



The Planning Inspectorate

Report to East Lindsey District Council

by Jeremy Youle and Louise Phillips

Inspectors appointed by the Secretary of State

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Planning and Compulsory Purchase Act 2004

(as amended)

Section 20

Report on the Examination of the East Lindsey Core Strategy and the East Lindsey Settlement Proposals Development Plan Document (DPD)

The Plan was submitted for examination on 18 April 2017

The examination hearings were held between 12 July 2017 and 4 October 2017

File Ref: PINS/D2510/429/4 and D510/429/5

Abbreviations used in this report

2004 Act	Planning and Compulsory Purchase Act 2004
AONB	Area of Outstanding Natural Beauty
DPD	Development Plan Document
Framework	National Planning Policy Framework
HMA	Housing Market Area
HRA	Habitats Regulations Assessment
IDB	Internal Drainage Board
IDP	Infrastructure Delivery Plan
LDS	Local Development Scheme
LLTP	Lincolnshire Local Plan Tool
MM	Main Modification
OAN Plans	Objectively Assessed Need (for housing) East Lindsey Core Strategy and East Lindsey Settlement Proposals Development Plan Document
PPG	Planning Practice Guidance
Regulations	The Town and Country Planning (Local Planning) (England) Regulations 2012
SA	Sustainability Appraisal
SHLAA	Strategic Housing Land Availability Assessment
SHMA	Strategic Housing Market Assessment
SP DPD	East Lindsey Settlement Proposals Development Plan Document
SNCI	Site of Nature Conservation Importance
WMS	Written Ministerial Statement

Non-technical summary

This report concludes that the East Lindsey Core Strategy and the East Lindsey Settlement Proposals Development Plan Document ('the Plans') provide an appropriate basis for the planning of the District, subject to a number of main modifications (MMs) being made to them. The Council has specifically requested that we recommend any MMs necessary to enable the Plans to be adopted.

The MMs all concern matters that were discussed at the examination hearings. Following the hearings, the Council prepared a schedule of the proposed modifications and carried out sustainability appraisal (SA) of them. The MMs were subject to public consultation over a six-week period. We have recommended their inclusion in the Plan after considering all the representations made in response to this consultation. In some cases, we have amended the detailed wording.

The MMs are summarised below:

- The inclusion of specific policies to allocate housing, employment and gypsy and traveller sites;
- Clarifying the objectively assessed need for housing (OAN) and amending the housing requirement to properly reflect under delivery in recent years;
- Revising the housing supply figures to take account of completions to 2017, to correct the capacity of various site allocations; and to delete the allowance for windfalls;
- Clarifying that the exceptions made for housing development in the coastal zone are for specialist forms of housing only;
- Clarifying the nature of the composite housing allocation in Spilsby (site SPY310) and taking account of its capacity;
- The deletion of site allocations MAR217, MAR226, MAR300, MAR304, GRA211 and TNY308 due to flood risk, and of site allocation BLM310 due to the effect on biodiversity;
- Amending the detail of various individual housing site allocations;
- Ensuring that planning applications for inland commercial developments are subject to the sequential test for flood risk;
- Providing appropriate flexibility in respect of the location of retail development in Louth as a consequence of inadequacies in the retail and employment evidence supporting the Plans;
- Deleting the protected open space between Ingoldmells and Chapel St Leonards which would have prevented further caravan development;
- Ensuring that the occupancy restriction on tourist caravans does not prejudice existing businesses;
- Removing the reliance upon a place-making checklist for assessing the design implications of development;
- Ensuring that locally designated biodiversity sites are recognised and afforded appropriate protection;
- Clarifying the standards with which development will be expected to comply in respect of open space, sport and recreational facilities;
- Identifying a specific area considered appropriate for wind energy development; and
- Adding a specific policy to require the Plans to be reviewed by April 2022.
- Other changes to ensure that the plans are justified, effective and consistent with national policy.

Introduction

1. This report contains our assessment of the East Lindsey Core Strategy and the East Lindsey Settlement Proposals Development Plan Document ('the Plans') in terms of Section 20(5) of the Planning & Compulsory Purchase Act 2004 (as amended). It considers whether the preparation of the Plans has complied with the duty to co-operate and other legal requirements. It then considers whether the Plans are sound. The National Planning Policy Framework (the Framework) states that, in order to be sound, a local plan should be positively prepared, justified, effective and consistent with national policy.
2. The starting point for the examination is that the Council has submitted plans which it considers to be sound. The Plans submitted in April 2017 are the basis for the examination. These were published for consultation in November 2016. This report considers both Plans. Unless otherwise stated, references to policies are to those in the Core Strategy.

Main Modifications

3. The Council has requested that we should recommend any main modifications (MMs) necessary to rectify matters that make the Plans unsound or not legally compliant and so incapable of being adopted¹.
4. Following the examination hearings, the Council prepared a schedule of proposed MMs and, where appropriate, carried out sustainability appraisal (SA) of them. The schedule was subject to public consultation for six weeks and we have taken account of the consultation responses in coming to our conclusions. In doing so, we have made amendments to the wording of some MMs to improve clarity. None of these changes significantly alter the content of the MMs published for consultation, or undermines the participatory process and SA that have been undertaken.
5. The MMs relate to matters which were discussed at the hearing sessions and this report explains why they are necessary. They are referenced in bold (e.g. **MM1**) and set out in full in the Appendix to this report.

Policies Map and Key Diagram

6. The Council must maintain an adopted policies map which illustrates geographically the application of the policies in the adopted plans. When submitting a local plan for examination, the Council is required to provide a "submission policies map" showing the changes to the adopted version which would result from the proposals in the submitted plan. The Council has confirmed that the submission policies map is comprised of the inset maps in the Settlement Proposals Development Plan Document (SP DPD); the protected open space map in the Core Strategy; the Settlement Proposals Map at the front of the SP DPD and the Coastal Zone Map in the Core Strategy.
7. These last two maps were presented in A4 format within the Plans. However, their resolution, both on-line and in paper form, was not sufficiently clear to enable the necessary detail to be seen and so the Council made better

¹ In accordance with section 20(7C) of the 2004 Act

versions available alongside the consultation on the MMs². These improved maps also included changes arising from other matters discussed during the examination. In addition, the Council has suggested changes which would improve the key to the maps, and these should be made upon adoption to ensure clarity. As the A4 version of the proposals map in the SP DPD will be replaced by the better versions of the maps referred to above, it should be deleted from the plan for clarity **(MM30)**.

8. The policies map is not defined in statute as a development plan document and so we do not have the power to recommend MMs to it. However, a number of the MMs to the Plans' policies require corresponding changes to be made to the policies map. There are also some instances where the geographic illustration of policies on the submission policies map is not justified and changes are needed to ensure that the relevant policies are effective. As a consequence, a new key is required to accompany the inset maps in the SP DPD **(MM34)**.
9. The changes to the policies map outlined above were published for consultation alongside the MMs (Document ED054). When the Plans are adopted, the policies map must be updated to reflect the submission policies map as amended by these changes. In addition, we understand that the Council has encountered difficulties in presenting overlapping designations on the maps. In particular, this has led to certain internationally designated Ramsar sites, Special Protection Areas and Special Areas of Conservation being omitted. We are satisfied that all the relevant designations have been taken into account in preparing the plan, but this remains a technical mapping issue for the Council to resolve upon adoption³. Similarly, the adopted Lincolnshire Minerals and Waste Local Plan identifies Mineral Safeguarding Areas and waste sites which should be safeguarded from incompatible development. The Planning Practice Guidance (PPG) indicates that such sites should be shown on the policies map and so the Council should ensure that this is done upon adoption⁴.

Assessment of the Duty to Cooperate, legal compliance and soundness

10. Taking account of all the representations, the written evidence and the discussions that took place at the examination hearings, we have identified 15 main issues upon which the legal compliance and soundness of these Plans depends. This report deals with these main issues. It does not respond to every point or issue raised by those objecting to the Plans and it does not refer to every policy, policy criterion or allocation in the Plans.

² Referred to as Policies Maps One and Two

³ It should be noted that paragraph 117 of the Framework states that planning policies should identify and map components of the local ecological networks, including the hierarchy of international, national and locally designated sites of importance.

⁴ PPG Ref: Paragraph 005, Reference ID: 27-005-20140306.

Issue 1 - Have the relevant legal requirements been met, including in relation to the Duty to Cooperate, Local Development Scheme (LDS), consultation, the Habitats Regulations, sustainability appraisal and climate change?

Duty to cooperate

11. The statutory duty to cooperate applies where there are 'strategic matters' which would have a significant impact on at least two planning areas, or on a county matter in a two-tier area.⁵ In relation to this, the Council has documented the interactions with the planning authorities which adjoin the plan area and other prescribed bodies on a number of topics.
12. There is nothing in the evidence to suggest there are any unresolved strategic matters. It is significant here that the Council is seeking to provide for all of its own identified housing and other development needs and that no neighbouring authority has made a request for East Lindsey to accommodate any unmet need from outside the plan area. It is also clear that there has been constructive joint working on the response to coastal flood risk. This led to the policy of restraining housing growth in the coastal area, which is strongly supported by the Environment Agency.
13. There is some disagreement between the Council and Lincolnshire County Council about the potential for a bypass in Horncastle and the possibility of further housing growth and an extended plan period to help support this. However, the County Council's proposals for a bypass are at an early stage as are emerging broader aspirations for improved road links to the coast. Consequently, this is not a significant duty to cooperate issue for these Plans. Potentially, however, they could be matters to consider in the review of the Plans which the Council is proposing. This is appropriately acknowledged in the Core Strategy, specifically in relation to the bypass. The review is considered in more detail elsewhere in the report.
14. We are satisfied that the Council has engaged constructively, actively and on an on-going basis in the preparation of the Plans. The duty to co-operate has been met.

Local Development Scheme

15. The Plans conform to the subject matter set out in the LDS of March 2016 and they were submitted for examination only around one month after the date specified. They have, therefore, been prepared broadly in line with the published timetable.
16. The plan period is from 2016 to 2031 and, by the time the Plans are adopted, they will have a remaining time horizon which is less than the 15 years preferred by the Framework. However, the Council is committed to carrying out a review to a specific timescale and, at that stage, will be able to consider rolling the end date forward. In any case, the plan period is sufficient to take account of longer term requirements as expected by the Framework and there is no clear justification for extending it at this time. Although the recently

⁵ Section 20(5)(c) and S33A of the 2004 Act

adopted neighbouring Central Lincolnshire Local Plan has an end date of 2036, we cannot envisage any significant problems that might result from this different timescale.

Consultation

17. The Council has confirmed that consultation was carried out in accordance with the Statement of Community Involvement and the relevant regulations.⁶ The Council has taken reasonable steps to publicise the Plans, including through a leaflet sent to all households, use of the Council's newsletter, posters and direct notification to those on the Council's database. Paper copies of the Plans were made available at Council offices and libraries. The consultation carried out has been satisfactory.

Habitats Regulations

18. Taken as a whole the Habitat Regulations Assessment of November 2016 and the subsequent addenda, including on the MMs, conclude that there would be no likely significant effect on the integrity of the various internationally designated coastal biodiversity sites.
19. The original HRA presented little analysis about the effects of the housing site allocation proposals and this was corrected in an Addendum prepared in July 2017. This considers the distance between the allocations and the international sites and the likelihood of increased recreational use given the relatively limited potential for non-vehicular access. Overall, it reasonably concludes that the effects would not be measurable. The Council has also pointed out that car parking near the international sites tends to be limited with most coastal tourism being focused in other areas, primarily at Skegness and Mablethorpe.
20. Although the plans contain generic policies which support tourism and the coastal economy, there are no specific allocations for such development and, in practice, any significant tourism related development which may come forward is likely to be located in and around Skegness and Mablethorpe. Overall there is little to suggest that there will be significant additional visitor pressure as a result of the tourism policies in these plans.
21. In these circumstances and in light of the policy of coastal housing constraint, these are not unreasonable conclusions. Furthermore, they are supported by Natural England. However, given the potential for the international sites to be affected by any additional access, it is important there is a commitment to monitor any effects and to take appropriate action, if necessary (**MM24**).

Sustainability Appraisal (SA)

22. The SA itself has not looked at detailed specific growth options for individual settlements. However, the various iterations of the SA adequately considered the merits of broad spatial development options, ultimately favouring a spread of development across the inland towns and large villages outside the coastal flood hazard zones. That was a reasonable approach to take in respect of the SA. Indeed, the PPG states that a SA does not need to be done in any more

⁶ As evidenced in the Regulation 22 Consultation Statement

detail, or using more resources, than is considered appropriate for the content and level of detail in the plan. The SA conforms to that guidance.

23. The SA objectives are consistent with the Framework, including the three dimensions of sustainable development and the Framework's view of what sustainable development means. The SA was prepared in-house by the Council, but this does not mean that it is flawed or compromised. Furthermore, the preparation of an SA is an ongoing process and the earlier stages, in which the SA objectives were established, were carried out by an external consultant. In addition, the draft SA was subject to an external 'critical friend' review in 2014. Overall, the Council has carried out an adequate SA of the Plans and reasonable alternatives have been considered to a sufficient degree.

Climate change

24. The plans include policies designed to secure that the development and use of land will contribute to the mitigation of, and adaptation to, climate change. This includes the various policies setting out the approach to coastal flood risk which form a central part of the Plans' strategy, the policy relating to renewable and low carbon energy (as modified) and the setting of a higher optional requirement in respect of water consumption. In addition, the overall spatial focus on large settlements is intended to reduce the need to travel. Accordingly, the plans taken as a whole, achieve this statutory requirement.

Superseded local plan policies

25. The Council has confirmed that the policies in these Plans will supersede those in the East Lindsey Local Plan Alteration 1999. To comply with the Regulations this should be set out in the Plans **(MM1, MM29 and MM30)**.

Conclusion on legal compliance

26. In conclusion, subject to the MMs listed above, the plans comply with the relevant legal requirements in the 2004 Act and the Regulations.

Issue 2 - Are the vision and objectives in the Core Strategy appropriate, is the policy relating to sustainable development sound and is the approach to allocating land in the Settlement Proposals DPD effective?

27. Chapter 1 of the Core Strategy sets out clearly expressed, succinct and locally relevant issues, vision and objectives for East Lindsey. These have been appropriately informed by consultation responses as the preparation of the plans was progressed.
28. Policy SP2 replicates the approach for decision-taking set out in paragraph 14 of the Framework. In doing so it gives this national policy development plan status. Arguably, this may be unnecessary, but the approach is not unsound. However, changes are needed to ensure consistency with the wording in the Framework **(MM3)**.
29. The SP DPD seeks to give spatial expression to the strategic policies in the Core Strategy by showing, amongst other things, what type of development

will take place in each settlement and where. For each settlement where new development is to be allocated, the SP DPD includes a table describing the key characteristics of the locality. It also includes an extract from the policies map showing the sites allocated or safeguarded for different uses; and an analysis table for each allocated housing site. However, the status of text in the SP DPD for decision-making purposes is unclear, principally because the document contains no policies. Moreover, no detailed information at all is provided about any of the allocations for employment or gypsy and traveller sites. Thus, while the basic relationship between the Core Strategy and the SP DPD is clear, the latter is neither comprehensive nor effective from the perspective of delivery.

30. To resolve this, the SP DPD should be amended to include distinct policies setting out which sites are allocated for housing, employment and gypsy and traveller sites (**MM31, MM32 and MM33**) and analysis tables should be provided for each employment and gypsy and traveller allocation (**MM35, MM36, MM42, MM43, MM44, MM47 and MM55**). The analysis tables are intended to provide guidance rather than prescription, but some do set specific terms for future development. In such cases, the relevant prescriptive text should be included within the new policy text (**MM30 and MM31**). Several examples are noted throughout this report.

Issue 3 - Are the Plans informed by an adequate objective assessment of housing need (OAN)?

31. Work to establish an OAN was originally carried out through a Strategic Housing Market Assessment (SHMA) in 2012 and an update to it in 2014. However, the OAN figure in the Core Strategy was primarily informed by a study carried out in 2015 (Updating the Demographic Evidence) and a review considering more recent data in 2016 (Demographic Forecasts Updating the Evidence). References below are to these more recent documents.
32. The Core Strategy states that the OAN for the plan period (ie 2016-2031) is 7,215 homes. An 'undersupply' of 553 homes has been added to this to arrive at a target of 7,768 dwellings. However, the Council confirmed during the examination that it considers the OAN figure to be 481 dwellings a year from 2011 to 2031, resulting in an overall OAN for this period of 9,620. The implications of this will be considered below.

Housing market area (HMA)

33. The OAN is based on the district being the relevant housing market area. Some evidence appears to suggest that East Lindsey and Boston might form part of a joint HMA. However, defining HMA boundaries is not an exact science and the analysis provided, for example in relation to travel-to-work patterns, indicates a reasonable level of self-containment. In addition, the neighbouring authorities to East Lindsey are all aiming to meet their own identified housing needs through their own plans.⁷ In these circumstances, basing the OAN on East Lindsey is a pragmatic and reasonable approach. Furthermore, there is no clear evidence to indicate that this might lead to any

⁷ North East Lincolnshire, Boston (through a joint plan with South Holland) and West Lindsey & North Kesteven (through a joint plan with Lincoln which has now been adopted).

significant under assessment of housing need. However, for clarity, the plan should briefly explain the approach taken **(MM4)**.

OAN – overall methodology and approach

34. The methodology used to establish the OAN does not directly follow that set out in the Planning Practice Guidance (PPG). Instead the 2015 study looked at several scenarios based on differing assumptions. In doing so, there does not appear to have been explicit consideration of whether an adjustment might be appropriate due to market signals or in response to employment trends. This will be considered further below. However, although the PPG strongly recommends using the standard methodology, it does accept that there is no one approach that will provide a definitive assessment. In more general terms, the evidence justifying the OAN could have been much more clearly set out. However, while it falls short of the transparency sought by the PPG, this does not, in itself, compromise soundness.

OAN - the starting point

35. The PPG states that the household projections published nationally should provide the starting point for the assessment. Unfortunately, the 2015 and 2016 studies and the Council's Housing Topic Paper provide a number of potential starting points using both the 2012 and 2014-based national household projections, over varying time periods.
36. These studies indicate that the starting point would be 356/year for 2016-2031 (using the 2014-based household projections) and around 400/year for 2012-2037 (using the 2012-based projections). A figure of 413/year is also provided for 2011-2037 using the 2012-based subnational population projections. In addition, the 2016 study refers to 333/year for 2014-2039 using the 2014-based household projections. Overall, therefore, several potential starting points are indicated, ranging from 333 to 413/year. However, none of these appear to cover the precise 2011-2031 OAN period confirmed by the Council. This is one example of the lack of clarity in the evidence base referred to above.
37. The 481/year OAN figure was originally arrived at having regard to the 2012-based projections. The Council subsequently concluded that the 2016 review did not justify altering the figure downwards, despite the lower 2014-based growth projections. We will return to this.

OAN - adjustments to the starting point

38. The PPG advises that, although the government projections are statistically robust, plan-makers may consider sensitivity testing based on locally specific assumptions. In this context, the 2015 study prefers a scenario which provides an uplift from the starting point provided by the 2012-based projections to allow for 10-year migration trends (rather than the 5-year trends used in the government's projections) and higher household formation trends. This resulted in the Council's preferred OAN figure of 481/year for 2011-2031.
39. The use of a 10 year migration trend is reasonable here because it allows for the possibility that in-migration was artificially suppressed in the years after 2008 due to the economic downturn. Consequently, using a longer term trend

could be more representative of what will happen in future as the economy recovers. The same broad reasoning has been applied with regard to the assumptions about household formation rates, as these may also have been suppressed in this period, particularly in the younger age groups. These assumptions have not been especially contentious and we agree that they are reasonable. However, the approach to other potential adjustments has been disputed by some.

40. The 2016 study indicates that an annual increase in dwellings of 425/year would support an average annual employment growth of 124 jobs. A higher housing growth rate of 474/year (which is close to the OAN of 481) is said to support 179 jobs/year. However, the East Lindsey Economic Baseline study of 2016 refers to a jobs growth forecast of 240/year over a 25 year period. The PPG states that where the supply of economically active working age population is less than projected job growth this could result in unsustainable commuting patterns and a reduction in the resilience of local businesses. In this context, at first sight, the difference between these figures could be seen as significant.
41. However, the Council considers that the 240/year job growth figure is based on a set of interventions and a level of investment that is unlikely to happen. The Council's assumption is that, without such interventions, the economy is likely to continue to be characterised by low skills and wages. Whilst this might not be particularly aspirational, it is not an unreasonable position given there is no clear evidence that a full range of such interventions might take place. Furthermore, the allocation of employment land in the Plans (which is considered elsewhere in this report) is based on past take-up trends rather than any specific job forecast.
42. Assessing future economic performance and attempting to match that to housing need is a difficult and uncertain task. In East Lindsey the effects of the policies restraining housing growth in coastal area on the supply of potential workers are unclear and add to this uncertainty. Furthermore, this is a matter which can be reconsidered in the review of the plan, particularly if the level of job creation significantly exceeds that expected by the Council over the next few years. At this stage there is no clear justification for a further adjustment to the OAN figure.
43. The OAN documents do not directly discuss market signals. They are, however, considered, in the Council's Housing Topic Paper, albeit in a different context. The full range of indicators which are referred to in the PPG are not covered and the evidence provided is not especially detailed. Nevertheless, although there may be individual settlements where this is an issue, there are no strong signs of any significantly worsening trends in affordability across East Lindsey in recent years. For example, average house prices in 2016 were similar to those in 2008 and average rents did not rise significantly between 2013 and 2015. In addition, there is no indication of any increase in the number of people on the Council's housing register⁸.

⁸ The actual numbers on the register went down between 2012 and 2016, although the way the register is managed changed over this period – Council's statement on Matter 3.

Conclusions about OAN and the review of the plans

44. Clearly, there are some weaknesses in the OAN evidence, particularly in relation to the transparency of the methodology used, the approach to market signals and the potential balancing of jobs and workers. However, this does not inevitably mean that the OAN figure reached should be regarded as inadequate at this stage, or that the examination should have been suspended to allow the OAN to be re-considered. We reach this conclusion for a number of reasons.
45. Firstly, the OAN figure of 481/year represents a significant increase above the stated starting point figures of 333 or 356/year using the most recent 2014-based projections, even allowing for the different time periods covered. This represents a total uplift of over 30%. In broad terms this is a reasonable increase and one which would make an appropriate contribution to addressing issues relating to migration trends and rates of household formation. It is also likely to assist in improving affordability by increasing the supply of housing as well as helping to contribute towards achieving a balance between jobs and housing. The 481 figure is also significantly higher than the starting point derived from the earlier 2012-based projections (which forecast a higher housing need than the more recent projections). And finally on this point, it is also notable that the OAN figure is significantly higher than the indicative assessment of housing need based on the Government's proposed standardised formula, which refers to 387/year from 2016 to 2026.⁹
46. Secondly, the current Local Plan (in its revised form) was adopted in 1999 and at that time it was only intended to guide development to 2001, a date which is now some 17 years in the past. It is also, in essence, a plan which dates back to 1995 when it was originally adopted. In this context it is important that the submitted plans are put in place as soon as possible to bring forward a supply of land for housing and for other uses, along with up-to-date development management policies. It is also particularly important that a clear and justified policy approach is established in response to the issue of coastal flood risk. This is something that has remained unresolved since the East Midlands Regional Plan was adopted in 2009¹⁰.
47. Consequently, adopting these plans without delay will help ensure that there is a robust basis for taking development-management decisions. It will also provide greater certainty for developers, local people and other parties, including those who make decisions on infrastructure. In our view there is a strong public interest in this being achieved without any further delay.
48. Thirdly, the Council has committed to a review of the Plans to consider the operation and effects of the coastal housing restraint policy. Historically, there has been a trend for older and retired people to move into East Lindsey, in particular to the coastal settlements. At this stage, it is not possible to be sure what effect the policy of coastal restraint might have on this trend or on the operation of the housing market and on housing affordability in both the

⁹ Table accompanying the consultation entitled 'Application of proposed formula for assessing housing need, with contextual data'

¹⁰ The annual housing apportionment for East Lindsey was set as a ceiling in the East Midlands Regional Plan pending the agreement of a Lincolnshire Coastal Strategy.

coastal and inland areas and, more generally, on housing and employment needs across East Lindsey. A review to assess any effects is, therefore, a sensible proposition.

49. This review will also provide an opportunity to re-consider the OAN figure having regard to national policy and guidance at that time. In particular, a review would allow the OAN to be reassessed having regard to the standardised method for assessing housing needs proposed by the Government in '*Planning for the right homes in the right places*' in 2017.
50. On this basis, and despite some misgivings about the methodology used and the depth of the analysis in some areas, the OAN figure of 481/year can be regarded as acceptable, subject to a clear commitment to a review (**MM4 & MM28**). Consequently, the 481 figure should be made clear in the plan, along with the OAN figure of 9,620 for the period of 2011 to 2031 (**MM4**).

Issue 4 - Has the housing requirement been correctly established? Will the Plans help ensure that the housing requirement will be met and that a 5 year supply of deliverable housing sites is provided?

Housing requirement

51. As noted earlier, the Core Strategy states that the OAN for the plan period (ie 2016-2031) is 7,215 homes. This is based on the OAN figure of 481/year multiplied by the 15 years of the plan period. An 'undersupply' of 553 homes has then been added to this to arrive at a target of 7,768 dwellings. This figure appears to have been based on an assessment of the level of housing land supply against a 5 year requirement as of 2016. However, it does not correctly account for the shortfall in housing delivery between the OAN base date of 2011 and 2017 (a period for which completion data is now available).
52. Between 2011 and 2017 the annual average OAN figure of 481 equates to a requirement of 2,886 dwellings. Over this period there have been 1,801 completions, resulting in a shortfall of 1,085 dwellings. To ensure that the plan helps deliver the full OAN, this shortfall should be added into the housing requirement for the plan period between 2017 and 2031. Based on the annual average of 481, the OAN figure for this period would be 6,734 and recovering the shortfall of 1,085 would increase this to 7,819. This should be clearly stated as the housing *requirement* along with a brief explanation of how it was arrived at (**MM4 and MM30**). This will ensure that the number of completions from 2011-2017 and the housing requirement for 2017-2031 add up to the OAN figure of 9,620 for 2011-2031.
53. The PPG states that local planning authorities should aim to deal with any past under-supply within the first 5 years of the plan period *where possible* (our emphasis). However, this would involve adding the under supply of 1,085 dwellings to a 5 year requirement of 2,405 based on the annual average of 481/year. This would lead to an annual requirement over the next 5 years of around 700 dwellings. The 5 or 20% buffer required by the Framework would then need to be added on top of this. In our view achieving this level of housing over the next few years is uncertain and, quite probably, unrealistic. We appreciate that there are relatively large numbers of sites with planning permission and that, based on discussions with individual developers, the Council has concluded that annual completions could increase to around 1,000

or above over the next few years. However, looking back to 2001, an annual delivery of over 700 has only been achieved once and the long term average is considerably below this level. In more recent years, annual completions have ranged between 240 and 405 dwellings.

54. We do appreciate that the current Local Plan dates back to 1999 and was only intended to deal with the period to 2001. As a result the Council has confirmed that its housing supply has, over recent years, been heavily reliant on permissions granted on windfall sites¹¹. It is also the case that a new plan creates the opportunity to provide an up-to-date supply of housing land, potentially reducing the dependency on windfalls. However, there is no definitive evidence that increasing the supply of land beyond that provided for in the submitted plans would be likely to increase the annual rate of delivery to over 700 dwellings over the next few years, even if, for example, more larger sites were allocated.
55. Furthermore, any attempt to increase the short-term supply would have involved suspending the examination to allow the Council to seek and consult upon on further sites. A significant delay of this length would be counter-productive for the reasons outlined above in the section on OAN, particularly given the Council is committed to carrying out a review. Overall, therefore, seeking to recover the shortfall over the lifetime of the plan (rather than over the next 5 years) is, in this case, a realistic and justified approach. However, there is no ceiling on the annual delivery rate and nothing in the Plans would prevent any individual site being developed at a faster rate, should the housing market and individual developers be able to support that.
56. The submitted Plans seek to achieve 591 homes/year between 2016 and 2021 and 481/year thereafter. However, this is based on the incorrect requirement of 7,768 and recovery of the assumed shortfall over a 5 year period. For the reasons set out above, the plan should be changed to set out an annual average requirement of 558/year between 2017 and 2031 (broadly amounting to the 7,819 OAN figure over this period) **(MM4)**. Given the rate of completions since 2001 and the need to add a Framework compliant buffer, even this figure is somewhat ambitious. However, in light of the supply available, it is potentially achievable.

Overall supply

57. The Core Strategy concludes that the overall housing supply amounts to 8,336 dwellings, assuming 4,085 commitments, 3,901 from allocations and a further 350 in Spilsby. In addition to this, a windfall supply of 1,935 is assumed. These figures are based on the position in 2016. Given the Council now has more recent monitoring data, the assessment of supply below is based on 2017. The Council reviewed these figures during the examination following discussion at relevant hearing sessions. The figures set out below reflect this.

Supply from inland and coastal commitments

58. The Council has concluded that, as of 2017, there is the potential for 4,375 dwellings to be delivered on existing sites with planning permission. This is

¹¹ I.e. on sites *not* allocated in the 1999 Local Plan

comprised of 1,257 in the coastal area and 3,118 inland. Some representors doubt that all these commitments will be built because a number of sites will always fall by the wayside due to owner intentions or deliverability problems and because some planning applications are only submitted in an attempt to test the market or to establish a notional land value. In contrast the Council takes the view that, over the remaining plan lifetime, there is no reason to doubt that all, or very nearly all, of these sites will be developed, particularly if there is a demand for the level of housing suggested by the OAN figure.

59. This is an area where predicting what will happen is beset by uncertainties. Overall we are inclined to agree that there is a reasonable prospect that most of these sites could be developed over the remaining plan lifetime. However, if a notional 10% lapse rate were to be applied (as suggested by some participants), to allow for the possibility that some sites might ultimately not be deliverable, this could see the 4,375 figure reduce to something below 4,000.

Supply from allocations

60. The Council's final revised figures indicate a total potential for 3,810 from allocations in the plan period. This allows for more realistic rates of development on some sites as well as correcting some arithmetical errors within the Plans. It also takes into account the need to delete a small number of allocations, the reason for which will be explained later on. In broad terms this is a reasonable figure and these sites are all capable of being developed in the plan period.

Supply from potential windfalls

61. The Core Strategy sets out a windfall total of 1,935 dwellings. However, a large proportion of this is simply based on a notional 15% of the stated housing target and the overall figure not justified by robust evidence. Indeed, we are doubtful whether any meaningful figure can be determined at this stage, given that rates of windfall development in recent years have probably been inflated by the absence of an up-to-date plan.
62. However, several policies in the plans do support housing development on non-allocated sites. The main scope is within Policy SP3 5 (as modified) which allows development within and adjoining the inland towns and large villages, subject to criteria. Additional housing could also come forward through Policy SP4 (as amended to allow the possibility of some infill within small and medium villages) and through the various exceptions set out in Policies 5, 8, 9 and 18. While it is not possible to define any specific windfall allowance, the application of these policies will be likely to increase the supply of housing over the plan period.

Conclusions about housing supply

63. The Council has concluded that the quantifiable potential supply from commitments and allocations amounts to around 8,185 dwellings, providing a small margin above the housing requirement. It is possible that some discrepancies remain in the supply figures, but a total of around this amount is reasonable. However, if a notional lapse rate is applied to the commitments as outlined above, there would be no safety margin above the housing

requirement of 7,819. Consequently, if any housing allocations fail to deliver, or if more existing commitments fall by the wayside, there is some risk that the overall plan requirement might not be met in full.

64. However, we are not convinced that the Council needs to take any action now to increase the supply of housing. In the first place, the Plan identifies a sufficient supply of land to meet the annual requirement over the next 10 years or so. In addition, there is a strong possibility that some additional supply will come forward through windfall permissions. Thirdly, the Framework only requires a supply of specific sites or broad locations for growth years for 11-15 of the plan, *where possible* (our emphasis). Finally, the Council has committed to review the plan and this will provide an opportunity to revisit the supply of land taking future forecast need into account. At this stage, therefore, the plans provide a sufficient supply of land to help ensure that the housing requirement will be met.
65. However, the statement in the SP DPD which suggests that the allocations in the plan will enable continuous delivery of housing for at least 15 years is not justified given the remaining plan lifetime is less than that. This should be changed (**MM30**).

Main modifications

66. Several changes are required to ensure the housing supply figures set out above are correctly expressed and explained in the Plans; that the specific windfall allowance figures are deleted¹²; and that levels of windfall development are monitored (**MM4**). **MM4** also includes revisions to summary Table A in the Core Strategy, which sets out the housing requirement and how it will be met. It is not necessary to duplicate this table in the SP DPD and it should be deleted (**MM30**). **MM30** also includes several changes that will need to be made to the housing requirement and supply figures presented in the SP DPD to ensure consistency with the amended Core Strategy. **MM54** updates the figures in the "coastal commitments" table in the SP DPD.

Five year supply

The five year requirement

67. The starting point here is the (modified) annual requirement figure of 558 dwellings. This results in a 5 year requirement of around 2,790. To this must be added an *additional buffer* (moved forward from later in the plan period) to ensure choice and competition in the market for land, as required by the Framework. The issue here is whether that buffer should be 5% or 20%, depending on whether or not there has been a record of persistent under delivery of housing.
68. The Council has quantified annual completions since 2001 and compared these against the relevant targets set initially by the Lincolnshire Structure Plan and the regional strategy and then, from 2011 onwards, the annual OAN figure of 481 dwellings. This is a sufficiently long term period and one which appropriately takes account of peaks and troughs in the housing market cycle.

¹² Referred to in the plan as 'other sources of housing'

69. Looked at over this time frame, the cumulative target amounted to 8,486 dwellings. Since 2001, some 7,823 completions have been recorded, a little short of the requirement. However, the scale of the shortfall is not significant over the full length of this 16 year period. Furthermore, there is a clear pattern here. Until 2010 annual targets were generally met or exceeded and, after that date, there has been a shortfall in each year. However, this largely coincided with the economic downturn and its aftermath. Overall, therefore, we are not convinced that, at this stage, there has been a persistent under delivery of housing. As such, an additional buffer of 5% is appropriate at this point. Consequently, the five year requirement would be around 2,930 from 2018 onwards¹³.
70. However, this is a finely balanced judgement given that, since 2011, annual completions have ranged from between 240 and 405, some way below the 481 figure. If this trend continues, a point will be reached in the not too distant future when the under delivery might reasonably be regarded as being persistent. If so, the buffer would rise to 20%, leading to a 5 year requirement of something around 3,357. The point at which this hypothetical position might be reached will be for others to judge, including when making decisions on individual planning applications.

The five year supply

71. Over the course of the examination the Council refined the list of sites it considers will contribute to the achievement of a 5 year supply, eventually arriving at a total predicted delivery of around 4,500 dwellings between 2017 and 2022. A similar level of annual delivery is forecast for 2022-23¹⁴. In part, this is based on the Council's discussions with developers and landowners. However, assessing the precise level of 5 year supply and expected rates of delivery is not an exact science because it involves making assumptions about a large number of sites in respect of likely start dates and annual rates of building.
72. There are many variables here which could be subject to change. However, in broad terms we are satisfied that the most of the sites the Council has listed have a realistic prospect of being delivered over the next 5 years and can reasonably be regarded as deliverable. However, even if a relatively cautious approach is taken and a notional 10% lapse rate applied (to allow for the possibility that some sites may not prove to be deliverable), the 5 year supply around the potential time of adoption¹⁵ is likely to be higher than the 5 year requirement figure of around 2,930 (including a 5% buffer) or around 3,350 (should a 20% buffer subsequently apply).
73. Overall therefore, given the extent of sites with planning permission and the potential for further permissions to be granted over the lifetime of the plan (including on allocations and windfall sites), there is a high likelihood that there will be a 5 year supply of housing land at adoption and a reasonable prospect thereafter. It is also worth noting that, if more development is achieved over the coming years than the annual 558 requirement (as the

¹³ i.e 2,790 plus 5%

¹⁴ i.e over 1,000 dwellings in 2022-23

¹⁵ Sometime in 2018.

Council predicts and as forecast in the housing trajectory added by MM4), then the housing requirement for the subsequent years of the plan would logically reduce. Accordingly, the 5 year requirement would also diminish.

74. To be clear and effective, the Plans should set out the annual OAN figure between 2011 and 2031, completions between 2011 and 2017, the average annual requirement between 2017 and 2031, including with a notional 5% buffer and forecast completions in each coming year. There should also be a commitment to update this information each year (**MM4**).

Conclusions

75. In conclusion, subject to modifications, the housing requirement has been correctly established and the Plans will help ensure that it will be met and that there is a reasonable prospect that a 5 year supply of deliverable housing sites can be provided.

Issue 5 - Is the spatial distribution of housing growth justified, including in the coastal and inland areas and in the towns and the large, medium and small villages? Do the plans set out an appropriate response to the risk of coastal flooding? Has this distribution been appropriately informed by the settlement pattern set out in Policy SP1? Is the policy approach to housing development in these settlements and regarding neighbourhood plans sound? Is appropriate use being made of previously-developed land?

Settlement pattern

76. Policy SP1 divides East Lindsey's settlements into a pattern of towns and large, medium and small villages. The Council categorised individual settlements having regard to the services and facilities they offer. For the villages, this was achieved by attributing point scores for the number and type of services. Inevitably, this involved reaching conclusions about the relative importance of different types of services and the thresholds between the different categories of villages in the hierarchy.
77. The Council's scores were disputed in some settlements. However, having looked at the evidence, including as set out in the Council's hearing statement on this topic, we can find nothing to clearly indicate that any settlement has been incorrectly categorised or that the methodology was fundamentally flawed in any way. Overall, the Council's exercise of planning judgement here appears reasonable. However, the reference in Policy SP1 to where the distribution of housing growth is set out is incomplete (and unnecessary) and so should be deleted (**MM2**). The use of the settlement pattern in distributing housing will be considered later.

Is the overall approach of restraint in the coastal zone justified?

78. The coastal area of East Lindsey is low-lying and therefore vulnerable to flooding from the sea. This affects a sizeable area of land and a number of settlements, including the towns of Skegness and Mablethorpe and several villages. A large number of people live in this area.

79. In response to the risk of tidal flooding, and the potentially severe effects that could result, the Plans seek to constrain housing growth in the coastal zone. This strategy finds expression in a number of policies. Most notably, there are no housing allocations in the coastal zone and, beyond those sites which already have planning permission, new housing development is to be restricted. The aim is to avoid significantly increasing the number of people who are exposed to the risk of coastal flooding and to limit the potential burden on the emergency services, including in assisting evacuation. This is described as a *zero population growth scenario*. However, some policies do allow the potential for specific local housing needs to be met.
80. The coastal zone, as defined in the plan, is based on modelling which shows the extent of the areas which would be flooded in the event of an extreme tidal storm in the North Sea. This takes into account existing flood defences and topography and is based on an event with a 0.5% chance of occurring in any one year (i.e. a 1 in 200 year event). We understand that the modelling is the most up-to-date available and the Council considers that it provides a realistic understanding of how tidal flood waters would behave on the land behind the defences. Indeed the Council has advised that the flood event in and around Boston in 2013 conformed to the flood hazard mapping. Overall, we have no compelling reason to doubt the soundness of the model used or the data and assumptions which have informed it. However, if any revised modelling is carried out, or if there are any significant alterations to flood defences, then the implications should be considered in the review of the plan.
81. The Environment Agency confirmed at the relevant hearing session that the potential effect of off-shore wind farms in breaking up waves and reducing their height had not been modelled. However, any effects on coastal flood risk were thought likely to be marginal and this is not something that justifies taking a different approach. Nor does a direct comparison with the extent of the areas flooded in 1953, given that this event occurred many years ago and the precise circumstances then are unlikely to be the same now or in future.
82. The modelling sets out four levels of flood hazard depending on the depth and speed of the flood waters resulting from the overtopping and breaching of sea defences. The red area represents an *extreme* hazard with a danger to all, including the emergency services. The flood waters in the orange and yellow areas would, respectively, represent a risk to most (classified as a *significant* hazard) and to the vulnerable (a *moderate* hazard). The green area has a *low* hazard rating but, even so, it represents an area which would be covered either by shallow flowing or deep standing water.
83. The Council has pointed to the flooding in 2013 as an illustration of the adverse effects that can happen. In that event a tidal surge caused a significant length of flood defences to be over-topped, causing breaches in four places. This led to a large number of residential and business properties being flooded, as well as a significant amount of agricultural land. A number of buildings, including the visitor centre at Gibraltar Point, were damaged¹⁶. We understand that the flooding could have been more widespread had it not been for a change in wind direction.

¹⁶ As set out in the County Council report – *The East Coast Tidal Surge 5th December 2013 - Lincolnshire's Tidal Surge Response & Recovery 'After Action' Report*

84. In these circumstances, the plans set out a reasonable and justified approach to coastal flood risk which conforms to the sequential risk-based approach required by the Framework. This national policy seeks to steer development to areas with the lowest probability of flooding and to avoid allocating land or permitting development if there are reasonably available sites elsewhere with a lower risk of flooding. Within East Lindsey there are opportunities to locate housing development inland outside of the hazard areas and in sufficient number to help meet the projected needs of the district.
85. The Council's policy approach is strongly supported by the Environment Agency which is responsible for managing the risk of flooding from the sea. Overall the plan sets out an appropriate policy response to the potential impacts of coastal flood risk taking into account climate change and future rises in sea level. We will consider some of the more detailed aspects of this policy approach below. However, an inevitable consequence is that the majority of housing growth will justifiably need to be provided for inland.
86. In reaching this conclusion we are aware that several settlements in the coastal area have a level of service and infrastructure provision that might, in other circumstances, justify additional housing, including through specific allocations. This includes the towns of Mablethorpe and Skegness and potentially some or all of the large villages including, for example, North Somercotes. However, in our view, the nature and extent of coastal flood risk clearly justifies a different approach.

Have settlements in the coastal zone been appropriately categorised?

87. As the Council observed in its Housing Topic Paper, the four levels of flood hazard are not neatly drawn around settlements, but instead weave across the coastal area. In some cases, where settlements fall entirely or mostly within the flood hazard levels, and particularly where the hazard is significant or extreme, a decision to place them in the coastal zone is straightforward. This generally applies to those settlements which are on the coast and lie immediately behind the tidal defences.
88. However, there are some settlements which only partially fall within the hazard zones. These tend to be located a little further back from the coast. In these cases the Council has had regard to the availability of any suitable land which might be developed outside the hazard zones and the length of evacuation routes out of the coastal area through areas at risk of flooding. Such matters can clearly be subject to debate, as has been the case in relation to North Somercotes. However, the Council has made reasonable judgements here and the categorisation of settlements has been adequately justified.

Is the coastal zone clearly set out in the plan?

89. The overall extent of the coastal zone is justified by the modelling referred to above and Policy SP17 lists those settlements to which the coastal policy applies. However, the extent and boundaries of the coastal zone are not very clearly shown in the plan or on the submission policies map. This is partly because the scale and resolution of the coastal zone map on page 80 of the Core Strategy does not allow the detail to be seen, and the Settlement

Proposals Map¹⁷ does not show the coastal zone. The Council has corrected this by making better versions of these maps available, as explained earlier. It is also necessary to briefly clarify what the coastal zone is and that it relates to all four of the hazard classifications set out in the plan. For the same reason the settlements in the coastal zone should be listed in Policy SP3 and it should be clarified that these settlements are regarded as being within the coastal zone. **(MM4)**. Finally, the Key Diagram in the Core Strategy should be amended to make it clear that the extent of the coastal zone is illustrative **(MM1)**.

Is the restriction of new housing in the coastal zone to existing commitments and local exceptions justified?

90. Given the extent and nature of the risk of coastal flooding and the potential to accommodate housing growth inland, the plan's *zero population growth scenario* is reasonable in principle. The Council's intention is to provide sufficient housing to help meet the needs of the local population in relation to the formation of additional households, rather than to support the potential for further in-migration. It therefore assumes that the total population within the coastal zone would remain broadly the same.
91. The Council's 2016 study (Demographic Forecasts Updating the Evidence) concludes that achieving this objective would require an annual dwelling growth of 42/year between 2016 and 2031. This equates to around 630 dwellings. The earlier 2015 study (Updating the Demographic Evidence) arrived a slightly higher figure of 49/year, amounting to 735 dwellings using the earlier 2012-based national projections. This higher figure is the one set out in the Plan. However, whichever of these figures might be preferred, they are both significantly exceeded by the number of houses which have planning permission. As of 2017, the Council considered this figure amounted to 1,257 dwellings. Even if some of this capacity is not delivered, there is clearly adequate provision to facilitate the completion of the 735 dwellings the plan seeks. On this basis the strategy of restricting new permissions for housing, including by not allocating any new land, is justified. However, the plan should be updated to set out the 1,257 figure and to state that this leaves a minimum of 6,562 to be provided inland **(MM4)**.
92. Furthermore, in addition to the existing commitments, the plans contain policies which would allow some additional housing to be permitted in the coastal area to help avoid brownfield sites being left unused and to help provide for specific local needs. Policy SP18 permits market housing on brownfield sites in certain circumstances, as well as affordable housing and housing for vulnerable and minority groups. Policies SP8 and SP9 allow rural exceptions and single plot exceptions in the coastal zone as well as elsewhere in the district, subject to certain criteria. These policies allow some limited additional potential for housing to be built, although the precise amount cannot be quantified.
93. The permissive provisions of the policies referred to above strike an appropriate balance between limiting the risks of flooding to future occupants and the desirability of protecting the character and appearance of the area

¹⁷ In the Settlement Proposals Development Plan Document

while providing better, more flood resilient housing for people already *in situ*. However, Policy SP18 requires amendment to ensure that any housing built for vulnerable or minority groups meets a *specialist* need which cannot be met by the existing housing stock, including in terms of accessibility. To ensure that such housing benefits those already living in the coastal zone, it is also necessary to clarify that it should be subject to local connection criteria in the same way as affordable housing **(MM18)**.

94. Finally on this, the plan presently defines vulnerable and minority groups by reference to the Council's Housing Strategy. This document will soon expire and, in any case, the groups identified are not universally transferable to the context of SP18 which specifically seeks to meet a need for specialist housing. Consequently, to achieve justification and effectiveness, a more flexible definition is required which gives decision makers the discretion to examine the merits of individual cases **(MM29)**.

The effect on the sustainability of coastal settlements?

95. There is some local concern that the policy of coastal restraint could have an adverse effect on the sustainability of some settlements. For example, that it might lead to a reduction in local services and to higher house prices, perhaps making it more difficult for young people to buy or rent housing where they grew up.
96. The Council's view is that there is no clear correlation in East Lindsey between the amount of housing growth and the level and nature of services retained, particularly in villages. The Council's research, as set out in the Sustainable Communities Topic Paper, supports this conclusion. Similarly, the effect on house prices across the coastal zone and in specific settlements is difficult to predict. Furthermore, as noted above, the plans do allow for some housing to be built and various policies in the plan are supportive of economic and tourism development, including through Policies 19, 20 and 21. Taking all of this into account, there is no clear evidence that a restrictive approach to housing would significantly harm the sustainability of coastal settlements. In any case, given the risk and effects of coastal flooding, the approach taken is justified. However, these are matters which can be reconsidered in the review taking into account any evidence available at that stage.

The approach to housing in the inland towns and large villages

Housing allocations

97. The starting point for establishing how much housing should be allocated in the inland towns and large villages has been based on the number of households in each settlement. The Council has then taken into account the number of un-built commitments to arrive at notional 'top-down' residual settlement targets to be met through allocations¹⁸. Overall, it is reasonable to plan for more housing in the larger settlements because these will generally have more capacity to accommodate growth, including in terms of infrastructure and services and, particularly in the largest settlements, job opportunities.

¹⁸ As set out in CD50: Housing Target Table at 1 March 2017.

98. Policy SP1 explains that the settlement pattern will guide the distribution, scale and nature of future development. The settlement pattern itself was derived having regard to the level of services in each settlement. Whilst the distribution of housing development to each settlement has not been precisely calibrated with regard to the exact number of services, it has, in broad terms, been appropriately influenced by the settlement pattern. For example, the plan generally provides more opportunities to develop housing in the towns and large villages than it does in the small and medium villages.
99. In some cases the allocations in individual settlements conform quite closely to the Council's starting point figure. For example, in Coningsby & Tattershall, the residual target is 390 dwellings and the number provided from allocations amount to 417. In other cases, there are more notable divergences from the residual target. However, the allocation of land for housing is a matter of planning judgement and it is not a purely mathematical exercise. The Council explained at the hearings that the variations from the notional starting point were due to local circumstances, including the availability of suitable sites and in some cases the influence of constraints. Overall, although the Council's approach could have been made clearer in the supporting evidence, we are satisfied that reasonable judgements have been made. Some of the following examples illustrate how local circumstances have affected the size of allocations in particular settlements.
100. In Louth the actual allocations in the plan amount to 1,204, which exceeds the residual target of 944 dwellings. However, the number of dwellings proposed is reasonable given Louth is the largest inland town with a good level of services and shops. Despite some local concerns, the Council explained at the hearings that there have been no objections from the local education authority or other infrastructure providers. Furthermore, Policy SP28 states that developer contributions will be sought towards the delivery of infrastructure, where necessary.
101. The plans do not provide any housing allocations in Horncastle despite its status as an inland town. However, this is because there is a significant un-built capacity through sites with planning permission. Consequently, at this stage, there is no clear justification for allocating any more housing land here, even taking the future potential for a bypass into account.
102. Within Spilsby, the residual housing target amounts to 262 dwellings, but 380 are expected to come forward on allocated land during the plan period. In fact, the SP DPD allocates land which could deliver substantially more dwellings than this, although many are due to be delivered after 2031. Site SPY302, as shown in the SP DPD is a standalone site, but sites SPY301, 303, 304, 305 and 306 are all under option to a single developer and are proposed to be delivered as a comprehensive scheme for up to 600 dwellings. The composite site was referred to throughout the examination as SPY310 and this notation on the inset map for Spilsby simply refers to the overall extent of the other sites listed.
103. Taking account of constraints, existing land uses and new land availability, the main future opportunities for housing development in Spilsby are likely to be to the east, firstly on land covered by site SPY310. By allocating the whole of the site now, the Council anticipates that greater benefits will be realised, such as the provision of a doctors' surgery, a road to link the B1195 to Ashby Road

and a larger financial contribution towards education. The developer has confirmed that the Council's expectations are reasonable and, in these circumstances, the potential benefits of a comprehensive development justify the proposed approach.

104. Delivery is projected to be at the rate of 30 dwellings per year, commencing midway through 2019. Allowing for 15 dwellings during 2019, and 30 during each of the remaining 11 years to 2031, Site SPY310 should deliver 345 dwellings in the plan period. The 35 dwellings allocated on standalone site SPY302 are then added to this to give the total of 380 for the settlement. The allocation figures for Spilsby should be updated in Table B in the Core Strategy **(MM4)**, Table A in the SP DPD **(MM30)** and the Spilsby specific section of the SP DPD **(MM47)**.
105. In light of the scale of development proposed, the statement in the introductory section of the SP DPD that the allocation in Spilsby is "reasonably limited" is not justified and it should be removed **(MM30)**. Similarly, the supporting text to Policy SP3 of the Core Strategy states that the Council is not bringing forward any large urban extensions. This is not entirely consistent with the approach being taken in Spilsby and the wording should be refined to reflect the actual approach taken **(MM4)**.
106. Furthermore, for clarity and effectiveness, the supporting text in the SP DPD for Spilsby should be amended to reflect the allocation of composite site SPY310 and the individual analysis tables for sites SPY301, 303, 304, 305 and 306 should be deleted and replaced with a single, comprehensive table for the former. The new table should make reference to the benefits expected to come from the development as discussed above **(MM47)**.
107. Finally, Binbrook and Tetford, despite being large villages, both have no allocations even though there is a residual target to be met after commitments are taken into account. However, both villages are within the AONB and it is reasonable to avoid allocations in such locations, given that the overall housing requirement for East Lindsey can broadly be achieved without any. Similarly, no allocations are proposed in Partney or Huttoft. In Partney, any allocation would only have been very small while in Huttoft, the only sites assessed as being suitable for development were granted planning permission before the plan was submitted. The SP DPD explains why there are no allocations in Binbrook and Tetford, but not in Partney or Huttoft (or Horncastle). For clarity and completeness, the absence of allocations in these settlements should also be explained **(MM30)**. For the reasons set out under Issue 6 below, the same will apply to Marshchapel.
108. The actual allocation figures for each settlement are set out in Table B in the Core Strategy and Table A in the SP DPD. However, the estimated capacity of some allocated sites requires amendment to reflect up to date evidence, including from planning applications and grants of planning permission. The relevant sites and associated main modifications are: HOG309 **(MM39)**; HLC206 and HLC303 **(MM40)**; STK319 **(MM50)**; and WSP314 **(MM53)**.
109. The overall allocation figures in Table B in the Core Strategy, and Table A of the SP DPD should be updated accordingly and it should be clarified that they are not intended as ceilings on the amount of housing that could come forward on any allocated site. The figure for Alford should be set as a minimum target

to be achieved through allocations in the proposed Neighbourhood Plan, and it should be explained that this is a strategic policy¹⁹. In addition SP3 4 should be amended so it more accurately describes the way housing growth has been distributed. **MM4 and MM30** include the relevant amendments. Finally, to achieve clarity and effectiveness, the SP DPD should be amended to explain how individual site capacities have been calculated (**MM30**). We will turn to the detail of individual allocations below.

Housing development in the inland towns and large villages on non-allocated sites

110. Policy SP3 5 supports housing development on non-allocated *windfall* sites in these settlements, where sites are located within or adjoining the main body of the settlement. The policy merely requires such sites to be *spatially appropriate* in that they would not leave development *out of character or isolated from the main body of the settlement*.
111. The Council's intention is to allow a reasonable degree of flexibility for housing development over the plan lifetime and to avoid the rigid prescription implied by drawing settlement boundaries. However, the policy does not provide a clear indication of how a decision maker should react to a development proposal, nor would it provide adequate safeguards against potentially harmful development.
112. This can be rectified by amending the policy to further define where development would be appropriate by making it clear that proposals need to be adjacent to the developed footprint of the settlement and that they should retain the core shape and form of the settlement and avoid any significant harm to the character and appearance of the settlement, surrounding countryside and rural setting. The concept of a 'developed footprint' is a reasonable one in principle and is carefully and adequately defined in the MM. It is also reasonable to ensure adequate pedestrian links are provided and the reference to a footpath connection is a flexible way of ensuring this is achieved. The supporting text should explain this approach and clarify which policies in the plan support such *windfall* development.²⁰ All these changes are set out in (**MM4**).
113. Given these safeguards, it is not necessary to seek to impose any arbitrary percentage growth limits in these settlements or to apply a numerical limit on the size of any individual development on a non-allocated site. However, the situation is different within the AONB. In such locations, to afford adequate protection to the landscape, the policy should be amended so that it is consistent with the Framework's approach to major developments (**MM4**).
114. Even taking the proposed changes into account, the overall approach in Policy SP3 5 is somewhat untested and the effectiveness of the policy should be monitored and the approach taken re-considered when the plan is reviewed (**MM28**).
115. Some concerns were raised about the effect this policy might have on agricultural land. However, Policy SP10 (as amended) will direct development to poorer quality agricultural land, and it is not necessary to repeat that

¹⁹ A strategic policy as envisaged in para 184 of the Framework

²⁰ ie sites which are not specifically allocated

approach here. Furthermore, in a predominantly rural district with limited supplies of previously developed land, the use of agricultural land is inevitable if housing need is to be met.

116. Two further changes are needed in connection with this policy. Firstly, the requirement in Policy SP3 3 that development sites of over 30 should demonstrate *phasing* of development in line with infrastructure requirements has not been adequately justified and should be deleted (**MM4**). However, this will not prevent the Council from seeking appropriate contributions towards infrastructure in line with Policy SP28. The second relates to the statement in the supporting text that conditions could be imposed on outline planning applications to require that reserved matters are submitted within 12 months (rather than the default 3 years set out in legislation). Although the Council's desire to propel delivery is understood, the potential effectiveness of this measure has not been justified and it should be deleted (**MM4**).

The approach to housing in the inland medium and small villages

117. In these settlements Policy SP4 limits housing development solely to brownfield sites provided that specific criteria are met and alternative uses discounted. Although these villages generally have relatively few services, this is an overly restrictive approach which does not sit comfortably with national policy in paragraph 55 of the Framework or the PPG on Rural Housing. This can be rectified by accepting the potential for some small scale infill housing development, subject to tightly defined criteria to help ensure local character and appearance is not harmed. As with Policy SP3, the use of the concept of a 'developed footprint' is reasonable here and is adequately defined in the recommended change (**MM5**). Overall, the policy criteria are satisfactory and will allow reasonable planning judgements to be exercised. Given the policy restrictions and the very limited scale of development envisaged, this change will not compromise the Core Strategy objective of minimising traffic generation. However, given the size and function of these villages, the absence of any specific housing allocations is justified.
118. The policy seeks to support the re-use of brownfield sites and the conversion of any buildings where these are worthy of retention. However, this reasonable aspiration is not very clearly expressed and this should be rectified. Given the rural nature of the District, the policy should also reflect the potential for there to be sites with disused agricultural buildings on them within villages. Although such sites fall outside the national definition of previously developed land, the policy should be amended to allow their re-use or re-development in principle, subject to criteria (**MM5**).
119. Finally, Policy SP4 does not state that it only applies to inland villages. To ensure internal consistency and effectiveness, this should be made clear (**MM5**). Overall, with the recommended changes, the policy achieves an appropriate stance which will allow some development to take place whilst avoiding harm.

Use of previously developed land

120. East Lindsey is a rural area with no significant legacy of previously developed land. However, there is nothing to indicate that the limited potential from such sites will not be reasonably exploited. Indeed, in the coastal area Policy

SP18 accepts housing development on brownfield sites as an exception to the overall policy of restraining housing growth (subject to criteria).

Neighbourhood plans

121. Policy SP6 sets out the approach the Council will take where a neighbourhood plan has been proposed but subsequently fails to be delivered in a timely manner, potentially causing a shortfall in the housing supply. At this time the policy only potentially applies to Alford where the Town Council is preparing a neighbourhood plan which will include housing allocations. Elsewhere the housing supply is being provided primarily from commitments and specific allocations. Consequently, apart from Alford, the plan is not reliant on any Neighbourhood Plans to deliver a supply of housing. Given the Framework explains that neighbourhood planning gives communities direct power to deliver the sustainable development they need, it is reasonable for the plan to expect new housing in Alford to be delivered and shaped through this process.
122. Policy SP6 states that the Council will intervene to produce a development plan if a failure to deliver a neighbourhood plan would lead to a gap in delivery. This is a reasonable safeguard, as is the criteria that will strongly support housing proposals in any interim period. The policy does not specify any particular period for intervention and that will be something for the Council to judge based on the specific circumstances. However, in relation to Alford we understand that the Council has a memorandum of understanding with the Town Council that expects the Neighbourhood Plan to be completed within 6 months of the adoption of these Plans.
123. Some concerns have been expressed that the Alford Neighbourhood Plan has made slow progress in recent years. However, Policy SP6 provides an appropriate safeguard. Choosing when to intervene is a matter for the Council and there is no compelling reason to set out any specific timescales in the policy. Nor is there any need for the plan to be more specific about how or where the 161 dwellings should be provided in Alford, given that neighbourhood planning is intended to empower local people to shape and direct sustainable development in their area. However, a change is necessary to correctly set out the relationship between local and neighbourhood plans **(MM7)**.

Conclusion

124. For the reasons set out above, the spatial distribution of housing growth is justified, the plans set out an appropriate response to the risk of coastal flooding in line with the Framework and the policy approach to housing development in settlements, to neighbourhood planning and in relation to previously developed land is justified.

Issue 6 - Have the sites allocated for housing in the Plans been chosen on the basis of a robust assessment process? Are the individual allocations sound and deliverable?

Site Selection

125. The sites allocated in the SP DPD have been drawn from a much larger pool and each site was initially evaluated for suitability, availability and viability in

the Council's Strategic Housing Land Availability Assessment (SHLAA)²¹. This was carried out in accordance with a methodology based on government guidance at the time and which remains consistent with current advice in the PPG.

126. All of the sites were subject to a desk-top study and were visited by the Council, and specialist input from heritage and other professionals was sought where relevant. The sites were considered against the objectives established in the SA and the conclusions reached in individual cases were refined as new information became available. Any sites which were not included in the SHLAA because they came to light later on were assessed in the same way. The Council's process for identifying and appraising potential housing sites is appropriate in principle.
127. Some concern has been raised that many of the allocations are too small in size and that there are not enough larger allocations to attract national volume housebuilders. However, several allocations have the potential to accommodate more than 100 houses and, broadly, the size of the sites reflects the scale and character of the settlements in this predominantly rural area. Indeed, looking at plan policies and allocations in the round there is scope for national, regional and local housebuilders and individuals to be involved and we do not see the size of sites as a barrier to delivery.

The Use of Evidence – Natural Environment & Flood Risk

128. The Council has had regard to a wide range of data in determining the suitability of the sites selected for allocation. No significant concerns have been raised about the evidence base other than in relation to the natural environment. Unfortunately, the Council did not possess the most up to date list of local biodiversity and geodiversity sites at the time the plan was submitted for examination, but through correspondence with the Wildlife Trust, it was aware of these sites when the allocations were made. Therefore, they were taken into account, albeit not in a particularly transparent way.
129. Moreover, the Council had obtained the latest evidence before the hearings closed so that the relevant local biodiversity sites can now be mapped. These should be added to the policies map when the plan is adopted to ensure that developers of both allocated and non-allocated sites are aware of the constraints they might present; and to ensure that Policy SP24 of the Core Strategy can be applied comprehensively (see Issue 12 further).
130. Only two proposed housing allocations remain in dispute due to concerns about biodiversity. Site SPY302 in Spilsby lies immediately to the south of a Site of Nature Conservation Importance (SNCI). Whilst the text supporting the allocation in the SP DPD notes the need for a buffer to be provided between future development and the ponds to the north, a more general reference to the SNCI is required for justification and effectiveness (**MM47**). This amendment to the supporting text should be repeated in the allocations policy itself (see Issue 2) to ensure that the matter is given sufficient weight in decision-making (**MM31**).

²¹ CD17: East Lindsey Strategic Housing Land Availability Assessment, November 2016.

131. Site BLM310 in Burgh Le Marsh is comprised of neutral grassland and it meets the criteria for being designated a Local Wildlife Site (LWS). Although neutral grassland is not an irreplaceable habitat, the Framework (paragraph 118) and the PPG²² explain that significant harm to biodiversity should be avoided if possible, before mitigation or compensation are sought. In this case the possibilities for mitigation have not been assessed in any detail and, given our conclusions on housing land supply, development on this site can be avoided.
132. Moreover, Policy SP24 of the Core Strategy indicates that development which could adversely affect a locally designated site (or a site meeting the criteria for designation) should only be permitted in exceptional circumstances, where the reasons for the development clearly outweigh the need to protect the site in the long term. It has not been demonstrated that such exceptional circumstances exist and indeed, the Council considered removing the site from the SP DPD until planning permission was granted for 8 dwellings on the frontage in October 2016. The permitted scheme represents only a small proportion of the total 52 dwellings proposed to be allocated on the site and it neither justifies the departure from national policy nor the internal conflict within the submitted plan. Therefore, Site BLM310 should be deleted from the plan's allocations to achieve soundness (**MM35**) and the policies map should be updated accordingly.
133. Flood risk is a further area in which the evidence does not clearly support the allocation of some sites selected for housing. Notwithstanding that they are in 'inland' settlements, a handful of allocations fall wholly or mainly within the various hazard zones for tidal flooding as described under Issue 5 above. Site allocations MAR217, 226, 300 and 304 in Marshchapel; GRA211 in Grainthorpe; and TNY308 in Tetney all include significant areas of land within the hazard zones, and all but MAR226 include some land within the orange zone. MAR217 and TNY308 include land within the red zone, albeit over a small area.
134. The SHLAA, supplemented by representations in respect of Marshchapel²³, concludes that the sites above are amongst the least "risky" of those available for development in each relevant settlement. However, they are subject to a level of risk considered serious enough to rule out all but exceptions housing anywhere in the coastal zone, including on land not itself covered by the red, orange, yellow or green hazard zones. Therefore, as the sites listed above are specifically subject to hazard, it would not be justified to develop them for housing simply because the settlements generally can be classified as "inland". This is notwithstanding the lack of objection from the Environment Agency.
135. Consequently, to achieve a consistent application of the flood hazard zones, and in the interest of public safety, the sites should be deleted from the SP DPD (**MM38** – Grainthorpe; **MM46** – Marshchapel; and **MM52** – Tetney). This should be reflected in the Policies Map upon adoption. **MM46** concerning Marshchapel includes an amendment to the supporting text for that village to explain why no allocations will now be made there.

²² PPG paragraphs 018 Reference ID: 8-018-20140306; and 020 Reference ID: 8-020-20140306.

²³ Representations on behalf of SA Mossop (Farms Ltd) in response to MM consultation.

The use of the SA and other evidence

136. Some of the more general concerns raised by representors in respect of the site selection process for housing include that the SA was not sufficiently sophisticated to differentiate between similar sites or to properly weigh the various positive and negative scores; that insufficient weight was given to detailed evidence submitted by site promoters; and, conversely, that the evidence supporting some allocations lacked the necessary detail, particularly in relation to heritage/archaeology. Overall though, we are satisfied that the SA has been prepared and used appropriately; that the Council has responded to evidence presented by others; and that specialist professional advice has been sought where relevant. Ultimately, the site selection process has required decisions to be made about a large number of sites while having regard to a great deal of evidence. This has inevitably required planning judgement, which has generally been exercised properly.
137. However, site WAI407 in Wainfleet and the composite site SPY310 in Spilsby were omitted from the submission version of the SA in error. This has since been corrected in an addendum²⁴, and the allocations remain sound in light of the analysis it provides. In respect of heritage and archaeology, there are a few instances in which insufficient recognition is given to the potential constraints presented by nearby assets. Amendments are therefore required to ensure that future development will respond to their significance in the manner required by the Framework. The affected allocations and associated main modifications are FRIS317 (**MM31**); NTH308 (**MM31**); SIB303 and SIB406 (**MM49**); and SPY10 (**MM47**). **MM49** also includes an addition to the descriptive text for Sibsey to acknowledge the general importance of the Grade I Listed Trader Mill in the settlement.
138. These modifications and those relating to biodiversity and flood risk are necessary for justification and effectiveness but, as explained above, the sites allocated in the SP DPD have otherwise been chosen on the basis of a robust assessment process. We turn below to the detail of other housing allocations.

Housing allocations – detailed issues

139. Site BLM320 in Burgh Le Marsh is allocated for 12 dwellings at the north-western edge of the village. Viewed in isolation, it appears somewhat detached from the settlement, and this is acknowledged in some potentially negative SA scores against landscape impact and access to services. However, the adjacent site to the east already has planning permission and this abuts the built up area. It is intended that access to the allocated site should be through the permitted scheme and, as both sites are in the same ownership, this should be achievable. Furthermore, the retention of the existing tree belt on the southern boundary of the site would mitigate any significant harm to the landscape. These requirements in respect of access and trees are necessary to justify the allocation, and so they should be referenced in the new policy wording (**MM31**).
140. The descriptive overview table in the SP DPD concerning Mareham Le Fen identifies problems with surface water disposal in the village as an issue with

²⁴ ED047: Site Assessment SPY310 and WAI407.

which major development must contend. Allocated site MLF328 would require a connection to a culvert at the south side of the site to drain surface water to Fen Lane Dyke, which is managed by the Witham 4th Internal Drainage Board (IDB). The IDB has identified some general issues with the condition of the culvert, although it does not appear to be either proposing or requiring any specific remedial action.

141. On the basis of the IDB's position, the analysis table for site MLF328 indicates that development is possible with "major drainage infrastructure changes". However, land drains discharging into the culvert were laid across the entire site in 2014 with the permission of the IDB and, since then, planning permission has been granted for 9 dwellings on the condition that the rate of surface water discharge will not exceed greenfield run-off rates. There is nothing to suggest that the same condition could not effectively be applied to the remaining part of the site given the presence of the land drains and indeed, discussions between the site promoter and the IDB would support this. Consequently, the analysis table for Site MLF328 should be updated to clarify that there are no major infrastructure impediments to development (**MM45**).
142. Site MLF305 would drain via the same culvert as MLF328 and there is no reason why a similar drainage solution could not be achieved. Thus the analysis table for MLF305 should be amended so that it does not prejudge the nature of the infrastructure required. In addition, the settlement overview for Mareham Le Fen should clarify that the drainage issues identified are capable of being resolved (**MM45**).
143. Also in respect of Mareham Le Fen, site MLF303 must take vehicular access through the adjacent allocation (MLF021) to avoid risks to highway safety on rural Chapel Lane. The relevant developers have confirmed their intention to cooperate, but to justify the allocation of MLF303, the access requirements should be set in policy (**MM31**). A similar issue exists in Tetney, where site TNY320 is dependent upon site TNY311 for access. This should be achievable because the Council owns site TNY311, but to give greater certainty, the requirement should be included in the policy wording as well as the analysis tables for each site (**MM31 and MM52**).
144. The analysis table for site SIB303 in Sibsey states that an odour assessment will be necessary given its proximity to the local water recycling centre. However, this is based on an earlier site boundary within 400m of the centre. The boundary within the submitted plan is now 650m away and Anglian Water does not require an odour assessment at this distance. The analysis table should be updated to reflect the revised site area and to remove reference to the need for an odour assessment (**MM49**). Conversely, Anglian Water has recommended that an odour assessment is necessary in the case of site WSP314 in Woodhall Spa. This is required to ensure that satisfactory living conditions can be achieved for future residents (**MM53**).
145. Finally, the analysis table for site HLC206 in Holton Le Clay incorrectly states that the owners have *not* indicated that they wish to develop the site, when in fact they have. This should be corrected (**MM40**). With the modifications referred to above, there is no reason to consider that the relevant sites could not be delivered from a practical perspective. No significant concerns have been raised about the other sites allocated in the plan and so, in this respect, the sites allocated for housing in the SP DPD are sound and will be deliverable

over the plan period. The viability of development is considered under Issue 7 below.

Issue 7 - Does the Plan adequately address the housing needs of different groups in the community, including those who need affordable housing and older people? Are the relevant policies sound?

Affordable Housing

146. Policy SP7 seeks to deliver affordable housing by requiring units to be provided on market sites, or financial contributions to be made in lieu of on-site provision. The policy is intended to apply to affordable housing as defined in the Framework and, for clarity, this should be stated in the plan **(MM8)**. This national definition of affordable housing does not include pitches on Gypsy and Traveller sites. Consequently, the clause in SP7 which would support the use of affordable housing contributions to fund affordable pitches would not meet the "related in kind" test for planning obligations set out in Regulation 122 of the Community Infrastructure Levy Regulations 2010 and paragraph 204 of the Framework. It should therefore be deleted from the policy and supporting text **(MM8)**.

147. Starter Homes, as referred to in the Housing and Planning Act 2016, are similarly not included in the Framework's definition of affordable housing and so Policy SP7 does not apply to them. Whilst the Act intends to impose a duty upon planning authorities to promote the supply of starter homes, the relevant provisions were not in force when the plan was submitted for examination. Neither had any changes been made to national policy. In this context, it would be appropriate for any future changes in this regard to be addressed in the review of the Plans.

Objective assessment of need for affordable housing

148. Policy SP7 identifies a need for 2,825 affordable homes over the period 2016-31. This figure was calculated by following a methodology consistent with that recommended in national policy and guidance. It is informed by the same demographic projections (2012-based) which led to the total OAN for housing being set at 481 dwellings per annum, and so it follows from our reasoning in relation to Issue 3 that 2,825 represents a sound OAN for affordable homes over the plan period.

149. Nevertheless, one year of the plan period has now passed and so the table in SP7 showing the remaining need for affordable housing against the expected sources of supply should be updated for 2017-2031. To achieve internal consistency within the plan, the figures should also be amended to take account of all the site specific and more general modifications required by our report. This would include, for example, the deletion of a specific windfall allowance from the expected supply **(MM8)**.

Delivery of affordable housing

150. Updating the affordable housing table as described above results in an estimated supply of between 2,198 – 2,218 homes over the period 2017-31, against a need for 2,667. Thus delivery could fall short by around 449 homes,

but windfall development and development on sites meeting the exceptional provisions of Policies SP8, SP9 and SP18 will fill some of this gap.

151. The PPG states that an increase in total housing figures included in the plan should be considered where it could help deliver the required number of affordable homes²⁵. However, with the additional supply which can reasonably be anticipated from windfalls and exceptions sites, the shortfall should not be significant over the plan period. Moreover, the total OAN figure of 481 dwellings per year already represents a significant uplift from the most recent 2014-based demographic projections. Consequently no further increase would be justified at this stage, but affordable housing delivery should be monitored in advance of the plan review.
152. In respect of viability, the Economic Viability Assessment²⁶ recommends that the threshold for providing affordable housing should be set at either 10 or 15 dwellings, having regard to the various development costs set out in Section 6 of that document. Policy SP7 sets the threshold at 15. The assessment also demonstrates that some sites in some settlements would be capable of delivering more than the 30% affordable housing generally required by SP7 on relevant sites.
153. However, it is clear from the assessment that universally higher targets would render development non-viable in several areas. Indeed, the evidence suggests that some larger sites in the inland "medium value" towns and large villages would not be able to provide even the 30% required. To deal with such circumstances, Policy SP7 appropriately includes flexibility to negotiate the level of contribution sought (on and off-site), but the precise wording requires amendment to be clear and effective. Further, the supporting text should acknowledge the various factors which can affect the viability of development **(MMS)**.
154. The policy does seek a contribution of 40% in the "very high value" settlement of Woodhall Spa which stands out in terms of the land and property values achieved. However, to tailor the approach further to take account of the differences across the plan area would risk creating an overly complex set of criteria. Therefore, having regard to the Council's experience of affordable housing delivery in East Lindsey and the need for a workable policy, the threshold and contribution requirements of SP7 are justified. To achieve effectiveness however, the wording of the policy should be amended to clarify that the higher contribution sought in Woodhall Spa applies to the whole of that parish **(MMS)**.

Rural and Single Plot Exceptions

155. Policy SP8 concerns the development of rural exceptions sites; houses for workers needing to live in isolated locations; and dwellings with an agricultural tie. Its aims are sound, but its provisions in respect of isolated dwellings should refer to "rural workers" rather than "agricultural or forestry workers" to be consistent with the terminology used in paragraph 55 of the Framework.

²⁵ PPG Paragraph 029, Ref ID 2a-029-20140306.

²⁶ CD23: Review and Update of the East Lindsey Economic Viability Assessment, September 2015.

For effectiveness, it is also necessary to clarify how proposals for temporary accommodation in isolated locations will be assessed before a permanent need can be demonstrated **(MM9)**.

156. Policy SP9 enables individual households who are financially unable to access the market in their local area to use their own resources to build an affordable home. It is intended that the dwellings would be permitted in all the settlements in the Coastal Zone and the inland medium and small villages where market housing growth is restricted. The policy includes criteria to keep them affordable in perpetuity and its aims in this respect are supported by guidance in an adopted Supplementary Planning Document²⁷.

157. There is nothing in national policy to preclude such an approach and the Council considers that it is the best way of meeting the needs of a limited number of individuals in specific difficulty, such as those involved in matrimonial disputes. However, the Council should closely monitor the success of the policy in delivering and retaining dwellings of the desired type in the longer term. It will be particularly important to ensure that it does not provide a means of achieving standard private homes in the strictly restricted Coastal Zone. This requirement for monitoring should be acknowledged in the plan. For effectiveness, the policy should also be amended to clarify the settlements to which it applies (i.e. those referred to above) and, to justify its use in the coastal settlements, it is necessary to require flood mitigation to be provided where relevant **(MM10)**.

Older people

158. The age profile of East Lindsey is older than the national average and, by the end of the plan period, a considerably higher proportion of the population will be over 65 than will be of working age. This is, in part, due to the in-migration of older people attracted to the area²⁸. It can therefore be expected that older people will occupy much of the general housing stock, but Policy SP5 goes further by supporting the provision of specialist housing for those with some need for care. This aim is sound.

159. However, to achieve consistency with Policy SP18, it must be clarified that specialist housing built in the Coastal Zone should either be for local residents, or people needing to move to the coast to be near relatives **(MM6)**. The Council is satisfied that sufficient demand exists locally to support schemes of a viable size and, having regard to the demographic evidence, we do not disagree. The provision of the policy concerning how service providers for older people should interrelate is unclear and requires redrafting. **MM6** includes the amended text.

Conclusion

160. With the modifications set out above, the Plans will adequately address the housing needs of different groups in the community, including older people and those in need of various types of affordable housing. The provisions of Policy SP18 as discussed above will further help to ensure that affordable

²⁷ CD25: Single Plot Exceptions Supplementary Planning Document.

²⁸ See CD10: Demographic Forecasts Updating the Evidence, October 2016.

housing and housing for those in vulnerable and minority groups, including people with disabilities, is provided in the coastal area.

Issue 8 - Does the Plan make adequate provision for the needs of gypsies, travellers and travelling showpeople?

The need for sites

161. Policy SP12 of the Core Strategy establishes a need for 13 permanent gypsy and traveller pitches; 20 stopping/transit pitches; and 2 residential plots for travelling showpeople to be provided in the first five years of the plan period (to 2021). This is based on evidence contained in two studies dated 2012 and 2016²⁹, which cover the period to 2028. Whilst new family formation has been considered and none of the families involved in the consultation reported any intention to cease travelling, no further need has been identified beyond the first five years. This is because most of the children in the few families which reside permanently in the District are young and will not require their own accommodation in the near future.
162. Therefore, notwithstanding that Policy SP12 does not account for the whole of the plan period to 2031, the provision targets it sets are justified. Nevertheless, to ensure that the policy is effective, it should be clarified that the needs identified are for the period 2016-2028. Furthermore, the evidence should be revisited by the time that the plan is reviewed to keep it up to date and to enable the Council to respond to the land supply requirements of national policy in the Planning Policy for Traveller Sites (PPTS)³⁰ **(MM13)**.

Detailed policy criteria

163. Policy SP12 sets criteria for the location, nature and scale of gypsy and traveller sites which are justified and consistent with national policy. However, whereas the policy would permit sites "in reasonable proximity" to towns and large villages, it would require them to be "adjacent" to medium villages. There is no clear rationale for this more stringent condition in medium villages and the Council intends for the same standards to apply across the relevant tiers of the settlement hierarchy. To achieve effectiveness, therefore, both the policy and supporting text should be amended to require sites to be "in reasonable proximity" to medium villages. Similarly, having regard to paragraph 14 of the PPTS which states that the scale of sites should not dominate the nearest settled community, Policy SP12 justifiably places a limit on the scale of *new* sites in medium villages of up to three pitches or plots. The same limit is intended to apply to the extension of existing sites, but this has been omitted in the relevant clause. **MM13** includes the necessary amendments.

Land supply and allocations

164. The SP DPD allocates a site on Brackenborough Road in Louth for 11 permanent pitches; and sites on the Mablethorpe Industrial Estate and Burgh

²⁹ CD37: Gypsy and Traveller Accommodation Needs Assessment for East Lindsey District Council 2012, Ark Housing Consultancy; and CD38: East Lindsey District Council Gypsy and Traveller Study 2016, RRR Consultancy.

³⁰ Planning Policy for Traveller Sites, August 2015, paragraph 10 a-b.

Le Marsh bypass for up to 7 and 18 transit pitches respectively. The Council has confirmed that space is available on existing sites to meet the remaining need for permanent gypsy and traveller pitches identified in the Core Strategy and that planning permission has been granted for the two travelling showpeople plots. Therefore, in numerical terms, the plan includes adequate land to meet the identified need.

165. The three sites allocated in the SP DPD were selected from a total of 10 considered. These included sites identified by the District and County Councils, sites suggested by the consultants who undertook the assessment of needs, and sites put forward by private landowners, although the response to the Council's call for sites was limited. Each potential site was evaluated through a desk top study and site visit, and was put out to public consultation. Each was also subject to sustainability appraisal (Documents CD102 and ED044). This site selection process is appropriate in principle.
166. Turning to the detail of the final allocations, the site in Louth benefits from an extant planning permission granted on appeal in 2011³¹. Amongst the main issues addressed by the Inspector at that appeal was whether the noise generated by the adjacent industrial use would compromise the residential use proposed and, conversely, whether the residential use would prejudice future industrial operations. The Inspector found that subject to conditions designed to mitigate noise, the two uses would be compatible. Nothing significant has changed since the appeal decision was issued and we have no reason to disagree with the Inspector's conclusions.
167. Some of the conditions attached to the extant permission are technical and complex, but the Council nevertheless intends to purchase the site and implement it. Whilst a sale is yet to take place, the Council is negotiating with the landowner and has expressed an intention to compulsorily purchase the site if no agreement can be reached in good time. Thus there is a reasonable prospect that the site will be delivered as envisaged by the plan and so the allocation is essentially sound. However, in order to cater for any circumstances in which a new planning application is made, the site entry in the SP DPD must make specific reference to the constraint presented by noise from the adjacent use and to the need for this to be attenuated (**MM42**).
168. The allocation of the proposed transit site on the Burgh Le Marsh bypass conflicts with the requirement in Policy SP12 of the Core Strategy for safe access to the relevant settlement to be gained on foot by the segregation of pedestrians and vehicles, or by public transport. No public transport is available and Orby Road, which presents the most likely pedestrian route into the village, is unlit and has no footpaths.
169. However, while the bypass is certainly busy, it is only two lanes wide and the presence of a central island just to the west of the site would enable convenient crossing. Orby Road is not particularly busy; it benefits from grass verges for much of its length; and it has the feel of a country lane of the type dog walkers might use. Burgh le Marsh, which is less than 2km away, is in reasonable proximity to the site and most people able to walk any distance could make the journey quite safely if they wished. Therefore, while the site

³¹ Appel Ref APP/D2501/A/09/2114881.

would not comply with the precise terms of Policy SP12, its objectives would be achieved nonetheless.

170. Moreover, planning permission has recently been granted on appeal for the development of this transit site³². The Inspector found that journeys taken by car would need only to be relatively short and that the site would not give rise to significant levels of traffic movement. We agree with this assessment and with his conclusion that the site is reasonably located for access to services and facilities. On this basis, and acknowledging that no better situated site is available, we conclude that the allocation is justified.

171. Therefore, with the changes set out above, the plan will make adequate provision for the needs of gypsies, travellers and travelling showpeople.

Issue 9 - Is Policy SP16 of the Core Strategy justified and consistent with national policy in respect of how development inland should satisfy the sequential test for flood risk? Is it otherwise sound?

172. While the Coastal Zone in East Lindsey is affected by tidal flooding, some of the inland area is also subject to flood risk from rivers and drains. Policy SP16 concerns development in these areas.

173. The supporting text rightly explains that proposals for housing development will be guided away from areas at risk of flooding by applying a sequential approach to site identification. The policy sets out the specific circumstances in which housing development in such areas might be acceptable, but it is intended that all of the criteria should be met. An amendment is necessary to convey this clearly. Similarly, in order to be consistent with Policy SP4 of the Core Strategy, the provision which would allow housing on sites partially affected by flood risk in *towns* should also apply in the large, medium and small villages.

174. In relation to business and commercial development in flood risk areas, Policy SP16 actively supports proposals without requiring a sequential test for flood risk. This is not consistent with national policy in paragraph 100 of the Framework, or national guidance on *Planning and Flood Risk* in the PPG. The intention is to allow commercial schemes which are classified as "less vulnerable"³³ from a flood risk perspective to locate in areas which would otherwise be blighted and could become run-down. This is because less vulnerable uses are potentially acceptable in Flood Zones 2 and 3a as set out in the *Flood Risk Vulnerability and Flood Zone Compatibility* table³⁴ in the PPG.

175. However, the potential for compatibility does not negate the need for development to first pass the sequential test, and so Policy SP16 should be amended to reflect this. Nevertheless, the area over which the sequential test should be applied will be guided by local circumstances³⁵, and so the Council's objective to avoid areas becoming run-down should not be significantly

³² Appeal ref APP/D2510/W/17/3174011.

³³ Table 2: Flood Risk Vulnerability Classification, PPG paragraph 066, Ref ID 7-066-20140306.

³⁴ PPG paragraph 067, Ref ID 7-067-20140306.

³⁵ PPG paragraph 033, Ref ID 7-033-20140306.

undermined. None of the employment sites allocated in the SP DPD are in areas of flood risk.

176. Policy SP16 includes a specific clause concerning foul water treatment and, to ensure clarity, it is not necessary to duplicate the reference in the clause dealing with surface water drainage. This should be deleted. Specialist representations³⁶ indicate that it would be adequate for schemes to demonstrate that foul water treatment could be provided in time to serve the development, rather than at the point of application and so an amendment is included to reflect this. Finally, national policy in paragraph 103 of the Framework sets out the circumstances in which site-specific flood risk assessments are required. The Council does not intend to depart from these provisions and so an amendment is necessary for clarity and consistency with national policy. **MM17** includes all the necessary modifications to Policy SP16.

Issue 10 - Do the Plans make appropriate provision for employment, shopping and tourism? Are the relevant policies sound, including those for centres?

Employment, Centres and Shopping (SP13, SP14 and SP21)

177. Policies SP13 and SP21 of the Core Strategy deal with inland and coastal employment respectively, while Policy SP14 covers town and village centres and shopping, both inland and on the coast.

178. The Employment Sites Assessment³⁷ identifies the amount of additional employment floorspace needed to 2031 using a trend-based calculation which takes account of vacancy rates and past take-up of planning permissions. It does not include an assessment of the other matters expected by the PPG³⁸, such as market intelligence, market signals or the location and premises requirements of particular types of businesses. Nor does it explicitly consider whether the existing employment land available remains fit for purpose, although it does include a qualitative overview.

179. In light of paragraph 21 of the Framework, the lack of a clear evaluation of the needs of existing business sectors and emerging economies is a weakness in the evidence, but the Council's Economic Development Service has provided advice on these matters during the preparation of the Plans. Moreover, its employee density calculations³⁹ indicate that the existing vacant and newly allocated land available can more than provide for the 124 jobs per annum sought, and this is without taking account of employment opportunities elsewhere, including in tourism etc. There is no convincing evidence to suggest that the allocations which will be made in the SP DPD do not have a reasonable prospect of being delivered during the plan period.

180. The Retail and Economic Assessment 2014⁴⁰, which updates a 2012 study, considers the need for retail floorspace in Louth, Horncastle and Alford until

³⁶ Anglian Water Services Ltd.

³⁷ CD41: East Lindsey Employment Sites Assessment, 2016.

³⁸ PPG Paragraph 030, Reference ID 2a-030-20140306.

³⁹ Council's Statement, Stage 1, Matter 13.

⁴⁰ CD46: East Lindsey Retail and Economic Assessment, 2014 Update.

2028. It does not cover the town centres of Coningsby, Tattershall, Mablethorpe, Skegness and Spilsby, which are also defined in the plan, but the Council considers that demand is essentially low in this latter group of settlements and that unimplemented planning permissions would be capable of meeting any demand which might emerge. There is no specific evidence to undermine the Council's position and, in Mablethorpe and Skegness, the policy of housing restraint in the coastal zone might also serve to limit the demand for retail. Therefore, the focus on Louth, Horncastle and Alford is justified by local circumstances.

181. Insofar as it relates to these settlements, the evidence does not cover the whole plan period to 2031, and the need for main town centre uses other than retail is not considered in detail. Furthermore, the Plans make no site allocations to provide for the retail need which has been identified, although in Alford, this could potentially be addressed in the Neighbourhood Plan. This is clearly a departure from the requirements of paragraph 23 of the Framework, but the historic town centres of Louth, Horncastle and Alford are constrained and there is no immediately apparent demand for new sites to necessitate out of centre allocations.

182. Overall, it is clear that the evidence base for employment and retail does not meet all of the requirements of paragraph 161 of the Framework. In consequence, Policies SP13, SP14 and SP21 of the Core Strategy do not fully address the requirements of the Framework on building a strong, competitive economy and ensuring the vitality of town centres. However, having regard to the time it would take to complete new assessments and to the absence of any significant evidence of additional demand, we are satisfied that the policies will provide a satisfactory planning basis for these uses until the plan can be reviewed in full accordance with national policy. To that end, **MM14** and **MM15** include modifications which commit the Council to updating its employment and retail evidence and making an appropriate policy response by April 2022.

183. However, in light of the absence of retail allocations, it is necessary to modify the plan to permit some degree of flexibility over the location of retail development. This is particularly so in Louth, the primary retail centre, where significant employment land relatively close to the centre is available. The Council has exercised discretion in the past to allow compatible retail uses to locate on the industrial estate and this should be continued until the plan is reviewed. **MM14** and **MM15** encompass the necessary amendments. Further modifications are required for other reasons as discussed below.

Policies SP13 and SP21 (Employment)

184. The total supply of employment land provided by the plan comprises land which is already in employment use, and new land to be allocated in the inland towns. However, neither Policy SP13 nor SP21 requires existing employment land to be safeguarded for that purpose, and SP13 it is not clear about how much land is to be allocated (24Ha). Amendments are required to achieve clarity on these issues and to ensure that the plan is effective in securing the relevant land for its intended use. On the latter point, it should be explained

that policies SP13 and SP21 concern land for employment falling under Use Classes B1, B2 and B8⁴¹.

185. In respect of allocated land, it should be stated that the 1Ha of land needed in Alford should be dealt with in the relevant Neighbourhood Plan, while the SP DPD will allocate land elsewhere. As drafted, Policy SP13 suggests that 9Ha of land are due to be allocated in Louth, whereas 14Ha are shown in the SP DPD. Part of the total allocation in Louth is intended to mitigate the risk of the Horncastle site being delayed for reasons related to transport (see Issue 11 below). On account of its size and role in the District, and having regard to the take up of employment land in Louth and elsewhere, we are satisfied that Louth is the appropriate location for this contingency. The figure in SP14 should therefore be corrected to show the full 14Ha of land proposed. No new allocations are proposed in either Skegness or Mablethorpe and, in any case, the references to those towns in Policy SP13 (Inland Employment) should be deleted and moved to Policy SP21 which concerns the coast.
186. Finally, the wording of Policy SP13 should be amended to clarify that the "Named settlements" to which it refers are those identified in Policy SP1 of the Core Strategy. **MM13** and **MM21** include the modifications set out above which are necessary for clarity and effectiveness.

Policy SP14 (Centres and Shopping)

187. The aim of Policy SP14 is to support the development of facilities which contribute to the vitality and viability of the District's centres. Shopping, commercial and community facilities are referenced directly, but there is no mention of the other town centre uses referred to in paragraph 23 of the Framework, such as office, leisure, tourism and cultural facilities. As there is no intention to exclude or discourage these uses, the policy wording should be amended to include them to achieve effectiveness and consistency with national policy (**MM15**).
188. The identification of town centres and the application of particular criteria to development within them is central to the operation of Policy SP14⁴². However, while Coningsby and Tattershall are included in the list of town centres, no town centre boundaries are drawn on the Policies Map. The Council does not wish to define a boundary or boundaries for these adjacent centres due to their small scale, and it does not expect that any problems will arise from exercising the more general requirements of the policy within them. We have no particular reason to disagree, but there is a clear concentration of uses within each centre which it would seem desirable to preserve. Therefore, the effect of applying the policy in this way should be monitored in advance of the Review. In this plan, amendments are required to remove Coningsby and Tattershall from the list of defined town centres, because the provisions requiring a town centre boundary cannot apply to them (**MM15**).
189. Similarly, Policy SP14 indicates that both primary and secondary shopping frontages have been defined as expected by paragraph 23 of the Framework.

⁴¹ The Town and Country Planning (Use Classes) Order 1987.

⁴² It should be noted that a map amendment is required to ensure that the town centre boundary for Louth is shown consistently within the SP DPD.

In fact, no secondary frontages have been identified due to the relatively small scale of the centres involved and the lack of continuous facilities in outlying areas. In these circumstances, the departure from paragraph 23 of the Framework is justified, but the references to secondary frontages should be deleted (**MM15, MM41 and MM56**).

190. Policy SP14 requires an impact assessment to be submitted for proposals outside of town centres which exceed 1,000sqm of floorspace. Paragraph 26 of the Framework permits the setting of a proportionate local floorspace threshold below the default 2,500sqm and, given that the largest supermarket in the District has a net sales area of 1,424sqm, a threshold of 1,000sqm is reasonable. In addition to some locally specific criteria, the Council intends that assessments submitted in accordance with Policy SP14 should evaluate the impact of the proposal upon the vitality and viability of, and investment in relevant centres as required by the Framework. However, this is not clearly expressed and so it is possible that the requirements of the Framework could be overlooked. Consequently, it would be both justified and consistent with national policy to repeat them in the plan. **MM15** includes the necessary modification.

Tourism and Leisure (SP15, SP19 and SP20)

191. Policy SP15 of the Core Strategy seeks to widen the inland tourism and leisure economy, while Policies SP19 and SP20 concern holiday accommodation and the visitor economy on the coast.

192. Policy SP15 achieves an appropriate balance between supporting tourism and protecting the countryside, but there is some confusion between the policy wording and supporting text in respect of where caravan, log cabin, chalet, camping and touring site development can take place. The intention is that such development should be located "in close proximity" to the relevant settlements and so the policy wording should be amended accordingly. Further, the policy presently precludes certain types of accommodation in areas of flood risk, but makes no such stipulation in relation to others. As flood risk is adequately covered elsewhere in the Plans, the reference to it here should be removed to avoid confusion. **MM16** includes the necessary amendments to Policy SP15.

193. Policy SP19 supports the Council's wider objective to grow and diversify the coastal economy through the provision of appropriate holiday accommodation. No specific growth targets have been identified, but the situation is monitored annually⁴³ through the preparation of the "STEAM" report. This should be referred to in the plan as the mechanism for measuring the effectiveness of the policy. The policy includes provisions designed to prevent the loss of hotels and bed and breakfast accommodation in defined Serviced Holiday Accommodation Areas on the coast, but the purpose of these areas is not well-defined. For clarity, their role in providing opportunities for overnight visits in desirable locations should be explained.

194. Policy SP19 also includes provisions to limit both the development and occupation of tourist accommodation in particular circumstances. First, it

⁴³ CD52: STEAM Final Trend Report 2009-2015, Global Tourism Solutions (UK) Ltd.

identifies two areas of open space to be protected from any further caravan development during the plan period: between the settlements of Ingoldmells and Chapel St Leonards; and between Ingoldmells and Addlethorpe. The purpose of this is to prevent the coalescence of the settlements, to protect their individual characters and to limit the impact of caravan development upon the character of the countryside. These aims are consistent in principle with those set out in paragraph 17 of the Framework and it is certainly appropriate to balance the economic and environmental effects of tourism development.

195. However, the coastal strip between Ingoldmells and Chapel St Leonards is continuously developed with caravan parks to the extent that it is difficult to know where one settlement ends and the next begins. Much of the development extends some way inland and, while the area proposed to be protected does provide some relief from this, it is surrounded to the north and south by caravans. When viewed from the countryside to the west, the filling of this space with similar development would have little additional impact.
196. Moreover, planning permission has already been granted for a scheme which would fill much of the space because the Council concluded that the economic benefits would outweigh the environmental effects. Therefore, for both these reasons, the proposed protection of the space between Ingoldmells and Chapel St Leonards is not justified and it should be removed from the plan and the Policies Map should be amended accordingly. The effect of deleting this space upon the District's internationally protected biodiversity sites has been considered in the HRA and no significant adverse impacts have been identified⁴⁴.
197. Conversely, Addlethorpe to the west of Ingoldmells is further inland and separate from the coastal strip development described above. Whilst there are caravan parks in Addlethorpe, they do not dominate the settlement and it retains a more conventional village feel. The protection of the space proposed would limit the inland spread of caravan development along Anchor Lane, and this is necessary to preserve the open character of the countryside beyond. The protection of the space between Ingoldmells and Addlethorpe is therefore justified.
198. Turning to occupancy, Policy SP19 generally limits stays in caravans, log cabins, chalets, camping and touring sites to the period 15 March to 31 October or the following Sunday. An exception is proposed to be made for a limited period of 20 years in specific areas that are presently free from flood risk. However, the areas are not clearly discernible from the relevant maps in the SFRA and no confident proposal to rectify this was forthcoming. Thus this exception could not be implemented effectively and it should be deleted.
199. The 15 March to 31 October restriction is set in response to data collected over a long period which demonstrates that tidal inundation is most likely to occur in the months of November through to March⁴⁵. Some risks remain outside of

⁴⁴ CD96a: Addendum to Habitat Regulations Assessment, Modifications to the East Lindsey Local Plan.

⁴⁵ CD62: Fact Sheet – Seasonal Occupancy restrictions on the Lincolnshire Coast, Environment Agency.

this period, particularly in October and also in April, but the evidence supports continued occupancy at half-term and Easter as an appropriate balance between risk reduction and economic benefit.

200. The Council is working with the tourist industry to establish a reference group to consider mitigation measures which might allow the restriction to be relaxed in some cases, but this work is in its infancy. Moreover, the difficulty that the emergency services could face in seeking to evacuate an unknown number of holiday-makers, who might not have independent transport, carries significant weight. Similar restrictions have operated since the 1960s and no evidence has been presented to suggest that it is causing the industry to decline. Indeed other types of accommodation, such as hotels and B&Bs, remain available to support the objective of providing year-round tourism.
201. Overall, therefore, the occupancy period imposed by Policy SP19 is justified. However, its application to extensions or redevelopments of existing sites which might operate under different conditions could discourage their modernisation and improvement, or lead to multiple restrictions. An amendment is therefore required to ensure that no disadvantage should result from a proposal which would not increase the number of units and would reasonably allow operators to upgrade and renew their facilities.
202. Finally, Policy SP19 expects schemes involving the change of use of a building to holiday accommodation to have no ground floor sleeping accommodation. This is justified on grounds of flood risk and so the same provision should apply to newly constructed buildings. This has been omitted and should be corrected for consistency, justification and effectiveness. **MM19** includes all of the necessary modifications to Policy SP19.
203. Policy SP20 includes provisions concerning development on the Skegness, Mablethorpe and Sutton-on-Sea foreshores. To achieve effectiveness, an amendment is required to clarify that the provisions of Clause 2 are intended to apply only to Skegness (**MM20**).

Issue 11 - Can the road network satisfactorily accommodate the level of growth proposed in the Plans? Is the approach to car parking in town centres justified?

204. Policy SP22 of the Core Strategy concerns transport and accessibility. Strategically, the Lincolnshire Local Plan Tool (LLTP)⁴⁶ has been used to assess the combined impact of development expected to take place across the County on its highway infrastructure up to 2036. For East Lindsey, its overall conclusion in respect of forecast traffic growth during the plan period is that few issues have been identified and so little mitigation is necessary (paragraph 6.5).
205. The LLTP does advise that the situation in Horncastle and on the A16 north of Louth, where congestion is forecast to be greatest, should be examined in more detail. These are long term matters which should be addressed in future plans and we have indicated above that initial discussions are already

⁴⁶ CD72: Lincolnshire Local Plan Tool – Upper Tier Tool Report, September 2015. This was prepared on behalf of the County Council for the seven Lincolnshire districts.

underway in relation to a bypass for Horncastle. In the meantime, Policy SP22 would require transport assessments to be submitted for significant developments and these will consider the capacity of individual junctions where necessary. Therefore, we are satisfied that the highway network can accommodate the planned growth without significant interventions being required.

206. Turning to more detailed issues, the general requirement for all housing developments to provide a minimum of one car parking space per dwelling is justified by the rural nature of the district and the consequently high levels of car ownership. It is intended that an exception could be provided for some town centre developments where it could be demonstrated that parking would not be necessary and/or that it would harm the character of the area. Such an exception would be justified but, as worded, the policy would exempt all town centre sites without caveats. An amendment is therefore required to rectify this **(MM22)**.

Issue 12 - Are the policies relating to the built and natural environment justified, effective and consistent with national policy?

The Built Environment (Policies SP10 and SP11)

207. Policy SP10 of the Core Strategy concerns the aesthetic and functional design of buildings and places. Its various aims are to make efficient use of natural resources; to provide safe and accessible environments; and to protect and create local distinctiveness. These are justified and reflective of national policy. However, the proposal to evaluate the effect of development by reference to a "place-making checklist" would be counterproductive because the "traffic light" response sought is unlikely to elicit the level of detail necessary for meaningful scrutiny of many schemes.
208. To achieve effectiveness, the requirement to submit a completed checklist should be removed from the policy wording and instead, the valid criteria within the checklist should be comprehensively covered. In particular, the matters related to ease of access for people of all abilities, designing out crime and the adaptability of buildings should be added to the policy. It is intended that the checklist should assist in securing consistently good design across the District and that it should help those less familiar with the planning process to understand the principles behind a proposal. In these respects the checklist will serve a useful purpose and it would be appropriate for its completion to be "encouraged", rather than "required", in the supporting text.
209. Policy SP10 requires the preparation of a design brief for certain types and sizes of sites which can be expected to have a significant impact upon the character of an area. The inclusion of "Gateway Sites" (defined as those which lie at the entrance to a settlement) in this category is justified, but a clearer explanation of where such sites will be found, and how an applicant should react, is necessary for clarity and effectiveness. More generally for clarity, the policy should be amended to make it plain that the use of "high" quality materials is required; and that highway safety includes the safety of cycleways and footways as well as roads.
210. Finally, the provisions of the policy concerning the protection of the best and most versatile agricultural land are more stringent than those of paragraph

112 of the Framework. This is not intended and indeed, given the ratio of brownfield to agricultural land in the District, stronger terms would not be justified. An amendment is therefore required to achieve justification and consistency with national policy.

211. **MM11** encompasses the modifications set out above. Once they are made, Policy SP10, together with Policies SP5, SP11, SP26 and the overall strategy of concentrating development in the larger settlements, will ensure that the Plan as a whole makes sufficient provision for inclusive design and accessible environments as required by paragraphs 57, 58, 61 and 69 of the Framework.
212. Policy SP11 seeks the protection of the District's various heritage assets. To be consistent with the statutory duties concerning listed buildings and conservation areas, the policy wording should be amended to require the preservation "or" enhancement of the relevant assets. To ensure that the policy effectively protects Scheduled Ancient Monuments, it should be stated that any necessary evaluation, recording or preservation in situ should be done by a suitably qualified party. With these exceptions, the policy is essentially fit for purpose, but numerous grammatical and typographical errors in the supporting text make for difficult reading. These should be corrected to provide clarity and effectiveness and, for the same reason, the two policy clauses relating to assets at risk should be combined. **MM12** includes all the necessary amendments.

The Natural Environment (Policies SP23, SP24 and SP25)

213. Policy SP23 of the Core Strategy deals with the protection of, and activity within, the District's important landscapes. The recognition that improving public access to the countryside and coast can be beneficial is consistent with national policy on the natural environment and the rural economy. However, the District includes nationally designated AONB and internationally important biodiversity sites on the coast, and the policy requires amendment to ensure that these are given appropriate consideration in decision-making (**MM23**).
214. Biodiversity is covered in detail in Policy SP24. We have explained under Issue 6 above that the submitted plan does not include the most up to date evidence pertaining to locally recognised sites of biodiversity and geodiversity importance. To achieve both justification and effectiveness, the supporting text to Policy SP24 requires amendment to accurately explain the status of the various local sites. Critically, the Council should also commit to keeping the evidence base up to date for the plan period. A further amendment to the supporting text is required to account for the possible inclusion of the District within a Nature Improvement Area during the lifetime of the plan.
215. Finally, to better reflect the provisions of paragraph 118 of the Framework, the policy wording should be amended to clarify that the loss of ancient woodland and aged or veteran trees should be exceptional, and only when the benefits clearly outweigh the loss. In respect of ancient woodland, we note that representors have questioned the accuracy of the maps provided for Woodhall Spa and Saltfleetby in Document ED054. This is a factual matter for the Council to resolve upon adoption. **MM24** sets out the necessary amendments to Policy SP24.

Issue 13 - Is the policy concerning open space, sport and recreation justified, effective and consistent with national policy?

216. A key aim of Policy SP26 of the Core Strategy is for new development to contribute towards addressing deficiencies in outdoor sport and recreation provision identified in the Council's audit published in September 2013⁴⁷. A qualitative assessment was published in 2016⁴⁸ and this confirmed that there had been no change in the number of facilities available. The evidence is therefore reasonably up to date numerically. Some of the survey information used for considering demand is now dated, but a new audit is in progress and this will draw upon the latest surveys undertaken by Sport England and data from the 2011 Census. This should be available by the time that the plan is reviewed.

217. In the meantime, the present study relies upon the national Fields in Trust (FIT) benchmark guidelines for setting aspirational provision targets and for measuring current deficiencies. The PPG advocates the use of Sport England's guidance on how to assess the need for facilities, but essentially it states that this is a matter for local planning authorities. The Council's experience suggests that it will be able to secure appropriate contributions towards the provision of outdoor sport and recreation by reference to the FIT standards. Their use is therefore justified and consistent with paragraph 73 of the Framework, although consideration should be given to setting locally specific standards once the new study is complete.

218. Nevertheless, the specific provision standards the Council seeks in relation to particular facilities are not clearly set out in the plan. There is no intention to produce any supplementary guidance and it is not easy to find the individual standards within the structure of the 2013 audit. Therefore, the standards should be included in the plan. Moreover, both the policy wording and the supporting text lack detail in relation to implementation. It should be clarified that the policy applies to schemes of 10 or more dwellings and that either on-site or off-site contributions could be sought. **MM25** includes the modifications necessary for effectiveness and to provide clarity and certainty for developers. It further includes an amendment to the policy clause concerning the loss of facilities to fully reflect the terms of paragraph 74 of the Framework and to clarify that a proposal need only comply with one of the conditions set out.

Issue 14 - Are the policies relating to renewable and low carbon energy; and infrastructure and S106 obligations justified, effective and consistent with national policy?

Renewable and Low Carbon Energy (Policy SP27)

219. Policy SP27 of the Core Strategy seeks to encourage energy generation from a variety of low carbon and renewable sources, including wind. The Written Ministerial Statement of 18 June 2015 (WMS)⁴⁹, which the PPG now reflects, is clear that planning permission for wind energy development involving one or more wind turbines should only be granted if the development site is in an

⁴⁷ CD86: Sport and Recreation Audit, Outdoor Provision, September 2013.

⁴⁸ CD87: East Lindsey Sports and Play Facilities Quality Assessment 2016.

⁴⁹ House of Commons Written Statement (HCWS42), 18 June 2015.

area identified as suitable for wind energy development in a Local or Neighbourhood Plan. Whilst the supporting text to Policy SP27 makes reference to this requirement of the WMS, the plan does not identify an area suitable for wind energy development. It is, therefore, inconsistent with national policy.

220. However, the Council has prepared a topic paper⁵⁰ which considers the various factors and designations which could act as constraints upon wind energy development. It broadly concludes that most of the District could potentially be suitable for such development, but that the two coastal areas of Wainfleet Wash Saltmarsh and Donna Nook to Gibraltar Point Naturalistic Coast are particularly sensitive. They are recognised in the Landscape Character Assessment as being highly sensitive to change; and they contain sites of international importance for biodiversity.
221. The analysis in the topic paper provides a robust basis for identifying an area suitable for wind energy development as required by the WMS: essentially the whole of the District minus the two sensitive areas referred to above. **MM26** sets out the amendments necessary to give effect to this, and the relevant area should be added to the Policies Map accordingly. Further amendments are required to ensure that significant commercial energy infrastructure is not automatically prohibited in the AONB without reference to the tests in paragraph 116 of the Framework; and to remove reference to the Code for Sustainable Homes, which is now outdated. **MM26** includes these changes.

Infrastructure and S106 Obligations (Policy SP28)

222. Policy SP28 of the Core Strategy aims to ensure that sufficient infrastructure is in place to support the development proposed in the plan, including by requiring developer contributions where necessary. The Infrastructure Delivery Plan (IDP)⁵¹ provides the evidence base for the policy and this identifies deficiencies in waste water recycling facilities, school places and health services as potential problems to be addressed during the plan period.
223. The Council has worked with the relevant service providers during the preparation of the IDP as required by paragraph 162 of the Framework. Its experience suggests that collecting financial contributions from qualifying developments will secure sufficient funding for the health and education infrastructure required, notwithstanding the current pooling restrictions. We have no evidence to the contrary. In respect of waste water infrastructure, Anglian Water has not objected to any of the allocations proposed in the plan, and it has a statutory duty to provide the necessary facilities. Thus there is a reasonable prospect that the infrastructure deficiencies identified in the IDP can be overcome.
224. However, Policy SP28 as submitted is not sufficiently clear about the circumstances in which financial contributions towards the delivery of infrastructure might be sought. Therefore, to enable the policy to be implemented effectively, amendments are required to define the types of facilities towards which contributions might be needed; and to explain that the

⁵⁰ Core Strategy Topic Paper, Wind Energy, November 2016.

⁵¹ CD92: East Lindsey District Council Infrastructure Delivery Plan, January 2017

IDP should be consulted for advice about where deficiencies exist. Given the intended role of the IDP for decision making purposes, the Council should commit to an annual review of the document. It is also necessary to clarify that contributions would be sought from major developments only, but the requirement that they should not compromise viability should be removed from the policy. Development should not generally go ahead in the absence of the infrastructure necessary to support it. **MM27** covers the modifications described.

225. Turning to the SP DPD, the commentary on education in respect of Hogsthorpe suggests that there are capacity issues at the primary school. However, the school was extended in 2016 and the issues were thereby resolved. **MM39** includes the amendment necessary for accuracy. Similarly, amendments are required to the settlement text for Tetford to accurately describe the infrastructure serving that village. It does not have a pre-school facility and it is served by C-class rather than B-class roads (**MM51**).

Issue 15 - When should the review of the Plans take place?

226. A commitment to a review of the Plans within an agreed period is necessary for several reasons, as outlined throughout the report. This aligns with the approach on plan reviews set out in the PPG and in Examining Local Plans Procedural Practice. The recommended policy sets out some specific issues which will fall within the scope of the review. However, it does not need to specifically refer to every aspect of the Plans which might reasonably need to be re-considered. However, a reference should be made to monitoring the impact of policies (**MM1**).

227. Deciding on a particular timetable for the review is not clear cut. One of the Council's main reasons for a review is to assess the effectiveness and effects of coastal housing restraint. If the review is carried out too soon there will be little evidence on which to assess any effects on migration patterns, the housing market, the sustainability of coastal settlements and the coastal economy. Conversely, some aspects of the plan would benefit from being reviewed as soon as is feasible, including employment and retail need.

228. In this context a target which sees the review being submitted for examination by April 2022 strikes a reasonable balance. This commitment should be set out in a new policy and explained in supporting text (**MM28 and MM4**). A review will also provide an appropriate mechanism for considering any changes to national policy which might be put in place in the near future, including a standardised approach to calculating housing need⁵².

229. Some representors have raised concerns that the review may not be carried out to the stated timescale and that the implications of this possibility should be made clear in the Plans. This concern is understandable given that the current Local Plan was adopted in 1999 some 19 years ago and actually dates back some years before that. However, if the review is not carried out to the specified timescale, the weight to be attached to any relevant policies in the Plans when determining a planning application would be a matter for the

⁵² As originally set out in the Government's consultation document 'Planning for the Right Homes in the Right Places'.

decision-maker to consider at that time, having regard to national policy, the circumstances of the case and any relevant material considerations, potentially including the position on housing need, supply and delivery. This is not a matter which the Plans need to pre-judge.

Overall Conclusion and Recommendation

230. The Plans have a number of deficiencies in respect of soundness and legal compliance which have been explored in the main issues set out above. For those reasons, in accordance with Section 20(7A) of the 2004 Act, we recommend that the Plans are not adopted as submitted.

231. However, the Council has requested that we recommend MMs to make the Plans sound, legally compliant and capable of adoption. We conclude that with the recommended main modifications set out in the Appendices, the East Lindsey Core Strategy and SP DPD satisfy the requirements of Section 20(5) of the 2004 Act and meet the criteria for soundness in the Framework.

Jeremy Youle and Louise Phillips

Inspectors.

This report is accompanied by Appendices A and B containing the Main Modifications.