

**APPENDIX 1 – INSPECTOR’S INTERIM VIEWS & CLARIFICATION (6 & 28/11/14)**

**CHESHIRE EAST COUNCIL  
EXAMINATION OF THE CHESHIRE EAST LOCAL PLAN STRATEGY  
INSPECTOR’S INTERIM VIEWS ON THE LEGAL COMPLIANCE AND SOUNDNESS  
OF THE SUBMITTED LOCAL PLAN STRATEGY**

1. Following the adjournment of the hearing sessions on 3 October 2014, I confirmed that I would inform Cheshire East Council (CEC) about the future progress of the examination. On 22 October 2014, I indicated that I would let CEC have my interim views on the legal compliance and soundness of the submitted Cheshire East Local Plan Strategy (LPS) on the basis of the evidence and discussions so far during the examination. CEC has confirmed that it would welcome such communications with the Inspector.
2. Having considered the submitted LPS, the representations, submission documents, background evidence, hearing statements, legal submissions and the discussions and material submitted so far during the course of the examination, I outline my interim views on the legal compliance and soundness of the submitted plan below. These views are without prejudice to any final conclusions on the legal compliance and soundness of the submitted plan when the examination is completed.
3. The purpose of these interim views is to inform CEC about whether they have met the legal requirements, including the Duty to Co-operate, and whether the approach to the overall strategy, including the economic and housing strategy, objective assessment of housing needs, settlement hierarchy and spatial distribution of development, approach to the Green Belt and Safeguarded Land, and other strategic policies, seems soundly based. These interim views also identify those matters of soundness on which further assessment and evidence is needed before the examination can continue.

**A. Summary of interim views**

4. In summary, my interim views are that:
  - The Council has met the minimum legal requirements of the Duty to Co-operate;
  - The economic strategy is unduly pessimistic, including the assumptions about economic growth and jobs growth, and does not seem to fully reflect the proposals and initiatives of other agencies and the extent of site allocations proposed in the submitted plan;
  - There is a serious mismatch between the economic strategy and the housing strategy of the submitted plan, particularly in the constrained relationship between the proposed level of jobs and the amount of new housing;
  - There are shortcomings in the Council’s objective assessment of housing needs, both in terms of establishing an appropriate baseline figure and failing to specifically take into account and quantify all relevant economic and housing factors, including market signals and the need for affordable housing;
  - The proposed level of future housing provision seems inadequate to ensure the success of the overall economic, employment and housing strategy;
  - The proposed settlement hierarchy seems to be justified, effective and soundly based, but further work is needed to justify the spatial distribution of development, including addressing the development needs of settlements in the north of the district;
  - The process and evidence relating to the proposed amendments to the Green Belt boundary in the north of the district seem flawed, particularly the release of sites from the Green Belt and the provision of Safeguarded Land, and there seems to be insufficient justification for establishing a new Green Belt in the south of the district;
  - Most of the concerns about the content and soundness of other strategic policies can probably be overcome by detailed amendments to the wording of the policies and accompanying text.

**B. Legal and Procedural requirements, including the Duty to Co-operate**

5. Section 19 of the Planning & Compulsory Purchase Act 2004 (as amended) requires development plans to be prepared in accordance with the Local Development Scheme, to have regard to national policies and guidance and to the Sustainable Community Strategy, and to comply with the Statement of Community Involvement. It also requires the Council to carry out a sustainability appraisal of the proposals in the plan and prepare a report of the findings of the appraisal.

6. The latest Local Development Scheme<sup>1</sup> (LDS) was approved in May 2014, just before the LPS was submitted for examination. The LPS is prepared in accordance with the content and timescale outlined in that document, and is also consistent with the content of the earlier LDS<sup>2</sup> which was current when the plan was being prepared and published for consultation. I deal with consistency with national policy and guidance later. The submitted LPS also has regard to the vision and priorities for action set out in the Sustainable Community Strategy<sup>3</sup>. The adopted Statement of Community Involvement<sup>4</sup> indicates that CEC will consider any representations made on the final plan prior to submission, even though the legislation and associated regulations do not require CEC to formally consider such representations. This was undertaken by officers in the Spatial Planning Team under delegated powers, in consultation with the relevant Portfolio Holder, before preparing a Statement of Consultation outlining the number of representations and the main issues raised<sup>5</sup>. CEC has also produced Self-Assessments of Legal Compliance and Soundness of the submitted LPS<sup>6</sup>, including consistency with the new Planning Practice Guidance (PPG).

#### *Sustainability appraisal*

7. The NPPF<sup>7</sup> confirms that a sustainability appraisal which meets the requirements of the SEA Directive should be an integral part of the plan preparation process and should consider the likely significant effects on the environment, economic and social factors; further guidance is given in the PPG<sup>8</sup>. Sustainability appraisal (SA) has been undertaken at all stages during the preparation of the plan, from Issues & Options through to the Town Strategies, Development Strategy, Policy Principles and Pre-Submission version of the plan, culminating in the Sustainability (Integrated) Appraisal (SIA) accompanying the submitted LPS<sup>9</sup>. This is a comprehensive document which evaluates the predicted social, economic and environmental effects of the policies and proposals in the submitted plan, along with the mitigation required and reasonable alternatives.
8. At the hearings, some participants were concerned that the SA work had not considered alternatives to the North Cheshire Growth Village (NCGV) and the release of sites from the Green Belt, along with mitigation and alternative strategies, including options for higher levels of growth. However, CEC has provided the references to where these matters have been assessed, either in the SIA or in other documents<sup>10</sup>. CEC has also considered a wide range of alternative options, not only for the spatial distribution and scale of growth, but also addressing mitigation measures, cumulative impact and assessing alternatives to the NCGV and release of Green Belt sites.
9. However, options involving higher levels of growth above 1,600 dwellings/year (dpa) were not considered through the SA process, since CEC did not consider this as a reasonable alternative. Nevertheless, as part of its forecasting work on the objective assessment of housing needs, CEC undertook a wide range of forecasts involving options up to 1,800dpa and 1.2% jobs growth<sup>11</sup>, but these were considered to be unrealistic. However, some of these higher levels of development might better reflect the objectives of the preferred strategy, particularly for economic growth and meeting housing needs. The choice of reasonable alternatives for environmental assessment is a matter for CEC's judgement as decision-maker<sup>12</sup>, and it has also been held that any shortcomings in this process can be rectified in a subsequent addendum<sup>13</sup>. Nevertheless, there is the risk that the failure to fully assess the social, economic and environmental implications of these higher levels of growth options in the SA work could be subject to subsequent legal challenge, and CEC may wish to consider this matter further.

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<sup>1</sup> SD 022

<sup>2</sup> PS D005

<sup>3</sup> BE 049 – Ambition for All

<sup>4</sup> SD 021

<sup>5</sup> PS D003.001

<sup>6</sup> PS B005; PS B004; PS B006b (14)

<sup>7</sup> National Planning Policy Framework (NPPF; ¶ 165)

<sup>8</sup> Planning Practice Guidance (PPG; ID: 11-001-025-20140306)

<sup>9</sup> SD 003

<sup>10</sup> PS D003.002

<sup>11</sup> SD019

<sup>12</sup> Ashdown Forest Economic Development LLP v SSCLG, Wealden DC & South Downs NPA [2-014] EWHC 406

<sup>13</sup> Cogent Land LLP v Rochford DC [2012] EWHC 2542 and PS D008

### *Plan-preparation process*

10. Some parties have raised legal issues about pre-determination, suggesting that the plan's strategy was determined before consultation was undertaken on potential additional sites. CEC has addressed these issues satisfactorily<sup>14</sup>. Other parties are concerned about the limited influence that consultation has had on the final plan. Preparation of the plan began shortly after local government reorganisation that established Cheshire East as a local authority in 2010. Consultation was undertaken throughout this process, from Issues & Options and Place-Shaping stages through to the Town Strategies, Development Strategy and Policy Principles, potential additional sites, Pre-Submission plan and finally on the Submission plan. This has been an iterative process, with the plan being modified after each period of consultation, although the basic strategy has remained similar since it was set out in the Development Strategy in January 2013.
11. Both the NPPF and PPG give flexibility in the plan-making process, indicating that future needs and opportunities should be assessed, developing options for addressing these, identifying a preferred approach, and supporting the plan with robust, focussed and proportionate evidence gathered during the plan-making process to inform the plan rather than being collected retrospectively<sup>15</sup>. In most cases, this guidance has been followed, with discussions and consultations about options for the strategy and site allocations, before refining the plan as preparation has proceeded. Moreover, the background evidence base is comprehensive, most of which was available as the plan-making process continued. The degree and frequency of consultation is extensive, reflecting the localism agenda, although in some cases, some of this consultation may have had a limited influence on the emerging plan.
12. However, some key elements of evidence (such as the Green Belt assessment) were not completed until after key decisions had been made about the strategy (including the release of Green Belt sites), and other key evidence (such as detailed highway and traffic assessments for some of the larger strategic allocations) has yet to be completed. This seems to suggest that the basic strategy may have been determined and the plan submitted for examination before all the key evidence was in place.

### *Duty to Co-operate*

13. Section 33A of the Planning & Compulsory Purchase Act 2004 (as amended) requires the Council to co-operate in maximising the effectiveness of plan-making, and to engage constructively, actively and on an on-going basis with neighbouring planning authorities and prescribed bodies when preparing development plan documents with regard to a strategic matter. This is defined as sustainable development or use of land which has or would have a significant impact on at least two planning areas, including sustainable development or use of land for strategic infrastructure.
14. The Duty to Co-operate (DTC) is an on-going requirement throughout the preparation of the plan. It does not need to result in agreement between the relevant authorities and prescribed bodies, but local authorities should make every effort to secure the necessary co-operation on strategic cross-boundary matters before they submit their local plan for examination. Effective co-operation is likely to require sustained joint working with concrete actions and outcomes. The DTC is related to the requirements in the NPPF<sup>16</sup>, which indicate that planning should take place strategically across local boundaries and confirm that strategic priorities can include the homes and jobs needed in an area, along with infrastructure and other facilities; it also sets out the soundness tests which require plans to be positively prepared and effective. Further guidance on meeting the DTC is given in the PPG<sup>17</sup>.
15. CEC has submitted evidence outlining how it has engaged constructively, actively and on an on-going basis with neighbouring local authorities and prescribed bodies during the course of preparing the plan<sup>18</sup>. It has identified the main strategic priorities of the strategy, including promoting economic prosperity, creating sustainable communities, protecting and enhancing environmental quality, and reducing the need to travel.

<sup>14</sup> M1.001; Annex 1

<sup>15</sup> Planning Practice Guidance (PPG; ID-12)

<sup>16</sup> National Planning Policy Framework (¶ 156; 178-182) [DCLG; March 2012]

<sup>17</sup> Planning Practice Guidance – Duty to Co-operate (PPG; Ref. ID: 9) [DCLG; March 2014]

<sup>18</sup> SD013; SD014; PS B011; PS B012; PS B020; PS B023

These strategic priorities may not necessarily represent the strategic matters referred to in the legislation, but CEC has identified the cross-boundary implications of these strategic priorities, including meeting development and resource needs, providing infrastructure to meet these needs, and minimising any adverse impacts of the plan's site-specific proposals on neighbouring areas.

16. The supporting evidence sets out the role of CEC and other agencies, along with the methods of engaging with neighbouring authorities and prescribed bodies, including meetings and gathering joint evidence; it also outlines how cross-boundary strategic issues have been addressed. Memoranda of Understanding (MOU) have been completed with neighbouring authorities, including Stockport MBC, High Peak BC, Staffordshire CC and the north Staffordshire authorities; other correspondence confirms the position of neighbouring authorities and prescribed/other bodies. Not all of this was completed by the time the plan was submitted for examination, but the basic position of neighbouring authorities and prescribed bodies was known before submission. Most importantly, this evidence confirms that none of the neighbouring authorities or prescribed bodies considers that CEC has failed to meet the legal requirements of the DTC.
17. In terms of cross-boundary development needs, CEC approached neighbouring authorities to ascertain whether they would be able to meet some of CEC's housing needs, but none could assist. Moreover, as far as CEC is concerned, the plan fully meets the objectively assessed need for housing and employment development within its area. At a late stage in the plan-making process, CEC agreed to provide 500 dwellings to meet some of the housing needs of High Peak BC; concerns about the justification for this provision are more related to the soundness of this element of the plan, rather than any failure to co-operate. Apart from this provision, there are no known outstanding housing needs of other authorities which have to be met within Cheshire East. Information is emerging about possible difficulties of the Greater Manchester authorities in meeting their longer term housing needs, but no figures, options or possible strategies are currently available.
18. A key element of cross-boundary planning is the extent of the appropriate strategic housing market area. However, most parties agree that Cheshire East is a reasonably self-contained area, subject to recognising the links with Cheshire West & Chester, Greater Manchester and north Staffordshire and the existence of more localised housing market sub-areas within Cheshire East. Migration patterns and linkages between Cheshire East and adjoining areas have also been considered. There are serious challenges to CEC's objective assessment of housing needs, but these relate more to the soundness of the plan rather than to the DTC.
19. CEC has considered cross-boundary economic issues and employment land needs, including strategic sites, employment land provision, travel-to-work areas, socio-economic linkages and commuting issues. The employment land proposals in the LPS address the needs of Cheshire East, but have regard to employment provision outside the area, including growth at Manchester Airport. CEC has considered Green Belt issues, including proposals to release land within Cheshire East from the Green Belt. However, a review of Cheshire East's Green Belt came relatively late in the plan-making process, after initial decisions were made on the need to release sites from the Green Belt. CEC did not undertake a strategic review of the wider Green Belt (including land within adjoining authorities) since adjoining plans were at different stages and CEC could not make proposals relating to land outside its boundaries. This is an important issue in terms of the soundness of the LPS, which is dealt with later, but does not necessarily represent a failure of the DTC.
20. CEC has considered cross-boundary regeneration issues, including the impact of proposed development on the regeneration of the Potteries/North Staffordshire. Cross-boundary issues relating to highways, transport and infrastructure have been considered, although some work remains outstanding. CEC has also co-operated and engaged with adjoining authorities about cross-boundary minerals and waste issues, as well as the possibility of meeting the needs of gypsies and travellers<sup>19</sup>.

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<sup>19</sup> SD013; SD014; M1.001

21. Some parties are concerned about the timing and degree of engagement and co-operation with some neighbouring local authorities, including Stockport MBC (SMBC) and the north Staffordshire authorities. Although SMBC agreed a MOU with CEC, this was completed before they made their formal representations on the submission plan; the MOU sets out the areas of agreement, but does not indicate points of disagreement. SMBC's representation on the submitted plan sets out details of the process of consultation and engagement between CEC & SMBC, and questions whether CEC has had adequate regard to SMBC's concerns during the plan-making process. It also raises concerns about the release of land from the Green Belt, particularly at Handforth East, and the cross-boundary infrastructure implications of such releases, particularly on the road network in and around Stockport, along with possible references to meeting some of SMBC's Gypsy & Travellers needs. These latter concerns largely relate to the soundness of the strategy and the site-selection process, but concerns about the process of consultation and engagement between CEC & SMBC may have some validity.
22. Although there were a few meetings with SMBC during the earlier stages of plan preparation and consultation at the relevant stages, CEC did not begin active engagement with SMBC until mid-2012 when the possibility of releasing land from the Green Belt at Handforth East was first mentioned. At that time, no full review of the Green Belt had been undertaken, either including or excluding the Green Belt areas in Stockport. Following consultation on the Town Strategies (which included the possibility of releasing Green Belt land at Handforth East), SMBC raised concerns about the emerging strategy, but most constructive meetings did not take place until March-July 2013, after CEC had made its initial decisions on the Development Strategy (January 2013) and before consultation on potential additional sites and meetings in late 2013/early 2014.
23. The general impression is that full collaboration and engagement between CEC & SMBC did not take place in a meaningful way until the initial strategy of the LPS had been decided. The meetings and engagement that took place did not significantly influence the strategy, apart from amendments to the extent and boundary treatment of Green Belt releases. Of course, the DTC is not a duty to agree, but there are several significant outstanding concerns and points of disagreement, not only about the principle of releasing land from the Green Belt at Handforth East, but also about the cross-boundary implications and infrastructure requirements of this proposed development. Many of SMBC's concerns relate to the planning merits, soundness and infrastructure requirements of this major proposal, but this suggests that CEC did not engage with SMBC at an early enough stage in the preparation of the LPS to ensure that the plan was as positively prepared as it could have been.
24. Similarly, active engagement with the North Staffordshire authorities came rather late in the plan-making process, after initial decisions had been made on allocating land for employment and housing development near the county boundary at Alsager. These meetings resulted in some amendments to these proposals, including the amount of housing and the phasing of employment, but did not significantly influence the overall strategy or the selection of the proposed sites. CEC points out that it is difficult to undertake meaningful engagement without some specific proposals, but earlier co-operation and engagement could have influenced the strategy and site-selection process and resulted in a more positively prepared plan.
25. Some parties are concerned about the degree and effectiveness of co-operation with Cheshire West & Chester Council (CW&CC), particularly about Middlewich, a town which straddles the boundary between the two authorities. CW&CC's Local Plan, currently being examined, includes a specific policy (STRAT 7) which establishes the principle of close working with CEC for considering land allocations in CW&CC's area adjoining Middlewich, enabling the possibility of cross-boundary provision if necessary in the future. However, at present, both authorities intend to fully meet their development needs within their respective areas and neither relies on the other to meet some of their development needs within the current plan period. This situation has recently been confirmed in a joint statement<sup>20</sup>.

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<sup>20</sup> PS D003.003

26. Other parties are concerned about the apparent lack of consultation with other authorities in the Greater Manchester area, and a failure of the plan to have regard to key developments on the northern fringe of Cheshire East (such as Woodford Aerodrome) or specific proposals and initiatives of the Local Enterprise Partnership (LEP). However, CEC has engaged with these bodies at various times during the preparation of the plan and is aware of these major developments and initiatives. The status and timescales of the adjoining development plans do not assist joint working with CEC or the gathering of joint evidence.
27. Most of the prescribed bodies have been involved in the plan-making process, including Highways Agency, Environment Agency, Natural England and English Heritage. However, even though the Highways Agency expressed some concerns about the impact of proposed developments on the strategic highway network during consultation, work is now in hand to rectify these shortcomings, with agreed joint funding of studies<sup>21</sup>. Meetings have also been held with other county and district planning authorities to discuss particular highway issues. Recent meetings with other prescribed bodies have resulted in agreement to detailed amendments to some of the policies and text of the plan<sup>22</sup>, and these bodies raise no issues relating to the DTC. Since many of the outstanding concerns have been resolved, albeit after submission, this does not suggest any fundamental shortcomings in the DTC process as far as these bodies are concerned.
28. In considering the legal requirements of the DTC, my main concern is the nature, extent, effectiveness and timing of co-operation and engagement during the earlier stages of plan preparation; this particularly relates to the positive involvement of neighbouring authorities in influencing the overall strategy and site-selection process and considering the cross-boundary implications of some of the strategic allocations, particularly on the northern and southern fringes of Cheshire East. The nature, timing and extent of collaboration and engagement with neighbouring authorities as part of the DTC suggests that the plan-making process was not as positively prepared as it could have been. However, although key issues relating to the release of land from the Green Belt and the cross-boundary implications of such proposals remain outstanding, I consider that CEC has engaged constructively, actively and on an on-going basis with neighbouring authorities and prescribed bodies, particularly during the later stages of plan-making, and has therefore complied with the minimum legal requirements of the Duty to Co-operate. In coming to this initial view, I have had regard to the relevant legal submissions and legal cases addressing the DTC<sup>23</sup>, along with the guidance in the NPPF and PPG highlighted earlier.

## **C. Planning for Growth, including housing and employment requirements**

### *The case for growth and the economic strategy*

29. The overall development strategy of the LPS is stated to be one of growth, with the headline of providing 27,000 new houses by 2030 and 20,000 new jobs in the longer term; this latter objective is clarified in the supporting evidence, with the plan aiming to provide only 13,900 new jobs within the current plan period<sup>24</sup>. The principle of the growth strategy is widely supported, but the rate of growth is largely dependent on economic growth. The plan envisages jobs growth averaging 0.4%pa and growth in economic output averaging 2.4%pa (GVA), but local plans tend to have more influence over jobs growth than growth in economic output or productivity. Although the expected growth in economic output may exceed the Borough's long-term average and UK growth between 1999-2010, the level of jobs growth is rather pessimistic, being little more than that achieved in the recent years of economic recession and less than that achieved in pre-recession times; figures show that some 20,000 new jobs were delivered in Cheshire East in the 10-year period between 1998-2008, and GVA growth rates were higher before the recession than those envisaged in the LPS.
30. CEC refers to various economic forecasts using a range of economic models, but the preferred estimates have used rather pessimistic and cautious assumptions of job growth rates (0.4%pa), which do not reflect the longer-term aspirations of the LPS

<sup>21</sup> PS D003.004

<sup>22</sup> PS B015ab; PS B016a-d

<sup>23</sup> including *Zurich v Winchester CC* [2014] EWHC 758; PS D008; PS D011

<sup>24</sup> Local Plan Strategy Submission Version: (¶ 1.27); SD019

and other agencies, such as the LEP. During the preparation of the plan, various alternative strategic growth and spatial distribution options were considered, but options providing more than 1,600dpa (20,600 jobs) were not assessed by the SA work since they were not considered realistic. However, when modelling a wider range of scenarios, CEC considered options involving jobs growth of up to 1.2%/year (47,900 jobs) and 1,800dpa (25,900 jobs)<sup>25</sup>. Some of these options may better reflect the more optimistic aspirations of the economic strategy of the LPS, as well as the economic initiatives and assumptions of other agencies. Furthermore, CEC's assumptions about future employment envisage increased economic activity rates for older people, related to the deferral of state pension age. Although there is some evidence that employment rates in this age group may increase, the assumptions used in the estimates are somewhat over-optimistic, again depressing the need for new houses for new, and younger, employees.

31. Moreover, there seems to be a significant mismatch between the aims of the plan and the number of new jobs that could potentially be created by the proposed site allocations. The LPS proposes at least 300ha of new employment land, mainly on strategic sites and business parks in and around the main towns, largely justified by the Employment Land Review<sup>26</sup>. In fact, the LPS actually indicates that over 350ha is likely to be provided, to give choice, ensure delivery and recognise the need for a mix of development<sup>27</sup>. Although these figures have to be offset by future job losses, these allocations have the potential to provide over 22,000 new jobs solely in B1, B2 & B8 sectors. This is substantially greater than the number of new jobs the LPS aims to provide (13,900) and takes no account of other new jobs that may be provided in town centres and other sectors, such as retailing, commercial uses, education, health, tourism, leisure and transport. Not only does there seem to be a mismatch between the proposed number of jobs and the amount of employment land to be allocated, but by focusing on a restricted range of business uses, the LPS fails to consider other opportunities for job provision and growth.
32. There also seems to be a disparity between the level of employment envisaged in the LPS and the supporting evidence. Central to the economic strategy is the focus of employment development at the principal town of Crewe. Initiatives such as "*Crewe – Engine of the North*" and "*Crewe – a High Growth City*" envisage between 22,000-34,000 new jobs up to 2030, whilst "*All Change for Crewe*" envisages 14,500 new jobs at Basford and Crewe town centre alone<sup>28</sup>. The LEP's economic strategy<sup>29</sup> also envisages the provision of 10,000 new jobs by 2031 as part of the Crewe – High Growth City project. Crewe may also play a key role in gaining economic benefits from HS2, but these will probably come later in the plan period. CEC explains that many of these initiatives are set out in promotional documents which use optimistic figures of job creation; but they have been successful in attracting external funding, including Local Growth Fund and associated infrastructure, and the LPS should fully recognise the potential jobs and opportunities that these initiatives may generate.
33. The relationship between economic growth and new housing is complex, but as many participants have said, this could be a strategy for economic failure; in other words, by failing to provide the necessary numbers of new houses for the new employees, the economic strategy will not be realised without significantly increased rates of commuting into the area, which is neither sustainable nor desirable. Cheshire East has a strong economy which has performed well even in periods of recession, and the main reason for assuming more pessimistic rates of jobs growth seems to be to depress the overall need for new housing, and thus the level of likely migration into the district. I am left with the impression that the preferred level of new housing and the aim to avoid increased migration into the district has constrained the assumptions about economic and jobs growth, resulting in a mismatch between the economic and housing strategies and failing to achieve CEC's economic aspirations.

<sup>25</sup> SD019

<sup>26</sup> BE 009

<sup>27</sup> Local Plan Strategy Submission Version: Appendix A

<sup>28</sup> BE047; BE122; BE128

<sup>29</sup> BE124

34. There are also other proposals and initiatives on the northern fringe of Cheshire East which may not have been fully considered in the preparation of the LPS. These include the *Atlantic Gateway* project promoted by the LEP; although this focuses on the east-west waterways and motorways along the Deeside/Merseyside corridor, it does impinge on the northern fringe of Cheshire East. There are other strategic economic proposals related to Manchester Airport, as well as other schemes being promoted along this corridor. Key elements of the LEP's economic strategy related to Crewe (the *High Growth City*) and its relationship with other neighbouring towns, and the *North Cheshire Science Corridor* may not have been portrayed in the LPS as the LEP envisages. The plan may also pay less attention to the need for land for logistics uses, although this is heavily dependent on accessibility to the strategic road network.
35. All this suggests that the economic strategy of the LPS may be unduly pessimistic and may not be as comprehensive as it could have been. Plans should be realistic and yet aspirational, but in view of the apparent disparity between other economic strategies and initiatives, the pessimistic assumptions about the likely rate of jobs growth, and the constrained relationship with the level of housing provision, I can see some serious shortcomings in the economic strategy of the submitted plan, which in reality, may not actually represent a sustainable and deliverable strategy for growth.
- Housing strategy, including objective assessment of housing need*
36. The LPS housing strategy proposes a minimum of 27,000 new houses between 2010-2030, with an additional 500 dwellings to meet some of the needs of High Peak BC. The basic provision averages at 1,350dpa, but is to be phased over 5-year periods, ranging from 1,200-1,500dpa. This provision is to be made by taking account of completions and commitments since 2010 (40%), along with new strategic site allocations and strategic locations proposed in this plan, with the balance being provided in the subsequent Site Allocations Local Plan. CEC considers this level of housing provision will meet the full objectively assessed housing needs of the area.
37. The NPPF<sup>30</sup> advises authorities to ensure that their Local Plan meets the full, objectively assessed needs for market and affordable housing (OAN) in the housing market area, as far as is consistent with the policies set out in the NPPF. They should also prepare a Strategic Housing Market Assessment (SHMA) to assess their full housing needs, working with neighbouring authorities where housing market areas cross administrative boundaries. The scale and mix of housing should meet household and population projections, taking account of migration and demographic change, addressing the need for all types of housing, including affordable housing, and catering for housing demand. The starting point for establishing the OAN is the latest demographic projections, but adjustments may have to be made to take account of economic and housing factors, including market signals and affordability. Further guidance is provided in the PPG<sup>31</sup> and, in assessing this aspect of the plan, I have considered the legal submissions on this matter. In determining the OAN, various assumptions and judgements have to be made, and it is not for me to substitute my judgement for that of CEC; nevertheless, I have to assess whether these assumptions and judgements are soundly based.
38. CEC has adopted a forecast-led approach to establishing housing need in the district, having undertaken a considerable amount of work in a variety of documents<sup>32</sup>, which has been peer-reviewed. Neither the NPPF nor the PPG<sup>33</sup> specifies a particular methodological approach, data or single source of information, but recommend a standard methodology to ensure that the assessment findings are transparently prepared. It is for CEC to consider the appropriate methodology, but this should be comprehensive, addressing all relevant factors, and be consistent with the guidance in the NPPF & PPG. The general methodology used by CEC, using "POPGROUP" and related models, is generally agreed. In line with the PPG, the starting point is the latest DCLG household projections (the 2011-based interim household projections); extended to 2030, most parties agree that the initial base figure is 1,180dpa<sup>34</sup>.

<sup>30</sup> National Planning Policy Framework (¶ 17, 47, 50, 159, 178-182)

<sup>31</sup> Planning Practice Guidance (ID: 2a) [DCLG; March 2014]

<sup>32</sup> Mainly set out in SD019 & PS B006b-c

<sup>33</sup> Planning Practice Guidance (ID: 2a) [DCLG; March 2014]

<sup>34</sup> PS B014c

39. However, some of the supporting evidence is unclear and confused, variously referring to this figure as the OAN, or alternatively a higher figure of 1,350dpa, or a lower figure of 845dpa<sup>35</sup>. More recent evidence<sup>36</sup> explains that 845dpa is a baseline figure to accommodate demographic change, which is then uplifted by 40% to reflect market signals and economic forecasts, resulting in an OAN of 1,180dpa; this figure is further uplifted to 1,350dpa to establish the housing provision figure, taking into account the overall strategy and economic objectives. This general approach is not inconsistent with the guidance in the PPG<sup>37</sup>, but the original evidence is neither clear nor accurate in its approach to determining the OAN and does not quantify key elements of the assessment. I can also see shortcomings in the approach of establishing the OAN.
40. Firstly, dealing with **demographic factors**, in the evidence submitted with the LPS, CEC has not undertaken its OAN in the way in which now seems to be accepted as a result of recent legal cases<sup>38</sup>. The approach adopted uses a series of forecasts with a range of options, rather than establishing the OAN before determining the housing provision figure. It does not explicitly address all the demographic, housing and economic factors set out in the NPPF & PPG, or indicate how all these factors have been taken into account. Much of this work was undertaken when the process of establishing the OAN was being clarified by the courts, but there are several important stages and factors which are not clearly set out and are strongly disputed by other parties. Later evidence attempts to overcome these shortcomings, but this is done on a retrospective basis with further assumptions and amendments to the estimates, which are not clear or fully explained. At the hearings, CEC accepted that if it was starting afresh, it might not have undertaken the OAN in this way; this suggests that an approach which more closely reflects the latest guidance in the NPPF & PPG may be a more reliable and appropriate way of establishing the OAN.
41. Secondly, the forecasts use a series of questionable assumptions and figures. The NPPF & PPG indicate that the initial projections may need to be adjusted to reflect factors affecting local demography and household formation rates which may not be captured in past trends. However, the process of reducing the initial estimate from 1,180-845dpa is questionable; this process was not undertaken in the Cheshire West & Chester Local Plan projections, which use a similar approach. Even though this lower figure simply reflects more recent ONS mid-year population estimates, with updated figures on births, deaths and migration, it is not clear how it was calculated and it may not provide a robust basis to establish the OAN. CEC seems to suggest that this is an alternative estimate to the higher figure, as another important baseline scenario, rather than the base figure itself. I also understand that the more recent 2012 sub-national population projections indicate a need for 1,025dpa. It therefore seems to me that further clarification about the base figure used to establish the OAN is needed in order to ensure that the process is robust and soundly based.
42. Thirdly, CEC has assumed that household formation rates will stay constant after 2021, based on the 2011 interim household projections, explaining that the impact of economic recovery on household formation has been too modest to offset longer-term factors and pointing to recent economic and other trends which may constrain future household formation. However, the PPG advises<sup>39</sup> that household formation rates may have been suppressed historically by past under-supply and worsening affordability of housing; as household projections do not reflect unmet housing need, local planning authorities are advised to take a view based on available evidence about the extent to which household formation rates are or have been constrained by supply. DCLG also advises that housing requirements beyond 2021 should assess whether the household formation rates in the area are likely to continue<sup>40</sup>.
43. Since the 2011 projections were strongly influenced by a period of economic recession and housing market volatility, the numbers of households that formed in the years running up to the 2011 Census may have been significantly below the long term trend; hence a partial return of household formation rates to longer term trends

<sup>35</sup> SD019 (eg. ¶ 2.4-2.12 & Table 1); Local Plan Strategy Submission Version (¶ 8.8)

<sup>36</sup> M3.001; PS B006bc; SD019; PS D003.009

<sup>37</sup> Planning Practice Guidance (ID 2a: 015-017-20140306) [DCLG: March 2014]

<sup>38</sup> Gallagher Homes Ltd & Lioncourt Homes Ltd v Solihull MBC [2014] EWHC1283 and Hunston Properties Ltd v Secretary of State for Communities & Local Government [2013] EWCACiv1610

<sup>39</sup> Planning Practice Guidance (ID 2a: 015-017-20140306) [DCLG: March 2014]

<sup>40</sup> PS D003.014

(particularly for household-forming age groups) could be considered. Although it may not be appropriate to use previous figures from the 2008-based household projections, CEC has considered some alternative models which assume some growth in household formation after 2021; these may represent a more appropriate and robust basis on which to estimate future housing need.

44. Migration rates are another contentious factor. CEC uses short-term data for the period 2006/07-2009/10, which may be an appropriate starting point. However, historic rates of in-migration during the past decade may have been constrained by economic factors and the under-delivery of new housing; CEC's own figures show significant reductions in in-migration between 2010-13, but acknowledge that internal migration may increase as the economy recovers and more opportunities arise in Cheshire East, even though this may be partly offset by migration to other areas by existing residents. By using figures from the last decade, the LPS is continuing the levels of migration associated with a period of economic recession and limited availability of new housing, rather than those associated with a more buoyant economy and more new housing.
45. Turning to the relevant **housing factors**, Cheshire East would seem to represent an appropriate strategic housing market area, provided that the strong links to Cheshire West & Chester, Greater Manchester and north Staffordshire are recognised, along with the distinct housing sub-markets within Cheshire East itself<sup>41</sup>. CEC has completed and updated its Strategic Housing Market Assessments (SHMA)<sup>42</sup> on this basis, but these largely address the need for affordable housing; other than referring to the latest DCLG projections, they include no objective assessment of the overall need for market and affordable housing, as required by the NPPF. However, since much of this information is included in other background evidence, this may not represent a fundamental flaw in the process.
46. The SHMA takes account of a range of market signals, including house prices, rents and affordability, whilst other evidence addresses the past rate of development and overcrowding. However, it is not clear how the results of these assessments have been taken into account in the OAN estimates; they are not specifically referred to in the background forecasts and no direct action seems to have been taken to address these factors in the assessment of overall housing need. CEC merely says that the SHMA evidence has been a factor in providing a higher level of housing provision than the OAN indicates, and assumes that the uplift from 845-1,180dpa will provide sufficient headroom to accommodate market signals, affordability and other housing factors; but these are not quantified to any degree. The 1,180dpa figure is also little different from the constrained level of provision adopted in the previous RS<sup>43</sup>.
47. Affordability is a key issue in Cheshire East, with an annual need for over 1,400 units in the first 5 years. Although this may not represent a delivery target, CEC introduced the concept of meeting "priority need" for about 460 units/year at a late stage in the plan-making process. However, this fails to recognise the overall need for affordable housing in the area, and the OAN is not specifically increased to address this factor or other market signals. Although there is a range of initiatives and proposals to provide affordable housing in addition to that delivered through market housing, the proposed level of housing provision will fall well short of meeting the overall need for affordable housing and may not fully meet priority needs; recent provision of affordable housing has averaged around 280 units/year, and the LPS would only provide for an average of 405 affordable units/year from market housing sites.
48. Furthermore, the assessment does not specifically consider the need for housing for older people and those with special needs, as advised in the PPG<sup>44</sup>. CEC has started to include C2-type accommodation within the housing supply figures, but this is not matched by any up-to-date assessment of need, even though some information is now available<sup>45</sup>. Consequently, I am concerned that CEC's assessment of housing need may not have properly taken account of these important housing factors, particularly market signals and the need for affordable housing.

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<sup>41</sup> PS B0014c

<sup>42</sup> BE001; BE002

<sup>43</sup> North-West Regional Spatial Strategy

<sup>44</sup> Planning Practice Guidance (ID:2a-021-20140306)

<sup>45</sup> PS B026

49. Turning to **economic factors**, the relationship between new housing and economic growth is complex. I have already commented that the assumed economic activity rates, both for economic and job growth, are unduly pessimistic. CEC's assumed growth in jobs for the OAN (1,180dpa) is only 0.2%pa; this is well below past employment growth rates, even in times of economic recession (0.7%pa), below official employment forecasts (0.6-0.9%pa), and below the latest projections of the CHWEM<sup>46</sup> and LEP (0.8%pa). To use such an artificially low rate of jobs growth at the OAN stage would not reflect current and past performance and would tend to artificially depress the need for new housing to meet the needs of future employees. This suggests that the basic assumptions about future economic growth for the OAN are far too pessimistic and do not reflect likely trends or available evidence.
50. CEC has also made some unduly optimistic assumptions about increased economic activity of older people, partly as a result of deferred state pension dates. This approach assumes that some of the extra workforce will come from the over-60s; this has the effect of depressing the need for housing for new workers, and assumes that older people work longer. It is difficult to find evidence for the likely impact of this change; it seems to be based on local forecasts rather than national OBR data, and has only recently formed part of the OAN calculations. Both the unduly pessimistic assumptions about job growth and the optimistic assumptions about the future economic activity rates of older people have the effect of artificially depressing the need for new housing for new employees. This is a high risk strategy which could result in the failure of the economic strategy of the plan at the expense of increased and less sustainable in-commuting.
51. All these factors support my initial view that the objective assessment of housing need may be too low and should be uplifted to reflect the evidence and trends of both the economic and housing markets. The failure to explicitly reflect all the relevant factors outlined in the NPPF & PPG is a serious shortcoming in CEC's assessment of the OAN. CEC points out that a similar approach was used in the Cheshire West & Chester Local Plan (CW&CLP), but the estimates and approach were not exactly the same, and there are differences between the economies and housing strategies of each area.
52. CEC considers the **proposed housing provision figure**, averaging at 1,350dpa, is sufficient to take account of the policy factors associated with the LPS strategy, including the growth of jobs envisaged, but it is only one of several options considered. At earlier stages in the plan-making process, an option providing 1,600dpa was considered most likely to deliver the necessary economic growth, as well as achieving higher levels of affordable housing, reducing out-commuting and best achieving the necessary funding for new infrastructure<sup>47</sup>; but this was rejected in favour of a lower level of housing and jobs growth. The figure of 1,350dpa has remained constant from the earliest stages of plan-making, through to the Development Strategy and Pre-Submission versions of the plan, despite more up-to-date population and household projections. Although this figure is above that previously required by the former RS (1,150dpa; constrained by policy), it is below the estimates based on the earlier 2008-based household projections (1,435dpa), and may not fully reflect the plan's economic strategy and the need for new housing.
53. Moreover, being based on jobs growth of only 0.4%, it would fail to reflect CEC's own evidence which suggests that job growth rates of 0.7% or even 1.2% would better achieve the plan's economic objectives. In this context, it is difficult to accept CEC's view that future job growth rates above 0.4% would be implausible, since this does not reflect the fact that Cheshire East has achieved longer-term growth rates of 0.7% in the past and higher rates of growth may be expected as the recession recovers.
54. The proposed level of housing development may represent a noticeable increase in the rate of housebuilding when compared with recent years, but it is less than that achieved in the pre-recession period, even when the level of housing provision in Cheshire was limited by RS policy constraints. The average level of proposed provision is less than 15% above the suggested OAN (1,180dpa), and may not provide sufficient headroom to ensure that the overall economic and housing strategy is successful. Put simply, it seems that the level of future housing provision has been

<sup>46</sup> Cheshire, Halton & Warrington Econometric Model

<sup>47</sup> SD017; ¶ 5.2

artificially depressed to avoid high levels of in-migration into the area, which could result in unsustainable patterns of movement and put at risk the success of the economic strategy.

55. Turning to **housing supply factors**, the assessment of the 5-year housing land supply is one of the most contentious issues in Cheshire East, leading to several planning appeals being allowed, partly due to an apparent lack of a 5-year supply of housing land. Moreover, the latest assessment of housing land supply<sup>48</sup> has been successfully challenged in recent planning appeals. However, it is important to recognise the differences between assessing 5-year supply when making decisions on individual planning applications or appeals and when preparing local plans; for the former assessment many local plan proposed allocations may be excluded from the supply, since they are not yet allocated or committed.
56. The LPS aims to overcome this situation, by proposing new strategic housing sites to ensure and maintain a continuous supply of new housing land over the plan period, including releasing some land from the Green Belt. This is shown in the housing trajectory, but detailed information that provides the basis for this trajectory has yet to be assessed on a site-by-site basis. Discussion about particular sites has not yet taken place, but there is some evidence to suggest that CEC may have made some rather optimistic assumptions when considering the lead-in times and build-out rates of some of the strategic sites, and it is unclear whether the phasing envisaged reflects the information in the SHLAA; this may affect their timing, delivery, viability and deliverability. Further evidence on this issue will need to be provided to ensure that the plan fully meets the identified housing requirement throughout the plan period.
57. The PPG confirms that the Strategic Housing Land Availability Assessment (SHLAA) should establish realistic assumptions about the availability, suitability and the likely economic viability of land to meet the identified need for housing over the plan period, and in so doing take account of any constraints such as Green Belt<sup>49</sup>. CEC has undertaken a comprehensive SHLAA<sup>50</sup>, which identifies a healthy supply of potential housing sites (almost 50,000 dwellings), far in excess of that proposed in the LPS. CEC explains that many of the sites were identified early in the plan-making process and are now considered unsuitable or undeliverable within the plan's policy framework; many are isolated sites or within the Green Belt, and CEC's more realistic estimate of potential sites suggests a capacity closer to 25,000 dwellings. Nevertheless, the current SHLAA indicates a potential to provide higher levels of housing than currently proposed, subject to site-specific and policy considerations.
58. In terms of past provision of housing, there are two concerns; firstly, the shortfall in provision in the early years of the current plan period (2010-2014), and secondly, provision in the years before the current plan period began. To address the first concern, CEC proposes to spread this under-supply (over 2,500 dwellings) over the rest of the plan period (2014-2030) (the "Liverpool" approach), although the plan could accommodate this under-supply within the next 5-years of the plan period (the "Sedgefield" approach). Since this latter approach is recommended in the PPG and is usually adopted in appeal cases, I can see few arguments against using this approach in the LPS. In the context of recent under-provision of housing, there is clearly a case to meet this shortfall as soon as practicable. Although it would increase housing provision in the early years of the plan period, it would reflect the guidance in national policy to significantly boost the level of housing provision<sup>51</sup>. Comparisons with other local plans which have adopted the "Liverpool" approach may not have fully acknowledged the particular circumstances and housing markets in these cases.
59. In order to significantly boost housing supply, the NPPF requires a 5% buffer to the 5-year housing supply; where there has been a persistent under-performance in housing provision in the past, this figure should be increased to 20%. The PPG<sup>52</sup> confirms that the approach to identifying a record of persistent under-delivery is a matter for the decision maker, having regard to the relevant factors. Although overall housing provision between 2003-2010 met the targets of the former RS, annual provision

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<sup>48</sup> BE006

<sup>49</sup> Planning Practice Guidance (PPG; ID: 3-044/045-20140306)

<sup>50</sup> BE005; PS B006b

<sup>51</sup> NPPF (¶ 47)

<sup>52</sup> Planning Practice Guidance (PPG; ID:3-035-20140306)

between 2008-2014 fell well short of the former RS and LPS targets<sup>53</sup>; this may have been due not only to the economic recession, but also to the moratoria on new housing in some of the former districts of Cheshire East, based on the previous Cheshire Structure Plan. Prior to the LPS plan period, the overall RS target had been met, but since 2008 there has been a consistent record of under-delivery for a continuous period of 6 consecutive years. The accumulated shortfall is substantial and in such circumstances it would seem that a 20% buffer for the 5-year supply would be appropriate, as found in recent appeal decisions; this would not increase the total level of housing provision, but bring forward sites programmed later in the plan period. It would also reflect the national policy to boost significantly the supply of housing; the housing trajectory would need to be adjusted to reflect this position.

60. The submitted plan does not specifically take windfall developments into account, which have formed a significant contribution to housing supply in the past, or prioritise brownfield land over greenfield sites. CEC has provided some evidence on this approach<sup>54</sup> and, even though no specific allowance for windfall sites has been made, such developments will be taken into account if and when they come forward during the plan period; estimates range from 3,200-5,548 units over the period of the plan, including windfalls within the urban areas of Crewe and Macclesfield, and this position should be clarified in the plan. Although windfall sites, by definition, cannot be identified, the SHLAA has consistently included all small sites, and it is important to avoid double-counting in terms of windfalls; a specific policy (Policy SE2) encourages the efficient use of land and also includes criteria for future windfall developments.
61. Other evidence<sup>55</sup> assesses the likely contribution from brownfield sites; whilst many of the proposed strategic allocations are on greenfield sites, significant provision is envisaged from previously developed land within the main towns and key service centres. The NPPF encourages the use of previously developed land, but there are no targets or policy requirements to enforce the development of brownfield land before using greenfield sites. As CEC says, there may be a finite and diminishing source of such sites in the future and, taken as a whole, the plan seems to strike an appropriate and realistic balance between encouraging the development of brownfield sites, whilst proposing some development on greenfield sites in order to deliver the required supply of new housing. However, further clarification may be needed on this matter, particularly about the scale of brownfield development likely to be delivered from site allocations within the existing built-up areas of towns like Crewe, Macclesfield and Middlewich.
62. The proposed phased delivery of housing over the plan period, from 1,200-1,500dpa, seems to be largely based on delivery, Green Belt, infrastructure and economic factors. There is little other specific evidence to justify this stepped approach to housing delivery, which was removed from earlier versions of the plan. This approach may reflect the position in the early years of the plan period, when the rate of housing development has not met expectations, and gears up to deliver higher growth later, but could constrain the provision of new housing during the plan period, particularly when the current backlog also has to be met. I recognise that the housing market may take time to adjust to increased levels of provision following the economic recession, and some sites cannot come forward until new roads and infrastructure have been provided. However, there is also evidence that some sites could come forward earlier, as well as increased market interest in developing suitable sites, with a strong housing demand.
63. Without phasing, there may be some concern about the impact of new housing development on the southern fringe of Cheshire East on the regeneration of the Potteries (which seems to be a longstanding policy stemming from the former RS), but there seems to be no specific or recent evidence to justify such a restriction. To artificially restrict the supply of housing land risks a mismatch with the economic strategy and the principles of sustainable development, and could undermine the national policy of significantly boosting housing supply. Consequently, the proposed phasing element of the strategy does not seem to be fully justified.

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<sup>53</sup> BE006; Table 1; PS B006b

<sup>54</sup> BE006; PS D003.011

<sup>55</sup> BE041; PS D003.011

64. CEC has undertaken work examining the viability and deliverability of development proposed in the plan, testing various scenarios and geographical locations, including the costs of various policy standards and requirements<sup>56</sup>. These assessments confirm that the development of most sites over much of the district is likely to be viable, particularly for greenfield sites, including the 30% target of affordable housing, although brownfield and other sites in some areas might struggle to meet this target; this is confirmed in the evidence of recent housing schemes, some of which have not achieved the expected levels of affordable housing. Nevertheless, provided that the policy recognises viability factors and allows some flexibility, and given that there is a range of other measures and initiatives to provide affordable housing by other means (including 100% social housing), the viability and deliverability of the proposed housing provision has been addressed in the supporting evidence.
65. As for flexibility, CEC points to the likely overall provision of new housing land, with the LPS actually envisaging over 29,000 new houses being provided to meet the minimum requirement for 27,000 houses in the period to 2030<sup>57</sup>. If the provision figure was soundly based, this would give some headroom to provide the choice and flexibility to ensure the delivery of the minimum provision figure, although there could be concerns about the deliverability of some specific sites. However, with a higher provision figure, it might not meet all the required housing needs.
66. As regards **cross-boundary housing provision**, the LPS makes some provision to meet some of High Peak BC's housing needs, but this decision was made relatively late in the plan-making process. This provision may partly reflect the degree of functional inter-relationship between the two districts, including economic, migration and transport links, but there is little specific evidence to support this number of houses (500 dwellings), which would not fully meet the total shortfall in housing provision for High Peak. The justification for such provision seems to be based largely on accepting the physical, environmental and policy constraints in High Peak. But equally, there are constraints in Cheshire East, including Green Belt, and land is proposed for release from the Green Belt to meet Cheshire East's housing needs. Timing is suggested to be towards the latter end of the plan period, but there are no details about where and how such provision will be made, or how it fits in with the housing strategy for High Peak. Consequently, whilst this element of the plan may be positively prepared, it does not seem to be fully justified or effective.
67. Other issues relating to cross-boundary provision have been addressed earlier under the DTC; apart from High Peak, there are no outstanding housing needs from other authorities which have to be met in Cheshire East and no other authority needs to make provision to meet any of CEC's housing needs. Longer term issues of housing need in the Greater Manchester conurbation have yet to be identified or resolved.
68. CEC has considered **alternative levels of housing provision**, both higher and lower than the proposed provision figure. However, only after submitting the plan does it seem to have fully considered the alternative estimates put forward by other parties or acted on the criticisms of its approach. These alternative estimates of housing requirements do not represent marginal adjustments to CEC's preferred figure, but raise fundamental differences of opinion and approach, which result in estimates of over 40,000 dwellings compared with CEC's figure of 27,000. In my view, these alternative estimates should have been fully considered, along with the assumptions and issues raised, well before the LPS was finalised and submitted for examination. In fairness, I also have to record that other participants consider the overall housing provision figure is much too high, suggesting a figure of nearer 20,000, but do not submit detailed evidence or projections to support their view.
69. Consequently, on the basis of the evidence and discussions during the examination so far, I consider there are serious shortcomings with the Council's objective assessment of housing need and the preferred housing provision figure. These suggest that further work needs to be undertaken to assess the housing need for the area in a way which explicitly addresses all the relevant factors outlined in the NPPF & PPG, using assumptions which are robust and realistic, and which better reflect the inter-relationship with the plan's economic strategy.

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<sup>56</sup> BE003; BE042

<sup>57</sup> Local Plan Strategy Submission Version: Appendix A

### *Settlement hierarchy and spatial distribution of development*

70. The settlement hierarchy set out in Policy PG2 comprises Principal Towns, Key Service Centres, Local Service Centres and other rural settlements, and is largely justified in the supporting evidence<sup>58</sup>. The determining factors include population, the number of households and retail units and amount of employment, along with services, transport and accessibility, reflecting the existing role and function of the centre; these factors have been tested and updated. Minor changes to the text of the policy and the accompanying text, as suggested<sup>59</sup>, including more accurately reflecting the growth strategy for individual settlements, would clarify the situation.
71. There is no dispute that the largest towns in Cheshire East, Crewe and Macclesfield, are appropriately designated as Principal Towns in the hierarchy. Similarly, most of the towns designated as Key Service Centres (KSC) and Local Service Centres (LSC) are appropriate and justified. Some parties consider Congleton should be elevated to the status of a principal town, but it is considerably smaller than Crewe and Macclesfield and has fewer retail units and employment. Others consider there should be an upper tier of KSCs, including the larger towns of Congleton, Wilmslow, Sandbach & Nantwich, but there is no clear differentiation in the role and function of these settlements and this would unduly complicate the hierarchy.
72. Some question whether Handforth should be designated as a KSC, but given the range of existing facilities, this is the function it performs (which has little to do with the proposals for the NCGV). Others consider settlements such as Alderley Edge and Holmes Chapel should be KSCs, but these are smaller in size and do not have the full range of facilities. Similar factors apply to smaller settlements, such as Wybunbury and Rode Heath, which some contend should be designated as LSCs. Earlier versions of the plan had a separate category of "sustainable rural villages", but it is difficult to differentiate between these smaller settlements and it makes the hierarchy too complicated<sup>60</sup>. These settlements contain few services, with limited access to public transport and few employment opportunities; their ability to accommodate further development will be considered at the Site Allocations stage. Consequently, the settlement hierarchy seems to be justified, effective and soundly based.
73. The proposed spatial distribution of development set out in Policy PG6 is justified with a range of evidence<sup>61</sup>, and has evolved during the preparation of the plan. Various alternative spatial options and levels of development were considered when the Issues & Options, Town Strategies and Development Strategy were prepared and assessed through the SA process, and the allocation of development to specific towns was a major feature at the consultation stage of the Town Strategies. The main factors influencing the spatial distribution of development include the settlement hierarchy, development opportunities, infrastructure capacity, policy constraints (including Green Belt), physical constraints, sustainable development, deliverability and viability, sustainability appraisal, vision and strategic priorities, consultation responses and other material factors. The main issue is whether the proposed distribution of development properly reflects these factors.
74. There is little dispute about directing most new development to the principal towns of Crewe and Macclesfield; indeed, some suggest that more development should be directed to these towns. Crewe has the lion's share of new development, but any greater amounts could raise deliverability issues given the infrastructure constraints, particularly access and roads; although the inclusion of site allocations outside Crewe at Shavington within the figures for Crewe is questionable. Further development at Macclesfield could be limited by Green Belt and infrastructure constraints. Higher levels of development are generally directed to those towns which are unaffected by Green Belt constraints, and some imbalances between new housing and employment allocations are mainly explained by existing development opportunities/commitments.
75. The main concern is the limited amount of development which is directed to the towns in the north of the area, particularly Handforth, Poynton, Knutsford and Wilmslow, but this is largely explained by Green Belt constraints; but even here, there are significant

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<sup>58</sup> BE046; PS B006b

<sup>59</sup> PS D003.012

<sup>60</sup> PS D003.013

<sup>61</sup> including PS B006b; SD003; SD015; SD18-19; SD007; BE005; BE046; BE054; BE056-76; BE083-099; BE100

releases of land from the Green Belt (including the NCGV). Development in other Green Belt settlements (like Congleton and Alsager) is largely directed away from the Green Belt. However, although an almost endless list of permutations of the spatial distribution of development could be drawn up, I am concerned that the proposed distribution may not fully address the development needs and opportunities at all the towns and settlements, particularly those in the north of the district.

76. These settlements are confined by the existing Green Belt, but there is also a need to promote sustainable patterns of development<sup>62</sup>, which address the future housing, employment and other development needs of these settlements. The limited amount of new housing proposed in Green Belt settlements such as Poynton, Knutsford and Wilmslow is very contentious; the proposed levels of housing at these settlements will not meet their needs, and insufficient consideration seems to have been given to how these needs will be met. Many potential sites were assessed during the preparation of the LPS, but specific options which envisage the development of smaller sites within the built-up area or on the fringes of these settlements do not seem to have been fully considered. Whilst this could be reconsidered at the Site Allocations stage, it may have unduly influenced decisions to release larger Green Belt sites in the LPS.
77. It is also unclear as to whether CEC considered a spatial distribution option related to the existing population distribution and future housing needs of each settlement. Moreover, in some cases, the total amount of housing development proposed at some settlements has already been exceeded by existing commitments and proposals in the LPS, leaving little room to make further allocations at the Site Allocations stage<sup>63</sup>.
78. Consequently, some further work may need to be undertaken to review and fully justify the proposed spatial distribution of development. Although the LPS is essentially a strategic plan, focusing on strategic allocations, such work may need to examine the possibility of releasing smaller-scale sites in and around the fringes of existing towns and settlements, including those in the Green Belt, to inform further work at the Site Allocations stage.
79. Some parties consider that the overall amount of development for the LSCs should be apportioned between each of the settlements. However, this is a matter more appropriately considered in greater detail at the Site Allocations stage, particularly given the relatively limited amount of development which is likely to occur at these smaller centres. Others consider that higher levels of development should be directed to the smaller rural settlements, and possibly disaggregated to each of these settlements. However, some of these settlements are very small, there are many of them, and they will probably only accommodate a limited amount of development; these matters are best considered at the Site Allocations stage.
80. It therefore seems to me that although the settlement hierarchy is appropriate, justified and soundly based, some further work may be required to justify the proposed spatial distribution of development, particularly to address the development needs and opportunities of the Green Belt settlements in the north of the district.

#### *Green Belt & Safeguarded Land*

81. The approach to the Green Belt and Safeguarded Land, particularly the release of such land to accommodate new development, is a contentious element of the LPS. The submitted plan proposes to release 16 sites, mainly in the north of the district, from the Green Belt, either for housing and/or employment development (over 200ha) or as Safeguarded Land (over 130ha), as well as establishing a new area of Green Belt to the west, east and south of Crewe. Detailed Green Belt boundaries will be defined on the Local Plan Policies Map, either in the LPS or the Site Allocations Local Plan.
82. The NPPF (¶ 82-85) confirms that once established, Green Belt boundaries should only be altered in exceptional circumstances, through the preparation and review of the Local Plan; it also advises that new Green Belts should only be established in exceptional circumstances and sets out the factors to be considered. CEC has provided evidence to justify its approach<sup>64</sup>; this identifies that the exceptional circumstances needed to justify altering Green Belt boundaries are essentially the

<sup>62</sup> NPPF (¶ 84)

<sup>63</sup> PS B025c

<sup>64</sup> SD015; BE011; BE012; PS B006b

need to allocate sufficient land for market and affordable housing and employment development, combined with the significant adverse consequences for patterns of sustainable development of not doing so, since it is not practicable to fully meet the development needs of the area without amending Green Belt boundaries. However, it seems to me that both the process and the evidence may be flawed.

83. Firstly, I recognise that a wide range of evidence has influenced the release of particular sites from the Green Belt<sup>65</sup>. However, although the possibility of needing to release land from the Green Belt was raised during consultations on the Issues & Options and Town Strategies, and was firmed up in the Development Strategy in January 2013, the specific evidence justifying this approach was not completed until September 2013, well after these decisions had been made<sup>66</sup>. The Green Belt Assessment influenced the final plan to a limited degree, but in several cases, it does not support the release of specific sites from the Green Belt; in some cases, land which makes a major or significant contribution to the Green Belt is proposed for release, whilst other sites which only make a limited contribution to the Green Belt do not seem to have been selected. Although the release of land from the Green Belt was based on several factors, this suggests that insufficient weight may have been given to the status and value of certain sites in Green Belt terms compared with other factors such as land ownership, availability and deliverability, when preparing and finalising the plan.
84. In line with the NPPF, the evidence includes a sequential assessment of options for development on land outside the Green Belt, including channelling development towards towns and villages inset within the Green Belt boundary, to locations beyond the Green Belt boundary, towards the urban area within the Green Belt, and reducing the overall amount of housing and employment development. This reveals that less than 17% of the new dwellings needed can be accommodated in the Green Belt settlements in the north of the district, despite them having over 36% of the total resident population and a pressing need for new housing. However, the study does not always seem to have considered the impact of releasing smaller-scale sites on the fringes of existing settlements or whether the opportunities presented by new road schemes and their boundaries could have enabled selected releases of land between the existing built-up area and the new roads.
85. Furthermore, there are several shortcomings with the evidence itself. Firstly, it does not consider all the purposes of the Green Belt, omitting the contribution to urban regeneration and preserving the setting and special character of historic towns. Although the latter purpose may apply only to historic towns like Chester, the impact on urban regeneration, particularly in the north of the district and beyond, does not seem to have been fully addressed; CEC says that it applies equally to all parcels of land, but this may not be the case. Secondly, although the assessment does not recommend the release of specific sites and aims to identify strategic land parcels, it seems somewhat inconsistent in assessing relatively large tracts of land in some cases, whilst dealing with much smaller sites in other areas; it may not be as finely-grained as it could have been, omitting some smaller parcels of land on the fringes of settlements which might have had less impact on Green Belt purposes.
86. CEC confirms that the study did consider the significance of Green Belt land on the northern edge of the district to the wider Green Belt in adjoining areas, such as Stockport. Some parties suggest that a full strategic review of the Green Belt in the wider area should have been undertaken, but the status and timescale of the relevant development plans may make this difficult, particularly since CEC cannot make proposals to develop land outside its area. Nevertheless, since the study did not specifically assess this wider area of Green Belt and adjoining local authorities seem to have had little influence on the terms or extent of the study, this may suggest that it was not as positively prepared as it could have been.
87. It therefore seems to me that these are significant flaws in both the process and evidence relating to the release of land from the Green Belt, particularly given the recent clarification of national guidance on the significance of the Green Belt<sup>67</sup>.

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<sup>65</sup> PS D003.016

<sup>66</sup> BE012

<sup>67</sup> Planning Practice Guidance; (ID: 3-044/045-20141006)

88. As for Safeguarded Land, there is some evidence to justify the release of the overall amount of safeguarded land, being partly based on the potential amount of land that may be required for development beyond the current plan period; earlier versions of the LPS included a much larger amount of safeguarded land (260ha). Subject to the LPS fully meeting its objectively assessed needs for development, there should be no need to consider bringing forward Safeguarded Land for development during the current plan period. CEC does not consider it is appropriate to forecast development requirements post-2030, citing a range of further options to accommodate future development needs; but these could apply equally to the current plan period, as well as in the longer term. Similarly, although the Green Belt Assessment does not recommend which sites should be released, it does not always support the release of specific areas of land from the Green Belt. This may suggest that other factors were more important than their significance in Green Belt terms.
89. Some of the Safeguarded Land adjoins proposed site allocations for development, suggesting that these sites may eventually accommodate a larger scale of development in the longer term. Further smaller-scale areas of safeguarded land may also be identified at the Site Allocations stage, but the criteria for making such designations is not set out. Although the identification of Safeguarded Land would ensure that Green Belt boundaries would not need to be altered at the end of the current plan period, some further justification about the scale of Safeguarded Land proposed and the release of particular sites, both in the LPS and Site Allocations Local Plan, is needed before the approach could be considered sound.
90. The justification for a new Green Belt in the south of the district seems to stem largely from the perceived risk of Crewe merging with Nantwich and other smaller settlements as a result of the proposals for growth and development in and around the town; it is not promoted as a compensation for Green Belt land lost in the north of the district. The proposal is supported by adjoining local authorities in North Staffordshire<sup>68</sup> and by some local communities. Some of the area is currently covered by a Green Gaps policy in the adopted local plan, which will continue to apply until detailed Green Belt boundaries are defined; but CEC considers this policy is not strong enough to resist development pressures, quoting several appeal decisions.
91. The justification for establishing the new Green Belt is set out in the New Green Belt and Strategic Open Gaps Study<sup>69</sup>, but there seem to be a number of shortcomings in this approach. Firstly, although the evidence addresses the criteria that have to be met<sup>70</sup>, it does not explicitly identify the exceptional circumstances needed to establish the new Green Belt. Secondly, the LPS only seeks to establish an area of search for the new Green Belt, covering a large swathe of land to the south, west and east of Crewe, leaving detailed boundaries to be defined in the subsequent Site Allocations Local Plan; the area of search extends much further than that currently covered by the Green Gaps policy, which may not be fully justified, and earlier versions of the plan envisaged a much smaller area of Green Belt. Thirdly, it seems to ignore the fact that significant areas of new development are proposed within the area of search for the new Green Belt (such as at Shavington and on the edge of Crewe); indeed, CEC has granted planning permission for several housing developments within this area of search. Furthermore, since Crewe has been a location for development and growth in the past and the scale of growth now proposed is not significantly different to that in the previous local plan, this does not seem to represent a major change in circumstances to justify establishing a new area of Green Belt; it could also constrain further growth around Crewe in the future.
92. Until recently, the existing Green Gaps policy has been successful, and has only come under threat when 5-year housing land supply has been a decisive issue. Moreover, since the existing Green Gaps policy would apply between Crewe, Nantwich and other surrounding settlements until detailed Green Belt boundaries are defined, this would help to prevent the erosion of existing gaps between settlements; and since the North Staffordshire Green Belt is already established to the south of Crewe, there is little risk of the town merging with the Potteries conurbation. There seems to be little evidence to suggest that normal planning and development management policies (including the

<sup>68</sup> PS B023

<sup>69</sup> BE011

<sup>70</sup> NPPF (¶ 82); M6.1.001

Green Gaps policy) would not be adequate, provided that a 5-year supply of housing land is consistently maintained. Having considered all the evidence, factors and discussions on this matter, there seems to be insufficient justification to establish a new Green Belt in this locality.

#### *Other strategic policies*

93. During the hearings, other strategic policies in the plan were discussed. For the most part, concerns about the content and soundness of these policies could probably be addressed by detailed amendments to the wording of the policies and accompanying text, as discussed at the hearings. These do not seem to raise such fundamental concerns about the soundness of the submitted plan.

#### **D. Future progress of the Local Plan Strategy examination**

94. The Council will need time to fully consider the implications of these interim views, since they may affect the future progress of the examination. In these circumstances, it may not be appropriate to resume the hearing sessions in early December 2014, as currently suggested.
95. As far as the future progress of the examination is concerned, there seem to be several options available to the Council:
- a. Continue the examination on the basis of the current evidence;
  - b. Suspend the examination so that the necessary additional work can be completed and considered before proceeding with the remainder of the examination;
  - c. Withdraw the Plan and resubmit it for examination when all the necessary consultation and supporting justification and evidence has been completed;
96. If Option (a) is chosen, it is likely that, on the basis of the evidence submitted so far, I would probably conclude that the submitted Plan is unsound due to the shortcomings in the proposed strategy and evidence base, including the economic and housing strategies, the relationship between them and the objective assessment of housing need, the spatial distribution of development and the approach to the Green Belt and Safeguarded Land. In these circumstances, proceeding immediately to the remaining parts of the examination would be unlikely to overcome these fundamental shortcomings.
97. If Option (b) is chosen, any suspension of the examination should normally be for no longer than 6 months. CEC would need to estimate how long it would take to undertake the additional work required to rectify the shortcomings identified, with a timetable setting out the main areas of work and the time estimates for each stage. Once the additional work is completed and published, I would probably need to convene another hearing session(s), involving the participants from the previous hearing sessions, to consider the outcome of this work, including any necessary revisions to the policies and content of the plan. The Programme Officer would make the necessary arrangements for the resumed hearing sessions once CEC's timetable for the additional work is submitted. Following the resumed hearing sessions, I would expect to form a view on the adequacy and soundness of the additional work carried out, along with other outstanding and associated matters, before proceeding with the remaining aspects of the examination, including site-specific matters.
98. It may be that, once this further work and outstanding evidence has been completed, CEC might need to consider alternative or additional strategic site allocations. However, it is important that any amendments to the LPS and its underlying strategy do not result in a fundamentally different spatial approach or strategy or result in substantial modifications which result in a significantly different plan. If the amendments necessary to ensure that the LPS is sound are so significant that it results in a fundamentally different plan, withdrawal may be the most appropriate course of action. In these circumstances, I would need to consider the implications and review the position before proceeding with the rest of the examination.

99. If Option (c) is chosen, the examination would be closed and I would take no further action in the examination of the submitted plan.
100. These interim views are being sent to CEC for them to take the necessary action, and are being made available to other parties for information only; no responses should be submitted. However, it would be helpful to know, as soon as possible, which option CEC wishes to choose and, if appropriate, a timetable outlining the timescale of the additional work required.
101. In presenting these interim views, I am fully aware of the Council's ambition to adopt a Local Plan for Cheshire East as soon as practicable and to avoid any unnecessary delays to the examination. However, it is not in the best interests of planning or plan-making to recommend an unsound plan for adoption, which would clearly run the risk of subsequent legal challenge. Consequently, I would ask the Council to carefully consider the implications of these interim views before advising me on their preferred course of action. In seeking a positive way forward, I am willing to do all I can to assist the Council, although I have a restricted role in this regard; any advice given is entirely without prejudice to my final conclusions on the soundness of this plan.

Stephen J Pratt - Development Plan Inspector  
06.11.14

Adrian Fisher  
Head of Strategic & Economic Planning  
Cheshire East Council

Our Ref: PINS/R0660/429/3

Date: 28 November 2014

Programme Officer: 07582 310364  
e-mail: Kerry.Trueman@cheshireeast.gov.uk

Dear Mr Fisher

**EXAMINATION OF THE CHESHIRE EAST LOCAL PLAN STRATEGY  
CLARIFICATION OF INSPECTOR'S INTERIM VIEWS ON THE LEGAL COMPLIANCE  
AND SOUNDNESS OF THE SUBMITTED CHESHIRE EAST LOCAL PLAN STRATEGY**

1. I refer to your letters of 11, 18 & 20 November 2014, the last of which seeks some clarification about certain issues contained in the Inspector's Interim Views on the Legal Compliance and Soundness of the submitted Cheshire East Local Plan Strategy.
2. I respond as follows:
  - i) **Economic strategy** (¶ 34-35):

You seek confirmation that the shortcomings in the economic strategy relate to concerns about the constrained nature of assumptions that have informed the OAN calculation, rather than suggesting that the economic strategy is not sustainable or deliverable. My main concerns about the economic strategy are firstly, that the assumptions about the likely rate of jobs growth are unduly pessimistic, particularly given previous rates of job growth, including during the recent recession. Secondly, that the proposed level of jobs growth does not seem to reflect the potential or likely number of new jobs to be provided at the proposed employment sites, particularly given the estimates provided in other evidence (including "*Crewe – Engine of the North*", "*Crewe – A High Growth City*" and "*All Change for Crewe*"). And thirdly, that the level of employment and jobs growth seems to be unduly constrained by the proposed level of housing provision, with a disparity between the objectives of the economic growth strategy and the level of proposed housing provision.
  - ii) **Housing forecasts** (¶ 40)

You seek clarification about whether the use of a series of forecasts with a range of options generating a series of alternative options for housing provision is consistent with the OAN approach and relevant case law. The use of a range of forecasts, testing alternatives and sensitivity based on alternative assumptions relating to the underlying demographic projections and household formation rates, is consistent with the guidance in the Planning Practice Guidance (ID: 2a-017-20140306). My main concerns relate to the approach undertaken in identifying the base level of objectively assessed housing needs, and the reasoning and assumptions used in establishing the housing provision figure. The approach does not explicitly address all the demographic, housing and economic factors set out in the NPPF & PPG, or specifically indicate how these factors have been taken into account.
  - iii) **Migration rates** (¶ 44)

You seek clarification about the appropriateness of using migration figures from the whole of the past decade, rather than those from 2008/09 onwards. My main concern is that by using short-term data from the period 2006/07-2009/10, these historic rates of migration may have been more associated with a period of

economic recession and limited availability of new housing, rather than those associated with a more buoyant economy and more new housing. It may be more appropriate to use migration rates over a longer period (such as over the whole of the past decade), rather than those from a much shorter period. However, even with a longer period, care should be taken to avoid assuming reduced migration rates associated with the recession, rather than those more likely during a period of a more buoyant economy.

iv) **Green Belt (¶ 83 & 87)**

You seek confirmation about the exceptional circumstances and evidence used to select sites, having regard to their contribution to Green Belt purposes.

Paragraphs 83-87 of the Interim Views clearly set out the shortcomings of the process of site selection and the supporting evidence. Para 82 confirms that CEC has identified the exceptional circumstances needed to justify altering Green Belt boundaries, namely the need to allocate sufficient land for market and affordable housing and employment development, combined with the significant adverse consequences for patterns of sustainable development of not doing so, particularly since it is not practicable to fully meet the development needs of the area without amending Green Belt boundaries. My main concerns are that the accompanying evidence in the Green Belt Assessment does not support the release of several of the sites proposed to be allocated for development in terms of their contribution to the Green Belt, and that the assessment may not have fully considered all options for development within and on the fringes of Green Belt settlements. Moreover, in the site selection process, insufficient weight may have been given to the status and contribution of certain Green Belt sites, when compared with other factors.

v) **Safeguarded Land (¶ 88-89)**

You seek confirmation that the amount of Safeguarded Land is understated, rather than being overstated. It is for CEC to determine the amount of Safeguarded Land to be removed from the Green Belt, with the appropriate evidence and justification. My main concerns are that further justification may be needed about the scale of Safeguarded Land to be released from the Green Belt, and that the accompanying evidence does not always support the release of specific sites from the Green Belt in terms of their contribution to Green Belt purposes.

vi) **Proposed Area of new Green Belt (¶ 90-92)**

You seek confirmation that the evidence justifying the designation of a new Green Belt is sufficient to justify the designation of the area identified as a Green Gap, and that it is acceptable to delay the definition of boundaries to the Site Allocations stage. You seem to be suggesting the designation of a smaller area of new Green Belt covering only the areas currently identified as a Green Gap in the existing Local Plan. Paras 90-92 of the Interim Views indicate that there seems to be insufficient evidence to justify the designation of a new Green Belt in the southern part of the district, not only in principle, but also in terms of its likely extent. There seems to be little evidence to suggest that normal planning and development management policies (including the existing Green Gaps policy) would not be adequate to ensure the protection of this area, provided that a 5-year supply of housing land is consistently maintained. Ideally, the detailed boundaries of such designations should be defined in the strategic Local Plan, although this could be undertaken in a subsequent Local Plan (although not in a SPD) if insufficient information or evidence is available at this stage.

vii) **Strategic Sites and Strategic Locations, including site-selection methodology**

You seek clarification about the site-selection methodology and initial views about the soundness of specific Strategic Sites and Strategic Locations. CEC seems to have undertaken a rigorous and comprehensive approach to the selection of the proposed Strategic Sites and Strategic Locations during the preparation of the plan. However, the reasons for selecting particular sites, compared with other

potential sites, are not always readily apparent, including the weight to be given to the various factors and the associated judgement. It is difficult to come to any initial views about the soundness of specific sites, since these have not yet been discussed in detail at the examination hearings and I have not yet seen the Council's detailed responses to the points and concerns raised by other participants. My initial concerns about each of the sites are set out in the updated Schedule of Matters & Issues for Examination, and cover such factors as sustainability, deliverability, developability and viability, along with site-specific matters such as the delivery of associated highway works and impact on environmental sites. These initial concerns have also been highlighted in the hearing statements of other participants on the proposed sites. These statements refer to a range of possible problems with some of these proposed sites, which CEC will need to address in its response statements. For certain sites, the absence of more detailed technical work, such as on highways and traffic implications, has previously been highlighted. Consequently, I am not in a position to indicate an initial view on any of the proposed site allocations. However, my main concerns are likely to be focused on those sites proposed to be released from the Green Belt (including the North Cheshire Growth Village), and those where developability, deliverability and viability are strongly challenged by other parties.

viii) **Period of suspension**

You seek clarification about slightly extending the normal 6-month period of suspension of the examination to take account of local and national elections and the need to secure Members' approval to any proposed changes during this period. The PINS Procedural Practice guidance (¶ 8.16) indicates that a suspension of up to six months might be acceptable, but a greater period is unlikely to be generally appropriate; a delay of more than 6 months would be likely to create a great deal of uncertainty within the examination process and could cause significant delay in the plan-making process. The period of suspension would normally begin when CEC has formally decided on its preferred course of action; whilst a slight extension to the suspension period might be justified to cover delays during the election period, a much longer suspension period is unlikely to be appropriate. Much would depend on the amount of further work necessary to address potential elements of unsoundness in the submitted plan and the proposed timetable for such work, along with the need for further public consultation and sustainability appraisal.

3. I hope that this adequately clarifies the position and assists you in determining the most appropriate way forward in terms of the future progress of the examination. As I have already indicated, I am willing to do all I can to assist the Council, although I have a restricted role in this regard, and any advice given is entirely without prejudice to my final conclusions on the soundness of the submitted Local Plan Strategy.
4. I have today received a copy of your draft work schedule and outline timetable. I will let you have any detailed comments as soon as I can, but at this stage, it would be helpful to know whether you envisage any involvement of other parties in this work or whether any consultation is likely to take place, either during or at the end of the process. I also look forward to receiving your formal view on the Council's preferred option in terms of the future progress of the examination following the meeting on 3 December 2014.

Yours sincerely

*Stephen J Pratt*

**STEPHEN J PRATT**

Development Plan Inspector