

Hearing Statement Matter 3: Spatial strategy

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Matter 3 – Spatial strategy

This hearing statement represents the Isle of Wight Council's response to **Matter 3** of the Draft Island Planning Strategy (IPS) examination in public. Answers have been provided to each of the *questions* asked in document <u>ED4 'Inspectors Matters, issues and Questions</u>' published on 19 December 2024.

Where documents in the IPS examination library are referenced as part of the answer, the document reference and title are used, and a hyperlink provided to that document.

Where the National Planning Policy Framework (NPPF) is referenced, unless stated otherwise this refers to the December 2023 version of the NPPF that the IPS is being examined under.

Where the council's response suggests proposed modifications to the plan, these are in blue text and shaded accordingly.

Issue 1: Whether the Spatial Strategy is sound

Q3.1: Is the proposed spatial strategy for the Island in Policies G1 and G2, including the settlement hierarchy, soundly based on a proportionate and up to date evidence base, including, amongst other things, the Rural Sustainability Matrix Review 2022 [Document GR3]?

IWC response:

Yes, the council is of the opinion that it is. The proposed spatial strategy for the Island in Policies G1 & G2 has been informed by both the assessment of different spatial strategy options in document EA2 IPS Integrated Sustainability Appraisal ISA July 2024, which tested six alternative spatial strategy options centred around different assumptions relating to the settlement hierarchy and settlement boundaries, and HO17 IPS Housing evidence Paper B – Revisiting the IPS allocations approach May 2024, which considers a range of factors (including guiding principles that address key issues raised from the first IPS consultation, how sustainability has been taken into account, revisiting the housing allocations for the new draft IPS, and matching infrastructure priority to proposed spatial strategy through settlement hierarchy) used to inform major spatial strategy changes from the first Draft IPS in 2018 to the 2021 Draft and submission versions of the IPS.

Both of these evidence bases have evolved the spatial options developed from the previous version of the IPS in 2018, taking into account, updated baselines, changes in policy context (both locally and nationally) and consultation responses.

GR3 Rural Sustainability Matrix Review 2022 provides an update on the original matrix developed in 2008 to support the Core Strategy (adopted in 2012). The 2022 update takes account of changes to facilities and services in each of the settlements and an additional criterion has been added on local employment. The purpose of the matrix is to aid the council when

considering priority locations for growth and where settlements fit within the settlement hierarchy. This in turn informed the drafting of IPS policy G2.

The council believes the above demonstrates a sound, proportionate and up to date evidence base. The council is not aware of any more comprehensive or up to date credible evidence base in relation to the spatial strategy.

Q3.2: As set out above, the proposed housing requirement would be approximately a third lower than the standard method derived housing need figure. The submitted housing trajectory shows delivery rates in the latter part of plan period reducing significantly. Is plan making for the IPS justified in not pursuing larger sites, including possibly new settlements, as part of a spatial strategy to assist housing delivery in the medium to long term on the Island? How does this square with Housing Evidence Paper D [Document HO19] and its barrier to delivery #7 regarding lack of large sites attractive to national volume housebuilders, providing a "pipeline" for sustained delivery?

IWC response:

Yes, the IPS is justified in not pursuing additional larger sites (including new settlements) to assist in housing delivery and/or to attract national volume housebuilders. It should be noted that the IPS does include several larger sites as allocations (including KPS1 former HMP Camp Hill - 330 units in the plan period; KPS2 Newport Harbour – 250 units in the plan period; HA119 Pennyfeathers - 700 units in the plan period). When considering sites for allocation, including larger sites, the council believes it is realistic to consider what sites are available and deliverable/developable. The council have done this through the strategic housing land availability assessment (SHLAA) process to minimise risk and increase the likelihood of an allocated site being developed, through the criteria of available, deliverable and developable.

The SHLAA 2022 (document HO5) identifies in Appendices 5 & 6 all of the suitable sites that have been assessed as being either deliverable or developable. Of those sites, only four sites were considered at the time of assessment to have an indicative yield of 200 dwellings or more (a very conservative threshold for a larger site that might attract a national volume housebuilder), and all of those sites (in part) are already included as IPS allocations (KPS1, KPS2, HA022 & HA033), with two subject to current planning applications (HA022 & HA033). There are **no** sites with a yield of over 200 units in Appendices 5 & 6 of the SHLAA that have not been proposed for allocation in the IPS. The inclusion of other sites that have an indicative yield of over 200 units, but which were not assessed to be developable or deliverable through the SHLAA process, would not be effective as a strategy to increase housing delivery, even if such sites might be suitable for development. Document EA2 IPS Integrated Sustainability Appraisal also considered alternative spatial strategies, including the provision of larger, strategic sites / new settlements.

<u>HO16 IPS Housing evidence Paper A – approach to Housing in the IPS May 2024</u> summarises in paragraphs 5.2 and 5.3 the engagement sought by the council with national volume house builders, their reasons for not considering the Isle of Wight and therefore why allocating sufficient sites to meet the standard method, whether in number or size, would not in itself resolve the housing delivery issue the Island continues to experience, see extracts below.

5.2 As set out in the background evidence papers, the island does not benefit from the scale and speed offered by major national housebuilders, instead relying on smaller, island-based

developers with smaller sites, lower delivery rates and smaller development pipelines. Indeed, the one national housebuilder that currently has a presence on the Island is completing at an average rate of 50 per year. The IWC has engaged with a number of major national housebuilders, including Galliford Try, Bellway, Bloor, Vistry & Metis, all of whom simply do not consider land on the island as within their 'patch'. A number of reasons are highlighted including:

- Logistics of getting materials and labour to sites;
- Labour/Management;
- · Contractors and sub-contractors not working in the island;
- Infrastructure/services available;
- · All resulting in a higher base build cost;
- · House prices relative to earnings;
- Market volatility/depth of market;

5.3 Simply turning on the 'supply' tap by allocating sufficient sites to meet the standard method would not suddenly see these major national housebuilders operating on the island, as the majority of the issues highlighted above would not be overcome. All of these issues are also highlighted in our evidence base reports from the University of Portsmouth around a shortage of skills and labour, development value and a restricted buying market and all would remain.

In addition, it is to be noted that no Regulation 19 responses were submitted by national housebuilders, and nor are any appearing at the examination hearings, which corroborates and reinforces the findings of these studies. **HO16** goes on to provide further evidence (paragraphs 5.4 - 5.6) that despite operating in a permissive environment (making decisions under the 'presumption in favour of sustainable development' for over 6 years since 2018) and being consistently positive in its approach to approving development over recent years, with the exception of one year the island has seen a noticeable downturn in residential permissions since 2018.

The council has sought to address as many of the barriers to delivery as possible in the IPS, in particular through the two allocations KPS 1 Camp Hill and KPS 2 Newport Harbour, both large sites, brownfield and sustainably located and in public ownership, in order to increase likelihood of delivery.

The evidence indicates that housing delivery is not related to either the number or size of sites, but a range of complex interactions, unique to the Island as a separate and stand-alone housing market. Allocating more larger sites is likely to lead to negative effects associated with long-term non-delivery of allocations and a loss of plan-led decision making. The analysis of historic allocations in **HO16** (see section 7 Comparison of IPS to performance of the market since adoption of the Core Strategy) helps to demonstrate that the delivery problems of recent years are not directly related to a lack of housing allocations in the Core Strategy, when a considerable proportion of allocations from 2001 have not been brought forward for development.

In document <u>HO19 IPS Housing evidence Paper D – Barriers to Delivery May 2024</u> barrier no. 7 Limited appropriate land, is one of a number of identified potential barriers to housing deliver. The identified local plan actions 'Review number and distribution of large sites considered for allocations and the detail associated with each allocation' has been completed and is reflected in

the sites assessments in the SHLAA, document <u>HO5</u>, and in Appendix 3 of the IPS – 'Site specific requirements' . The significance of 'limited appropriate land' and whether more larger sites would aid delivery should be considered in the context of both the evidence stated above and conclusions made in Paper D. In particular there is not one overriding issue or limiting factor and that the council has engaged national housebuilders to better understand both their intentions with regards to future development on the Island and common concerns (none of which are related to the availability of large sites).

Q3.3: The Housing Evidence Paper B [Document HO17] (notably at paragraph 5.32) sets out the rationale for not pursuing additional bigger edge of settlement sites and scaling back from the approach initially presented at earlier stages of plan-making, is this justified?

IWC response:

Yes, the spatial strategy approach summarised in paragraph 5.32 of HO17 IPS Housing evidence Paper B – Revisiting the IPS allocations approach May 2024 is justified. The council has carefully considered the quantum of housing that can be realistically delivered, having regard to the evidence summarised in HO16 Paper A and as rehearsed in the council's statement in response to Matter 2. The exercise that is reported in HO17 Paper B was not undertaken to inform the extent of the housing need that the IPS could realistically deliver, but was an exercise which looked again at the earlier allocations in the light of the quantum that was set by the 'island realistic' housing requirement. Paragraphs 2.12 – 3.1 explain how the assessment of spatial strategies was carried out following the change in quantum of proposed new housing from the draft IPS in 2018 to the draft 2021 IPS (as set out in HO16 IPS Housing evidence Paper A – approach to housing in the IPS May 2024).

These paragraphs also explain the principles used in this assessment, derived from both the sustainability appraisal work and outcomes from consultation on the first version of IPS in 2018. The most sustainable spatial strategy for the quantum proposed has been taken forward, having considered all the reasonable alternatives, as evidenced in both the ISA and **HO17** and is therefore justified (i.e. an appropriate strategy, taking into account the reasonable alternatives, and based on proportionate evidence).

Q3.4: Are there any reasonable alternative spatial strategies for the Island? If so, have these been appropriately considered as part of the Integrated Sustainability Assessment process?

IWC response:

Yes, the identified reasonable spatial strategies for the Island have been considered through the ISA process. Section 4, Stage B:Developing and Refining Options and Assessing Effects, of EA2 IPS Integrated Sustainability Appraisal, states in paragraph 4.2.1, "This section considers reasonable alternatives with respect to the Plan in its entirety, alternative policies, different spatial strategies, and different sites." This assessment stage also included health and employment provision.

Further detail on the evolution of the local plan, including the spatial strategy approach and how this has been shaped by the ISA is detailed in <u>HO17 IPS Housing evidence Paper B – Revisiting</u> the IPS allocations approach May 2024, in particular paragraphs 2.11 – 2.14, extract below.

- 2.11 Given both the time that had passed between the first draft IPS (2018) and the revised approach in the Draft IPS of 2021, and the change in quantum of housing to be planned for, the council felt it was appropriate to refresh the sustainability appraisal (SA) supporting the IPS. The update of the SA included an assessment of the spatial strategy and reasonable alternatives.
- 2.12 Six different spatial strategies were proposed in the draft IPS in 2018. These options had been assessed in accordance with the framework of the SA undertaken in 2018, and it is worth noting that these 6 spatial options were assessed against a different (higher) level of development. Using the outcomes of the assessment work undertaken in 2018 and the new housing numbers, these spatial strategies were consolidated into four simplified spatial strategies which were further considered and assessed through an updated SA framework in 2021 (see table 2.1 below).
- 2.13 The streamlining of spatial strategy options from 6 to 4 was based upon national planning guidance. The NPPF states3 that a sound plan is one that (amongst other things) is based upon an appropriate strategy, taking into account the reasonable alternatives. The NPPG4 expands on what is meant by 'reasonable alternatives' when carrying out sustainability appraisal as "...the different realistic options considered by the plan-maker in developing the policies in the plan." and of relevance here, "They need to be sufficiently distinct to highlight the different sustainability implications of each so that meaningful comparisons can be made." Of the 6 spatial strategy options tested in the previous SA, the 2 with variations, i.e. 1 (a & b) and 3 (a, b, and c) have both been simplified to a single spatial option for each. An additional option to cover the existing plan approach (no change) was also identified.
- 2.14 The 2021 spatial options have been assessed through the SA process accompanying the IPS and may further be considered alternatives to the preferred spatial strategy. See Section 4.5 and Appendix 2 of the Integrated Sustainability Appraisal (2024) for the full assessment of these spatial options.

Q3.5: Is it clear in the Plan, through a combination of Policy G2, the key diagram, Policy H1, Policy E1, the indicative housing trajectory at Appendix 4, and paragraphs 3.44-3.49 how much growth is being planned for over the plan period and how this would be broadly distributed? Will Policy G2 be effective in ensuring the right amount of growth occurs in the right places?

IWC response:

Yes the council believes it is clear through the combination of information sources referenced in the question how much growth is being planned for and where this growth will take place. The key diagram shows this in pictorial form, policies H1 & E1 present this in number form whilst Appendix 4 and paragraphs 3.44-3.49 provide further detail on where that growth is expected to come forward across the plan period, recognising that trajectories can only ever be indicative and are subject to continual change.

As noted in our answer to Q1.26, the key diagram is considered to be sufficiently clear and consistent with paragraph 23 of the NPPF (Dec 2023).

The council would also point to document <u>CD2 Policies Map</u> which provides an interactive and useable tool that allows the level and location of growth to be demonstrated policy by policy.

Policy G2 will be effective as this provides the policy manifestation of the spatial strategy that was assessed and considered as appropriate through document EA2 IPS Integrated Sustainability
Appraisal. The policy seeks to direct and concentrate growth to the existing settlements of the island to ensure that development coming forward as 'policy compliant' is sustainable by providing economic, social and environmental benefits.

Q3.6: Would it be necessary for soundness and as part of an appropriate strategy to elevate Newport as a distinct, top tier settlement to accommodate a commensurate proportion of the Island's growth over the plan period? Does Newport have sufficiently distinct sustainability credentials to justify a different spatial role to Cowes, East Cowes, The Bay and Ryde?

Q3.7: Is the identification of Freshwater as part of a composite secondary settlement for 'West of Wight' (along with Totland) justified, having regard to its level of services and employment, connectivity to higher order settlements on the Island and environmental setting?

IWC combined response to 3.6 & 3.7:

Core Strategy (GS1) Policy SP1 Spatial Strategy identified a settlement hierarchy as shown below:

Key regeneration areas – Medina Valley (Newport, Cowes and East Cowes; Ryde; and The Bay (Sandown, Shanklin and Lake)

Smaller Regeneration Areas – West Wight (Freshwater and Totland); and Ventnor

Rural Service Centres – Arreton, Bembridge, Brading, Brighstone, Godshill, Niton, Rookley, St Helens, Wootton, Wroxall and Yarmouth.

The policy supported the development of appropriate land both within and immediately adjacent to the settlement boundaries of Key Regeneration Areas and Smaller Regeneration Areas, with more limited development in the Rural Service Centres. Though the Core Strategy (**GS1**) was adopted in 2012 the supporting text to SP1 is relevant to the current IPS settlement hierarchy.

The supporting text to Policy SP1 in paragraph 5.4 states:

"Policy SP1 (Spatial Strategy) sets out in the main locations where it is expected the majority of development will occur in the next 15 years. It is based around a settlement hierarchy that was developed through a sustainability matrix, public consultation and the SA/SEA and HRA processes".

Paragraph 5.9 confirmed:

"It is expected that the greatest level of development over the plan period will occur within the Key Regeneration Areas, with the priority being to locate the majority of housing and employment development in locations that minimise the need to travel". For the Smaller Regeneration Areas paragraphs 5.10 and 5.11 continue

"There are two Smaller Regeneration Areas: West Wight (Freshwater and Totland) and Ventnor and these are shown on the Proposals Map and Key Diagram. These are medium-sized settlements, but they still have relatively large populations for the Isle of Wight. These two areas have experienced general economic decline, particularly in terms of jobs available in the settlements, over a long period of time and an approach that supports and facilitates growth is required". (my highlight)

"In general terms, this means that greater support will be given to proposals that develop new and appropriately scaled opportunities which maintain and support the sustainability of the Smaller Regeneration Areas". (my highlight)

Further detail on the approach to development taken on the island is given in paragraphs 5.18-22:

"The Island has a wide range of settlements, each with their own distinct features, functions and opportunities. Whilst the planning policies of the Council need to retain these features and functions, they also need to allow appropriate growth in the right locations. On the Isle of Wight, it is particularly important to preserve the predominantly rural character of the County and the majority of its settlements, and to sustain a tourism industry that is built upon this **unique character** and the Island's natural resources". (my highlight)

"In order to achieve, and in many cases maintain, the sustainable and thriving communities set out in the Spatial Vision, development in different forms will need to occur in different locations. Following consultation around the spatial options for development on the Island and work looking at the sustainability of settlements, a settlement hierarchy has been identified and is set out in SP1 (Spatial Strategy)".

"The Spatial Strategy also steers the majority of development away from the Area of Outstanding Natural Beauty (AONB) (my highlight) and facilitates small-scale incremental growth within and immediately adjacent to the Rural Service Centres and the wider rural area (some of which are in the AONB) to address identified local needs".

"The aspirations of Eco Island and the results of public consultation tell us that people want strong communities and that if there is to be development it should be focussed on the existing larger settlements. This approach also means that development will be happening in areas that have an appropriate range and level of facilities to support it, whilst protecting smaller settlements where development is not considered appropriate".

"The Spatial Strategy has been devised to ensure that development is focussed in the most sustainable locations".

The Core Strategy was adopted in 2012 and whilst settlements change over time the relative position between them remains, particularly on the island which is largely rural with few significant settlements. The main difference is Bembridge and Wootton now being classed as secondary settlements due to their services and facilities.

The focus on achieving development in the most sustainable locations is a common thread between the Core Strategy and the Island Planning Strategy. —The NPPF paragraphs 7 and 8

confirm sustainable development to be a local plan goal. The IPS focuses development on Primary/Secondary Settlements and Rural Service Centres. Settlements identified as Sustainable Rural Settlements do not have settlement boundaries.

The 2018 ISA assessment considered differing development options, with the preferred option being to "Use existing settlement hierarchy (a) Increase density/site yield, focus on infill and brownfield, and not allow development beyond settlement boundaries".

This is reflected in document <u>EA2 IPS Integrated Sustainability Appraisal</u>, Table 4.2 which sets out the reasonable spatial strategy options and uses the existing settlement hierarchy. Policy G2 seeks to focus development in sustainable locations and limit development outside the settlement boundaries.

Newport

Newport is the county town on the island, and the Island's commercial, business and civic hub, centrally located with a good level of facilities and services. **CD1** Policy G2 identifies the most sustainable locations for development through a settlement hierarchy. Newport and Ryde are the largest settlements on the island, but all primary settlements have good availability of services and facilities, are accessible and provide a main centre to different parts of the island.

The classification of settlements is based on availability of services and facilities, proximity and accessibility via different modes of transport and population size. All the primary settlements are deemed sustainable locations for development and are expected to take a larger proportion of development. Separating Newport into a category at the top of the hierarchy elevating it above the other primary settlements might have a detrimental effect on their growth as it becomes the favoured location for more development. This is because the island is small, and settlements are not separated by a great distance. e.g. 6.8 miles between Ryde and Newport, 5.1 miles between Newport and Cowes and 9.6 miles between Newport and Sandown. The current hierarchy encourages sustainable growth in a range of the best locations which overall benefits a wider population than concentrating a greater proportion in Newport through identifying it as a separate category. The populations of Ryde - 24,105 residents, and Newport - 25,405 residents (Census 2021 data) are similar and provide further justification for not identifying one or the other as a 'top tier' settlement.

Paragraph 4.2.3 **EA2** explains that the 2018 Sustainability Appraisal included consideration of a revised settlement hierarchy, but no preferred option was selected. Table 4.1 provides the commentary on why each option was rejected. Further sustainability appraisal work for EA2 identified different spatial strategy options.

Freshwater and Totland

Freshwater and Totland's position in the settlement hierarchy reflects its relative sustainability. Paragraphs 5.18-22 in the Core Strategy's supporting text to Policy SP1, shown above, make clear that its inclusion as a Smaller Regeneration Centre (now renamed Secondary Settlement) took into account preserving the island's rural character, unique character and the Island's natural resources, along with its services, facilities, homes, jobs, transport and population.

The combined population of the Freshwater South (3,700) and Totland & Colwell (3,600) wards is 7,300 residents (Census 2021 data), with a high proportion living within the urban area. Freshwater (and Totland) benefit from a range of services and facilities, some of which are listed below and as well as supporting the existing population they also help to play a role in catering for the rural hinterlands in the West Wight that are included in the population figure of 7,300:

- West Wight Sports & Community Centre;
- Major national chain supermarket;
- Two national chain 'local' supermarkets (FW);
- Convenience store (Totland);
- Pharmacy;
- Multiple cafes, hairdressers, news agents and public houses;
- Hardware store;
- Garden centre:
- Multiple hot food establishments;
- West Wight Medical Centre;
- Dentist;
- Petrol station

The council therefore considers it to be justified that Freshwater & Totland are together identified as a Secondary settlement (West Wight).

Q3.8: Policy H1 sets out a housing requirement for the six designated neighbourhood areas on the island. Is the approach set out in Policy H1 justified, positively prepared and consistent with NPPF paragraph 67? Is a consequence of the approach that there would be no further housing allocations made through neighbourhood plans in those designated areas where the IPS is not allocating sites?

IWC response:

Yes the housing requirements for the six designated neighbourhood areas are justified, positively prepared and consistent with paragraph 67. Whilst Policy H1 sets a housing requirement that is below the standard method, as explained in the Matter 2 hearing statement, the council has clear, evidenced and justified reasons for this. On that basis, when answering this question and the consideration of whether the approach is positively prepared, the starting point is the contribution towards the housing requirement within the IPS rather than the standard method.

Each of the housing requirements for the designated neighbourhood areas is made up of three elements, the first of which are large sites within those designated areas that already have planning permission – this element is positively prepared as it takes existing planning decisions and seeks to provide certainty and consistency by reflecting them in policy and ensuring their contribution towards the housing requirement of the plan is recognised.

The other two elements that make up the designated neighbourhood area housing requirements are any proposed allocations within the area and a contribution towards the windfall allowance in the plan. The inclusion of proposed allocations is self-explanatory and seeks to ensure that future

neighbourhood plans remain consistent with the strategic policies of the plan, of which Policy H1 is one.

From a windfall perspective, one of the sources of housing supply over the plan period will come from windfall development and this is explained in paragraphs 7.10 and 7.11 of the IPS. It is impossible to accurately distribute and allocate windfall development, however the council has used an appropriate and proportionate approach to these figures in respect of neighbourhood areas. The total windfall allowance within the plan is 1,500 homes, or 100 per year. Historical delivery data shows that high proportions (approximately 80%) of windfall development come forward in the main settlements of Newport, Sandown, Shanklin, Ryde, Cowes & East Cowes. Each of these is covered by a single town or community council (6 in total). There are 27 other town or parish councils on the island (to combine for a total of 33). Applying the 80% / 20% across each of the 6 and 27 town, parish and community councils (which form the basis of any designated neighbourhood areas) and the total windfall allowance in the IPS generates the following figures:

	A: Number on island	B: Homes per year	C: Homes in plan period (B x 15)	Total homes (A x C)
Primary settlement town, parish & community councils	6	8	115	690
Remaining town & parish councils	27	2	30	810
			Total windfall	1,500

The council considers this approach to be justified and effective and would note that no alternative approaches for the island as a whole have been suggested through the representations at Regulation 19 stage.

The council believe this approach is justified as it forms an appropriate and consistent strategy for each designated neighbourhood area, whilst ensuring that a degree of local decision making through remains with any future neighbourhood plans, i.e. how to plan for that windfall allowance.

The approach taken in policy H1, which directly aligns with paragraph 67 of the NPPF, does not mean that no further housing allocations would be made in neighbourhood plans. Any neighbourhood plans would be able to make allocations that could provide sufficient land to some or all of the 'windfall' element of their housing requirement. It is also important to note that in line with policy H1 and the context of the IPS as a whole, the housing figure is a floor not a ceiling, so neighbourhood plans could make allocations for additional housing that exceeds their housing requirement set out in Policy H1, and this would remain consistent with that particular strategic policy.

Q3.9: Does Policy G2 (in combination with other policies of the IPS) provide a sound approach for promoting sustainable development in rural areas, including enabling rural service centres and sustainable rural settlements to grow and thrive, consistent with NPPF paragraphs 82 and 83?

IWC response:

Yes, the council considers that the IPS does provide a sound approach for promoting sustainable development in rural areas. For the nine Rural Service Centres (which according to Census 2021

data are collectively home to over 10,000 residents), policy G2 takes a positive and permissive approach and supports the principle of housing growth within the boundaries of all of these settlements. This policy approach allows non-allocated sites in these areas to be positively considered and would help these areas grow and thrive, in a proportionate way to the size of the settlement that responds to local circumstances, which is clearly set out in paragraph 82 of the NPPF.

For Sustainable Rural Settlements, as identified in paragraph 6.17 of the IPS, there are no settlement boundaries as the council wishes to improve their sustainability through appropriately sized growth given the relatively small size of many of these areas (e.g. just over 600 residents in both Shalfleet and Whitwell). Polices H4 (infill development), H7 (exception sites) and H9 (previously developed land) all provide an identification through planning policy (as required by paragraph 83 of the NPPF) of how and where growth could come forward in these locations.

Paragraphs 82 and 83 of the NPPF are also explicit that growth in rural areas should be responsive to local circumstances and support housing that reflects local needs – each of the aforementioned policies (H4, H7 & H9) require such development to meet a 'specific local need that has been identified' – with the definition of this provided in the IPS glossary and reproduced below:

'A local community need within the parish in which the application land is sited that has been identified by a local housing needs assessment and/or surveys.'

This definition and the policies that require it are a positive approach, consistent with national policy, that seeks to ensure housing development coming forward in these areas are the right type of housing in the right location.

Q3.10: Is the Plan justified, through Policy G2, in not positively allocating sites for housing in either Rural Service Centres or Sustainable Rural Settlements?

IWC response:

Yes the approach of not allocating sites at the Rural Service Centres and Sustainable Rural Settlements is justified as it represents an appropriate strategy for these areas that is consistent with paragraphs 82 and 83 of the NPPF (please see our answer to Q3.9 for further detail). A suite of other policies (H4, H7, H9 for example) would support development coming forward in these areas – at a scale that is appropriate for the location and most importantly providing housing that meets 'a specific local need that has been identified' – therefore providing these communities with homes for people in those communities.

There are also a number of large sites with planning permission, identified in Appendix 1 of the IPS, within some of these rural areas that could provide approximately 300 homes across the seven sites (located in Arreton, Brighstone, Rookley, Nettlestone, Yarmouth, Godshill and Wellow).

Alternatives to this approach would be to make a series of allocations in these locations, however this is not considered to be effective as those allocations would then see a predominance of open market housing given the general allocations approach in the IPS. That approach is to allocate sites in excess of 10 units so that the allocations provide much needed affordable housing in line with Policy H5 of the IPS, albeit that would only represent 35% of the allocated site. By taking the

approach of not allocating in these areas, the council believe that a higher proportion of development coming forward will meet identified local needs.

Q3.11: Would the approach in Policy G2 for development outside of the settlement boundaries of Rural Service Centres and at Rural Service Centres be effective in facilitating sustainable housing growth including appropriate types of housing for the local community? Is it clear what is meant by "meet a specific local need"?

IWC response:

Yes the approach in G2, and following on in policies H4, H7 and H9, would be effective as it is considered to be deliverable over the plan period. The approach and policies provide a policy framework that supports development appropriate to the scale of rural settlement that it is coming forward in / near, whilst also requiring that development to meet local needs (consistent with national policy) and therefore such an approach endures over time even if a rural settlement sees low or high levels of sustainable growth.

The IPS Glossary includes a clear definition of a 'specific local need that has been identified' which provides clarity both in terms of the area (parish of the application) and the data used to inform (and this was reproduced in our answer to Q3.9.

Q3.12: Is the distribution of proposed employment in Policy E1 justified (the focus on the north and north-east of the Island) and will it be effective in supporting the Island's economic objectives over the plan period? Is the Plan releasing the right type and amount of land for the employment needs (Class E office, B2 and B8) identified?

IWC response:

Yes the distribution of the proposed employment land is justified as it represents an appropriate strategy that seeks to ensure economic development occurs in close proximity to existing population centres (which is also where planned housing growth is allocated), allowing sustainable travel to employment opportunities and increased populations to help serve the economic sectors.

As detailed in <u>Census 2021 data</u>, the island population is 140,440, with over 75,000 people residing in five settlements in the north and north-east of the island (Cowes, East Cowes, Newport, Ryde, Bembridge). This amounts to over half (54%) of the island population and provides an evidenced justification for distributing employment allocations to these areas.

The approach is considered to be effective as the amount of employment land being allocated is, in the majority (and see our answer to Q2.25 for further detail), already permitted or subject of planning applications so the council can take a high degree of confidence that these sites will be delivered should economic and market conditions be suitable.

With regard to the right type and amount of land being 'released' by the plan – in terms of amount this is considered in detail in our response to Q2.25. From a type perspective, document <u>EC1 IOW Employment Land Study</u> provides detailed analysis of the types of employment land that could be required on the island, specifically tables 6.16 and 6.17 on pages 81 and 82 respectively of **EC1**.

The types (and amounts) in these tables are reflected and covered in totality by the allocations within Policy E1.

The council is also conscious that employment sectors and uses have become inherently more flexible and interchangeable, a fact reflected by the Government creating Use Class E to bring together many different types of employment use. For this reason, policy E1 seeks to ensure adequate flexibility for the employment allocations by identifying different types of employment (Class E, B2, or B8) that could be accommodated on these sites – without being so specific or prescriptive to restrict sustainable economic development, as many businesses now operate across 2 or 3 of these use classes from the same location.

Q3.13: Is the distribution of employment land allocations in Policy E1 consistent with the Spatial Strategy for growth in Policy G2 and otherwise aligned with housing growth to support sustainable patterns of growth?

IWC response:

Yes the distribution of employment land is consistent with the spatial strategy for growth that underpins policy G2 of the IPS. The spatial strategy seeks to focus planned growth in the primary & secondary settlements and Rural Service Centres – all of the proposed employment allocations identified in Policy E1 are at these locations (specifically Newport, Ryde, Cowes, East Cowes, Ventnor and Sandown) with no concentration in one single area. In addition, Policy E1 also identifies a number of existing employment areas which are also distributed across the aforementioned settlements (specifically Freshwater, Cowes and Sandown).

As set out in our answers to Q2.25, 2.28 & 2.30 and evidenced in document 'EC1 IOW Employment Land Study' the proposed level of housing growth in the plan is sufficient to support the proposed level of economic growth (and jobs forecast), noting that the housing requirement is a 'floor' not a ceiling, and that the policy framework is sufficiently permissive to allow additional, sustainable development to come forward should market conditions allow.

Q3.14: Would it be necessary for plan soundness to identify additional employment land at Freshwater given the proposed scale of housing allocation at the settlement? The proposed approach in Policy E1 would be to support the intensification and expansion of existing employment uses at Golden Hill and Afton Road in Freshwater. Would this be an appropriate strategy to generate additional jobs alongside the scale of new homes proposed?

IWC response:

No, the council does not consider it is necessary for soundness to identify additional employment land at Freshwater. The proposed housing allocations in Freshwater and Totland (HA002, HA005 and HA006) may deliver around 180 homes within the plan period (an average of 12 per year).

The approach of identifying two existing employment sites and supporting the intensification and expansion in Policy E1 is considered appropriate and commensurate for the scale of development being proposed, recognising that not all of the housing development will come forward at once. The Afton Road site measures approximately 1 hectare, whilst the Golden Hill Fort site is approximately 2.9 hectares and both sites have the opportunity to intensify. In principle policy

support for that can help to provide confidence to landowners / businesses considering investment in the area and the provision of additional employment opportunity.

The demographic profile of Freshwater and Totland is also an important factor – <u>census data from 2021</u> shows that of the 5,646 residents in Freshwater & Totland parish, 2,313 (41%) are over the age of 70 and therefore would have less need for employment.

The council would note that it has recently received a planning application (24/00993/OUT) for a mixed use scheme including 60 homes and retail floorspace (identified as having the potential to provide 900 square metres of retail in the form of a supermarket — over 50 potential jobs using standard <u>employment density calculations</u>). Whilst this application has yet to be determined, the principle of such a mixed use scheme would be considered acceptable and could provide further employment opportunities to the local area.

The council would also note that not all residents living in Freshwater & Totland would work in Freshwater & Totland. Employment opportunities in other settlements, including Newport to which there is a frequent bus service and where further employment land is allocated, also provide sustainable and accessible employment opportunities.

For all of these factors, the council consider that the approach to housing and employment growth is justified, is based on available evidence and is proportionate to the scale of the growth being proposed.

Q3.15: Does the UNESCO Biosphere Reserve status have any bearing on spatial strategy options and/or the Island's overall capacity to accommodate development?

IWC response:

The UNESCO Biosphere Reserve status was achieved in June 2019, and whilst it has no formal status in planning terms, the designation was secured some seven years after the adoption of the Core Strategy. This suggests that the policies within the Core Strategy that promoted sustainable development and planned growth, and the subsequent decisions taken in line with them, created an environment on the island that was considered worthy of the UNESCO Biosphere status.

The Biosphere status is in effect a positive outcome of sustainable development that balances environmental, social and economic factors. Whilst there is no direct bearing of the status on the spatial strategy or the islands capacity to accommodate development, the IPS presents what the council believe is a sound plan that promotes and encourages sustainable development. By making decisions in this way, the Biosphere status becomes embedded in planning policy and decisions, a fact that is highlighted in strategic policy CC1 of the IPS.