start delivering from 2020/21 onwards and for some of the smaller, straightforward rural allocations that would be reasonable. As identified under Issue 2 above, a notable number of

proposed allocations have either recently been granted planning permission or are in the process of obtaining it.

139. Against the up-to-date housing requirement in this plan there is currently a realistic prospect, subject to the recommended modifications, that the plan will facilitate development in excess of the 11,619 dwellings required over the remainder of the plan period. Accordingly, beyond the more positive re-profiling of delivery at the PWOGB site in Grantham and the re-allocation of employment land at Manning Road, Bourne, there is no need to allocate additional housing sites.
140. In terms of the supply of deliverable housing land for the next five years, the Council's latest April 2019 assessment confirms that delivery since 2011/12 has been variable but predominantly below the requirement so as to amount to persistent under delivery. Latest outputs for the Housing Delivery Test confirm a 20% buffer remains necessary. Consequently, and in accordance with paragraph 47 of the NPPF a 20% buffer needs to be applied to the five-year housing requirement figure. In applying the buffer, there is the allied matter of any shortfall that has arisen since the start of the plan period. Since 2011/12, the shortfall has been 569 dwellings.
141. The evidence is that with a 20% buffer, recovering the shortfall in the next five years (Sedgefield method) would result in a 5.32 year supply whereas spreading the shortfall over the plan period (Liverpool method) would provide for a 5.95 year supply. The latest supply analysis shows a deliverable supply of 4,878 dwellings in the next five years. The Council's profiling of delivery is supported by developers on a number of key sites, particularly the urban extensions at Grantham (Poplar Farm), the completion of Empingham Road/Tinwell Road developments in Stamford and the continuation of significant delivery at Elsea Park, Bourne. The Council has recognised that delivery needs to be diversified and has allocated a raft of small-medium housing allocations at the larger village tier of the strategy. A number of these now have permission and it is reasonable to assume, given their attractiveness to the market, that these village sites would make an appreciable contribution to delivery in the next five years.
142. I have dealt with the realism of assumptions around delivery, with reference to infrastructure capacity and market absorption rates, to the key strategic sites proposed in the plan in Issue 2. The principal comment is directed to the ability of the PWOGB site in Grantham to yield a supply of 175 homes in the next 5 years. I accept that the timeframes involved (masterplan, consent, discharge of conditions and first completions) are bold but the plan needs to reflect the clear ambitions and objectives, including critical Homes England involvement, to accelerated delivery at this surplus public sector site.
143. The revised trajectory shows delivery peaking in 2022/23 at close to 1,200 units. This is a significant step-change compared to recent delivery but would be the culmination of a number of large-scale sites that are currently delivering, with other sites that now have planning permission together with reasonable assumptions about a number of plan allocations starting to meaningfully deliver from 2021 onwards. The trajectory realistically reflects the position at Spitalgate Heath which is now coming to fruition and prudently does not make an allowance for Stamford North within the five-year

deliverable supply. Monitoring for 2018/19 shows a modest exceedance of the higher annual housing requirement which points to an encouraging outlook on delivery.

144. I therefore conclude that the Council's estimates and profiling of deliverable supply are realistic. Whilst it would allow for recovery of the shortfall over the next five years, and this is to be preferred, it nonetheless results in only a small margin over the required five-year supply at 5.32 years. I am concerned that this would be a potentially fragile situation which would not provide the necessary plan-led assurance, particularly given the appropriate degree of reliance placed on a number of strategic urban extensions necessary to secure a sustainable pattern of development. It is therefore effective and justified for the shortfall to be spread over the remainder of the plan period to provide a more robust land supply, to a more prudent figure just shy of 6 years supply.
145. Looking over the entirety of the plan period and total deliverable and developable supply, the latest evidence in the revised trajectory indicates a supply buffer of 18%. This would amply provide for an ongoing supply of housing land.
146. Taking all of this into account, the plan needs to contain an up-to-date trajectory and explanatory text that reflects the following:
- The adjusted higher housing requirement from 2016/17 onwards;
  - Updated completions 2011/12-2018/19 and the shortfall since 2011
  - The application of a 20% buffer, brought forward from later in the plan period to provide a realistic prospect of achieving the planned supply;
  - The shortfall to be dealt with over the plan period (Liverpool method); and
  - A positive windfall allowance (2021-2036)
147. This would be achieved by the revised contextual text (paragraph 1.11) in **MM3** on the growth agenda in the District, **MM70** in terms of a number of revised monitoring indicators, **MM71** which sets out revised text in the monitoring and implementation section on how housing delivery will be assessed and monitored and **MM73** which would replace existing Figure 41 with a revised housing trajectory within the plan's monitoring framework. These modifications are necessary to ensure the plan would be effective, justified, positively prepared and consistent with national policy.
148. In conclusion, and subject to the above-mentioned modifications, the plan would provide for an adequate supply of developable and deliverable housing land including a positively prepared policy framework to meet housing needs over the plan period.

**Issue 4 – Would the accommodation needs of gypsies and travellers be met in a way which is positively prepared, effective, justified and consistent with national policy?**

149. The Gypsy and Traveller Accommodation Assessment 2016 (GTAA), which applies the latest planning definitions in the Government's Planning Policy for Traveller Sites (PPTS), identifies a need in the District for 32 permanent pitches for gypsy and traveller households and 9 additional plots for travelling showpersons over the period 2016-2036. The methodology and rigour of the GTAA accords with the PPTS requirements on assembling an evidence base.

Since plan submission, clear evidence has been provided that the identified need for travelling showpersons arising from a recognised family group has now been met through the grant of planning permission.

150. As required by the PPTS the Plan sets out the identified need for 32 permanent residential gypsy and traveller pitches and breaks down the need into five-year periods. Half of the need (16 pitches) is required to be delivered within the first five years (2016-2021). This reflects the credible degree of in-depth engagement with travelling communities in South Kesteven to establish an empirical picture of need, which largely reflects newly forming households seeking separate accommodation. The consultants who did this research have a particularly embedded relationship with the travelling communities that goes beyond researching the GTAA and now involves implementation in terms of assisting in the process of finding suitable sites to progress through the planning system.
151. Whilst the PPTS (paragraph 11) refers to land supply allocations where there is an identified need, I place significant credence on the submission that there is an alternative fair and effective strategy to meeting need in South Kesteven, through ongoing engagement and dialogue with gypsies and travellers who have identified a preference to owning family land and obtaining permission. To this end the Council submitted a delivery plan which identifies through a blend of new permissions and additional provision on existing sites an additional 8 permanent pitches which have already been provided since 2016 and reasonable options to deliver the remaining short term need of 8 permanent pitches by 2021.
152. However, before the close of the hearings, a proposal for a site at Cold Harbour, Grantham which would have contributed to supply in the first 5 years was refused planning permission and this has affected the ability of the Council to demonstrate an up-to-date 5-year supply. Consequently, there would be no plan-led certainty to both travelling and settled communities on where and how the identified need would be met. The plan on this basis is unsound, being neither positively prepared, effective or consistent with national policy.
153. Remedial soundness options would include allocating land as part of this plan or to produce a separate development plan document to specifically allocate gypsy and traveller sites. Both approaches would take time, measured in many months and possibly stretching into years, particularly given the absence to date of any proposed land through the call for sites. There are circumstances, however, which justify an alternative interim approach in South Kesteven. This context includes the positive and established involvement of the Council's gypsy and traveller consultants, who are working with the communities to identify and bring forward additional supply. Ongoing monitoring of the Plan will further provide an opportunity for the Council to demonstrate that its pro-active approach to finding sites with gypsies and travellers will deliver.
154. The circumstances as to why a delay to allocate land now would not be a reasonable approach in South Kesteven also include the fact that, for a variety of reasons, there needs to be an early review of the plan. Accordingly, I recommend that **MM72** includes specific text confirming that the early plan

review is informed by an updated gypsy and traveller accommodation needs<sup>5</sup>, and ongoing monitoring of delivery against Policy H5, in anticipation that the Plan review would allocate gypsy and traveller sites if required.

155. Accordingly, the approach in Policies H5 and H6 to support individual proposals for gypsy and traveller pitches and residential yards or plots for travelling showpeople, whilst providing a reasonable starting point for increasing the number of traveller sites in appropriate locations, can only be found sound, however, as an interim measure. The wording of the policies needs to be clarified to ensure the matters of integration with the settled community principally relate only to scale and layout in accordance with the PPTS. Additionally, whilst sites need to be accessible to local services a degree of practicality is needed in that locational requirements typically for peripheral sites at or just beyond the edge of settlements may not be readily accessible by public transport or on foot / bicycle. Given the current shortfall in provision, a more flexible policy would be justified. **MM20** and **MM21** would address these points and assist in bringing forward provision. I recommend them both for effectiveness and consistency with national policy so that the policies are fair, realistic and inclusive.

156. In conclusion, subject to the above-mentioned modifications, the plan's policies in respect of meeting the needs of gypsies and travellers are justified, effective and consistent with national policy.

#### **Issue 5 – Are the policies for delivering a range of housing to meet various needs effective, justified and consistent with national policy?**

157. The submitted plan at Policy H2 seeks 30% affordable housing on all sites of 11 dwellings (or 1,000sqm gross residential floorspace) and at criterion d. of the policy that all affordable homes should meet "the accessible homes standard applicable in that location". There are two soundness issues that arise, firstly the justification and effectiveness of the 30% requirement across the board and secondly, the clarity and consistency with national policy on criterion d. On both grounds the submitted plan would not be sound on grounds of justification and effectiveness.

158. The viability picture in the District is mixed, reflecting diverse market conditions, with generally stronger sales values in the south and rural pockets in the north. Generally, market conditions in Grantham are weaker. Sensitivity testing for affordable housing (10%-40%) shows that at a 30% threshold, the brownfield and smaller sites one could reasonably expect to come forward in the urban fabric of the town would be at risk. It would be unreasonable for the planning system in South Kesteven to become fettered by numerous individual site viability appraisals for relatively modest developments. To remedy this, a lower threshold of 20% for the Grantham Urban Area would be justified by the viability study evidence (Table 10.19 of the viability study) and provide an effective way forward, consistent with national policy at NPPF paragraph 173.

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<sup>5</sup> Mindful of the requirement for a wider assessment of caravan/houseboat needs under Section 124 of the 2016 Housing and Planning Act.

159. The delineation of the proposed 'Grantham Urban Area', which would need to be defined on the policies map<sup>6</sup> reflects the existing urban fabric of the town which aligns with the viability evidence. It is submitted that proposed allocations and the consented allocation north of Longcliffe Road should also be included in the 20% zone. I am not persuaded by the viability evidence that these urban extensions and larger sites should be included within the urban zone given they are creating new communities on peripheral greenfield sites which will be distinct in their appearance, product and saleability compared to character and values of sites within the town.
160. I do accept however that infrastructure costs associated with these sites are significant and notwithstanding the viability study conclusions that these sites can broadly support 30% affordable housing there needs to be further acknowledgement and flexibility in Policy H2 for these sites in terms of allowing for site specific viability assessments to be considered, including facilitating variable levels of affordable housing over what will be considerable delivery periods (i.e. lower at the start where there are up-front infrastructure costs and recouped in later phases or where improving viability allows for overage).
161. The reference to the accessible homes standard in criterion d. of submitted Policy H2 is unclear as to whether it is optional standards M4(2) or M4(3) or why it is specifically sought for affordable housing and not other forms of housing. The Council intend to clarify matters within Policy DE1 and I address that separately under Issue 7 below. On this basis removing criterion d. from the policy would be necessary.
162. I therefore recommend **MM17** to Policy H2 to include, amongst other things, the Grantham Urban Area threshold of 20% affordable housing, flexibility to allow for specific viability assessments for Grantham urban extension allocations as an exception to an otherwise strict approach of avoiding frequent viability appraisals and to remove criterion d. on accessible homes. The MM would be necessary so that the plan is justified, effective and consistent with national policy in this regard. I have amended the modification consulted on slightly to include a reference to land north of Longcliffe Road, which is now consented, but to ensure a consistent approach to allowing for site specific viability assessments for all existing and former GR3 sites at the edge of Grantham.
163. It is reasonable that larger sites provide an opportunity to deliver some of the demand for self and custom build housing. As submitted Policy H3 seeks up to 2% of plots on sites over 400 homes to be allotted for serviced plots. The 400 homes threshold is reasonable such that in reality only a handful of the very largest allocations, most of which require masterplanning, would be expected to make any provision. The policy does not require serviced plots to be held indeterminately such that they can be released back to the market after a sensible period. The phrasing "up to 2%" would technically allow for significantly less and therefore would be ineffective. Accordingly, 2% should

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<sup>6</sup> Consulted on as SKPMC-2 alongside MM16

be set as a floor rather than a ceiling. **MM18** would do this and I recommend it accordingly for effectiveness.

164. As evidenced in the SHMA there is a need for a range and mix of residential accommodation including, in particular, housing for the elderly. Policy H4 sets a broadly reasonable approach in looking to major housing schemes to provide for a mix types and sizes of housing. Clarity is needed (through the glossary) as to what constitutes "specialist housing" for older people. It would not be necessary for major housing schemes to provide for retirement accommodation or extra care and residential care housing, but the policy should set a clear signal of policy support where these appropriately come forward. Nor would it be justified to require specialist provision for accommodation for the elderly to meet recognised dementia standards. **MM19** would address these matters and make for a clearer policy and so I recommend it for effectiveness.

165. In conclusion, subject to the main modifications identified, the plan's approach for delivering a range housing to meet various needs would be effective, justified and consistent with national policy and therefore soundly based.

### **Issue 6 – Are the proposed employment allocations and policies positively prepared, justified, effective and consistent with national policy?**

#### *Strategic Employment Sites*

166. The principal strategic employment site for the district and for Grantham is the Grantham Southern Gateway allocation (GR.SE1) comprising various parcels of land amounting to 105 hectares around the proposed interchange of the A1 and GSRR. The area already contains a number of commercial premises and a site with planning consent for a design outlet complex. It is well-related to the existing southern fringes of Grantham and the proposed urban extensions at Spitalgate Heath and PWOGB. In terms of the aspiration to accommodate significant employment growth at this location this would be reasonable given Phase 1 of the GSRR has already been implemented and within the next 2 years this will be a high-profile location adjacent a new grade-separated junction on the A1.

167. The scale and extent of employment land at this location could reasonably be enlarged to accommodate demand for various employment uses without significant adverse impacts on the wider landscape or setting of nearby heritage assets. Accordingly, I recommend the inclusion of additional land between the A1 and B1174 to the south of the proposed Southern Gateway site as a logical consolidation of developable land at this strategic location to create a wider allocation of some 119ha. **MM22** would do this and I recommend it to make the plan effective in realising the sought step-change in economic growth discussed in Issue 1.

168. Elsewhere at Stamford, the plan allocates just under 10ha of employment land to the west of the town at Exeter Fields. This is an allocation rolled forward from the 2014 Site Allocations & Policies Plan and remains undeveloped. The site benefits from planning permission and has been the subject of ongoing dialogue between the landowners and the Council [EX/SKDC/35]. The site has a reasonable profile to the adjacent A1 and is suitably located on the western side of the town to avoid commercial traffic travelling through the town. The

evidence in the SCLGS is reasonable in that alternative directions of growth to the north and east would be unsuitable for employment development. Having in mind the test at paragraph 22 of the NPPF there remains a sufficiently demonstrable prospect of the site being used for employment use

169. Given the extensive residential development proposed in Stamford over the plan period and the evidence from InvestSK and others that a lack of reasonable alternative sites for expansion/modernisation may have been a contributory factor to the loss of a number of businesses in town it would not make sense to significantly reduce the one high quality greenfield employment site on the right side of town if Stamford is to flourish as a balanced community. As set out above, the district-wide over-allocation of employment land arises because of the potential to establish a sub-regional strategic employment site at Grantham. There is no persuasive evidence that the Grantham Southern Gateway (some 22 miles north of Stamford) dilutes the potential of Exeter Fields which is positioned in a part of the District where the dynamic is more towards Peterborough as a sub-regional economic hub. Overall, the Exeter Fields allocation in the plan is soundly-based.
170. The strategic employment site at Peterborough Road, Market Deeping is only 4.2ha in size. The scale and location of the site is not of the same calibre as the larger Northfields site with a direct profile to the A1175. There is little evidence that it is justified as an employment site of strategic importance under Policy E1 and therefore its identification as such would not be sound. **MM23** would remove it as a strategic employment site and **MM24** would reallocate it as a general employment site under Policy E2 and I recommend them as a justified and effective approach.
171. Roseland Business Park to the north of the district is an established, significant employment site with good access to the A1. This former airfield site is already occupied by a variety of employment uses including national and local employers. A residual area of 9ha remains to be developed. As submitted the plan identifies Roseland Business Park under Policy E3 as an existing rural site to be protected. Notwithstanding the concern in the made Long Bennington Neighbourhood Plan regarding intensification at Roseland the evidence from the highways authority confirms that the site is a suitable employment location to be accessed from the existing road network. As submitted the plan is not justified in potentially under-playing the significant potential of a site that is well-related to the strategic road network. I therefore recommend **MM23** to include Roseland Business Park as a strategic employment site in Policy E1 in order for the plan to be justified.
172. Unlike the proposed housing allocations, there are no site-specific policies for the strategic employment sites other than some general principles in submitted Policy E1. For a number of strategic sites where there are no particular site-specific issues and other policies of the plan can adequately guide development this would be a justified and effective approach. However, in the case of the substantial Grantham Southern Gateway Site matters are not necessarily straightforward, involving multiple land ownership parcels and the need to coordinate sustainable employment development and associated infrastructure. Accordingly, the absence of site-specific policies for this strategic location is unsound, being neither justified, effective or consistent

with national policy where plans need to provide specificity on how, when and where sites should come forward.

173. Consequently, **MM22** would introduce a new detailed site-specific policy for the Grantham Southern Gateway site and would be necessary so that the plan would be justified, effective and consistent with national policy. I therefore recommend it on this basis subject to additional clarity to criterion (f) to promote the use of SuDs and a rewording of criterion (h) as advised by Historic England for consistency with national policy.

#### *Other Employment Sites*

174. Notwithstanding the scale of employment land allocation at Grantham the plan on submission allocated land at the PWOGB site primarily for housing. To secure an overall sustainable urban extension and to make best use of this former defence site it would not be justified to allocate the site solely for residential. Therefore, a subservient element of employment use would be justified in securing a sustainable pattern of development as part of this direction of growth. Accordingly, I recommend the relevant part of **MM24** as being necessary to make a modest allocation of 8ha at this location.

175. In respect of Bourne the submitted Plan generally adheres to the ELS evidence such that the proposed allocations either logically consolidate established employment areas to the east of the town or provide jobs at the Elsea Park strategic extension. Following submission, the Council has provided updated and compelling evidence that land north of Manning Road (proposed allocation BO.E2) will not come forward for employment and such its continued allocation for employment uses would not be sound. I therefore recommend that part of **MM24** which would de-allocate the site for employment. Even with this modification, the remaining proposed scale of allocated employment land would accord with the scale of planned housing development as part of the overall strategy to maintain a balanced community. There is no persuasive evidence of the need to identify further employment land at Bourne as part of this plan.

176. The proposed policy framework for strategic and other employment sites would allow for other employment generating uses outside of B1, B2 and B8 use classes. In the case of the employment allocations, requiring the demonstration that an end-user has been secured would be onerous and generally difficult to achieve in advance of obtaining a planning permission. It is neither effective or justified. I therefore recommend those parts of **MM23** and **MM24** to require that an end user is positively identified rather than secured to provide an appropriate balance between avoiding the wholly speculative loss of land for B1, B2 and B8 uses and providing some flexibility for genuine proposals where a named end user could only be secured subject to the grant of planning permission.

177. A range of existing employment sites are protected under submitted Policy E3. For effectiveness the policy needs to make clear that these sites, together with a small number of omitted existing sites which need to be included, are identified on the policies map and I recommend this as part of **MM25**. The only exception is that land at R3 Gonerby Moor that has an established retail use. This land should be removed from the protection of Policy E3 as per that

part of **MM25** and I recommend this so that the plan is justified and effective. Policy E3 should also be amended as part of **MM25** to allow for alternative employment generating uses and I recommend this so that the plan is justified and consistent with national policy at paragraphs 21 and 22 of the NPPF.

### *Employment Policies*

178. Policy E5 allows for the loss of employment land and buildings to non-employment uses but as submitted the policy lacks clarity and therefore effectiveness. It is necessary that the requirements around marketing are made clearer as well as ensuring the policy is readily understood that redevelopment proposals which would still maintain the scale of employment activity on the site would be supported. To address these points, I therefore recommend **MM26** for effectiveness, amending criterion (a) for comprehension by replacing 'and' at the end with 'or'. The wording of Policies E6 and E8 needs to be effective and consistent with national policy on conserving and enhancing the natural environment. **MM27** and **MM28** would clarify that consideration of the effect on the natural environment is wider than just protected sites when considering proposals for the rural economy and **MM29** would ensure that proposals to support the visitor economy maintain the quality of the natural environment and I recommend them both for effectiveness. Policy E7 in supporting other employment proposals requires qualification that any adverse impacts should be significant. **MM30** would do this and I recommend it for effectiveness.

### *Conclusion on Issue 6*

179. In conclusion, subject to the above-mentioned modifications, the plan's proposed allocations and policies to support the existing local economy and the strategic objective for a step-change in economic growth, would be soundly based.

### **Issue 7 – Are the Plan's policies for the natural and built environments, including sustainable construction, soundly based?**

180. Policies EN1, EN2 and EN3 concern landscape character, biodiversity and geodiversity and green infrastructure and are generally supportive of the NPPF's aims of conserving and enhancing the natural environment. The positive approach of the plan to maintaining and improving green infrastructure would also accord with the NPPF's aim of promoting healthy communities. However, to ensure the plan is effective and otherwise consistent with national policy, **MM31, MM32, MM33, MM34, MM35** and **MM36** are all needed:

- To provide greater clarity on various attributes (landscape character, land quality, ecological networks, protected sites) that characterise South Kesteven's environment;
- To ensure the structure and wording of Policy EN2 is consistent with the hierarchy of protection for international, national and local sites and provides greater clarity on the stepwise approach of avoidance, mitigation and only compensation as a final resort.

- To provide necessary precision in Policy EN2 on the obligations of the Habitats Regulations and how development proposals that require Appropriate Assessment will be determined.
- To provide context for what constitutes green infrastructure for the purposes of Policy EN3 and to provide clearer policy content and support where proposed green infrastructure would secure biodiversity net gains consistent with national policy.

181. The NPPF at paragraph 110 requires plans to minimise pollution and other adverse effects on the local and natural environment. The plan appropriately contains Policy EN4 on pollution control which amongst other things recognises the existing Air Quality Management Area in Grantham and seeks applicable mitigation in accordance with the 2016 Air Quality Action Plan. Given the significance of needing to improve air quality an additional strategic objective to minimise pollution which affects health and wellbeing needs to be added to the plan. This in turn needs to be reflected in an additional criterion in Policy SD2 to ensure minimising pollution is one of the principles of sustainable development in South Kesteven. **MM6** and **MM9** would do this respectively and I recommend them for effectiveness and consistency with national policy.

182. The plan needs to better recognise that pollution also applies to land and water. In respect of the latter, given the sensitivity and vulnerability of the water environment in the Borough, including the ecologically valuable but pressurised upper reaches of various watercourses and the importance of underlying aquifers beneath the generally porous limestone geology of the District, there is a particular need to avoid both the deterioration of the water environment and the ability to meet good status standards in accordance with the Water Framework Directive (WFD). **MM37** would necessarily expand the policy and so ensure effectiveness and consistency with both national policy and the requirements of the WFD and **MM38** would introduce needed supporting text to implement the expanded policy. Accordingly, I recommend both MMs but have amended MM37 to rectify a missing reference to 'pollution' in the first modified sentence for comprehension.

183. Meeting the challenge of flooding is an issue for the District, the significance of which is documented in the submitted Strategic Flood Risk Assessment 2017 [documents ENV5 & 6]. The sequential test has been applied in respect of the plan allocations and for over-arching development management purposes Policy EN5 would seek to appropriately reduce the risk of flooding. **MM39** would introduce necessary effectiveness by requiring that on-site attenuation measures must achieve multiple benefits, including biodiversity and I recommend it for effectiveness. I also recommend expanding MM39 to include the text agreed between the LPA, Environment Agency and Anglian Water in a statement of common ground [EX/SOCG/02]. This would introduce necessary clarity on the surface water hierarchy, giving proper priority to the use of Sustainable Drainage Systems (SuDS) and only permitting disposal into public sewage network in exceptional circumstances. The additional text would also helpfully clarify that development proposals should establish that foul water treatment and disposal already exists or can be provided in time to serve the development and that foul and surface water flows should be separated where possible. Given the sensitivity of the water environment in the district and WFD requirements it is necessary to ensure there is not an increased risk of

surface water and sewer flooding. The additional text reflects the well-established prioritisation of the use of SuDS as referenced in the NPPF and I do not consider by including it as part of MM39 any prejudice would arise.

184. As part of the approach to delivering the NPPF's core planning principle of securing high quality design, Policy DE1 of the plan would generally require the key factors necessary to achieve good design as set out at paragraph 58 of the NPPF. The policy would also support local design responses sought by village design statements and neighbourhood plans as well as reinforcing the Council's commitment to supporting high standards of design on large-scale and significant developments through local design review arrangements. The policy as modified is clear that design review will be sought at an early stage including as part of any necessary masterplanning. However, to ensure the plan is effective and otherwise consistent with national policy, **MM40** is needed:

- To provide clarity on what is meant by 'major' development and that the threshold for requirements for innovative design for sustainable living and working and independent design review would be developments of 400 dwellings or more.
- Remove compliance with Building for Life 12 and requirement for lifetime homes and clarify that the requirement would be for at least 10% of new dwellings on all schemes of 10 or more dwellings to be accessible and adaptable in accordance with optional technical standard Part M4(2) of the Building Regulations.

185. The clarification on the 10% requirement for M4(2) accessible and adaptable dwellings is a notable modification to Policy DE1 but reflects MM17 recommended above in relation to Policy H2. In terms of its justification, the evidence on the housing need for older people and the housing needs of those people with disabilities presented in Section 5 of the SHMA is consistent with the evidential requirements for the optional technical standard as set out in the Planning Practice Guidance (paragraphs 56-002-20160519, 56-006-20150327 & 56-007-20150327). Viability of the plan is predicated on all dwellings achieving compliance with Building for Life 12 and Lifetime Homes, which has now been removed. The new 10% M4(2) requirement would not be as onerous on construction cost, may well have market attractiveness, and should therefore be considered viable.

186. Policy OS1 sets out the standards to be sought for all types of open space, including informal and natural green space. **MM41** would emphasise the opportunity of aligning open space provision with other requirements such as net gains in biodiversity and green infrastructure and I recommend it for consistency with national policy at NPPF paragraphs 109 and 117.

187. In conclusion, subject to the above-mentioned modifications, the plan's policies for the natural and built environments, including sustainable construction, are justified, effective and consistent with national policy.

**Issue 8 – Is the Plan's approach to implementation, including infrastructure delivery, plan-wide viability and monitoring, justified, effective and consistent with national policy?**

*Infrastructure delivery*

188. Policy ID1 sets out the mechanisms by which necessary new infrastructure would be delivered. As the 2018 Infrastructure Delivery Plan (IDP) highlights the identified infrastructure needs to support sustainable growth in the District are significant. Whilst the cost and funding profile of the GSRR has evolved since the IDP there would remain a significant infrastructure funding gap, likely to still be in the region of the £186million presented in the IDP.
189. Whilst there is positive work on the asset management planning of utilities to support growth including committed investment to the Marston Waste Water Treatment Works near Grantham, the involvement of Homes England at Grantham and a collaborative HIF bid to boost delivery at Spitalgate Heath Garden Village at Grantham, this would not close the identified funding gap. It is evident from looking at the IDP that developer contributions will be critical to delivering initial capacity by financing school capacity and highway improvements in order to unlock early sites and sustain increases in housebuilding over the middle plan period. The Council has not enacted a Community Infrastructure Levy but retains the option to do so. Accordingly, reliance, in the first instance, would be on developer contributions.
190. The plan sets out known essential site-specific infrastructure requirements in the relevant site-specific policy, which is a justified and effective approach. Policy ID1 would provide the over-arching approach to securing developer contributions and notwithstanding the plan-wide viability evidence contains a mechanism for viability assessment where there are site-specific circumstances. The evidence in the IDP and how this has been translated into the plan is broadly consistent with the requirements set out at paragraphs 156, 157, 162, 176 and 177 of the NPPF. Further clarity is, however, required that development is only permitted where there is an agreed timeframe to put in place necessary infrastructure capacity. **MM67** would do this and I recommend for better consistency with paragraph 177 of the NPPF.
191. Transport infrastructure is key to delivering both the economic and housing growth in this plan period and beyond, particularly in Grantham. It is also critical to improving air quality, enabling less reliance on the car to access work and services and allowing for the safe and efficient movement of people and goods. The plan appropriately reflects the evidence in the IDP, the latest Lincolnshire Local Transport Plan (LTP4) and the Transport Strategy for Grantham. Policy ID2 of the plan also sets out recognised principles when considering the transport dimensions of development proposals. The policy as submitted refers to demonstrating there would be no unacceptable impact on highway safety. I agree this could introduce uncertainty, with some community perceptions of unacceptable impact likely to be relatively low. Accordingly, the bar should be the severity test at paragraph 32 of the NPPF and **MM68** would deal with this and I recommend it for effectiveness.
192. The plan recognises that access to, and quality of, broadband is critical to economic productivity and general quality of life, particularly for a

predominantly rural area like South Kesteven. Policy ID3 would require fixed fibre superfast broadband on all schemes of 30 dwellings or more and fixed fibre broadband for all other residential and commercial developments. The specific quality of broadband provision within new builds and conversions (my emphasis) is governed by Part R of the Building Regulations and parts of the policy would add little to these requirements. Accordingly, the specificity within the policy should be removed such that the policy becomes a supportive policy for communications infrastructure and to ensure future-proofing communication technology is put in place to serve new developments. I therefore recommend **MM69** for effectiveness.

### *Viability*

193. The plan is supported by a 2017 whole plan viability study which highlights there is some notable variability in sales values. The other various inputs into the study are also reasonable, including benchmark values, sales and construction costs which include policy requirements from the plan. The appraisal is also predicated on a policy compliant affordable housing provision and standard developer contributions at £2,500 per unit.

194. The outcome of the viability study is that previously-developed land is unlikely to bear the full policy requirements. The plan strategy is not predicated on significant brownfield delivery. The principal previously-developed sites are Stamford East and the PWOGB site at Grantham. I have dealt with the deliverability and developability of both sites under Issue 2 above and there is nothing to indicate that either site would be unviable. Modified Policy H2 (MM17) specifically recognises the need for viability appraisal for previously-developed sites.

195. In the southern parts of the District the residual values are strong for greenfield sites. It is suggested that this supports a more nuanced approach for a higher affordable housing requirement in the south. There is, however, some interesting variability in sales values (Figure 4.5 of the viability study) which cautions against setting a blanket higher requirement in this part of the District. Additionally, there are specific significant costs for the Stamford urban extension and as the viability modelling for the associated typology suggests the results are cautiously positive. Therefore, rather than get into multiple affordable housing requirement zones, the straightforward approach of a 30% affordable housing requirement for the vast majority of the District as set out in Policy H2 would be sound and not threaten the viability of most development necessary to deliver the plan's strategy.

196. There are concerns around the cumulative impact of various infrastructure costs and mechanisms such as design reviews. However, plan-wide viability has sensitivity tested a number of affordable housing options between 10% and 40% [Tables 10.18-10.29] to determine a degree of headroom between benchmark values and gross development costs. The appraisal also makes reasonable allowances for contingencies. The submitted policy of 30% affordable housing, together with the modification for 20% in the Grantham Urban Area significantly smooth out the mixed picture on viability even though a significant number of greenfield typologies, critical to delivering the plan, were deemed viable at 35%. For a significant number of sites the viability study is justifying in finding that 30% affordable housing will aid viability.

Overall, this would be sound from a viability perspective and consistent with NPPF paragraph 173.

### *Monitoring and Plan Review*

197. The plan on adoption would replace the 2010 Core Strategy and 2014 Site Allocations and Policies development plan documents. For the avoidance of doubt and to meet legal compliance this needs to be made clear within the first section of introductory text and the list of superseded policies presented in an appendix. **MM2** and **MM78** would do this and I recommend them for effectiveness and consistency with national policy.
198. Whilst the submitted plan contained a section on monitoring it did not contain a framework setting out the indicators against which the performance of the plan's policies and proposals could be measured, and the potential actions and contingencies were monitoring to reveal divergence from the intended strategy and delivery of the Plan. The Council remedied this through a monitoring framework provided prior to the hearings and have subsequently enhanced and refined its contents such that it would provide for a comprehensive and practicable basis for annually monitoring the effectiveness of the Plan. Accordingly, I recommend **MM77** which would embed the monitoring framework as an appendix to the Plan and is needed for effectiveness and consistency with national policy.
199. There is a requirement for local planning authorities to consider the need to review their local plans at least every five years. The plan was submitted for examination towards the end of the period of transition at paragraph 214 of the 2018/9 NPPF. As such there is a need to consider, sooner rather than later, the implications of latest national policy for plan-making in the area.
200. As set out elsewhere in this report there are various aspects that indicate an early review of the plan would be necessary. These include the relative age and datedness of the 2015 ELS and the need to update the evidence on gypsy and traveller accommodation given the shortfall in provision through this plan. The review of evidence would also enable a wider assessment of caravan needs as required under S124 of the Housing and Planning Act 2016. An early plan review would also enable the Council to consider whether its local housing need has changed significantly so as to warrant a re-evaluation of the strategic policies for housing.
201. The proposed early review policy (Policy M1) sets out that a review will commence in April 2020 with submission for examination anticipated by the end of 2023. The proposed 3½ year timeframe would be reasonable to allow the necessary evidence to be assembled and consultation undertaken prior to submission. The word 'anticipated' introduces some uncertainty and so I have amended the policy to set an effective and justified timeframe for submission by the end of December 2023. I therefore recommend the early review policy and accompanying text in **MM72** so that the plan is positively prepared.
202. Alongside the monitoring framework, a small number of modifications are needed to clarify the plan glossary and introduce new definitions. These changes are set out at **MM74**, **MM75** and **MM76** and are all necessary so that the plan can be implemented effectively.

203. In conclusion, subject to the above-mentioned modifications, the plan's approach to implementation, including infrastructure delivery, plan-wide viability and monitoring are justified, effective and consistent with national policy.

## Public Sector Equality Duty

204. The Plan is accompanied by an Equality Impact Analysis 2019 which has considered the impacts of the plan on those with protected characteristics. The analysis identifies generally positive or neutral effects arising from the plan's policies and proposals. Throughout the examination, I have had due regard to the aims expressed in S149(1) of the Equality Act 2010.

205. There are specific policies concerning specialist accommodation for the elderly, gypsies and travellers and accessible environments that should directly benefit those with protected characteristics. In this way the disadvantages that they suffer would be minimised and their needs met in so far as they are different to those without a relevant protected characteristic. However, in respect of the accommodation needs of gypsies and travellers, I find that in the absence of the plan allocating sites to meet the identified need, the positively worded policies for assessing individual proposals may still result in an uncertain outcome. The principal mitigation mechanism is recommended in **MM72** which commits the Council to an early review of the Plan informed by, amongst other things, an updated assessment of gypsy and traveller accommodation needs and greater certainty about how that need will be met through a plan-led approach.

## Assessment of Legal Compliance

206. My examination of the legal compliance of the Plan is summarised below.

207. Prior to submission the Local Plan had been prepared in broad accordance with the Council's Local Development Scheme (LDS) adopted in 2017. During the examination the Council revisited its LDS to reflect actual timeframes. Adoption of the Plan would be feasible with the latest LDS milestones published in September 2019.

208. Consultation on the Local Plan and the MMs was carried out in compliance with the Council's Statement of Community Involvement 2014.

209. Sustainability Appraisal has been carried out, including necessary engagement with the statutory SEA bodies and appropriate reviews of the context and baseline data for the identified SA themes against which the proposals and policies have been assessed. The SA is a predominantly narrative and relatively succinct document, but I am satisfied that the SA has focused on those areas where the effects are likely to be significant including principal reasonable alternatives on the scale and distribution of growth. The SA addendum appropriately considers the proposed MMs. Overall, the SA is adequate.

210. The HRA Report April 2019 has updated the screening of the plan's policies and proposals for likely significant effects in light of recent case law. Consequently, appropriate assessment has been undertaken which has concluded that there would be no adverse impact on the integrity of protected

sites arising from the plan. A similar conclusion has been reached in the updated HRA on the proposed MMs recommended in this report.

211. The plan includes policies designed to secure that the development and use of land in the local planning authority's area contribute to the mitigation of, and adaptation to, climate change. Climate change is one of the key themes in the sustainability appraisal providing an overall conclusion that the spatial strategy and policies of the plan will limit greenhouse gas emissions and enhance the resilience of the District to the effects of climate change. The particular plan policies that would proactively address climate change include: SD2 which seeks to secure the principles of sustainable development with particular reference to aspects of climate change at criterion (a)-(e); SP1 and SP2 which seek to focus growth into Grantham and the other market towns where the need to travel would be reduced and protect best and most versatile land; EN4 and EN5 on pollution control and flooding respectively; SB1 on sustainable building and construction; and RE1 which supports appropriately located renewable energy.
212. The plan complies with all other relevant legal requirements, including in the 2004 Act (as amended) and the 2012 Regulations.

## **Overall Conclusion and Recommendation**

213. The plan has a number of deficiencies in respect of soundness 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.
214. The Council has requested that I recommend MMs to make the Plan sound and capable of adoption. I conclude that with the recommended main modifications set out in the Appendix the South Kesteven Local Plan satisfies the requirements of Section 20(5) of the 2004 Act and meets the criteria for soundness in the National Planning Policy Framework.

*David Spencer*

Inspector

This report is accompanied by an Appendix containing the Main Modifications.