



The Planning
Inspectorate

Report to Forest of Dean District Council

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an Inspector appointed by the Secretary of State for Communities and Local Government

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PLANNING AND COMPULSORY PURCHASE ACT 2004

SECTION 20

REPORT ON THE EXAMINATION INTO THE FOREST OF DEAN CORE STRATEGY DEVELOPMENT PLAN DOCUMENT

Document submitted for examination on 26 July 2011

Examination hearings held between 12 and 17 October 2011

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Abbreviations Used in this Report

AA	Appropriate Assessment
AAP	Area Action Plan
CD	Core Document
CS	Core Strategy
DCLG	Department for Communities and Local Government
DPD	Development Plan Document
FC	Forestry Commission
FPC	Further Proposed Change
FW	Forest Waste
LDS	Local Development Scheme
LP	Local Plan
NPPF	National Planning Policy Framework (draft)
NQ	Northern Quarter
PC	Proposed Change
PM	Proposals Map
PPS	Planning Policy Statement
RS	Regional Strategy (draft)
SA	Sustainability Appraisal
SCI	Statement of Community Involvement
SCS	Sustainable Community Strategy
SF	Statutory Forest
SHLAA	Strategic Housing Land Availability Assessment
SHMA	Strategic Housing Market Assessment

Non-Technical Summary

This report concludes that the Forest of Dean Core Strategy Development Plan Document provides an appropriate basis for the planning of the District over the next 15 years. The Council has sufficient evidence to support the strategy and can show that it has a reasonable chance of being delivered.

A limited number of changes are needed to meet legal and statutory requirements. These can be summarised as follows:

- Providing limited additional flexibility and consistency throughout in relation to employment uses and to employment, housing and retail allocations;
- Clarifying the role and function of "Forest Waste" in policy CSP 9 and the supporting text; and
- Adding a reference to land "instability" in policy CSP 1.

Nearly all of the changes recommended in this report are based on proposals put forward by the Council in response to points raised and suggestions discussed during the public examination. They do not alter the thrust of the Council's overall strategy.

Introduction

1. This report contains my assessment of the Forest of Dean Core Strategy (CS) Development Plan Document (DPD) in terms of Section 20(5) of the Planning & Compulsory Purchase Act 2004. It considers whether the DPD is compliant in legal terms and whether it is sound. Planning Policy Statement (PPS) 12 (paras 4.51-4.52) makes clear that to be sound, a DPD should be justified, effective and consistent with national policy.
2. The starting point for the examination is the assumption that the local authority has submitted what it considers to be a sound plan. The basis for the examination is the submitted draft CS of July 2011, which is the same as the document published for consultation in March 2011, as amended by the Council's Proposed Changes (PCs). It was made clear at the Pre Hearing Meeting that all of these changes would be accepted as minor ones; not directly related to soundness.
3. The Further Proposed Changes (FPCs) put forward by the Council and shown in Appendices A and B include factual updates, corrections of minor errors and other minor amendments in the interests of clarity. Some of these changes do not relate to soundness and are not therefore referred to directly in this report, although I agree with the Council that they improve the plan. Others, FPCs **1, 4, 6** and **9** (Appendix A), are specifically endorsed, as they are necessary for soundness.
4. All of the Council's PCs and FPCs have been subject to public consultation and I have taken the consultation responses into account in writing this report. I am also content for the Council to make any minor changes to page, figure, paragraph numbering and to correct any spelling errors prior to adoption.
5. This report also deals with the two changes that I recommend are needed to make the DPD sound and they are identified in bold in the report (**IC**) and set out in Appendix C. Neither of these changes materially alters the substance of the plan and its policies, or undermines the sustainability appraisal and participatory processes undertaken.

Assessment of Soundness

6. The passing of the Localism Act on 15 November 2011 finally confirms that the draft Regional Strategy (RS) for the South West will not be pursued further and that the CS does not have to follow its policies. Nevertheless, as referred to in the DCLG Chief Planning Officer's letter to Local Planning Authorities of July 2010, the evidence and background information underlying the recent regional planning process remains relevant. In the absence of any alternative up to date studies, it remains reasonable and realistic for the Council to rely largely on that information to provide a sound evidence base for the CS, including in terms of population projections and new housing requirements.
7. I have also had regard to the draft National Planning Policy Framework (NPPF) document, issued for consultation on 25 July 2011, but it is still in draft form and subject to change so have accorded its policies little weight.

Main Issues

8. Taking account of all the representations, written evidence and the discussions that took place at the examination hearings I have identified ten main issues upon which the soundness of the plan depends.

1. General, Vision, Strategy, Economy (CSP.7)

1.1 – Does the spatial strategy have a sound evidential basis, having regard to the local context and needs, including in relation to other plans and strategies, and will it deliver development that meets those needs ?

9. The Forest of Dean is unique in the UK. Whilst it has some similarities to the New Forest, nowhere else displays a comparable combination of distinct landscape character, economic history and local culture that it is as readily recognisable by casual visitors and tourists as by local people. The economic, social and environmental importance of the working forest, also supporting tourism and recreation, adds considerably to the district's distinctiveness.
10. Given this firmly established local context, it is not surprising that, whilst a very different document, the CS essentially "rolls forward" to 2026 much of the 2005 Local Plan (LP) (CD 45) in terms of vision and policy approach. This includes a spatial strategy promoting the district's sustainable development by encouraging self containment and reinforcing the established settlement pattern by concentrating most new development in the four main towns.
11. In particular, the CS rightly focuses on the need for a wide range of new employment provision, as well as improvements to the local service base and retail provision in the towns, to bolster the local economy and help reduce out commuting. The contrasts between the north and south of the district and the constraints and opportunities relating to each town also strongly influence the overall strategy. Notably, major mixed use development is already committed to the east of Lydney, whilst Cinderford clearly needs new investment as it is performing less well economically than Newent and Coleford.
12. The available evidence shows that neither Cinderford itself nor the district as a whole can accurately be described as a "deprived area", either socially or economically, in a national context. Nevertheless, it does indicate that Cinderford is faring materially less well economically than other parts of the district, county and region. On that basis alone it deserves special attention in the CS and the adoption of measures that seek to improve its relative position if at all possible, particularly in relation to new employment opportunities.
13. There is no suggestion that the CS is inconsistent with either the somewhat dated County Structure Plan Second Review (1999) or the current plans and emerging strategies of adjoining authorities, including of Monmouth BC in relation to Chepstow. Despite the absence of a specific transport chapter, it is clear from various references throughout the CS (and CD 84) that it has taken into account the policies and proposals of the Local Transport Plan (April 2011) (CD 38) and vice versa. Moreover, the levels of new development anticipated are generally consistent with the overall capacity of the existing network.
14. In relation to the strategic role of Sedbury/Tutshill, it functions as a mainly residential suburb of Chepstow, on which it largely relies for services and

facilities. There are also few shops locally, so these factors indicate that it is appropriately defined as a major village, rather than a town in its own right alongside the other four main ones in the district, despite its total population.

15. The Council's policy of seeking Area of Outstanding Natural Beauty status for the Forest of Dean is a matter for consideration by Natural England and the government. It is not directly related to the Council's responsibilities to prepare a CS under other planning legislation.
16. Proposals for the redevelopment of large former employment sites in rural areas outside the main towns fall to be determined against the requirements of policy CSP.1 of the CS, amongst others, as they arise. Whatever their individual merits, such schemes do not alter the overall strategic vision for the district, the definition of the settlement hierarchy or the distribution of new housing in principle as, if approved, they would constitute "windfalls".
17. Preparation of a Community Infrastructure Levy or a new Supplementary Planning Document on developer contributions in relation to new housing and including payments for community facilities, such as for the emergency services, is a separate matter for the Council. However desirable, it does not have to be directly addressed in a CS policy or supporting text.
18. Overall therefore, the spatial strategy does have a sound evidential basis and properly takes account of local context and needs as well as other relevant plans and strategies. Accordingly, in general terms, it has a realistic likelihood of delivering the new development proposed.

1.2 – Does the plan make suitable provision for employment, consistent with national guidance, in the interests of the local economy and the wider area, including in relation to tourism ?

19. The CS objectives forming part of the strategic vision for the economy include developing a more diverse range of local jobs, including in tourism. This is partly in response to recent trends, including declining manufacturing, loss of firms abroad and reduced need for floorspace arising from technological changes. It also reflects the general thrust of the relevant national guidance in PPS 4 and the Treasury's "Plan for Growth", as well as the emerging NPPF.
20. For sustainability reasons there is also an appropriate new employment focus on the four main towns but the establishment of suitable small scale rural enterprises, including the diversification of agricultural businesses, is properly not excluded. Again, this is in accord with national guidance, including PPS 7. It also accurately reflects the current local context and the significant need for additional jobs if out commuting from the district is to be reduced and self containment improved in the overall interests of the local economy, including in tourism and increasing the number of overnight, as well as day, visitors.
21. Further housing in the district should be linked to increased economic provision, as was referred to in the draft RS (para 4.2.44) (CD 43) and policy CSP.7 rightly aims to promote economic development across the area. The wording is now suitably flexible in seeking new and more diverse types of employment and not just business class (B1, B2, B8) uses. As much existing business space is old and needs refurbishment, there is also an acknowledged need for new high quality premises, to help attract private sector investment.

22. Ideally, this would include the more prosperous sectors of the economy, such as high technology. In this context promotional/marketing activities and especially improved education facilities, notably for further education, also have an important role in local job creation, taking advantage of the area's assets. These include an attractive environment and relative proximity to larger centres, including relevant specialist employment clusters, such as finance, defence and high technology in Bristol and Gloucester/Cheltenham.
23. In order to achieve the CS objectives around 80% of new employment provision is to be in the four main towns with 40% in Lydney. This is the most sustainable location, given its better road and rail links and the redevelopment potential of the harbour area, as well as the major mixed use developments already committed on the periphery of the town. It is best placed to attract new private sector investment and a wider range of new jobs, including potentially in the service sector. In comparison, public subsidy is likely to be required and is available to help significant new employment provision in Cinderford. In these ways it should also be possible to enhance local economic links between the three southern towns to their mutual benefit and the wider interests of sustainability.
24. Past difficulties over delivery have prompted understandable calls for new employment to be provided before any more new housing in the district's towns in particular. However, this is not realistic in circumstances where many schemes are already committed but policy CSP.7 provides an appropriate basis to improve delivery over the plan period. Moreover, the levels of new employment land envisaged, both overall and in each main town, would be sufficient to cater for anticipated local needs to 2026. Accordingly, it is concluded that the CS makes suitable provision for employment, consistent with national guidance and local economic needs, including regarding tourism.
25. The Council's FPC 9 introduces the word "about" before all references to new employment provision, including land east of Lydney for the avoidance of any doubt, to provide an additional degree of flexibility in terms of allocations. However, in order to acknowledge the job creation potential of non retail uses outside the traditional B classes of employment it is also necessary for soundness to apply the Council's FPC 6 (replacing "land" by "generation uses" after "employment") to Cinderford, Coleford and Newent, as well as Lydney, in policies CCP.10, CSP.14 and CSP.14 respectively (**IC 1**). This would accord with national guidance in PPS 4 and the emerging NPPF. It should also help to encourage private investment in sites that might otherwise be on the margins of economic viability and thus contribute to the CS objective of reducing out-commuting from the district.

2. Design (CSP.1), Climate Change (CSP.2), Sustainable Energy (CSP.3)

2.1 – Is the approach to the built environment and sustainable design soundly based and consistent with the relevant national guidance, including in relation to heritage assets and climate change ?

26. Responding to earlier criticisms regarding important omissions in the detailed wording of policy CSP.1, the Council has made a number of additions to the criteria listed there as PCs, for clarity and consistency with national guidance. This includes a reference to heritage assets, as well as a new para 6.6 of

supporting text on the same point. Moreover, FPC **1**, to add "and/or instability" after "contamination" in the sixth bullet point, is necessary for soundness and in relation to policy implementation. With those changes the policy and its supporting text are soundly based and appropriate, as well as helping to provide a suitable development management basis for the implementation of the Council's overall strategy over the plan period.

27. The Council has a duty to seek to reduce the impacts of climate change over time. This indicates that a positive policy requirement that new development should be beneficial, rather than just "neutral", in these respects is reasonable and not unrealistic in relation to national policy expectations, including those outlined in the emerging NPPF.
28. At the examination the Council confirmed that it was not their intention to "save" policy (R) FBE 17 of the LP, as it was now out of date, but that this had been omitted from the list of FPCs in error. Therefore, Appendix A needs to be amended accordingly in the final adopted version of the CS, which I recommend (**IC 2**). Moreover, it is common ground that the district has a significant local renewable energy potential and policy CSP.3 is not prescriptive as to the type or types of generation that is sought. Thus, the opportunity exists for new and alternative technologies, including geothermal, to be utilised if suitable in other respects.
29. Accordingly, there is no need for a separate/additional policy to CSP.3 to specifically reflect the local potential and encourage the use of renewable energy when it would, effectively, repeat national policy/guidance, including that in the emerging NPPF. The additional text in the Council's PC to para 6.19 is sufficient in this respect.

2.2 – Is the above approach reasonable and realistic bearing in mind the associated costs ?

30. For policy CSP.3 the Council's evidence includes the Gloucestershire Renewable Energy Study (Annex D) (June 2010) and the DCLG study Cost of Building to the Code for Sustainable Homes (August 2011). This provides recent relevant evidence to support the general economic viability of the requirement for a minimum of 10% on site renewable energy generation for all new housing and other major developments. In the absence of any other detailed analysis or estimates, there is no good reason to disagree with the up to date conclusions therein. Therefore, the viability evidence confirms that the associated costs of compliance with policy CSP.3 should only have a marginal impact on the overall economic viability of new building in the district, particularly if practical technologies continue to improve as expected.
31. Accordingly, the policy is reasonable and realistic taking into account that the associated additional costs imposed on new development are locally justified and deliverable. It is therefore appropriate to conclude that policies CSP.1, CSP.2, and CSP.3 are soundly based and consistent with national guidance, including the PPS 1 Climate Change Supplement, in their overall approach to the built environment and sustainable design.

3. Gypsy and Traveller Sites (CSP.6)

3.1 – Does the policy establish reasonable criteria, consistent with the

relevant national guidance ?

32. In response to representations referring to a recent lack of action, the Council accepts the clear need for additional sites to be found for gypsies and travellers, as well as for travelling showpeople, in the district. It intends to identify suitable locations in the forthcoming Allocations DPD; the proposed timing of which will enable it to take into account the latest national policy in the NPPF, once finalised, and the emerging replacement guidance for Circular 1/2006. This is appropriate in the current local circumstances, given that the identification of a district need for 26 extra pitches from the 2007/8 Gypsy and Traveller Area Assessment is referred to directly in para 6.43 of the CS. In the meantime, the relevant criteria in policy CSP.6 for the consideration of proposals are reasonable and realistic, as well as appropriate in a CS. They are generally consistent with current national guidance, as well as the emerging NPPF and related advice.

4. Housing (CSP.5), Settlements (CSP.4) and Villages (CSP.16)

4.1 – Are the housing policies and proposals consistent with national guidance and supported by clear and robust evidence ?

33. The Forest of Dean is unique in the UK and lies largely between two major rivers but it is not an island, either geographically, economically or politically. Moreover, there can be no control over levels of in-migration. It is therefore appropriate, in principle, that the district should seek to accommodate its "fair share", based approximately on current population levels and general environmental capacity, of the continuing net in-migration of people into Gloucestershire as a county and the South West Region as a whole.
34. Although natural increase in the current local population does not do so, as the extra smaller households are predicted to be roughly balanced by an excess of deaths over births during the plan period, this in-migration factor in itself is sufficient to justify the need for new house building as envisaged in the CS. The Council's overall new dwelling requirement for the district to 2026 of about 6,200 is based on the draft RS figures and the evidence from which they derived, including the 2003 based household projections (published in March 2006) that were the first to take into account the 2001 Census results. This was tested by an expert independent Panel and found to be robust, as endorsed by the Secretary of State. It therefore remains a sound basis for the policies and proposals of the CS, as adopted by the Council.
35. The County Council's more recent (May 2011) estimate of 6,330 new homes over the same timescale takes into account the 2008 (rather than 2007) based household projections and demographic trends, rather than economic ones that would result in a lower total. In strategic terms, it is not sufficiently different from the RS based new housing requirement to justify a CS policy change when all the detailed technicalities and variances of population and household forecasting over a long period are also taken into account. In any event continuous monitoring should reveal the need (or otherwise) for any review of the overall new housing figure well in advance of any actual requirement for additional dwellings to be delivered. This is partly at least why such forecasts are prepared every year.
36. For the reasons set out in Issue 1.1, the concentration of development at the

four main towns, with some further provision in main villages, is clearly the most sustainable option. It should help to reinforce the existing settlement pattern, including the importance of the towns, especially Lydney and Cinderford where most change is planned to promote thriving communities. The potential is obviously greatest at Lydney, with large schemes already committed, whilst Cinderford also has significant opportunities, albeit on a lesser scale.

37. Materially increasing the percentage or total amount of new housing at Newent and/or Sedbury/Tutshill would reduce the focus of the CS on the forest core or ring of settlements around the Statutory Forest (SF) itself, where development is most needed to help support the local economy. Given that existing commitments identified in the Strategic Housing Land Availability Assessment (SHLAA) (CD 79) amount to over 8,000 units, there is no strategic justification for increasing the amount of greenfield land allocated for new development in these particular settlements, at present.
38. An overall balance between employment growth and new housing is clearly desirable and every effort should be made to provide a range of local job opportunities to reduce out-commuting and avoid creating "dormitories", but rigid self containment is simply not achievable. In practice, new housing cannot simply be held back pending new employment provision. Both are required in the wider social and economic interests of the district, including to take account of changes in the existing population, albeit they are often interconnected, as is already the case in the major mixed use developments in Lydney. The CS therefore properly concentrates new housing in the four main towns (around 75 %) and, to a lesser extent, the major villages with services and facilities such as a primary school in the interests of sustainability.
39. However, this does not exclude limited additional provision to help meet the local needs of smaller settlements, in accord with national guidance in PPS 7. The CS settlement hierarchy and distribution of new housing to 2026 reflect this appropriately. The identification of potential new housing sites of a non strategic scale and outside the main towns is a matter for the Council in the context of the forthcoming Allocations DPD, including a full review of existing settlement boundaries, and not the CS. The housing policies and proposals are therefore considered to be consistent with national guidance, including in PPS 3, and supported by clear and robust evidence.

4.2 – Are the numbers, mix and locations identified deliverable and appropriate to local needs, including for affordable housing ?

40. Most of the strategic housing land referred to in the CS in the four main towns was previously allocated in the 2005 LP and many sites already have planning permission. Although not yet completed, some have seen a start made that confirms their deliverability, in principle, if often on a slower timetable than originally envisaged in the LP. Where planning permissions have been granted, schemes include proportions of new affordable housing consistent with the requirements of policy CSP.5 and there is no reason to expect that this will not continue to be the case.
41. Both the Strategic Housing Market Assessment (SHMA) (2009, updated 2010) (CD 80) and the Affordable Housing Site Viability Appraisal and Study (2008)

(CD 30/31) provide robust evidence to justify the Council's affordable housing target of 40% over the plan period. However, in accord with national guidance, including PPS 3, the supporting text makes it clear that the target sought will be subject to negotiation concerning the economic viability of delivery in relation to individual sites and schemes. This would also include some flexibility in respect of the tenure mix, in appropriate circumstances, to assist the viability of delivery.

42. Regarding other specific needs, the Council's PC to policy CSP.5 (and new para 6.31) adds an appropriate reference to the increasing needs of an ageing population, in relation to the mix of size and type of new housing. This should also take into account the continuing reduction in average household size.
43. Although questions have been raised about the recent track record of building new housing across the district, there is no firm evidence of any overriding constraints precluding delivery in any particular town or locality, beyond the negative influence of present market conditions. Even in Coleford, the Welsh Water "embargo" on significant new housing has recently been withdrawn.
44. Furthermore, policy CSP.4 confirms that new infrastructure will be sought, where necessary, commensurate with needs generated by development, albeit the strategy of concentrating on the largest settlements should assist in minimising requirements. Thus, with the necessary limited flexibility introduced by the use of the word "about" in connection with all relevant figures through the FPCs, it may be concluded that the numbers, mix and locations identified for new housing are generally appropriate and deliverable over the plan period. Consequently, the CS is sound as it stands regarding new housing delivery, including for affordable housing.
45. However, as pointed out, the Council should not rely in the future on small unidentified (or "windfall") sites to make up part of the overall new housing land supply. The fact that this source has contributed around 100 new dwellings a year in the recent past is not the exceptional reason or justification required in line with national guidance in PPS 3 (para 59). The Council will therefore have to address this matter in the forthcoming Allocations DPD in addition to the shortfall in delivery that has occurred to date, primarily due to recent market conditions, as shown in the CS housing trajectory.

5. Community Facilities (CSP.8), Recreation and Amenity Land (CSP.9)

5.1 – Are the policies and proposals for community facilities, open space, green infrastructure and recreation appropriate to reflect local needs and opportunities ?

46. Policy CSP.8 seeks to ensure that all communities, including those in the more rural parts of the district, retain reasonable levels of access to important local facilities and services. The existing settlement pattern of the area is such that this policy has a particular local importance in the general interests of sustainable development. Particularly in the absence of representations to the contrary, it is clear that this policy is appropriate for the district and properly reflects local needs and opportunities.
47. Policy CSP.9 clearly states that all existing recreational land and buildings, all land identified as of high amenity value, and specifically all "Forest Waste"

(FW) within the "Statutory Forest" (SF) (as defined in para 6.57 of the CS) whether so identified or not, will be protected from development, except where allocated otherwise in a development plan or containing existing buildings. Taking into account that the delineation of the SF is shown on the Proposals Map (PM), this is clear and appropriate as a policy approach in a CS.

48. Moreover, given that any development plan proposals affecting such land would inevitably be subject to full public consultation at various stages, in accordance with national legislation and the Council's SCI, the local concerns expressed about the accountability of such procedures appear to be groundless. This is not altered by the special legal status of the SF, or the operations of the Forestry Commission (FC) under the 1981 Forestry Act, which would remain unchanged and independent of any planning considerations (as again referred to in para 6.57 of the CS). Similarly, as I understand it, the legal status of the SF can only be changed by Parliament and/or defined by the courts and not by anything in the CS (or an AAP).
49. Nevertheless, the specific reference to FW in the policy is necessary to emphasise its role in the cultural, historic and landscape character of the area. Also, the Council's FPC 4 to add a sentence to para 6.56 confirming that FW is used extensively for public access and recreation provides further clarity and is necessary for soundness. However, no further changes are necessary to policy CSP.9 to facilitate satisfactory implementation in planning policy terms. The FC's normal requirement for compensatory provision of an equivalent area if any FW is taken for new development is essentially a matter for that body in the spirit of the 1981 Forestry Act, and not the CS, however desirable it may be in principle. The policy wording appropriately reflects local needs and opportunities as it now stands.

5.2 – Do these policies and proposals provide a suitable approach to safeguard existing provision and achieve more ?

50. As with policy CSP.8, CSP.9 makes it clear that the loss of existing recreational land and buildings will not normally be permitted and that new development is expected to make additional provision to meet its own needs, including for new facilities as well as open space. Therefore, both policies represent a suitable approach to safeguarding existing provision and achieving more in terms of development management, as well as a reasonable and realistic approach in principle that accords with national guidance on the subject.

6. Newent (CSP.15)

6.1 – Are the policies and proposals for growth and change in this area appropriate and justified, including in relation to national guidance and local needs, and in terms of economic, social and environmental impact ?

6.2 – How many new dwellings could/should be delivered ?

51. Newent is a small market town serving the rural area in the north of the district, from which many residents commute to work, largely to Gloucester but also further afield. However, the present level of "self containment", in the sense of those both living and working locally, is not significantly different from that in both Coleford and Cinderford. Bus services to Gloucester, recently enhanced by an A40 bus lane along part of the route, also contribute

to a modal split that is not totally reliant on use of the private car for work journeys. The CS seeks to increase the range of local employment opportunities, widen the service base and retail offer and improve facilities for tourists. It also aims to provide limited new housing to meet local needs only, rather than encouraging more out-commuting.

52. Newent is relatively prosperous compared to the district's other three main towns, with a recent track record of delivery for both new housing and, to a lesser degree, employment. Thus, the Council acknowledges that the majority at least of the additional 350 or so new dwellings allocated in the CS are likely to be provided relatively early in the plan period, with one large site already nearing completion. In such circumstances and with at least one significant extra site (Land off Foley Road) having been deemed suitable in principle for new housing, both in the 2003 LP Inspector's Report and the Council's SHLAA (2010) (CD 79), there would be scope for an increased new housing allocation in the town.
53. It could also assist the Council in achieving the overall level of new housing required by the CS in the event that the delivery of major sites elsewhere in the district, such as at Lydney, Coleford and/or Cinderford, does not match current expectations in practice. In that eventuality the Council could consider allocating additional new housing sites at Newent, particularly if they are capable of delivery more quickly than others elsewhere, to help meet continuing local needs, including for affordable housing. However, the available evidence does not justify the necessity for such a scenario at present and the comparative distribution of new housing between the four largest towns properly reflects their positions in the settlement hierarchy. For sustainability reasons, this should only be changed in the event of a serious failure to deliver new development over the plan period.
54. Stanton/Corse with a number of relevant facilities, including some local employment and a doctor's surgery, is the only large village in the northern part of the district, which has none designated as Major Villages in the CS. However, as a former Chartist settlement dating from the mid nineteenth century, it has a rather unusual built form, incorporating dispersed low density housing and is designated as a Conservation Area. Together with its comparatively small overall size and the absence of a full range of local services, these factors indicate that it is appropriately defined as a Service Centre in the settlement hierarchy, where only modest additional housing would be appropriate, rather than as a Major Village deemed suitable in principle for a more significant level of new development.
55. In the light of the above it is reasonable to conclude that the policies and proposals in the CS for Newent are sound and generally satisfactory in all respects. However, the number of new dwellings to be delivered needs to be carefully monitored over time and, potentially, other new opportunities taken up in an early review of the CS or other DPD to meet continuing local needs and/or in the event that delivery elsewhere does not fully meet current expectations over the plan period.

7. Lydney (CSP.12/13)

7.1 - Are the policies and proposals for growth and change in this area

appropriate and justified, including in relation to national guidance and local needs, and in terms of economic, social and environmental impact ?

7.2 - How many new dwellings could/should be delivered ?

56. As the largest settlement in the district and relatively less constrained in terms of infrastructure and physical/landscape features than the other three main towns, Lydney clearly has the greatest potential growth capacity over the plan period. With a major mixed use development already largely committed to the east of the town and under construction in part, as well as access to the A48 and the only main rail station in the area, it is effectively common ground that it is the most sustainable location in the district for new development.
57. Moreover, notwithstanding current economic difficulties, new development appears capable of continuing to come forward largely as a result of private sector investment, albeit more slowly than previously anticipated in the LP. Growth on the scale envisaged, equivalent to that in the three other towns together, should also be sufficient to enhance the service base and functions of the town. This would include town centre improvements, such as some new retail floorspace, thereby also better serving its rural hinterland. Focussing new development at Lydney should also encourage mixed use regeneration between the town centre and harbour, as part of the Council's proposed AAP. Therefore, the focus of the CS on new development at Lydney to implement its objectives is considered to be sound and sustainable, in principle.
58. Nevertheless, this reliance reinforces the importance of achieving delivery in circumstances of previous significant delays, albeit mainly arising from the recent economic downturn. This is particularly so in relation to new employment provision, to reduce the risk of the town being a mere "dormitory suburb" for other centres, such as Bristol and Newport. This could well be the case if significant new housing were instead directed to the Sedbury/Tutshill area on the edge of Chepstow, as an alternative to Lydney.
59. The Council's FPC **6** now has employment "generation uses" in place of "land" in policy CSP.12, whilst FPC **9** introduces "about" before all new employment land figures (and new housing/retail numbers) in relevant policies throughout the CS. These provide an additional degree of flexibility to assist implementation, in recognition of the need to encourage a broader mix of employment opportunities in the locality and the operations of the market. Business park type provision might well be particularly useful in this respect, if viable, together with enhanced tourism facilities, where appropriate.
60. The Council is also committed to reviewing the scale, nature and extent of as yet undeveloped employment sites in the Allocations DPD to assist, where possible, in bringing forward new investment in the town. It is also intending to prepare an AAP for Lydney in the relatively short term, focussing on the town centre and the area between it and the historic harbour, where significant regeneration opportunities exist, albeit the latter is also ecologically sensitive in places. The prospective growth of Lydney and associated traffic generation in the A48 corridor is likely to have effects on Chepstow and its environs, and vice versa. These need to be addressed through cross border co-operation at both district and county level, including in respect of improved rail services and also possible road improvements, such as the potential

Chepstow southern by-pass.

61. Regarding retail, Lydney already has better provision than the other three towns, including for convenience shopping, and thus no strategic need for a major increase in such floorspace. Whilst the Council's FPCs introduce slightly greater flexibility for retail development, it remains important to ensure that the future vitality and viability of the town centre (and that of other centres) is not put at risk by new out of town stores, in accord with national guidance in PPS 4. Consequently, the scale and type of new shopping in the major mixed development area to the east needs to reflect this objective, as well as directly catering for the requirements of the new development itself.
62. With regard to new employment at Hurst Farm, the Council's FPC 6 potentially allows for a broader mix of job creation uses, both here and elsewhere, whilst FPC 9 now means the policy is slightly less prescriptive regarding size. Therefore, given the Council's intention to review detailed boundaries in the Allocations DPD, there is some scope for relevant practical and economic considerations concerning delivery on the ground to be taken into account to help bring development forward as soon as possible. However, in the absence of the necessary detailed information at this stage, there is no necessity for any further specific amendment to the CS policy wordings or land allocations.
63. Overall, the policies and proposals of the CS for Lydney accord with national guidance and local needs and are justified by the available evidence. The number of new dwellings allocated to 2026 is also appropriate, bearing in mind that most of the major allocation to the east of the town already has planning permission and, now, reasonable prospects of delivery over the plan period.

8. Coleford (CSP.14)

8.1 - Are the policies and proposals for growth and change in this area appropriate and justified, including in relation to national guidance and local needs, and in terms of economic, social and environmental impact ?

8.2 - How many new dwellings could/should be delivered ?

64. The Council's vision for Coleford up to 2026 involves it continuing to act as a market town and local service centre, with enhanced retail provision as well as improved attractiveness for tourists and a wider range of employment opportunities. Until very recently, new housing development has been constrained by an "embargo" imposed by Welsh Water regarding drainage, but this is no longer in place and one of the three sites (Angel Farm) allocated in the LP is now under construction. However, there are still strong local concerns that the drainage issues have not yet been fully resolved, particularly to cope with periods of very heavy rainfall, and this needs to continue being carefully monitored by all concerned, including the Environment Agency.
65. Nevertheless, the Council remains confident that about 650 new dwellings can be delivered in the locality over the plan period, principally from the three previously allocated sites around the town and in terms of possible constraints there is not sufficient hard evidence to conclude otherwise. Taking into account the limited opportunities for expansion of the town, due to the surrounding physical features, Coleford is expected to provide only just over 10% of the total new housing provision for the district. This is roughly

commensurate with its present size and in accord with the town's position in the local settlement hierarchy, including relative to Lydney and Cinderford. It therefore reinforces the conclusion that the overall level of new development is generally appropriate in strategic terms.

66. In such circumstances it is appropriate that the CS "rolls forward" the former housing land allocations in the LP, as they are in generally sustainable locations on the edge of the existing built up area of the town and no longer subject to the Welsh Water "embargo". Notwithstanding, the Council is committed to reviewing the town's presently defined settlement boundary, alongside all other significant settlements, in the forthcoming Allocations DPD.
67. In common with other Forest settlements, Coleford has seen a recent decline in jobs in the local manufacturing sector. Together with the present level of out-commuting, this emphasises the importance of new local employment, including on the allocated sites at High Nash/Tufthorn, alongside new housing. Alongside enhanced retail, service and tourism provision, this aims to materially improve self sufficiency in economic terms over time. Accordingly, it may be concluded that the policies and proposals in the CS for Coleford and particularly CSP.14 are appropriate and justified by the available evidence and that the level of new housing anticipated is both reasonable and realistic.

9. Cinderford (CSP.10/11)

9.1 - Are the policies and proposals for growth and change in this area appropriate and justified, including in relation to national guidance and local needs, and in terms of economic, social and environmental impact ?

9.2 - How many new dwellings could/should be delivered ?

68. The policies and proposals of the CS relating to Cinderford are said by the Council to be pivotal to achievement of its objectives and take into account the relative failure of the previous LP to deliver significant development benefits, despite the best efforts of many. The CS therefore aims to expand the range of services and employment on offer and create a major new focus for mixed use development in the town in the Northern Quarter (NQ); the subject of a separate submitted AAP and Report.
69. Other critical elements of the strategy include physical improvements in the town centre and enhanced retail provision, as part of a comprehensive business plan to invigorate the local economy. There is local support for many of the policies and proposals in the CS for Cinderford, including those relating to public and private investment in the town centre, which is commonly acknowledged to be in need of a "facelift".
70. Proposed local transport improvements, new retail floorspace, additional public space and community facilities are also generally welcomed and highly desirable to enhance the town and its economic prospects. Although implementation relies largely on public sector funding much is already available and committed, with an impressive unity of purpose clearly evident amongst the many public bodies involved in addition to the Council.
71. Setting aside the details of the NQ scheme, the overall levels of new housing and employment provision envisaged over the plan period are reasonable and

realistic for the town, given the strategic intent to maximise opportunities within the present built up area and generally avoid outward expansion into the forest or onto agricultural land. New housing sites allocated in the LP are now being completed, under construction or the subject of detailed proposals indicating that, notwithstanding the NQ project, other schemes in the town are likely to prove deliverable by 2026.

72. With the Council's FPCs **6** and **9**, policy CSP.10 is therefore appropriate and justified by the available evidence, in relation to both national guidance and local needs. If implemented as now envisaged the overall economic, social and environmental impacts should be positive for the district in general and Cinderford in particular. As drafted, policy CSP.11 relating to the NQ scheme is appropriate in principle as part of the CS and its overall aims, albeit the soundness of the specific proposals, as well as the viability and deliverability of each element and their impacts, remain to be tested in detail through the AAP.

10. Implementation, Monitoring, Review (CSP.17)

10.1 - Is the overall strategy deliverable in the timescales envisaged and in the forms proposed, including in respect of the necessary supporting infrastructure ?

10.2 – Is the overall strategy reasonably flexible and does it enable adequate monitoring of its effectiveness ?

73. Many of the housing and employment land allocations identified in the CS already have planning permission, such as at Lydney, and therefore the new infrastructure required to accompany their implementation has already been assessed and agreed. Therefore, it is reasonable to assume that they remain deliverable, in principle. However, significant changes in market conditions since may have rendered some no longer viable in relation to the S106 legal agreements previously entered into at the height of the housing market.
74. However, this is not a matter that the CS is capable of addressing directly. Beyond FPCs **6** and **9**, endorsed for clarity and practicality, nor are any further amendments required to the document itself. In general, the flexibility in the CS is improved by FPC **9**, to include "about" in relation to all the figures in both policy and text for new retail, housing and employment provision throughout the document.
75. Nevertheless, particularly bearing in mind the relative lack of achievement in respect of the former LP land allocations, the Council may well need to consider alternative proposals in some cases to achieve delivery on the ground and have expressed a willingness to do so, in principle. This would include taking into account the cumulative impact of all planning policy burdens and obligations on the economic viability of new development, as well as those of the building regulations, notably concerning climate change.
76. Otherwise, the new housing and employment targets in the CS are less likely to be met within the timescales envisaged. Any such failure might imperil the delivery of the overall strategy over the plan period and, at best, unnecessarily create an urgent need for a full review of the CS in the short term. Given the spread of land allocations across the district, including the four towns and main villages, the CS should have sufficient in-built flexibility to deal with

these delivery uncertainties, if they arise. Absent the above, it would be reasonable to assume that, normal circumstances prevailing, the CS would be reviewed in five years time and, potentially, rolled forward for a further five years at least. This is appropriate in principle.

77. The two AAPs at Cinderford and Lydney are intended to act as detailed delivery vehicles in accord with national guidance in PPS 12. They are integral to the implementation of the CS and consequently need to be vigorously pursued if its objectives are to be delivered. Given the scale, nature and location of the development envisaged in each instance, this is considered appropriate in principle, in all the relevant local circumstances.
78. In the AAPs, as in relation to all other significant schemes, the Council cannot just wait for the market to improve but has to engage proactively in encouraging delivery, not least in respect of new employment provision in the four main towns. This includes through the judicious use of scarce public funds in appropriate and suitable instances, such as in Cinderford. Given the above, it may be concluded that the overall strategy is deliverable as envisaged in the CS.
79. Regarding monitoring, the Annual Monitoring Report (AMR) will continue to be the main component and provide most of the necessary evidence on which to assess the success or failure of the strategy's delivery and what alternatives might realistically be pursued in the event of the latter. The production of the Monitoring Keynote Paper (CD 86) has further clarified what is set out in policy CSP.17 and provided reassurance that the relevant monitoring indicators to be utilised should be sufficient for this purpose, given continuing co-operation with the County Council. Accordingly, it ensures that the effectiveness of the implementation of the CS would be adequately monitored. Nothing further is required.

Legal Requirements

80. My examination of the compliance of the Core Strategy (CS) with the legal requirements is summarised in the table below. I conclude that the CS meets them all.

LEGAL REQUIREMENTS	
Local Development Scheme (LDS)	The CS is identified within the approved LDS of 2007 which sets out an expected adoption date of February 2012. The CS's content and timing are compliant with the LDS.
Statement of Community Involvement (SCI) and relevant regulations	The SCI was adopted in 2006 and consultation has been compliant with the requirements therein, including on the post-submission Proposed Changes (PC) and Further Proposed Changes (FPC).
Sustainability Appraisal (SA)	SA has been carried out and is adequate.
Appropriate Assessment (AA)	The Habitats Regulations AA Screening Report (March 2011) sets out why AA is not necessary.
National Policy	The CS complies with national policy except where indicated and changes are recommended.
Regional Strategy (RS)	The CS is in general conformity with the draft RS.
Sustainable Community Strategy (SCS)	Satisfactory regard has been paid to the SCS.
2004 Act and Regulations (as amended)	The CS complies with the Act and the Regulations.

Overall Conclusion and Recommendation

81. I conclude that with the changes proposed by the Council, set out in Appendix A, and the changes that I recommend, set out in Appendix C, the Forest of Dean Core Strategy DPD satisfies the requirements of S20(5) of the 2004 Act and meets the criteria for soundness in PPS12. Therefore, I recommend that the plan be changed accordingly. For the avoidance of doubt I also endorse the Council's proposed minor changes set out in Appendix B.

Nigel Payne

Inspector

This report is accompanied by:

Appendix A (separate document) - Council's Further Proposed Changes.

Appendix B (separate document) - Council's Minor Changes

Appendix C (attached) - Changes that the Inspector considers are needed to make the plan sound

Appendix C – Changes that the Inspector considers are needed to make the plan sound

These changes are required in order to make the Core Strategy sound.

Inspector Change No.	Policy/Paragraph/Page	Change
IC 1	CSP.10, CSP.14, CSP.15	Replace "land" with "generation uses" after "employment".
IC 2	Appendix A	Delete reference to Policy (R) FBE 17 of the LP as "saved".