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# **Report to the New Forest National Park Authority**

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**Inspectors appointed by the Secretary of State**

**Date: 24 July 2019**

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Planning and Compulsory Purchase Act 2004

(as amended)

Section 20

## **Report on the Examination of the New Forest National Park Local Plan**

The Plan was submitted for examination on 15 May 2018

The examination hearings were held between 6-15 November 2018 and on 21 March 2019

File Ref: PINS/B1740/429/9

## **Abbreviations used in this report**

HMA	Housing Market Area
HRA	Habitats Regulations Assessment
MM	Main Modification
NPPF	National Planning Policy Framework
OAN	Objectively assessed need
PPG	Planning Practice Guidance
SAC	Special Area of Conservation
SANG	Suitable Alternative Natural Greenspace
SINC	Site of Importance for Nature Conservation
SPA	Special Protection Area
SHLAA	Strategic Housing Land Availability Assessment
SHMA	Strategic Housing Market Assessment
SRMP	Solent Recreation Mitigation Partnership

## **Non-Technical Summary**

This report concludes that the New Forest National Park Local Plan (the Local Plan) provides an appropriate basis for the planning of the New Forest National Park (the National Park), provided that a number of main modifications are made to it. The National Park Authority (the Authority) has specifically requested that we recommend any main modifications necessary to enable the Local Plan to be adopted.

The main modifications all concern matters that were discussed at the examination hearings. The Authority has provided the detailed wording for the main modifications, many of which are based on suggestions it put forward during the examination. The Authority carried out sustainability appraisal of the main modifications and an updated Habitats Regulations Assessment (HRA) report was also produced. Following the hearings, the main modifications, sustainability appraisal and HRA report were subject to public consultation over a six and a half week period. We have recommended the inclusion of the main modifications in the Local Plan after considering all the representations made in response to consultation on them, the sustainability appraisal and the updated HRA report.

The main modifications can be summarised as follows:

- Amending a number of policies to ensure that they are justified, effective and consistent with national policy;
- Deleting Policy SP26 and the site allocation on Land at Calshot Village as it is not justified; and
- Adding a new policy and site allocation at Ashurst Hospital to ensure that the Local Plan is effective in identifying all suitable sites for residential development and making effective and efficient use of previously developed land.

## Introduction

1. This report contains our assessment of the Local Plan in terms of Section 20(5) of the Planning & Compulsory Purchase Act 2004 (as amended). It considers first whether the Local Plan’s preparation has complied with the duty to co-operate. It then considers whether the Local Plan is sound and whether it is compliant with the legal requirements. The National Planning Policy Framework (NPPF) 2012 (paragraph 182) makes it clear that in order to be sound, a Local Plan should be positively prepared, justified, effective and consistent with national policy.
2. The revised NPPF 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 Local Plan, the policies in the 2012 NPPF will apply. Similarly, where the Planning Practice Guidance (PPG) has been updated to reflect the revised NPPF, 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 2012 NPPF and the versions of the PPG which were extant prior to the publication of the 2018 NPPF.
3. The starting point for the examination is the assumption that the Authority has submitted what it considers to be a sound plan. The Authority produced a schedule of minor modifications (CD07) prior to submission. In some cases, we considered that these were not genuinely minor and would amend the meaning or implementation of policies. The Authority subsequently produced a revised schedule of genuinely minor modifications and republished it in July 2018. The basis for the examination is therefore the submitted Local Plan of May 2018 (which is the same as the Submission Draft of January 2018 incorporating the revised schedule of minor modifications dated July 2018).
4. We have carried out the examination and considered issues within the context of the two statutory purposes of National Parks. These are to conserve and enhance the natural beauty, wildlife and cultural heritage of the National Park and to promote opportunities for the understanding and enjoyment of the special qualities of the National Park by the public. We have taken account of the duty of the Authority in taking forward these purposes to seek to foster the economic and social well-being of local communities within the National Park. We have also taken account of the duty to attach greater weight to conserving and enhancing the natural beauty, wildlife and cultural heritage of the National Park where there is a conflict between the two statutory purposes (the Sandford principle).

## Main Modifications

5. In accordance with section 20(7C) of the 2004 Act the Authority requested that we should recommend any main modifications necessary to rectify matters that make the Local Plan unsound and /or not legally compliant and thus incapable of being adopted. Our report explains why the recommended main modifications, all of which relate to matters that were discussed at the examination hearings, are necessary. The main modifications are referenced in bold in the report in the form **MM1**, **MM2** etc, and are set out in full in the Appendix.

6. The Authority has provided the detailed wording for the main modifications, many of which are based on suggestions it put forward during the examination. The Authority carried out sustainability appraisal of the main modifications and an updated HRA report was also produced. Following the hearings, the main modifications, sustainability appraisal and HRA report were subject to public consultation over a six and a half week period. We have recommended the inclusion of the main modifications in the Local Plan after considering all the representations made in response to consultation on them, the sustainability appraisal and the updated HRA report. We have amended **MM13** in relation to Policy SP24 to reflect the fact that the part of the site identified for informal greenspace lies within 400m of the New Forest Special Area of Conservation (SAC) in addition to the New Forest Special Protection Area (SPA). This is a factual correction and does not alter the substance or meaning of the main modification or the policy itself.

### **Policies Map**

7. The Authority must maintain an adopted policies map which illustrates geographically the application of the policies in the adopted development plan. When submitting a Local Plan for examination, the Authority is required to provide a submission policies map showing the changes to the adopted policies map that would result from the proposals in the submitted Local Plan. In this case, the submission policies map comprises the set of plans as set out in CD02-CD06.
8. The policies map is not defined in statute as a development plan document and so we do not have the power to recommend main modifications to it. However, in two cases the published main modifications to the Local Plan’s policies require further corresponding changes to be made to the policies map (**MM15** and **MM16**). These further changes to the policies map were published for consultation alongside the main modifications.
9. When the Local Plan is adopted, in order to comply with the legislation and give effect to the Local Plan’s policies, the Authority will need to update the adopted policies map to include all the necessary changes.

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

10. Section 20(5)(c) of the 2004 Act requires that we consider whether the Authority complied with any duty imposed on it by section 33A in respect of the Local Plan’s preparation.
11. The National Park is covered by three Housing Market Areas (HMAs). The majority of the National Park sits within the Southampton HMA, reflecting strong inter-relationships in terms of commuting, migration, economic activity and travel to work patterns with South Hampshire generally and Southampton particularly. The western part of the National Park falls within the Bournemouth HMA and a smaller area to the north sits within the Salisbury HMA.
12. In terms of identifying Objectively Assessed Need for housing (OAN), key data is not consistently available below local authority level or aligned with the National Park boundary. Progress on plan making varied across authorities

within the three HMAs and a Strategic Housing Market Assessment (SHMA) for urban South Hampshire has been produced, which covers the Waterside area of New Forest District but does not extend into the National Park.

13. Within this context, the Authority commissioned a joint assessment of OAN with New Forest District Council (the 2014 SHMA) which was updated in 2017 (the 2017 OAN Study). Given the particular circumstances that apply, this was a pragmatic and justified approach.
14. We deal with soundness issues in relation to the OAN, the housing requirement and the supply of housing land later in our report. However, on the basis of the 2017 OAN Study and the submitted Local Plan, the Authority accepts that it will not be able to meet the OAN for the National Park in full. There would be an unmet need of some 23 dwellings per annum or 460 dwellings over the plan period 2016-2036.
15. Evidence demonstrates that the Authority has worked closely with New Forest District Council and other local planning authorities in terms of identifying OAN and investigating the potential for these other authorities to accommodate the unmet need throughout the plan preparation process. A number of these authorities have stated that they face challenges in terms of meeting their own housing needs and none have offered to accommodate the unmet need from the National Park.
16. Statements of Common Ground have been signed with New Forest District Council, Test Valley Borough Council, Wiltshire Council and Hampshire County Council. None of the surrounding authorities have objected to the level of housing provision in the Local Plan or suggested that the Authority has failed the duty to co-operate.
17. Given the cross-boundary issues involved, the Authority has worked very closely with other local planning authorities, Natural England and the Environment Agency in terms of habitat protection and mitigation. This co-operation has proved to be constructive and effective and has assisted in the development of the Authority’s Habitat Mitigation Scheme and the Solent Recreation Mitigation Partnership’s Scheme.
18. The Authority has worked closely with New Forest District Council, Hampshire County Council, Natural England and the Environment Agency on proposals for the redevelopment of land at the former Fawley Power Station (within New Forest District Local Plan area) and on adjacent land within the National Park. The Local Plan allocates land within the National Park for this purpose. This co-operation has been effective in bringing forward a comprehensive approach for the land both within and outside of the National Park, which addresses issues including those relating to habitat protection and mitigation, flood risk and transport.
19. Overall, the Authority has demonstrated constructive, active and ongoing engagement with local authorities and relevant organisations on strategic matters. The issues have been resolved effectively and there are no concerns from these authorities and organisations regarding the duty to co-operate. We conclude therefore that the Authority has complied with the duty to co-operate.

## Assessment of Soundness

### Main Issues

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

### Issue 1 – Whether the Spatial Strategy is justified, effective and consistent with national policy

21. Policy SP1 provides an effective strategic policy approach towards sustainable development. Within the context of the National Park and the statutory purposes and duties which apply, this policy approach is justified and consistent with national policy. Following on from this, Policy DP2 sets out a comprehensive set of general development principles to guide and consider proposals. To ensure that Policy DP2 is effective, main modification **MM1** is required to provide necessary clarity as to how adverse impacts on amenity and those associated with traffic and pollution will be assessed.
22. In terms of the approach towards major development in the National Park, Policy SP3 sets out effective and justified criteria to consider whether exceptional circumstances exist and whether the major development would be in the public interest. Main modification **MM2** is required to ensure that the wording is fully consistent with national policy, including a specific reference to the cost of developing outside the National Park or meeting the need for it in some other way.
23. The National Park is a rural area with small dispersed settlements. The villages all have populations below 3,500 and have a relatively limited range of services and facilities. Local communities rely on larger towns and urban areas outside of the National Park for higher order services.
24. Policy SP4 identifies Ashurst, Brockenhurst, Lyndhurst and Sway as Defined Villages where development within settlement boundaries will be supported in principle. This continues the established approach of focussing development within the National Park on these villages and is justified by evidence in relation to the size of settlements, service provision and environmental constraints that exist. The settlement boundaries are appropriately defined and justified given the need to protect the surrounding landscape and the character of the villages concerned and taking account of internationally important nature conservation designations and other constraints such as flood risk.
25. The Local Plan goes on to allocate sites for development adjacent to the settlement boundaries at Ashurst, Lyndhurst and Sway. It is intended to extend the settlement boundaries in a future review of the Local Plan to include these sites if they are developed. No sites are allocated in Brockenhurst due to constraints relating to nature conservation designations and flood risk. We deal with the specific site allocations later in our report, however in principle the approach to allocating sites adjacent to the Defined

Villages and allowing for windfall development within the Defined Village boundaries is justified.

26. Policy SP4 also allows for site allocations in other parts of the National Park. We consider the three allocations concerned later in our report.
27. Outside of the Defined Villages and allocated sites, Policy SP4 only allows for development in limited and specific circumstances. These are considered in more detail later in our report, however, in principle the approach is justified and strikes the right balance between providing some flexibility for certain forms of development whilst focussing on the most sustainable settlements and reflecting environmental constraints.
28. Overall, subject to the main modifications referred to, the Spatial Strategy is justified, effective and consistent with national policy.

**Issue 2 – Whether the Local Plan has been positively prepared and whether it is justified, effective and consistent with national policy in relation to the overall provision for housing and the housing requirement**

29. As explained in relation to the duty to co-operate, given the particular circumstances, it is appropriate for the Authority to have produced evidence on OAN jointly with New Forest District Council rather than for the wider HMAs. The 2017 OAN Study reaches conclusions on the OAN for the National Park, the New Forest District Council planning authority area and the combined New Forest District area<sup>1</sup>. There are some inherent difficulties in arriving at a conclusion on the OAN for the National Park specifically, given that not all data can be aligned to the boundary.
30. At the time that the 2017 OAN Study was produced, the 2014 based household projections were the most up to date. For the combined New Forest District area, these projections indicated a growth of approximately 13,700 households between 2016 and 2036 (684 per annum). They were underpinned by the 2014 based sub national population projections which indicated population growth of around 21,900 over the same period.
31. This level of projected population growth would be significantly higher than past trends over a five, ten or fifteen year period up to 2016. Actual population growth between 2014 and 2016 taken from mid-year estimates was significantly less than that projected by the 2014 based sub national population projections (approximately 300 compared with a projected 1,900). The 2014 based projections indicate levels of net migration which would also be significantly higher than past trends up to 2016. The projections indicated an increase in net migration over time, whereas actual migration up to 2016 was on a generally downward trend.
32. Given this disconnect between past trends and the projections, the 2017 OAN Study goes on to consider alternative demographic scenarios, using five, ten

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<sup>1</sup> “combined New Forest District area” is the geographical area of New Forest District covered by two separate Local Plans prepared by New Forest District Council and the National Park Authority. Approximately 94% of the area of the National Park is within this area



and fifteen year population trend data and considers that the ten year trend is the most robust. Such a time period has been used elsewhere and would give a projection in the middle of the range of alternative scenarios. The projection based on the ten year trend indicates population growth of some 11,930 (6.7%) between 2016 and 2036. It would involve a level of net migration above the past trend.

33. After the 2017 OAN Study was produced, the 2016 based sub national population projections were published and these remain the most up to date. They indicate population growth for the combined New Forest District area of approximately 12,480 (6.9%) between 2016 and 2036, a figure very similar to the ten year trend scenario.
34. In the combined New Forest District area, the household representative rate for 25-34 year olds fell between 2001 and 2011. However, the 2014 based household projections indicated that this trend would stop and the rate would increase again, albeit dropping off once more after about 2029.
35. The causes of past decline in household formation for this age group are not clear, nor is it clear to what extent this trend may form part of a more fundamental and permanent shift in household formation. There is no specific evidence of a suppression of household formation due to constraints in housing supply. As noted above, there is a projected recovery in household representative rates for the 25-34 year old age group.
36. We deal below with the justification for a 15% uplift to the demographic starting point to address market signals. However, this will allow for some increase in household formation rates compared with the 2014 based projection.
37. Applying the 2014 based household representative rates to the ten year population trend scenario would see an annual average growth in households of some 490 between 2016 and 2036. Taking account of the 4% vacancy rate, this would translate into a demographic based need for 509 dwellings per annum in the combined New Forest District area.
38. The 2016 based household projections were again published after the 2017 OAN Study was prepared. In simple terms they indicate household growth of 465 per annum between 2016 and 2036 in the combined New Forest District area (this compares with the figure of 490 above). The Authority accepts that there are concerns regarding the use of these latest household projections. However, if 2014 based household representative rates are applied, the household growth figure would rise to approximately 500 per annum, giving a very similar result to the 2017 OAN Study.
39. Taking all of the above into account, the 2017 OAN Study was justified in moving away from the 2014 based projections to establish an alternative demographic starting point for the assessment of OAN based on the ten year trend scenario. This would still see significant population growth and net migration in the combined New Forest District area.
40. For the National Park (taking account of the small area and population outside of New Forest District), a demographic based need for 55 dwellings per annum is identified. Further analysis provided at our request after the hearing

session on this issue indicates that this would see population growth of approximately 2.9% in the National Park between 2016 and 2036 and net migration averaging some 250 people per annum.

41. The 2017 OAN Study does not include a forecast of potential job growth or test what level of housing would be necessary to ensure that there is an adequate labour force supply to match such growth. This is an unusual approach but one which the 2017 OAN Study considers is appropriate due to the nature of the combined New Forest District area, its position in between the urban areas of Bournemouth and Southampton and the strong economic reliance on these areas.
42. Instead, based on the ten year population trend scenario, it is estimated that there would be an increase of approximately 4,200 in the economically active population in the combined New Forest District area between 2016 and 2036. The 2017 OAN Study concludes that this would be sufficient to allow the economy to grow. The estimated increase is based on a growth in those of pensionable age who are economically active (4,548). The number of people of working age who are economically active is estimated to actually decrease by 377.
43. Further analysis provided at our request indicates that there would be a decline of some 650 in the economically active population in the National Park between 2016 and 2036 based on this scenario. Again, there is estimated to be a growth in those of pensionable age who are economically active (1,002) but the number of people of working age who are economically active is estimated to decrease by 1,652.
44. We have considered this aspect of the approach to OAN within the context of the statutory purposes and associated duties that apply to the National Park and have taken account of the strong reliance economically on nearby urban areas. Given this, in the case of the National Park, the 2017 OAN Study is justified in not factoring in job growth forecasts and there is no requirement to ensure that the level of housing would ensure a growth in the labour force supply.
45. On the basis of a range of indicators in relation to market signals the 2017 OAN Study justifiably concludes that an uplift to the demographic starting point for OAN would be appropriate, particularly referencing notable affordability pressures. The extent of such an uplift is to some extent a matter of judgement however. In 2016 the lower quartile affordability ratio (lower quartile house price to income ratio) for the combined New Forest District area was 11.83. This was above that for Hampshire, the South East and England as a whole and whilst the ratio had seen fairly modest fluctuations since about 2004, it had increased noticeably between 2015 and 2016.
46. The 2017 OAN Study refers to analysis submitted to the Waverley Local Plan examination comparing lower quartile affordability ratios with market signals uplifts in a wide range of Local Plans. This suggests that an uplift in the order of 15% would be appropriate for the combined New Forest District area. Data to inform such an uplift is not available specifically at the National Park level. An uplift for market signals of 15%, as recommended by the 2017 OAN Study

is reasonable and justified therefore. For the National Park this increases the OAN to 63 dwellings per annum.

47. Overall the 2017 OAN Study provides a robust and credible assessment for the National Park and we therefore conclude that the OAN for the National Park is 63 dwellings per annum (1,260 dwellings between 2016 and 2036).
48. Policy SP19 of the Local Plan sets out a housing requirement of 800 dwellings for the plan period and makes a commitment to delivering this amount of housing. This is clearly below the OAN and would result in unmet need of some 460 dwellings (23 per annum). As noted above in relation to the duty to co-operate, no other local planning authority has offered to accommodate this unmet need.
49. Updated information provided during the examination demonstrates that as of 31 March 2019 there had been 63 dwellings completed in the plan period so far and a further 114 dwellings had planning permission.
50. The Authority carried out a comprehensive and robust search for potential housing sites through the Strategic Housing Land Availability Assessment published in January 2018 (the SHLAA). There are a number of constraints which limit the potential to identify suitable sites for housing. The most significant of these being the potential adverse impacts on the landscape of the National Park and areas of international importance for nature conservation. The latter covering more than 50% of the National Park.
51. The HRA identifies a significant issue in terms of the potential for urban edge effects such as cat predation and fly tipping (particularly the risk of introducing invasive alien species through garden waste) from new housing development within 400m of the boundary of the New Forest SAC and the New Forest SPA. Based on this assessment and advice from Natural England, the Authority justifiably took the view that housing site allocations within 400m of the New Forest SAC or SPA would not be appropriate. We deal with the exceptions to this approach and the specific circumstances that apply in those cases later in the report.
52. Given the likely small scale of individual windfall sites, their wide distribution and the overall scale of windfall development envisaged, the HRA concludes that this form of housing development is not likely to give rise to significant urban edge effects on the New Forest SAC or SPA. This is subject to taking account of the scale of individual proposals and the clustering of sites and keeping the situation under review through monitoring of the overall scale of windfall development. Again, Natural England supports this approach.
53. Taking the range of constraints into account and working within the framework of the Spatial Strategy, the Authority estimates that there is potential for approximately 400 dwellings to be developed on windfall sites over the plan period (20 per annum). This would include rural exception sites, housing for New Forest Commoners, Estate Workers and tied agricultural dwellings. This is in line with past trends and on the basis of evidence available is a realistic estimate.
54. Likewise, within the context of the significant constraints that have been applied through the SHLAA, the Authority has identified all of the suitable

potential housing site allocations. We deal with the individual site allocations later in the report, including the additional site allocation at Ashurst Hospital which emerged during the examination. However, the site allocations are expected to deliver in the order of 300 dwellings in total in the plan period.

55. We are satisfied that the Authority has rigorously and comprehensively sought to identify all suitable sources of housing land within the context of the significant and fundamental constraints that exist. It is justified in concluding that approximately only 800 dwellings can be delivered in the plan period.
56. The 2017 OAN Study identifies a need for 71 affordable houses per annum in the National Park. The Local Plan sets out an ambitious policy approach towards the delivery of affordable housing. However, this is within the context of the significant environmental constraints that apply. Whilst it is recognised that affordable housing needs are unlikely to be met in full, it would be inappropriate for the housing requirement to be increased to attempt to deliver more affordable housing given this context.
57. Taking account of the above, we conclude that the housing requirement of 800 dwellings for the plan period is justified.

### **Issue 3 – Whether the Local Plan is justified, effective and consistent with national policy in relation to the approach towards protecting and enhancing the natural environment**

58. Policy SP5 aims to protect nature conservation sites of international importance, ensuring mitigation where appropriate. Where necessary, the policy requires mitigation by way of a contribution to the Authority’s Habitat Mitigation Scheme and/or the Solent Recreation Mitigation Partnership’s Scheme (SRMP). The HRA concludes that the Authority’s Habitat Mitigation Scheme and SRMP’s scheme will adequately mitigate potential recreation pressures from development within the National Park. The policy is justified, effective and consistent with national policy.
59. Policy SP6 aims to protect, maintain and enhance nationally, regionally and locally important sites and features of the natural environment. However, the policy needs to be more positively worded in order to ensure the consideration of the mitigation and enhancement measures needed to achieve a net gain in biodiversity at an early stage in the application process. Ecological enhancement opportunities should also include the water environment as an important ecological habitat. Main modification **MM3** would address these concerns and is necessary to ensure that the policy is effective and consistent with national policy.
60. We are satisfied that Policy SP7 provides a justified and effective basis to conserve the landscape and scenic beauty of the National Park including its wildlife and cultural heritage which is consistent with national policy.
61. Policy DP8 seeks to safeguard and improve the water resources of the National Park and applies the Government’s Housing Optional Technical Standard for water efficiency (110 litres maximum daily allowable usage per person) within the Southern Water Area which is identified as being in current and future water stress. However, safeguarding water supply and water efficiency is important to protect and enhance the natural environment, help to adapt to

climate change and support eco-systems, particularly as many water-based features form part of designated nature conservation sites. Furthermore, the National Parks Circular (CD35) encourages National Parks to be exemplars of sustainable development for its local communities to live within environmental limits. The effect of applying the higher standard across the National Park has been taken into account and development would be viable. Consequently, we consider it is justified to apply the optional standard across the National Park area. Main modification **MM4** would address these concerns and is required in the interests of effectiveness and consistency with national policy.

62. Policy SP9 seeks to encourage the creation, maintenance and enhancement of green infrastructure in the National Park but resists the provision of Suitable Alternative Natural Greenspace (SANG) as mitigation for development outside the National Park. Whilst SANG may be compatible with the socio-economic duty; it is not necessarily compatible with the first purpose of conserving and enhancing the natural beauty, wildlife and cultural heritage of National Parks as SANG may result in the loss of natural landscape and habitats. Furthermore, the cumulative effect of SANG provision around the boundary of the National Park could result in the erosion of the quality of the natural landscape on the edges of the National Park. Moreover, the Sandford principle states that where there is conflict between the National Park purposes the Authority shall attach greater weight to conserving and enhancing the natural beauty, wildlife and cultural heritage. Consequently, we consider that the approach of not allowing the provision of SANG in the National Park as mitigation for development outside the National Park, other than in exceptional circumstances is justified and consistent with national policy.
63. Policy DP10 seeks to protect existing open space and secure new open space provision from development proposals. The evidence base for the Local Plan, the Open Space, Sport and Recreation Study for the New Forest Area (Bennett Leisure and Planning 2007 (CD76) is dated. However, there has only been a small increase in the population of the National Park since the preparation of the assessment; there has not been any loss of open space since its preparation; and the study highlights the lack of potential land for new areas of open space due to the constrained nature of the National Park. Moreover, the scale of development proposed is small and only a limited number of sites would be large enough to justify on-site provision. In these circumstances, we consider that a full update of the study is not required and that this approach is consistent with national policy which requires the evidence base of Local Plans to be proportionate.
64. Nevertheless, in order to seek contributions from developers towards the improvement of existing open space or the provision of new open space there needs to be up-to-date evidence of either a quantitative or qualitative deficiency of open space, sport or recreation facilities in order to be consistent with paragraph 73 of the NPPF. Consequently, it is necessary to clarify that contributions will be sought where there is an identified need in order to ensure that they are necessary and reasonably related to the development in order to be effective and consistent with national policy. Furthermore, it is necessary to include additional wording to reflect the exceptions test in paragraph 74 of the NPPF in order to ensure consistency with national policy. Main modification **MM5** addresses these points.

65. Policy SP11 seeks to support proposals to mitigate climate change and adapt to the impacts of climate change. The criteria-based approach is justified, effective and consistent with national policy.
66. Policy DP12 sets out the Authority’s approach to flood risk. Whilst criterion b) refers to the sequential test it does not make reference to the exceptions test and is, therefore, inconsistent with national policy. Main modification **MM6** would address this concern.
67. As drafted Policy SP14 allows for small scale wind energy proposals and as the Local Plan does not identify areas suitable for wind energy the approach is contrary to the national policy set out in the Written Ministerial Statement<sup>2</sup> 2015. It is therefore necessary to amend the policy and supporting text to clarify that the Authority is supportive of proposals for renewable energy generation, other than wind energy in order to ensure that the policy is consistent with national policy. Main modification **MM7** addresses these concerns.
68. We are satisfied that Policy DP13, Coastal Development and Policy SP15, Tranquillity are effective, justified and consistent with national policy.
69. Taking into account the above, we conclude that, subject to the main modifications referred to above, the Local Plan is justified, effective and consistent with national policy in relation to the approach towards protecting and enhancing the natural environment.

**Issue 4 – Whether the Local Plan is justified, effective and consistent with national policy in relation to the approach towards protecting and enhancing the historic and built environment**

70. Policy SP16 seeks to ensure that proposals protect, maintain or enhance nationally, regionally and locally important sites and features of the historic and built environment. However, the policy does not provide a sufficiently detailed framework for the consideration of development proposals and is therefore inconsistent with paragraph 154 of the NPPF which requires local plan policies to provide a clear indication of how a decision maker should react to a development proposal. Moreover, the policy is more restrictive than paragraph 132 of the NPPF which allows for substantial harm to the significance of heritage assets, albeit in exceptional circumstances. It is, therefore, necessary to provide a more detailed framework for the consideration of planning applications in order to be consistent with national policy. Main modification **MM8** addresses these concerns.
71. Policy SP17 seeks to ensure that development protects the local character and distinctiveness of the area and Policy DP18 seeks to ensure that new development achieves the highest standards of design utilising a criteria-based approach. We are satisfied that these policies together provide an effective and justified framework for the consideration of a planning application which is consistent with national policy.

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<sup>2</sup> House of Commons Written Statement (HCWS42), Secretary of State for Communities and Local Government (Greg Clark), 18 June 2015

72. Overall, subject to the main modification referred to above, we consider that the Local Plan is justified, effective and consistent with national policy in relation to the approach towards protecting and enhancing the historic and built environment.

**Issue 5 – Whether the Local Plan is justified, effective and consistent with national policy in relation to housing policies**

*Specialist housing for older people (Policy SP20)*

73. Policy SP20 seeks to meet the growing need for housing for older people and restricts occupancy of the resultant specialist housing to local people and their dependents.
74. The Government’s National Parks Circular (CD35) recognises that the National Parks are not suitable locations for unrestricted housing. Furthermore, the population of the National Park aged 60 and over has increased by 24% over the 2002-2012 period and this trend is predicted to continue. Taking account of the Authority’s duty to seek to foster the social and economic well-being of local communities within the National Park together with the limited availability of housing sites, we consider that the approach of restricting occupancy to local people and their dependents is justified. Moreover, the policy is effective and consistent with paragraph 50 of the NPPF which requires local authorities to plan for a mix of housing to meet the needs of different groups in the community, including older people.

*The size of new dwellings (Policy SP21)*

75. Policy SP21 seeks to restrict new dwellings in the National Park to a maximum total internal habitable floor area of 100 square metres. The 2014 SHMA identifies that around 75% of the approximately 15,000 existing homes in the National Park have 3 or more bedrooms.
76. In addition, average house prices are significantly higher than surrounding areas with an average property price around 15 times higher than average earnings and significant levels of under-occupation are identified.
77. The 2014 SHMA identifies a need for smaller homes within the National Park with the vast majority of local housing need being in the 1-3 bedroom dwelling categories. On the basis of this evidence, the 2014 SHMA suggested that the Authority may wish to promote a stronger focus on smaller units.
78. The Local Plan focusses on new development which will represent a very small proportion of the National Park’s housing stock by 2036. The Local Plan proposes around 800 additional dwellings by 2036 which would increase the dwelling stock by around 5.5%. As options to address the existing housing stock are limited, restricting the size of new dwellings is the best mechanism to re-balance the housing stock and meet the need for smaller dwellings.
79. Furthermore, the provision of smaller dwellings would support the down-sizing of older households and release stock for other groups, enabling local households to access the housing market. Viability evidence indicates that development implemented under the policy would be deliverable.

Furthermore, in light of the wide range of larger houses the restriction of the size of new housing would not harm the local economy.

80. The 100 square metre limit does not comply exactly with the specific floorspace parameters set out in the Technical Housing Standards published by DCLG in 2015; however, these are only minimum standards. Although the limit is a blunt policy tool, it is nevertheless, simple and effective. Moreover, the limit would enable the provision of one, two, three and, albeit small, four-bedroom houses under the policy which should be sufficient to meet most housing needs that arise. So that the benefits of the dwelling size limit are not eroded over time, it is necessary to provide for the withdrawal of permitted development rights for extensions to new dwellings.
81. Taking into account the above, the approach of focussing on smaller units is supported by evidence and justified. Furthermore, by seeking to re-balance the housing stock, the approach is effective and consistent with paragraph 50 of the NPPF which seeks to ensure that local planning authorities plan for a mix of housing.

#### *Housing outside of defined villages*

82. Policy SP29 seeks to ensure the provision of housing for New Forest Commoners subject to criteria which are necessary to ensure that dwellings meet a genuine need. Whilst concerns have been raised regarding the size restriction, Policy DP36 allows for dwellings to be extended in exceptional circumstances to meet the genuine family needs of an occupier who works in the immediate locality which would include commoners. Consequently, there is scope for commoners to extend their dwelling if necessary.
83. Policy SP30 seeks to enable the provision of small-scale housing on the National Park’s estates through the conversion or change of use of existing buildings as the first preference and then through new build subject to criteria. The National Park is characterised by a number of estates covering a significant area which manage large land holdings and they play an important role in the conservation of the landscape and cultural heritage of the National Park together with the development of a sustainable rural economy.
84. Estate workers undertake an increasingly broad range of work and are thus not eligible for agricultural or forestry workers dwellings; however, due to high house prices they have difficulty accessing the housing market. In these circumstances, we consider that the provision of estate workers dwellings is justified and that the criteria-based approach, taken together with other policies in the Local Plan provide sufficient safeguards to ensure that the first purpose of the National Parks is met. It is necessary, however, in the interests of effectiveness to clarify that Estate Workers Dwellings would also be available to those last employed as Estate Workers. Main modification **MM19** addresses this concern.
85. Policy DP31 seeks to enable the provision for agricultural and forestry workers dwellings in accordance with paragraph 55 of the NPPF. Whilst concerns are raised regarding the size restriction of new dwellings, Policy DP36 allows for dwellings to be extended in exceptional circumstances to meet the genuine family needs of an occupier who works in the immediate locality which would include agricultural and forestry worker dwellings. Consequently, we are



satisfied that workers could extend their dwelling if necessary. In these circumstances, we consider that the policy is justified and effective.

86. Policy DP32 sets out the limited circumstances in which an agricultural occupancy condition could be removed. The approach is consistent with paragraph 55 of the NPPF and is justified and effective.

87. Policy DP35 sets out the circumstances in which the replacement of existing dwellings would be allowed. We consider that the approach is justified on the basis of protecting the landscape of the National Park.

#### *Residential character and design of housing*

88. In order to resolve a discrepancy between the supporting text and the policy it is necessary in the interests of effectiveness to amend Policy DP34 to state that the character of residential areas varies and that development densities should reflect the locally distinctive character of the village. Main modification **MM21** addresses this concern. With this modification, we consider that the policy is justified, effective and consistent with national policy.

89. Policy DP36 sets out the circumstances within which extensions to existing dwellings would be allowed. Whilst concerns are raised regarding the size restriction for small dwellings and new dwellings (100 square metres total internal habitable floorspace); to allow larger extensions would undermine the aim of Policy SP19 which seeks to achieve a more balanced housing stock. Furthermore, the policy allows for larger extensions (120 square metres total internal habitable floorspace) in exceptional circumstances which provides sufficient flexibility for the needs of agricultural/forestry workers and commoners if so required. On this basis, we are satisfied that the approach is justified and effective.

90. Policy DP37 seeks to ensure that domestic outbuildings are proportionate and subservient to the dwelling. The policy provides a clear framework for the consideration of planning applications and is, therefore, effective.

91. Taking into account the above, we conclude that, subject to the main modifications referred to above, the Local Plan is justified, effective and consistent with national policy in relation to housing policies.

#### **Issue 6 – Whether the Local Plan is justified, effective and consistent with national policy in relation to the approach towards affordable housing**

92. The provision of affordable housing is a significant issue in the National Park. Average house prices are very high in relation to average incomes and as noted above, the 2017 OAN Study identifies a need for 71 affordable houses per annum. Given the overall housing requirement and the constraints which have led to it, it is unrealistic to expect all of this affordable housing need to be met. However, it is important that the Local Plan seeks to maximise affordable housing provision wherever possible.

93. Housing developments in the National Park are typically on very small sites. Since 2011 there have been only five sites developed involving six or more dwellings and 60% of dwelling completions were on sites below this size. There was only one site of over ten dwellings developed. Similarly, 60% of

dwellings with planning permission as of 31 March 2018 were on sites of less than six dwellings.

94. A site size threshold below that set out in national policy (as existed prior to the 2018 NPPF) is appropriate under these circumstances. The Viability Assessment<sup>3</sup> which informed the preparation of the Local Plan concludes that the provision of 50% affordable housing on schemes of three or more dwellings would generally be achievable, even when taking account of the range of other policy requirements.
95. As an exception to national policy (prior to the 2018 NPPF) Policy SP27 is justified in setting out a target of 50% affordable housing for schemes of at least three dwellings based on the particular local circumstances that exist in the National Park and the evidence available. It is also effective subject to main modification **MM17** which would clarify that the viability of a particular scheme will be taken into account when considering the amount and tenure mix of affordable housing sought.
96. Policy SP28 allows for small scale affordable housing developments as an exception to other policies. It justifiably allows for such developments in or adjoining villages other than just those Defined Villages in order to provide flexibility and address specific local needs. The Viability Assessment concludes that provided there is appropriate flexibility on tenure mix, such developments are viable without the need for an element of market housing. The policy is justified and consistent with national policy. Main modification **MM18** would remove any ambiguity that market housing as part of such schemes may be appropriate and is necessary to ensure that the policy is effective.

**Issue 7 – Whether the Local Plan is justified, effective and consistent with national policy in relation to the approach towards Gypsies, Travellers and Travelling Showpeople**

97. The Hampshire Gypsy, Traveller and Travelling Showpeople Accommodation Assessment published in May 2017 identifies a need for one additional Gypsy and Traveller pitch between 2016 and 2036 in the National Park. It also identifies the need for 21 plots for Travelling Showpeople over this time period.
98. Policy SP33 allocates land for one additional Gypsy and Traveller pitch on an existing site at Forest View, Landford which would meet the identified need. The policy contains suitable criteria to ensure that the site is developed appropriately. This includes a requirement to address the potential issue of fly tipping from garden waste, given that the site is adjacent to the New Forest SAC.
99. The Local Plan does not allocate land for Travelling Showpeople plots. Instead Policy SP33 makes it clear that proposals for such development (and indeed additional Gypsy and Traveller pitches) will be supported subject to a number of criteria.

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<sup>3</sup> Whole Plan, Affordable Housing and CIL Viability Assessment by Three Dragons with Rural Housing Solutions – November 2017

100. The identified need arises from one existing site due to concealed households or single adults, older teenagers who will need plots of their own within five years and additional household formation. The need is specific to this locality and could not reasonably be met in another planning authority area. The Authority does not own land itself. It has approached a wide range of public sector organisations and assessed other sources of information on publicly owned land. The Authority also undertook a comprehensive call for sites exercise. No potential sites for Travelling Showpeople plots were identified or put forward.
101. We are satisfied that the Authority has genuinely tried to resolve the issue and ensure that the identified needs are met. It has been in discussions with the family concerned with a view to bringing forward a suitable proposal for a site. The criteria in the second part of Policy SP33 provide a positive framework to consider proposals.
102. Given the above and the significant constraints that apply within the National Park, the approach towards Gypsies, Travellers and Travelling Showpeople is justified and consistent with national policy when taken as a whole. Main modification **MM20** is required to clarify that criterion b) of the policy also applies to Travelling Showpeople and subject to this, the approach is also effective.

### **Issue 8 – Whether the proposed housing site allocations are justified, effective and consistent with national policy**

#### *Policy SP22 – Land at Whartons Lane, Ashurst*

103. The development of the site would extend the existing built up area further along Whartons Lane. However, whilst it is visible from Whartons Lane itself, the site is well contained visually by significant areas of woodland to the east and south. It would have a limited impact on the wider landscape and would not significantly affect the overall character and appearance of Ashurst.
104. The estimated capacity of approximately 60 dwellings reflects the need to protect trees around the periphery of the site which are subject to Tree Preservation Orders. It also balances the need to ensure efficient and effective use of development land with a recognition of the character of the locality which is generally of lower density.
105. The site is well related to local services and facilities and evidence available confirms that there would not be undue pressure on local services and infrastructure including schools. The site can be accessed safely and the junction of the A35 with Whartons Lane will continue to operate well within capacity.
106. Whilst the site is entirely within Flood Zone 1, a very small area (approximately 2%) is at risk of surface water flooding. Main modification **MM11** would ensure that Policy SP22 is effective in addressing this issue through the addition of a specific criteria relating to a site-specific flood risk assessment and mitigation measures if necessary. This main modification would also ensure that the policy is effective in providing some flexibility on the number of dwellings to be developed and in clarifying that the reference to 50% affordable housing is as a target as set out in Policy SP27.

107. Subject to this main modification the proposed housing site allocation at Whartons Lane, Ashurst is justified, effective and consistent with national policy.

*Policy SP23 – Land at the former Lyndhurst Park Hotel, Lyndhurst*

108. The site is allocated for mixed use including approximately 50 dwellings. It consists of the former hotel building and extensive grounds which contain a number of protected trees. Although the building is not listed and has been altered and added to over time, it retains some historic elements. The site occupies a prominent and sensitive location within the Conservation Area given its position along the A35 frontage and on the edge of the village adjoining open land to the east. Whilst Policy SP23 justifiably seeks to retain the historic elements of the building it also provides flexibility to allow for alternative forms of development, including the potential demolition of the building, subject to a detailed heritage assessment.
109. The site is adjacent to the New Forest SAC and SPA. As noted above, the general approach of the Local Plan is to avoid housing site allocations within 400m of these designated areas given the concerns over urban edge effects.
110. However, there are particular circumstances which justify the allocation in this case. The area of SAC and SPA adjoining the site is close to the High Street and the busy A35. It is crossed by Beaulieu Road and contains vehicle tracks, footpaths, car parks, a cemetery and a cricket pitch. It provides open public access, is a well-used recreational area and is grazed by horses and ponies. These factors affect the potential for the land in question to support qualifying SPA birds. Although it remains an important issue, the susceptibility of the land in question to urban edge effects is therefore reduced.
111. The permitted use of the building as a hotel and the activity that such a use entails is also an important consideration in assessing additional impacts from residential development. In addition, the open and public nature of the land is likely to reduce the potential for fly tipping of garden waste to go unnoticed.
112. Criterion f) of Policy SP23 takes a flexible approach to affordable housing provision which reflects the particular viability issues associated with the costs of redeveloping the site.
113. Main modification **MM12** is necessary to ensure that the policy is effective in providing sufficient flexibility as to the appropriate mix of uses on the site and to reflect the fact that tourism use may not be viable or appropriate. It is also required to ensure that the policy is effective in requiring a Transport Assessment given the proximity to the Lyndhurst Air Quality Management Area and for it to be consistent with national policy in terms of the effect on the Conservation Area.
114. Subject to this main modification the proposed site allocation at the former Lyndhurst Park Hotel, Lyndhurst is justified, effective and consistent with national policy.

*Policy SP24-Land south of Church Lane, Sway*

115. The site has a capacity of around 40 dwellings, relates well to the existing built development and is within a short walk of the railway station and services in the village including a school. Residential development is limited to the part of the site which lies outside the New Forest SPA and SAC 400m zone. Land within the 400m zone is to be informal open space in order to provide a buffer.
116. Whilst the density of the development would be slightly higher than that of the surrounding development, the site is visually enclosed by hedgerows and trees and criterion e) seeks to ensure that the trees protected by a Tree Preservation Order are retained as part of the development. The trees and informal open space would mitigate the visual effect of the proposal.
117. Access can be achieved via an existing field access with suitable visibility splays and the Highway Authority confirms that the development would not affect highway safety. A pedestrian crossing across Church Lane is required by criterion f) in order to provide safe access to the school and the village centre.
118. The policy refers to a specific number of dwellings and does not provide any flexibility and so is not effective. Main modification **MM13** is therefore necessary to ensure that the policy is effective in providing some flexibility on the number of dwellings to be developed and in clarifying that the reference to 50% affordable housing is as a target as set out in Policy SP27. We have amended **MM13** to reflect the fact that part of the site identified for informal greenspace lies within 400m of the SAC in addition to the SPA. This is a factual correction and does not alter the substance or meaning of the main modification or policy itself.
119. In conclusion, subject to the main modification referred to above, the site allocation is justified, effective and consistent with national policy.

*Policy SP25-Land adjacent to the former Fawley Power Station*

120. Fawley Power Station closed in 2013 although the imposing site station building, chimney and associated structures remain. The 49-hectare site lies within the New Forest District Local Plan area but is entirely enclosed by the National Park.
121. The emerging New Forest District Local Plan is proposing to allocate the Power Station site for around 1,380 dwellings, employment development and a package of environmental and community benefits. The main allocation within the District Local Plan will be assessed as part of the examination into that plan. However, land to the south of the Power Station site and within the National Park is proposed to be allocated for around 120 dwellings subject to site specific requirements and it is this element of the site which shall be assessed as part of this report. Nevertheless, the sites are inextricably linked and many of the benefits stem from the wider allocation.
122. There is consensus that the proposed allocation/development represents major development within the National Park and due to the scale of the development we support this view. Paragraph 116 of the NPPF states that planning permission should be refused for major development in National

Parks except in exceptional circumstances and where it can be demonstrated that they are in the public interest.

- i) *The need for the development, including in terms of any national considerations, and the impact of permitting it, or refusing it, upon the local economy.*
123. The overall development would make a significant contribution to meeting identified housing needs in both the National Park and New Forest District Council planning authority area, including 50% affordable homes as a percentage of the total within the National Park element of the site. Moreover, the overall site would bring significant economic benefits, including the creation of around 2,000 jobs. Furthermore, there is an identified need for the marine industry sector in the Solent which would benefit from the existing dock and location on the Solent. Due to the scale, the proposal would also benefit the wider regional economy. Consequently, the redevelopment of the overall site would have significant social and economic benefits at a local and regional level.
124. The National Park element of the site would make a significant contribution to meeting the market and affordable housing needs of the National Park. The construction of the dwellings would make a contribution to the local economy in the short-term and residents would support local services and businesses in the long term. The significant economic benefits arising from the wider allocation would also benefit National Park residents.
125. Were the wider site not to be brought forward for comprehensive redevelopment the existing building and surrounding land could be used for short-term uses such as storage; however, the benefits to the local and regional economy would be significantly less and much needed housing would not be provided.
- ii) *The cost of, and scope for, developing elsewhere outside the designated area, or meeting the need for it in some other way.*
126. The Authority and New Forest District Council commissioned a Viability Report (Nationwide CIL, 2017) which assessed the feasibility of development on only the brownfield part of the site, outside of the National Park as well as a range of other options. The northern part of the site is constrained by the Health and Safety Executive’s exclusion zone and the presence of the National Grid Substation and pylons. In addition, there are exceptionally high costs associated with redeveloping the site including the demolition of the existing buildings; decontamination of the site; and raising the land for flood risk purposes.
127. Furthermore, to provide a viable development which was only restricted to the brownfield element within the District Council planning authority area would require a much higher density of development which would have a greater visual impact on the National Park. The Viability Report therefore concluded that land was required in the National Park to support a viable, comprehensive redevelopment of the site, otherwise the socio-economic benefits could be lost.

128. Moreover, both the District Council planning authority area and National Park are heavily constrained in terms of environmental designations such as the Green Belt and the National Park has significant landscape constraints which limits opportunities for developments of this scale in other locations.
129. The wider proposal provides a unique opportunity to redevelop a major brownfield site. Due to the constraints to the north of the site and the high redevelopment costs, the land in the National Park is critical to the viability and delivery of the larger site. Consequently, there is no scope to develop outside the National Park or meet the need for it in some other way.
- iii) Effect on the environment, landscape and recreational opportunities, and the extent to which that could be moderated.*
130. The foreshore, estuarine and coastal areas adjoining the site are internationally and nationally designated for their ecological value; parts of the site are within Flood Zone 3; and the land adjoining the former Fawley Power Station site within the National Park is designated as a Site of Importance for Nature Conservation (SINC). The proposal would result in the loss of around 8ha or 15% of the Tom Tiddler’s SINC habitat.
131. Nevertheless, Policy SP25 has been informed by the HRA and the policy requires clear net benefits to be demonstrated in relation to habitat enhancements to ensure net gains in biodiversity and the SINC habitat can be re-provided close to the site as part of a wider ecological enhancement strategy which is required by Policy SP25. Furthermore, at least 30ha of SANG would be provided which would deliver significant benefits for biodiversity.
132. Redevelopment of the site would remove the harmful landscape and visual impact of the existing power station buildings and replace them with more appropriate built form and the policy requires SANG which would bring benefits for landscape character when viewed from the National Park. Also, there is an extensive rights of way network which the development could link into and the SANG provides significant opportunity to secure public access improvements which would directly benefit residents of the National Park and surrounding areas.
- iv) Conclusion*
133. The overall redevelopment of the Power Station site presents a significant opportunity to replace the large-scale industrial structures with a more appropriate built form for the National Park, thereby reducing the impact on the landscape.
134. It would provide a major boost to the local and sub-regional economy including the creation of around 2,000 jobs, including in the marine industry. It would also make a significant contribution to meeting the housing needs of the District and the National Park. Furthermore, the landownership provides the opportunity to moderate the impacts of development on the landscape, biodiversity and habitats of the site and the SANG provides the opportunity to achieve net biodiversity gain. There would also be significant opportunities to secure public access improvements.

135. The Viability Assessment demonstrates that these benefits could not be achieved without the element of development within the National Park. Consequently, in this case there are exceptional circumstances to justify the proposed major development within the National Park and it has been demonstrated that it is in the public interest.
136. The policy does not refer to the need for a site-specific flood risk assessment and nor does it require an integrated approach to transport issues. Consequently, the policy is not effective or consistent with national policy. Main modification **MM14** addresses these concerns.
137. Main modification **MM14** is also necessary to ensure that the policy is effective in clarifying that the reference to 50% affordable housing is a target as set out in Policy SP27.
138. We conclude that subject to the main modification referred to above, the allocation is justified, effective, and consistent with national policy.

*Policy SP26-Land at Calshot Village*

139. An area of land adjacent to St George’s Church Hall, Calshot is proposed for mixed residential and cemetery use including around 30 dwellings. Calshot is a small village situated at the end of what is effectively a geographical cul-de-sac. It is comprised of a collection of terraced social housing and some private market housing and has pockets of relative deprivation.
140. Calshot is not identified as a Defined Village in the Local Plan and the allocation would therefore be inconsistent with the overall spatial strategy set out in Policy SP4. The village is situated in an isolated position and facilities are very limited and the allocation would therefore also be contrary to the NPPF which seeks to encourage patterns of development which facilitate the use of sustainable modes of transport and which would maintain or enhance the vitality of rural communities. Consequently, in our view the village is not a sustainable location for residential development on this scale.
141. The Authority considers that the village would benefit from some development to help to diversify the housing stock. However, whilst development may broaden the housing stock to a limited degree, it is not clear from the Authority’s submissions how this would benefit residents or indeed address any issues of deprivation within the existing community.
142. The Authority also considers that the village would benefit from significant new employment and infrastructure provision as part of the comprehensive redevelopment of the adjacent Power Station site. However, other than references in the supporting text, there is no formal link between the two sites and any such mechanism would be difficult to achieve. Consequently, we must judge the site allocation on its own merits.
143. For the aforementioned reasons, we conclude that the proposed housing allocation at Calshot Village is not justified. Modification **MM15** is therefore required in order to delete Policy SP26 and the allocation from the Local Plan.



*Additional site allocation – Ashurst Hospital*

144. As discussed above, the housing requirement and the overall provision for housing are limited by the significant environmental constraints that exist. It is important however that the provision for housing is maximised within the context of these constraints so that the scale of unmet need in relation to the OAN is reduced as much as possible.
145. It became apparent during the examination that one additional site (Ashurst Hospital) could offer the potential to contribute towards housing needs. It would also provide the opportunity to make effective and efficient use of previously developed land located immediately adjacent to the Defined Village.
146. The Authority had recognised the potential for a site allocation at Ashurst Hospital at an earlier stage in the plan preparation process and had consulted on it in 2017. The Authority did not pursue the allocation of the site primarily due to a lack of certainty regarding the future use for healthcare purposes and its availability for redevelopment. Paragraph 7.20 of the submitted Local Plan provides an indication of some development potential should the site become available. The site adjoins the New Forest SAC and SPA.
147. Evidence was provided during the examination which demonstrated that significant parts of the Ashurst Hospital site would be available for redevelopment during the plan period and that previous concerns over access arrangements had been resolved.
148. Given the above and in light of the approach to the former Lyndhurst Park Hotel site, we asked the Authority to consider the potential for an additional site allocation. The Authority carried out further work and discussions with NHS Property Services and Natural England. Sustainability Appraisal and HRA work was also carried out. Following this the Authority proposed an additional site allocation and policy for our consideration and undertook a period of public consultation. An additional hearing session was then held to specifically consider this potential additional site allocation.
149. The additional HRA report concluded that urban edge effects could not be ruled out if the development on the site were to include Use Class C3 dwelling houses. Based on this assessment, the Authority proposed an allocation for around 30 residential units restricted to Use Class C2 or extra care use, along with retained and potentially extended healthcare provision. The residential element would be confined to the previously developed part of the site.
150. The approach towards the form of residential development on the site is justified. Unlike with C3 dwelling houses, there are clear, effective and enforceable mechanisms and management regimes that can be put in place to avoid cat ownership in C2 or extra care housing. Multiple individual C3 dwelling houses would also pose a greater risk of informal access to the SAC and SPA being established, increasing the potential for tipping of garden waste. Limiting C3 dwelling houses to the previously developed part of the site and providing a buffer of some 60m, along with strengthening boundaries and introducing fencing would not provide sufficiently effective mitigation.
151. There is a clear distinction between the situation at Ashurst Hospital and that at the former Lyndhurst Park Hotel. We have set out above the particular

circumstances that apply in the latter case and justify allowing residential use (including C3 dwelling houses) subject to appropriate mitigation. In the case of Ashurst Hospital, it is adjacent to relatively undisturbed sections of the SAC and SPA and there is an absence of intervening features that could act as a barrier to urban edge effects. There is a mix of broadleaved and rotational plantation woodland which is likely to be capable of supporting SPA birds when woodland management results in periods of optimal habitat.

152. The additional HRA report concludes that the Ashurst Hospital site is significantly different to the former Lyndhurst Park Hotel site 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.
153. The exact contribution that this additional site allocation would make to the housing requirement depends on the specific nature of the residential uses proposed as part of a development scheme and to what extent they could genuinely be regarded as meeting housing need as established through the 2017 OAN Study. However, it is clearly capable of making some contribution and in the context of a Local Plan that will result in unmet housing needs, this is important. It will also re-use an area of previously developed land, a resource which is in short supply in the National Park.
154. The detailed wording of the proposed policy associated with the site allocation was amended following the hearing session to provide additional clarity in terms of the C2 uses envisaged and the extent of previously developed land. The policy would provide an effective and justified basis to consider development proposals taking account of the nature of the site and the constraints that exist.
155. Main modification **MM16** would add the site allocation at Ashurst Hospital and associated policy to the Local Plan. Given the situation in relation to the OAN and unmet needs, this main modification is necessary to ensure that the Local Plan is effective in identifying all suitable sites for residential development and making effective and efficient use of previously developed land.

### **Issue 9 – Whether the approach towards the supply and delivery of housing land is justified, effective and consistent with national policy**

156. As noted above, there have been 63 dwellings completed so far in the plan period (1 April 2016 to 31 March 2019) and planning permissions exist for a further 114 dwellings. The Authority has made a realistic and justified estimate that on average 20 additional dwellings will be delivered on windfall sites each year from 2020/21 onwards (320 in total).
157. The estimated capacities on the allocated sites are realistic and justified, as are the estimated rates of delivery. Evidence shows that the site allocations are viable and deliverable within the timeframes shown. In total they will provide for approximately 300 dwellings.
158. Overall, the Local Plan will provide for approximately 800 dwellings in the plan period. Whilst this provides for little if any flexibility in relation to the housing requirement, it represents the realistic maximum supply that can be identified given the significant constraints that apply.

159. The existing Core Strategy sets out a housing requirement of an average of 11 dwellings per annum for the National Park. Since the adoption of the Core Strategy in 2010, total completions have exceeded this requirement. Whilst completions since 2016 have been below the requirement in this Local Plan, this does not constitute persistent under delivery. In terms of a five year requirement for housing land it is appropriate to apply a 5% buffer therefore.
160. Taking account of the shortfall in delivery since 2016 (57 dwellings) and applying the 5% buffer to the basic requirement of 40 dwellings per annum gives a five year requirement as of 2019/20 of 270 dwellings. Based on expected delivery rates and timescales from sites with planning permission, windfalls and allocated sites, there will be a five year supply of housing land on adoption of the Local Plan and for at least another two years after that. Supply is then expected to fall as site allocations are developed out. Given the particular circumstances that apply to the National Park and the constraints that exist, this is a justifiable situation. In any case the Local Plan will need to be reviewed within five years.
161. Main modifications **MM9** and **MM10** are necessary to ensure that Policy SP19 and supporting text is effective in providing clarity on the definition of windfall development and setting out clear and up to date information on housing supply.
162. Subject to these main modifications, the approach towards the supply and delivery of housing land is justified, effective and consistent with national policy.

**Issue 10 - Whether the Local Plan has been positively prepared and whether it is justified, effective and consistent with national policy in relation to the approach to a sustainable local economy**

*Employment land requirement and supply*

163. The evidence base for the Local Plan is the Business Needs and Commercial Property Market Assessment (CD123); the Enterprise M3 Commercial Property Market Study (CD160); a New Forest Business Needs Survey (CD121) and the Economy and Employment Topic Paper (CD128). The evidence concludes that there is a realistic future demand for 600-900m<sup>2</sup> of new B Use Class employment floorspace per annum equating to a total requirement of 12,000 to 18,000m<sup>2</sup> over the Plan period 2016-2036.
164. Taking account of net completions (619m<sup>2</sup>) and existing commitments in the form of planning permissions (2,643m<sup>2</sup>) the residual requirement at 31 March 2018 is 8,738m<sup>2</sup> to 14,738m<sup>2</sup> of floorspace equating to an annualised requirement of 485m<sup>2</sup> to 819m<sup>2</sup> per annum over the remaining 18 years of the Local Plan period to 2036.
165. The Plan does not allocate employment land but instead relies upon windfall development and the change of use of existing buildings guided by a set of criteria-based policies to ensure that new employment development is of an appropriate nature and in the right locations.
166. Historically, records show that since 1988 employment floorspace has been delivered at a rate of just under 900m<sup>2</sup> per annum, which is above the residual

annual requirement. Some have suggested that the Local Plan should take a more proactive approach and allocate a site/s; however, there is no evidence before us to suggest that the rate of employment development would slow down in the future or that the approach would stifle economic growth.

167. Windfall development will come forward in the form of the re-use and extension of existing buildings; the redevelopment of existing employment sites; farm diversification and new employment development in the Defined Villages. Moreover, the National Park is not heavily reliant on traditional B1-B8 office and industrial space.
168. Consequently, we consider the approach of relying on windfall development in order to meet the employment land requirement to be a reasonable and justified one within the context of the National Park.

#### *Business and Employment Development*

169. Policy SP42 seeks to support small-scale employment development within the four Defined Villages with a more restrictive approach elsewhere. Some have questioned whether only ‘small-scale’ employment development should be allowed in the Defined Villages; however, we consider that Policy SP42 strikes an appropriate balance between making provision for employment development and protecting the character of the National Park.

#### *Existing employment sites and buildings*

170. The approach set out at Policy SP43 to retain existing employment sites and allow additional uses within the Defined Villages is consistent with the overall spatial strategy and the NPPF which seeks to support existing business sectors and encourage mixed use development.
171. It is necessary to clarify that Policy DP44 applies to existing employment sites throughout the National Park as opposed to just the Defined Villages in order to be effective. Furthermore, as currently drafted the Policy and supporting text is not clear in relation to B8 storage uses. Such uses may not have the same employment densities as general B Use Classes and the nature of the development may have a higher impact on the landscapes of the National Park. However, some B8 uses may be appropriate and so it is necessary to clarify that ‘low key storage’ uses would be permitted, subject to criteria in the interests of effectiveness and consistency with national policy. Main modification **MM22** addresses these concerns. With this main modification we consider that the approach is justified and effective within the context of the high landscape value of the National Park.
172. Policy DP45 allows for the limited extension to non-residential buildings and uses subject to criteria. The approach is an effective balance between the need to support the expansion of existing businesses whilst protecting the character of the National Park and is, therefore, justified.

#### *Sustainable tourism*

173. Policy SP46 seeks to support sustainable tourism where it provides opportunities for the understanding and enjoyment of the special qualities of the National Park. Outside of the Defined Villages visitor facilities will be

limited to the re-use or extension of existing buildings and visitor accommodation will only be considered as part of farm diversification schemes. Whilst this approach may be considered as overly restrictive; it is nevertheless consistent with the overall spatial strategy which seeks to focus new development in the Defined Villages. Furthermore, it strikes an appropriate balance between the need to protect the special qualities of the National Park whilst also supporting sustainable tourism.

174. Policy DP47 takes a restrictive approach to the provision of new campsites and extensions to existing holiday parks, caravan or camping sites which will only be allowed in a very limited range of circumstances. Evidence, updated in 2016, shows that the National Park has over three times the number of camping and touring caravan bed spaces per square kilometre than the average of all other English National Parks. Camp sites and holiday parks and the associated paraphernalia and infrastructure can have a significant visual impact and impact on biodiversity. Given that this small geographical area is already well supplied by camping and caravan bed spaces, we consider that the approach strikes an appropriate balance between the National Park purposes whilst recognising the important role of tourism in the local economy.

#### *Land based economy*

175. Policy SP48 provides clear guidance on land-based business which will be supported such as agriculture, forestry and commoning which are essential to the local economy. The policy is, therefore, justified, effective and consistent with national policy.
176. Policy DP49 allows for the re-use of buildings outside the Defined Villages subject to a range of criteria. Criterion b) limits the re-use of the building for residential use, other than in accordance with Policy SP19. We acknowledge that paragraph 55 of the NPPF allows for the re-use of a redundant or disused building for residential use where it would lead to an enhancement to the immediate setting. However, conversion to residential use would usually result in the creation of a domestic curtilage with hardstanding and associated domestic paraphernalia which could have a significant impact on the landscape character of the National Park. It would not, therefore, lead to an enhancement of the immediate setting of the building.
177. Furthermore, residential use of redundant buildings outside of the Defined Villages would be contrary to the overall spatial strategy and result in the creation of additional car-based trips. Consequently, we consider that the approach is justified within the context of the National Park.
178. Policy DP50, Agricultural and Forestry Buildings; Policy DP51, Recreational Horse Keeping; Policy DP52, Field Shelters and Stables; and Policy DP53, Maneges provide an effective balance between the need to support rural business whilst also limiting the impact of such buildings on the landscape character of the National Park. The policies are, therefore, effective, justified and consistent with national policy.
179. Taking into account the above, the Local Plan has been positively prepared and with the main modification referred to, is justified, effective and consistent with national policy in relation to the approach to a sustainable local economy.

**Issue 11 - Whether the Local Plan has been positively prepared and whether it is justified and consistent with national policy in relation to the approach to retail development**

180. Taking account of the national policy and guidance that a local evidence base should be proportionate, we are satisfied that an assessment of retail/town centre need is not required as there are no town centres in the National Park and as residents have access to larger town centres including Lymington, Bournemouth, Southampton and Ringwood.
181. Policy DP40 seeks to promote the retention and development of local shops within the Defined Villages by setting a proportion of the designated shopping frontages that should be kept in A1 (retail use).
182. Policy DP41 seeks to limit retail development outside of the Defined Villages to small-scale convenience shops that serve local needs and farm shops beyond the villages. The overall approach to retail development is in accordance with the NPPF which seeks to support a strong rural economy and the retention and development of local shops. We are satisfied that these policies provide an effective framework for the consideration of retail proposals.
183. Taking account of the above, we consider that the Local Plan has been positively prepared and is justified, effective and consistent with national policy in relation to the approach to retail development.

**Issue 12 - Whether the Local Plan has been positively prepared and whether it is justified, effective and consistent with national policy in relation to the approach to transport and infrastructure**

184. Policies SP54 and SP55 set out the approach to transport infrastructure and access within the National Park. The policies are consistent with paragraph 29 of the NPPF which seeks to promote sustainable transport and together with criterion f) of Policy DP2, provide an effective framework for the consideration of development proposals.
185. Policy SP38 sets out the framework for securing infrastructure and developer contributions for development proposals. The policy takes account of economic viability at a site-specific level and is, therefore, consistent with paragraph 173 of the NPPF.
186. Policy SP39 seeks to support the retention of existing community facilities and the development of essential local community facilities which is consistent with paragraph 28 of the NPPF and provides an effective framework for the consideration of development proposals.
187. Taking account of the above, we consider that the Local Plan has been positively prepared and is justified, effective and consistent with national policy in relation to the approach to transport and infrastructure.

## **Assessment of Legal Compliance**

188. Our examination of the legal compliance of the Local Plan is summarised below.
189. The Local Plan has been prepared in accordance with the Authority’s Local Development Scheme although the timescale for the examination and adoption of the Local Plan have slipped.
190. Consultation on the Local Plan was carried out in compliance with the Authority’s Statement of Community Involvement.
191. Sustainability Appraisal has been carried out and is adequate. This includes specific reports concerning the Ashurst Hospital site allocation and the main modifications.
192. The HRA report of January 2018 and the Addendum of July 2018 set out that an Appropriate Assessment was necessary and this was carried out. Further HRA Addenda were produced to consider the Ashurst Hospital site allocation and the main modifications. The HRA reports conclude that the Local Plan (including main modifications) will not have an adverse effect on the integrity of any European Site either alone or in combination with other plans and projects.
193. The Local Plan includes policies designed to secure that the development and use of land in the National Park contribute to the mitigation of, and adaptation to, climate change. Examples of such policies are Policy DP8 on safeguarding and improving water resources, Policy SP11 on climate change and Policy DP12 on flood risk.
194. The Local Plan complies with all other relevant legal requirements, including in the 2004 Act (as amended) and the 2012 Regulations.
195. We have had due regard to the aims expressed in S149(1) of the Equality Act 2010. This has included our consideration of several matters during the examination including the provision for Gypsies, Travellers and Travelling Showpeople and specialist housing for older people.

## **Overall Conclusion and Recommendation**

196. The Local Plan 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 submitted, in accordance with Section 20(7A) of the 2004 Act. These deficiencies have been explored in the main issues set out above.
197. The Authority has requested that we recommend main modifications to make the Local Plan sound and capable of adoption. We conclude that with the recommended main modifications set out in the Appendix the New Forest National Park Local Plan satisfies the requirements of Section 20(5) of the 2004 Act and meets the criteria for soundness in the NPPF.

*Caroline Mulloy*

*Kevin Ward*

Inspectors

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