



Colchester Borough Council

**Independent Examination – Section 2 Colchester
Borough Local Plan 2017-2033**

Hearing Statement – Local Planning Authority

Main Matter 2 – Sustainable Growth Policies

April 2021

Main Matter 2 – Sustainable Growth Policies (Policies SG1 to SG8)

Are the Sustainable Growth Policies justified by appropriate available evidence, having regard to national guidance, and local context, including Section 1 of the CLP?

Is Colchester’s spatial strategy and the distribution of development as set out in Policy SG1 supported by robust and up to date evidence and otherwise soundly based?

- 2.1 Yes, the Spatial Strategy and distribution of development (as set out in Policy SG1) is supported by robust evidence and is soundly based.
- 2.2 Policy SG1 provides the overarching Spatial Strategy to ensure sustainable growth across the Borough to 2033. This provides the framework for the place-based approach of the CLP Section 2 and relates allocations to the unique characteristics of communities within the Borough. The policy is underpinned by paragraph 14 of the National Planning Policy Framework (NPPF) 2012 which requires Local Plans to seek opportunities to meet their local area development needs (including objectively assessed need) and provide sufficient flexibility to adapt to rapid change. Paragraph 151 of the NPPF states that *‘Local Plans must be prepared with the objective of contributing to the achievement of sustainable development. To this end, they should be consistent with the principles and policies set out in this Framework, including the presumption in favour of sustainable development’*. Policy SG1 completely embodies this with sustainable development at the heart of the Spatial Strategy, and throughout CLP Section 2.
- 2.3 SG1 is consistent with and embeds the framework of the core planning principles of paragraph 17 of the NPPF, with particular reference to taking *“account of the different roles and characters of different areas, promoting the vitality of our main urban areas... recognising the intrinsic character and beauty of the countryside and supporting thriving rural communities within it”* and *“actively manage patterns of growth to make the fullest possible use of public transport, walking and cycling, and focus significant development in locations which are or can be made sustainable”*.

- 2.4 The Spatial Strategy for the CLP Section 2 ensures the delivery of sustainable development through establishing a hierarchy of sustainable locations. This directs development in the first instance to the Colchester Urban Area, followed by Sustainable Settlements and the Tendring Colchester Borders Garden Community, Other Villages and finally all remaining areas comprising the countryside. NPPF paragraph 52 identifies that *the supply of new homes can sometimes be best achieved through planning for large scale development, such as new settlements or extensions to existing villages and towns that follow the principle of Garden Cities*. Paragraph 55 of the NPPF further outlines that sustainable development can be promoted in rural areas, through housing being located to enhance or maintain the vitality of rural communities. Policy SG1 accords with the NPPF through identifying the relationship between CLP Sections 1 and 2 in relation to the Tendring Colchester Borders Garden Community and identifying broad locations for sustainable development in both urban and rural locations across the Borough.
- 2.5 CLP Section 2 paragraphs 12.3 and 12.7 supplement policy SG1, through providing a justification for the spatial hierarchy. This outlines that the urban area of Colchester is considered sustainable due to its accessibility and concentration of housing, jobs and services. Sustainable Settlements enable further proportionate growth of existing settlements within the borough. The Spatial Strategy is fully compliant with the principles and objectives of sustainable development and the NPPF.

Evidence Base

- 2.6 CLP Section 2 identifies at paragraphs 12.1 and 12.8 that the Spatial Strategy has been informed by the Sustainability Appraisal (SA), Strategic Housing Land Availability Assessment (SHLAA) and the Settlement Boundary Review.

Sustainability Appraisal

- 2.7 The Council's Sustainability Appraisal ([CBC 2.2](#)) pages 54 to 65, examines policy SG1 and six alternatives against the Sustainability Framework, outlined in Table 3 of the SA (pages 32 to 36). Of the alternatives to policy SG1 assessed, five of these correspond to those explored within the Issues and Options consultation and the sixth alternative was proposed through the Issues and Options consultation

and Call for Sites process which invited alternative spatial strategies to be proposed. These alternatives are summarised on page 55 of the SA ([CBC 2.2](#)).

- Alternative (SG1)1 – Issues and Options, Option 1A: Development to the East and West (a separate sustainable settlement to the west of Colchester town, a separate sustainable settlement to the east of Colchester town, urban development on sites in and around the existing urban area, and proportional expansion of the District Centres - Wivenhoe, Tiptree and West Mersea)
- Alternative (SG1)2 – Issues and Options, Option 2A: Development to the West (a separate sustainable settlement to the west of Colchester town, urban development on sites in and around the existing urban area, proportional expansion of the District Centres – Wivenhoe, Tiptree and West Mersea)
- Alternative (SG1)3 – Issues and Options, Option 2B: Development to the West (as per 2A above, but with an additional proportional element of rural growth across the Borough’s villages);
- Alternative (SG1)4 – Issues and Options, Option 3A: Development to the East and North (a separate sustainable settlement to the east of Colchester town, a significant urban extension to the north of Colchester town, crossing the A12, in addition to an extension to the north, other urban development in and around the existing urban area, and proportional expansion of District Centres – Wivenhoe, Tiptree and West Mersea);
- Alternative (SG1)5 – Issues and Options, Option 3B: Development to the East and North (as per 3A above, but with an additional proportional element of rural growth across the Borough’s villages);
- Alternative (SG1)6 - Development focussed within the Regional Centre of Colchester only.

2.8 Policy SG1 resulted in ‘significantly positive’ or ‘positive’ effects/impacts for 27 of the 39 objectives/assessment criteria. Overall Policy SG1 is considered the most sustainable option assessed. Of particular note, policy SG1 is considered to provide ‘significant positive’ impacts to the delivery of homes to support existing and growing populations, providing affordable housing and delivering a range of housing types, providing a mix of uses and improving the delivery of employment opportunities to support the growing population, reducing the need to travel,

increasing sustainable travel, improving sustainable transport and infrastructure and protecting existing and creating new open space.

- 2.9 Policy SG1 would only result in 'Significant negative' impacts in relation to reducing the need for development on greenfield land which all six alternatives also scored 'significant negative' or 'negative' against. 'Negative' impacts are also scored for maintaining and enhancing protected landscapes and improvements to environmental quality, which is also the score for the six alternatives. Similarly, no impact was recorded for the policy and all alternatives in relation to providing a balance of different retail uses within the Borough's centre, support for tourism, heritage and arts, helping to reduce, reuse and recycle, reduce flood risk, water availability, promoting water efficiency and improve water quality. However, these criteria are more relevant to the development management process and policies as opposed to the distribution of development within the Plan area.
- 2.10 Policy SG1 has been selected as this considers the individual characteristics and capacity of different parts of the Borough, the overall linkages and functionality of settlements within the area and provides the best strategy for enhancing their sustainability. The alternatives have been rejected largely due to environmental constraints, but a number of alternatives are not considered to represent sustainable development by either increasing development pressure in one area or creating significant infrastructure pressure within the Borough (see page 65 of [CBC 2.2](#) for full explanation of why each alternative was rejected).

Strategic Land Availability Assessment (SLAA)

- 2.11 A Strategic Land Availability Assessment (SLAA) June 2017 Update ([EBC 2.17](#)) has been prepared by the Council in accordance with the NPPF and PPG. The Council's methodology has been developed in accordance with the methodology outlined in the PPG and was subject to public consultation in 2015, before being adopted by the Local Plan Committee.
- 2.12 The SLAA report identifies land within the plan area that is capable of being developed having due regard to various constraints and opportunities for development. The SLAA informs the Spatial Strategy by identifying potential sites for development to meet housing and employment need.

- 2.13 The SLAA identifies at a high level, those areas in the Borough where there are potential sites to deliver sustainable development. This helps develop the settlement hierarchy and overall approach of directing development to the most sustainable locations within the Borough as set out in Policy SG1.

Settlement Boundary Review

- 2.14 The Council have undertaken a Settlement Boundary Review ([EBC 2.14](#)) of the existing boundaries set out in the 2010 Proposals Map which accompany the Core Strategy and Site Allocations Development Plan Document (DPD). The Settlement Boundary Review has informed the settlement hierarchy and approach to the Spatial Strategy by identifying those areas across the Borough which can accommodate sustainable development and provides details of the high-level constraints and opportunities within each settlement assessed.
- 2.15 The review identifies the level of proportionate growth that can be accommodated in each settlement within the Plan period. This has informed the spatial strategy particularly in relation to the Sustainable Settlements and Urban Areas of Colchester, and the relationship between these. All settlements classified as 'Other Villages' have also been assessed to confirm their status within the hierarchy.
- 2.16 The SLAA sites within each settlement which were given an Amber or Green overall RAG rating have also been considered within the review in relation to the settlement boundary.
- 2.17 In some instances, settlement boundaries have been removed for smaller clusters of housing which are not considered sustainable due to an insufficient range of services and facilities within the area. Through representations received to the Local Plan consultation, Birch is no longer considered a 'Sustainable Settlement' due to the closure of the GP Surgery and only having a school and village hall, which is more comparable to the facilities of 'Other Villages'. The Spatial Strategy has therefore taken into account where areas are no longer considered to be sustainable through identifying 'Other Villages' at the bottom of the settlement hierarchy.

CLP Section 1

- 2.18 Policy SG1 is entirely consistent with Policy SP3 of the CLP Section 1 which states: *"Existing settlements will be the principal focus for additional growth across the North Essex Authority area within the Local Plan period. Development will be*

accommodated within or adjoining settlements according to their scale, sustainability and existing role within each individual district and, where relevant, across the wider strategic area”.

- 2.19 Policy SP3 further states “*In Section 2 of its Local Plan each local planning authority will identify a hierarchy of settlements where new development will be accommodated according to the role of the settlement, sustainability, its physical capacity and local needs.*” The principal of a spatial strategy that follows a hierarchical approach has already been established within the Local Plan and found sound through the Section 1 examination. Paragraph 12.2 of the CLP Section 2, outlines the relationship between the CLP Section 1 and Section 2 in terms of the spatial strategy, by identifying the need to consider both sections in relation to the long term sustainable growth strategy for Colchester locally and regionally.
- 2.20 The Council have prepared a Topic Paper ([TP1](#)) which explores the implications for the CLP Section 2 as a result of modifications made through examination of the CLP Section 1. Paragraphs 3.3 to 3.7 consider the spatial strategy. The Section 1 Planning Inspector did not have an issue with the principle of Garden Communities in addressing the sustainable long-term growth needs in North Essex, his concerns surrounded the delivery of two specific Garden Communities which have been removed from CLP1. The remaining Tendring Colchester Borders Garden Community is retained in the CLP Section 2 spatial strategy, with the fundamental approach remaining largely unchanged, albeit without reference to the removed Colchester Braintree Borders Garden Community.
- 2.21 Marks Tey remains a Sustainable Settlement despite the removal of the Colchester Braintree Borders Garden Community. In summary, it is not a requirement for housing allocations to be made within a Sustainable Settlement (Dedham is also a Sustainable Settlement without housing allocations). For further detail please see paragraph 3.6 of [TP1](#). The Marks Tey Neighbourhood Plan completed Regulation 16 consultation on 5 April 2021. Although the Plan does not include housing allocations, it does provide a series of policies to guide future development within the Parish. It would be possible through a future review of the Marks Tey Neighbourhood Plan to explore the need for housing allocations given that a Garden Community is no longer proposed to the West of Colchester.

Representations

- 2.22 A number of representations were made to policy SG1 - both in support and objection. Several representations include site specific representations which have been considered in relation to the relevant Place Policy.

- 2.23 The principle of the Spatial Strategy is questioned with regard to its relationship with the housing trajectory and allocations as well as the position of specific settlements within the hierarchy. Specifics include the position of Stanway; the grouping of North, South, East and West Colchester at the same level; the inclusion of the Garden Community within the hierarchy; the categorisation of West Mersea and whether some settlements should be considered as 'Other Villages'.
- 2.24 The settlement hierarchy established in Policy SG1 places Central Colchester at the top of the hierarchy, followed by those adjacent areas within urban Colchester. This is based on the fundamental principle of the NPPF to direct development to the most sustainable locations. As outlined above, the approach of identifying Sustainable Settlements and Other Villages is informed by the evidence base notably the SA, SLAA and Settlement Boundary Review.
- 2.25 The principle of development of the Tendring Colchester Borders Garden Community is established in the CLP Section 1 and will be further developed through a Development Plan Document (DPD). It is considered appropriate for this to be at the same level as Sustainable Settlements within the spatial hierarchy at this time. As the community develops beyond the Plan period and becomes a more established settlement with future development there is potential for the Garden Community to be higher in any settlement hierarchy. However, as the community is yet to be developed it would not be in accordance with the principle of sustainable development outlined in the NPPF for this to be higher within hierarchy.
- 2.26 The identification of 'Other Villages' is not considered to render these settlements unable to accommodate affordable housing or small scale residential development. Policies OV1 and OV2 outline the limited circumstances in which development in these locations will be supported, which within the settlement boundary includes infill development, development on previously developed land and extensions, restorations, or alterations to existing buildings. Residential development outside of the settlement boundary for small scale rural exception sites can be supported, where accompanied by a Local Housing Needs Assessment.
- 2.27 Where allocations have been made in Sustainable Settlements, the specific policy may include provision for specific facilities, services, or infrastructure to be brought forward through the development. It is considered that this conforms with the NPPF core principles outlined in paragraph 17 by enabling settlements to grow and develop sustainability.

- 2.28 The relationship between CLP Section 1 and Section 2 spatial strategies has been considered through the Section 1 examination and as outlined above, it has been established that together this provides the overall approach to development within Colchester and the wider North Essex context.

Proposed Modifications

- 2.29 As a result of modifications made to the CLP Section 1, modifications are also required to paragraph 12.7 and policy SG1 of Section 2 to provide consistent terminology in relation to the Tendring Colchester Borders Garden Community and cross reference to CLP Section 1 policies. Modifications have been included in the Draft Schedule of Recommended Modifications ([CBC 1.6](#)) accordingly and to reflect the removal of the Colchester Braintree Borders Garden Community.
- 2.30 A further modification is required to table SG1 to remove the bold type which identifies those areas preparing Neighbourhood Plans and the commentary for this in paragraph 12.12. As Policy SG8 and the supporting text provides an overview of neighbourhood plans across the Borough, it is not considered necessary to identify these within table SG1 as this provides repetition.
- 2.31 As identified in the Consequential Changes Topic Paper ([TP1](#)), the 2019 NPPF (paragraphs 77-79, 83 and 84) changes emphasis slightly on the approach to the wider countryside and is considered to be a slightly less restrictive approach to development in the countryside outside of protected and/or designated areas than the 2012 NPPF. Although the CLP Section 2 is being assessed as per the transitional arrangements, it is considered appropriate for the Council to modify policy SG1 (and other related policies as addressed in TP1 and Main Matters 3, 10, 12 and 13). The Council have therefore proposed the removal of wording that only supports new development in the countryside in exceptional circumstances Draft Schedule of Proposed Modifications ([CBC 1.6](#)).
- 2.32 These modifications are considered necessary to policy SG1 to provide consistency between the CLP Section 1 and Section 2 and for the policy to be compliant with National Policy.
- 2.33 Policy SG1 is considered to be based on robust evidence and the spatial strategy is sound.

Does CLP Section 2 Policy SG2 make adequate provision to meet Colchester's housing requirement as set out in CLP Section 1 (14,720 new homes) and its timescale for delivery within the plan period 2017 - 2033?

- 2.34 Yes, CLP Section 2 Policy SG2 makes adequate provision to meet the housing requirement of 14,720 new homes, within the Plan period 2017 to 2033. This equates to 920 new homes per annum.
- 2.35 Paragraph 47 of the NPPF requires local planning authorities to boost significantly the supply of housing by:
- *use their evidence base to ensure that their Local Plan meets the full, objectively assessed needs for market and affordable housing in the housing market area, as far as is consistent with the policies set out in this Framework, including identifying key sites which are critical to the delivery of the housing strategy over the plan period;*
 - *identify and update annually a supply of specific deliverable sites sufficient to provide five years worth of housing against their housing requirements with an additional buffer of 5% (moved forward from later in the plan period) to ensure choice and competition in the market for land. Where there has been a record of persistent under delivery of housing, local planning authorities should increase the buffer to 20% (moved forward from later in the plan period) to provide a realistic prospect of achieving the planned supply and to ensure choice and competition in the market for land;*
 - *identify a supply of specific, developable sites or broad locations for growth, for years 6-10 and, where possible, for years 11-15.*
- 2.36 Policy SG2 fully accords with the NPPF as it identifies how the objectively assessed housing need will be met in full. The policy builds on the spatial strategy established in Policy SG1, by identifying, in conformity with the settlement hierarchy, how the overall housing requirement will be met through allocations in the CLP Section 2, the Tendring Colchester Borders Garden Community and existing commitments.
- 2.37 As submitted, Table SG2 outlines a total of 15,063 units are to be provided through existing commitments and new allocations. The Housing Topic Paper ([TP1](#)) updates this table and establishes that by 31st March 2020, 3337 units had already been delivered which leaves a requirement of 11,383. The Topic Paper demonstrates a total supply of 12,725 against the target which results in a surplus of 1342 units.

CLP Section 1

- 2.38 An Objectively Assessed Housing Need Study 2015 ([EBC 2.12](#)) was produced to establish the number and type of new homes required in Colchester, Tending, Braintree and Chelmsford. This was further updated in 2016 ([EBC 2.13](#)) to meet the requirements of the NPPF to prepare a Strategic Housing Market Assessment (SHMA). These have formed the principal evidence base documents supporting the housing requirement figures of the CLP as a whole.
- 2.39 Main Issue 1 of the Section 1 Examination was *'Are the housing requirement figures set out in Plan policy SP3¹ soundly based, and does the Plan effectively set out how its housing requirements are to be met, in accordance with national policy?'*. This is considered in detail in paragraphs 31 to 67 of the [Planning Inspector's Final Report](#). The Planning Inspector findings at paragraph 58 are *'I conclude that the housing requirement figures set out in Plan policy SP3 are soundly based.'*
- 2.40 It should be noted that CLP Section 1 Policy SP4 identifies the minimum housing target for Colchester as 18,400 over the plan period 2013 to 2033 (920 homes per annum). Through the Section 1 Examination, the start of the Plan period has been agreed as 2013 to 2033 which brings the start date for Colchester into alignment with Braintree and Tendring.
- 2.41 The CLP Section 2 Plan period remains as 2017 to 2033, as submitted. As a result, the housing requirement figure for CLP Section 2 remains as 920 homes per annum and equates to an overall housing requirement of 14,720 from 2017 to 2033.
- 2.42 CLP Section 1 Policy SP4 provides for each of the North Essex Authorities (NEAs) to adjust their Section 2 Local Plan to address any undersupply since 2013 (in accordance with NPPF paragraph 47). Colchester continues to have a proven strong track record of delivering housing. As identified in CLP Section 2 paragraph 12.16, since 1974 on average Colchester has delivered 833 new dwellings per annum. The cumulative housing target in the current Local Plan (2001 - 2020) has been exceeded by 1,448 dwellings. Since 2013 the cumulative target of 6,606 has been exceeded by 460 with 7,066 new homes being delivered.

¹ Reference to SP3 in the Inspector's Report is in relation to policy numbering as submitted. Through modifications to the Section 1 Local Plan, Policy SP3 is now Policy SP4.

2.43 Since introduction of the Housing Delivery Test in the NPPF 2019, the Council have consistently delivered against the housing target. This is summarised in the table below for the three results that have been published.

HDT Year	Total Homes Required	Total Homes Delivered	HDT Measurement	HDT Consequence
2018	2,583	3,109	120%	None
2019	2,770	3,392	122%	None
2020	2,894	3,265	113%	None

2.44 The CLP Section 2 does not therefore need to address any shortfall or undersupply. The housing target remains as 14,720 for the Plan period 2017 to 2033 (920 homes per annum).

Topic Paper 1 Consequential Changes

2.45 The Council has produced a Topic Paper ([TP1](#)) on consequential changes which is divided into two sections. Part 1 explores the implications to the CLP Section 2 as a result of modifications made through examination of the CLP Section 1. Part 2 highlights any changes in National Legislation/Policy since submission of the Plan and identifies any implications for the CLP Section 2.

2.46 In relation to Policy SG2, there are limited implications as a result of the Section 1 Examination. The removal of the Colchester Braintree Borders Garden Community does not affect the ability of the remaining allocations to meet the housing requirement figure of 920 units per annum to 2033. The CLP Section 2 already provides a sufficient buffer of allocations to surpass the housing requirement figure, and there is not a shortfall arising from the loss of 1,350 units from the Colchester Braintree Borders Garden Community.

2.47 Modification is however required to Policy SG2 and the accompanying table, to remove the Colchester Braintree Borders Garden Community and a note is required to clarify that the table reflects the 2017-2033 Plan period as outlined in paragraphs 2.3.6 and 2.3.7 above. These modifications are shown in the Draft Schedule of Recommended Modifications ([CBC 1.6](#))

- 2.48 The Standard Methodology to determine the minimum number of homes required to be met through a Local Plan was introduced in the 2019 NPPF. The CLP as a whole was submitted in October 2017 and is therefore being examined under NPPF 2012 as per the transitional arrangements outlines in the NPPF 2019. The housing requirement figure has already been found sound through the Section 1 Examination and does not require further consideration in the CLP Section 2 examination.

Topic Paper 2 Housing Matters

- 2.49 As mentioned above, the Council have also prepared a Housing Matters Topic Paper ([TP2](#)). This should be read alongside this hearing statement as it provides the Council's latest housing supply position over the Plan period and demonstrates that the Plan will provide a five-year supply of deliverable sites from adoption. Appendix 2 includes the Council's latest 15 Year Housing Trajectory – October 2020.
- 2.50 Policy SG2 establishes the housing requirement figure of 14,720 homes between 2017 and 2033. To 31 March 2020, a total of 3,337 units have already been delivered, reducing the requirement figure to 11,383.
- 2.51 Paragraphs 3.5 to 3.7 identify changes to the overall housing supply since submission and March 2020. In summary, the Council can demonstrate a supply of 12,725 units against the 11,383 requirement figure, resulting in a surplus of 1,342 units.
- 2.52 Section 4 of [TP2](#) outlines the Council's latest Five Year Housing Land Supply. The Council has a housing land supply of 6,108 dwellings between April 2020 and March 2025. For plan making, measured against the housing target of 920 units per annum this is 1,508 units above target. Once a 5% buffer is added the 5 year target is 4830 (966 per year) which results in 1,278 additional units. The supply of 6108 units equates to a supply of 6.32 years.

Representations

- 2.53 Over 30 representations were received to Policy SG2. Several representations question the OAN housing target of 920 units per annum and the treatment of this figure as a 'minimum'. The housing requirement figure has been found sound and adopted in the CLP Section 1. This does not require further examination.

- 2.54 Policy SG2 accords with Policy SG1 by allocating sites to meet the housing requirement figure in the Urban Area of Colchester, from the Tendring Colchester Borders Garden Community and proportionate growth in Sustainable Settlements. No reference is made to 'Other Villages' within Policy SG2 as there are no allocations made in the CLP Section 2 in Other Villages. Development within these settlements will be limited in accordance with CLP Section 2 Policies OV1 and OV2.
- 2.55 Several site-specific points are raised either suggesting sites are removed from the plan (West Mersea and Middlewick Ranges) or suggesting additional/alternative sites are included. Allocations made in the CLP Section 2 represent sustainable development and are considered deliverable and developable. Further details regarding site specifics for Sustainable Settlements can be found in the Council's Main Matter 9 Hearing Statement.
- 2.56 Dedham is identified as a Sustainable Settlement in Policy SG1, however due to its location within the AONB and a lack of suitable and developable land being promoted through the plan making process; no allocations are made in CLP Section 2 in Dedham. Dedham Heath is classed as an 'Other Village' and is not considered suitable for further development. As identified in [TP1](#) paragraph 3.6, Marks Tey would have been significantly affected by the Colchester Braintree Borders Garden Community. Despite the removal of this Garden Community, Marks Tey remains a Sustainable Settlement, however it is not necessarily a requirement for a Sustainable Settlement to include housing allocations. As outlined above, the Council is able to demonstrate a deliverable supply of housing land to meet the OAN in full, it is therefore not necessary to identify additional allocations.

Proposed Modifications

- 2.57 Modifications to Policy SG1 and the accompanying table and supporting text (paragraph 12.21) are required to update figures as a result of the CLP Section 1 examination and removal of the Colchester Braintree Borders Garden Community. These modifications are also identified in the Consequential Changes Topic Paper ([TP1](#)) and are provided in full detail in the Draft Schedule of Recommended Modifications ([CBC 1.6](#))
- 2.58 A minor modification is required to the accompanying table to Policy SG2. This is incorrectly labelled without a table number. This should be updated to read as '*Table **SG2**: Colchester's Housing Provision*'. Further minor updates will be

required to update the position in relation to the Colchester Urban Area, Stanway and extra care housing. To ensure these factual corrections are up to date, the suggested changes will be made following the 2020/21 monitoring period and the publication of the Annual Position Statement.

- 2.59 The CLP Section 2 Policy SG2 and Table SG2 identify how the figure of 14,720 homes (920 homes per annum) will be met during the Plan period 2017- 2033. The Council has published a 15 year trajectory which clearly demonstrates when the new allocations made in the Local Plan and existing commitments are expected to be delivered (see appendix 2 of [TP2](#)). The Council have also shown that there will be a five year housing land supply at the point of Adoption of the Local Plan. The modifications suggested to Policy SG2 are considered necessary to provide factual updates and consistency following the Section 1 Examination and to address a formatting error.

Does CLP Section 2 adequately address the needs for all types of housing and the needs of different groups in the community (as set out in paragraphs 50 and 159 of NPPF)?

- 2.60 The Council's Topic Paper ([TP2 – Housing Matters TP2](#)) provides an update on housing land supply and delivery and whether the plan makes appropriate provision for affordable housing, accommodation for gypsy and travellers, accessible and adaptable housing and housing to meet the needs of particular groups. This Topic Paper should be read alongside this hearing statement.
- 2.61 Paragraph 50 of the NPPF 2012 requires local planning authorities to deliver a wide choice of high-quality homes, widen opportunities for home ownership and create sustainable, inclusive and mixed communities. The CLP is considered to do this by planning for a mix of housing (Policies DM8, DM10, DM11, DM12 and DM14). These policies are informed by an evidence base which addresses current and future demographic trends as well as the needs of different groups in the community.
- 2.62 Policy DM8 requires affordable housing to be provided, normally on site but in exceptional circumstances off site provision or a financial contribution may be appropriate.
- 2.63 Policy DM10 is concerned with housing diversity and the need to secure a range of house types and tenures in order to create inclusive and sustainable communities. This accords with Para 50 of the NPPF which seeks to create mixed and balanced communities.
- 2.64 Policy DM12 introduces housing standards to ensure new dwellings of all tenures are fit for purpose and meet minimum requirements.
- 2.65 Policy DM14 sets out a specific policy for rural workers dwellings, reflecting the need for such properties in the countryside.
- 2.66 As detailed above, the Council has a robust evidence base in relation to housing which includes a Strategic Housing Market Assessment ([EBC 2.13](#)) and a Strategic Housing Land Availability Assessment ([EBC 2.17](#)). These have been used to inform policies within the plan.

Does CLP Section 2 make adequate provision through site allocations to meet the housing requirement of for Gypsies, Travellers and Travelling Showpeople in Colchester?

- 2.67 The Council have prepared a Topic Paper ([TP2 – Housing Matters](#)) to provide an update on housing land supply and delivery and whether the plan makes appropriate provision for affordable housing, accommodation for gypsy and travellers, accessible and adaptable housing and housing to meet the needs of particular groups. This Topic Paper should be read alongside this hearing statement.
- 2.68 Paragraph 11 of the Planning Policy for Traveller Sites 2015 (PPTS) states:
- “Criteria should be set to guide land supply allocations where there is identified need. Where there is no identified need, criteria-based policies should be included to provide a basis for decisions in case applications nevertheless come forward. Criteria based policies should be fair and should facilitate the traditional and nomadic life of travellers while respecting the interests of the settled community.”*
- 2.69 CLP Section 1 Policy SP4 sets the overall housing delivery targets for the three North Essex Authorities (NEAs). Policy SP8 states at criteria (v) that the Tendring Colchester Border Garden Community must include *“Development that provides for a truly balanced and inclusive community and meeting the housing needs of local people including a mix of dwellings sizes, tenures, and types, provision for self and custom build homes, provision for the aging population, and provision for Gypsy and Travellers”*.
- 2.70 CLP Section 2 Policy DM11 provides specific guidance for gypsies, travellers and travelling showpeople. Paragraphs 5.22 to 5.24 of Topic Paper 2 outline the evidence base that underpins this policy. In summary, the Gypsy and Traveller Accommodation Assessment (GTAA) May 2017 update prepared by ORS, provides a robust basis for policy DM11 as it reflects the revised definition of travellers as per the PPTS August 2015 version. The ORS update identifies that the earlier requirement of 15 pitches has decreased to two pitches, following the revised definition. This change in need is identified in the CLP Section 2 paragraph 15.50. The ORS report did not identify a need for travelling show people site in Colchester.
- 2.71 There are currently 28 pitches/plots within Colchester for Gypsy, Traveller and Travelling Showpeople, including the Severalls Lane site which currently has 12

plots and is managed by Essex County Council (see figure 1 GTAA May 2017) [EBC 2.4](#).

- 2.72 Policy DM11 continues to identify the overall need for 15 pitches, despite the change in definition only identifying a statutory need for two pitches over the Plan period. Although no direct site allocations are made in CLP Section 2 for gypsies, travellers and travelling show people, policy DM11 does identify that the existing site at Severalls Lane can accommodate an additional 6 pitches in the intermediate term, with the Tendring Colchester Borders Garden Community to include pitches for additional provision, as identified in CLP Section 1 Policy SP8. This will be further identified through the Tendring Colchester Borders Garden Community - Development Plan Document (DPD).
- 2.73 Policy DM11 meets the requirement of PPTS paragraph 11 by identifying locations for development to meet the needs of Gypsy, Travellers and Travelling Showpeople as well as providing a criteria based policy to guide proposals for any further development of this type.
- 2.74 This is further strengthened through a proposed modification to DM11 in response to the Environment Agency representation, identifying the need to ensure pitches are not located within areas of flood risk and appropriate drainage, water supply and other necessary utility services are accessible (Draft Schedule of Recommended Modifications ([CBC 1.6](#))).
- 2.75 Further detail regarding Policy DM11 is provided in the Council's Main Matter 14 Hearing Statement.

Do CLP Section 2 Policies SG3 and SG4 make adequate provision to meet Colchester's economic growth requirements for the plan period and its timescale for delivery?

- 2.76 The Council has prepared a specific Topic Paper ([TP3](#)) on economic growth policies which should be read in conjunction with this hearing statement. The Topic Paper explains how and why the Council is suggesting amendments to certain policies in response to changes in national policy and legislation, recent planning permissions, and comments received in representations. Topic Paper 1 ([TP1](#)) on Consequential Changes arising from national legislation is also relevant as it discusses the implications on employment policies arising from the changes in the Use Classes Order increasing flexibility for changes of use.
- 2.77 The designation of the Strategic and Local Strategic Economic Areas and employment land allocations and policy in Policies SG3 and SG4 addresses the requirements of 2012 NPPF Paragraph 20-21 to plan proactively to meet the development needs of business and support an economy fit for the 21st century, but also bearing in mind the caveat contained in Paragraph 22 that planning policies should avoid the long term protection of sites allocated for employment use where there is no reasonable prospect of a site being used for that purpose.
- 2.78 As the Council's Topic Papers on Consequential Changes ([TP1](#)) and on Economic Growth ([TP3](#)) both note, the 2019 NPPF approach to economic growth as found in para 81 largely replicates the above criteria, so submitted policies remain consistent with the Government's overall approach to economic growth policies and allocations.
- 2.79 Adopted Section 1 Policy SP5 sets the overall range of employment land to be delivered within Colchester during the plan period (22-30 hectares). The Economic Growth Topic Paper ([TP3](#)) explains that a small oversupply is warranted to give sufficient choice to address the changing fortunes of different sectors whose locational and space requirements evolve over time. Since these two documents were published, the Council has commenced discussions on a potential Statement of Common Ground with Barton and Willmore, acting on behalf of O&H Properties, owners of the Lakelands West site in Stanway, which would have the implication of bringing the oversupply down further from 6 to 2 hectares due to the proposed deletion of 4 ha of employment land there. (Please see Stanway map attached as Appendix 1 to Matter 8 Hearing Statement) The potential modification would involve allocation of the site for residential purposes only rather than a mixed use development (employment and residential). Barton Willmore have prepared an Employment Needs Assessment to justify this change, indicating lack of demand for employment uses on the site, which is expected to be submitted as part of their hearing statement.

- 2.80 The two main studies informing the Section 2 CLP economic growth policies and allocations were 2015 Employment Land Needs Assessment (ELNA) ([EBC 3.2](#)) and 2017 Employment Land Trajectory ([EBC 3.3](#)) both prepared by Lichfields. The ELNA ranked employment land within the Colchester area using a Site Assessment Matrix covering a range of deliverability considerations. (p. 63 ELNA). Based on their site assessment work and evaluation of wider market considerations, the Lichfield work supported the retention of employment land at Strategic Economic Areas at Northern Gateway/Severalls, the Knowledge Gateway and a reduced area of employment land at Stanway Strategic Economic Areas (SEAs) as the preferred strategic location for new commercial development to meet the limited demand within Colchester for new employment land.
- 2.81 Lichfield considered that the Council should rationalize its existing and future supply of commercial space by seeking to concentrate this space in the SEAs since they were areas of strongest market demand. The Council accordingly reduced the number of Local Employment Areas from 47 in the 2010 Site Allocations Development Plan Document to 31 in Section 2 Policy SP5. The shorter list reflected removal from the list of Local Employment Areas those sites ranked at the bottom end of the ELNA Site Assessment Matrix, primarily the case for sites outside of Colchester, or no longer in/suitable for employment use, primarily the case for sites in urban Colchester, where permitted development rights have had a significant effect on the supply of commercial floorspace.
- 2.82 The 2017 Employment Land Trajectory ([EBC 3.3](#)) addresses the issue of delivering employment land over the plan period. It analysed the sites proposed to be designated as Strategic and Local Economic Areas in policies SG3 and SG4 and evaluated their availability and deliverability. Based on this assessment, the 15 selected sites were allocated to a five-year period. The study found:... *“the analysis suggests that Colchester would have sufficient employment space in overall quantitative terms to meet the needs associated with all but one scenario over the plan period. A surplus position is identified for office floorspace across all scenarios, and for industrial floorspace across all but one scenario (the higher past completion rates scenario in the 2015 ELNA)”*. (p. 12, para 5.1.5)
- 2.83 The Economic Growth Topic Paper 3 ([TP3](#)) Appendix 1 provides an updated analysis of Colchester economic growth statistics to add to the evidence base for the Council’s economic growth allocations and policies. This review of employment growth patterns and resulting demand for land allocations produced figures which broadly align with the Council’s revised employment land allocations.
- 2.84 The update allows consideration of the current reduced demand for office floorspace arising from the COVID-19 pandemic and the resulting decreases in town centre footfall and increases in working from home. Industrial floorspace has

been less directly affected overall by the pandemic but has also been hit by reductions in economic activity. Over the longer term however, the two Lichfield studies and the update continues to support allocation and safeguarding of the sites in Policies SG3 and SG4 as they are required to ensure Colchester has a sufficient supply of sites to respond to changing demand for different locations and floorspace characteristics. The Council's portfolio of sites includes an appropriate locational range to meet demand for small-scale sites in a number of rural areas as well as urban Colchester, and three strategic employment areas located at readily accessible points to the west, north and east of the Town Centre.

Are the retail policies (SG5, SG6 and SG6a) of CLP Section 2 which relate to Centre Hierarchy, Town Centre Uses and Local Centres justified by appropriate available evidence, having regard to national guidance, and local context, including CLP Section 1?

2.85 The Council has prepared a specific Topic Paper ([TP4](#)) on retail and town centre policy which should be read in conjunction with this hearing statement. The Topic Paper explains how and why the Council is suggesting amendments to certain policies in response to changes in national policy and legislation (including changes to the Use Classes Order in 2020); new evidence contained within the Council's latest Retail and Town Centre Study Update 2020 (EBC3.11) by CPW Planning; recent planning permissions; and comments received in representations.

2.86 Section 1 of the CLP does not provide specific policies on retail or a centres hierarchy for Colchester, but the Section 2 CLP policies and centres hierarchy are considered to follow on from the following more general requirement of the Section 1 Spatial Strategy (Policy SG3):

Each local authority will identify a hierarchy of settlements where new development will be accommodated according to the role of the settlement, sustainability, its physical capacity and local needs.

Policy SG5: Centre Hierarchy

2.87 Policy SG5 is justified by evidence and has regard to national policy and local context. Its purpose is to define a network and hierarchy of centres that is resilient to anticipated future economic changes, as required by the 2012 NPPF (paragraph 23).

2.88 The Colchester centres hierarchy accordingly identifies the historic Colchester Town Centre at the top of the hierarchy, followed by District and then Local Centres. The Town Centre's pre-eminent position in the centres hierarchy is consistent with its pre-eminent position in the overall Spatial Strategy in Policy SG1. The District Centre category comprises the larger retail centres in urban Colchester along with the three retail centres serving the largest of the Borough's Sustainable Settlements, Tiptree, West Mersea, and Wivenhoe. The new Garden Community at Tendring Colchester Borders is also programmed for a retail centre to gradually grow to District Centre status as the community develops.

2.89 The centres hierarchy is in accordance with the recommendations of the 2016 Retail and Town Centre Study on the role and function of each centre, based on the scale and mix of uses and having regard to the 2016 household interview survey of shopping patterns within the catchment area. The centres hierarchy has

been further validated through the up-to-date evidence and analysis undertaken in the Retail and Town Centre Study Update 2020 ([EBC 3.11](#)), particularly the 'healthcheck' assessments for the Town and District Centres, with no overall changes to the hierarchy or approach recommended by the 2020 update.

- 2.90 This evidence base confirmed that Colchester Town Centre is the Borough's most significant centre in relation to the scale and mix of retail and non-retail uses, retailer representation, and its market shares of expenditure (particularly 'high street' comparison goods retail expenditure) secured from a sub-regional catchment. It further confirmed that the District Centres, whilst varying in terms of their scale and nature, each perform an important role serving their local populations as well as providing access to shops and services for a wider than local catchment (but not to a level comparable with Colchester Town Centre). No changes to Policy SG5 and the centres hierarchy are therefore proposed, other than removal of references to the Colchester Braintree Borders Garden Community, since it has been deleted from Section 1.

Policy SG6: Town Centre Uses

- 2.91 Policy SG6 is justified by appropriate available evidence, having regard to national guidance, and local context. It seeks to direct proposals for main town centre uses in accordance with the 'town centres first' sequential test set out in the NPPF. As explained in the Topic Paper, modifications are required to ensure the wording of Policy SG6 is consistent with the NPPF (paragraph 24) in relation to the sequential test.
- 2.92 The Retail and Town Centre Topic Paper ([TP4](#)) sets out the Council's position that the policy approach to main town centre uses in Policy SG6 remains valid in principle, notwithstanding recent legislative and economic changes.
- 2.93 Policy SG6 (criteria i-vii) principally relates to matters concerning the centres hierarchy; and to the impact test set out in the NPPF. Criteria (i) and (ii) seek to ensure that proposals for main town centre uses in or on the edge of centres are appropriate in the context of the centres hierarchy (the definitions included in Policy SG5 provide a basis for assessment). It is considered that an approach requiring proposals to be compatible with the role and function and position of a centre in the centres hierarchy is justified and necessary to maintain the pre-eminence of Colchester Town Centre (consistent with Policy SG1), and to manage the growth of the larger retail centres in urban Colchester such as Tollgate in particular. Criteria (iv) and (v) reflect the impact test set out in the NPPF (paragraph 26) in the local context. Since the Topic Paper was written, the Council has entered into discussions with Barton Willmore as agents for the Tollgate Partnership, owners of land with the Tollgate District Centre, concerning potential agreement on a Statement of Common Ground. This has led to the Council proposing further

clarification of wording on the centres hierarchy and sequential test in SG6 which will be added to the Draft Schedule of Proposed Modifications ([CBC 1.6](#)).

- 2.94 Criteria (vi) sets out the Council's locally set threshold(s) for requiring an impact assessment in accordance with the provision of NPPF paragraph 26. The Retail and Town Centre Study Update 2020 (EBC 3.11) considered that a more simplified approach to impact test thresholds would be appropriate in the light of the increasingly mixed-use nature of development proposals, including the trend toward space-sharing by retailers and other operators which is likely to become more prevalent given the changes in the retail sector and the introduction of the new Class E combining retail, commercial business and service uses. Table SG6 is proposed to be modified to provide a 1500 sqm threshold for proposals outside centres within the Colchester Urban Area (Colchester Town Centre and the District Centres of Tollgate, Peartree Road, Turner Rise and Highwoods) which are larger and/or include larger unit sizes. They tend to have a trading overlap in terms of their market shares of catchment area expenditure and are more likely to be affected by the committed developments (to varying degrees). In contrast, the District Centres of Tiptree, West Mersea and Wivenhoe are smaller, more localised 'rural' centres; and the Update assessed that a lower floorspace threshold of 1000sqm is necessary given their greater reliance on smaller format convenience goods shops and small-scale service uses.
- 2.95 References which distinguish between Tollgate and other centres are proposed for deletion in the Draft Schedule of Recommended Modifications ([CBC 1.6](#)) given that the impact test only applies to development outside of town centres which are not in accordance with an up-to-date Local Plan.
- 2.96 Further detailed guidance on Main Town Centre Uses Assessment Specification has now been completed by CPW Planning and is attached to this hearing statement as Appendix 1. The purpose of the Specification is not to replace national policy and guidance, but to provide further detail within the broad framework set out in the NPPF and PPG of how sequential and impact assessments should be undertaken in the Borough; so as to improve consistency in approach, clarity for applicants, and avoid unnecessary delays in the decision-making process. In terms of its relation to Policy SG6, the Specification provides additional background and guidance to aid its implementation and does not create the need for any further modifications.

Policy SG6a: Local Centres

- 2.97 Policy SG6a is justified by appropriate available evidence, having regard to national guidance, and local context. The definition of 'Main town centre uses' in the NPPF glossary does not differentiate between centres in that it applies equally to city centres, town centres, district centres, and local centres. It does exclude

small parades of shops of purely neighbourhood significance but does not provide any further definition on what constitutes a local centre. The superseded PPS4 defined local centres as including:

“a range of small shops of a local nature, serving a small catchment. Typically, local centres might include, amongst other shops, a small supermarket, a newsagent, a sub-post office and a pharmacy. Other facilities could include a hot-food takeaway and launderette. In rural areas, large villages may perform the role of a local centre.”

- 2.98 The Council’s policy follows this interpretation and provides support for the smaller centres in their role of providing essential services to local catchment areas, thereby reducing the need to travel. It seeks both to retain local services and to support new proposals where it can be demonstrated that the use is proportionate to the role and function of the centre. No objections were made to the policy.

Does CLP Section 2 Policy SG7 provide a clear indication of how a decision maker should secure the necessary infrastructure provision to meet Colchester's economic growth requirements for the plan period?

2.99 Policy SG7 provides a clear indication of how a decision maker should secure the necessary infrastructure provision to meet Colchester's economic growth requirements for the plan period. Section 1 policy SP6 states that 'development must be supported by provision of infrastructure, services and facilities that are identified to serve the needs arising from new development'. This key strategic requirement supported by all the North Essex Authorities is then carried forward in the Section 2 Policy SG7 which reinforces and reiterates the essential need for infrastructure provision. Policy SG7 requires that 'all development proposals must demonstrate that there is sufficient appropriate infrastructure capacity to support the development, or that new capacity can be supplied and sustained over time both in physical and financial terms'.

2.100 Sustainable economic growth needs to be based on reliable provision of services and infrastructure, and the creation and maintenance of high-quality places which are attractive to inward investment and retention of existing businesses. Policy SG7 applies to all forms of development including both residential and non-residential and works alongside the other sustainable development policies in the plan to create a positive environment for growth.

2.101 Specific infrastructure requirements are outlined in allocation policies in the Place Policies section, with Policy PP1 listing the following more generic infrastructure requirements:

- Adequate wastewater treatment and sewage infrastructure enhancements for the relevant catchment area;
- Appropriate SuDS for managing surface water runoff within the overall design and layout of the site;
- Proportionate mitigation for area-wide transport issues as identified in the policies for North, East, South and West Colchester; and
- Safe pedestrian access from the site to existing footways to enhance connectivity.

2.102 The Council's 2017 Infrastructure Delivery Plan ([EBC 5.3](#)) provided the evidence base for the specific infrastructure requirements in the Section 2 CLP for education, health and social wellbeing, utilities, transport, flooding, emergency services, waste, social and community, leisure and recreation, and green infrastructure and open space. It identified the following:

- What infrastructure is required and how it will be provided
- Who is to provide the infrastructure

- How the infrastructure will be funded
- When the infrastructure could be provided.

2.103 The IDP accordingly provides a consolidated list of infrastructure requirements, encouraging joint schemes and area-wide approaches to co-ordinated development. The 2017 version notes the requirement to keep the document updated given the uncertainty and fluid nature of planning for infrastructure. The Council accordingly commissioned Navigus Planning to update the 2017 version. The 2021 update will be added to the Council's Evidence Base as EBC 5.13. The Update provides confidence that the allocations in the plan are supported by an accurate assessment of the infrastructure required to support sustainable development.

2.104 Essex County Council plays a key role in the delivery of a number of categories of infrastructure. ECC is the local highway and transportation authority; local education authority including early years and childcare, Special Education Needs and Disabilities, and Post 16 education; Minerals and Waste Planning Authority; Lead Local Flood Authority; lead advisors on public health; and provider and commissioner of adult social care for the borough. ECC has worked closely with this Council on planning policy matters, and accordingly the two councils have agreed a Statement of Common Ground on Section 2 policies which will be added to the Examination Statements of Common Ground webpage. This document establishes ECC's agreement in principle with Section 2 policies and sets out a number of minor wording changes agreed to a number of policies for clarification and updating purposes. ECC's comments on Policy SG7 are confined to the suggestion of additional wording for the explanatory text to clarify the definition of infrastructure and the applicability of ECC guidance.

2.105 In line with national policy contained in the 2010 CIL regulations (122) and Planning Practice Guidance, all planning obligations are required to meet the tests of being necessary; directly related to the development; and fairly and reasonably related in scale and kind. All planning obligations concerning infrastructure provision will therefore be justified based on the particular circumstances of each case. This means that the Council will expect to support each request for development to contribute to infrastructure provision to be tied to a clear evidence base demonstrating its necessity and relationship to the site. Requests for funding for Borough-wide and strategic projects will be made on the basis that residents/users of the development will benefit from the project and that the amount requested is proportionate to the scale of development proposed.

2.106 The Council channels planning obligation requests through a Development Team approach to ensure that planning obligation requests to developers are treated in

a consistent and fair manner. Officers from relevant service areas of CBC, ECC and health providers provide evidence to justify their requests.

- 2.107 Policy SG7 provides sufficient flexibility to take viability considerations into account. It allows for exceptions where it can be proved that the benefit of the development proceeding outweighs the collective harm of proceeding without full mitigation, as established by an open book assessment and the investigation of alternative provision solutions. Additionally, the fourth criteria of the policy, provides for the option of a developer providing for appropriate additional mitigation in the event that viability improves prior to completion of the development.
- 2.108 Policy SG7 is considered to be sound as submitted, with one proposed modification, to reflect mitigation requirements arising from the recent Essex-wide implementation of Recreational Mitigation Avoidance and Mitigation measures, as agreed with Natural England. Additionally, the Council has agreed a minor modification with Essex County Council as noted above in paragraph 2.8.6. (See Draft Schedule of Recommended Modifications ([CBC 1.6](#)))

Appendix 1
Main Town Centre Uses Assessment Specification
Policies SG6

c p w planning



Main Town Centre Uses Assessment Specification

prepared for

Colchester Borough Council

March 2021

Contents

1. Introduction
3
2. Sequential assessments
4
3. Impact assessments
6

1. Introduction

- 1.1 CPW Planning has been instructed by Colchester Borough Council to prepare a Main Town Centre Uses Assessment Specification ('Specification') for the Borough.²
- 1.2 The Specification has been prepared in the context of recent changes to the Use Classes Order ('UCO') and has regard to the relevant provisions of the National Planning Policy Framework published in February 2019 ('NPPF') and the *Town centres and retail* section of the Planning Practice Guidance as updated in September 2020 ('PPG'). It follows the preparation of the Retail and Town Centre Study Update 2020 ('RTCS Update') by CPW Planning to assist the Council with its work on the retail and town centre policies of the emerging Local Plan, and to support the Council's development management function.
- 1.3 The purpose of the Specification is not to replace national policy and guidance, but to provide further detail within the broad framework set out in the NPPF and PPG of how sequential and impact assessments should be undertaken in the Borough; so as to improve consistency in approach and avoid unnecessary delays in the decision-making process.
- 1.4 The PPG makes it clear that it is for applicants to demonstrate compliance with the sequential and impact tests and that the tests will need to be undertaken in a way that is proportionate and appropriate for the given proposal, drawing on existing information where possible. This Specification seeks to help applicants 'scope out' their assessments (where applicable under the terms of the NPPF) and the level of detail required in advance of applications being submitted. However, it does not negate the need for pre-application consultation and the Council would strongly encourage applicants to discuss their development proposals and agree the scope of supporting sequential and/or impact assessments at an early stage.
- 1.5 Section 2 below sets out the Council's requirements for sequential assessments, and Section 3 provides a specification for assessing the impact of new retail and leisure development on existing centres.

² It updates and supersedes the Specification for Retail Assessments prepared by Cushman & Wakefield in 2017.

2. Sequential assessments

Introduction

2.1 NPPF paragraphs 86 and 87 set out the sequential test and the ‘town centres first’ policy. Paragraph 86 requires local planning authorities to apply the test *to planning applications for main town centre uses which are neither in an existing centre nor in accordance with an up-to-date plan.*

2.2 Annex 2 (Glossary) of the NPPF contains a definition of ‘main town centre uses’ as follows:

Retail development (including warehouse clubs and factory outlet centres); leisure, entertainment and more intensive sport and recreation uses (including cinemas, restaurants, drive-through restaurants, bars and pubs, nightclubs, casinos, health and fitness centres, indoor bowling centres and bingo halls); offices; and arts, culture and tourism development (including theatres, museums, galleries and concert halls, hotels and conference facilities).

Changes to the UCO (Class E)

2.3 The changes to the UCO effective since September 2020 have implications for applying the sequential test, particularly in respect of the new Class E (which embraces retail, commercial, business and service uses). Some – but not all – of the defined main town centre uses are Class E uses under the UCO.

2.4 Planning applications for ‘broad’ Class E development (including relaxation of restrictive conditions on existing floorspace and changes of use where restrictions on use are imposed under extant planning permissions) in Colchester Borough, which are neither in an existing centre nor in accordance with the development plan, will be required to address the sequential test for each main town centre use falling under Class E. If applications for Class E development are not accompanied by objective evidence demonstrating that each proposed main town centre use is appropriately located in the light of the sequential test, the Council (if minded to grant planning permission for the development) will consider imposing conditions restricting the use of floorspace to those uses for which the test has been satisfied.

2.5 Indeed, applicants/developers may seek planning permission for only certain main town centre uses falling under Class E. This would serve to narrow the scope of sequential assessments to those uses sought (only) and the Council would impose a restrictive condition in respect of all other uses.

Area of search for sequentially preferable sites

2.6 The Council will require assessments to identify potential alternative (sequentially preferable) sites that are capable of serving broadly the same catchment area as the proposed development. Information (such as household survey data) from comparable schemes should be used where possible to establish a realistic catchment area.

- 2.7 Sites should not be excluded from sequential assessment based on their location in or on the edge of a ‘lower order’ centre in the hierarchy³ – although evidence may be provided as part of the assessment to demonstrate that such sites would be unsuitable (and/or unavailable) for the proposed development.

Flexibility on issues such as format and scale

- 2.8 PPG paragraph 011 contains some of the considerations that should be taken into account in determining whether a proposal complies with the sequential test. These relate to ‘flexibility’ and include:
- *with due regard to the requirement to demonstrate flexibility, has the suitability of more central sites to accommodate the proposal been considered? Where the proposal would be located in an edge of centre or out of centre location, preference should be given to accessible sites that are well connected to the town centre. It is important to set out any associated reasoning clearly.*
 - *is there scope for flexibility in the format and/or scale of the proposal? It is not necessary to demonstrate that a potential town centre or edge of centre site can accommodate precisely the scale and form of development being proposed, but rather to consider what contribution more central sites are able to make individually to accommodate the proposal.*
- 2.9 The Council would encourage such flexibility by applicants in formulating their proposal, preparatory to undertaking their sequential assessments (and their impact assessments as required). Accordingly, applicants should recognise that new development, if accommodated in town centre locations, for example, would not require any or as much car parking given the availability of town centre car parks and the relative accessibility by public transport.
- 2.10 Applicants should demonstrate that reasonable flexibility has been afforded in relation to the format and/or scale of development for which sequentially preferable sites are examined, having regard to the commercial requirements of the developer or operator(s) where applicable. In the event insufficient flexibility has been shown, the Council will ask applicants to undertake further work to their sequential assessment on the basis of greater flexibility.
- 2.11 Neither the NPPF nor the PPG explicitly include or exclude consideration of disaggregation. Whether a proposed development is capable of being disaggregated, or sub-divided into more than one component, will depend on the particular facts and circumstances of each case. It is not necessarily the correct approach to consider the development ‘as a whole’, for instance. The Council will require applicants to fully justify the approach taken on a case-by-case basis, in the light of any commercial requirements and relevant case law.

³ Matters relating to hierarchy should be ignored when applying the sequential test: the NPPF recognises ‘town centres’ only (thus including town, district and local centres).

Assessing potential alternative sites

- 2.12 Applicants will be required to undertake their sequential assessments in the local context of the adopted and emerging development plans, including the Council's strategies and priority sites for main town centre uses. Applicants should also seek to identify and agree with the Council during pre-application consultation the sequentially preferable sites that require consideration in their assessments. Thus, full account should be taken of any development plan allocations and/or other potential alternative sites in and on the edge of existing centres.
- 2.13 Applicants should submit objective evidence relating to the suitability and availability of potential alternative sites for the proposed development. In terms of site 'suitability' the PPG (paragraph 012) recognises that *certain main town centre uses have particular market and locational requirements which mean that they may only be accommodated in specific locations*; however, it seeks to warn against such arguments undermining the sequential test by requiring *robust justification*.

3. Impact assessments

Introduction

- 3.1 Notwithstanding the UCO changes, the impact test set out in the NPPF (paragraph 89) applies only to *applications for retail and leisure development outside town centres, which are not in accordance with an up-to-date plan [and] if the development is over a proportionate, locally set floorspace threshold...*
- 3.2 In relation to Colchester Borough, the floorspace thresholds for impact assessments are set out in the RTCS Update.
- 3.3 NPPF paragraph 89 makes it clear that impact assessments (where required) should include assessment of:
- a) *the impact of the proposal on existing, committed and planned public and private investment in a centre or centres in the catchment area of the proposal; and*
 - b) *the impact of the proposal on town centre vitality and viability, including local consumer choice and trade in the town centre and the wider retail catchment (as applicable to the scale and nature of the scheme).*

Town centre investment

- 3.4 The PPG includes limited guidance on how to assess the impact of relevant applications on town centre investment i.e. NPPF paragraph 89 bullet (a). Applicants should first seek to identify any ‘qualifying’ investments in the catchment area of the proposed development with the Council during pre-application consultation.
- 3.5 In terms of what constitutes ‘planned’ investment, PPG paragraph 015 indicates that the key considerations will include:
- *the policy status of the investment (i.e. whether it is outlined in the development plan)*
 - *the progress made towards securing the investment (for example if contracts are established)*
 - *the extent to which an application is likely to undermine planned developments or investments based on the effects on current/forecast turnovers, operator demand and investor confidence*
- 3.6 Applications should then be supported by objective evidence relating to the likely impact of the proposal on town centre investment.

Town centre vitality and viability

- 3.7 PPG paragraph 018 sets out a step-by-step approach to applying the impact test in respect of town centre vitality and viability i.e. NPPF paragraph 89 bullet (b). The specification below adopts the same broad approach and indicates in more detail how the Council would expect applicants to apply it in preparing their impact assessments.
- 3.8 On the basis there is no standard or established methodology for assessing (in quantitative terms) the likely impact of new leisure development, the specification is focused on impact

assessments for new retail development – including new foodstores and retail warehouses, extensions to existing foodstores and retail warehouses (whether by internal alterations or external construction), and the relaxation of restrictive conditions on existing retail floorspace. Notwithstanding, the Council would expect applicants to assess the likely impact of new leisure development on existing centres/facilities in qualitative terms.

3.9 We discuss each step for retail impact assessments (as outlined in the PPG) below.

Step 1: establish the state of existing centres and the nature of current shopping patterns (base year)

3.10 The starting point involves defining the catchment area of the new retail development. The area covered by the assessment will vary according to the location, scale and nature of the proposal. It should be wide enough to cover the whole of the area from which the development would be likely to attract all but insignificant expenditure; however, it should not be so wide that available expenditure is over-stated (thereby under-estimating the forecast impacts on existing centres). The catchment area and household survey results underpinning the RTCS Update should be consulted and used to help define a realistic catchment area for the development, and to identify the existing centres which would be likely to suffer the greatest impact.

3.11 In terms of establishing the state of existing centres and the nature of current shopping patterns at the base year⁴, the most recent household survey (covering the whole of the catchment area of Colchester Borough's existing centres) was undertaken in September and October 2016 for the RTCS 2016. Use of such household survey data on actual shopping patterns would be appropriate, with adjustments made to account for new retail developments and/or closures since 2016 (as carried out for the purposes of the RTCS Update). Including new retail developments as 'commitments' within assessments is considered an acceptable approach in principle.

3.12 A fundamental aspect of impact assessments is consideration of a town centre's current vitality and viability, noting that PPG paragraph 018 says:

A judgement as to whether the likely adverse impacts are significant can only be reached in the light of local circumstances. For example, in areas where there are high levels of vacancy and limited retailer demand, even very modest trade diversion from a new development may lead to a significant adverse impact.

3.13 The Council will therefore expect applicants to assess the local circumstances or 'health' of the relevant existing centres, having regard to the indicators listed in PPG paragraph 006 and drawing upon the findings of the RTCS Update where appropriate. The Council recognises the unprecedented circumstances arising from the Covid-19 pandemic. To that end, assessments should take into account the likely implications of the pandemic on the Borough's existing centres and the future recovery (insofar as possible) based on the most up-to-date information available.

⁴ The base year for forecasting should normally be the year preceding that in which the retail assessment is prepared. However, the current year could be more realistic for assessments prepared towards the end of a year and/or if more up-to-date per capita expenditure data has been published.

Step 2: determine the appropriate time frame for assessing impact, focusing on impact in the first five years, as this is when most of the impact will occur

- 3.14 A realistic assessment of the likely date of opening of the new retail development should be made and the reasons for this date clearly set out. Expenditure capacity and impact assessments should then be undertaken at a ‘design year’ which accords with the definition in PPG paragraph 018; that typically being *the second full calendar year of trading after the opening of each phase of a new retail development*. For larger and/or phased developments, it may take longer for the development to become established; however, the Council will take no account of forecasts of expenditure capacity and impact for dates beyond the second full calendar year of trading unless the applicant can provide robust justification.

Step 3: examine the ‘no development’ scenario (which should not necessarily be based on the assumption that all centres are likely to benefit from expenditure growth in convenience and comparison goods and reflect both changes in the market or role of centres, as well as changes in the environment such as new infrastructure)

- 3.15 The ‘no development’ scenario represents the turnover of existing centres and other shopping destinations at the design year(s) without the new retail development in place. In estimating the turnover of the relevant existing centres and stores, the key data inputs include:
- i. Population estimates and forecasts for the catchment area;
 - ii. Per capita expenditure estimates and forecasts;
 - iii. Deductions from per capita expenditure to allow for Special Forms of Trading (SFT);
 - iv. Estimates of existing retail floorspace in the catchment area;
 - v. Household survey data on actual shopping patterns (or market shares).
- 3.16 It is important that realistic population estimates and forecasts for the defined catchment area are used. It would be appropriate for assessments undertaken before the end of 2021 to rely on the population estimates underpinning the RTCS Update; otherwise, the latest estimates for the catchment area should be obtained from Experian or Precisely (formerly Pitney Bowes). Where possible, estimates of current population and forecasts of future population in the defined catchment area should be checked with the Council as part of pre-application consultation.
- 3.17 The most recently available per capita expenditure estimates for convenience and/or comparison goods⁵ expenditure specific to the catchment area should be obtained from Experian or Precisely. These should be projected forward using the most recently published growth forecasts by the data supplier for the period up to the design year(s). All expenditure and sales figures are to be in 2019 prices (for consistency with the RTCS Update). Where it is necessary to convert from a different price basis, the price conversion

⁵ It will be important for assessments to distinguish between convenience and comparison goods.

indices set out in the most up-to-date Retail Expenditure Guide published annually by Precisely, or equivalent indices published by Experian, should be used.

- 3.18 Expenditure on SFT (including but not limited to online shopping) is to be deducted from per capita expenditure. The Council would expect realistic deductions for SFT by applicants, such as those used in the RTCS Update (updated as necessary).
- 3.19 Up-to-date data on existing retail floorspace in the catchment area should be obtained from credible sources such as the RTCS Update, Experian Goad, IGD and the Valuation Office Agency. Where published data is not available, applicants' own surveys and measurements based on OS mapping will be acceptable. Information on committed developments should be obtained from the Council and/or the Council's online database of planning applications.
- 3.20 The household survey results should be used to make realistic forecasts of sales in existing centres and stores at the design year(s) assuming the new retail development does not occur. These will then form the turnover on which 'solus' impacts of the development can be calculated. Account should also be taken of likely sales in committed retail developments, to form the basis for assessment of cumulative impact of the committed and proposed developments. When assessing likely sales in committed retail developments, company benchmark sales densities (distinguishing between convenience and comparison goods floorspace and sales densities as above) should be used for 'named' foodstores and comparison goods stores⁶; otherwise, average sales densities appropriate to the scale and nature of the development should be used.

Step 4: assess the proposal's turnover and trade draw (drawing on information from comparable schemes, the operator's benchmark turnover of convenience and comparison goods, and carefully considering likely catchments and trade draw)

- 3.21 Applicants should identify the operator(s) of the proposed development where possible to help provide a realistic estimate of scheme turnover and patterns of trade draw. As with committed retail developments, sales in the proposed development should be based on company benchmark sales densities (goods-based) derived from the RTCS Update, Global Data or Mintel. This includes proposed extensions to existing foodstores, which should be assessed as trading at the 'benchmark' average levels (with allowances for comparison goods floorspace efficiency increases between the base and design years).
- 3.22 Where it is not possible to identify named operators (for example, in instances where the scheme is speculative) the use of average sales densities should be realistic and fully justified by applicants, having regard to the scale and nature of retail development and the survey-indicated trading performance of any existing developments on-site or nearby.
- 3.23 Robust justification will be required to support impact assessments that assume proposed new mezzanine (or upper level) floorspace is likely to achieve below-average sales

⁶ With allowances for comparison goods floorspace efficiency increases between the base and design years (for example, the RTCS Update assumes comparison goods floorspace will increase its sales density by approximately 2% per annum over the period to 2033). No floorspace efficiency factor is necessary for convenience goods floorspace.

densities. For robustness, assessments should assume that mezzanine floorspace will trade in line with ground floor retail (particularly in instances where company benchmark sales densities are used).

- 3.24 Trade draw to the proposed development should be assessed by reference to the ‘base year’ survey-indicated pattern of market shares of existing centres and stores; and (as the PPG advocates) make use of information from comparable schemes where possible. It will be preferable to use a modelled approach, which starts from the base year pattern of market shares of convenience and/or comparison goods expenditure attracted by existing centres and stores, and then indicates clearly and transparently how this pattern will be likely to change in the design year as a result of, first the committed developments, and second (and cumulatively) the proposed development. This will then show the pattern of market shares expected to be attracted by the committed and proposed developments, the resulting expenditure flows to each⁷, and their expected sales in the design year. The resulting trade diversion and retail impacts should then be calculated by comparing design year sales in the existing centres and stores in the absence of the committed and proposed developments, with the reduced sales which will occur as a result of the committed and proposed developments.
- 3.25 Realistic assessments must be made, and it will not be sufficient merely to allocate the great majority of the impact onto out-of-centre stores (which are afforded no protection by the NPPF), if that is not a realistic change to the base year pattern of market shares. New retail development tends to compete with ‘like-for-like’ facilities operating in the same catchment area. As the PPG paragraph 015 sets out:

As a guiding principle impact should be assessed on a like-for-like basis in respect of that particular sector (e.g. it may not be appropriate to compare the impact of an out of centre DIY store with small scale town-centre stores as they would normally not compete directly). Retail uses tend to compete with their most comparable competitive facilities. Conditions may be attached to appropriately control the impact of a particular use.

Step 5: consider a range of plausible scenarios in assessing the impact of the proposal on existing centres and facilities (which may require breaking the study area down into a series of zones to gain a finer-grain analysis of anticipated impact)

- 3.26 Applicants should consider a range of scenarios when undertaking their impact assessments based on the scale and nature of new retail development that could potentially come forward under the terms of the application made.
- 3.27 Furthermore, in the light of the Covid-19 pandemic and the significant (accelerated) shift towards online shopping, the Council would want to be satisfied that impact assessments consider ‘worst case’ scenarios for SFT. Depending on the amount of comparison goods floorspace proposed (in particular), it may therefore be necessary for applicants to

⁷ Depending on the scale and nature of the development and the extent of the defined catchment area, it may be necessary to make allowances for inflows of expenditure from outside this catchment area. Evidence for the assumptions made about such inflows should be provided.

undertake sensitivity testing to show how the forecast impacts would change in the event SFT is higher than published data currently predicts.

Step 6: set out the likely impact of the proposal clearly, along with any associated assumptions or reasoning, including in respect of quantitative and qualitative issues

- 3.28 Realistic assessments of changes in market shares, expenditure flows and sales due to the committed and proposed developments should be made. These should be clearly indicated and transparent. Impacts on town centre trade/turnover and on trade in the wider area should be calculated from the differences in design year sales with and without the committed and proposed developments; and the impacts expressed incrementally and cumulatively.
- 3.29 Assessments should be supported by qualitative analysis, drawing on the up-to-date 'healthchecks' of relevant existing centres (see ***Step 1*** above) likely to be affected by the proposed development. Applicants should therefore assess the consequences of the forecast impacts in the light of local circumstances, to determine whether 'significant adverse impact' in the terms of the NPPF is likely to occur. The Council will not accept a simple calculation of base year sales relative to design year sales in existing centres as satisfactory evidence that a significant adverse impact is unlikely to occur.
- 3.30 Applicants will further be required to consider, as part of their assessments, the likely effect of the proposed development on the Borough's hierarchy of centres including the position of Colchester Town Centre at the apex of this hierarchy. Thus, the guiding principle is that development proposals (either individually or cumulatively with other committed developments) should not alter or undermine the Borough's network and hierarchy of centres. Applications for new retail development that would change the defined role and function of any existing centre will not be supported by the Council.

Step 7: any conclusions should be proportionate: for example, it may be sufficient to give a broad indication of the proportion of the proposal's trade draw likely to be derived from different centres and facilities in the catchment area and the likely consequences for the vitality and viability of existing town centres

- 3.31 Applicants' conclusions in respect of the impact on town centre vitality and viability should be proportionate to the given proposal, drawing on the assessments undertaken and considered in a commercially realistic way. The Council will ask for further work to be undertaken in the event impact assessments do not provide a reliable basis on which to reach a judgement on the likely consequences for town centre vitality and viability.