Cheshire East Local Plan Site Allocations Development Plan Document Examination

Hearing Statement on behalf of David Wilson Homes North West

Matter 2: Planning for Growth

September 2021



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1. Introduction

- 1.1 This Hearing Statement is prepared on behalf of David Wilson Homes North West (hereafter referred to as "David Wilson Homes").
- 1.2 They are made in respect of land it is promoting in Chelford and Alderley Edge. The land in Chelford is located within the "Land east of Chelford Railway Station, Chelford site, which proposed to be designated as Safeguarded Land by Policy PG12 in the Site Allocations Development Plan Document (SADPD) Submission Version (ref: Safeguarded Land CFD 2). The land in Alderley Edge is referred to as Land at Whitehall Meadow. The site was promoted for designation as Safeguarded Land, but has not been designated in the Revised Publication Draft SADPD.
- 1.3 This Hearing Statement should be read alongside DWH's representations to the Revised Publication Version SADPD.
- 1.4 David Wilson Homes will attend day of the Matter 2 hearing session. This statement provides written responses to Q11 to Q13 and Q15, Q16 and Q18 of the Inspector's Matters, Issues and Questions for the Examination Part 1 (MIQs).

2. Response to the Inspector's Questions

Development at Local Service Centres (Policy PG8)

Q11: Is Policy PG8 consistent with the strategy in the LPS for growth and the spatial distribution of development at the LSCs, and with the relevant provisions of national policy? In particular:

- a) Should it include a disaggregation of the indicative levels of development for the LSCs, of 3,500 dwellings and 7ha of employment land, to individual settlements, in order to ensure decisions are planled and that the needs of individual settlements are met?
- 2.1 The SADPD is being prepared pursuant to the Cheshire East Local Plan Strategy ('LPS'), which was adopted in July 2017. It must therefore be consistent with the policies and proposals in the LPS in order for it to be found sound. Any inconsistencies between the LPS and SADPD create a risk that the strategy for facilitating and managing growth across the Borough is flawed and inadequate.
- 2.2 Whilst the LPS confirms that the majority of development will be shared amongst the Principal Towns and Key Service Centres (17,600 new homes), it also recognises that LSCs must accommodate "...modest growth in housing and employment to meet locally arising needs, reduce out-commuting, and secure their continued vitality..." (LPS Vision for Local Service Centres). As such, the LPS indicates that "in order of" 3,500 new homes will be accommodated across the LSCs over the plan period (LPS, Policy PG7).
- 2.3 The original version of the Publication Draft SADPD identified a proposed distribution of the LPS' 3,500 dwelling requirement for the LSC's, and it identified necessary land allocations to meet the dwelling figure specified for each specific settlement. The settlement figures were defined following the assessment of various options for the spatial distribution, with reference to a range of social, economic and environmental considerations¹. Giving the example of Chelford, the result of that exercise was to apportion 220 dwellings to Chelford during the plan period, equivalent to 6.28% of the LPS' minimum 3,500 dwelling requirement.
- 2.4 Policy PG 8 of the Revised Publication Draft SADPD was amended to delete the spatial distribution for the LSC's and almost all allocations in the LSC's have been deleted. The report presented to CEC's Spatial Planning Board² identifies that this approach is taken on the basis that, *inter alia*, supply in the LSC's is when anticipated windfalls are included close to exceeding the requirement.
- 2.5 The Revised Publication Version Draft SADPD does not therefore disaggregate development to the individual LSCs, with the level of development in each LSC being

¹ Site Allocations and Development Policies Document: Local Service Centres Spatial Distribution Disaggregation Report (LSCSDDR), Cheshire East Council (2019)

² Site Allocations and Development Policies Document – Revised Publication Draft: Report to Strategic Planning Board meeting (02 October 2020)

- determined by the level of existing supply in each settlement made up windfall completions and commitments since 31 March 2021.
- 2.6 However, the cumulative supply in the LSC's (3,210 dwellings) is a very imbalanced distribution which is weighted heavily towards the southern settlements of the borough. Almost 67% of housing supply (2,150 dwellings) is located in settlements in the southern part of the borough, with just c.33% (1,043 dwellings) located in the north (including Chelford). Indeed, over 42% of the existing supply is located in just two settlements Haslington and Holmes Chapel.
- 2.7 The uneven supply / distribution is, in part, a consequence of CEC's failure to advance an early development plan, resulting in a historic legacy of planning permissions being granted by appeal on sites that were not allocated in a local plan within the southern settlements of the borough that are not constrained by Green Belt, with limited supply in the northern settlements.
- 2.8 The level of development in LSC in the SADPD is therefore very much "supply-led" rather than plan-led. As a result, by not disaggregating development to individual settlements, development within the LSC is not being informed by either an assessment of the need in each settlement (such as that which presumably informed the disaggregation in the original version of the Publication Draft SADPD), or the social, economic and environmental character of each settlement".
- 2.9 DWH considers that this approach is not sustainable and is contrary to the Vision for LSCs in the LPS, which seeks a level of development in each LSC to meet its local need, reduce out-commuting, and secure its continued vitality. By using a supply-led approach to disaggregate development to the LSC, particularly supply from a period where there was no development plan, the level of housing need in individual LSC is not identified in the SADPD and, in relation to the northern settlements where supply is limited, would mean that development needs may not be met.
- 2.10 Furthermore, this approach is not consistent with the policies of the NPPF, including those which make clear that authorities should ensure that "...the need to promote sustainable patterns of development should be taken into account..." (paragraph 138).
- 2.11 It is essential that the SADPD enables a sufficient number of new homes to be delivered in the north of the borough in order to best achieve patterns of sustainable development and support the vitality and viability of northern communities. In this context, the Interim Views of the Inspector into the examination of the LPS are relevant. In particular, he recognised:
 - "....that channelling too much development to areas beyond the North Cheshire Green Belt to the south of the borough would result in unsustainable patterns of development and commuting, and would not address the development needs of the northern settlements".
- 2.12 The approach taken by the SADPD, which, through the use of a supply-led approach to the distribution of development to the LSCs declines to facilitate the provision of new homes in the northern LSC's where there is limited existing supply from windfall sites, and misses an important opportunity to address the clear north/south imbalance.

- 2.13 DWH therefore considers that the SADPD should include a disaggregation of development to individual LSC. This would indicate how much housing development is required in each LSC to meet their individual need, and therefore allow additional sites to be identified in the settlement, if required.
 - c) Is it positively prepared and justified in relying on existing commitments and windfall development to meet the indicative level of housing development of LSCs, set in Policy PG7, rather than allocating additional sites at the LSCs?
- 2.14 As referred to in response to Q11, Policy PG8 of the Revised Publication Draft SADPD has been amended to delete the spatial distribution for the LSC's and almost all allocations in the LSC's have been deleted. The report presented to CEC's Spatial Planning Board³ identifies that this approach is taken on the basis that:
 - There is a supply in the LSC's equivalent to 3,210 dwellings, such that the residual need 292 dwellings is considered by CEC to be relatively limited.
 - If the current rate of windfall delivery continues, CEC considers that it is likely to be sufficient to increase the supply to 3,399 dwellings, such that the residual need reduces to just 101 dwellings.
 - Delivery across the Borough as a whole has in recent years exceeded the LPS requirement.
- 2.15 CEC therefore considers that there are no exceptional circumstances to justify the release and identification of land allocations in the LSC's. DWH considers that this approach is unsound for a number of reasons, set out as follows.

The LSC requirement is not a 'cap'

2.16 The LPS housing requirement of 36,000 dwellings set by LPS Policy PG1 is clearly expressed as a "minimum", with Part 2 of the Policy stating:

"Sufficient land will be provided to accommodate the full, objectively assessed needs for the borough of a <u>minimum</u> of 36,000 homes between 2010 and 2030." (emphases added)

2.17 It is a 'floor' which can be exceeded, rather than a 'ceiling' which caps the level of growth and development. Over-provision against this minimum requirement is not therefore a justifiable reason to resist meeting the development needs of settlements which have not yet been catered for. It is instead evident that CEC has the flexibility to ensure that the full housing needs of each LSC are met, even if doing so will result in the delivery of more homes across the Borough than the minimum prescribed by the LPS.

³ Site Allocations and Development Policies Document – Revised Publication Draft: Report to Strategic Planning Board meeting (02 October 2020)

Delivery across the wider Borough is of limited relevance to the LSC's

- 2.18 It is noted that housing delivery in Cheshire East has exceeded the LPS requirement in recent years and that the current forecast suggests that delivery over the plan period (40,995 dwellings) will exceed the overall requirement (36,000 dwellings). However, this is of limited relevance to the LSC's themselves.
- 2.19 The Council's response to the Inspector's Initial Questions (CEC/01) identifies a current supply of 3,210 dwellings in the LSC, with the Council stating that this "lies in the order of" the requirement of 3,500 in the LPS. The identified supply of 3,210 dwellings is 290 dwellings lower than the requirement for LSC in LPS Policy PG7. This is approximately 8.3% of the 3,500 home requirement for LSC. To put this into context, this undersupply, is greater than the disaggregated housing requirement for a number of the LSC in the original Publication Draft SADPD (for example, 220 dwellings were proposed to be disaggregated to Chelford and 250 to Alderley Edge over the plan period).
- 2.20 This under-supply is therefore significant, amounting the equivalent of the plan-period requirement in the original Publication Draft SADPD for some of the LSCs. Therefore without identifying further supply in the LSC through allocations, the SADPD would significantly under-deliver the amount of development in the LSC required by the LPS.
- 2.21 As referred to in response to Q11a, this supply is also significantly skewed to the LSC in the south of the Borough. Therefore, as a result of the under-supply from existing windfall sites to meet the LPS 3,500 requirement for LSC, and that supply being mainly based in the southern LSC, without identifying additional supply through allocations in the LSC, and particularly the northern LSC, the housing needs of a number of the LSC will not be met by the SADPD.
- 2.22 The LPS has established a requirement to identify sufficient housing supply in the LSCs to meet "locally arising needs" in those settlements. Under-provision in the LSCs cannot be justified by reference to over-provision in other tiers of the settlement hierarchy; such an approach will fail to meet development needs where they are arising and undermine settlement vitality and viability.
- 2.23 The SADPD is not therefore positively prepared and is not in accordance with the LPS, as it does not plan to meet the full housing requirement for the LSC set out in Policy PG7 of the LPS.

There is no flexibility in the supply

2.24 At the examination of the LPS, CEC's evidence set out the case for allocations to be made in excess of the overall housing requirement to account for any potential future changes to sites, the failure of some sites (even those with planning permission) to come forward, or changing housing market conditions over the life of the plan⁴. In those circumstances, a 7% 'Flexibility Factor' was added to the housing requirement in the LSCs, thereby increasing the 'target allocation' figure in those settlements by 245 dwellings (3,500 x 7%).

⁴ Housing Supply and Delivery Topic Paper, CEC (August 2016), Paragraph 3.1 [LPS Examination Document: PC B037]

- 2.25 Whilst in its responses to the Inspector's initial questions (CEC/01) the Council states that "levels of plan flexibility have increased from 11.7% in 2016 to 25.9% by March 2020" due to the higher levels of delivery over previous years, as referred to above, by relying on windfalls in the LSC there is an undersupply against the LSC requirement of 3,500. The flexibility referred to by CEC is therefore in other levels of settlement and not the LSC where, as a result of the undersupply against the LPS requirement, there is no flexibility.
- 2.26 As referred to above, under provision in the LSCs due to over-provision in other tiers of the settlement hierarchy cannot be justified, as it would fail to meet development needs where they are arising. This is not a positive or justified approach, and is therefore unsound.
- 2.27 CEC has disregarded the need for a flexibility factor in preparing the SADPD. This is clearly contrary to CEC's own evidence that an element of housing supply 'flexibility' is required for each tier of the settlement hierarchy; removing that flexibility is inconsistent with the adopted LPS and the conclusions of the examining Inspector. When it is factored in, it inflates the residual land supply shortfall in the LSC's to 346 dwellings almost 10% of the LSC requirement.

Windfalls cannot be relied on

2.28 The Strategic Planning Board report justifies a reliance on a windfall allowance to address the residual housing land supply shortfall in the LSC's with reference to the past rate of windfall delivery, noting that:

"If this replicated the average number of homes built on small-site windfall sites during the first 10 years of the Plan period (2010 to 2020), this source of supply would deliver a further 189 homes at LSCs by 2030."

- 2.29 The Planning Practice Guidance (PPG) makes clear that a windfall allowance can only be relied on where there is "compelling evidence" that it will form a component of the anticipated supply⁵. The NPPF elaborates that such evidence can include past trends, but must also consider the SHLAA and expected future trends. This principle has been endorsed by examination Inspectors. For example, the Inspector for the Maldon Local Plan in 2014⁶ expressed concerns about a windfall allowance in that case, which relied principally on past trends; the Inspector concluded that this was insufficient because it no evidence was presented that such sites can be relied on in future years, and because the yearly totals for windfalls a) fluctuated year-on-year, thereby undermining their reliability and b) included forms of development which might be contrary to planning policy (e.g. garden development).
- 2.30 CEC's evidence in respect of windfalls simply makes reference to past trends and states that it "...is reasonable to assume that additional supply from small sites will continue to come forwards...". As above, this does not comprise compelling evidence that is sufficient to satisfy the expectations and requirements of the NPPF. In its response to

⁶ The Inspector's Key Concerns letter, reference: IED06, paragraph 21.

⁵ Reference ID: 3-023-20190722

⁷ The provision of housing and employment land and the approach to spatial distribution [ED05], CEC (October 2020), paragraph 3.29

the Inspector's initial questions, CEC identifies an average annual windfall delivery of only 119 dwellings in the LSC since 1 April 2018. It should be noted that this is skewed heavily by strong delivery in one year (206 dwellings in 1 April 2019 to 31 March 2020). The average delivery on windfall sites is acknowledged in CEC's response to the Inspector's initial questions (CEC/01) to be low in comparison to completions on windfall sites prior to the adoption of the LPS. It does not therefore provide compelling evidence that windfall delivery will continue in the LSC.

2.31 Furthermore, the windfall allowance identified in the Council's evidence base⁸ is "borough-wide" and not disaggregated to individual settlements or tiers. There is no evidence therefore that windfall delivery will take place within the LSCs. CEC is therefore assuming that windfall development will continue to take place within the LSC, with it stating at paragraph 11 of its response to the Inspector's initial questions:

"Although not quantified by way of any specific allowance, it is inconceivable that additional housing delivery on windfall sites (of all sizes) yet to be granted planning permission, will not occur during the plan period."

2.32 This does not provide the compelling evidence required by the PPG that windfall development can be relied upon and further highlights the need to allocate sites in the LSC to make up the shortfall in supply against the 3,500 home requirement.

Summary

- 2.33 DWH considers that the strategy of reliance on existing commitments and windfall development to deliver the housing requirement in the LSCs is not positively preferred or justified.
- 2.34 Existing commitments in the LSCs would fail to deliver the 3,500 homes requirement for the LSC in LPS Policy PG7. Based on the currently identified supply from existing commitments, there would be an undersupply of 290 homes against LPS Policy PG7 requirement. This also does not include a flexibility factor for the LSC that was identified as necessary by CEC's evidence base for the LPS. Including a flexibility factor of 7% for the LSC would increase the undersupply to 346 dwellings, 10% of the overall LSC requirement, or nearly two year's supply.
- 2.35 There is no compelling evidence that windfall development will make up this shortfall in the LSC. This is considered to be particularly true for the northern settlements. If windfall development is to come forward in the LSCs, it is likely to be within the southern settlements, which are less constrained by Green Belt, than the northern settlements. There is likely to be less opportunity for windfall development in the northern settlements due to their constrained nature. The skewed distribution of development towards the southern LSCs is therefore likely to continue. As a result, the current strategy of reliance on existing commitments and windfalls is likely to result in unsustainable patterns of development and the northern settlements not being able to meet their locally arising housing need.

⁸ The provision of housing and employment land and the approach to spatial distribution [ED05], CEC (October 2020), table A1.5

- 2.36 Reliance on existing commitments and windfalls in the LSC is not therefore justified and would result in a plan that it not positively prepared. Further allocations are required, particularly in the northern settlements, to enable them to deliver sufficient housing to meet locally arising need.
- 2.37 Alternatively, a policy should be included within the SADPD that allows for an early review of the plan if it becomes evident that the local housing needs of the northern settlements are not being met. In that instance, the proposed areas of Safeguarded Land should be brought forward for development through a Local Plan Review to meet the locally arising need.
 - Q12: Are the other policies in the LPS and SADPD sufficiently flexible to enable the remaining part of the indicative level of housing development for LSCs, set in Policy PG7, to be met from further windfall sites? Is there any substantive evidence of opportunities for further windfall development on sites within the proposed Settlement and Village Infill Boundaries?
- 2.38 As referred to in response to Q11c, CEC has not provided any compelling evidence of opportunities for windfall development to take place within the LSC. The evidence base⁹ only identifies a "borough-wide" windfall allowance. It does not identify any specific opportunities for windfall development within the LSC. This is particularly true of the northern LSC, which are constrained by Green Belt and therefore may have very limited opportunity to for windfall development within the existing settlement boundaries.
- 2.39 Further allocations are therefore needed in these settlements in order to ensure that there is opportunity to deliver the level of housing for LSCs in Policy PG7. It is noted that the SADPD does propose to designate areas of Safeguarded Land around some of the LSC, including DWH's Land east of Chelford Station site. Whilst DWH supports the designation of safeguarded land, this will not assist in meeting housing need in the LSC if windfall development does not occur.
- 2.40 The SADPD should therefore either allocate further sites in the LSC, and in particular the northern LSC where there is limited opportunity for windfall development, or should include a policy that allows for an early review of the SADPD to allow the safeguarded land to be allocated for housing development, in the event that housing needs in the LSC are not being met.
 - Q13: Is there a need for further site allocations for housing at the LSCs to be included in the SADPD to ensure the indicative level of housing development set in Policy PG7 of the LPS will be met in full and the need for affordable housing addressed, in particularly at settlements within the North Cheshire Green Belt?
- 2.41 As referred to in the above responses to Q11 and Q12, there has been limited development over the early plan period in the northern LSCs. This is as a result of the

⁹ The provision of housing and employment land and the approach to spatial distribution [ED05], CEC (October 2020), table A1.5

failure to adopt a plan early and the level of development in the northern LSC being reliant on windfall development. Given the limited opportunity for windfall development in these settlements due to their Green Belt constraints, the level of development necessary to meet their locally arising housing need has not been provided. There is also limited opportunity for future windfall development in these settlements to make up the undersupply, again due to the constrained nature of these settlements.

- 2.42 Therefore, if development needs in the northern LSC are to be met, Green Belt boundaries around these settlements do need to be amended and land either allocated for housing or designated as safeguarded land to meet development needs after the plan period. Failure to do so would result in the unsustainable development pattern of housing development being pushed to the southern settlements continuing.
- 2.43 This is confirmed by CEC in its responses to the Inspector's initial questions (CEC/01). It acknowledges that the current level of development in the northern settlements represents a constrained level of development to account for the Green Belt constraints. However, channelling further development to locations beyond the Green Belt in the south of the Borough would create unsustainable patters of development. A continuation of this pattern of development would lead to unsustainably low levels of development in the northern settlements.
- 2.44 In light of this, DWH does consider that there is a need for additional allocations in the LSCs to ensure that the level of housing development for the LSC set in PG7 is delivered and to ensure that their locally arising housing need is met. This is particularly true in relation to the northern LSC. As referred to previously, these settlements are heavily constrained by Green Belt. There is therefore likely to be limited opportunity for windfall development within these settlements, and partly due to the late adoption of the LPS, there is a limited number of existing commitments in these settlements as a result of their Green Belt constraints. There is therefore a significant undersupply in the northern settlements to meet their locally arising need, and reliance on windfall development is unlikely to make up this shortfall.
- 2.45 Failure to deliver additional housing in the northern LSCs to meet their local housing need is likely to increase the affordability issues in these settlements. House prices provide an indication of the local balance between housing supply and demand. Based on sales recorded between April 2016 and March 2017, CEC's evidence base shows that the average house price in Alderley Edge during that period was £365,000. In Chelford, the average house price was £330,000. The average house prices in these northern LSC are significantly higher than average for both the borough and other LSCs. This indicates that Alderley Edge and Chelford are characterised by relatively high house prices, which are likely to be at least partially driven by an imbalance between supply and demand, with very limited new supply coming forward.
- 2.46 Even when taking account of variation in local incomes, the scale of the affordability challenge in Alderley Edge and Chelford are clear given the average house prices are 6.4 times and 8.8 times average earnings respectively. Although similar to other LSCs, that is higher than the average for Cheshire East (5.5 x average earnings) and nationally.

- 2.47 The LCS Spatial Disaggregation Report¹⁰ states that high rates of home ownership (reflective of the older and generally more affluent population) and low proportions of affordable housing are typical in the northern LSCs. However, there is a high rate of housing need in four out of the six settlements, including Chelford and Alderley Edge, suggesting a pent up demand for more affordable accommodation.
- 2.48 DWH therefore considers that windfall development cannot be relied up on in the northern LSCs to ensure that the level of housing development set in LPS Policy PG7 can be met in full. Additional allocations are therefore required in order to provide certainty, particularly in the northern LSC, which due to constraints may have limited opportunities for windfall development.
- 2.49 The SADPD does propose to designate areas of Safeguarded Land around some of the LSC, including DWH's Land east of Chelford Station site. Whilst DWH supports the designation of safeguarded land, this will not assist in meeting housing need in the LSC during the plan period if windfall development does not occur. Additional allocations should therefore be made in the northern LSC to ensure delivery, with some of those sites proposed as safeguarded land instead allocated for housing.
- 2.50 As set out DWH's representations to the Revised Publication Draft SADPD, its Land east of Chelford Station site, which is currently proposed as safeguarded land, and its land at Whitehall Meadow, Alderley Edge site are suitable for allocation for housing and should be allocated to meet housing need in the northern LSC during the plan period.
- 2.51 In addition to the above, the LPS will become 5 years old in July 2022, and CEC will need to consider whether a review is required. DWH considers that a review of the LPS will need to take place in order to plan for updated economic growth and housing requirements.
- 2.52 As is made clear in CEC's responses to the Inspector's initial questions (CEC/01), the current housing requirement in the LPS included a 0.7% per year job growth uplift over the MCLG household projections at the time. Job growth in the Borough has however exceeded this rate at an average of 1.6% per year.
- 2.53 Furthermore, CEC acknowledges that the LPS does not account for the full implications of the proposals to bring HS2 to Cheshire East, including the proposals to deliver a "Crewe Hub Station". The delivery of HS2 is likely to take place within the current LPS plan period and would significantly increase the scale of new housing required in the Borough, both in terms of capturing the economic benefits of the delivery of HS2, but also to account for potential in-migration by those wanting to live close to the proposed HS2 station. Additional allocations will be required to ensure that the full economic benefits of the delivery of HS2 are captured and to provide additional housing for the increased in-migration that would occur as people look to relocate closer to the HS2 station.
- 2.54 Therefore, DWH is of the opinion that a review of the LPS should take place as early as possible. This would enable a revised LPS to plan for the implications on housing

¹⁰ Site Allocations and Development Policies Document: Local Service Centres Spatial Distribution Disaggregation Report (LSCSDDR), Cheshire East Council (2019)

numbers that the delivery of HS2 would have and to re-balance the housing supply by disaggregating more development to the northern settlements. If additional allocations in the norther LSC are not to be made through the SADPD and the current approach of designating areas of safeguard land is to remain, DWH considers that an early review of the SADPD should also take place alongside a review of the LPS to allow for the safeguarded land proposed to be designated in the Revised Publication Draft SADPD to be allocated for housing development and come forward for development ahead of 2030 to meet the needs referred to above.

Safeguarded Land at LSCs (Policy PG12)

Q15: Is the identification of additional safeguarded land at the LSCs justified to meet the longer-term development requirements of the Borough, taking account of the expectations of the LPS, the potential for development requirements of Cheshire East beyond 2030 to change under the standard method for calculating local housing need, and the requirement in paragraph 140 of the NPPF that Green Belt boundaries should only be altered where justified by exceptional circumstances?

- 2.55 The purpose of designating safeguarded land is set out in the LPS. As referred to in response to Q13 above, CEC has acknowledged in paragraph 8.45 of the LPS, that due to Green Belt constraints in the norther settlements, development has been channelled to the southern settlements, which are not constrained by Green Belt. This however, is resulting in unsustainable patterns of development and the locally arising housing need of the northern settlements not being met. CEC acknowledges that this in balance in housing delivery will need to be addressed because, if the current patterns of development continue it would have the following consequences for the northern settlements:
 - Demand for new housing would outstrip supply, further increasing house prices, which as referred to in the above response to Q13 are already significantly above the Borough average in some of the northern LSC, and would fail to deliver sufficient affordable housing to meet needs
 - Young people and key workers would not be able to afford to live in the northern settlements, resulting in an absolute reduction in the number of people of working age.
 - There would be difficulty in attracting inward investment and economic growth, particularly in industries that require lower paid positions
 - There would be increased commuting and associated issues of congestion and air quality impacts as people cannot live close to their place of work and are forced to travel longer distances for work
 - There would be a decline in the vibrancy and vitality of town centres and local services and facilities becoming unviable.

- 2.56 The LPS states that the above constitutes exceptional circumstances required to amend Green Belt boundaries. DWH agrees that these matters constitute exceptional circumstances and that Green Belt boundaries around the northern settlements should be amended so that further sites can be identified to meet housing need in the northern settlements.
- 2.57 The approach taken by CEC is to designate safeguarded land around the northern settlements, rather than remove land allocate it for development within the Plan period. This is stated to be due to uncertainties surrounding the amount of land that may be required to meet future development needs, and therefore a balanced approach is required that provides sufficient land to meet potential future development needs of the northern settlements, but also ensure that Green Belt boundaries do not need to be amended again after the plan period.
- 2.58 The adopted LPS (Policy PG 4 and paragraphs 8.55-8.58) identifies a requirement for the identification of c.200ha of safeguarded land in order that the Green Belt boundary is able to "...retain a sufficient degree of permanence so that it will not need to be reviewed again at the end of this plan period in 2030..."

 13.6ha of safeguarded land to be identified by the SADPD. The revised Publication Draft identifies 14.48ha of safeguarded land around the northern LSC's.
- 2.59 Whilst it is noted that there is the potential for the development requirements of Cheshire East to change beyond 2030 due to possible changes to the standard method for calculating local housing need, and the Aireborough Judgment confirmed that such changing local housing need could be a material consideration in determining whether exceptional circumstances exist, it is considered that other factors in this instance mean that exceptional circumstances still do arise to justify the removal of land from the Green Belt for safeguarding.
- 2.60 The standard method is a starting point for calculating housing need. The Housing and Economic Needs Assessment section of the PPG is clear that it is the first step in assessing the housing requirement in a local plan. The standard method produces a minimum annual housing need figure, not a housing requirement¹².
- 2.61 Paragraph 2a-010-20201216 also encourages local authorities to be more ambitious than the standard method where economic or other factors may mean that a higher level of housing development is required or appropriate:

"The Government is committed to ensuring that more homes are built and supports ambitious authorities who want to plan for growth. The standard method for assessing local housing need provides a minimum starting point in determining the number of homes needed in an area. It does not attempt to predict the impact that future Government policies, changing economic circumstances or other factors may have on demographic behaviour. There, there will be circumstances where it is appropriate to consider whether actual housing need is higher than the standard method indicates".

¹¹ Local Service Centres Safeguarded Land Distribution Report, Cheshire East Council (August 2020), paragraph 1.3 ¹² PPG paragraph 2a-002-20190220

- As referred to in response to Q13, the LPS does not account for the full implications of the proposals to bring HS2 to Cheshire East, including the proposals to deliver a "Crewe Hub Station". The delivery of HS2 is likely to take place within the current LPS plan period and would significantly increase the scale of new housing required in the Borough, both in terms of capturing the economic benefits of the delivery of HS2, but also to account for potential in-migration by those wanting to live close to the proposed HS2 station. Additional allocations will be required to ensure that the full economic benefits of the delivery of HS2 are captured and to provide additional housing for the increased in-migration that would occur as people look to relocate closer to the HS2 station.
- 2.63 Therefore, the minimum housing need figure derived from the standard method may change by 2030, it is not necessarily the case that this will result in a lower housing requirement. Indeed, given the recent strong economic performance in the Borough against expectations and the economic and in-migration boost that is likely to be realised by the delivery of HS2, there is a strong likelihood that housing need in the Borough may increase. Removing land from the Green Belt and designating it as Safeguarded Land ensures that land will be available post-2030 to enable this increased housing need to be met.
- 2.64 Whilst, as set out in its response to Q13, DWH considers that additional housing allocations should be made in the SADPD in the norther settlements to re-balance the housing distribution during the plan period, it does acknowledge that whilst the development needs of the northern settlements are not currently fully known, the designation of safeguarded land around these settlements could also be considered an appropriate response.
- 2.65 However, if additional housing sites are not to be allocated, DWH considers that a review of the LPS is required as soon as possible in order to ensure that the implications of the delivery of HS2 are included in a revised housing requirement. Alongside this, an early review of the SADPD should take place to allocate the safeguarded land as housing allocations to enable them to meet housing need during the plan period.

Q16: Is the selection and distribution of sites for designation as Safeguarded Land at the LSCs, as set out in the Local Service Centres for Safeguarded Land Distribution Report and the Settlement Reports for Alderley Edge, Bollington, Chelford, Disley, Mobberly and Prestbury, based on a robust methodology and justified by proportionate evidence and is it consistent with the LPS and national policy?

2.66 LPS Policy PG 4 sets the policy approach to safeguarded land, and notes that it may be necessary to identify further areas of safeguarded land in the SADPD. CEC's approach to this is set out in the LSC Safeguarded Land Distribution Report¹³. The methodology confirms that a number of factors were considered. This included:

¹³ Site Allocations and Development Policies Document – Local Service Centres Safeguarded Land Distribution Report, Cheshire East Council (August 2020)

- The visions for each settlement in neighbourhood plans
- Infrastructure capacity
- Housing affordability
- Physical and landscape constraints, such as landscape designations and flood risk
- The findings of the Green Belt Assessment Update.
- 2.67 Eight different options for distributing Policy PG4's safeguarded land requirement where then considered. These included options based on the existing population size of settlements, a service and facility-led option, a constraints-led option, an option to minimise impact on the Green Belt, and a hybrid approach. A sustainability appraisal of each option was also undertaken. The hybrid option was considered to be the most appropriate option, in that it considers the widest range of planning issues.
- 2.68 DWH considers the methodology in the Safeguarded Land Distribution Report to be robust, in that it considers a range of factors. By giving consideration to matters of landscape character, heritage, flood risk, and other planning policy matters, it is considered to be consistent with the NPPF; and in considering the profiles and matters including the demographic make-up and affordability of individual settlements, it has given consideration to the visions and requirements of the LPS and, where relevant, neighbourhood plans.
- 2.69 DWH also supports the approach taken in the Safeguarded Land Distribution Report and the Chelford Settlement Report in choosing the land to the east of Chelford Railway Station as safeguarded land. Further commentary on this is provided in response to Q18 below.
- 2.70 In relation to the amount of safeguarded land to be designated in Chelford, a total of 4.71 ha of safeguarded land is proposed to be designated. The report explains that this is due to Chelford having been identified to accommodate the safeguarded land 'required' in Mobberley, where there "...are no suitable sites for designation as safeguarded land...". Having considered the various options for re-assigning any safeguarded land requirement from Mobberley, the report goes on to state that land at Chelford was selected to take a larger proportion of safeguarded land, principally on the basis that:
 - Chelford is subject to fewer technical and environmental constraints to development, such that land at Chelford is more appropriate for release and development than other available options, including in other settlements;
 - Land parcels around Chelford cannot be further sub-divided to enable a smaller area of safeguarded land to be identified, mindful of the requirement that Green Belt boundaries are defensible and clearly recognisable within the landscape; and
 - The identification of a relatively larger parcel of safeguarded land in Chelford enables "...a comprehensively planned approach to be taken towards any future

development of a site that is situated next to a railway station and that could incorporate a range of community benefits..." (paragraph 9.1).

- 2.71 As such, whilst the approach taken appears to result in a disproportionate quantum of safeguarded land being identified at Chelford, in this respect CEC has undertaken an options appraisal which considers and ultimately discounts a number of alternatives. It is evident that the safeguarded land at Chelford has been identified with reference to a number of considerations, including the need to ensure that development is directed towards the most suitable and sustainable locations, that Green Belt boundaries are robust and defensible, that safeguarded land is appropriately located to meet likely longer-term development needs, and that the resultant development proposals are as sustainable as possible. DWH therefore agrees that CEC's approach is appropriate and justified in this respect and should therefore be considered sound.
- 2.72 However, as set out in its representations to the Revised Publication Draft SADPD, DWH considers that the approach to the designation of safeguarded land in Alderley Edge is not based on proportionate evidence and has not considered all reasonable alternatives. In particular, it considers that the approach to designating safeguarded land in Alderley Edge has failed to consider the full benefits of designating the Land at Whitehall Meadow as Safeguarded Land.
- 2.73 Full reasoning for this is provided in DWH's representations to the Revised Publication Draft SADPD, which we do not seek to repeat hear, but to summarise, the designation of the Land at Whitehall Meadow as safeguarded land would have significant benefits of assisting to meet the acute need for housing in Alderley edge, including affordable housing, and would be able to provide car parking to alleviate car parking in residential streets near the railway station and town centre. The impact the site makes to the purposes of the Green Belt is commensurate with those of other sites and any harm is clearly outweighed by the overwhelming need to meet the housing requirements of the settlement.
- 2.74 DWH therefore considers that the Land at Whitehall Meadow should also be designated as Safeguarded Land.
 - Q18: Have exceptional circumstances for removing each of the eight Safeguarded Land sites from the Green Belt been fully evidenced and justified, and are the sites defined by boundaries using physical features that are recognisable and likely to be permanent.
- 2.75 As referred to in response to Q15, DWH considers that there are exceptional circumstances for removing sites from the Green Belt. This relates to the need to realign the spatial distribution of housing development to the northern settlements following an under-provision of housing over the plan period.
- 2.76 As previously stated, there has been limited opportunity to deliver housing development in these settlement due to their tightly drawn Green Belt boundaries, and the reliance on windfall development over the remainder of the plan period would severely limit the amount of development that would be able to be delivered over the remaining years of the plan period (which is why such an option is not supported by

DWH). As a result, a significant proportion of development has been disaggregated to the southern settlements, creating un-sustainable patterns of development. There will therefore be a need in the subsequent plan period to realign the housing distribution, delivering more homes in the northern settlements, in order to create sustainable patterns of development. Due to the tightly drawn Green Belt boundaries around the northern settlements, there will be a need to amend Green Belt boundaries to achieve this.

- 2.77 Chelford is one such settlement where, as previously referred to, there is acute housing need, and therefore a need for Green Belt boundaries to be amended and safeguarded land designated to ensure that Green Belt boundaries will not need to be altered again at the end of the plan period.
- 2.78 In relation to the Land of East of Chelford Railway Station, within which DWH has an interest, the Chelford Settlement Report identifies the above exceptional circumstances and states that they do apply to the site owing to there being no other suitable alternatives that make a lesser contribution to the Green Belt than the site.
- 2.79 The Settlement Report also considers whether defensible boundaries could be achieved following removal of the site from the Green Belt. It confirms that the resulting Green Belt boundary would be defined by a field line to the northern boundary of the site. The boundary is marked on OS mapping and on the ground with fencing and hedgerows. The eastern boundary would be defined by existing built development (Chelford Village Hall). The resulting Green Belt boundary would therefore be defined by visible features on both the ground and on OS mapping.
- 2.80 DWH therefore considers that defensible boundaries could be created and that sufficient evidence has been provided by CEC to justify the removal of the site from the Green Belt and its designation as Safeguarded Land.

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