



Report to Lichfield District Council

**by Lead Inspector John R. Mattocks
BSc DipTP MRTPI
and Assistant Inspector Simon J.
Emerson BSc DipTP MRTPI**

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

Room 3/25
The Planning Inspectorate
Temple Quay House
2 The Square
Temple Quay
Bristol BS1 6PN
☎ 0117 372 8255

Date 26 July 2006

REPORT ON THE EXAMINATION INTO THE CORE STRATEGY DEVELOPMENT PLAN DOCUMENT

Document submitted for examination on 28th October 2005
Examination hearings held on 25th April to 9th May 2006

Part 1

1.1. The requirements of s20(5)(a) of the 2004 Act fall into two parts:-

- a. whether the DPD satisfies the requirements of ss19 and 24(1) of the 2004 Act;
- b. whether the DPD satisfies the requirements of regulations under ss17(7) and 36 relating to the preparation of the document.

1.2. Prior to the start of the first hearing session on 25th April 2006 the Council made a brief opening statement in which they confirmed that they had complied with the requirements of s19 of the 2004 Act. This statement is Core Document (CD) S16.4. From it I am satisfied that the statutory requirements for preparation and submission of the Core Strategy DPD have been met. In particular, it is included in the approved Local Development Scheme as LDD02 and paragraphs A1.2-6 set out in some detail the regard which has been had to the Community Strategy in drawing up the Core Strategy. A final revised sustainability appraisal has been published (CD Q27) although it relates to all three submitted DPDs not specifically to the Core Strategy. The Statement of Community Involvement was subject to a separate examination, found to be sound and adopted by the Council on 25th April 2006. As this post-dates the submission, the statutory requirement for this DPD is to meet the minimum requirements of the regulations. This has been done.

1.3. The requirements of s19(1), (3), (4) and (5) are largely repeated in the first three (procedural tests) of soundness listed in paragraph 4.24 of PPS12. Similarly s19(2)(f) referring to the Community Strategy is repeated as conformity test (v). In so far as there are representations relating to the way these aspects are handled in the DPD, as distinct from statutory compliance, the issues raised are considered in an annex to part 2 of this report.

1.4. Section 24(1) of the 2004 Act requires that the DPD must be in general conformity with the Regional Spatial Strategy (RSS). The West Midlands Regional Assembly (WMRA) gave their formal opinion by letter dated 6th December 2005 that the submitted Core Strategy was in general conformity with the approved RSS (RPG11) although they also made representations on other aspects of soundness which I have examined further and report in part 2. I am satisfied that the statutory requirements were met at submission.

1.5. I am also satisfied that the Council have followed the correct procedures leading up to the examination under Regulations 25-33 inclusive in the 2004 Regulations (*SI 2004 No. 2204*). The requisite notice of the "opening" of the examination under Regulation 34 was placed on the Council's web site, and advertised in a local newspaper on 9th March 2006 and all persons who had made duly-made representations were notified.

1.6. Consequently, I formally determine that the requirements of s20(5)(a) have been satisfied. I shall now proceed to consider whether the submitted DPD is sound under part b) of the same sub-section of the Act.

Part 2

2.1. In this section of the report I consider the soundness of the submitted Core Strategy.

2.2. Section 1.3 of the Planning Inspectorate's Guide to the process of assessing the soundness of development plan documents (*CD R1*) sets out the potential outcomes of the examination process. It is important to recognise that where a policy or statement is found to be unsound against any of the tests then any binding recommendation for change must, in itself, also be sound. This limits the scope for change where, for example, it is considered that further community involvement is required or there would be implications for the sustainability appraisal.

Analysis of findings on the soundness of the Lichfield Core Strategy

2.3. The nature and extent of the representations made have raised many questions about the fundamental soundness of the submitted document and the Council themselves implicitly accepted that certain policies and statements were not sound in the two pre-examination changes they proposed and advertised.

2.4. Some of the deficiencies in the plan can be dealt with by making relatively minor changes to the wording that do not alter the thrust of the strategy. Early in the examination I indicated to the Council that should they "not be unhappy" if minor wording changes suggested in representations were to be recommended then they should prepare a list of such minor suggested changes and give them publicity. The Council did so in the form of Core Document Q51. Other possible changes arose from discussion during hearing sessions of the examination and have been circulated by e-mail for comment by those representors with an identified interest in the matter, but otherwise only placed on the examination web site. Some of these are significant, particularly a revised Core Policy 8 and a revised and enlarged section B9 on monitoring and implementation. These would require wider publicity and consultation.

2.5. More fundamentally, however, there are two serious deficiencies which I do not consider it possible to remedy by making a binding recommendation for change because the nature and extent of those changes would require further consultation and/or sustainability appraisal. First the strategy does not make realistic provision for a 10 year supply of housing land in accordance with PPG3. Second there are major deficiencies in the evidence base. One of the serious consequences of this is that the strategy contains policies that are not clearly justified. Accordingly it is not possible to say with any confidence that the strategy/policies/allocations are the most appropriate in all the circumstances. As these two deficiencies relate to critical aspects of the strategy they lead me to the conclusion that the submitted DPD is fundamentally unsound and that it should not be adopted; it should be withdrawn to enable work to be done on a revised strategy.

2.6. In the following paragraphs I amplify my reasons for coming to this conclusion and my formal recommendation. I have also produced an annex to this report in which I set out my conclusions on the other aspects of soundness organised under the list of matters examined. Where necessary and appropriate these cover the main points arising from the representations made.

Critical unsoundness - reasons

Lack of a "ten year" supply of land for housing and a longer term strategy.
(Test 5)

2.7. It is clear from recent Ministerial statements, the Government response to the *Barker Report*¹ and the emphasis of the "Mike Ash letter" accompanying draft PPS3² just how much importance is attached to the provision of an adequate supply of land for housing, to be delivered primarily through the development plan system, that is in RSSs and DPDs.

2.8. Although these documents post-date the submission of this DPD it seems to me that their thrust warrants a strict application of the existing guidance in PPG3. The Ministerial statement of 17th July 2003 clarified that paragraph 28 of PPG3 should be interpreted as requiring plans to make provision for at least ten years' potential supply of land for housing from the plan's forecast adoption date. The Lichfield Local Development Scheme assumes adoption of all three submitted DPDs in December 2006, which means that provision should be made at least to December 2016. However, the "plan period" extends to 2021.

2.9. I fully recognise the constraints under which the Council have been working, stemming from the significant change in policy direction represented by RPG11 compared to the strategic context which informed the adopted Lichfield District Local Plan and the revised Staffordshire Structure Plan which followed in 2001. Strategic guidance on the level of provision of housing in Lichfield is derived from the approved RSS, RPG11, Table 1 and policy CF3. This gives figures at County level only and so the Secretary of State indicated in his approval letter³ that for the period to 2021 Local Planning Authorities (LPAs) should apply the same proportions as used in the adopted Structure Plan to calculate district provision. However, he indicates that beyond 2011, although the Structure Plan proportions should be retained in the absence of better information, they may not be appropriate should the result be significant allocations, particularly greenfield, which would be inconsistent with the RSS.

2.10. Although the District Council suggested at the examination that it is not appropriate to apply this proportion they had used it in their own calculations for the housing trajectory. In their position statement (*CD S1.1*) the Council suggest 6500 dwellings as an "example" but there is no sound basis for it. If

¹ The Government's Response to Kate Barker's Review of Housing Supply, December 2005

² Letter of 7 December 2005 accompanying consultation draft PPS3.

³ The "Keith Hill letter" of 15 June 2004

any credence were to be given to this it would have had to have been identified as an option at pre-submission stage, fully evaluated, subjected to sustainability appraisal, consulted upon and brought forward as the preferred option. I cannot see that it was considered as an option at all and I must conclude that the strategy fails test 10 on what is an issue of critical importance to the whole strategy. In the circumstances, the reference in Core Policy 4 to meeting the requirements arising from the RSS has to be interpreted using the proportional method, which results in a requirement for 7800 dwellings in the period 2001-2021. This figure should be in the Core Strategy, at least in the text. I note the Regional Assembly's point that the RSS figures represent a maximum rather than a minimum provision, but to comply with PPG3 guidance, and thus for this DPD to be sound under test 6, I consider that it must at least demonstrate that the annualised RSS provision can be attained. A policy could be introduced under the "Plan, Monitor and Manage" (PMM) approach to ensure that the RSS figure is not exceeded.

2.11. In my view a core strategy for an area such as Lichfield must contain the details of the housing demand and supply position. Support for this view is provided by paragraphs 2.9 and 2.10 of PPS12 which refer to "key elements of the planning framework for the area" and state that the strategy should "seek to implement the spatial and transport policies of the regional spatial strategy and incorporate its housing requirement." Core Policy 4 refers only to annual rates of house building up to 2011 consistent with the Structure Plan and after that date with the RSS; there are no figures at all; no indication of what the overall scale of housing provision is intended to be. For this reference has to be made to Housing background paper and housing trajectory (*CD L16, Table 4*) or the Allocations of Land DPD. I am in no doubt that without this key element the strategy is unsound under test 5. Moreover, there are no figure-specific milestones or targets for delivery and thus soundness test 11 is not satisfied.

2.12. The Council agreed at the examination that a housing trajectory might usefully be included in the Core Strategy. Such a trajectory is an important element in the evidence base, as is stressed in PPS12 and draft PPS3, and I consider it necessary that it be included in the Strategy itself. Unfortunately, the version included as Appendix 4 to the submission background paper was anything but robust falling well short of requirements and extending only to 2016. Even the version produced for position statement S1.1 contained arithmetical inaccuracies. The final version of the trajectory was sent out by e-mail on 10th May 2006. What the trajectory shows is a dwelling completion rate running well ahead of the RSS annualised requirement in the early years with a peak build rate in 2008/9 tailing off thereafter to reach a balance point in 2014/15. This is because the trajectory relies entirely on windfalls from 2013/14 onwards. By December 2016 there is a shortfall approaching 500 dwellings against the RSS annualised requirement. This shortfall rises to 1360 dwellings by the end of March 2021. This level of shortfall signifies a major problem in relation to the conformity soundness test.

2.13. Furthermore the position is even worse than this as these figures assume a windfall allowance of 75 dwellings a year throughout from small site windfalls which, the Council acknowledged, includes 20 a year "barn

conversions". This may be based upon past trends but such conversions are "greenfield" under the definition in Annex D of PPG 3 and specifically excluded by paragraph 36 of the guidance. Reducing the figure to 55 would move the balance point to 2013/14 with a shortfall thereafter which, by December 2016, becomes around 700 dwellings. On this basis the shortfall would be 1680 by the end of March 2021. This scale of shortfall is unacceptable in a Core Strategy. For this Core Strategy to be in conformity with the regional guidance 7800 dwellings is the minimum provision which should be made under paragraph 28 of PPG3. Although specific site allocations do not need to be made for the whole period at least the implications of providing for this level of growth should be clear from the strategy.

2.14. There are a number of other factors which cast doubt upon the accuracy and robustness of the supply calculation. For a correct comparison with the RSS an allowance should be made for a certain number of demolitions. This has not been done. I also raised an issue in the examination of matter 4 with regard to the identification of "urban capacity" on sites in the villages which have not been subject to sustainability appraisal. (See paragraphs 2.26-7 below) This might result in some sites being found to be in unsustainable locations and consequently be removed from the supply. If this were to be the case, the shortfall would be even greater than the 1680 identified above.

2.15. The Core Strategy does not contain a coherent housing strategy. Development races ahead and then comes to an almost complete halt, except for small windfalls. That is a fundamentally unsound approach to housing provision even though I take the point that many of the permissions were granted in accordance with the 1998 adopted local plan. It represents a failure to demonstrate a supply in the way intended by the Government. The whole purpose of the PMM approach of PPG3 is to ensure a continuity of supply and it is the essence of monitoring and *management* that there should be policies in place to hold back land if development rates significantly exceed the strategic annualised rate, as much as there should be "land bank" to draw upon to ensure continuing supply. The application of the strategy as illustrated by the trajectory shows neither element.

2.16. The fact of the matter, as it has emerged through this examination, is that there is no spatial strategy for the provision of housing much beyond 2011. There is a disputed statement in paragraph B3.11 that there will be no need for new greenfield development and an indication in paragraph B3.12 that a sequential approach will be applied, with a passing reference to "possible" development in Fradley. None of this meets the requirements of PPG3 advice. The strategy simply reflects a very high level of commitments for housing with little or no policy context for future decisions and little, if any, scope to bring forward additional sites under PMM. In my opinion, Core Policy 4 and policy GDC1(1) do not provide the "clear and concise policies for delivering the strategy" required by paragraph 2.12 of PPS12. They fail test 5.

Is there a possible remedy to the housing trajectory problems?

2.17. The shortfall arises only because of the application of the proportional method. As I indicate above, a lower requirement against the RSS cannot be

contemplated without full assessment as an alternative option. My comments in the following paragraphs set out the position as I find it, with a failure to demonstrate through the housing trajectory, a continuing housing supply to the end of the plan period.

2.18. To deal with the problem of an oversupply in the early years a policy to manage the supply on those sites which do not yet have permission, following the principles of PMM, should be seriously considered by the Council. It may mean holding back on the grant of permissions for a while, particularly on any "infill" sites outside Lichfield and Burntwood. Such a policy would need to be in the Core Strategy and developed in the other DPDs. But I am not in a position to recommend such a policy without further public consultation and there might well be implications for the sustainability appraisal.

2.19. I have many representations which not only challenge the basic tenets of the Core Strategy but propose potential options to provide for longer-term development needs. These may be summarised as:-

- (i) to make provision, in accordance with the adopted Structure Plan, for the commencement of a "new settlement" at Fradley (this is for 3000 dwellings);
- (ii) as an alternative to provide for further urban extensions to the south or north-east of Lichfield City and at Burntwood;
- (iii) the further development of former power station land within the Rugeley ERZ;
- (iv) to make more specific provision than in Core Policy 4 and paragraph B3.9 for the commencement of development in "North Tamworth";
- (v) to provide for a greater element of housing provision in key rural settlements, including Alrewas, Armitage and Fradley.

2.20. These options are derived partly from representations made on the strategy and partly from the "omission sites" representations on the Allocation of Land DPD (the correct term is *site allocation representations*). I am not in a position to make a binding recommendation favouring any one or any combination of these options. This is because not all these options have been subjected to sustainability appraisals that show how they would impact on the overall sustainability of the strategy. For example, additional provision at Rugeley power station has not been subject to sustainability appraisal and the option of using previously developed land in the larger rural settlements has not been evaluated separately from the "urban capacity" of the main urban centres. Nor have all the options been subject to consultation as part of the "frontloading" process. The fact that this was not done is a demonstration of the failure of the DPD to meet soundness test 10. This test requires the local planning authority to demonstrate that the strategy is the most appropriate in all the circumstances having considered the relevant alternatives.

2.21. In addition it is at this stage not clear whether or not and to what degree the various options could provide some flexibility to accommodate changing circumstances should these arise from the emerging regional guidance (test 12). The Council needs to produce a Core Strategy that is

flexible enough to deal with changing circumstances that may flow from the emerging Regional Spatial Strategy. The Council should therefore consider what the possible implications of those changing circumstances might be and produce a strategy that can, if necessary, be adapted to address any problems, or challenges, which may arise. I fully appreciate that this is not an easy task but it is necessary to undertake this sort of rigorous intellectual exercise if the Core Strategy is to provide the high level guidance that is required.

2.22. As there is no recommendation that I can make which could satisfactorily remedy the fundamental unsoundness of the submitted DPD on this issue, coupled with the lack of full evaluation of options, my conclusion has to be that the only way forward is for the strategy to be re-drafted to allow alternative ways to deliver at least a 10 year supply of housing in accordance with the adopted RSS to be fully explored. It would also afford the opportunity for flexibility to be introduced to cope with possible changed circumstances resulting from the review of the regional spatial strategy.

Absence of a robust and credible evidence base

2.23. There are several areas in which the evidence base is seriously deficient. In one instance there is a general deficiency while others are more specific.

2.24. In relation to the general deficiency the problem is that the Council decided at the preferred options stage to extend the time horizon of the strategy to 2021 in accordance with the RSS. Paragraphs B1.1 to 1.3 in *CD Q4* clearly set out the pros and cons. Unfortunately very little, if anything, appears to have been done to extend the evidence base to cover the period until 2021. Indeed, as I mention above, the housing trajectory in the Housing Background Paper extended only to 2016. For employment (matter 5) the only real evidence as to quantum relies upon a continuation of existing take-up rates in view of a sizeable land bank; yet this derives from existing plans which look only to 2011. For retailing, the retail study only looks to 2016; for open space and recreational provision a full PPG17 assessment still has to be completed and for transport, Core Policy 7 and its supporting text does little more than "support" the Local Transport Plan, which is a 5 year programme. My overall conclusion on the general evidence base is that it is robust to 2011, somewhat lacking up to 2016 and virtually non-existent thereafter. It cannot be described as "robust and credible" in supporting the strategy, in so far as there is one, until 2021. This is unsound in terms of test 10.

2.25. In specific terms there are several areas where the evidence base is either absent or inadequate. These problems relate to development in villages, Green Belt changes, Burntwood, open space and affordable housing.

Development in Villages

2.26. There is a lack of evidence in relation to the suitability of villages to accommodate growth. The Council's housing strategy enables considerably more housing development to come forward in some of the rural settlements

than might be inferred from the reference to "small scale provision" in CP4. This is because the Urban Housing Capacity Assessments in 2002 (*CD L6*) and especially that in 2005 (*CD L7*) identified a number of sites in the larger villages which are included in the Allocation of Land and Site Development Policies DPD. This approach ensures that where opportunities exist in villages for redevelopment on previously developed land they can be taken up, supporting change and growth in those settlements. However, I am concerned at the lack of an adequate spatial strategy backed by evidence to determine the *suitability* of accommodating perhaps significant levels of new development in some of the villages in this way.

2.27. The Urban Housing Capacity Assessments (UHCA) included Alrewas, Armitage with Handsacre, Fazeley/Mile Oak, Little Aston, Shenstone and Whittington in the search for potential sites. These are the largest settlements after Lichfield and Burntwood. A number of sites were identified in these settlements, particularly in Fazeley. *Tapping the Potential* suggests that "urban" for the purposes of such assessments can embrace all settlements that contribute to sustainable patterns of development. It does not rule out rural settlements as "urban". But it is not clear that the rural settlements in the District were included in the assessments on the basis of their sustainability. The assessments refer to the size of the larger villages included in the studies and the impracticality of including all the smaller villages, but not to relative sustainability.

2.28. CP2 gives priority to development in Lichfield and Burntwood. It goes on to state that the "redevelopment of previously developed land for appropriate uses outside the 2 main urban areas will be encouraged where it can be shown by adopting a sequential approach that the proposed use cannot be accommodated on previously developed land within an urban area and is commensurate with sustainability of its proposed location." This statement raises 3 problems. Firstly, I do not understand how this relates to the provision of housing, where it appears that the Council has accepted from the outset the inclusion of housing development on the urban capacity sites in villages. Secondly, the Core Strategy uses the word "urban" in a confusing way. It is not always clear whether it means only Lichfield and Burntwood (sometimes referred to as the "2 main urban areas") or all land within defined settlement limits which for planning purposes normally distinguish urban land from the countryside. Thirdly, I am not clear on what basis the sustainability of locations would be assessed, as required by this policy. In my view, the relative sustainability of different settlements/locations should have been assessed as part of the preparation of the Core Strategy, or the Core Strategy should set out explicit criteria for assessing sustainability. Neither have been done.

2.29. Paragraph B2.13 states that "The larger villages in particular such as Armitage, Alrewas, Fazeley, or Whittington have a range of facilities that can meet some daily needs and so could be sustainable locations for some forms of development." This is a rather tentative assessment and it is unclear what the Council intend to flow from it. I have seen no evidence on which the sustainability of these settlements has been assessed and I do not have the evidence to allow me to make my own assessment.

2.30. An assessment of the sustainability of settlements (other than Lichfield and Burntwood) would provide the basis for deciding whether the acceptance of all urban capacity sites identified would promote sustainable patterns of development and for assessing any future windfall sites in any of these other settlements. This would ensure that the scale and location of development outside the 2 main towns was driven by overall sustainability considerations rather than just one element of sustainability – the existence of previously developed land.

2.31. A fuller assessment of the sustainability of settlements would also better inform the Council's approach to the drawing of settlement development limits. Background Paper 3 (*CD Q9*) indicates that the village boundaries shown in the 1998 Local Plan have been reviewed and that new settlement development limits have been drawn more tightly to reduce the potential for additional housing in rural settlements. Generally, the new settlement development limits shown on the Proposals Map have excluded open land previously within village boundaries and result in numerous small scale changes, such as the exclusion of long rear gardens on the periphery of settlements.

2.32. The appropriateness of the settlement development limits for individual settlements shown on the Proposals Map is a matter for examination under the Development Control Policies DPD, but I note that the same approach has been adopted for all the settlements. This is inconsistent, in my view, with the Council's ready acceptance of a substantial scale of development in some of these settlements arising from the urban capacity studies. My impression is that some small rural settlements have retained a settlement boundary, even though they may possess no facilities at all. It is difficult to see how such settlements can be regarded as acceptable locations for any further housing other than, possibly, to meet identified affordable housing needs. Other policies would allow such needs to be met even if there were no settlement development boundary defined, but a settlement lacking basic facilities may not be an appropriate location for affordable housing. My impression is that the Council have simply tinkered with the edges of the settlement development limits rather than pursuing a more robust and discriminating approach to the sustainability of settlements outside Lichfield and Burntwood.

2.33. I therefore consider that the Core Strategy's approach to housing development outside the 2 main towns is unclear and inconsistent and thus fails test 9. The lack of any assessment of the sustainability/accessibility of settlements other than Lichfield and Burntwood is a deficiency in the evidence base (given the acceptance of considerable development in some of these settlements) and thus a failure in terms of test 10. As a result I conclude that the Core Strategy is unsound in these respects.

Green Belt changes

2.34. Turning to Green Belts it seems to me that the function of defining the "general extent" of the Green Belt, formerly a matter for structure plans, must now fall to the Core Strategy with the justification for any detailed change to boundaries being contained in another DPD. Furthermore, the guidance in

paragraphs 2.6 and 2.7 of PPG2 on defining boundaries still applies. I interpret these paragraphs, in terms of the LDF process, to mean that the exceptional circumstances required to amend the "general extent" of the Green Belt should be set out in the Core Strategy within any context set by the RSS. There needs to be robust evidence that supports the contention that there are exceptional circumstances.

2.35. RPG11 makes little reference to the Green Belt and does not review it. The adopted structure plan, policy D5A, indicates that Green Belt boundaries will be redefined only in exceptional circumstances and sets criteria for that process. This Core Strategy must include the evidence of the exceptional circumstances necessary to justify the changes put forward. This is not provided. Instead there are merely passing references in the text. The first is the brief reference in paragraph B1.3 to the "Area of Development Restraint" to the south of Lichfield, the other is the indication at the end of paragraph B7.5 that the Green Belt boundary at Chasewater is to be considered for re-definition in the West Burntwood Area Action Plan (AAP). It has also come to my attention during the examination that other, albeit minor, changes have been made to Green Belt boundaries on the proposals map without any reference or justification in any submitted DPD. The most significant of these is the exclusion of the St. Matthew's Hospital site from the Green Belt.

2.36. Firstly to deal with Chasewater. GOWM represented that this is not a matter which should be left to an AAP. I agree. At the very least, the evidence justifying a change should be in the Core Strategy, or it should contain a criterion type policy, much as Structure Plan policy D5A. There was also very significant objection to this through many representations on the submission document. By putting forward a suggested pre-examination change to paragraph B7.5 making it clear that recreational development at Chasewater would not involve a change to Green Belt boundaries the Council have, in effect, accepted that the submitted document is unsound (contrary to test 5). Further suggested changes have been put forward after the hearing session on matter 6 and commented upon by participants.

2.37. Turning to the ADR land south of Lichfield, the Council have not produced any evidence regarding what has changed since the 1998 adopted plan in which it is stated that the land *is not essential to keep permanently open for the purposes of the Green Belt*. Furthermore, the Council themselves conceded at the examination that with the RSS review underway it is no longer possible to say with certainty that this land will not be needed in the long term.

2.38. I recognise that reference is made in the sustainability appraisal to the possibility of including the ADR in the Green Belt and so any recommendation on my part would require further sustainability work and public consultation as part of any wider work on re-appraisal of options for peripheral development around Lichfield. However, I wish to stress that unless there were to be a clear strategic justification for it I do not think that a wider review of the Green Belt south of Lichfield would be appropriate. This is especially the case whilst the possibility remains open of the development of a Fradley new settlement. (see Annex paragraph 2.13)

2.39. In their response statement *S16.1* the Council put forward a convincing argument as to why the former St. Matthew's Hospital site, currently a "Major Developed Site" within the Green Belt should be excluded from it. I accept it, but the point at issue is that it is only by looking at the proposals map that this policy intention becomes apparent. As GOWM state any such change must be justified in a DPD because the proposals map is not subject to examination in its own right. The Council's suggestion for additional text to be included as paragraph B1.8A would remedy the omission but this change is not included in *CD Q51* and so has not been given any publicity.

2.40. Finally, there are the many minor boundary changes made around rural settlements linked to a review of the settlement development limits in the Development Control Policies DPD. The details would be a matter for the examination of that DPD. Background Paper 3 (*CD Q9*) focuses on changes to settlement boundaries and does not justify changes to Green Belt boundaries in PPG2 terms. However, as explained in *S16.5* it might well be that tighter Green Belt boundaries around rural settlements are now justified because of the change in the strategic policy context. A full justification for this is thus needed in the Core Strategy with the detail being provided in the DC Policies DPD.

2.41. My conclusion in relation to the Green Belt is that the submitted DPD is unsound because it fails (test 5) to meet the PPG2 requirement to justify changes to the existing boundaries on the basis of evidence of exceptional circumstances.

Burntwood

2.42. As regards Burntwood the Core Strategy (B5.6) gives a broad indication that the scale of retail development to 2016 in Burntwood could be in the order of 19,000m² *net* to 2016. CP6 does not include any floorspace figure, but refers to an area being identified within the West Burntwood Area Action Plan "for provision of a large new centre to meet local needs". (The use of *net* floorspace figures in the Core Strategy is unhelpful, in my view they should be expressed as gross since this represents the overall physical scale of development that needs to be accommodated.)

2.43. Policy PA11 of the RSS identifies 25 strategic town and city centres, including Lichfield. These should be the focus for major retail developments of more than 10,000m² *gross* floorspace (excluding convenience goods). Part C of the policy indicates that development plans should develop policies for other centres which *best meet local needs*. The WMRA reviewed at length whether the proposal for Burntwood was in general conformity with the RSS. It concluded that it was, albeit that they are concerned about the possible scale and impact of the proposal and have made representations on the wording of the Core Strategy. The indications in B5.6 that the level of development at Burntwood could be more than double the threshold in PA11 (if the 19,000m² was expressed as gross floorspace) means that the size and potential effects of the Council's proposal need to be scrutinised carefully and fully justified by local circumstances. Consistent with the approach taken by the WMRA, I am clear that a new town centre at Burntwood which was primarily meeting local

needs, but exceeded 10,000m², would be in conformity with RSS. However a centre over 10,000m² which was serving a larger catchment would not.

2.44. The *Lichfield District Retail Study* GL Hearn 2004 (CD N4); *Revised Lichfield District Retail Study – responses to consultation on the LDF* GL Hearn 2005 (CD N3) are the needs assessments which underpin the Council's proposals. A fundamental issue is the assumption the studies make about trade draw (over and above clawback) from adjoining areas to a new town centre at Burntwood. There is no dispute that seeking to retain about 30-35% of the comparison goods expenditure of Burntwood within the town is a legitimate aim and sensible basis for calculating floorspace requirements (compared with a current retention rate of only about 5%). But about half of the total forecast comparison expenditure used to assess floorspace needs for the new town centre is drawn from the secondary catchments (such as from Brownhills, Norton Canes, Rawnsley and Heath Hayes) all outside the District. Brownhills and nearby Aldridge are town centres identified in the Walsall UDP which that Council are seeking to support and strengthen.

2.45. In my view, this assumption calls into question whether the scale of development being suggested for Burntwood can truly be said to "better meet local needs". I accept that the potential attraction of a new town centre on adjoining areas should not be ignored and assessing the impact on other centres is vital. But the GL Hearn studies incorporate trade diversion from the secondary catchments as an early building block in establishing scale, which in my view goes further than assessing the capacity required to meet the needs generated by Burntwood. A town centre based solely on trade drawn from Burntwood would thus be about half the size suggested in the retail studies, but I recognise that this might not be sufficiently large to achieve the 30-35% retention which is the desirable aim or commercially attractive to the landowner/developer.

2.46. It is undisputed that the proposals for Burntwood would substantially increase the attraction of that centre. The impact on other centres thus needs to be assessed to be consistent with advice in PPS6. GL Hearn October 2005 makes some preliminary assessment of impact on adjoining centres, but suggests "a more in depth study be undertaken to assess the specific trade diversion and implications for the vitality and viability of the (other) centres....this might best be done in the context of an individual application". The Council consider that the impact on other centres would not be harmful, but accept that the impact of any particular scheme would need to be considered in more detail at the application stage.

2.47. The purpose of assessing impact on other centres is to assist in determining the acceptability of any particular scheme. But the Core Strategy provides no basis for judging the acceptability of impacts elsewhere. Compliance with CP6 would be achieved by the provision of "a large new town centre to meet local needs". The larger the new centre, the better it would meet local needs, (maximising retention rates from Burntwood), but the greater the impact elsewhere. Even if the impacts on nearby town centres were found to be significant, this would not make a scheme conflict with the CP6. Accordingly, I consider that impact needs to be more fully assessed as

part of the development plan process rather than being left to an application; this is reinforced by the fact that potential adverse impacts would be on centres outside the District, giving rise to cross boundary issues which are better addressed in the plan-making process rather than later.

2.48. The GL Hearn work highlights that the extent of impact on other nearby town centres depends not only on the size of floorspace proposed, but also on the mix of retail format (high street/bulky goods). An element of bulky goods retailing is suggested to lessen the potential adverse impact on town centres because trade would be drawn from out of centre retail parks, especially on the edge of Cannock. CP6 indicates that the new town centre will include a mix of formats, but no proportions are suggested. I recognise that this complicates the assessment of impact at this stage (compared with a known mix when an application is considered), but it does not lessen the importance of assessing impact more thoroughly now, even though various options might need to be tested. I consider that the evidence base is inadequate in relation to impact.

2.49. GL Hearn capacity assessments and the Council's overall approach is broadly supported by London and Cambridge Properties (LCP), who are the major landowner of the new town centre in Burntwood. Their consultants produced evidence reworking the GL Hearn base data, employing a lower rate for future expenditure growth, lower levels of trade draw from the surrounding area, and slightly higher retention rates for the core of the primary catchments. This reworking indicates a capacity of around 17,000m² gross by 2011 (20,700m² if retail warehouse formats were included in the scheme) and LCP suggests adopting a phased approach to the development of the town centre with a review after 2011. This work thus adopts a more cautious approach than that of the Council and I see merit in adopting a phased approach given the uncertainties associated with planning such a large change in the scale of retailing at Burntwood. But this work still assumes a substantial trade draw from the surrounding area.

2.50. I support the Council in wanting to ensure that whatever is set out in the Core Strategy for Burntwood has good prospects of being implemented within the expected timescale. The commercial viability of any proposal is thus also an important consideration. Viability relates both to the ability of the new centre to attract a good number and variety of retailers and to create sufficient investment confidence for the landowner/developer to proceed with a scheme.

2.51. The GL Hearn studies refer to the need for a critical mass to achieve the aim of 30% retention and highlight the lack of investment in the town centre over the years despite planning policies promoting its expansion. But there is no detailed analysis in these studies of what might be the minimum floorspace to achieve a viable scheme. Given the unusual position at Burntwood, where a town centre has to be created from a small retail base yet intended to meet only local needs, evidence relating to the minimum scale of development to be viable should underpin the Core Strategy. Such evidence, combined with the capacity assessments, would provide a range of possible floorspace for the new centre which could then be tested in relation to impact and sustainability.

2.52. There was thus no proper assessment of minimum market viability underpinning the Core Strategy. In my view, this is a serious shortcoming in the evidence base which cannot be regarded as "robust and credible". In consequence it must be unsound under test 10. It was only after submission of the DPD that the Council commissioned Drivers Jonas to provide an assessment of the appropriate scale of development required to ensure that a town centre proposal for Burntwood is viable, although I recognise that this was commissioned as part of the evidence base for the West Burntwood Area Action Plan (Preferred Options March 2006). The consultants report was produced in March 2006 (*CD N8*).

2.53. I agree with the concerns of those who question the weight to be given to evidence which post-dates the submission of the Core Strategy. It is the essence of the "front-loading" process that the evidence to support the policies in the DPD should be available at submission. However, it would be wrong to rule new evidence "out-of-court" as long as all those concerned in the process have an adequate opportunity to comment on it in assessing soundness. In this case the Council referred to the report in their position statement for matter 5 (*CD S5.1*); it was then open for discussion at the hearing.

2.54. The report concludes that "in market terms and for Burntwood to achieve sufficient critical mass and truly serve local needs the floorspace retail minimum should be no less than 16,000m² gross in order to ignite the possibility of development taking place during the plan period". This assessment is based primarily on expressions of interest from specific retailers for a site in Burntwood, provided that there was a step change in the scale and quality of the centre. The report also emphasises the importance of master-planning the form and layout of such a new centre to ensure that it integrates fully with the existing small centre at Sankey's Corner and provides the range of formats attractive to interested retailers. In my view, this study is a useful snapshot of market interest, but can only be illustrative of the scale of the centre at the present time since, as the consultants emphasise, retailer interest in a particular location can come and go relatively quickly.

2.55. Walsall Borough Council submitted evidence to indicate that a much smaller retail development at Burntwood would be viable. But this illustrative scenario was based on a foodstore and would result in a very modest increase in comparison goods floorspace. It is far from clear that such a modest scale of development would be sufficient to actually achieve the retention of the 30-35% comparison goods expenditure within the town (although it is based on that level of expenditure) which I have accepted as a reasonable aim to be tested further. Nor is it clear to me that retailers would want to occupy such a smaller scheme, although I understand that the consultants preparing this alternative for Walsall were of the view that there would be demand.

2.56. Commercial viability needs to be considered as part of an iterative process in determining the best size and mix for a new town centre at Burntwood. There is a danger that perceptions of viability will continue to drive upward the scale of the centre, increasing the potential impact and other consequences elsewhere. The Core Strategy contains no check on any such upward trend on the size of the centre since CP6 requires simply "the

provision of a large new centre to meet local needs". There is no floorspace ceiling in the policy or the text. "Local needs" will generally best be met with a larger rather than a smaller centre.

2.57. PPS6 indicates that regard should be given to the accessibility of sites selected for allocation. Whilst this is primarily directed to the accessibility of alternative *sites*, I consider that given the fundamental change proposed for Burntwood, the accessibility of the new town centre should be assessed as part of the plan making process. This is consistent with need for Sustainability Appraisal of all the proposals in the DPD.

2.58. The Sustainability Report (*CD Q29*) assesses the town centre policy (CP6) as a whole and the impact of the proposals for Burntwood is not separately assessed. The Sustainability Appraisal (SA) indicates a potential beneficial impact in relation to access to services, subject to the provision of public transport; and a possible benefit in relation to sustainable transport (since the need for people to travel to access a better range of shops would be reduced), subject again to adequate public transport, both within the centres and from outlying areas. The Council accepted that in relation to Burntwood these assessments were based on the impact on the District and had not specifically considered the sustainability implications of the new town centre at Burntwood drawing in people from outside the District.

2.59. I recognise that SA at this level of plan making is intended to be relatively broad brush, but I consider that because the creation of a large new town centre for Burntwood is predicated on attracting about half its trade from beyond the town, the implications for sustainability need to be examined more closely to ensure that the intended objective of such a centre - to reduce the need to travel - does not have the unintended opposite effect, resulting in additional car based travel overall.

2.60. Evidence submitted by Walsall BC shows that Burntwood is not as accessible by public transport from the adjoining metropolitan area as centres such as Brownhills, Aldridge and Cannock. Conversely, my impression is that the new town centre at Burntwood would have good access by road from the edge of the metropolitan area. There is therefore a real possibility that the trade drawn to the new town centre from outside Burntwood would be predominantly car borne. The net result might therefore be a negative effect on the promotion of sustainable travel. This possibility is sufficiently serious to justify more detailed assessment at the plan-making stage.

2.61. I note that CP6 states that "The Council will require the provision of adequate public transport to facilitate sustainable travel patterns" and that LCP are committed to promoting such improvements. But this requirement is insufficient to overcome my concerns. Firstly, if the problem I have highlighted is not properly recognised by the Council at this stage and better quantified, then no amelioration is likely to be sought and, secondly, whilst improving public transport from within Burntwood to the new town centre might be relatively straightforward and a reasonable goal in negotiations with the prospective developer, improving public transport from adjoining settlements (without weakening the accessibility of those centres) would be

more difficult and have wider implications. The surrounding settlements are in Walsall Borough and Cannock District and this issue gives rise to further cross boundary considerations.

2.62. Representations were also made seeking to delete from CP6 reference to a "mix of high street and bulky goods" and that additional convenience shopping would be "limited". Alternative wording is put forward in *CD Q51*. The Council accept that there is no policy reason to limit convenience shopping within the town centre. I agree. I accept that national advice does not distinguish between high street format and bulky good retailing in town centres, but bearing in mind the differing impact on other centres that might arise from different mixes in format there may be justification for the policy to refer to a particular mix. This would depend on the conclusions drawn from further evidence.

2.63. In relation to leisure and office development RSS policy PA11 defines "large-scale" development as over 5000 m² gross. GOWM have indicated that the Core Strategy should include an indicative floorspace for leisure and office development; it should not be left to the AAP. I agree and consider the strategy is unsound against PPS12 without such an indication. The Council's (2 June) suggested revised policy would include the qualification "to meet local needs" but, as I identify under retailing, this would not necessarily limit the scale of facility. The difficulty is that at submission there was no evidence base to support any particular figure. The Drivers Jonas study (*CD N8*) came too late.

2.64. The commercial leisure element of the town centre development is part of the concept of an enhanced town centre. Yet, as Walsall BC identified, some elements, such as a multi-screen cinema, may have similar cross-boundary effects as retail development. The same issues arise with regard to the relatively poor access by public transport.

2.65. It will be clear from the above that my overall view is that the evidence base underpinning the retail proposals is both incomplete and inadequate. A new town centre for Burntwood is a long standing objective of the Council and has strong local support. There is wide acceptance that additional, significant retail development, with a leisure element, is needed to serve the town's needs. I endorse the aim of seeking to enable residents of Burntwood to source a greater proportion of goods and services locally, thus reducing the need to travel. I accept that a bold and innovative approach may well be needed to secure the desired aim. Development above the thresholds of 10,000m² and 5000m² in PA11 may be justified, but the substantial change sought by the Council in the size and attractiveness of the centre requires the implications to be fully assessed, despite the difficulties in doing so.

2.66. For the reasons given, more work is required to assess the impact of the proposal on adjoining centres and on sustainability, primarily the likely net effect on travel by car in the area. The result of this work could identify negative effects of the proposal; this would not necessarily make the proposal for a large new centre unacceptable, but would enable a more explicit balancing of benefits and harm. These issues need to be brought out much

more fully and explicitly so that the Council can make an informed choice. The possibility that creating a large new town centre may not be the most sustainable solution should not be ignored.

2.67. The further work on impact and accessibility needs to involve more closely the adjoining authorities of Walsall Borough and Cannock Chase since the likely adverse effects of the proposals for Burntwood would be mainly outside Lichfield District. The development of the town centre at Burntwood needs to be much more clearly set within the context of the future role of surrounding centres so that they all are better able to meet local needs.

2.68. I therefore regard the Core Strategy in relation to retailing and leisure in Burntwood as unsound because it would facilitate the construction of a large new centre with no effective check on the size of the centre or on the consequences of the development for other centres nearby or overall travel sustainability. The inadequate evidence base means that these important considerations cannot be properly assessed.

2.69. I have considered whether this unsoundness could be remedied by changes to the existing document. In *CD Q51* the Council suggested 3 alternative alterations to the wording of CP6 in relation to Burntwood. Amending the wording of CP6 along the lines suggested by WMRA, with a similar provision in CP8, to ensure that the scale of growth is related to local needs would, in my view, provide inadequate policy guidance because Burntwood's local needs are likely to be best met by a larger, rather than a smaller centre, drawing substantial trade from elsewhere. It would be contrary to PPS6 to leave the resolution of the scale of the centre to be determined at the application stage.

2.70. For the retail element, the suggestion of an upper limit for the scale of growth in comparison goods would provide clearer guidance, but in my view, there is not the evidence to determine what is an appropriate upper limit. Adopting the suggestion of LCP for development of 17,000m² gross (high street format) by 2011, with any subsequent growth having to be justified in relation to local needs at that time, would have the benefit of providing a clear ceiling well below that tentatively envisaged in B5.6, but the impact on sustainability and on other centres needs to be more thoroughly considered so that the consequences of even this scale of development fully inform plan-making.

2.71. *CD Q51* also put forward 2 alternative changes to the last paragraph of CP6 concerning the accessibility of centres by means other than the car. The Council subsequently indicated that given the requirements of CP7 (Sustainable Transport), additional detail was not needed in CP6 other than a cross reference to GDC6 (Developer Contributions), as the means by which improvements in accessibility might be secured. This discussion and the range of other policies in the Core Strategy does not alter my view that the effect of a large new centre at Burntwood on travel patterns needs to be researched as part of the evidence base for determining the appropriate policy for the Core Strategy and that promoting sustainable transport cannot simply be left as a

matter for negotiation with the developer if and when an application were submitted.

2.72. The suggestion was also made that whatever uncertainties existed could effectively be resolved through the Area Action Plan for West Burntwood. But in my view it is clearly the role of a Core Strategy to set out the scale of development envisaged with an Area Action Plan focusing on how any particular proposal will be delivered. What I regard as issues of principle should not be delegated to an Area Action Plan. In addition, as I have already indicated, evidence concerning the impact on other centres and the effect on travel patterns needs to be fully considered as part of the overall assessment of what represents the most sustainable solution for Burntwood. These are not matters of detail, but may be fundamental in determining what scale of development should be permitted at Burntwood.

2.73. I therefore conclude that there are no recommendations which I could make which would overcome the unsoundness that I have identified.

Open Space

2.74. Core Policy 8 deals with open space and falls effectively into two parts. The first part is considered above in so far as it provides policies for the development of recreational and leisure facilities in Lichfield and Burntwood, including Chasewater. The second part sets out the National Playing Field Association standards for the provision of open space related to new development and includes size thresholds for contributions; essentially a development control policy.

2.75. As stressed by GOWM during the discussion of matter 6, in support of Sport England, the DPD must be supported by a robust and credible evidence base. Not only is this a test of soundness but by the Council's own admission the reliance on the NPFA standards for policy CP8 is seen as an interim position until further work on the assessment of needs, particularly for indoor sports facilities and a playing pitch assessment/strategy is completed. Although much work in line with PPG17 guidance has been carried out there remains about 9 months work. As it is there is no credible evidence base to support the use of NPFA standards, or the particular thresholds chosen, as opposed to the more refined approach advocated by Sport England. Furthermore, it is the Council's intention to base an Supplementary Planning Document (SPD) on the completed assessments which would not then be consistent with the Core Strategy policy.

2.76. As a result of the examination and continuing discussion with Sport England the Council put in a significantly revised policy and accompanying text (CD S6.5). Although still intended as an interim policy until remaining work is complete it goes a considerable way towards meeting Sport England's concerns. For example, it includes standards for built sport and recreational facilities, although Sport England make the valid point that this policy is probably too detailed for a Core Strategy and would be better included in the DC Policies DPD. There is also useful clarification in the suggested text as to

the constraints on the provision of improved swimming facilities in Lichfield City.

2.77. Nevertheless, this interim approach is clearly a compromise from a fully justified policy based upon the completed assessments. The Council's acceptance of changes is, in itself, an acknowledgement that the submitted DPD is not based on a comprehensive evidence base and is therefore unsound. The interim policy fails test 5 because it does not properly reflect PPG17 advice and it fails test 10 because it was not founded on a robust and credible evidence base.

2.78. Furthermore, the revised policy is new in part and has not been subject to public consultation or sustainability appraisal. Not only are there new standards but the position on Recreation Zones has been adjusted (paragraph B7.7) whereas the acknowledged inconsistency (test 9) with the Allocation of Land DPD has not. The reference to large developments of 50 dwellings or more is omitted and the threshold of 6 replaced by 3 without any justification in the text. I understand that this brings it into line with the affordable housing threshold in rural areas but this has not been explained.

2.79. Clearly the "frontloading" process in the evolution of this policy has failed. Indeed, unlike the other policies, Core Policy 8 does not appear in the preferred options paper *CD Q4*. It is dealt with in paragraphs B76-80 but B78 merely states "it is proposed to adopt open space quality standards for urban and rural areas...". Core Policy 8 and in particular the standards appear only in the submission document. There is no reference to this issue in the pre-submission consultation statement and it appears from the Council's position statement (*CD S6.1*) that draft standards are derived from the SPD. This is not a satisfactory relationship.

2.80. Core policy 8 was introduced in its entirety at the submission stage so the thresholds and standards have not been subject to public consultation prior to submission. Furthermore it was accepted that there is an inadequate evidence base for the policy. I therefore find the policy to be unsound and consider that the opportunity should be taken to split the policy so that the facilitating part of the policy with fully justified thresholds is included in the Core Strategy while the standards are set out in a lower level document.

Affordable Housing

2.81. There is a lack of a robust and credible evidence base (test 10) to support the inclusion of a threshold of 10 for the application of the affordable housing policy in Core Policy 4. This is not acceptable as the clear national guidance in Circular 6/98 states that exceptional circumstances are needed to justify a "threshold" as low as 15 (test 5). Similarly there is a lack of evidence to support a threshold of 3 in the rural area. Neither does the evidence support the inclusion of a 10% figure for low cost market housing.

2.82. Despite emerging guidance in draft PPS3, which it is argued is a strong indication of the Government's emerging intentions, the extant guidance for the provision of affordable housing and affordable housing policies remains Circular 6/98 and PPG3 (as up-dated). That guidance is clear in its statement

that for an authority to adopt thresholds below the indicative figure of 25 dwellings or 1 ha requires the demonstration of exceptional local constraints.

2.83. The Housing Needs Survey 2003 (*CD L3*) identifies a net annual outstanding need of 530 affordable units in the District. I have no cause to question the robustness and credibility of that study and it is clear that such a level of need would be of significance when set against the general housing requirement. It is also evident that the character of the District and the size and location of likely urban capacity and windfall sites should be considered when determining the appropriate site size thresholds and any differential approach for urban and rural areas. Reducing the thresholds as proposed in the DPD would undoubtedly provide more affordable units (as suggested in the Council's position statement), however the significance of any additional provision may have to be off set by any viability constraints of developing smaller sites.

2.84. As the Housing Strategy is currently being up-dated the evidence base is somewhat sparse. Whilst the level of need identified and the characteristics of the District could contribute to the demonstration of exceptional local constraints to justify thresholds lower than 25 dwellings/1ha, I do not accept that the evidence adequately supports thresholds below those considered to be exceptional in extant guidance.

2.85. In addition, in relation to the tests of soundness it is clear that the evidence base does not support the assumptions and figures in the policy; the assumption that exceptional local constraints apply and that a threshold of 10 units would be appropriate. The Council themselves in discussion accepted that there was no specific justification for a 10 dwelling threshold. In addition to this, notwithstanding the limited weight that can be given to emerging guidance, it is notable that in PPS3 a threshold of 10 units is still considered as an exception and as requiring justification to deviate from the proposed national threshold. I conclude that there is insufficient justification in the submitted DPD, and in the evidence base, to support a threshold of 10 units and consequently I find that it fails tests of soundness 5 and 10. Core Policy 4 fails to reflect national guidance in the absence of a justification in the evidence base for a divergence on the basis of local circumstances.

2.86. In respect of the threshold of 3 units for rural areas, the considerations are somewhat different as Circular 6/98 indicates that for settlements in rural areas with a population of 3000 or fewer, the LPA should adopt appropriate thresholds. Whilst I do not question the credibility of the evidence base, I find the basis of the argument that seeks to link that evidence base to a specific figure in the policy is weak. The explanation and justification for lowering the thresholds in the rural areas from 15 units to 3 units lacks substance, for example, there is little consideration given to the viability implications of such a reduction.

2.87. In response to representations the Council have proposed a change to the text of Core Policy 4. They state that in relation to draft PPS3, low cost market housing could be dealt with under Housing Mix (*CD Q51, page 7*). It is not the location of the text in the policy that causes me concern but the failure

of the evidence base to support the assumptions in the policy. The justification for the policy is weak and the link between the percentage provision of the policy and the relevant parts of the evidence base is absent; the Council have accepted that there is no justification for the figure of 10%. Furthermore, supporting documents (*CD S3.1*) would suggest that the 10% low cost market dwellings provided would be subject to further control over their size (gross internal floorspace). The relationships between these requirements, the policy provision, the evidence base and the supplementary planning documents are all unclear. I conclude that the paucity of evidence and the lack of a clear explanation and justification render the policy approach unsound against test 10.

2.88. There was discussion during the hearing about changes to the definition of affordable housing in forthcoming government guidance (draft PPS3) which might have implications for the status of low cost market housing. I understand that this aspect of the draft has drawn comment and it would be wrong to pre-empt the direction and wording of emerging guidance at this stage. In light of my conclusion above, it is clear that simply moving the policy provision away from a direct link with affordable housing would similarly be unacceptable.

2.89. These failures against tests of soundness require further work by the Council. The extent and nature of the changes required to make the plan sound are such that they would need to be subject to consultation and/or sustainability appraisal, going beyond the scope of any binding recommendations I might reasonably make.

Conclusion on Soundness

2.90. There are two areas in which the plan is seriously defective. First, the plan does not provide a clear strategy to ensure an adequate supply of land for housing for at least a ten year period (test 5). A coherent housing strategy that provides the clearest possible guidance is a fundamental requirement for a Core Strategy such as this. The second area relates to the inadequacy of the evidence base. In some instances the evidence is dated because the information was gathered in support of a local plan review some 3 to 4 years ago. In other cases, "evidence" has only been presented to support the DPD policies during the examination itself or, as for Core Policy 8, is still not available. The inadequacy of the evidence base is a fundamental failing under test 10. For a plan to be sound the evidence base must be both comprehensive and up-to-date on submission.

2.91. In some instances the Council has sought to address problems with the Core Strategy by proposing significant changes and/or evidence after submission. PPS12 makes it absolutely clear that local planning authorities should ensure that Development Plan Documents are sound when submitted for examination and the soundness tests require a robust and credible evidence base. As I have indicated above, the introduction of major changes amounts to an acceptance by the Council that the submitted document was not sound and may have implications for the sustainability appraisal. Furthermore, on-going community involvement is a vital element in the plan

preparation process and the late advertisement of suggested changes is a poor substitute for this.

2.92. In some instances it may be possible to include minor changes in wording provided that such changes would not alter the thrust of the policy to which they apply and provided that they would not prejudice community involvement or the sustainability appraisal of the plan. I deal with these in the annex to this report. However, the main failings under the two headings identified above cannot be resolved without a re-consideration of critical aspects of the strategy which has potential consequences for the overall sustainability credentials of the plan. The evidence base requires supplementing and updating in some instances and there will need to be effective and timely community involvement in the revision process.

2.93. I shall therefore recommend that this Core Strategy be **not adopted** and that it be **withdrawn** to enable a revised strategy to be prepared.

Formal determination and recommendation

Having completed an examination of the Core Strategy as submitted to the Secretary of State my formal determination under section 20(5)(b) is that the development plan document is **UNSOUND**. In consequence, I **recommend** that the development plan document be **not adopted** under the provisions of section 23 of the Planning and Compulsory Purchase Act 2004 and that it be **WITHDRAWN** in accordance with section 22 of that Act.

John R Mattocks

Inspector

Appendix – The tests of soundness

This appendix sets out the 12 tests of soundness used by Lichfield District Council on the representations form. They are based on the 9 tests (numbered i-ix) listed in paragraph 4.24 of PPS12 but test iv. has been subdivided into 4, numbered 4-8. It should be noted that test 9 omits the words *and by neighbouring authorities, where cross-boundary issues are relevant* which are included in PPS12 test vi. I have taken this to be an error and treated test 9 as if it included those words.

Lichfield tests

- Test 1 - It has not been prepared in accordance with the authority's local development scheme
- Test 2 - It has not been prepared in compliance with the Statement of Community Involvement (SCI) and in accordance with the minimum requirements of the Town and Country planning (Local Development) Regulations 2004
- Test 3 - The plan and its policies have not been subject to sustainability appraisal
- Test 4 - It is not a spatial plan
- Test 5 - It is not consistent with national planning policy
- Test 6 - It is not in general conformity with regional spatial strategy
- Test 7 - It has had no regard to other relevant plans, policies and strategies relating to the authority's area or to adjoining areas
- Test 8 - It has had no regard to the authority's Community Strategy
- Test 9 - The strategies/policies/allocations in the plan are not coherent and consistent within and between DPDs prepared by the authority
- Test 10 - The strategies/policies/allocations do not represent the most appropriate in all the circumstances, having considered the relevant alternatives, and they are not founded on a robust and credible evidence base
- Test 11 - There are no clear mechanisms for implementation and monitoring
- Test 12 - The plan is not reasonably flexible to enable it to deal with changing circumstances