



The Planning Inspectorate

Report to West Suffolk Council

by Simon Berkeley BA MA MRTPI and Christa Masters MA (Hons) MRTPI
Inspectors appointed by the Secretary of State for Communities and Local Government

Date: 13 August 2019

Planning and Compulsory Purchase Act 2004

(as amended)

Section 20

Report on the Examination of the Single Issue Review of Forest Heath Core Strategy Policy CS7

The Plan was submitted for examination on 23 March 2017

The examination hearings were held between 25 and 29 September 2017 and on 25 June 2018

File Refs: PINS/H3510/429/6

Abbreviations used in this report

CHMA	Cambridge Housing Market Area
CD	Core Document
CS	Forest Heath Core Strategy, 2010
DMP	Development Management Policies
DtC	Duty to Co-operate
Framework	National Planning Policy Framework, 2012
HMA	Housing Market Area
HRI	Horse Racing Industry
HRA	Habitats Regulations Assessment
IDP	Infrastructure Delivery Plan
LPA	Local Planning Authority
LP	Local Plan
MM	Main Modification
NE	Natural England
OAN	Objectively Assessed Need for housing
PPG	Planning Practice Guidance
SA	Sustainability Appraisal
SALP	Site Allocations Local Plan
SCC	Suffolk County Council
SCI	Statement of Community Involvement
SHMA	Strategic Housing Market Assessment
SIR	Single Issue Review
SPA	Special Protection Area
USVF	United States Visiting Forces in Europe

Non-Technical Summary

This report concludes that the Single Issue Review of the Core Strategy Policy CS7 provides an appropriate basis for housing in the Forest Heath area, provided that a number of main modifications are made to it. West Suffolk Council has specifically requested that we recommend any main modifications (MMs) necessary to enable the Plan to be adopted.

All the MMs concern matters that were discussed at the examination hearings and were proposed by the Council, and were subject to public consultation over a six-week period. They were also subject to a sustainability appraisal. We have recommended their inclusion in the Plan after considering all the representations made in response to consultation on them.

The Main Modifications can be summarised as follows:

- Amending the housing need figure given to reflect the most up to date evidence;
- Committing to an early review of SIR as a whole;
- Modifying the distribution of housing; and
- Clarifying that the housing requirement is a 'net' figure.

Introduction

1. The Core Strategy for Forest Heath ('the CS') was adopted in May 2010. Policy CS7 sets out the level of housing planned for and directs its broad distribution and location. However, Policy CS7 has been quashed by a High Court Order in its entirety, save for the housing requirement. The Single Issue Review of Core Strategy Policy CS7 ('the SIR') now proposes to introduce into the CS a revised version of the policy and its supporting text, setting out a new housing requirement and spatial distribution.
2. The SIR was submitted by Forest Heath District Council, the then local planning authority, on 23 March 2017. However, West Suffolk Council was formed on 1 April 2019, replacing both Forest Heath District and St Edmundsbury Borough Councils. West Suffolk Council is now the local planning authority and, on adoption, the SIR will become its responsibility to administer in relation to the area formerly defined as Forest Heath District. This gives rise to no implications for the SIR.
3. This report contains our assessment in terms of Section 20(5) of the Planning & Compulsory Purchase Act 2004 (as amended) of the SIR. It considers firstly whether the preparation of the SIR has complied with the Duty to Co-operate ('the DtC'). It then considers whether the SIR is sound and whether it is compliant with the legal requirements. Paragraph 182 of the National Planning Policy Framework 2012 ('the Framework') makes it clear that in order to be sound, a Local Plan should be positively prepared, justified, effective and consistent with national policy.
4. The revised National Planning Policy Framework was published in July 2018 and further revised in February 2019. It includes a transitional arrangement in paragraph 214 which indicates that, for the purpose of examining this Plan, the policies in the Framework 2012 will apply. Similarly, where the Planning Practice Guidance (PPG) has been updated to reflect the revised national policy, the previous versions of the PPG apply for the purposes of this examination under the transitional arrangement. Therefore, unless stated otherwise, references in this report are to the Framework 2012 and the versions of the PPG which were extant prior to the publication of the revised national planning policy.
5. The starting point for the examination of the SIR is the assumption that the local planning authority ('the LPA') has submitted what it considers to be a sound document. The SIR as originally submitted in March 2017 is the basis for our examination. This is the same document which was published for consultation in January 2017.

Main Modifications

6. In accordance with section 20(7C) of the 2004 Act, the Council requested that we should recommend any main modifications (MM) necessary to rectify matters that make the Plan unsound and/or incapable of being adopted. Our report explains why the recommended MM's, all of which relate to matters that were discussed at the examination hearings, are necessary. For consistency, we have given the main modifications the same reference numbers as those used by the Council. The main modifications are referenced

in bold in the report in the form of **MM1, MM2, MM3** and are set out in full in an appendix to this report.

7. Following the first examination hearings held in September 2017, we wrote to the Council setting out a number of concerns in connection with the spatial distribution of housing proposed. The Council responded to these concerns by preparing a schedule of MMs. This schedule was subject to public consultation for six weeks, along with the updated Sustainability Appraisal (SA) and Habitats Regulation Assessment (HRA). A further hearing session was held in June 2018 to discuss the MMs put forward by the Council. We have taken account of all the consultation responses in coming to our conclusions in this report.
8. A number of other changes have been put forward by the Council. These generally comprise factual updates or minor revisions. In addition, many changes were put forward by the Council ahead of the first hearing sessions. These are compiled within Core Document (CD) D9b. This is because the SIR as originally submitted included pages of explanatory and other incidental text which the Council did not intend to be adopted into the CS. The Council consequently produced a 'clean' version of the SIR (CD D20), including only the text intended for adoption. Whilst all these changes are largely helpful – indeed, the latter swathe leading to the 'clean' version of the document are particularly welcomed – their inclusion within the SIR is not essential for soundness. We have therefore not referred to them within this report or included them within the appendix.

Consultation

9. The Council carried out widespread public consultation over a six-week period, both on the Plan before its submission and, as has been explained above, in relation to the proposed MMs. Consultation was also undertaken into the updated Habitats Regulations Assessment, discussed later in this report. In preparing this report, we have taken into account all these responses. It is clear to us that the Council have gone to significant lengths to ensure people are engaged with the consultation process, and a number of different methods of consultation were used including open evenings and exhibitions as well as Officers attending a number of Parish Council events on request.
10. A significant number of representations were received from community organisations, developers, local residents and businesses. Overall, we are of the view that the consultation process gave the opportunity to those who would be potentially affected by the Plan to express their views.
11. Taking all the above into account, we conclude that satisfactory consultation was carried out on the Plan. The consultation satisfied all the relevant legal requirements, including the Council's Statement of Community Involvement (SCI).

Assessment of Duty to Co-operate

12. Section 20(5) (c) of the 2004 Act requires that we consider whether the Council complied with any duty imposed on it by section 33A in respect of the Plan's preparation.

13. As already indicated, the SIR is restricted in scope. Nonetheless, there are a number of strategic, cross-boundary issues of relevance to it. Principal among these are housing, both in terms of meeting needs and its distribution, transport and other infrastructure requirements arising as a result of the new housing, and environmental considerations.
14. The DtC Statement (March 2017) provides comprehensive details about the way in which the Council has engaged with the bodies prescribed in the Regulations. This engagement includes the joint working/shared services arrangement between the Council and the neighbouring St Edmundsbury Borough Council. Joint working has taken place in relation to the Cambridge Housing Market Area ('the CHMA'), and a memorandum of co-operation has been produced. A number of cross boundary project groups have been established, perhaps notably the A11 Technical Corridor Stakeholder Group. In addition, joint studies have been commissioned on issues affecting neighbouring authorities, for example the Stone Curlew Buffers report which was produced for both the Council as well as Breckland District Council. Details of all cross boundary groups and organisations are set out in full within the DtC Statement.
15. The Council has produced a significant amount of evidence in connection with both the nature and extent of engagement which has taken place. Taking all of this into account, we are satisfied that the Council has engaged constructively, actively and on an on-going basis in the preparation of the SIR and we are satisfied that the legal DtC has been complied with.

Assessment of Soundness

Background

16. The SIR has been prepared to form part of a suite of documents which form the development plan for West Suffolk. As matters stand, this includes the CS, the Joint Development Management Policies ('the DMP') (February 2015) as well as saved policies from the Forest Heath Local Plan 1995. In addition to the SIR, the Council has also produced a Site Allocations Local Plan (SALP) which contains site specific housing, employment, and other allocations. This was submitted for examination in parallel with the SIR and is subject to a separate examination.

Main Issues

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

Issue 1 – Is the approach to housing justified, effective and positively prepared? Is it adequately consistent with the CS and national policy?

18. The Framework indicates that Local Plans should meet the objectively assessed need for housing ('the OAN') in the Housing Market Area ('the

HMA'). Whether there is sound evidence to justify the HMA and OAN identified, and whether the SIR satisfactorily provides for meeting the OAN, lie at the heart of this issue.

The housing market area

19. Along with Cambridge, East Cambridgeshire, Fenland, Huntingdonshire, South Cambridgeshire and St Edmundsbury, Forest Heath is identified in the Strategic Housing Market Assessment produced in 2013 (CD C28) ('the SHMA') as being within the CHMA. The PPG provides guidance in relation to defining HMAs. It notes that HMAs can be broadly defined using three different sources of information including house prices and rates of change in house prices, household migration (where it is suggested that a level of 70% represents a high degree of containment) and search patterns, and contextual data such as travel to work boundaries. It is clear from the Council's evidence that such factors have been considered.
20. Figure 1 of the Forest Heath Objectively Assessed Housing Need report (January 2016) (CD C26) summarises the cross-boundary migration to and from Forest Heath as defined by the 2011 Census data. We acknowledge that this data is somewhat dated. However, there is no suggestion that there have been any significant changes in the intervening period which would render it out of date. This indicates that 72% of all 'in' moves and 78% of all 'out' moves were contained within the HMA. Both of these figures are above the aforementioned 70% level indicated by the PPG. In our view, this amounts to a good degree of containment.
21. An analysis of commuting flow patterns has also taken place, which has helped to identify the key functional linkages between places where people within the district live and work. Again, based on the 2011 census data, this assessment shows that 61% of people who work in Forest Heath live in Forest Heath, and that 63% of people who live in Forest Heath also work in Forest Heath. From this, it seems to us that the district is an important location in terms of work for existing residents, whilst it continues to form an important role in terms of the wider HMA.
22. The Forest Heath District Market Signals and Objectively Assessed Housing Need (February 2016) ('the Market Signals and OAN Report'). The report notes that house prices in Forest Heath are below all other areas within the 'comparator area'. Conversely, market rents in Forest Heath are considerably higher than comparable areas and properties for market rental also account for a larger proportion of the housing supply than in other areas. However, it is likely that these differences stem from the significant presence of the United States Air Force personnel and their dependants who choose to live off base. Given the particular local context here, neither the house prices nor the market rents in the district should be taken to indicate that Forest Heath lies outside the CHMA.
23. Overall, we are satisfied that the evidence provided concerning commuting flow patterns, migration flow patterns supports the inclusion of Forest Heath within the HMA as defined. The approach adopted by the partner local authorities within the HMA also supports this.

The OAN

24. To establish the OAN, the Council has followed the methodology set out within the PPG. The PPG advises that household projections should be the starting point in terms of estimating the overall housing need. These projections are re-visited periodically, and the Council's evidence has been systematically refreshed to reflect the most recent figures. The Forest Heath Objectively Assessed Housing Need (CD C26, January 2016) report considers the 2012-based household and population projections. The Market Signals and Objectively Assessed Housing Need (CD C25, January 2016) report takes account of the 2014-based household and population projections.
25. The Update on Objectively Assessed Need in the Cambridge Sub-Region Housing Market Area (CD C16, February 2017) provides an OAN figure for four of the seven local authority areas within the HMA based on the most up to date projections available at that time. On this basis the Council identifies the OAN as being 6,800 homes for the period 2011 to 2031, which equates to an annual average of 340 dwellings.
26. Employment trends have been taken into account through the use of the East of England Forecasting Model. This model was also used to inform the Forest Heath Employment Land Review (CD C21, October 2016). There is a broad alignment between the number of new homes planned for through the SIR and the requirements of CS Policy CS6, which makes provision for a minimum of 7,300 jobs in the district by 2020. As a result, there is in our view no need for any adjustments to the OAN to reflect economic growth.
27. The PPG says that demographic projections may require adjustment to reflect appropriate market signals. The Council has applied a 5% uplift to the OAN in order to reflect the significantly high level of market rents. It is also notable that these higher market rents account for a larger proportion of the housing supply than in other areas. This is in our view a unique factor of the Forest Heath housing market.
28. We recognise that the 5% uplift has not been arrived at through the application of any methodology. But that is not surprising. The identification of an OAN figure is not a science, and it unavoidably requires professional judgements to be made. This is one such instance. Whilst we have been directly referred to different levels of adjustments found to be justified by other Inspectors, we must reach our conclusions on the evidence and the individual circumstances of Forest Heath. None of the examples given are comparable to the very specific issue affecting this area. In our view, the Council is right to approach the matter with some caution. Taking into account the specific nature of the factors at play in relation to the Forest Heath housing market, we are of the view that a 5% uplift is both reasonable and necessary.
29. Overall, it is clear to us that the OAN has been arrived at in line with the approach given in the PPG. The adjustment made is in our view reasonable, and there is no compelling reason to conclude that any other adjustment should also be applied. As such, we consider the OAN identified by the Council to be robust and consistent with the requirements of national policy.

30. Given the above, the reference in paragraph 2.3 of the SIR to a previously identified OAN figure is somewhat confusing. **MM1**, put forward by the Council, deletes this and replaces it with the up-to-date OAN figure, and is necessary for clarity and effectiveness.
31. Since the conclusion of the examination hearings, the 2016 based sub national household projections have been produced. However, the Council has put forward a main modification (**MM3**) introducing a commitment to commencing a review of the Plan in 2018. This would ensure that the Council's housing needs figure remains up-to-date and based on robust evidence. While we are aware that this review has now begun, it is nonetheless necessary for the SIR to include such an early review mechanism, to ensure that it is justified.

The housing requirement

32. Policy CS7 provides for at least 6,800 new homes to be delivered in the period 2011 to 2031. This amounts to 340 dwellings per year. In short, it unambiguously aims to ensure that the identified need for housing is met. This is clearly consistent with national policy. We note that the housing requirement is not explicitly given as a minimum. But neither is it a maximum. It does not introduce a ceiling and there is no mechanism for rejecting developments on the grounds that the requirement has been met.
33. The Council has put forward a main modification (**MM3**) to clarify that the housing requirement is a net figure. This is necessary for effectiveness.
34. The PPG says that an increase in the housing requirement should be considered where it could assist in meeting the need for affordable housing. The question here is whether there is a need for affordable housing that will not be met and, if so, whether that should lead to such an increase.
35. Following the methodology in the PPG, the Council calculates the total net need for affordable housing to be 2,638 homes over 20 years. This equates to 132 affordable homes per year. Policy CS9 of the CS sets a target of 30% affordable housing to be delivered on all schemes of 10 dwellings or more, with lower contributions on smaller schemes of 5-9 units in primary and secondary villages. On this basis, the Council calculates that if 27% of the total OAN is delivered as affordable housing, this would deliver 1,836 affordable units. This is patently short of the identified need.
36. Notwithstanding this, the Council has not proposed to increase the housing requirement. We consider this to be the most appropriate approach in this case. A number of factors have brought us to this view. Firstly, there can be a reasonable degree of confidence around the delivery of the 1,836 figure. A number of sites in the SALP already have planning permission, and consequently the Council's calculation is based on good information about the level of affordable housing these sites will deliver. In addition, there is a risk that increasing the housing requirement above the OAN and providing more homes than those objectively assessed to be needed could adversely affect demand and hence take up of allocated sites elsewhere within the HMA.

37. Furthermore, we have been referred to other mechanisms whereby the Council have been successful in securing affordable housing directly outside of the scope of Policy CS9. This has included the provision of affordable housing directly by registered provider partners through the Homes and Communities Agency affordable homes programme, now replaced by the Shared Ownership and Affordable Homes Programme. A large proportion of the programme is being made available for homes under the affordable rent regime and a number of examples of this working in practice have been provided in relation to both Mildenhall and Newmarket. As such, the shortfall in affordable housing provision may be less than the Council's estimation.
38. In the light of all this, we see no strong imperative to provide more new homes than those assessed objectively to be needed. Overall, we consider the housing requirement to be justified.

The overall supply of land for housing

39. The key issues here are whether there is a supply of deliverable and developable sites to meet the housing requirement and whether there is a supply of land sufficient to provide five years' worth of housing. We consider each in turn.
40. The sources of anticipated housing supply, along with the number of homes expected from each source, are set out in two tables in the SIR, to which the Council has put forward modifications to update the figures (**MM2** and **MM3**). From the updated figures, 3,178 new homes are expected through 'completions and existing commitments' – that is, sites that have been built or which have planning permission – and 4,093 dwellings are anticipated to be delivered through 'additional provision', being sites proposed for allocation within the SALP and 225 homes from windfall sites. Overall, 7,271 new homes are expected from these sources.
41. It is apparent that a significant proportion of the supply is through completions and commitments. This helps to lend confidence in deliverability. So too does the inclusion of only a very modest contribution from windfall sites. The supply identified by the Council does rely heavily on the SALP. But providing deliverable housing sites is a key function of the development plan, a reliance on plan-making in this regard is wholly appropriate.
42. From all of this, we consider the level of new housing land supply being planned for to be satisfactory. Indeed, given that it exceeds the OAN and housing requirement figure in the SIR, there is some element of 'buffer' here. Those elements of **MM2** and **MM3** referred to above are necessary for effectiveness, in particular to ensure that the portion of the housing requirement to be catered for in the SALP is clear.

The five year supply and the housing trajectory

43. Before considering the question of the five year supply, it is first necessary to establish the requirement against which the existence or otherwise of the supply should be judged. There has been a shortfall in delivery against the SIR's housing requirement (taken on an annualised basis) of 385 dwellings since 2011. In its figures, the Council has spread this shortfall evenly over

the next five years rather than over the remaining plan period. This is known as the Sedgefield method, the approach preferred in the Planning Practice Guidance.

44. As required by the Framework, an additional 5% buffer has been added to the five year requirement. We agree that this is appropriate. In our view, the Council's delivery record has been somewhat mixed. The number of years on which the requirement was met since 2001 is slightly exceeded by the number of years where it was missed. The performance since 2007 is evenly split. Much depends on the period over which one looks, and what the decision maker considers to amount to 'persistent'. We note the arguments made concerning the Local Plans Expert Group report. This, however, is not Government policy. Overall, in our planning judgement, though patchy, the record is not one of persistent under delivery warranting the addition of a 20% buffer.
45. Some consider that a 20% buffer should be added as a corrective measure to address past failure. But that is not the function of the buffer. The Framework is clear that its purpose is to provide a realistic prospect of achieving the planned supply and to ensure choice and competition in the market for land. But the buffer is not a punitive measure. On the contrary, it is a 'carrot' to help facilitate future delivery rather than a 'stick' to punish past shortcomings.
46. From the most recent evidence provided to us (in CD:D8, dated July 2017) the Council calculates that there is a supply of deliverable sites to provide 6.7 years' worth of housing, when measured against the five year requirement. These figures do not include any allowance for under delivery or non-implementation. The Council has set out a detailed justification for this approach, with specific reference to the annual monitoring data whereby lapsed planning permissions are removed and new permissions added to the supply. This information was last collated in both December 2016 and March 2017, when the Council wrote to all individual developers with additional follow up letters in March 2017 where necessary. This approach accords with the guidance contained within the Framework, in particular that sites with planning permission should be considered deliverable until permission expires, unless there is clear evidence that schemes will not be implemented within five years. The approach adopted is consistent with the Framework in this regard. From this evidence, we consider it reasonably likely that the Council will have at least a 5 year supply of housing sites upon adoption of the Plan. In any event, as we have already highlighted, the Council is committed to, and has indeed commenced, a review of the Plan, which will ensure that any significant issues concerning delivery failure are addressed in a timely fashion.
47. In addition to the approach adopted and set out above, the Council also set out in detail information concerning historical lapse rates since April 2013. This information included both large and small sites and concluded that lapse rates have varied over time, averaging a rate of just 2% per annum over the last 5 years. Based on this, no adjustment to the five year housing land supply figure is justified. Therefore, whilst we acknowledge the fact that the previous plan adopted a 50% lapse rate allowance, this was well before the Framework was published. There is no policy requirement or guidance to require a lapse rate to be applied. All in all, we consider the approach

adopted here to be reasonable and justified, especially given the low lapse rate of recent years.

48. The housing trajectory is set out at Appendix B of the SIR. It demonstrates that steady progress has been made in terms of bringing forward development. It also identifies that the vast majority of the five year housing land supply is founded on sites with planning permission or on sites proposed as part of the SALP. The Council has been in dialogue with landowners and developers in identifying these sites and their likely yields and build out rates, in addition to the work completed by the Council's own officers in terms of evidence gathering. As a result, there is reasonable certainty about the number of homes likely to be provided, and the timing of their delivery. In any event, as we have already referred to above, any significant issues related to delivery failure will be addressed through the aforementioned review, ensuring that the issue is resolved promptly.

Conclusion on Issue 1

49. To conclude, with the inclusion of the MMs set out above, we consider the approach to housing to be justified, effective and positively prepared. We also conclude that in this regard the SIR is consistent with the CS and national policy.

Issue 2 – Is the approach to the spatial distribution of housing sufficiently justified and sound? Is it adequately consistent with the Core Strategy and national policy?

50. Policy CS1 of the CS sets out a list of the 'types of place' that exist in Forest Heath. It groups those places into categories, the Towns and Key Service Centres being those categories of relevance here. The paragraphs in Section 2.5 of the CS explain the factors that have been considered in devising the groupings, in part at least. Constraints to and capacity for housing development have been taken into account, as have the services and facilities available, and access to employment opportunities. In short, each settlement has been allocated to a category on the basis of its sustainability credentials relative to those of other settlements. As the CS Inspector's report says, the hierarchy reflects the "*relative importance and perceived roles of the existing settlements*".
51. At paragraph 17, the Framework sets out 12 core planning principles. Among them is the principle that planning should actively manage patterns of growth to make the fullest possible use of public transport, walking and cycling, and focus significant development in locations which are or can be made sustainable. With this in mind, a fundamental question for the examination of the SIR is whether or not the distribution of housing growth proposed would achieve this. A growth pattern directing most new homes to the settlements best served by shops, services and other facilities, including public transport – that is, one reflecting the list of the 'types of place' in Policy CS1 – clearly would. It is therefore relevant to consider the degree to which the distribution brought about through Policy CS7 would be consistent with or reflect the categorisation of settlements in Policy CS1.

52. Indeed, the Council has considered this. Box 6.1 of the Sustainability Appraisal (CD C4, January 2017) sets out the Council's housing distribution preferred option as it stood in April 2016. It says that the option "was developed taking into account the need for the distribution of growth to accord with national and local policy, in particular the existing settlement hierarchy in Core Strategy Policy CS1". In our view that was, and remains, an appropriate approach to take.
53. The overall distribution proposed by the SIR as originally submitted, taking account of completions, commitments, sites in the SALP and windfalls is reproduced below for convenience.

Settlement	Completions and commitments	Additional provision	Total	Percentage distribution	Percentage distribution by 'type of place'
Brandon	103	33	136	2%	Towns 34%
Mildenhall	193	1406	1599	23%	
Newmarket	386	254	640	9%	
Lakenheath	105	828	933	13%	Key Service Centres 39%
Red Lodge	1081	755	1836	26%	
Primary Villages	1129	357	1486	21%	Primary Villages 21%
Other	181	-	181	3%	3%
Windfall	-	225	225	3%	3%

54. The three Towns are expected to receive rather less new housing than that apportioned to the two Key Service Centres. The percentage distribution to Brandon, Newmarket and Red Lodge is most striking. We recognise the constraints of the Breckland Special Protection Area (SPA), which holds a significant population of stone curlew, nightjar and woodlark, especially in relation to Brandon. Nevertheless, the distribution between the four other settlements does not sufficiently reflect their categorisation in the list of 'types of place' in Policy CS1. In short, this distribution places too few homes in the most sustainable places and too many in less sustainable settlements. In our judgement, in this regard the SIR does not do enough to actively manage patterns of growth to make the fullest possible use of public transport, walking and cycling. Neither does it adequately focus significant development in locations which are suitably sustainable or can be made so, notwithstanding the existing and proposed facilities in Lakenheath and Red Lodge. Consequently, the SIR as originally submitted is neither adequately consistent with national policy nor is it justified – it has not been demonstrated to be the most appropriate strategy when considered against the reasonable alternatives.

55. However, the Council has put forward **MM3** to rectify matters. This re-balances the distribution of dwellings between the Towns and Key Service Centres. In so doing, it increases the number of dwellings earmarked for Newmarket, the largest town in the district, by 450 additional dwellings and reduces the number of new homes directed towards Red Lodge and Lakenheath by 50 and 165 respectively. The resultant distribution of housing growth between the 'types of place' is around 39% in the Towns, approximately 35% in the Key Service Centres and roughly 20% in the Primary Villages. In our view, this distribution better reflects the relative importance and perceived roles of the settlements, and their sustainability credentials in terms of the presence of shops and services, public transport, walking and cycling. Indeed, we consider that it is sufficiently consistent with the CS and national policy in this regard.
56. As such, in respect of the spatial distribution of housing distribution, **MM3** is necessary for soundness. However, it remains necessary to consider the effects of the new distribution on the settlements involved. We now turn to this exercise.

Market Towns

57. The horse racing industry ('the HRI') is a fundamental part of both the economic and physical fabric of Newmarket. The potential for housing growth in Newmarket to lead to adverse effects on the HRI is a key issue here, particularly as **MM3** proposes an increase in housing beyond that originally proposed, albeit only by 450 homes.
58. The Council has produced detailed evidence on this matter including a report on the local, national and international impact of the HRI in Newmarket¹ (CD B37). From this, other written evidence including that of the Newmarket Horseman's Group, and from the evidence given at the hearings, we do not underestimate the importance of horse racing to Newmarket, or the role of horse racing in Newmarket locally, nationally and internationally.
59. A number of representors have set out concerns regarding the effect of increased residential development on the HRI in Newmarket. Specifically, these concerns relate to the potential conflict arising from traffic associated with any new residential development and the day to day movement of horses across the town. 'Horse walks' weave through Newmarket, providing routes for horses and riders to and from the gallops and racecourse. They are used in very large numbers every day, commonly by strings of several horses from the same stable yard. Inevitably, the horse walks cross paths with vehicular routes in numerous places. In some instances, 'horse crossings' have been installed.
60. Horses are generally group animals that instinctively stick together and follow, can be highly strung and some are easily spooked or startled into flight. We have been told that such characteristics are often more pronounced among athlete racehorses of the sort in question here than the general equine population. Given these factors, we agree that places where horses and

¹ Newmarket Horse Racing Industry Local, national and international impact of the Horseracing Industry in Newmarket, Deloitte, September 2015

vehicles coincide are likely to give rise to risks to the safety of the horses, their riders, drivers and anyone else in the immediate vicinity. This is an important issue. Indeed, we note that the Secretary of State's decision – albeit now quashed – rejected an appeal concerning the Hatchfield Farm site largely on this basis.

61. However, it is clear to us that the Council has selected Newmarket's housing apportionment on the basis of an evidential understanding of the effects of horse movements around the town. The Council commissioned a transport cumulative impact assessment in August 2016 (CD B18) which was then updated in October 2016 (CD B17). In addition, further work was commissioned and completed in June 2018 by Suffolk County Council (SCC) to assess the impact of the signalisation of a number of existing horse crossings in Newmarket in the context of the local road network and the planned growth in housing. These studies focused on the impacts of residential growth in terms of vehicular traffic trip generation.
62. From the evidence, we accept that the level of new housing proposed in Newmarket will lead to some increase in vehicle movements around the town, including at places where horses and vehicles meet. This will be likely to lead to longer queues of traffic in some places at peak periods. However, there is no compelling evidence to demonstrate that the increased traffic queue lengths anticipated would inevitably worsen safety conditions around the town to any material extent, or that the residual cumulative impacts of the scale and distribution of development proposed by the SIR would be severe. Indeed, taking account of all the evidence presented, including since the hearing sessions were closed, it is our judgement that they would not be.
63. In reaching the above conclusion, ways in which horse crossings can be improved has been an influencing factor. Some crossing places feature matting material across the highway, providing both a clearly demarked intersection and material that helps the sure-footedness of the horses. Some are signalised, and some signals have 'whip switches' allowing riders to trigger the crossing's traffic light sequence without dismounting. It seems to us that features such as these at the horse crossing most affected by traffic could assist significantly in improving both safety and the perception of it for all concerned.
64. Through the transport working group, the Council has sought to work in partnership with a number of key stakeholders which includes both representatives of the HRI and the highway authority (SCC) to consider these issues. Notable work underway includes an ongoing review of 17 of the existing horse crossings in order to address highway conflict and improve safety. We take from this reassurance that necessary improvement to the horse walk and crossing network will be identified.
65. Moreover, policies in the DMP provide a planning policy framework for dealing with the issues pertinent to the HRI. This, along with the Council's decision making powers, will ensure that the Council is able to secure horse walks and/or crossing improvements that are necessary to make any new developments acceptable, and to reject any schemes that would lead to safety problems or other unacceptable impacts. The Newmarket Neighbourhood plan will also, once progressed, support the policy framework in this regard.

66. Notwithstanding the reservations held by some concerning its delivery, it is relevant to consider that planning permission has been granted for a new hill gallop – the 'gallop in the sky'. If constructed, it has the potential to make the racecourse side of the gallops more attractive. As a result, it would be likely to alter the pattern of horse movements across the town. It is incumbent on the Council to keep such matters under review and to bring forward an appropriate plan making response if necessary.
67. Some have suggested that, in effect, the presence of more traffic around the town and the various areas used by racehorses would erode the perception of Newmarket and undermine its status as a top class horseracing venue. While we grasp the point, there is simply no evidence to support it. It would be unreasonable to require that the housing growth proposed by the SIR in Newmarket be reduced on the basis of such an unfounded view.
68. Turning to consider both Mildenhall and Brandon, these are smaller market towns than Newmarket. Nevertheless, they both perform important roles as Market Towns within the District. Policy CS7 proposes an additional 1,406 new dwellings for Mildenhall, the highest number for any of the settlements. There are a number of environmental constraints to the east of Mildenhall which restrict growth and as a result, the additional provision will primarily be delivered through a large strategic allocation to the west of the town. We acknowledge the concerns raised regarding this strategic site allocation and in particular, concerns raised regarding the deliverability of this site. However, in the context of the SIR, the Council has produced sufficient evidence to demonstrate that the projected delivery rate is achievable. The approach to Mildenhall is therefore sound and justified.
69. Growth in Brandon is even more severely restricted by a number of significant environmental constraints including the Breckland SPA and its buffers. Therefore, notwithstanding the shops, services and public transport links present, Policy CS7 envisages only 33 new dwellings as additional provision outside of existing commitments over the plan period. We appreciate that this means that the opportunities that come with growth will be severely limited, and this is a drawback of the approach to Brandon. However, in the circumstances, we consider this to be a justified approach.
70. Overall, the approach to the spatial distribution of housing between the Towns set out in **MM3** is justified and effective.

Key Service Centres

71. The Key Service Centres comprise Lakenheath and Red Lodge. It is acknowledged that Lakenheath, in common with other settlements within the district, is somewhat constrained by a number of environmental factors. These include the Breckland SPA. RAF Lakenheath, one of the largest military air bases in Europe, is located to the south east of the settlement. The SIR envisages an additional 663 dwellings to be provided here over the plan period.
72. Red Lodge has seen the largest amount of new development taking place in recent years with 1,081 completions and existing commitments between 2011 and 2017. An additional 705 dwellings are planned through the SIR. Red

Lodge is a reasonably sustainable and accessible location and is identified in the A11 Growth Corridor Feasibility Study July 2015 (CD B48) as a location which provides the opportunity to deliver more homes. The approach to the spatial distribution of housing in the Key Service Centres of Lakenheath and Red Lodge is justified and positively prepared.

Primary Villages

73. Policy CS7 identifies that the primary villages of Beck Row, Exning, Kentford and West Row will accommodate some 357 new homes. This level of growth takes account of infrastructure and environmental capacity as well as the growth which has taken place since the start of the plan period. The approach to the spatial distribution of housing within the Primary Villages is justified and positively prepared.

RAF Mildenhall

74. Concerns have been raised regarding the planned closure of RAF Mildenhall and the potential that this location has to deliver a significant amount of housing development. A number of parties have suggested that the site should be acknowledged as a location to deliver a significant amount of housing to the supply within the district. Paragraph 3.18 of the submission version of the SIR states that the United States Visiting Forces in Europe ('the USVF') intend to vacate the RAF Mildenhall airbase by 2023. The text goes on to note that remediation of the land maybe required in order to bring the site forward for development. As a result, the Council does not consider that the site could be considered available or developable as part of the supply identified for the SIR. The timescale for the departure of the USVF is supported by correspondence from the USVF and has been updated to a departure date of 2024. However, it is not uncommon for military plans to change. Even if the departure date of 2024 can be relied on as a certainty, it appears to us that the Council is some way off progressing any form of feasibility work in relation to this large and complex site. Given the situation here, the Council's exclusion of RAF Mildenhall as a potential site for housing within the SIR is a justified approach.
75. However, it is clear to us that the base could play a part in meeting future housing supply. As previously explained, **MM3** sets out the Council's commitment to reviewing the Plan. The role for RAF Mildenhall in providing land for housing should be properly explored as part of this review.

Conclusion on Issue 2

76. For the reasons given, we conclude that with the inclusion of the MMs set out above, the approach to the spatial distribution of housing is justified and is adequately consistent with the CS and national policy.

Issue 3 - Is the Plan based on a sound assessment of infrastructure capacity and requirements, and have the implications for the deliverability of the strategic housing growth proposed been satisfactorily addressed

77. As a starting point, the Infrastructure Delivery Plan ('the IDP') provides the initial assessment of infrastructure capacity and needs across the district. This is the third draft of this document, which has been updated through ongoing engagement with infrastructure and service providers since it was originally drafted in 2015. The report identifies both strategic and local infrastructure requirements. The ongoing nature of these consultations and inputs adds weight to the infrastructure requirements identified.
78. Table 2 of the IDP identifies a number of key strategic issues for growth. These include a number of highways improvements which have come about as a result of the AECOM transport study and update (2009 and 2016). These include the A14/A142 junction 37 (Newmarket), the A11/A14 junction 38 (east of Newmarket) and the A11 Fiveways junction, Mildenhall. As well as an assessment of cumulative impacts and localised junction capacity as a result of the growth proposed within the individual settlements, the continued engagement of a number of key stakeholders such as Suffolk County Council, Highways England, Cambridgeshire County Council and East Cambridgeshire District Council are essential components of the delivery of these strategic infrastructure projects.
79. Outside of these highways and transportation issues, there are a number of other infrastructure delivery requirements covered by the IDP. These relate to matters such as water supply, health, education, waste water and green infrastructure. These key infrastructure requirements are considered in greater detail as part of the SALP. However, it is worth noting here that the Council's own evidence concludes that there are no significant issues concerning capacity or the provision of electricity, water supply, waste water/foul drainage or surface water drainage which would present an obstacle to the quantum and location of residential development proposed by the SIR.
80. In terms of funding, the Council has set out how a significant proportion of the infrastructure requirements will be met as expected policy costs from the CS, which sets out policy requirements in terms of a number of matters including, transport, mitigation for horses, provision of community facilities, water quality and affordable housing. In relation to education, school place provision and new schools will be delivered through CS Policy CS13 which relates to infrastructure and developer contributions. The IDP goes on to consider the specific factors affecting each of the settlements in some detail. The contribution which Academy providers can make to school place provision has also been thoroughly assessed. This is a thorough assessment which, along with the level of input from statutory consultees, increases the confidence one can have in its robustness and reliability.
81. The number of homes proposed will affect infrastructure and services through the district. The SIR has considered this issue and detailed evidence is provided throughout which demonstrates that it has been positively prepared in this regard. Furthermore, the policy CS7 wording itself includes reference to

'associated infrastructure', thereby acknowledging the strategic requirement for infrastructure provision. The IDP includes details of how this will be funded and taken forward over the plan period.

82. The SIR is supported by the Forest Heath Economic Viability Assessment October 2016 (CD B15). This document addresses viability in the context of not only the SIR but also the SALP. Given the strategic nature of the SIR, the viability assessment is based on the premise of a number of broad assumptions. These include land values, development values and costs and developer return.
83. The viability assessment notes that there will be a need for some major infrastructure investment to enable some larger strategic growth to proceed. The provision of this type of infrastructure has been included within the SALP and in effect the timing of such infrastructure is intrinsically linked to the planned housing delivery as a result. The housing trajectory and evidence base present a realistic and reliable picture that the planned housing will be deliverable. Overall, the approach is considered to be consistent with the PPG and in particular, what infrastructure is required, who will fund and provide it and how this relates to the overall anticipated rate and phasing of development.

Conclusion on Issue 3

84. As set out above, we conclude that the SIR is based on a sound assessment of infrastructure capacity and requirements. As a result, the implications for the deliverability of strategic housing growth have been adequately justified and are effective.

Assessment of Legal Compliance

85. Our examination of the compliance of the SIR with the legal requirements is summarised in the paragraphs below. We conclude that it meets them all.
86. The SIR has been prepared in accordance with the Council's Local Development Scheme (November 2016), albeit that some delay has occurred. The Statement of Community of Involvement was adopted in February 2014. Consultations on the SIR and the MMs have complied with its requirements.
87. The SA has been prepared and published for consultation at the Regulation 19 stage (CD C4). It was subsequently updated in April 2018 (CD F2) and again in April 2019 (CD E3). The SA clearly explains how it has influenced the development of the SIR and assessed reasonable alternatives as part of this process. We note that there have been some criticisms of the SA in relation to the depth of the consideration of alternatives. However, the Planning Practice Guidance ('the PPG') is clear that the SA should not be done in any greater detail than is considered to be appropriate for the content and level of detail of the Plan. In the context of the broad, strategic nature of the SIR, the SA as prepared satisfies this guidance and is adequate.
88. We turn to the Habitats Regulations Assessment (HRA). Various iterations of this document were produced from 2015 onwards with document CD C5 representing the proposed submission version. As a result of recent case

law² which clarifies the approach to mitigation as part of an appropriate assessment, the HRA work for Forest Heath was updated in an Addendum (June 2018) to the HRA April 2018 (CD F3) which included an updated air quality report³. The approach adopted accords with this judgement that it does not rely on avoidance or mitigation measures to draw conclusions as to the whether the Plan could result in likely significant effects on European sites.

89. A further recent ruling⁴ from the Court of Justice for the European Union (CJEU) has established that the 'appropriate assessment' must include the habitats types and species for which a site is protected as well as identifying and examining the implications for habitat types and species outside the boundary of the site. The HRA has subsequently been updated in April 2019 (CD E1) to reflect this requirement, looking at habitats and species beyond the boundaries of European sites. In addition, updated air quality work was also undertaken at this time to support the HRA (CD E2). This updated HRA (CD E1) from April 2019 also takes into account a further judgement⁵ clarifying the interpretation of mitigation and compensation. In accordance with this judgement, the HRA does not take into account any compensatory measures in relation to the appropriate assessment.
90. The HRA considers two sources of impacts – the overall quantum of development provision and the broad distribution of this growth. The HRA screening concludes that likely significant effects from the SIR overall quantum and broad distribution of housing alone or in combination with other plans and projects cannot be ruled out. As a result, an appropriate assessment was carried out to identify whether there would be any adverse effects on the European sites identified. This appropriate assessment was able to rule out any adverse effects on the integrity of any European sites from the SIR, either alone or in combination with other relevant plans or projects. Natural England (NE) concur with the conclusions reached. In light of the evidence presented, the updated HRA and the MMs, we conclude that there would be no adverse effects on the integrity of any European sites as a result of the SIR.
91. The SIR complies with national policy except where indicated and main modifications are necessary. It complies with the 2004 Act and the Local Planning Regulations. The SIR will assist in securing development and the use of land which will contribute to the mitigation of, and adaptation to, climate change. This includes the overall spatial focus on large settlements which is intended to reduce the need to travel. Accordingly, the plan taken as a whole, achieves this statutory objective.

Overall Conclusion and Recommendation

92. The SIR has a number of deficiencies in respect of soundness for the reasons set out above, which mean that we recommend non-adoption of it as

² The People over Wind, Peter Sweetman v Coillte Teoranta (April 2018)

³ Wealden DC v SSLG (March 2017)

⁴ The Holohan v An Bord Pleanala (November 2018)

⁵ The Edel Grace and Peter Sweetman v An Bord Pleanala (July 2018)

submitted, in accordance with Section 20(7A) of the 2004 Act. These deficiencies have been explored above.

93. The Council has requested that we recommend main modifications to make the SIR sound and capable of adoption. We conclude that with the recommended main modifications set out in the appendix the SIR satisfies the requirements of Section 20(5) of the 2004 Act and meets the criteria for soundness in the National Planning Policy Framework.

Simon Berkeley and Christa Masters

Inspectors

This report is accompanied by an appendix which contains the main modifications.