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# **Report to the Yorkshire Dales National Park Authority**

**by Simon Berkeley BA MA MRTPI**

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

**Date 15 December 2016**

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Planning and Compulsory Purchase Act 2004

(as amended)

Section 20

## **Report on the Examination of the Yorkshire Dales National Park Local Plan 2015 – 2030**

The Plan was submitted for examination on 28 January 2016

The examination hearings were held between 19 and 22 July 2016

File Ref: PINS/C9499/429/3

## **Abbreviations used in this report**

DtC	Duty to Co-operate
HMA	Housing Market Area
HRA	Habitats Regulations Assessment
LDS	Local Development Scheme
MM	Main Modification
NPA	National Park Authority
NPPF	National Planning Policy Framework
OAN	Objectively Assessed Need
PPG	Planning Practice Guidance
SA	Sustainability Appraisal
SCI	Statement of Community Involvement

## **Non-Technical Summary**

This report concludes that the Yorkshire Dales National Park Local Plan 2015 – 2030 provides an appropriate basis for the planning of the National Park provided that a number of main modifications (MMs) are made to it. The Yorkshire Dales National Park Authority has specifically requested me to recommend any MMs necessary to enable the Plan to be adopted.

All the MMs were proposed by the Authority, and were subject to public consultation over a six-week period. In one instance (relating to the geographical illustration of a policy on the Policies Map) I have amended the detailed wording. I have recommended their inclusion in the Plan after considering all the representations made in response to consultation on them.

The MMs can be summarised as follows:

- Emphasising the importance of housing as a cross-boundary issue;
- Committing to a review of housing land supply policy within five years and ensuring that housing policies are effective;
- Removing from the Plan housing sites that are not deliverable;
- Removing the 'conservation levy' from the Plan;
- Ensuring that minerals policies are effective and suitably flexible; and
- Adding flexibility to the policy concerning visitor accommodation and ensuring its effectiveness.

## Introduction

1. This report contains my assessment of the Yorkshire Dales National Park Local Plan 2015 – 2030 ('the Local Plan/the Plan') in terms of Section 20(5) of the Planning & Compulsory Purchase Act 2004 (as amended). It considers first whether the Plan's preparation has complied with the duty to co-operate. It then considers whether the Plan is sound and whether it is compliant with the legal requirements. Paragraph 182 of the National Planning Policy Framework (NPPF) makes it clear that in order to be sound, a Local Plan should be positively prepared, justified, effective and consistent with national policy.
2. The starting point for the examination is the assumption that the Yorkshire Dales National Park Authority ('the NPA') has submitted what it considers to be a sound plan. However, when the NPA submitted the Local Plan in January 2016 it also submitted a schedule of MMs alongside it. Additional MMs were also put forward by the NPA early in the examination process. All of these MMs were the subject of public consultation for six weeks during May and June 2016. The submitted Plan incorporating these MMs is the basis for my examination.

## Main Modifications

3. In accordance with section 20(7C) of the 2004 Act the NPA requested that I should recommend any MMs necessary to rectify matters that make the Plan unsound and /or not legally compliant and thus incapable of being adopted. My report explains why the recommended MMs, all of which relate to matters that were discussed at the examination hearings, are necessary. The MMs are referenced in bold in the report in the form **MM1, MM2, MM3** etc, and are set out in full in the Appendix.
4. Following the examination hearings, the NPA prepared a schedule of proposed MMs and carried out sustainability appraisal of them. The MM schedule was subject to public consultation for six weeks. I have taken account of the consultation responses in coming to my conclusions in this report.

## Policies Map

5. The NPA must maintain an adopted Policies Map which illustrates geographically the application of the policies in the adopted development plan. When submitting a Local Plan for examination, the NPA is required to provide a submission Policies Map showing the changes to the adopted Policies Map that would result from the proposals in the submitted Local Plan. In this case, the submission Policies Map comprises the set of plans identified as the Large Area Overview Maps and the Small Area Inset Maps.
6. The Policies Map is not defined in statute as a development plan document and so I do not have the power to recommend MMs to it. However, one of the MMs to the Plan's policies (**MM20**) requires further corresponding changes to be made to the Policies Map. These further changes to the Policies Map were published for consultation as part of the MMs.
7. When the Plan is adopted, in order to comply with the legislation and give effect to the Plan's policies, the NPA will need to update the adopted Policies Map to include the changes proposed to it through the MM.

## Assessment of Duty to Co-operate

8. Section 20(5)(c) of the 2004 Act requires that I consider whether the NPA complied with the duty imposed on it by section 33A in respect of the Plan's preparation – the Duty to Co-operate (DtC).
9. The Plan area comprises parts of three District Council areas, being Richmondshire, South Lakeland and Craven. As such, to one degree or another, all matters are cross-boundary issues. However, one must consider the context. The Park is largely deeply rural in nature, by-passed by major road corridors. In line with the general thrust of the National Park statutory purposes, there is no plan for significant growth here of any kind. That said, providing housing is a key issue which, as in many parts of the country, is perhaps the matter of greatest cross-boundary significance.
10. A 'Strategic Planning (Duty to Co-operate) Statement' (December 2015) has been produced by the NPA. This confirms that discussions mainly have been about housing, population change and the nature of the rural economy. It provides details of the issues considered, the bodies involved, the actions identified and the outcomes. I consider that this represents adequately convincing evidence of ongoing co-operation throughout the plan preparation process.
11. Co-operation has had particular sway in relation to housing matters. Indeed, the NPA says that the DtC discussions were of significant influence in the decision to review the Park's housing policies and include new policies in this Plan rather than continuing to rely on the Housing Development Plan adopted in 2012. To my mind, that is an outcome which has maximised the effectiveness of the Plan's preparation.
12. Moreover, it is apparent that prescribed bodies have lent a helping hand in formulating policies. For example, Richmondshire District Council has worked with the NPA in relation to economic development in the upper Dales area. Natural England has assisted with the Habitats Regulation Assessment and Historic England has played a part in devising the Traditional Farm Buildings Toolkit which supports Policies L2 and L3.
13. Added to this, I note the point that the constitution of the NPA includes Councillors of the constituent Parishes, Districts and Counties. This reinforces my view that relevant bodies have been co-operatively involved in the Plan's formulation.
14. Statements from Richmondshire District Council indicate that that Council does not consider the DtC to have been met. The objective assessment of housing need lies at the heart of this. However, at the hearings, Richmondshire District Council clarified that in its opinion there has been no failure under the DtC. I concur. As I see it, while the two authorities do not agree on the question of housing need, that fact does not amount to a DtC shortcoming. The DtC does not demand agreement. The points raised by Richmondshire relate to soundness matters in respect of housing, and I consider that issue below.
15. The National Park boundary was extended on 1 August 2016, during the examination. It now includes additional parts of South Lakeland and Eden District Councils, and part of Lancaster City Council. This Plan does not cover

those areas. However, the NPA confirms that the development plans of those three authorities become its responsibility to administer, until a new Local Plan covering the enlarged Park area is produced. That is an entirely suitable approach which gives rise to no implications for this Local Plan.

16. Overall I am satisfied that where necessary the NPA has engaged constructively, actively and on an on-going basis in the preparation of the Plan and that the DtC has therefore been met.

## **Assessment of Soundness**

### **Main issues**

17. Taking account of all the representations, the written evidence and the discussions that took place at the examination hearings I have identified six main issues upon which the soundness of the Plan depends. Under these headings my report deals with the main matters of soundness and/or legal compliance rather than responding to every point raised by representors.

### **Issue 1 – Whether the Plan has been positively prepared and whether the approach taken is justified when considered against the reasonable alternatives**

#### *Engagement and community involvement*

18. Production of this Plan commenced with a consultation exercise also relating to the National Park Management Plan in 2012. This 'joined-up' approach appears to have helped to ensure consistency between the two plans.
19. The NPA's 'Statement of Consultation' sets out the measures used to ensure a positive participatory process. The public and other interested parties have been contacted directly by letter and email, and documentation has been made available in publicised locations around the Park. Drop-in sessions have been held, as have stakeholder meetings focussed on specific issues such as the re-use of traditional buildings. The NPA confirms that the Plan has been prepared in accordance with its Statement of Community Involvement, and overall I am satisfied that its preparation has been adequately positive.

#### *Consideration of alternative options*

20. The 'Sustainability Appraisal and Strategic Environmental Assessment' (December 2015) (the SA) sets out 13 sustainability objectives. These are all relevant and in my view sufficiently encompass the economic, social and environmental dimensions of sustainable development. It considers the Plan's policy themes, and specific policies, against these objectives. A scoring system of the sort commonly found in such appraisals is used, along with detailed commentary.
21. Some criticisms have been made about the SA, particularly concerning the level of detail at which some specific policies are considered. However, in my view, though at quite a strategic, 'high level', the analysis of policy themes presented adequately embraces the main issues and policy options. Overall, I regard the SA to be a sufficiently robust, proportionate assessment.

### *Conclusion on Issue 1*

22. Considering the above, I conclude that the Plan's preparation has been satisfactorily positive and that the approach it takes is justified when considered against the reasonable alternatives. There is, therefore, a sound basis for the Plan.

### **Issue 2 – Whether the settlement hierarchy and distribution of development are justified, effective and consistent with national policy**

#### *The settlement hierarchy*

23. Table 1 of the Plan sets out a three-tiered settlement hierarchy comprising Local Service Centres, Service Villages and Small Settlements. The NPA's 'Examination Evidence Paper – Settlement Hierarchy' (April 2016) sets out the justification for the placement of settlements within the hierarchy tiers.
24. It is apparent that the hierarchy has evolved over time since the 1996 Local Plan. Much analysis was undertaken to support the hierarchy in the Housing Development Plan 2012. Factors including the availability of services, access to public transport, the size of the settlement and its proximity to and relationships with others nearby were considered. Judgements were then made by a Working Group comprising both officers and Members based on the evidence gathered.
25. For the purposes of the Plan before me, the NPA has considered the hierarchy of the 2012 Housing Development Plan in the light of changes in national policy and guidance. It has also considered whether or not the attributes of settlements have changed since 2012, warranting a change to their placement within the hierarchy. By and large, taking account of these factors, the hierarchy now presented is the same as that in the 2012 Housing Development Plan. I note the two exceptions – Stalling Busk and Bolton Abbey – and the NPA's Examination Evidence Paper provides adequate explanation for now including them in the hierarchy.
26. While the settlement hierarchy's formulation has involved an element of judgement, this has been informed by an objective analysis of the sustainability credentials of settlements. As the Examination Evidence Paper also explains, the process has also been influenced by sustainability appraisals undertaken for both this Plan and previous iterations. It is worthy of note that the hierarchy has not been a contentious topic in this examination. Overall, I consider that it has been drawn up on a proportionate and appropriate basis, and that it is adequately justified.

#### *The distribution of development*

27. Policy SP3 gives effect to the settlement hierarchy in Table 1 and sets the spatial strategy for the Park. However, neither the policy nor the table quantify the levels of development expected in each of the settlements.
28. It is clear to me that the spatial strategy of Policy SP3 is not particularly prescriptive. This has been the NPA's deliberate intention. That said, it is not devoid of spatial direction. It seeks to locate new development within or adjacent to the settlements listed in Table 1. Though quite numerous, these settlements are given clear preference to others in the Park. Although I note

the concessions regarding homes for land based workers and rural affordable exception sites, it also generally only permits new housing on allocated sites and inside the Housing Development Boundaries of the Local Service Centres and Service Villages. Indeed, almost all of the Plan's housing allocations and business sites are in the Local Service Centres and Service Villages. This is a quite clearly defined spatial direction that supports the settlement hierarchy. Moreover, Policy SP3 requires that proposals for development within or on the edge of the settlements in Table 1 should be at a scale that is appropriate to the character and function of the settlement. This mechanism ensures that the NPA retains control over the scale of growth in any given settlement.

29. In setting the spatial strategy, the NPA's aim has been to avoid over-concentrating development. The point here is to ensure that many places can benefit from some limited development, which will help sustain rural villages, their schools and other services. The NPA's approach allows a measure of dispersal across the Park's most sustainable settlements, within certain set parameters. While this could have been achieved by setting specific levels of development for each settlement, it seems to me that the proposed spatial strategy will nonetheless also achieve the intended objective. It provides considerable flexibility in relation to the distribution of development while providing the mechanism for the NPA to ensure that over-concentration can be prevented.
30. Moreover, I am mindful that the Plan places much reliance on the delivery of windfall sites to meet the housing requirement. I consider the appropriateness of this below. For present purposes, the point here is that windfall sites, by their very nature, cannot be anticipated. It is not possible to predict with any precision where or when such sites might become available. A stricter housing distribution strategy – for example one which set specific settlement targets – could reduce the opportunities for windfall sites to come forward successfully. This could put at risk the delivery of the housing requirement. A more rigidly defined housing distribution would likely require a loosening of the Housing Development Boundaries to provide more focussed opportunities for windfall sites. But this could lead to concentration of precisely the sort the NPA seeks to avoid, in my view for good reason.
31. The policy approach here must be seen in context. Only very modest levels of development are anticipated in the Plan, including for housing which, as I have noted, is rather reliant on windfall delivery. Considering these points, along with the deeply rural nature of this National Park, the flexibility provided by Policy SP3 is appropriate, given the controls embedded in the policy. While it may not seek to distribute new development with rigid prescription, I consider that the degree of direction it does provide is suitable for the Plan for this part of the National Park at this time. The strategy of Policy SP3 should be regarded as the most appropriate.

#### *Housing Development Boundaries*

32. As I have indicated above, the spatial strategy set by Policy SP3 relies in part on Housing Development Boundaries. These are shown on the Policies Map.
33. As with the settlement hierarchy, the Housing Development Boundaries have evolved over time through different iterations of the development plan. Those now proposed are largely the same as those in the 2012 Housing Development



Plan. The delineation of the boundaries has been informed by a survey, albeit some time ago as part of the formulation of the 2006 Local Plan. In effect, a number of criteria have been applied. The boundaries encompass the developed extent of the Local Service Centres and Service Villages following fixed features such as roads, walls and garden boundaries. Churches, chapels and traditional farm buildings have also been included within the boundaries. In my view, the criteria used are suitable for the intended purpose.

34. The NPA has excluded from within the boundaries areas where it considers 'backland' housing development would be harmful. It has also omitted modern farm buildings except where it regards including the land in question to be beneficial. In short, some element of judgement has been made. That is no shortcoming. Indeed, it is inevitable that such an endeavour will require professional judgements to be made. Within the consistent framework of the criteria set, that is wholly appropriate. As I see it, the method adopted by the NPA is appropriate and the Housing Development Boundaries flowing from it are satisfactory.

#### *Conclusion on Issue 2*

35. Considering the above, I conclude that the settlement hierarchy and distribution of development are justified, effective and consistent with national policy.

### **Issue 3 – Whether the Plan's strategy and policies for housing are justified, effective and consistent with national policy**

#### *The Housing Market Area, the need for housing and the Plan requirement*

36. As set out in the NPA's paper 'Housing need, land supply and housing target' (December 2015) (the Housing Paper), the National Park falls within four different Housing Market Areas (HMAs). However, each of the District Councils involved is taking a simplified approach for the purpose of undertaking the objective assessment of housing need (OAN). In effect, District Council boundaries are being used. This is a pragmatic approach.
37. That said, matters remain more complicated in relation to this Plan area. As previously mentioned, it comprises parts of four different local authority areas. It is partly for this reason that housing is the matter of greatest cross-boundary importance, and emphasising this in the plan as the NPA proposes (**MM1**) is appropriate. Given this situation, the first question, then, is whether the development plans of those local authorities already cater for the housing needs in this Plan area.
38. To my mind, it cannot presently be said that they do. Richmondshire's 'Local Plan 2012-2028: Core Strategy' was adopted in December 2014, since the introduction of the necessity to establish an OAN through the NPPF. That plan was formulated on the basis of an OAN figure relating to the whole district, including that part of it falling within the National Park. But the same cannot be said of South Lakeland or Craven District Councils, or Lancaster City Council. They do not have an adopted development plan based on an OAN figure arrived at in the context of the NPPF and found to be sound through examination. As such, for the purpose of forward planning in the Park, any OAN figures for those authorities should not presently be relied on.

39. While recognising that the Plan area is not one HMA, the NPA has in effect treated it as such for plan making purposes. In the context of the current District Council plan making position, this is a pragmatic approach and is appropriate.
40. The NPA at least tentatively questions the necessity to identify an OAN for the National Park. In the current circumstances – by which I refer to the absence of reliable OAN figures covering all of the Park's constituent parts – it seems to me that it has little option. The NPPF is clear that Local Plan housing requirements must be informed by an OAN.
41. Identifying an OAN for this Plan area is far from straightforward. The Planning Practice Guidance (PPG) says that the household projections published by the Government should provide the starting point estimate of overall housing need. But the national household projections relate to the District Council areas rather than the National Park.
42. The Housing Paper explains how the NPA has sought to overcome this problem. Simply put, three different methods have been considered. One mirrors household growth in South Lakeland, chosen because the NPA says it is the constituent district with the most similar trends to those of the Park. The second alternative approach reflects the household growth anticipated in each of the three districts within the Plan area on a 'pro-rata' basis, depending on the proportion of each district's households that are within the Plan area. The third method is underpinned by a report by Edge Analytics, 'Yorkshire Dales National Park: Demographic Forecasts' (November 2015). For the three constituent District Council areas, this disaggregates the 2012 sub-national population projections on the basis of the area within this Plan area and that outside of it.
43. I recognise that each of the approaches is imperfect. The first rests on the notion that household growth mirrors that of South Lakeland. The second assumes that overall growth in each of the three districts is replicated in the Park. The disaggregated sub-national population projection based method rests on assumptions made within the POPGROUP modelling used, related to factors such as mortality, migration and vacancy rates. It is possible that more could have been done in this regard, particularly in relation to the 22% vacancy rate used.
44. However, though individually imperfect, the 'tri-angulation' of the methods produces a range which, it seems to me, is more robust than the output of any one of the three approaches individually. Indeed, to my mind, it is adequately so. In addition, as the PPG says, establishing future need for housing is not an exact science. I regard the work undertaken here to be proportionate. The NPA has relied primarily on secondary data, in line with the PPG. To demand further analysis would be disproportionate, in my view, especially in the context of the rather limited level of new housing concerned.
45. The Government published 2014 based household projections in July 2016. Clearly, the OAN has not been based on these. However, I do not consider that a problem. The 2014 based projections indicate lower levels of household

growth in Richmondshire and South Lakeland Districts, and the figures for Craven District remain unchanged from those in the 2012 based projections. In my view, the evidential basis for evaluating the OAN is adequate.

46. Respectively, the three approaches lead to annual average household figures of 30, 38 and eight. The NPA says that the OAN for the Plan area is therefore the range of eight to 38 dwellings a year. Indeed, the NPA has indicated – albeit with some trepidation – that if a single figure must be settled upon then in its view eight dwellings per annum is the most appropriate.
47. To my mind, a degree of caution should be exercised here. It is evident from the Edge Analytics report that “... around 32 (dwellings) per year is the minimum required to maintain population stability, given the expected change in the Yorkshire Dales household profile and the maintenance of the 22% dwelling vacancy rate”. As such, the lower end of the range indicted by the NPA would lead to a declining population. It is difficult to see how an OAN of less than 32 homes a year could be said to represent the future need for housing in the Park – it could only do so if the population decreases. Consequently, in my view, on the evidence presented, I consider that the range of 32 to 38 dwellings per annum should be regarded as the OAN for the purpose of this Plan.
48. In reaching the above view, I have considered the NPA's opinion that the question of population decline is one to be taken into account in setting the Plan requirement rather than in identifying the OAN. However, I do not agree that it is solely a 'policy-on' matter. Rather, it seems to me that the fundamental purpose of objectively assessing the need for housing is to establish the number of new homes needed. That is not necessarily the same as identifying the number of new homes needed to perpetuate present trends, in this case that of population decline.
49. However one looks at this issue, the critical point is that the Plan requirement should meet the identified OAN. It clearly does. Policy SP3 sets a target of 55 new dwellings per year for the period 2015 to 2030. This is a patently greater figure than the OAN. As I see it, the difference counters the imperfections in the OAN identification process. It provides a 'buffer' which bolsters confidence that the Plan will meet housing needs, helping to stabilise the population and meet the objective of helping to make the Park a more attractive option for young adults and people of working age to live in.
50. The NPA has proposed to modify Policy SP3 (**MM4**) to clarify that the Plan requirement is an annual average, net figure. I agree that this is necessary for effectiveness. I note that net delivery will take account of demolitions and changes of use to non-dwelling uses, but not changes to holiday homes. While I recognise that the use of dwellings as holiday or second homes is an issue in the National Park, demanding that the net delivery calculation reflects this would be disproportionate and in my view unreasonable. Whether the NPA has effective mechanisms for monitoring changes to holiday homes is a matter for the NPA. Moreover, it is not inevitable that such changes will lead to the enduring loss of a dwelling for permanent occupation. Overall, I am satisfied that the meaning of 'net' set out in **MM4** is suitable for the intended purpose.
51. Some suggest that the Plan requirement should be set as a minimum. In this case, I disagree. It is given as a target which, though not explicitly a minimum, neither is it a maximum. It does not introduce a ceiling – there is no mechanism for rejecting developments on the grounds that the Plan requirement has been met.

52. I recognise that the OAN underpinning Richmondshire's Core Strategy housing requirement takes account of need arising in the part of Richmondshire that is within this Plan area. As such, the point made by Richmondshire District Council is correct – housing delivery in this area should count against the Richmondshire Core Strategy requirement. However, the OAN figures now presented by the NPA also include housing need arising in this swathe. This is a clear case of 'double-counting' in relation to the OAN and development plan housing requirements of both planning authorities. As such, delivery in the Richmondshire part of the Plan area should be counted against the housing requirements of both development plans.
53. I note the argument that the Plan's overall housing requirement should be given as disaggregated figures for each of the three District Council areas. That would, perhaps, be ideal. However, I am not persuaded that that is necessary for soundness. While new housing delivery may not precisely match the geography of need, in the context of the limited number of new homes planned for here that is not a material point. Indeed, to disaggregate the requirement could jeopardise meeting it, considering the degree to which windfall sites are relied on. One cannot pre-determine the geographic distribution of windfall delivery, and to seek to control it, which would likely be necessary to deliver any geographically disaggregated targets, could stifle overall delivery.

*The overall supply of land for new housing*

54. To assess the adequacy of the housing land supply, one must first establish the requirement to be met. This includes the consideration of any under-delivery or 'backlog'. It seems to me that the term 'backlog', or some aspects of it at least, may have been misinterpreted by some. Only shortfalls against previous development plan targets should be regarded as a backlog to be catered for in this Plan's overall requirement figure. As there has never before been a development plan housing requirement figure for the National Park, there is therefore no backlog to now be accounted for. I note there has been an under-delivery in 2015/16 of 23 homes when considered against this Plan's requirement. While this should be regarded as a shortfall when considering the question of the five-year housing land supply, which I discuss below, that is not a backlog to be added to the Plan's overall requirement figure.
55. Three sources make up the supply of housing land in the Plan area – sites with planning permission, sites allocated in the Plan and windfall sites. Appendix 2 of the NPA's paper 'Housing Land Supply' (August 2016) indicates the expectation that sites with planning permission will deliver 182 homes and that allocated sites will yield around 190. Significant reliance is placed on windfall sites to meet the overall Plan requirement of 825 dwellings. I consider each source of supply in turn.
56. Footnote 11 to paragraph 47 of the NPPF says that sites with planning permission should be considered deliverable until permission expires unless there is clear evidence that schemes will not be implemented within five years. I have been given no compelling evidence that they will not be. Indeed, the NPA says that most of these sites relate to schemes at an advanced stage, either ready for construction or where building has already started. Moreover, the NPA has made an allowance for schemes where progress is proving to be slower, and

has not included them in the five-year supply. That is prudent, and adds to my conclusions below about the sufficiency of the five-year land supply.

57. It is intended that Policy C1 allocates sites for housing. However, as submitted, it does not explicitly state that the sites are allocated. For effectiveness, I agree that the unambiguous conformation that they are, as put forward by the NPA in **MM2**, is necessary.
58. The sites proposed for allocation in this Plan are sites presently allocated in the 2012 Housing Development Plan, and have not come forward for development. However, in my view, that should not render them unsuitable for allocation now. The NPA confirms the willingness of the landowners involved, save for in three instances where the NPA now proposes to delete the sites (**MM20**) which, in the circumstances, is necessary. On the evidence I agree that the remainder should be regarded as either deliverable or, in some cases, developable, in the terms of paragraph 47 of the NPPF and the footnotes to it. The NPA suggests that the reason these sites have not yet been developed relates to viability, most particularly the impact of currently adopted development plan policies on it. The issue here relates largely to present requirements for affordable and occupancy restricted housing. Policy HDP2 of the 2012 Housing Development Plan requires 50% affordable housing on all developments of more than one dwelling, and places local occupancy restrictions on all new homes. This Plan will supersede those policies with a less stringent, more flexible approach that has been subject to viability testing. I consider those matters in greater detail later. The point here is that the failure of the allocated sites to come forward so far should not be held as an indication of their deliverability or developability under this Plan.
59. The Housing Land Supply paper contemplates three windfall scenarios – a 'conservative' assumption of 18 dwellings per annum (dpa) used in the Housing Land Assessment (December 2015), the average over the past five years (roughly 30 dpa), and the average of the past ten years (around 46 dpa). There is considerable variance here. On these figures, the Plan requirement can only be met if windfall delivery somewhere between the five and ten year average is achieved.
60. There are reasons to suppose that this might be a realistic prospect. The ten year average is the highest figure and considers the greatest time period, such that it may be the most reliable. In addition, this Plan takes a less stringent policy approach to conversions than previous plans.
61. However, by its very nature windfall is a supply source of some uncertainty. But as Appendix 2 of the NPA's Housing Land Supply paper indicates, dependence on it increases through the plan period. For the last three years, it is the sole source of supply. In my view, the degree of dependency on windfall in the later part of the plan period is not sound.
62. A MM has been put forward by the NPA (**MM5**) committing to a review of Policy C1 within five years of the Plan's adoption. This specifically commits to ensuring that the housing land supply remains adequate to meet the Plan requirement, including the contribution made by allocated sites. While I consider the five-year housing land supply below, for present purposes it is sufficient to note that it is clear that there is a supply of specific deliverable sites to provide five years' worth of housing. As such, there is no reason why the review proposed by the

NPA should lead to any gap in delivery. I consequently consider **MM5** to be both necessary and appropriate.

63. In effect, the settlement hierarchy provides an indication of the broad locations for new housing and it provides a sufficient steer for the review in that regard. It will be for the review to ensure that the land supply beyond the present five-year supply meets the expectations of the NPPF in terms of its deliverability and developability.

*The five-year housing land supply*

64. To establish the five-year housing land supply, one has to first consider any delivery shortfall that has occurred when measured against the development plan target that applied at the time. This is the 'shortfall'. Because the five-year supply should be measured from the present point in time, for this purpose the shortfall must include the under-delivery in 2015/16 I have previously mentioned. For five-year land supply purposes only, scenario 3 set out in the NPA's Housing Land Supply paper is that which applies.
65. The NPA argues that that the 'Liverpool method' should be used, such that the shortfall is divided evenly for each remaining year of the plan period. In this case, I concur that the Liverpool method is the most appropriate. As I have said, this Plan relies significantly on windfall delivery. When windfall sites might come forward cannot be predicted with any degree or accuracy or certainty. Moreover, I am mindful of the points made by the NPA concerning the deeply rural, poorly connected nature of the National Park. It is reasonable to suppose that it will experience a slower economic recovery than other areas. In this specific context, I am satisfied that the Liverpool method should be used. As the Housing Land Supply paper explains, this adds 1.6 homes a year to the Plan's annual average requirement.
66. Paragraph 47 of the NPPF is clear that an additional buffer of 5% must be added (moved forward from later in the plan period) to ensure choice and competition. This buffer should be 20% where there has been a record of persistent under-delivery of housing. But delivery performance can only be judged against development plan requirements. As the National Park has never before had any specific housing requirement to meet, it is not possible to conclude that there has been persistent under-delivery. Against this background, I consider that it would be unreasonable to insist on a 20% buffer. Therefore, for the time being at least, a 5% buffer is the most appropriate.
67. Taking account of the shortfall and the buffer the five-year land supply requirement is 297 dwellings, as shown in the Housing Land Supply paper. As the paper also indicates, it is apparent that the combination of sites with planning permission, allocated sites and windfall sites is sufficient to meet the requirement, regardless of which of the aforementioned windfall scenarios is applied.
68. I am satisfied that including a windfall allowance in the five-year supply is appropriate. It is clear from the Housing Land Supply paper that such sites have consistently become available over the past ten years. In this context, it seems to me sufficiently likely that windfall will provide an adequately reliable source of supply over the next five years. This Plan's relaxation of controls over

conversions will help in this regard, in all probability, especially in the first five years when the new opportunities presented by the policy shift are taken up.

69. In relation to deliverability, the NPA has taken a cautious approach in its supply calculations. While sites confirmed by the landowner as being available for development now (and excluding those sites removed from the Plan by **MM20**) are expected to yield 183 dwellings, only 102 are included in the five-year supply. As I see it, this is a restrained, conservative assumption which adds to the confidence one can have in the five-year supply.

#### *The housing land allocations*

70. As mentioned above, all of the housing sites proposed for allocation are presently allocated in the 2012 Housing Development Plan. The NPA relies on the site selection methodology underpinning the 2012 Plan to justify their inclusion in this Plan.
71. Similar to the approach used for establishing the settlement hierarchy, a Working Group considered the sites put forward following two 'calls for sites'. The Working Group considered the suitability of sites against relevant criteria – such as relationship with the settlement hierarchy, proximity to services, access to public transport and impacts on the landscape and other special qualities of the Park. Specialist advice has been taken into account, including from the highway authority, the Environment Agency and utilities providers.
72. Overall, while perhaps not the most scientific site selection process, the criteria considered are relevant, and the approach has been adequately systematic and robust. I am mindful too that the NPA has committed to a review of housing sites within five years through **MM5**. With regard to housing sites this Plan is, in effect and to some degree, something of a 'stop-gap'. Moreover, in practical terms, even if this Plan were found unsound on this point, the housing sites involved would remain allocated through the 2012 Housing Development Plan. Given this, and the review committed to, there is little sense in rejecting them on the basis of the selection method. While the NPA should re-visit its approach to site selection, that will be a matter to address through the review process.

#### *Affordable housing and local occupancy restricted housing*

73. On the NPA's evidence, there is a shortfall of around 117 affordable homes per year across the Plan area. This is more than twice the Plan requirement. The NPA estimates that the Plan will deliver between 14 and 17 new affordable homes a year. It is wholly apparent that the need for affordable homes will not be met.
74. However, it is difficult to see what else the Plan could realistically do. Policy C1 already requires 50% affordable housing on sites of 11 or more dwellings or, in the alternative, 33% affordable and 33% local occupancy restricted housing. It also seeks a tariff style contribution on sites of between six and ten dwellings. This is in line with the Written Ministerial Statement of 28 November 2014, but to demand contributions from smaller sites would not be.

75. In addition, the NPA's viability evidence<sup>1</sup> does little to persuade me that seeking a greater proportion of affordable housing would be a viable proposition. A number of sites have been appraised using a residual valuation method. Actual and theoretical sites have been modelled, which I am satisfied adequately represent the types of sites allocated in the Plan and the windfall sites likely to emerge. As with all 'high level' assessments of this type, numerous assumptions have been made in relation to factors affecting costs and values, and relevant sources of data have been drawn on, such as that from the Building Costs Information Service. Although I note the comments about some of the assumptions, I have been given no compelling reason to find the appraisals wanting, and I regard them to be sufficiently robust.
76. From this evidence it seems to me that the requirements of Policy C1 press significantly on the viability of sites. Much depends on the transfer value rate of affordable units. For this reason, the NPA has included a 'viability clause' in the policy, in effect allowing a greater proportion of market housing where it is demonstrated that meeting the affordable housing requirement would render the site unviable. The combination of the viability evidence coupled with the 'viability clause' justify the various thresholds in Policy C1, the latter particularly ensuring that sites need not be rendered unviable. That said, in the light of the viability evidence, it would in my opinion be unrealistic to increase the policy burden.
77. Furthermore, in order to boost the supply of affordable homes, Policy C2 allows for rural exception sites adjacent to development boundaries. This is not limited to the Local Service Centres and Service Villages, but also encompasses the Small Settlement tier of the settlement hierarchy.
78. Moreover, I am not persuaded that the Plan should provide for more market housing in order to meet the affordable need. At the scale likely to be necessary to meaningfully address the affordable housing shortfall, this would result in a scale of market housing that significantly exceeds the objectively assessed need. More fundamentally, it would run the risk of undermining the special qualities of this National Park and its statutory purposes.
79. In summary, I recognise that the Plan will not meet the need for affordable housing and as such it is in this regard not wholly consistent with the NPPF. However, in the light of the above, I am of the view that it does all one could realistically expect to create the right conditions for affordable homes to be delivered. On the basis of the evidence here, it would be unreasonable and potentially harmful to demand more. Consequently, I consider that the Plan's shortcomings in relation to affordable housing should not lead to it being found unsound. Allowing it to proceed will help to secure the delivery of affordable housing that would not otherwise be provided, as well as additional market housing. As such, in my opinion, it would be disproportionate to find this Plan unsound on this basis alone. It will be better to have this Plan in place than none at all.
80. As submitted, Policy C1 does not seek to deliver affordable housing of any specific size, type or tenure. The problem here is that it fails to ensure that local needs are met in this regard. To rectify matters, the NPA has put forward **MM3**

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<sup>1</sup> Viability Testing of Sites (2 March 2015) and Housing Site Viability (September 2016), both by NPS NW Ltd



requiring that size, type and tenure of affordable housing be informed by the latest Strategic Housing Market Assessment and any other evidence of local need at the time. I concur that this is necessary and appropriate.

81. I turn to the matter of occupancy restricted housing. As I have already said, Policy C1 requires either 50% affordable housing on sites of 11 or more dwellings or, alternatively, 33% affordable and 33% local occupancy restricted housing. It also requires all housing on sites of up to five dwellings to be local occupancy restricted. The overarching policy objective here is to provide housing for those with a social or economic need to live in the National Park who could not otherwise afford to do so. Although not within the definition of affordable housing, the market ensures that occupancy restricted housing is less expensive than open market housing as a result of the restrictions.
82. To my mind, there is a clear justification for occupancy restricted homes in this Plan area. Of the existing housing stock, around 22% comprises second/holiday homes and is therefore not permanently occupied. The NPA says that the demand for second/holiday homes and retirement homes in turn inflates house prices in the Park. In addition, the low level of affordable housing – at present and that will be delivered – compounds matters. As the NPA puts it, local occupancy restricted housing will “*fill some of the large gap between open market prices and affordable housing*”. In the circumstances, I agree that this is an appropriate and necessary approach. As such, I am satisfied that Policy C1 meets Regulation 122 of the CIL Regulations<sup>2</sup> in this regard.
83. That being said, as with affordable housing, it is quite apparent from the NPA's viability evidence that the requirement for sites of up to five dwellings to be entirely restricted to local occupancy homes is, at best, only marginally viable. The associated 'viability clause' in Policy C1 allows for the consideration of an alternative mix of affordable housing only. The NPA has put forward **MM23** deleting the word 'affordable' in effect potentially allowing an element of market housing or other housing types where necessary to render schemes viable. In the circumstances, I consider this degree of flexibility to be both appropriate and necessary.
84. As previously mentioned, Policy HDP2 of the 2012 Housing Development Plan restricts all new homes to local occupancy. I have read and heard personal accounts of the effect of this on people's lives. In difficult personal circumstances, some feel they have become trapped, unable to sell the house they are desperate to leave. I sympathise with those in such a position.
85. I have been told that mortgage lenders are less than forthcoming in relation to properties with a local occupancy restriction and that it is this that makes selling difficult. It is apparent that the NPA has no tangible or quantifiable evidence about the effect of local occupancy restrictions on mortgage availability. While I appreciate the difficulties involved in collating such evidence, this is a shortcoming.
86. However, this Plan's criteria for local occupancy housing, set out in its Appendix 5, are framed rather more widely than those it will supersede in the 2012 Housing Development Plan. In particular, the criteria allow restricted housing to be occupied by households from, or connected to, the Park's constituent District

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<sup>2</sup> The Community Infrastructure Levy Regulations 2010 (as amended)

Council areas beyond the Park boundaries if, after a period of 12 weeks, a qualifying household is not forthcoming. I agree it is likely that this will help to 'widen the net' of prospective purchasers and improve the re-saleability of occupancy restricted homes.

87. In addition, the NPA has proposed MMs to address this issue. Firstly, the commitment to review Policy C1 (**MM5**) specifically includes ensuring that the local occupancy restrictions remain effective and fit for purpose. Coupled with this, **MM17** adds to the Plan a new monitoring indicator relating to the effectiveness of the restrictions in terms of mortgage availability, categories of households in restricted housing, sold prices and vacancy periods. In my view, these MMs are necessary and the information gathered as a result of **MM17** must be used to inform the review of Policy C1.
88. Furthermore, **MM21** has been put forward by the NPA. This adds to the local occupancy criteria in Appendix 5 of the Plan that occupation will be as a principal or main residence and not as a holiday home, second home or short term let. I agree that this is necessary for effectiveness. Indeed, although not strictly a matter for me, this requirement should form part of the legal agreement securing dwellings as local occupancy restricted.
89. I have also heard that some people did not realise that their home is local occupancy restricted, or at least did not fully appreciate the possible implications. While I again sympathise, ensuring that this does not occur is a matter for the NPA and the way in which it ensures information is provided to potential occupiers of local occupancy restricted housing. It is not an issue that goes to the soundness of this Plan. As such it is beyond the scope of this examination and is not for my comment.

*The conversion of traditional buildings and the 'conservation levy'*

90. Policy L2 permits the change of use of traditional buildings to residential uses, visitor accommodation and employment uses where the building is within a settlement, a group of buildings or is in a "suitable roadside location". The latter term is defined in a footnote to the policy. Shortly put and with some simplification, the building or its definable curtilage must adjoin the boundary of a metalled road maintainable by the highway authority or must adjoin a sealed metalled road that connects to such a road.
91. As I understand it, the need to meet the Plan's housing requirement is the primary aim at the heart of this. The reasoning behind the criteria concerning location is that the converted building would be seen in the context of other buildings or a 'main' road, relatively speaking, such that the visual and landscape impacts would thus generally be less than they might be in more isolated places. That is a reasonable rationale. To my mind, this approach seeks to strike a balance between the necessity of providing new homes to meet the identified need and the effects of so doing on the character and appearance of the buildings involved and the landscape. In the latter regard, the use of the NPA's Traditional Farm Buildings Toolkit will assist.
92. I note the SA's conclusions about this element of policy. However, in my view this underestimates the housing delivery benefits. In the context of the present housing requirement and the land supply position, I consider that the basis for this policy approach is justified and that it is appropriate overall. Having said

that, the NPA should follow the advice of the SA – monitoring should gauge whether or not the benefits outweigh any harm to inform future reviews of policy.

93. The operation of Policy L2 relies on the terms 'high intensity' and 'low intensity' uses. The intensity of different use types for the purpose of the policy is explained in footnote 29 and is illustrated in Table 4. However, for effectiveness, I concur with the NPA that footnote 29 should be linked directly to Policy L2 rather than paragraph 5.12 (**MM6**) – this is a matter of policy rather than explanation of it. Moreover, I also agree that low-key business uses should be shown in Table 4 as a low-intensity use as the NPA suggests (**MM9**), to correct a conflict between the table and the footnote.
94. I turn to the question of the 'conservation levy'. Policy L2 says "*Proposals for change of use to a dwellinghouse for continuous occupation will be subject to a local occupancy restriction unless the applicant agrees to pay a conservation levy to fund the conservation of other significant buildings within the National Park ...*". Appendix 7 of the Plan sets the levy at 50% of the uplift in value brought about by the conversion.
95. In my view, the proposed conservation levy would not meet the CIL Regulations<sup>3</sup>. It is neither necessary to make the development acceptable in planning terms nor is it directly related to the development.
96. In considering compliance with the CIL Regulations, Appendix 7 appears to regard the conversion of a traditional building to be the development involved. But Policy L2 regards such a conversion to be acceptable, so long as it is subject to a local occupancy restriction. Indeed, it is only the waiver/absence of such an occupancy restriction that 'triggers' the levy. It seems to me that the development in question, in effect, is the conversion of a traditional building without the imposition of a local occupancy restriction. However, imposing the levy and using the receipt to conserve another building elsewhere in the National Park has nothing to do with who occupies the building being converted into a dwelling. These are unrelated matters. Moreover, spending the levy on conserving another building would not overcome any problem caused by the absence of a local occupancy restriction.
97. Furthermore, the policy in effect allows the option of paying a fee in order to avoid the NPA imposing an occupancy restriction. But restricting occupancy is either necessary to make the development acceptable in planning terms or it is not. If it is, a planning condition or obligation should be used. If not, then no such restriction should be imposed. Whether or not the applicant will pay a levy to the NPA is neither here nor there, and has no bearing on the need or otherwise for such a restriction to be imposed.
98. To rectify matters, the NPA has proposed **MM7**, **MM8** and **MM22** removing the conservation levy from the Plan entirely. I concur that this is necessary.

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<sup>3</sup> Set out in Regulation 122 of the Community Infrastructure Levy Regulations 2010 (as amended)

### *Conclusion on Issue 3*

99. Considering the above, I conclude that with the MMs put forward by the NPA, the Plan's strategy and policies for housing are justified, effective and consistent with national policy.

### **Issue 4 – Whether the Plan's approach to employment development is justified, effective and consistent with national policy**

100. A report by Ove Arup & Partners Ltd, 'Identify Employment and Business Land, Needs and Opportunities' (October 2013), specifically considers the need for employment land in the context of the NPPF. It identifies that the Park is dominated by micro and small businesses, with the average business employing fewer than four people and 94% having fewer than ten employees. It concludes that no additional employment land be allocated, but that 'opportunity sites' should be used to establish a prioritised portfolio. It also recommends greater flexibility for employment sites, both existing and new, including in terms of the uses allowed.
101. In the light of this evidence, the absence of any particular target for the delivery of employment land in the Plan is appropriate and consistent with national policy. Policy BE1 identifies sites which, in effect, establish the portfolio recommended in the Ove Arup report. Appendix 3 of the Plan sets out acceptable uses for each site which, in most cases at least, comprises a flexible range. Indeed, for many sites, an element of housing and/or live work units is supported.
102. Subject to various criteria, Policy BE2 supports rural land-based enterprises, Policy BE3 allows the change of use of modern buildings to new business uses and Policy BE4 supports new build live/work units in certain locations. As mentioned above, Policy L2 allows the change of use of traditional buildings to employment uses. All of this reflects the evidence and, in my view, introduces the flexibility recommended.
103. The sites identified in Policy BE1 are reviewed in the Ove Arup report, and as I understand it this work has been quite instrumental in their selection. Where sites put forward have been assessed as acceptable, they have been included in the Plan. As such it has not been necessary for the NPA to consider the relative merits of sites in order to select the best performing. The NPA confirms that the sites have willing landowners and are deliverable. I have been given no reason to conclude otherwise.
104. **MM19** has been proposed by the NPA amending the entry relating to the former Linton Camp Site in Appendix 3. As some development beyond the part of the site that already contains buildings may be possible without negatively affecting the Scheduled Monument and its setting, I agree that this change is needed.

### *Conclusion on Issue 4*

105. Considering the above, I conclude that with the MM put forward by the NPA, the Plan's approach to employment development is justified, effective and consistent with national policy.

## **Issue 5 – Whether the Plan's approach to mineral development is justified, effective and consistent with national policy**

### *Crushed rock quarrying*

106. Policy L6 does not permit the development of new crushed rock quarries or the extension of existing quarries into areas of undisturbed land save for in "exceptional circumstances". The NPA has proposed **MM10** to clarify that the exceptional circumstances applicable are those set out in Policy SP5. I agree that this is necessary for effectiveness.
107. For existing quarries, extensions in time, extraction area or depth are only permitted by Policy L6 in disturbed land within the boundary of the existing active quarry, and where other criteria are met. Adding a footnote as the NPA proposes (**MM11**) to explain that "existing active quarry" has the same meaning as that given in Regulations will help the policy's effectiveness. I also regard the approach taken here to be justified. By restricting extensions to disturbed land the Plan seeks to strike a balance between the economic and other benefits of quarrying and the environmental harm it causes to the National Park, including in relation to HGV traffic. In my opinion, that is appropriate and the balance struck by this limitation is reasonable and proportionate.
108. I note that some consider criterion a) to be vague. I disagree. Decision making in the realm of town and country planning can rarely be wholly mechanistic. Judgements often have to be made, and that this criterion rests on the application of judgement is entirely appropriate.
109. Criterion b) seeks to ensure that proposals to extend quarries at sites where a direct rail link exists or is feasible should provide for a reduction in road haulage of at least 50% based on tonnage limits in place in 2011. The NPA has put forward **MM12** and **MM13** replacing the term 'feasible' with 'physically capable of construction'. These modifications also clarify that such proposals should include the use of rail haulage. These changes are appropriate and necessary for effectiveness.
110. Of the five existing quarries, criterion b) will not apply to one – Ingleton – because it is not physically capable of being linked directly to a railway line. Of the remaining four quarries, I understand that three – Arcow, Dry Rigg and Swinden – have an operational rail head. I have been told that Arcow and Dry Rigg have already entered into legal agreements limiting road haulage tonnages to a level representing a 57% reduction against the 2011 baseline. This lends a good degree of confidence in the deliverability of the policy. However, I have not been provided with any viability evidence, or anything that indisputably demonstrates that the 50% reduction in road haulage required is a financially realistic prospect in relation to the remaining three quarries affected.
111. To remedy matters, the NPA has included within **MM12** and **MM13** a 'viability clause'. This accepts a lower percentage reduction or a phased reduction if necessary to maintain the viability of the quarry sites concerned. I am of the firm view that this is necessary for soundness. With this clause, the 50% road haulage reduction sought is adequately justified.
112. I note the arguments made about the effects of HGV traffic in the Park – impacts on Settle have been drawn to my particular attention. I have both watched the

film footage produced in evidence and I have observed some HGVs being driven in the Park. I fully appreciate the strong desire to reduce haulage traffic further still – that there would be clear benefits is not keenly disputed. However, I am not persuaded that more stringent measures would be deliverable. One must be realistic and, as I see it, Policy L6 goes as far as it reasonably can on the basis of the evidence produced. A tougher policy stance would require more robust evidence to support it.

113. I also acknowledge the point that quarry haulage traffic should bypass Settle. But quarry operators, like anyone else, are free to use the public road network unless restrictions are in place. This is a matter beyond the scope of this Plan and my examination of it. It is for the local authority/authorities involved to seek to secure agreements regarding the routing of HGVs, where appropriate and possible to do so.

### *Minerals safeguarding*

114. Paragraph 143 of the NPPF says that Local Plans should define Mineral Safeguarding Areas (MSAs) and adopt appropriate policies in order that known locations of specific minerals resources of local and national importance are not needlessly sterilised. Policy L9 is intended to be the policy which establishes the MSAs shown on the Policies Map. However, as submitted, the policy makes no reference to MSAs. The NPA's **MM14** rectifies this and is necessary for effectiveness.

115. The MSAs identified in the Plan do not include areas of sand and gravel or building stone. It is clear that sand and gravel deposits exist in the National Park, and that much of the Park is underlain with building stone. Whether these minerals should be covered by MSAs is the key issue here.

116. The NPA's position is explained in its 'Minerals Safeguarding Areas' paper (September 2016). With regard to sand and gravel, it says that deposits are concentrated around narrow valley floors, in or close to river channels. The NPA says that the Environment Agency would not accept working here, as I understand it because of environmental impacts. In addition, the NPA argues that these deposits are poorly sorted, requiring complex processing which, combined with their limited extent and depth, renders working them uneconomic. The NPA has no record of sand and gravel being worked in the Park, which it indicates supports the point about viability.

117. In addition, the NPA points to the 'Local Aggregate Assessment for the North Yorkshire Sub-region' (January 2013). Like the Local Plan, this covers the period to 2030, and concludes that there is no realistic potential for the National Park to contribute to supply.

118. On this evidence, it seems to me that there is little reasonable prospect of sand and gravel being worked in the Plan period, especially in the absence of any known industry interests. The absence of any interest in sand and gravel working strongly suggests that these deposits are not currently of local economic importance.

119. Turning to the question of building stone, it is pertinent to note that Policy L7 permits quarrying so long as it is in the public interest and there is a need for it,

and provided that other criteria in Policies SP4 and SP5 are met. The NPA's paper reinforces its general support for working local building stone.

120. Paragraph 143 of the NPPF is clear that the purpose of minerals safeguarding is to ensure that known locations of specific minerals resources of local and national importance are not needlessly sterilised by non-mineral development, whilst not creating a presumption that resources defined will be worked. However, on the basis of the NPA's paper and verbal evidence given, I consider that in this case safeguarding sand and gravel or building stone deposits will not serve any materially useful purpose over this Plan period. Considering the very limited level of development planned for, even if it would lead to any sterilisation at all, such sterilisation would be significantly restricted in extent. Simply put, this Plan will not lead to development of a scale that would materially affect the availability of deposits. Given the geographical coverage of building stone, this point is particularly relevant in relation to that mineral.
121. In addition, during this Plan period, most new development in the Park will comprise small housing projects. It strikes me as highly unlikely that such schemes could provide for the undertaking of any meaningful mineral working.
122. Overall, I am satisfied that the absence in this Plan of MSAs relating to sand and gravel, and to building stone, would not lead to the needless sterilisation of those minerals, at least not to any material degree. Having said that, I have reached this conclusion on the basis of the particular evidence given to this examination and in the specific context of this National Park. It should not necessarily be an enduring, final word on the matter. Circumstances can change. It will remain a statutory requirement<sup>4</sup> for the NPA to keep this matter under review, taking account of the implications of planned developments on sterilisation and in the light of any new evidence concerning the risk of any unnecessary sterilisation of the minerals in question.

#### *Conclusion on Issue 5*

123. Considering the above, I conclude that with the MMs put forward by the NPA, the Plan's approach to mineral development is justified, effective and consistent with national policy.

#### **Issue 6 – Whether the Plan's approach to tourism is justified, effective and consistent with national policy**

124. 'Understanding the Needs and Opportunities for Visitor Accommodation' (December 2013) by Ove Arup & Partners Ltd identifies the need to extend the tourist season in the Park and increase the number of overnight stays. Objective E4 of the National Park Management Plan 2013 – 2018 (revised March 2016) reflects this and aims to increase the value of tourism by 20% in real terms by 2020.
125. To this end, Policy T3 of the Plan seeks to increase overnight stays by restricting new static caravan pitches to short-term lettings of up to 28 days. The reasoning for this is that although there is a good supply of static pitches, the vast majority are not available for rental – the caravans are used only by their owners and possibly their family and friends. The NPA argues that this pattern

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<sup>4</sup> Under Part 2, Section 13 of The Planning and Compulsory Purchase Act 2004 (as amended)

of use does not yield the same economic benefits to the National Park in terms of tourist spend, and that it limits the enjoyment of the Park to fewer people. On the first point, no tangible evidence has been produced. However, on the second I agree that the situation is less than ideal.

126. Increasing opportunities for more people to visit, enjoy and understand the Park is a justified objective. It is in line with the thrust of the National Park's statutory purposes. In my view, in the context of the circumstances here, requiring that new pitches be for short-term lets only is a reasonable approach.

127. However, I have heard that this measure will have significantly detrimental impacts on the viability of some smaller site operators. From the hearings, it is clear that this is not the NPA's intention. Indeed, the risk is that if smaller enterprises are jeopardised and cease business, fewer pitches will be available. Such an unintended consequence could undermine the policy objective.

128. To avoid this, the NPA has proposed **MM15** and **MM16** which, as an alternative to short term letting, allow static caravan pitches to be occupied seasonally so long as the caravans are removed during the winter months. **MM16** also says that the NPA will work with site operators to designate suitable storage areas for the caravans out of season. **MM18** explains that the purpose of these two MMs is to prevent single household occupancy of new holiday accommodation in favour of multiple occupancy short stays. The point here is that static caravan owners with such intentions are more likely to want greater flexibility to stay in the caravan whenever they so wish, rather than being seasonally restricted.

129. This is not a perfect measure. It neither guarantees that new pitches will be made available for public rental nor does it unquestionably secure the financial stability of small site operators. However, as I see it, it introduces a degree of flexibility which improves the chances of smaller enterprises succeeding and of the policy aim being achieved. I regard these modifications both necessary for soundness and appropriate.

### *Conclusion on Issue 6*

130. Considering the above, I conclude that with the MMs put forward by the NPA, the Plan's approach to tourism is justified, effective and consistent with national policy.

## **Assessment of Legal Compliance**

131. My examination of the compliance of the Plan with the legal requirements is summarised in the table below. I conclude that the Plan meets them all.

LEGAL REQUIREMENTS	
Local Development Scheme (LDS)	The Yorkshire Dales National Park Local Plan 2015-2030 has been prepared in accordance with the Authority's LDS (October 2014). Although the Plan's content is compliant with the LDS, some delays in its progress have occurred. I am satisfied that there is no fundamental conflict with the LDS.
Statement of Community Involvement (SCI) and	The SCI was adopted in December 2012. Consultation on the Local Plan and the MMs has



relevant regulations	complied with its requirements.
Sustainability Appraisal (SA)	SA has been carried out and is adequate.
Habitats Regulations Assessment (HRA)	The Habitats Regulations AA Screening Report (January 2016) sets out why AA is not necessary. Natural England confirms that it is content with the HRA.
National Policy	The Local Plan complies with national policy except where indicated and MMs are recommended.
2004 Act (as amended) and 2012 Regulations.	The Local Plan complies with the Act and the Regulations.

## Overall Conclusion and Recommendation

132. The Plan has a number of deficiencies in respect of soundness and/or legal compliance for the reasons set out above, which mean that I recommend non-adoption of it as submitted, in accordance with Section 20(7A) of the 2004 Act. These deficiencies have been explored in the main issues set out above.

133. The Authority has requested that I recommend MMs to make the Plan sound and/or legally compliant and capable of adoption. I conclude that with the recommended MMs set out in the Appendix the Yorkshire Dales National Park Local Plan 2015 – 2030 satisfies the requirements of Section 20(5) of the 2004 Act and meets the criteria for soundness in the National Planning Policy Framework.

*Simon Berkeley*

Inspector

This report is accompanied by an Appendix containing the Main Modifications.

## Appendix – Main Modifications

The main modifications below are expressed either in the form of ~~strikethrough~~ for deletions and **bold and underlined** for additions of text, or by specifying the modification in words.

Ref.	Section/Policy/ Paragraph	Main modification
<b>MM1</b>	Paragraphs 1.25 and 1.26	<p><del>1.25 The Localism Act 2011 introduced a formal duty on neighbouring planning authorities to co-operate on strategic planning matters. The idea behind this duty is to ensure that neighbouring planning authorities continue to engage with each other constructively, on cross-boundary planning issues.</del></p> <p><del>1.26 The matters of greatest cross-boundary interest tend to be housing supply, transport issues and large scale retail and employment proposals. Some significant changes to local housing policy have been incorporated into the Local Plan as a consequence of discussion and monitoring. An example is the new housing target of 55 dwellings per annum. This is a very small amount in regional terms but is sufficient to sustain the last 10 year average rate of building and exceed projected household growth over the next 15 years. It should also provide some new opportunity to attract younger working households to live in the Park and help support local services. The policy emphasis remains on targeting opportunities for local housing needs but with a recognition that some open market housing is now necessary in order to make sites financially capable of delivering affordable housing.</del></p> <p><b><u>1.31 This reliance on larger towns means that the matters of greatest strategic cross boundary interest tend to be housing, local services and infrastructure, as well as the value of the National Park's environmental assets and special qualities. These issues are the main focus of the Duty to Cooperate discussions required by the Localism Act 2011 to ensure that neighbouring planning authorities engage constructively on relevant cross-boundary planning matters.</u></b></p> <p><b><u>1.32 The emphasis for new housing provision inside the National Park is on meeting the social and economic needs of its communities. It should also provide opportunities to attract younger working households to live in the Park and help support local services. Some significant changes to housing policy have been incorporated into the Local Plan in response to a changing population and economy. The Plan recognises that some open market housing is now necessary to make sites financially capable of delivering affordable housing. However the likely scale of development and strong housing market makes it unlikely that all housing demand can be met inside the Park.</u></b></p>

Ref.	Section/Policy/ Paragraph	Main modification
		<p>1.33 Other than the Settle-Carlisle Railway, there are no major transport corridors through the Yorkshire Dales and there are no proposals for regional-scale retail or other forms of development inside the Plan area. That leaves the <b>other</b> main cross-boundary planning issues as:</p>
<b>MM2</b>	Policy C1 (Land for new build housing)	<p><b><u>The sites listed in Appendix 4 are allocated for new housing development and are shown on the Policies Map New Elsewhere,</u></b> housing development will be permitted on <del>allocated sites (Appendix 4), or on acceptable infill sites</del> within the housing development boundaries of Local Service Centres and Service Villages, identified on the Policies Map</p>
<b>MM3</b>	Policy C1 (Land for new build housing)	<p><b><u>The size, type and tenure of affordable housing required by this policy will be informed by the latest Strategic Housing Market Assessment and any other evidence of need in the locality.</u></b></p> <p>Housing sites will be required to meet a minimum density of 35 dwellings per hectare....</p>
<b>MM4</b>	Paragraph 4.3	<p>The housing target for the local plan area is set at <b><u>an annual average of 55 dwellings per annum. This is a net figure and will be measured over the year by comparing new dwellings completed to demolitions and change of use to non dwelling uses.</u></b></p>
<b>MM5</b>	New paragraph	<p>Add a new paragraph after paragraph 4.11 as follows.</p> <p><b><u>4.12 Although the Local Plan covers a 15 year period, the pace of change in matters relating to housing policy and the evidence that underpins it can be rapid. It is essential that the policy is kept under review to ensure it is responsive to these changes. The Authority has committed to a review of policy C1, including the sites allocated by it, within 5 years of adoption, particularly with a view to:</u></b></p> <ul style="list-style-type: none"> <li>• <b><u>ensuring it is capable of delivering an appropriate mix of housing that meets local needs while remaining financially viable;</u></b></li> <li>• <b><u>ensuring housing land supply remains adequate to satisfy the annual average target;</u></b></li> <li>• <b><u>ensuring that the local occupancy restrictions remain effective and fit for purpose.</u></b></li> </ul> <p><b><u>The policy will be monitored through the Annual Monitoring Report to assess these and other issues and the Local Development Scheme will set out a timetable for the review of the policy.</u></b></p>

Ref.	Section/Policy/ Paragraph	Main modification
<b>MM6</b>	Paragraph 5.12, footnote 29	Relocate footnote 29 to page 63 so that it is attributable to the policy text references to high and low intensity uses.
<b>MM7</b>	Policy L2 (Conversion of traditional buildings - acceptable uses)	Proposals for change of use to a dwellinghouse for continuous occupation will be subject to a local occupancy restriction (Appendix 5) <del>unless the applicant agrees to pay a conservation levy to fund the conservation of other significant buildings within the National Park. The levy will be calculated, secured and committed in accordance with Appendix 7.</del>
<b>MM8</b>	Paragraph 5.14	<p>5.14 Proposals for re-using traditional buildings as dwellings will be required to be tied to the occupancy criteria set out in Appendix 5 to ensure they contribute towards local housing needs. As an exception to this requirement, however, unrestricted occupancy will be permitted in <del>one of two circumstances</del> <b><u>the following circumstance:</u></b></p> <p><del><u>Conservation levy</u> – this represents a way of using planning policy to deliver wider conservation gain. The policy accepts that a degree of harm will normally result from a residential re-use of a traditional building not designed for that purpose. So while it cannot represent a true conservation solution for traditional buildings that are subjected to conversion, by widening the scope of the policy, it can represent a solution for other significant buildings that are unlikely to ever find a viable use. This is achieved through a commuted sum payment that ensures some of the significant uplift in value achieved through unrestricted residential conversion is reinvested in the conservation of other traditional buildings. The mechanism for securing, calculating and committing this payment is set out in Appendix 7.</del></p>
<b>MM9</b>	Table 4 – General guide to use, intensity and likely acceptable locations for adaptation of traditional buildings	Amend Table 4 so that low key business uses appear under “low intensity” uses and “location” column.
<b>MM10</b>	Policy L6 (Crushed rock quarrying)	The development of new crushed rock quarries or the extension of existing quarries into areas of undisturbed land will not be permitted other than in <b><u>the</u></b> exceptional circumstances <b><u>set out in Policy SP5</u></b>

Ref.	Section/Policy/ Paragraph	Main modification
<b>MM11</b>	Policy L6 (Crushed rock quarrying)	Extensions, in time, extraction area or depth, will only be permitted in disturbed land within the boundary of an existing active quarry <b>32</b> ;  <i>New footnote</i> <b><u>32 as defined under Regulation 16 of The Quarries Regulations 1999</u></b>
<b>MM12</b>	Policy L6 (Crushed rock quarrying)	b) at those sites where a direct rail link exists or is feasible <b>physically capable of construction</b> , proposals will need to <del>make provision</del> <b>include the use of rail haulage and for a reduction in road haulage. The reduction in road haulage must be of at least 50%, based on tonnage limits in place in 2011, unless a developer can demonstrate, by sharing their economic assessment with the Authority, that a lower percentage reduction or a phased reduction is necessary to maintain the viability of the site.</b>
<b>MM13</b>	Paragraph 5.42	5.42 There are major environmental and social benefits when rail transport substantially replaces road haulage. The Authority's position is that road haulage from all quarries in the National Park should be substantially reduced. At those quarries where a direct rail link exists or is feasible <b>physically capable of construction</b> , this reduction should be at least 50%, based on limits that were in place in 2011. A baseline of 2011 has been chosen to reflect the fact that significant reductions have been agreed at some sites since that date. <b>A reduction of at least 50% will be required unless a developer can show, with a detailed economic assessment, that a lower percentage or phased reduction is necessary to maintain the viability of the site.</b> <del>However, a</del> All operators will be expected to progressively reduce road haulage from their sites. <del>In some instances, it may be appropriate to achieve the reduction in road haulage through an agreed phased programme.</del>
<b>MM14</b>	Policy L9 (Mineral and railhead safeguarding)	Planning permission will not be granted for development that would sterilise a <del>mineral resource or prevent the use of a railhead</del> <b>mineral or railhead safeguarding area</b> identified on the Policies Map, unless there is a need for alternative development that overrides the need to safeguard the mineral or railhead.
<b>MM15</b>	Policy T3 (Sustainable self-catering visitor accommodation)	New sites for static caravans will not be permitted. Small extensions or increases in the number of static caravan pitches on existing sites will only be permitted where they would be well screened or would improve the visual impact of the site within the surrounding landscape. Additional units will be restricted to holiday use and short term letting <del>only</del> <b><u>or will be required to be removed from site between 1st November and 1st March.</u></b>
<b>MM16</b>	Paragraph 6.24	Whilst there is a good overall supply of static pitches (951) only 197 were available for rental in 2013. This

Ref.	Section/Policy/ Paragraph	Main modification
		<p>means that most static caravans are not available for wider public use and are unlikely to contribute to the National Park Management Plan objective of increasing overnight visitor stays. Given the high proportion of owner-occupied units, the Authority will <del>insist</del> <b>require</b> that any net additional units are for short-term letting only (maximum 28 days) <del>This will respond to the evidence<sup>1</sup> of continuing demand for short stay, self-catering rental accommodation.</del> <b><u>or are seasonal units which are moved from site during the winter months. The Authority will work with site operators to designate suitable storage areas, where there is landscape capacity to accommodate this.</u></b></p>
<b>MM17</b>	Monitoring & implementation Indicators: Community	<p>New Local Plan Indicator:</p> <p><b><u>Effectiveness of local occupancy restrictions in terms of mortgage availability, categories of households occupying, sold prices and vacancy periods.</u></b></p>
<b>MM18</b>	Glossary	<p><b><u>Short stay /short term letting</u></b></p> <p><b><u>This is occupation of a holiday accommodation unit for a period not exceeding 28 days in a single calendar year. The purpose is to prevent single household occupancy of new holiday accommodation in favour of multiple occupancy short stays.</u></b></p>
<b>MM19</b>	Appendix 3: Business development site allocations – former Linton Camp site	<p><del>To safeguard the setting of the Scheduled Monument and landscape character, only redevelopment of the part of the site that already contains buildings would be acceptable. Potential for some limited ancillary and temporary uses of the remainder of the site, where it can be shown to enhance or better reveal the significance of the Scheduled Monument, and subject to consideration of their impact on the landscape and overall intensity of use</del></p> <p><b><u>The focus of development opportunity is upon the part of the site that already contains buildings. Any development of the remaining parts of the site not currently occupied by buildings will only be permitted where it can be shown to enhance or better reveal the significance of the Scheduled Monument and where it will conserve or enhance the particular landscape, wildlife and archaeological qualities of the area.</u></b></p>
<b>MM20</b>	Appendix 4: Housing	<p>Delete reference to the following three sites from Appendix 4 and amend the geographic illustration of Policy C1 accordingly:</p>

<sup>1</sup> Arup (2013) Understanding the Needs and Opportunities for Visitor Accommodation: Final report 2nd December 2013

Ref.	Section/Policy/ Paragraph	Main modification
	development site allocations	<ul style="list-style-type: none"> <li>• 210 North of Springfield (Hawes) – 15 units</li> <li>• 201 North of Cam Garth (Kettlewell) – 3 units</li> <li>• 202 North of Cam Cottage (Kettlewell) – 2 units</li> </ul>
<b>MM21</b>	Appendix 5: Local occupancy criteria	<p>Add a new bullet after 'Notes' as follows.</p> <ul style="list-style-type: none"> <li>• <b><u>Occupation will be as a principal or main residence and not as a holiday home, second home or short term let accommodation.</u></b></li> </ul>
<b>MM22</b>	Appendix 7: Conservation levy	Delete Appendix 7 and modify the table of contents accordingly.
<b>MM23</b>	Policy C1 (Land for new build housing)	<p>On sites of up to five dwellings, new housing will be restricted to local occupancy (Appendix 5).</p> <p>If it is demonstrated that the site cannot deliver the mix of housing required, then the Authority will consider an alternative mix of affordable housing on the basis of an independent viability study.</p>