

NFNPA 565/19

NEW FOREST NATIONAL PARK AUTHORITY

AUTHORITY MEETING – 17 JANUARY 2019

NEW FOREST NATIONAL PARK LOCAL PLAN REVIEW – UPDATE

Report by: David Illsley, Policy Manager

Summary:

In May 2018 the Authority submitted its draft Local Plan 2016 – 2036, supporting documents and all of the representations received at the final Regulation 19 consultation stage to the Secretary of State for independent Examination. Two Planning Inspectors have been appointed to undertake an examination into the soundness of the submitted Local Plan and in November 2018 the Inspectors convened two weeks of Examination hearing sessions. This report provides an update on the hearing sessions, the subsequent correspondence received from the Inspectors and the potential remaining stages in the Local Plan-making process.

Recommendation:

Members note: (i) the stage reached in the Local Plan Review process; (ii) the recent exchange of correspondence with the Government-appointed Planning Inspectors (Annexes 1 and 2); and (iii) the potential remaining steps in the Local Plan process.

1. Introduction

- 1.1 Following three years of evidence gathering, assessment and public consultation, the Authority submitted its draft Local Plan 2016 – 2036 to the Secretary of State for independent Examination in May 2018. Alongside the Submission draft Local Plan, a detailed evidence base of supporting documents was submitted as well as all of the representations received from local residents, town & parish councils, landowners and statutory consultees at the Regulation 19 consultation stage held in early 2018.
- 1.2 In May 2018 the Government appointed two Inspectors to assess whether the Local Plan has been prepared in accordance with the Duty to Cooperate, legal and procedural requirements, and whether it is 'sound'. The Local Plan is being assessed against the National Planning Policy Framework (NPPF) published in 2012 and the 'tests of soundness' set out in paragraph 182, which include assessing whether the Plan is:
 - *Positively prepared* – the plan should be prepared based on a strategy which seeks to meet objectively assessed development and infrastructure requirements, including unmet requirements from neighbouring authorities where it is reasonable to do so and consistent with achieving sustainable development.
 - *Justified* – the plan should be the most appropriate strategy, when considered against the reasonable alternatives, based on proportionate evidence.
 - *Effective* – the plan should be deliverable over its period and based on effective joint working on cross-boundary strategic priorities.
 - *Consistent with national policy* – the plan should enable the delivery of sustainable development in accordance with the policies in the Framework.

2. Local Plan Examination hearing sessions

- 2.1 The Examination started as soon as the Local Plan and supporting information had been formally submitted. Prior to the hearing sessions the Authority agreed statements of common ground with the constituent local authorities within the National Park (Hampshire, New Forest District, Test Valley and Wiltshire) and a number of statutory consultees (Natural England and the Environment Agency) on major sites such as the former Fawley Power Station. The hearing sessions formed an important part of the Examination process and provided representors with the opportunity to address the Inspectors directly regarding the soundness of the submitted draft Local Plan.
- 2.2 The hearing sessions took place between 6 – 15 November 2018. The timetable for the hearing sessions, the list of invited participants and the matters discussed was entirely the responsibility of the appointed Inspectors, rather than the National Park Authority. Full details of the hearing sessions – including the written statements submitted by the Authority and other participants – are available on our [Local Plan webpage](#), which has been regularly updated throughout the 8 months of the Examination process to date.
- 2.3 The hearing sessions covered fourteen matters, including the Duty to Cooperate, the planned level of new housing development, proposed housing site allocations, the approach to enhancing the natural environment and the policies aimed at supporting the socio-economic well-being of local communities within the Park. The Authority's planning officers were supported at relevant hearing sessions by Natural England staff and the specialist consultants covering evidence base studies on viability and objectively assessed housing needs. The hearing sessions also allowed local residents, town and parish councillors, alternative site promoters and local groups to participate.
- 2.4 During the course of the Examination hearing sessions the Inspectors identified a series of actions to be completed as soon as practicably after the close of the sessions. The Authority responded to all these points by the agreed deadline of 21 November 2018. The full schedule of actions identified during the hearing sessions can be viewed on the Local Plan webpage and the Authority's responses are also available to view online.

3. Inspectors' post-hearings correspondence (Annex 1)

- 3.1 On 29 November 2018 we received further written correspondence from the Inspectors and this is set out in Annex 1 to this report. The main points included:
 - The Inspectors have concluded that the Authority has complied with the 'Duty to Cooperate' in the preparation of the Local Plan.
 - The Inspectors need to be assured the potential supply of suitable housing land has been fully and appropriately assessed. The Authority has therefore been asked to give further consideration to the opportunity for residential development on the Ashurst Hospital site and the potential for the Local Plan to either allocate the site or extend the settlement boundary to allow development to come forward as a windfall.
 - It is recognised that for these options to be pursued there would be a need for additional work to be undertaken, not least in terms of Habitats Regulations Assessment / Appropriate Assessment and liaison with Natural England.
 - The Inspectors have confirmed it is only the Ashurst Hospital site they consider may have potential to be identified as additional land suitable for residential development.

- 3.2 Focusing on the first bullet point, the Duty to Cooperate is a legal test and one that must be passed for a Local Plan to proceed to adoption. The Authority submitted a detailed 'Duty to Cooperate Statement' and 'Consultation Statement' highlighting the extensive liaison on cross-boundary planning matters that has taken place. This includes the strategic approach to habitat mitigation for the Solent and New Forest sites; and the joint work with New Forest District Council to guide the redevelopment of the former Fawley Power Station site. The written confirmation from the Inspectors that the Authority has complied with the legal Duty to Cooperate is welcomed.
- 3.3 Secondly, the confirmation from the Inspectors that it is only the Ashurst Hospital site they consider may have potential to be identified as an additional housing site is important. During the hearing sessions the Inspectors heard from landowners promoting additional housing sites in Ashurst (Knellers Lane), Bransgore and Pennington. In addition, the Inspectors have considered the representations made in early 2018 which included a significant number of proposed additional housing sites in settlements across the National Park. The Inspectors' letter indicates they will not be supporting additional housing sites beyond the single potential site identified at Ashurst Hospital.

4. Authority response regarding the Ashurst Hospital site (Annex 2)

- 4.1 Ashurst Hospital has been promoted for redevelopment by NHS Property Services for circa 30 dwellings or care or extra care accommodation. In Summer 2017 the site was included in the Authority's consultation document on 'Potential Alternative Housing Sites' in recognition of its redevelopment potential. During this 6-week consultation comments were received from Ashurst & Colbury Parish Council, the Keep Ashurst & Colbury Green Group, Natural England and local residents. Page 2 of the Authority's response (Annex 2) summarises the comments received. Land at Ashurst Hospital has also been assessed through a number of the Local Plan evidence studies, including the Strategic Flood Risk Assessment and Viability Assessment.
- 4.2 At the time the Submission draft Local Plan was endorsed by members prior to the final 6-week public consultation (December 2017), it was considered premature to include the Ashurst Hospital site as an allocation. In late 2017 there remained uncertainty regarding how much of the site was surplus to healthcare needs, the potential impacts on the adjacent internationally protected habitats, and the access to the site (which is over third-party land). As a result, the Submission draft Local Plan did not propose the site as a housing allocation but did include text (paragraph 7.20) recognising that the site may come forward for redevelopment during the Local Plan period.
- 4.3 The Inspectors' letter asks the Authority to reconsider: (a) allocating the site; or (b) extending the Defined Village boundary to allow the site to come forward as windfall development; or (c) provide details on why the site cannot be allocated. It was concluded that the most appropriate response to the Inspectors' letter was to propose bringing the site forward with a specific Local Plan site allocation policy, as:
- This is consistent with the approach taken to the other proposed housing allocations adjacent to the Defined Village boundaries in Ashurst, Lyndhurst and Sway.
 - The Ashurst Hospital site presents a number of challenges that are best addressed through a specific policy allocation. This includes the proximity of protected habitats and the non-designated built heritage assets on the site. A similar approach has been adopted for the former Lyndhurst Park Hotel and the alternative approach of amending the Defined Village boundary would provide less certainty and clarity.

- The inclusion of land at Ashurst Hospital as an additional Local Plan allocation would make a contribution towards meeting the identified housing need within the National Park, for which the draft Local Plan is currently short. The site had previously been identified by the Authority as having redevelopment potential and the redevelopment of the site attracted some local support during the public consultation in 2017 (although this was partly due to the fact that some saw it as an alternative to the proposed Whartons Lane site (Policy SP22), not in addition).

- 4.4 As recognised within the Inspectors' letter, for land at Ashurst Hospital to be brought forward as an additional allocation there is a need for additional Habitats Regulation Assessment (HRA) work to be undertaken. This is due to the fact that the Ashurst Hospital site lies immediately adjacent to a range of internationally protected habitats. Authority officers have therefore liaised with Natural England on the Habitats Regulations Assessment of the potential site allocation policy.
- 4.5 Annex 2 sets out the Authority's response (dated 9 January 2019) to the Inspectors' request to re-consider residential development at Ashurst Hospital. For the reasons outlined above, it was concluded that a site allocation policy was the best approach. The proposed site allocation policy has been informed by the recent HRA work, which has resulted in restrictions to both the form of residential development (C2 Use or extra care) and also its confinement to the previously developed part of the site. The proposed site allocation also highlights the built heritage assets on the site and seeks the retention of the Victorian Chapel at the site entrance. The proposed policy is consistent in format with the other draft Local Plan housing site allocations.

5. Potential remaining stages in the Local Plan review process

- 5.1 Now the Authority's response on the Ashurst Hospital site has been submitted for the Inspectors' consideration, the remaining stages of the Examination can proceed.
- 5.2 During the course of the Examination hearing sessions a number of matters were discussed where modifications to the Submission draft Local Plan are likely to be necessary. This is common practice in Local Plan Examinations and the Plan-making process enables this, with further guidance set out in the Government's online National Planning Practice (NPPG) resource on 'Local Plans' and the Planning Inspectorate's ['Procedural Practice in the Examination of Local Plans'](#) (2016) publication.
- 5.3 The Planning Inspectorate guidance confirms that if 'main modifications' are required to make a Plan sound, "...*the Inspector will set out arrangements and seek agreement on a timetable for any necessary sustainability appraisal work and public consultation. The LPA will produce a schedule of proposed main modifications at the Inspector's request in order to carry out the consultation on them...*" – paragraph 5.26, page 28. The Authority can put forward 'minor modifications' of its own to deal with minor matters.
- 5.4 It is the view of the Authority's officers that a number of 'main modifications' to the submitted Local Plan are likely to be necessary. For example, should the Inspectors support an additional allocation at Ashurst Hospital this would constitute a main modification and would trigger further consultation. This would involve consultation with statutory consultees, general consultees and everyone who has made representations on the Local Plan to date. It is important to emphasise that any final consultation will be strictly focused on the proposed 'main modifications' and will not provide an opportunity to re-open debates around matters already examined. It will be for the Inspectors to consider the representations received on the proposed 'main modifications'.

- 5.5 At this stage it is not possible to put a precise timeframe on matters. However, the Inspectors' Report on the Local Plan will only be issued once the public consultation on any required main modifications has concluded and the Inspectors have considered the representations made. This indicates that the Authority could expect to receive the Inspectors' Report in late Spring / early Summer 2019. It will be this final Inspectors' Report that will set out their overall conclusions of the full range of matters considered during the Examination, including the proposals to increase affordable housing delivery in the National Park and the proposed housing site allocations. The final adoption of the Local Plan 2016 – 2036 will be made at a full Authority meeting.

RECOMMENDATION

Members note: (i) the stage reached in the Local Plan Review process; (ii) the recent exchange of correspondence with the Government-appointed Planning Inspectors (Annexes 1 and 2); and (iii) the potential remaining steps in the Local Plan process.

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Papers: **NFNPA 565/19** – cover paper
Annex 1 – Inspectors' letter to NPA (29.11.18)
Annex 2 – NPA response (09.01.19)

Equality Impact Assessment: No impacts have been identified.

Annex 1 – Inspectors’ letter to the National Park Authority (29 November 2018)



David Illsley
Policy Manager
New Forest National Park Authority

Dear Mr Illsley,

Examination of the New Forest National Park Local Plan

1. We have now had the opportunity to consider the additional information provided since the close of the hearings on 15 November 2018.
2. We have concluded that the Authority has complied with the duty to co-operate in the preparation of the Local Plan.
3. In terms of soundness, one of the key issues is the provision that the Local Plan makes for housing. The Authority’s position is that the Local Plan is unable to provide for the Objectively Assessed Need (OAN) in full, given the particular constraints that apply. It is our understanding however that the Authority accepts that within the limitations of these constraints, it is appropriate to seek to provide for as much of the OAN as possible and indeed this is what it has sought to do in preparing the Local Plan.
4. Given this particular context, before we are able to proceed further with the examination, we will need to be assured that the potential supply of suitable housing land has been fully and appropriately assessed.
5. Paragraph 7.20 of the submitted Local Plan appears to recognise the potential for some residential use on the Ashurst Hospital site. Evidence put to the examination indicates that significant parts of the site will be available for redevelopment during the plan period and that concerns over access arrangements can be resolved.
6. It would seem that the key issue is the effect on the adjacent New Forest Special Protection Area (SPA). In considering this matter, we have taken account of the fact that the Ashurst Hospital site is previously developed and the nature of existing and lawful uses on the site. We have also taken into account that it adjoins the currently defined settlement boundary of Ashurst and is well related to local services and facilities. Of particular significance is that the submitted Local Plan proposes to allocate the site of the Former Lyndhurst Park Hotel, Lyndhurst for residential use (Policy SP23) despite it being adjacent to the SPA.
7. It is our understanding that the concern over the proximity of new residential development to the SPA (within 400m) relates primarily to urban edge effects (such as cat predation or fly-tipping) given that recreational use impacts can be mitigated. We note that Policy SP23 includes a criterion requiring measures to mitigate potential significant urban edge impacts.

8. It is not sufficiently clear, on the basis of evidence currently before us, that the situation with the Ashurst Hospital site would be significantly different to the Lyndhurst Park Hotel site in terms of the increase in urban edge effects given the existing/lawful use.
9. We would therefore like the Authority to give further consideration to the opportunity for residential development on the Ashurst Hospital site and the potential for the Local Plan to allocate the site or extend the settlement boundary to allow development to come forward as a windfall.
10. Clearly, for these options to be pursued there would be a need for additional work to be undertaken, not least in terms of HRA/Appropriate Assessment and liaison with Natural England. We would appreciate your views as to the work required and the timescale involved.
11. If it is the Authority's view that the situation with the Former Lyndhurst Park Hotel and Ashurst Hospital sites is significantly different in terms of urban edge effects, we would be grateful if you would set this out in detail.
12. We appreciate that in itself and on the basis of indicative dwelling numbers discussed at the hearing, the Ashurst Hospital site would not increase housing provision up to the OAN. However, as set out above, we will need to be satisfied that the potential supply of suitable housing land has been maximised before proceeding further with the examination. In the interests of clarity, we can also confirm that it is only the Ashurst Hospital site that we consider may have potential to be identified as additional land suitable for residential development, having been provided with information on other sites assessed through the SHLAA and the reasons for their rejection.
13. We look forward to your response on this matter.

Yours sincerely

Kevin Ward and Caroline Mulloy
INSPECTORS

Annex 2 – National Park Authority response to the Inspectors’ letter (09.01.19)



Kevin Ward & Caroline Mulloy
The Planning Inspectorate
Temple Quay House
2 The Square
Bristol BS1 6PN

9 January 2019

Dear Mr Ward and Ms Mulloy

Examination of the New Forest National Park Local Plan

Following your letter dated 29 November 2018, this letter sets out our formal response to the points raised. Our response focuses on paragraph 9 of your letter which asks the Authority to give further consideration to the opportunity for residential development at Ashurst Hospital and the potential for the Local Plan to either: (a) allocate the site; or (b) extend the settlement boundary to allow development to come forward as a windfall.

Last month we met with representatives of NHS Property Services and Natural England to discuss the potential of the Ashurst Hospital site and the best approach to guide its future redevelopment. Given the range of relevant planning considerations – including the proximity of internationally protected habitats and the existing built heritage on the site – the Authority’s preference is for the site to be brought forward through a Local Plan allocation, rather than an amendment to the Defined Village boundary of Ashurst. This preferred approach is consistent with that taken for other proposed housing site allocations in the draft Local Plan.

- **Annex 1** to this response sets out the proposed Local Plan allocation policy and supporting text for the Ashurst Hospital site, which has been prepared following recent discussions with the NHS and Natural England.
- **Annex 2** sets out the Sustainability Appraisal undertaken of the proposed Ashurst Hospital site allocation policy. The Habitats Regulations Assessment (HRA) - which has played a key part in the preparation of the proposed policy - is contained within a separate document (LUC, January 2019) and has also been submitted for your consideration.
- **Annex 3** sets out the proposed additional amendments to the submission draft Local Plan that would be triggered by the inclusion of the proposed Ashurst Hospital site allocation policy.

The following pages provide additional information on the proposed site allocation policy and the range of factors that have been taken into account.

1. Previous public consultation

- 1.1 The Authority received submissions from NHS Property Services to our ‘Call for Brownfield Sites’ exercise in 2017 indicating that parts of the Ashurst Hospital site will become surplus to the operational healthcare requirements of the NHS and could accommodate circa 30 dwellings or care or extra care development. Land at Ashurst Hospital was subsequently included in the Authority’s consultation document on potential alternative housing sites and subject to a 6-week period of public consultation between 14 June and 26 July 2017. The purpose of this consultation was to inform the preparation of the Submission draft Local Plan and all statutory and other Local Plan consultees were notified of this consultation. The Authority also hosted a public drop-in session at the Ashurst Hospital site on 18 July 2017. A summary of the feedback received in Summer 2017 is set out below.

Potential Alternative Housing Sites consultation (Summer 2017) <i>Feedback on the Ashurst Hospital site</i>	
Respondent	Summary of main points raised
Ashurst & Colbury Parish Council	<ul style="list-style-type: none"> ▪ Support the use of the Ashurst Hospital site, excluding the Birthing Centre, as potential for residential redevelopment. ▪ Appreciate the need for the Birthing Centre to operate efficiently. The site would therefore be best suited to a single management use of older people’s accommodation, either warden assisted apartments, or a care home. This is the preferred option of the Parish Council. ▪ The site should also be considered for a single management use of social housing. ▪ The Chapel is of local historic interest and there would be significant opposition to its removal or change in its appearance.
Environment Agency	No specific comments
Historic England	No specific comments
Keep Ashurst & Colbury Green Group	<ul style="list-style-type: none"> ▪ Ashurst Hospital should be developed instead of the Whartons Lane site (draft Local Plan Policy SP22), not in addition to it. ▪ Support the redevelopment of the existing brownfield site at Ashurst Hospital for affordable housing or retirement housing.
Local residents	<ul style="list-style-type: none"> ▪ Concerns regarding residential development adjacent to the New Forest SSSI and creeping suburbanisation. ▪ The former workhouse was established on Forest land in the 1830s and should instead be returned to grazing / common land. ▪ Land at Whartons Lane should be deleted and development in the village restricted to the brownfield Ashurst Hospital site. ▪ Support for development at Ashurst Hospital to address housing need, particularly if it offers housing for the ageing population. ▪ Concerns about the loss of the Chapel, which could be renovated.
Natural England	<ul style="list-style-type: none"> ▪ A number of the potential alternative site allocations are in close proximity to designated nature conservation sites. This will need to be considered when formulating development specifications. ▪ Allocations should enhance biodiversity, and deliver net gains where possible, in accordance with the NPPF.
Southern Water	No specific comments

1.2 Consequently, the principle of redeveloping Ashurst Hospital has already been subject to a degree of consultation with local communities and statutory consultees. While this does not mean that further consultation would not be required should you be minded to support the allocation, it does mean the site benefits from a solid evidence base and consultee comments on the principle of redevelopment. The responses received in Summer 2017 indicated some support for redeveloping the site, subject to consideration of impacts on the natural and built environment.

2. Potential Impacts on Protected Habitats

2.1 As recognised in your letter, for residential development to be progressed at Ashurst Hospital there is a need to consider potential impacts on the integrity of the adjacent protected habitats. Ashurst Hospital lies immediately adjacent to the New Forest SPA, SAC, Ramsar and SSSI sites which benefit from national and international legal protection. This has significantly influenced the proposed site allocation policy and supporting text in terms of restricting new built development to the previously developed parts of the site (criterion b); the form of residential development (Use Class C2 or extra care use); and the criteria relating to urban edge impacts (criterion h).

2.2 A Habitats Regulations Assessment (HRA) has been undertaken of the draft policy using the methodology adopted in the HRA Addendum (June 2018). As well as assessing the potential for the proposed allocation to result in adverse effects on site integrity, in line with paragraph 11 of your letter the HRA also provided a comparison between the Ashurst Hospital site and the former Lyndhurst Park Hotel site (draft Policy SP23). The HRA came to a number of important conclusions, including:

- The Ashurst Hospital site has the potential to be of importance in supporting qualifying SPA bird populations. The site is also immediately adjacent to relatively undisturbed sections of the New Forest SAC and SPA with an absence of features that could act as barriers to urban edge effects. The site is therefore considered to be significantly different to the Lyndhurst Park Hotel site, both in terms of the greater susceptibility of adjacent areas of the SAC and SPA to urban edge effects and the greater potential severity of such effects.
- The existing healthcare use of the Ashurst Hospital site is unlikely to give rise to urban edge effects such as cat predation and garden waste tipping. Its allocation for residential use would therefore be much more likely to result in an increase in such effects.
- The impacts associated with C3 development at the site are unlikely to be capable of being successfully avoided or mitigated. It is recommended that if the allocation policy is included, any residential development be restricted by an explicit requirement in the policy to types of residential development from which the severity of urban edge effects is likely to be less. Such development may include some types of C2 residential development such as assisted care.

2.3 The HRA conclusions informed the final wording of the proposed allocation policy (Annex 1). Alongside restrictions on the form of residential development to C2 or extra care use (a broadly similar approach is adopted for development adjacent to protected heathlands in Dorset), criterion (b) highlights the importance of the green buffer between the existing buildings and the adjacent habitats. In accordance with Natural England’s comments in Summer 2017 regarding biodiversity net gain, the draft policy also confirms that future redevelopment should enhance the role of this greenspace in buffering the designated sites and supporting species of principal biodiversity importance.

3. Built Heritage

3.1 The Ashurst Hospital site is not located within a Conservation Area and there are no Listed Buildings on the site. However, there are a number of buildings that are of significance and which the Authority considers to be non-designated heritage assets. This includes the former workhouse building - surviving elements of which date to the 1830s - and the Victorian Chapel which retains much of its original architectural detailing.

3.2 In accordance with paragraphs 17, 126 and 135 of the NPPF (2012), the proposed allocation policy therefore recognises the non-designated heritage assets on the site. Draft criterion (c) seeks the retention of the Victorian Chapel as part of the redevelopment of the site, a requirement which reflects the views expressed by the local community and Parish Council in Summer 2017. Criterion (c) also requires a detailed heritage assessment and structural survey to justify the loss of the former workhouse buildings. This is consistent with the approach taken in draft Policy SP24 (Land at the former Lyndhurst Park Hotel), which is likewise a non-designated heritage asset in the National Park.

4. Site access and legal ‘reverser’ clause

4.1 The existing single vehicular access to the Ashurst Hospital site is over third-party land. We have discussed the existing access licence with the landowner – the Forestry Commission – and on 5 December 2018 wrote to NHS Property Services encouraging them to formally discuss amending the access licence to enable residential use on part of the site with the Forestry Commission. The Commission has confirmed that future access to new residential development Ashurst Hospital can be provided through updating the existing licence arrangement.

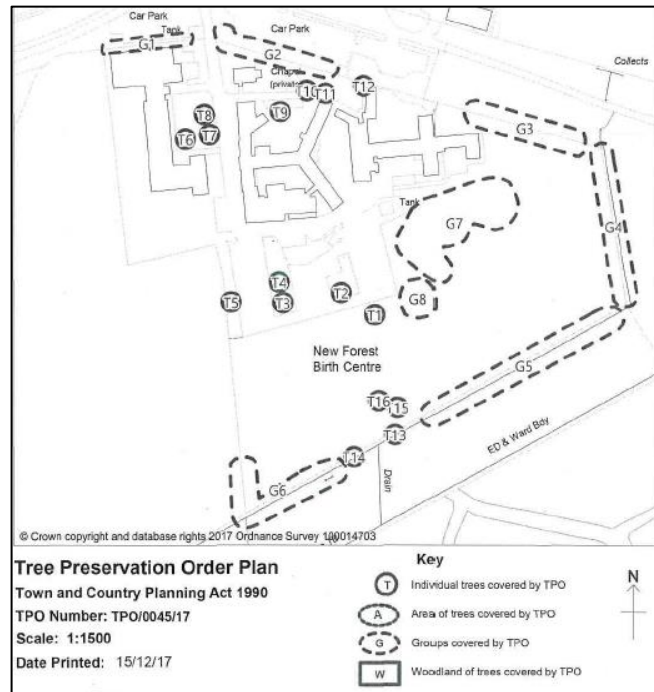
4.2 A review has also been undertaken of the registered title and pre-registration deeds for the site by both NHS Property Services and the Crown Estate. They have concluded that there is no current or ongoing legal ‘reverser clause’ relating to the property in favour of the Crown Estate from the documentation available to them. This is therefore not considered to be a constraint to the proposed Local Plan site allocation.

5. Development Viability

- 5.1 In accordance with the requirements of national policy, the Authority undertook a Whole-Plan viability assessment and this is Core Document 107. The assessment devised a number of case studies which reflected the type of sites likely to be come forward in light of the policies in the emerging Local Plan and historic patterns of development. This included sites being considered for potential allocation in the Submission draft Local Plan at the time the assessment was undertaken (2017).
- 5.2 Case Studies 11 and 11A in CD107 provide a high-level viability assessment of the potential redevelopment of the Ashurst Hospital site for 30 residential units (the quantum of development proposed in the draft policy wording in Annex 1). The modelling also factored in £50,000 for site clearance costs. The assessment concluded that the redevelopment of the site for flatted development would not be viable with 50% affordable housing (CS11). The site was also modelled for extra care development, as this potential use was proposed by the NHS Property Services in their original submissions. Case Study 11A and figure 3.5 (Potential Site Allocations (extra care) – residual value per gross ha) of CD107 illustrate that an extra care scheme on the Ashurst Hospital site would not be viable with 50% affordable housing.
- 5.3 Based on the viability evidence in CD107, the redevelopment of the Ashurst Hospital site is unlikely to viably sustain affordable housing provision at the same level as that required on the proposed greenfield site allocations in the National Park. As a result, should the future redevelopment of the site include any extra care development that is not classed as C2 use, criterion (e) in the draft policy requires on-site affordable housing provision as close to the target of 50% affordable housing as is viable. Viability will be demonstrated through an open book approach and this is consistent with the proposed Local Plan approach at the Lyndhurst Park Hotel site, where viability is similarly impacted by the development costs of a scheme on previously developed land with potential demolition costs.

6. Tree Preservation Orders

- 6.1 The existing Ashurst Hospital site is characterised by a number of mature trees, including pine, oak and silver birch. As with all the potential Local Plan site allocations, the Authority undertook a review of the trees on the Ashurst Hospital site prior to the publication of the Submission draft Local Plan in January 2018. A detailed Tree Preservation Order (TPO) was confirmed for the site (TPO/0045/17 - Land at Ashurst Hospital, Lyndhurst Road, Ashurst) in December 2017 and this is illustrated below. The TPO covers 16 individual trees on the site, as well as 8 groups of trees (including the important site boundaries). Further details of this Tree Preservation Order can be supplied on request.

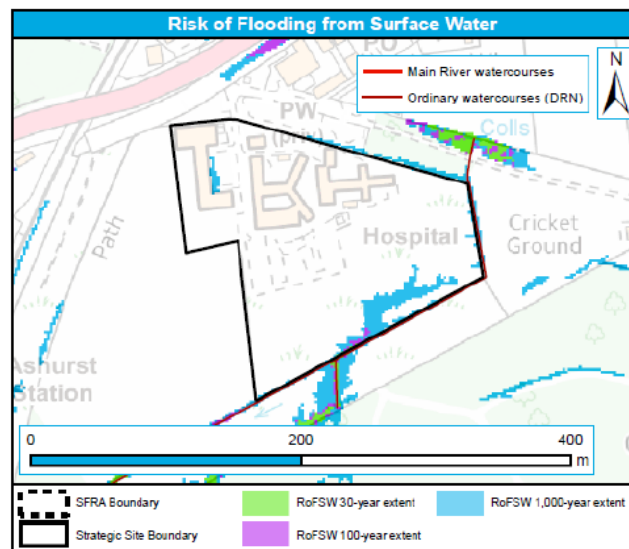


TPO/0045/17 – Land at Ashurst Hospital (December 2017)

6.2 The trees are an important feature of the site and contribute to the transition of the settlement to the adjacent protected habitats and Open Forest. It is therefore proposed to include reference to the protected trees within criterion (d); and the need to strengthen the planting to the south of the site in criterion (h) of the policy.

7. Flood Risk

7.1 Land at Ashurst Hospital was assessed as part of the New Forest Strategic Flood Risk Assessment (CD82 and CD83), undertaken by JBA Consulting in 2017. This assessment concluded the site is at a low risk of fluvial flooding, with 100% of the site within Flood Zone 1. The site is also generally at a low risk of surface water flooding, with only 5% at risk from a 1 in 1,000 year flood event as illustrated below.



New Forest SFRA (2017) – extract illustrating surface water flood risk, Ashurst Hospital

- 7.2 The site is not considered to be at risk of tidal flooding. The New Forest SFRA also confirms that predicted climate change (based on a 2115 scenario) has no impact on tidal or fluvial flooding at the site, with the entire site remaining in Flood Zone 1. On this basis, the Authority has concluded that flood risk is not a particular issue and therefore no specific reference to it is included within the proposed policy wording.

Conclusions

The National Park Authority has responded positively to the points raised in your letter in seeking to bring forward a site-specific policy to guide the future redevelopment of previously developed land at the Ashurst Hospital site.

The potential redevelopment of the site has already been the subject of consultation with the public and statutory consultees and was assessed through the Strategic Flood Risk Assessment (CD82) and Whole-Plan Viability Assessment (CD107). Since the receipt of your letter we have also commissioned a Habitats Regulation Assessment of the potential site allocation policy. The HRA concludes that the nature and position of the Ashurst Hospital site in relation to the New Forest SAC and SPA is such that the severity of impacts arising from residential development would be much greater than that of the former Lyndhurst Park Hotel. Given this, a different policy approach for the proposed Ashurst Hospital site allocation is considered necessary and justified.

The proposed allocation policy makes provision for circa 30 residential units (Use Class C2 or extra care). The proposed site allocation policy has also been assessed through the Sustainability Appraisal process and this is set out in Annex 2 to this letter.

We therefore invite you to consider the proposed additional site allocation policy set out in Annex 1, as well as the further supporting evidence in the accompanying HRA Report (LUC, January 2019) and the contents of this letter. If there is any further information that would assist, please do not hesitate to contact me.

Yours sincerely

David Illsley
Policy Manager

Annex 1 – Proposed Ashurst Hospital Site Allocation Policy

1. The Ashurst Hospital site comprises previously developed land with access to a range of local services, including the train station and local shops. The site immediately adjoins the existing Defined Village boundary of Ashurst and is located within Flood Zone 1 for fluvial flooding.
2. Health Commissioners have confirmed that much of the existing accommodation at Ashurst Hospital is no longer fit for purpose and there is an opportunity to make a more efficient use of the site. Large parts of the site have been declared surplus to the operational healthcare requirements of the NHS and are vacant. The more modern Snowden Building at the west of the site currently contains the Birthing Centre and is to be retained. It is likely that this building will need to be extended to accommodate the future healthcare services that will continue to be delivered from the Ashurst Hospital site and policy XX supports this.
3. Policy XX allocates the site for a mix of residential (C2 Use or extra care) and retained healthcare provision. It is considered that the surplus part of this previously developed site can deliver around 30 units - although the exact number will depend on the final form of residential development, which will in turn be guided by the need to avoid impacts on the adjacent protected habitats. Viability modelling for the Local Plan indicates that the redevelopment of the Ashurst Hospital site (including site clearance costs) is unlikely to achieve the 50% affordable housing policy target.
4. The site allocation policy highlights the natural and built environment constraints and opportunities on the Ashurst Hospital site. The site lies adjacent to the New Forest SSSI, SAC, SPA and Ramsar sites and the Habitats Regulations Assessment for the Local Plan identifies the potential for a range of possible effects from development on these protected sites, including recreation pressure, urban edge effects including cat predation and the loss or damage to off-site supporting habitats.
5. Policy XX therefore requires development to be confined to the previously developed land to the north of the site and the strengthening of the planted boundary to the adjacent Natura 2000 site designations. Mitigation measures for potential urban edge effects could include the use of legal covenants (e.g. preventing cat or dog ownership) and arrangements for grounds maintenance. The requirement to ensure no adverse impact on the adjacent national and internationally protected habitats will also influence the form of the C2 or extra care residential development on site.
6. Elements of the existing built development on the site date back to the 1830s. The former historic workhouse building is considered to be a non-designated heritage asset due to its 19th Century origins and the degree to which the building has survived to a large extent. The Victorian Chapel on the site was constructed sometime between 1869 and 1896 and the exterior remains in good condition. The former workhouse building and Victorian Chapel have heritage significance and Policy XX confirms the Chapel will be retained as part of the redevelopment of the site. The policy requires a detailed heritage assessment to be undertaken to justify proposals that would result in the loss of the former workhouse building.

Policy XX - Land at Ashurst Hospital

Land at Ashurst Hospital is allocated for a mixed-use development comprising:

- Retained (and potentially extended) healthcare provision in the western part of the site (focused on the Snowden Building) – illustrated in blue on the map below; and
- Around 30 residential units (Use Class C2 or extra care use) on the remaining previously developed part of the site.

Detailed proposals for the site that meet the following site-specific requirements will be permitted:

- (a) The site must be redeveloped in a comprehensive manner and detailed proposals for residential development will need to ensure the retained healthcare uses on the site can operate efficiently;
- (b) Built development will be confined to the previously developed land to ensure the existing green buffer remains to the south of the site and the New Forest's protected habitats.
- (c) The Victorian Chapel will be retained as part of the redevelopment. A detailed heritage assessment and structural survey will be required to justify the loss of the former workhouse buildings;
- (d) Redevelopment proposals must retain the protected trees on the site;
- (e) Proposals for extra care use (that is not C2 Use) must provide on-site affordable housing for local people in housing need as close to the Authority's target of 50% affordable housing as is viable. Viability will be demonstrated through an open book approach;
- (f) Proposals for C2 Use must be accompanied by a legal agreement requiring the occupancy to be limited to those with a local connection;
- (g) All of the dwellings on site will be limited to a maximum total internal floor area of 100 square metres;
- (h) Development proposals must incorporate measures to mitigate potential significant urban edge impacts on adjacent protected habitats. The existing southern boundary between the site and the adjacent protected habitats should be retained and strengthened with the planting of native species. Proposals should seek to enhance both its role in buffering the designated sites and supporting species of principal importance for biodiversity. A detailed application for the site will be subject to a full appropriate assessment; and
- (i) Development proposals must provide a connection to the nearest point of adequate capacity in the sewerage network, as advised by the service provider.

Annex 2 – Sustainability Appraisal of the proposed site policy

1. The Authority completed a Sustainability Appraisal (SA) report for the Submission draft Local Plan 2016 - 2036 and this was published for consultation alongside the draft Local Plan in January 2018 (Core Document 10). This SA report incorporated the requirements for a Strategic Environmental Assessment (SEA), in accordance with the European Directive 2001/42/EC. The Authority also completed a Sustainability Appraisal of the proposed modifications to the Submission draft Local Plan and this was published as an Addendum to the Sustainability Appraisal Report in May 2018.
2. The overall purpose of the Sustainability Appraisal process is to promote sustainable development through the integration of social, environmental and economic considerations into the preparation of a Local Plan. It involves testing the proposed policies against a set of sustainability objectives and criteria. The SA both informs the development of different policies and tests the sustainability of the final Local Plan policies.
3. This further Sustainability Appraisal has been prepared to assess the proposed additional housing site allocation policy for land at Ashurst Hospital (Annex 1). The SA assessment has adopted a consistent approach to that taken in the main Sustainability Appraisal Report (January 2018, CD10), and the Addendum to the Sustainability Appraisal Report (May 2018). For example, the ten sustainability objectives and criteria used in this SA report are consistent with those contained within CD10, which were produced in consultation with stakeholders and statutory consultees. Further details on the sustainability appraisal objectives and criteria can be found in CD10.
4. A detailed appraisal of the draft Ashurst Hospital site allocation policy has been undertaken, using the matrix based on the SA objectives and criteria contained within CD10. The effects of the proposed Ashurst Hospital allocation policy have been predicted (i.e. what the effect will be on each SA objective), with 'scores' reflecting whether the impact of the policy is likely to be positive, negative, neutral or uncertain.

Sustainability Appraisal Conclusions

5. The SA assessment of the proposed Ashurst Hospital site allocation policy concludes that development could lead to possible conflicts with the protection of the landscape; nature conservation interests; and the built environment (SA Objectives 1, 2 and 3). These impacts are mitigated through the site-specific policy criteria proposed and other policies contained within the Submission draft Local Plan. The allocation would also have a positive impact on the delivery of housing to meet the needs of local communities within the Park (SA Objective 7). The site has been identified for around 30 units and any on-site affordable housing provision would be directed to meet local needs.
6. In terms of the potential impacts on the *nationally protected landscape* of the New Forest National Park (SA Objective 1), the proposed site allocation policy restricts built development to the previously developed land at the north of the

site to ensure the existing green buffer remains to the surrounding open New Forest landscape (criterion a). Similarly, proposed criterion (h) requires the retention and strengthening of the existing vegetated southern boundary between the site and the adjacent Open Forest. In addition, the landscape setting of the Ashurst Hospital site has also been protected through the confirmation of a Tree Preservation Order in December 2017 and this is reflected in criteria (d). On balance therefore, it is considered that a combination of the other policy requirements contained in the Submission draft Local Plan, allied to the site-specific policy criteria highlighted above, will ensure potential adverse impacts on the National Park's landscape will be mitigated.

7. The SA process also highlighted potential conflicts from the proposed allocation on the *conservation of local, national and international nature conservation sites* (SA Objective 2). The Habitats Regulations Assessment (HRA) of the Submission draft Local Plan concludes that impacts from new housing development could have likely significant in-combination adverse effects on designated nature conservation sites. As the SA process is informed by the HRA, this SA report concludes that the proposed Ashurst Hospital policy (Annex 1) could have a negative sustainability impact on the SA's nature conservation objectives.
8. This matter is assessed in more detail in the Habitats Regulation Assessment (LUC, January 2019) of the proposed site allocation policy. In addition, the draft policy includes a number of requirements to mitigate potential impacts, including restricting development to the previously developed land; restricting the form of residential use (in line with the recommendations of the HRA, January 2019); ensuring the green buffer to the south of the existing buildings is retained (criterion b); and a detailed criterion (h) aimed at avoiding urban edge impacts. The Submission draft Local Plan also includes a number of policies protecting designated nature conservation sites (e.g. draft policies SP5 (Nature Conservation Sites of International Importance) and SP6 (The Natural Environment)). These policies are supported by the measures included in the Authority's revised Habitat Mitigation Scheme and the Solent Recreation Mitigation Partnership's (SRMP) Mitigation Strategy. On this basis, it is considered that the potential adverse impacts from the proposed allocation on nature conservation interests will be mitigated.
9. The SA process has identified potential impacts from the proposed allocation on the conservation and enhancement of the *character of the built environment, local heritage and culture* (SA Objective 3). This relates to the existing buildings on the site that are considered to be non-designated heritage assets. This matter is addressed in criterion (c) of the proposed policy, which requires the retention of the Victorian Chapel; and the submission of a detailed heritage assessment and structural survey to justify the loss of the 19th Century former workhouse buildings.
10. In addition, the Submission draft Local Plan contains a number of policies – including draft policies SP1 (Sustainable development), SP16 (Historic and Built Environment), SP17 (Local Distinctiveness), DP18 (Design Principles) and DP2 (General Development Principles) – which positively take forward SA Objective

3. The Authority’s Design Guide SPD and the Ashurst & Colbury Village Design Statement will also help to ensure that new development at Ashurst Hospital is appropriately designed. On this basis, it is concluded that potential impacts on the character of the built environment are adequately addressed by the relevant criteria in the proposed site allocation policy and general policy protection in the Submission draft Local Plan.

11. Finally, the SA process identified uncertain impacts on the sustainable use of resources (SA Objective 4); and access to services (SA Objective). This is because the degree to which the existing buildings on the site can be retained and re-used – which would be a sustainable use of resources – can only be determined following more detailed surveys. Secondly, although the redevelopment of the site for predominantly residential use may result in a reduction in the healthcare provision, this is balanced by the fact that significant parts of the site are already vacant and the proposed policy (Annex 1) supports the retention (and potential extension) of healthcare provision in the western part of the site.

Proposed Ashurst Hospital site allocation policy - Sustainability Appraisal	
<i>Assessment: + Positive o Neutral ? Uncertain - Potential conflict</i>	
Sustainability Appraisal Objective / Criteria	Assessment
1. Conserve and enhance the landscape and seascape, and safeguard tranquillity	-?
2. Conserve and enhance local, national and international nature conservation interests	-
3. Conserve and enhance the character of the built environment, local heritage and culture	-?
4. Encourage sustainable use of resources, enhance air and water quality, help mitigate climate change	?
5. Deliver opportunities and education for understanding and enjoyment of the special qualities	?
6. Improve the well-being of communities by providing a safe environment, access to services & opportunities for healthy living	?
7. Support the delivery of housing for local communities	+
8. Support the local transport infrastructure, including sustainable transport	?
9. Facilitate a sustainable economy that supports businesses & communities, while maintaining the quality of the environment	?
10. Ensure a thriving land-based economy	O

Annex 3 – Proposed additional Local Plan amendments

If the proposed additional site allocation policy set out in Annex 1 is ultimately included within the Local Plan 2016 – 2036, there are a number of resultant amendments that would be triggered required to other parts of the Local Plan to ensure consistency. These are set out below and would, in our view, constitute minor modifications. The inclusion of the proposed Ashurst Hospital allocation policy itself would represent a main modification to the Local Plan.

Para / Policy	Proposed Amendment	Justification
Paragraph 7.9	Amend the first part of the paragraph to: <i>“Policy SP19 sets out the planned level of new housing (affordable housing and market housing) to be provided within the New Forest National Park over the Plan period. This figure of 800 830 additional dwellings in the National Park between 2016 and 2036 is an increase in the scale of development in the National Park from previous Local Plans.”</i>	To reflect the additional number of proposed new dwellings in the Local Plan with the inclusion of 30 dwellings at Ashurst Hospital.
Policy SP19	Amend the first part of the policy to: <i>“An additional 800 830 dwellings will be delivered within the New Forest National Park between 2016 and 2036. To meet this, new residential development will be permitted within the National Park to maintain the vitality of local communities and support local services where the proposal involves...”</i>	To reflect the additional number of proposed new dwellings in the Local Plan with the inclusion of the 30 dwellings proposed at Ashurst Hospital.
Paragraph 7.20	The paragraph is proposed for deletion: <i>“Brownfield land may become available at the Ashurst Hospital site during the Plan period, but this is dependent on a future decision from the NHS. Should the Ashurst Hospital site be deemed surplus to the requirements of the NHS within the Plan period, the Authority will consider the best uses for this brownfield site. The immediate proximity of the New Forest Special Protection Area (SPA) to the site would limit the type of any future residential use of the hospital site.”</i>	The wording in paragraph 7.20 would be redundant with the inclusion of the proposed Ashurst Hospital allocation policy.
Policies Map	Allocation at Ashurst Hospital to be illustrated on the Local Plan Policies Map	Ensure the Policies Map is up to date.
Monitoring Indicators	Amend the target for the indicator “Location and type of new housing permitted and completed” under Objective 5 to: <i>“To meet the Local Plan requirement of 800 830 dwellings between 2016 and 2036.”</i>	To reflect the additional number of proposed dwellings with the inclusion of 30 dwellings at Ashurst Hospital.