

Pendle Core Strategy Examination

Pendle Borough Council

Hearing Statement

Session 10 – Tuesday 28th April 2015

Matter – The Provision of Infrastructure and Delivery of the Plan

1. Will the policy requirements of the Plan, such as affordable housing and infrastructure, allow development to go ahead with a competitive return for a willing landowner and developer?

- 1.1 The National Planning Policy Framework (NPPF) [CD/10/01] stresses at paragraph 173 that pursuing sustainable development requires careful attention to viability and costs and that plans should be deliverable. Plans should not be subject to such a scale of obligations and policy burdens that their ability to be developed viably is threatened. The NPPF states that to ensure viability, the costs of any requirements likely to be applied to development, such as affordable housing or contributions should, when taking account of the normal cost of development and mitigation, provide competitive returns to a willing land owner and developer to enable the development to be deliverable.
- 1.2 The thresholds for affordable housing have been informed by the Development Viability Study (DVS) [CD/07/01], which considers alternative use values and costs associated with construction and sales.
- 1.3 A Main Modification has been proposed to Policy LIV4 recommending the removal of the requirement for developments of five dwellings and below in rural areas, and under 10 elsewhere, to make provision for affordable housing, to comply with National Planning Practice Guidance [CD/10/02]. As small sites historically make up a large proportion of those that come forward in Pendle, because of the limited land availability and other significant constraints, such developers should no longer be discouraged from bringing their schemes forward, helping to boost housing delivery in the borough.
- 1.4 Furthermore the removal of the requirement in Policy LIV1 requiring developers to submit a statement demonstrating the deliverability of their proposal (paragraph 10.41) further reduces the burden on developers, although the requirement for them to produce a viability assessment remains, as this will be used to help determine the amount of affordable housing to be provided and is a flexible mechanism to react to changes in viability.
- 1.5 The requirement to produce a viability assessment does not represent a financial imposition on developers. These assessments are carried out by developers as part of their own financial appraisal work. The practice has been carried out in Pendle for a number of years and has been accepted by the development industry and tested at appeal. Whilst Policy LIV1 acknowledges that there are insufficient resources available within the Council to process such information, the Council believes that the preparation of viability appraisals by the applicant and their vetting by external consultants can be carried out in a timely fashion and does not add adding significant cost and delay or seriously hamper delivery. The wider benefits significantly outweigh the disbenefits.

- 1.6 Policy SDP6 (paragraph 7.65) acknowledges that the DVS shows that the current economic situation will not support the introduction of the Community Infrastructure Levy (CIL) in Pendle. It would have an adverse impact on bringing development forward. Viability will be assessed on an annual basis through the Authority’s Monitoring Report (AMR), and a CIL Charging Schedule will be adopted at the point that it is considered to be both beneficial and viable.
- 1.7 The Core Strategy provides sufficient flexibility to allow developers to achieve competitive returns, which meaning that development is viable and deliverable and that the objectives of the Plan can be delivered.

2. Will Policy SDP6 be effective in ensuring that off-site infrastructure necessary to enable the development to go ahead will be provided? Should the policy be more specific in identifying infrastructure which has a high importance for delivery of the Plan (see Appendix A)? For example M65 Junction 13 improvements, waste water treatment plants, primary school capacity, open space provision?

- 2.1 In Policy SDP6, paragraph 7.62 highlights that the Infrastructure Delivery Schedule (Appendix A) identifies the key infrastructure projects associated with successful delivery of the Plan. Pendle Council believes that Policy SDP6, in conjunction with other policies in the Core Strategy, offers an adequate policy base to ensure that the infrastructure requirements arising from the levels of growth proposed can be met, but acknowledges that this key link to Appendix A is missing from the policy text.
- 2.2 Without prejudice to the Council’s view that the policy is sound, Pendle Council recommends the following Main Modification to overcome this omission.

Proposed Main Modification

Amend the first sentence of Policy SDP6 to read:

The Council will work with partners to deliver the infrastructure necessary to support development in the borough (Appendix A).

3. What are the implications of not introducing a Community Infrastructure Levy (CIL) on the provision of off-site infrastructure given the limitations on the use of pooled contributions?

- 3.1 The Development Viability Study (DVS) [CD/07/01] demonstrates that there is limited potential or incentive to introduce the Community Infrastructure Levy (CIL) in Pendle at this time, and this is acknowledged in Policy SDP6 (paragraph 7.60).
- 3.2 As the majority of development in the early stages of plan delivery, is not dependent on the provision of new infrastructure, this approach represents a market facing response that will help to ensure that the objectives of the plan can be delivered at the earliest opportunity.

- 3.3 As noted in the response to Question 1, Pendle Council believes that the Core Strategy strikes an appropriate balance between encouraging new residential and economic development without imposing such a level of burden on developers to prevent them, and landowners, making a competitive return. Without taking measures to facilitate new housing development it will not be possible to make a positive contribution towards the achievement of targets for Affordable Housing.
- 3.4 The principal need for new 'off-site infrastructure provision' is associated with improvements to the road network in the vicinity of Junctions 12 and 13 on the M65 motorway. These are in close proximity to the strategic housing and employment sites at Lomeshaye (Junction 12) and Trough Laithe (Junction 13). The progress of the East Lancashire Highways and Transport Masterplan [CD/07/05] has brought forward a number of improvement schemes. The Burnley and Pendle Growth Corridor emerged from the Masterplan. Alongside the work undertaken with the Lancashire Local Enterprise Partnership (LEP) on the Pendle Jobs and Growth Strategy [CD/05/03], this has resulted in Growth Deal funding being committed to improve these junctions. Work is anticipated to start in the 2015/16 financial year.
- 3.5 Policy SDP6 notes that the viability of new development will be assessed on an annual basis through the Authority's Monitoring Report (AMR), and that a CIL Charging Schedule will be introduced when economic circumstances in the borough can support it (paragraph 7.65). This approach is considered to represent a proportionate and pragmatic response.
- 4. Does Policy SDP6 and its implications for the requirement for obligations meet the tests set out in paragraph 204 of the Framework.**
- 4.1 Planning obligations are used to mitigate the impact of development that would otherwise be unacceptable in planning terms.
- 4.2 Policy SDP6 requires only that 'necessary infrastructure' is provided, which is in line with the policy tests set out in the National Planning Policy Framework (NPPF) [CD/10/01] and the statutory tests in the Community Infrastructure Regulations 2010.
- 5. Will infrastructure be delivered in a timely fashion?**
- 5.1 The Infrastructure Delivery Schedule (IDS) (Appendix A) has been developed in partnership with a wide range of infrastructure providers. The requirements set out in the IDS are based on technical and other assessments carried-out by these providers, which have been informed by the levels of growth proposed in the Core Strategy.
- 5.2 Pendle Council and Burnley Council have worked collaboratively over a number of years with infrastructure providers to develop their respective infrastructure strategies [CD/07/02], including investigating costs of delivery, phasing of delivery, funding sources etc. This information adds certainty for the development industry and local communities about the effectiveness of the policies in the Core Strategy, by clarifying what is required and when.

- 5.3 No infrastructure improvements are regarded as critical to delivery in the early years of the plan period, and none require a pooled contribution. Those that are required to facilitate development in the later years of the plan are highlighted in the IDS.
- 5.4 One issue to overcome is that a number of infrastructure providers only plan over five-year time horizons and have found it difficult to provide details of need, funding and costs over a longer time period. In addition some providers have been unable, or reluctant, to say whether or not any improvements will be required as a result of development until detailed plans are submitted. The consequence of this is that needs and detailed requirements will continue to evolve during the lifetime of the Core Strategy and subsequent DPDs and that further detail will need to be added to the IDS as delivery progresses. It will be important to continue to work with infrastructure providers and others, in the allocation and phasing of sites for development, consistent with the overall approach of the Core Strategy. Furthermore, infrastructure requirements and the delivery of projects will be reviewed over the plan period as identified in the monitoring and delivery framework (Chapter 13).
- 5.5 The issue of less detail being available for the later phases of the plan period is widely recognised and has been identified in the Planning Advisory Service (PAS) advice note on infrastructure planning and in advice from the Planning Inspectorate (PINS). The approach taken in the Pendle Core Strategy is considered to represent a proportionate and pragmatic response; focusing primarily on those requirements that are key to delivery in the early stages of the plan.
- 5.6 Pendle Council believes that the Core Strategy offers an adequate policy base to ensure that the infrastructure requirements arising from the levels of growth proposed can be met. The importance of projects to the delivery of the plan objectives is clearly set out in the IDS and does not need to be replicated in the policy. Indeed as the IDS is a 'living document' it would be inappropriate to do so, for the reasons outlined above.

6. What infrastructure will be required in the first 5 years of the Plan and can it be delivered?

- 6.1 The infrastructure improvements critical to delivery in the early years of the plan period are those relating to improvements to the highways network in the vicinity of Junctions 12 and 13 on the M65 motorway (see .4 above).
- 6.2 Other issues requiring early consideration are identified as a high priority in the Infrastructure Delivery Schedule (IDS) (Appendix A) and (summarised below):
- Improvements to Junction 13 on the M65 motorway will be triggered by a condition on the planning application for the Riverside Business Park. Funding for further improvements to Junction 13 and Junction 12 has been secured from the Lancashire Local Enterprise Partnership and the Growth Deal.

- United Utilities and Yorkshire Water have both indicated that Waste Water Treatment Works (WWTW) operating at close to capacity (Burnley, Colne and Earby) will be upgraded to accommodate projected growth. Some upgrading works have been funded as part of the AMP5 growth plan, whilst Earby will be addressed by its successor. It is a statutory obligation for utility companies to ensure that sufficient treatment capacity exists in areas where growth is planned to take place. The proposed works will ensure that both United Utilities and Yorkshire Water meet their obligation without the need for any delay or phasing to development growth due to foul treatment capacity.
- The need for additional school places arising from proposed growth are addressed in the Pendle Infrastructure Study [CD/07/02] and highlighted in the Core Strategy Infrastructure Delivery Schedule (Appendix A). The development of the strategic housing site at Trough Laithe indicates a potential increase in the need for primary school places has been identified. Lancashire County Council (LCC) has a strategy in place to ensure that they fulfil their statutory duty to provide every child with a school place. Their Planning Provision Team models population data and monitors new and proposed developments to determine the potential number of school places that will be required in a particular area. Only when specific development details are known will it be possible to quantify the implications for school places and only when planning permission is granted can funding be put in place.

6.3 The importance of projects to the delivery of the Core Strategy is clearly set out in the IDS and does not need to be replicated in the policy. Indeed as the IDS is a 'living document' it would be inappropriate to do so, for the reasons outlined above. Pendle Council believes that the Core Strategy offers an adequate policy base to ensure that the infrastructure requirements arising from the levels of growth proposed can be met.

7. How will essential infrastructure be funded?

7.1 The only infrastructure requirements, critical to early delivery of the plan objectives (see answer to Question 6 above), are improvements to Junctions 12 and 13 on the M65 Motorway.

7.2 As noted in paragraph 3.4, improvements to both junctions will be funded through an approved allocation from the Lancashire Local Enterprise Partnership (LEP) through the Growth Deal. In addition, developer contributions, secured via a condition on the planning approval for the Riverside Business Park, will also contribute to the improvements at Junction 13.

7.3 Elsewhere infrastructure will be funded through a combination of one or more of the following mechanisms:

- S106 contributions – where necessary to make the development acceptable in planning terms
- Pooled contributions – where appropriate
- Community Infrastructure Levy – should a CIL Charging Schedule be introduced when viability improves

- External funding – where this can be secured
- Statutory obligations – on the part of providers (e.g. utility companies,; education authority)

8. What are the consequences for the Plan if critical infrastructure is not delivered?

8.1 The Council has identified all infrastructure requirements in the Infrastructure Delivery Schedule (Appendix A). Those important to plan delivery are highlighted as a high priority, but with the exception of the improvements to motorway the motorway junction addressed in Question 7 (above) none are considered to be critical to delivery of the plan as a whole.

9. Have the needs for strategic infrastructure such as an A56 bypass and the reopening of the Colne-Skipton railway been appropriately justified and addressed in the CS?

9.1 Policy ENV4 explains that the Council will support two strategic transport schemes: the A56 bypass and the reopening of the former Colne-Skipton railway line. These schemes are included in the plan as part of the vision and strategy to improve connectivity east-west across the Pennines, but both are dependent on securing funding.

9.2 The Lancashire Local Transport Plan [CD/07/07] sets out the priorities for improvements to the highways network in Pendle, indicating the need to improve east-west and north-south connections and links into Central Lancashire and Manchester. The case for the bypass has been made through the preparation of the East Lancashire Highways and Transport Masterplan [CD/07/05], which has been subject to public consultation. The Masterplan has set out a timetable for the project and estimates that construction work could commence in 2020/21 with completion in 2021/22. The need for a bypass has been long-established due to the significant congestion that occurs on the main road passing along the North Valley in Colne.

9.3 Progress on the re-opening of the Colne-Skipton railway line is less advanced, in terms of its inclusion in the Masterplan as a specific project to be taken forward. However, the Lancashire and Cumbria Route Utilisation Strategy (RUS) [CD/07/09] identifies the route as a gap in the rail network, which could be brought back into use in the longer term. The Skipton and East Lancashire Rail Action Partnership (SELRAP) has commissioned several reports setting out the case for re-opening of the railway. Further work and funding bids are planned to move the project forward.

9.4 Policy ENV4 includes support for both projects to ensure that there is a planning policy base should funding become available to progress them in a more timely manner. The evidence from the Local Transport Plan, the Masterplan and the RUS provide a robust justification for the inclusion of these schemes in the Core Strategy.

10. Does the CS sufficiently exploit the potential for sustainable travel modes such as cycling?

10.1 The National Planning Policy Framework (NPPF) [CD/10/01] requires planning to promote a pattern of development which, where reasonable to do so, facilitates the use of sustainable travel modes (paragraphs 30 and 37).

10.2 Policy ENV4 focuses on the promotion of sustainable travel, but encouraging walking and cycling is an objective that is re-stated throughout the Core Strategy and its supporting documents.

10.3 Managing travel demand is an approach that is supported throughout the Core Strategy. Policy SDP2 seeks to concentrate new development in highly accessible locations, thereby helping to minimise the length and time of journeys. This is in turn supported by policies WRK4, WRK5 and SUP1. Other mechanisms used to encourage walking and cycling are the establishment of green travel routes and the preparation of Green Travel Plans, encouraged by Policies ENV1 and WRK1 respectively.