

Copeland Local Plan 2021-2038 Examination

Hearing Statement on behalf of Story Homes (Respondent No. 79)

Matter 3: The Development Strategy

Issue: Whether the development strategy is justified, effective and consistent with national policy

Q3.2 Does Policy DS2PU provide an effective framework to reduce the impacts of development on climate change? Has the potential effect of the policy on the viability of development been assessed?

- 1.1 Policy DS2PU of the Publication Draft Local Plan (PDLP) replaces Policy CC1PO from the Preferred Options draft, and places it at the forefront of the Local Plan after the presumption in favour of sustainable development. This approach is justified on the basis that addressing climate change is one of the most challenging issues currently faced by Copeland Borough Council (CBC) and that Policy DS2PU includes actions that can be taken to reduce the impacts of development on climate change.
- 1.2 Story Homes supports CBC's commitment to addressing the impacts of climate change and achieving the Cumbria wide target of net zero carbon by 2037 but would note that many of the guidelines which are encouraged within the amended policy are already covered by other policies in the draft Local Plan, including the use of high quality design techniques; supporting low carbon travel; use of SUDs; building at appropriate densities; and provision of local green spaces.
- 1.3 Whilst Policy DS2PU provides an effective framework to reduce the impacts of the development on climate change in principle, reference is also made to several other points which are relatively significant in nature and are likely to impact on the design and viability of development. For example, the incorporation of Passivhaus principles; heating and power generation; use of circular economy principles; contributing to the creation of new woodlands; and contributing towards Local Nature Recovery Networks.
- 1.4 Whilst these principles are currently set out as criteria which developers are encouraged to consider, rather than requirements, Story Homes is concerned that this interpretation may change and that the policy doesn't provide sufficient flexibility for new developments, should such principles negatively impact on the delivery of a scheme, including viability and feasibility. Story Homes considers therefore that further clarity in regard to flexibility should be included within the policy.
- 1.5 Story Homes is of the view that the viability of the Local Plan as a whole should be considered thoroughly through the Local Plan Examination process. The supporting evidence base for the Local Plan includes a Stage One Viability Study, which is described as a high level assessment of the viability of a representative range of housing, commercial and employment development across the Borough.

- 1.6 The Stage Two Local Plan Viability Study was prepared by Keppie Massie (KM) and published in February 2022. Cushman & Wakefield (CW) prepared a separate representation to the Regulation 19 consultation in respect of viability on behalf of a developer consortium which includes Story Homes. The document is appended to the Story Homes Regulation 19 representations and comprises a review of the viability approach and assumptions adopted by KM.
- 1.7 The CW consultation response raises concerns with the KM approach, particularly in regard to testing build costs, as they have not been transparently defined as part of the evidence base to enable appropriate benchmarking. KM have relied on an “in-house” build cost database rather than following standard industry practice for plan-wide viability testing by utilising BCIS.
- 1.8 A cost database should be market-tested, based on local market data and comprise recent cost information from a range of schemes and reliable sources. The cost database has not been published and therefore this information cannot be relied upon for the purposes of Plan making. Story Homes considers it necessary for the cost database to be published and subject to further consultation, or the viability assessment carried out again using BCIS figures to ensure there is sufficient evidence demonstrating the Local Plan is effective and justified.
- 1.9 Overall, Story Homes has concerns with the KM Viability Appraisal as there is evidence to suggest unrealistic inputs have been used in the assessment to demonstrate a viable position and this concern is exacerbated by the lack of available supporting evidence for review. It is considered that the KM Viability Assessment is not consistent with the NPPF’s requirements relating to appropriate and transparent market-facing evidence when preparing a Viability Assessment during Local Plan preparation.
- 1.10 Story Homes and CW conclude that there is insufficient evidence available to support Policy DS2PU in its current form. The impacts of the Policy on the viability of development have not been accurately or robustly assessed and the results of the Stage 2 Local Plan Viability Assessment may serve to overstate the viability of many sites in Copeland. This, in turn, could compromise site deliverability as policy requirements may be set at unrealistic and unachievable levels.
- 1.11 Story Homes objects to Policy DS2PU approach proposed by CBC on the basis that it does not meet the tests of soundness as it is not ‘positively prepared’ or appropriately ‘justified’ within the Council’s evidence base.

Q3.5 Does Policy DS3PU provide an appropriate Framework to guide development in the Principal Town, Key Service Centres, Local Service Centres, Sustainable Rural Villages and Rural Villages?

- 1.12 Draft Policy DS3PU identifies the proposed settlement hierarchy, which broadly reflects the existing settlement hierarchy identified in the adopted Core Strategy (Policy ST2), in terms of identifying Whitehaven as a ‘Principal Town’; Cleator Moor, Egremont and Millom as ‘Key Service Centres’; and a number of smaller ‘Local Service Centres’.
- 1.13 However, the proposed settlement hierarchy does introduce three additional categories, comprising ‘Sustainable Rural Villages’, ‘Other Rural Villages’ and ‘Open Countryside’. Draft Policy DS3PU confirms that the amount of new development to be provided within each settlement over the plan period is expected to be *“proportionate in terms of nature and scale to the role and function of the settlement, unless it has been specifically identified within the Plan to meet the strategic growth needs of the borough”*.

- 1.14 The proposed settlement hierarchy continues to focus the majority of new development during the plan period (2021 - 2038) to the four largest towns - Whitehaven, Egremont, Cleator Moor and Millom. This is reflective of the scale of these settlements and the range of existing services and infrastructure which are present.
- 1.15 The Inspector who examined the adopted Core Strategy considered the spatial strategy and concluded at the time that the *"principles of sustainable development are fully covered"* (Paragraph 22)¹. The Settlement Hierarchy and Development Strategy Paper Update, published in January 2022, continues to endorse this approach in focussing the majority of development to the four main towns within the Borough. This is due to the enhanced sustainability of these settlements, relating to their accessibility via a range of sustainable modes of transport and the level of services they offer.
- 1.16 Since the adoption of the Core Strategy the economic factors influencing the spatial strategy for Whitehaven have progressed. Since the Local Plan has been submitted to the Secretary of State (SoS) for examination the application for Woodhouse Colliery has been granted planning permission² - decision issued 7 December 2022. Within the decision the SoS agreed with the Planning Inspector that the proposed development would create 532 jobs and a subsequent planning condition seeks to secure 80% of the workforce from within 20 miles of the site. The development of this scheme will increase the number of jobs in Whitehaven and in turn support the development of new housing suitable to cater for the needs of the workforce. It is Story Homes assertion that additional growth and housing allocations could be justified in Whitehaven as part of the emerging Local Plan as a result of this permission.
- 1.17 Story Homes supports the continued identification of Whitehaven as the 'Principal Town', which reflects that it provides the greatest range of services and facilities, including employment and transport infrastructure. As such, Story Homes agrees that Whitehaven should remain as the primary focus for new development in the Borough over the plan period.
- 1.18 Similarly, continuing to identify 'Key Service Centres', particularly Cleator Moor, and 'Local Service Centres', such as Cleator, within the Settlement Hierarchy is supported by Story Homes due to the key role these settlements have in providing the wide range of services and facilities for existing and future residents. Settlements such as these are very well-connected to Whitehaven, including in terms of accessibility via sustainable modes of transport, and thus support its role as the Principal Town in the Borough. These settlements have an important part to play in the delivery of sustainable growth across the Borough.
- 1.19 Story Homes welcomes the introduction of the 'Sustainable Rural Villages' tier to the settlement hierarchy. The NPPF is clear at paragraph 79 in its support of sustainable development in rural areas, where development will enhance or maintain the vitality of rural communities. The provision of the 'Sustainable Rural Villages' tier recognises the opportunity for smaller rural settlements to accommodate modest levels of development proportionate to the services and facilities these provide.
- 1.20 This tier supports development in smaller settlements with easy, safe access to main towns and / or connecting villages. Settlements like these provide locations for people working within key employment locations, such as Westlakes Science and Technology Park, with places to live, close to existing services and facilities and employment opportunities. Clusters of development within smaller settlement areas also provides the opportunity to support services, by increasing the number of working age families who can underpin the viability and vitality of local shops and schools. It can

¹ Report on the Examination into the Copeland Core Strategy and Development Management Policies Plan, The Planning Inspectorate (September 2013)

² Appeal reference: APP/H0900/V/21/3271069 and Copeland application reference: 4/17/9007

therefore play a critical role in underpinning the future sustainability of smaller towns and villages as well as supporting services in other nearby villages.

- 1.21 As such, the inclusion of 'Sustainable Rural Villages' within the settlement hierarchy accords with the NPPF, as discussed above, and guidance in the National Planning Practice Guidance (PPG). These acknowledge that people living in rural areas can face particular challenges in terms of housing supply and affordability, and therefore the location of new housing in rural areas can be important for the broader sustainability of rural communities.

Q3.7 Are the suggested Main Modifications to Policy DS3PU justified? Are they necessary in the interests of soundness?

- 1.22 The proposed main modifications to Policy DS3PU seek to provide more clarity and strengthen the wording of the Policy to avoid misinterpretation. Story Homes supports the proposed Main Modification in respect of Policy DS3PU and considers them necessary in the interest of soundness.

Q3.10 Are the proposed settlement boundaries justified on the basis of proportionate evidence?

- 1.23 Story Homes supports the proposed extent of the Settlement Boundaries and consider these to be based on proportionate evidence. The inclusion of all allocations and Opportunity Areas ensures the Local Plan is effective. Story Homes welcomes the inclusion of land at Edgehill Park within the Settlement Boundary for Whitehaven. However, as explained in the Matter 15 Hearing Statement, the housing allocation HWH3 should not have been reduced in size to remove this Edgehill Park site. The site benefits from reserved matters permission (ref: 4/20/2474/0R1) for 335 dwellings, although development has not yet commenced. Please refer to Matter 15 Hearing Statement for further information.

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