

NOTICE OF MEETING

Meeting: CABINET

Date and Time: WEDNESDAY, 6 JULY 2016, AT 10.00 AM*

Place: COUNCIL CHAMBER, APPLETREE COURT,
LYNDHURST

Telephone enquiries to: Lyndhurst (023) 8028 5000
023 8028 5588 - ask for Jan Debnam
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PUBLIC PARTICIPATION:

*Members of the public may speak in accordance with the Council's public participation scheme:

- (a) immediately before the meeting starts, on items within the Cabinet's terms of reference which are not on the public agenda; and/or
 - (b) on individual items on the public agenda, when the Chairman calls that item.
- Speeches may not exceed three minutes. Anyone wishing to speak should contact the name and number shown above.

Bob Jackson
Chief Executive

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This Agenda is also available on audio tape, in Braille, large print and digital format

AGENDA

Apologies

1. MINUTES

To confirm the minutes of the meeting held on 1 June 2016 as a correct record.

2. DECLARATIONS OF INTEREST

To note any declarations of interest made by members in connection with an agenda item. The nature of the interest must also be specified.

Members are asked to discuss any possible interests with Democratic Services prior to the meeting.

3. PUBLIC PARTICIPATION

To note any issues raised during the public participation period.

4. REVOCATION OF TOTTON AIR QUALITY MANAGEMENT AREA (Pages 1 - 10)

To consider revoking the Totton Air Quality Management Area.

5. NEW FOREST DISTRICT (OUTSIDE THE NATIONAL PARK) LOCAL PLAN REVIEW (PART 1) - PUBLIC CONSULTATION ON PLANNING STRATEGY (Pages 11 - 106)

To approve the draft consultation document to form the basis of public consultations.

6. TREASURY MANAGEMENT ANNUAL OUTTURN REPORT 2015/2016 (Pages 107 - 118)

To consider the annual report on the Council's performance on treasury management.

7. MEDIUM TERM FINANCIAL PLAN 2016 ONWARDS (Pages 119 - 124)

To consider the medium term financial plan.

To:

Councillors

Mrs S V Beeton
J E Binns
Mrs J L Cleary

Councillors

E J Heron (Vice-Chairman)
J D Heron
B Rickman (Chairman)

CABINET – 6 JULY 2016.

PORTFOLIO: ENVIRONMENT

REVOCATION OF TOTTON AIR QUALITY MANAGEMENT AREA

1.0 INTRODUCTION

- 1.1 The Local Air Quality Management process is set out in Part IV of the Environment Act, 1995, the Air Quality Strategy for England, Scotland, Wales and Northern Ireland, 2007 and associated policy and technical guidance documents. This process places a duty on all Local Authorities to regularly review and assess air quality in their area against objectives (as shown in Appendix 1) set by Government for 7 pollutants which are aimed to protect public health.
- 1.2 Where exceedance of an air quality objective is determined or considered likely, the Local Authority must declare an Air Quality Management Area (AQMA) and prepare an Air Quality Action Plan (AQAP) setting out measures it intends to put in place to reduce pollutant concentrations in pursuit of the objective(s).

2.0 BACKGROUND TO TOTTON AIR QUALITY MANAGEMENT AREA

- 2.1 Through the Local Air Quality Management process, Totton was identified as a location with congested streets with residential premises close to a road that might be affected by increased concentrations of nitrogen dioxide (NO₂). Therefore from 2002 this Council commenced monitoring of nitrogen dioxide using a number of diffusion tubes located throughout central Totton, and from 2004 using a real time analyser located in Junction Road, Totton. Assessment was made against the two air quality objectives for nitrogen dioxide, namely the annual mean and hourly mean. In 2005 it became apparent that there was likely to be an exceedance of the annual mean objective for nitrogen dioxide and an AQMA (as shown in Appendix 2) was subsequently declared on the 6th June 2005 following Cabinet approval.
- 2.2 Following declaration of the AQMA the Council determined that the majority of the localised nitrogen dioxide emissions in Totton were from local traffic travelling along Junction Road, particularly when vehicles were stationary at the railway crossing with idling engines. At times the railway crossing was closed for 20 minutes in every hour. Council officers therefore worked closely with Hampshire County Council, the regulatory authority for transport in Totton, to produce an Air Quality Action Plan. This plan, which outlined measures to reduce nitrogen dioxide emissions in pursuit of the annual mean air quality objective, was formally adopted by the Council at its Cabinet meeting on the 3rd September 2008.

3.0 IMPLEMENTATION OF THE AIR QUALITY ACTION PLAN

3.1 Since the adoption of the Totton Air Quality Action Plan, officers have been working jointly with transport planners at Hampshire County Council to develop and secure the implementation of the measures contained in the Air Quality Action Plan. In summary the works completed to date include:

- Installation of static signs in Junction Road, Maynard Road and Rumbridge Street to advise drivers to turn off their engines whilst waiting at the closed railway barrier in Junction Road.



- Improvements to pavements and crossings to encourage walking into Totton.
- Improvements to bus stops to encourage the use of public transport.
- The commissioning of a transport feasibility study to determine whether any transport measures could significantly improve local air quality. Transport measures assessed included pedestrianisation of Junction Road, junction improvements at Eling Lane, Junction Road and Rumbridge Street, replacing the static signs (above) with a virtual messaging system, local signage and routes.

The study concluded that there were no feasible transport measures which would significantly reduce nitrogen dioxide and be cost effective, and would not dramatically change the dynamics of Totton, for example through pedestrianisation of Junction Road.

3.2 It is acknowledged that there have been limitations to the measures feasible for implementation in Totton, and often improvements in local air quality rely on smarter measures such as changes in driver behaviour and making alternatives to car use more attractive.

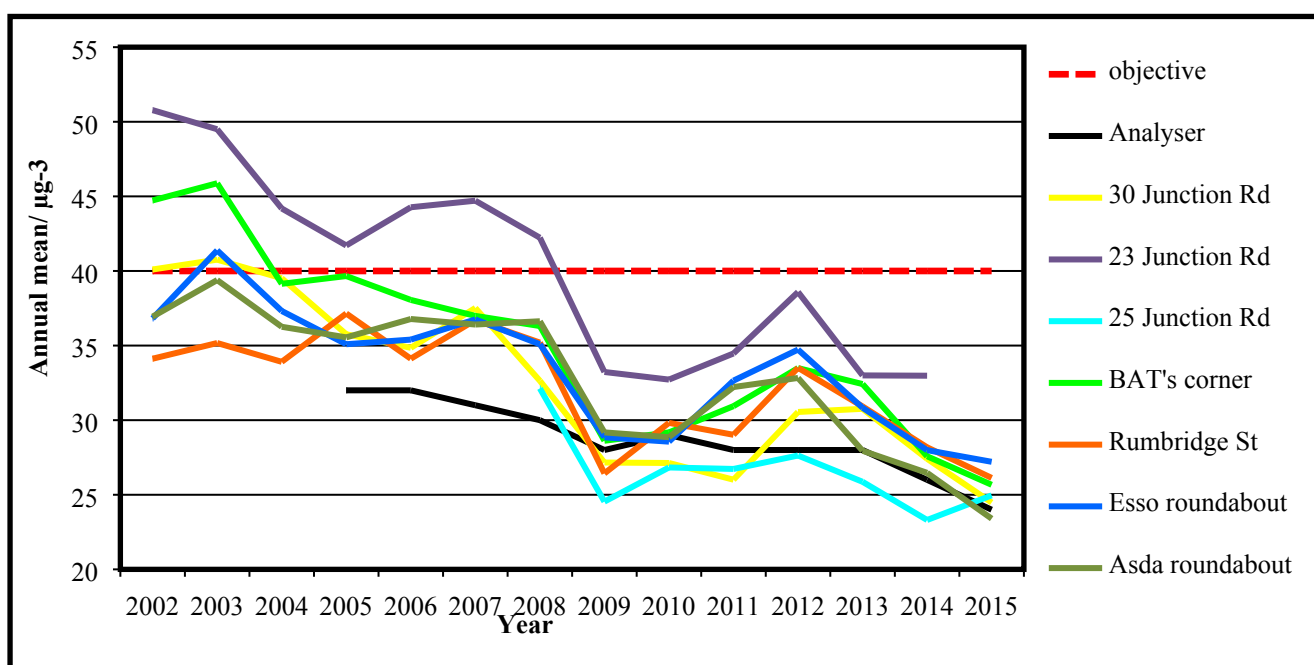
4.0 MONITORING RESULTS

4.1 Monitoring has continued throughout Totton since 2002 using diffusion tubes and a real time analyser (as shown in Appendix 3). Whilst it is difficult to specify whether the implementation of the measures detailed in Section 3 have had a direct impact on

local nitrogen dioxide concentrations, monitoring has shown a noted decrease in the annual mean objective for nitrogen dioxide.

4.2 The graph below shows the exceedance of the air quality objective at a number of monitoring sites within the Totton AQMA between 2002 and 2008 however no further exceedances have been monitored in Totton since this date.

4.3 It should be noted that the monitoring location at 23 Junction Road is a roadside site on a lamp-post, and does not represent relevant exposure with regards to air pollution. Locations such as the façade of residential properties and schools are considered to be relevant exposure. As a comparison, the location at 25 Junction Road is on the façade of a property approximately 3-4m behind the monitoring location at 23 Junction Road. The lower nitrogen dioxide concentrations monitored at 25 Junction Road compared to 23 Junction Road show the drop off of nitrogen dioxide concentrations as distance increases from the roadside.



4.3 There could be a number of explanations regarding the monitored decrease in nitrogen dioxide concentrations within the AQMA in Totton, including:

- impact of static signs reminding drivers to turn off their engines whilst stationary in Junction Road (studies undertaken by the Council have shown an average 22% of vehicles turn their engines off whilst waiting at the closed railway barriers)
- impact of improvements in vehicle technologies (stop / start, cleaner engines)
- fewer older vehicles on the road
- improvements in monitoring and assessment techniques

5.0 REVOCATION OF THE TOTTON AQMA

- 5.1 The monitoring within the Totton AQMA has shown that the nitrogen dioxide annual mean objective has been met for the past 7 years. As such there is no legal requirement to retain the AQMA and, in accordance with Government guidelines, this Council is now seeking its revocation.
- 5.2 Defra has been advised of the improvement in nitrogen dioxide concentrations within the Totton AQMA and has endorsed the intention to proceed with this revocation. Accordingly, and as part of the revocation process stipulated by Defra, the Council has consulted with members of the public, local Councillors, local businesses and key stakeholders (Totton and Eling Town Council, Hampshire County Council, Public Health England and neighbouring local authorities, including the New Forest National Park Authority) on its proposal to revoke the AQMA.
- 5.3 The consultation period extended for 6 weeks and ended on the 6th May 2016. Only one formal response was received, from Test Valley Borough Council, which was of no comment, although officers gave a presentation to Totton and Eling Town Council (planning committee) as part of the consultation process and addressed any queries raised.
- 5.4 The Council notes that there is the likelihood for future significant development in Totton. Whilst such developments have the potential to increase vehicle numbers in the local area, the impacts of development on local air quality will be assessed and any identified mitigation measures will be implemented through the planning process.

6.0 ENVIRONMENTAL IMPLICATIONS

- 6.1 Monitoring within the current Totton AQMA has shown a noted decrease in nitrogen dioxide concentrations. These decreases will have a positive benefit for the local community in terms of improvements in local air quality.
- 6.2 Officers have advised that monitoring of nitrogen dioxide in Totton using the real time analyser and diffusion tubes should continue for the immediate future. This recommendation has been supported by Totton and Eling Town Council.
- 6.3 The Council is also intending to continue to raise the profile of local air quality, particularly in areas such as Totton, by encouraging walking, cycling, car sharing, and the use of public transport and zero emission vehicles through attending and running public events. In addition partnership working with Public Health England will be undertaken to link the improvements in air quality by reduced vehicle use with the added health and well-being benefits.
- 6.4 The duty for Local Authorities to review and assessment local air quality remains, and as such, Totton will continue to be part of this process.

7.0 FINANCIAL IMPLICATIONS

- 7.1 There is no cost associated with the actual revocation of the Totton AQMA and the ongoing cost associated with the monitoring (officer time, maintenance of the air quality station and management of the air quality data) can be financed out of the existing budget. Furthermore Totton and Eling Town Council has supported the need for continued local air quality monitoring in order to maintain public reassurance that there is no significant increase in local nitrogen dioxide concentrations.

8.0 CRIME AND DISORDER, EQUALITY IMPLICATIONS AND DIVERSITY

- 8.1 None

9.0 CONCLUSION

- 9.1 Following the declaration of the Totton AQMA in June 2005, measures were put into place to reduce nitrogen dioxide emissions from vehicles. Monitoring in the intervening years has shown noted improvements in nitrogen dioxide concentrations to the extent that there has not been an exceedance of the annual mean objective for nitrogen dioxide since 2008.
- 9.2 Considering nitrogen dioxide concentrations within the current Totton AQMA are now well within the air quality objective for the annual mean for this pollutant, there is no longer a legal requirement for the AQMA to remain. In such circumstances Defra guidance requires that the AQMA should be revoked and following extensive consultation with all relevant stakeholders, local Councillors and members of the public, revocation of the Totton AQMA is now sought.

10.0 COMMENTS BY ENVIRONMENT PORTFOLIO HOLDER

I welcome the report's recommendations and the Council's plans to continue to promote and raise awareness of air quality across the District. All the Council's partners, Totton and Eling Town Council and Hampshire County Council who have worked towards this excellent result should be congratulated.

11.0 COMMENTS BY THE ENVIRONMENT OVERVIEW AND SCRUTINY PANEL

The Environment Overview and Scrutiny Panel support the recommendations.

12.0 RECOMMENDATION

It is therefore recommended that:

- the Totton Air Quality Management Area, declared on the 6th June 2005 in respect of the exceedance of the annual mean air quality objective for nitrogen dioxide, be revoked.
- the air quality real time monitoring station in Junction Road, Totton is maintained and monitoring continues using the real time monitoring station and diffusion tubes in Totton for the immediate future to reassure the public that nitrogen dioxide concentrations in Totton do not significantly increase once the AQMA is revoked.

For further information contact:

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Background papers:

Environment Act 1995

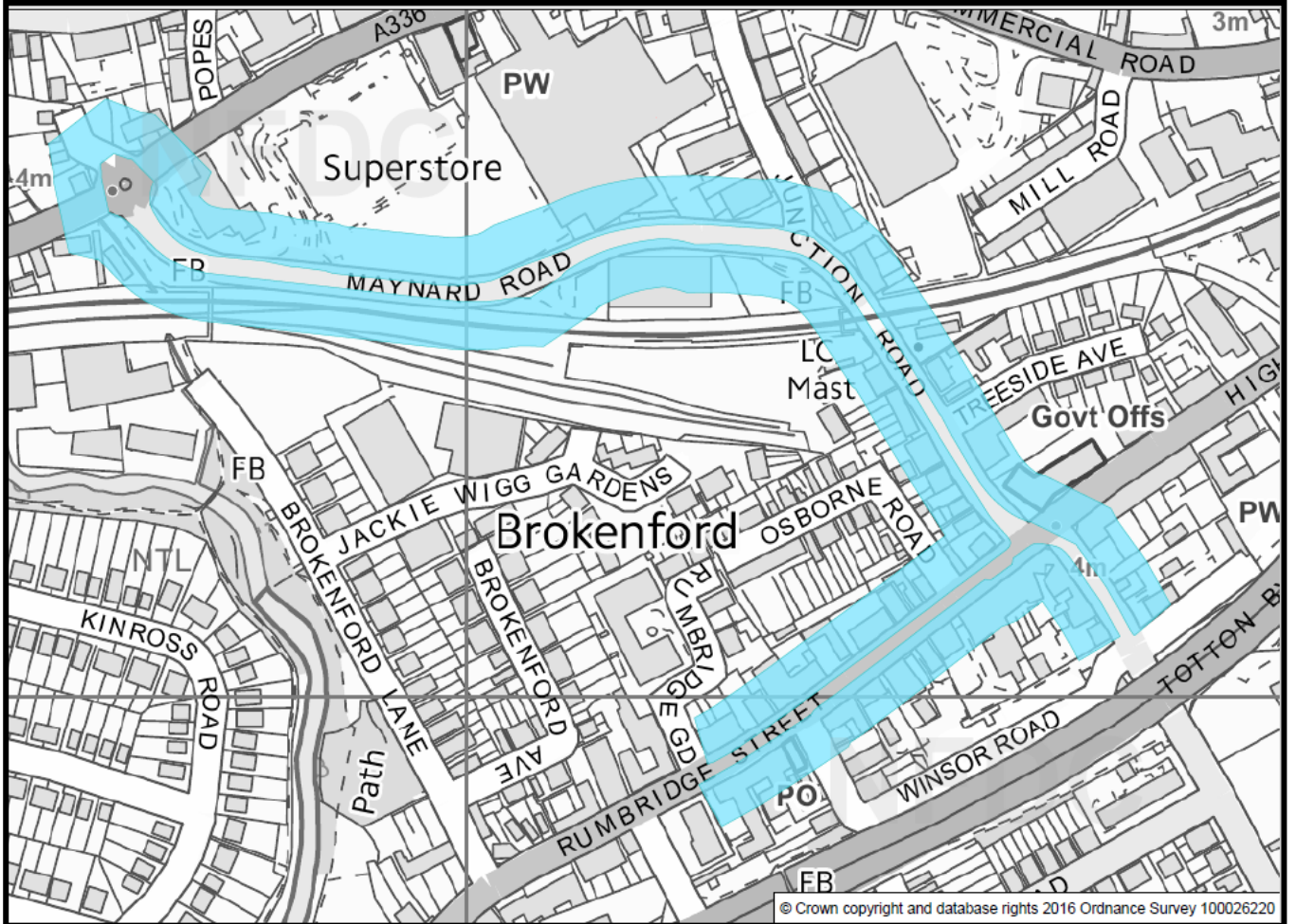
Defra Policy Guidance on
Local Air Quality
Management LAQM.PG
(16)

New Forest District
Council Updating and
Screening Assessment
2015

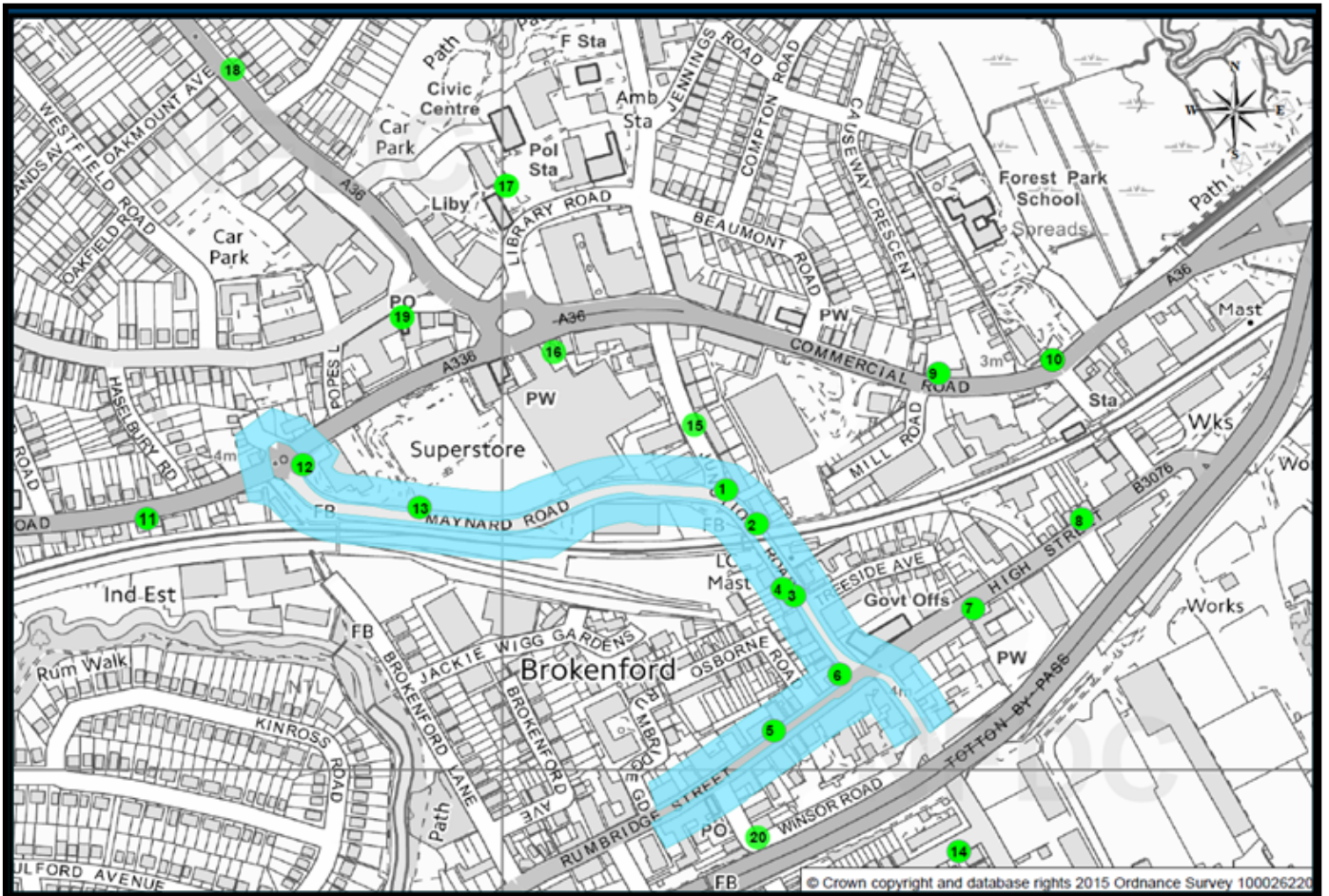
APPENDIX 1

Pollutant	Objective	Averaging Period	Obligation
Nitrogen dioxide (NO ₂)	200µg/m ³ not to be exceeded more than 18 times a year	1-hour mean	All local authorities
	40µg/m ³	Annual mean	All local authorities
Particulate Matter (PM ₁₀)	50µg/m ³ not to be exceeded more than 35 times a year	24-hour mean	All local authorities
	50µg/m ³ not to be exceeded more than 7 times a year	24-hour mean	Scotland only
	40µg/m ³	Annual mean	All local authorities
	18µg/m ³	Annual mean	Scotland only
Particulate Matter (PM _{2.5})	Work towards reducing emissions/concentrations of fine particulate matter (PM _{2.5})	Annual mean	England only
	10µg/m ³	Annual mean	Scotland only
Sulphur dioxide (SO ₂)	266µg/m ³ not to be exceeded more than 35 times a year	15-minute mean	All local authorities
	350µg/m ³ not to be exceeded more than 24 times a year	1-hour mean	All local authorities
	125µg/m ³ not to be exceeded more than 3 times a year	24-hour mean	All local authorities
Benzene (C ₆ H ₆)	16.25µg/m ³	Running annual mean	All local authorities
	5µg/m ³	Annual mean	England and Wales only
	3.25µg/m ³	Running annual mean	Scotland and Northern Ireland only
1,3-Butadiene (C ₄ H ₆)	2.25µg/m ³	Running annual mean	All local authorities
Carbon Monoxide (CO)	10mg/m ³	Maximum daily running 8-hour mean	England, Wales and Northern Ireland only
	10mg/m ³	Running 8-hour mean	Scotland only
Lead (Pb)	0.5µg/m ³	Annual mean	All local authorities
	0.25µg/m ³	Annual mean	All local authorities

Totton Air Quality Management Area



Monitoring Locations in Totton



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NEW FOREST DISTRICT (OUTSIDE THE NATIONAL PARK) LOCAL PLAN REVIEW (Part 1) – PUBLIC CONSULTATION ON PLANNING STRATEGY

1. PURPOSE OF REPORT

- 1.1 The current adopted Local Plan for New Forest District (outside the National Park) requires review. The reviewed Plan must conform to the National Planning Policy Framework (NPPF) set by the Government. The Council is reviewing the Local Plan as a two part document. Part 1 of the Local Plan Review will establish a new planning strategy for the area and identify strategic land allocations (It will replace the Core strategy adopted in 2009). Part 2 will follow on from Part 1 and will provide the detailed site specific policies and non-strategic development management policies necessary to implement the agreed strategy in Part 1 of the Local Plan. The Local Plan Review covers the period 2016-2036. This report relates to Part 1 of the Local Plan Review. The stage has now been reached where it is appropriate to consult the public on key strategic matters arising from the review work. The purpose of this report is to agree a document for the purpose of public consultation.

2. BACKGROUND

- 2.1 The current Local Plan for New Forest District (outside the National Park) covers the period 2006 – 2026 and consists of the Core Strategy adopted in 2009 (Part 1) and Part 2: Sites and Development Management adopted in 2014. The current Local Plan largely pre-dates the National Planning Policy Framework which was introduced by national government in March 2012. The Council accepted at the Examination of the Sites and Development Management document that an early review of the Local Plan would need to be undertaken by this Council. The Government has since set targets for local planning authorities to publish Local Plans that are fully compliant with the NPPF. Although not clear, for this Council a key date seems to be March 2018. The Local Plan Review will consider an extended plan period – 2016 to 2036.
- 2.2 The change introduced in the NPPF which has had the most significant implications for future planning in the New Forest District is the way in which strategic planning for growth is undertaken. Previously regional plans established agreed locations for growth and, conversely, areas (like the New Forest) where there should be development restraint. The NPPF, which seeks to significantly boost the supply of housing, requires that Local Plans meet the full “objectively assessed needs for market and affordable housing in the housing market area”, unless specific policies in the NPPF indicate development should be restricted. This means that this district must now plan to accommodate as much growth as possible without conflicting with the NPPF policies to protect certain areas such as (for example) wildlife and nature conservation sites, Green Belt, or areas at risk from flooding. This represents a significant change in the planned strategy to restrain the level of growth in and around the New Forest that has been in development plans for the last quarter of a century.
- 2.3 Two key pieces of work are fundamental to the local plan review work.
- i.) The Strategic Housing Market Assessment, which assesses the level of new housing development which would serve the needs of the area, and
 - ii.) The Sustainability Appraisal work, which assesses the suitability of all land parcels within the Plan Area to accommodate future development.

- 2.4 The Strategic Housing Market Assessment work was commissioned jointly with the National Park Authority and undertaken by G.L. Hearn. At the time the study was undertaken, the work concluded that within New Forest District (outside of the National Park) the need was for between 587 and 687 additional dwellings per annum (or between 11,740 and 13,740 dwellings in total). This compares with the current Local Plan which was required to provide for 196 dwellings per annum, up to 2026. As of April 2016, outstanding provision made under our current Plan is for around 2,800 dwellings.
- 2.5 The main focus of the Local Plan Review work is addressing the need to allocate additional land for housing. In view of the significant increase in the level of development the District is now expected to seek to accommodate, officers have undertaken a technical piece of work, called a 'Sustainability Appraisal' which has assessed all land parcels outside of the existing settlements within the plan area for their suitability for future development. The methodology used for this piece of work is set out in Section 5 of the Public Consultation document (see Appendix 1). The findings of the appraisal work have informed the suggested locations for possible future development identified in the public consultation document (Appendix 1).
- 2.7 In summary, the technical work has identified land which could accommodate the following levels of new housing development. As can be seen in the table below, significant areas of land within the Green Belt will need to be released for development for the level of provision to be close to "objectively assessed need". (See section below on Green Belt.)

	New allocations - All sustainable sites identified in SA process (outside settlements)	Total provision - new allocations plus existing commitments (of 2,800)
Sustainable sites not in Green Belt (GB)	3,200	6,000
Sustainable sites including 'weak to moderate' Green Belt	4,900	7,700
All identified sustainable sites including strong and moderate Green Belt sites	7,200	10,000

- 2.8 Possible strategic site allocations have been identified in the following locations:

Location	Initial estimate of potential
Totton and the Waterside sub area	About 2,050 homes
North of Totton	About 990 homes
West of Marchwood	About 880 homes
North of Marchwood	About 180 homes
Coastal Towns sub area	About 2,960 homes
North of Lymington (Green Belt)	About 870 homes
South West of Lymington (Green Belt)	About 240 homes
North of Milford on Sea (Green Belt)	About 270 homes
North East of Everton (Green Belt)	About 120 homes
Central Hordle (Green Belt)	About 180 homes

Location	Initial estimate of potential
North of Hordle (Green Belt)	About 150 homes
North East of Hordle (Green Belt)	About 200 homes
North West New Milton (Green Belt)	About 300 homes
North East of New Milton (Green Belt)	About 130 homes
South East of New Milton (Green Belt)	About 200 homes
South West New Milton (Green Belt)	About 300 homes
Avon Valley and Downlands sub area	About 1,880 homes
West of Bransgore (Green Belt)	About 120 homes
South of Ringwood (Green Belt)	About 750 homes
East of Ringwood	About 400 homes
North of Ringwood	About 130 homes
North West of Fordingbridge	About 380 homes
East of Ashford	About 100 homes
Estimated total potential on strategic sites District outside the National Park	About 7,040 homes

2.9 As well as the need to find additional land for housing development, the plan consultation document also addresses a number of other matters such as future needs for employment and other forms of development.

3. OTHER KEY MATTERS

Green Belt

3.1 Government policy continues to attach great importance to Green Belts. A significant part of the area (from southern Ringwood through to Lymington) is Green Belt. (See page 14 of Appendix 1). The Green Belt in the District dates from more than 60 years ago and was designated originally to prevent coastal settlements from merging. As part of the Local Plan's evidence base the Council has commissioned a study of the Green Belt to assess how it performs today against the five Green Belt purposes defined by Government. These are:

- to check the unrestricted sprawl of large built-up areas;
- to prevent neighbouring towns merging into one another;
- to assist in safeguarding the countryside from encroachment;
- to preserve the setting and special character of historic towns; and
- to assist in urban regeneration, by encouraging the recycling of derelict and other urban land.

The Green Belt study has considered how strongly parcels of land within the current Green Belt fulfil these Green Belt purposes (ranking them from strong to weak). The results of the study indicate that most of the existing Green Belt continues to fulfil Green Belt purposes strongly. However, it has identified a limited number of locations where its performance is weaker.

3.2 The sustainability appraisal work which has been undertaken shows that some Green Belt land in the District is in otherwise 'sustainable' locations for new development and could play a role in helping to address future housing needs. As indicated in para. 2.7 above, a critical issue which the Council needs to address in preparing the Local Plan Review is the extent to which the Council should accept development within the Green Belt to address some of the housing need. One of the purposes of this public consultation is to give the public the opportunity to give their views on this matter to inform the preparation of the Plan. In broad terms, the sustainability appraisal work shows that there are sustainable sites which could provide for around 1700 homes on Green Belt land that performs 'moderately' and a further 2,300 homes could be provided in sustainable locations if some Green Belt land that still performs 'strongly' in Green Belt terms is used to accommodate development.

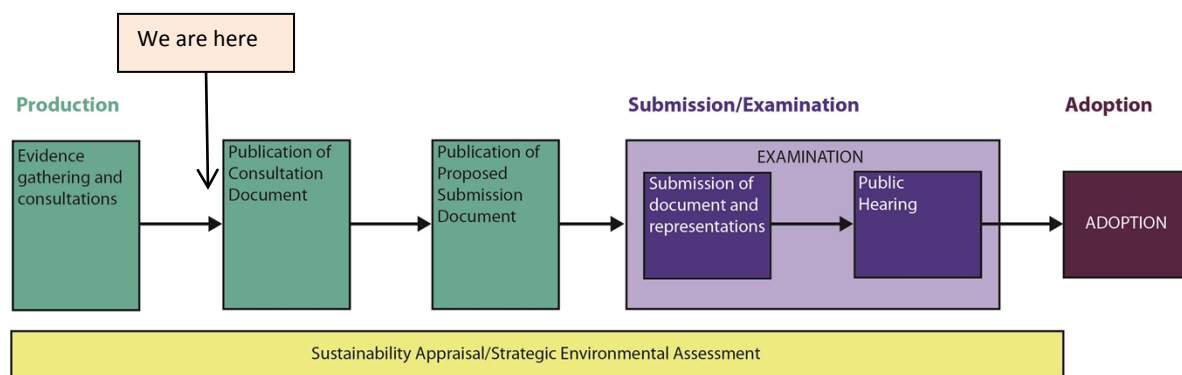
Working with others

3.3 The Council has been actively involved in the work done by the Partnership for Urban South Hampshire (PUSH) in preparing an agreed spatial planning position statement for the Solent LEP area. Totton and the Waterside Parishes are the only parts of the Plan Area within the PUSH area. The PUSH Spatial Position Statement sets out an agreed spatial distribution for future housing and employment land provision for the Southampton (and Portsmouth) housing and employment markets which will be tested through the preparation of Local Plans. The PUSH spatial strategy assumes 3600 new homes can be accommodated in Totton and the Waterside. There is also a small requirement for additional employment land (around 3-5 hectares).

3.4 There has been close working with the National Park Authority, at officer and member levels, including joint commissioning (where appropriate) of studies providing the evidence base for both the District Council's and Park Authority's local plans. Similarly, officers are working with Dorset Councils on cross-boundary issues.

4. OVERVIEW

4.1 As illustrated by the diagram below, we have now reached the stage of the local plan preparation process where public consultation on key matters is appropriate.



4.2 The public consultation will give the public and other interested parties an opportunity to voice their views on key issues the plan will address before the Council finalises what should be proposed in the Plan. The consultation document, along with supporting background information will be available for all to view and comment on on the Council's website, and hard copies of the document will be made available to view at NFDC local offices and libraries across the district. We will ask people to write in to us (post or email) and let us know their views. Those wishing to promote sites will have the opportunity to provide the Council with evidence supporting proposals, and those

disagreeing with the sites that have been identified will have an opportunity to explain the reasons why they think a site is unsuitable for development. Written comments received will be taken into account when preparing the Local Plan Submission document. Submission of the Local Plan for public Examination is programmed for late 2017.

- 4.3 It is proposed that the public consultation period run from 15th July to 16th September 2016. In support of the consultation process, three information 'drop-in' events are planned to enable members of the public to have an opportunity ask Officers questions about the document. The drop-in events will all be from 4:00pm to 7:30pm. They will be held at Totton & Eling Community Centre on Monday 25 July, at Fordingbridge Avonway Centre on Tuesday 26 July, and at The Lymington (Community) Centre on Wednesday 27 July.

5. FINANCIAL IMPLICATIONS

- 5.1 All direct costs contained within budgets

6. ENVIRONMENTAL IMPLICATIONS

- 6.1 There will be significant environmental implications arising from the outcome of the Local Plan Review, not least arising from the need to build on significant areas of previously undeveloped land within the District. However, the sustainability appraisal (which is a key part of the plan-making process) will ensure that choices are made which are the most sustainable options, and appropriate policies will be included in the Plan which, as far as possible, ensure high quality development and the mitigation of any potentially harmful impacts.

7. CRIME & DISORDER IMPLICATIONS

- 7.1 None.

8. EQUALITY & DIVERSITY IMPLICATIONS

- 8.1 No direct implications.

9. PORTFOLIO HOLDER COMMENTS

- 9.1 The Portfolio Holder welcomes this paper and looks forward to hearing residents' views as to how the Council should best balance the provision of new homes with the protection of the District's environment in the context of Government policies to encourage the building of more houses.

10. RECOMMENDATIONS

10.1 It is recommended that Cabinet agree:

- i) to the publication of the document set out Appendix 1, subject to final editing, for the purpose of a public consultation to inform the preparation of the Local Plan Review Part 1;
- ii) to authorise the Policy and Strategy Service Manager, in consultation with the Planning and Transportation Portfolio Holder, to make editing changes in preparing the document for publication;
- iii) that the public consultation period should run from 15th July to 16th September 2016.

For further information contact:

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Background Papers:

To be published on 15th July alongside public consultation document:
Green Belt Study
Landscape Study
Sustainability Appraisal Scoping Report
Sustainability Appraisal Site Assessment

Other published documents

Local Plan Review 2016-2036

Part One: Planning Strategy

Initial proposals for public consultation

15 July 2016 to 16 September 2016

New Forest District outside the New Forest National Park

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Foreword

To follow

Local Plan consultation summary

Introduction

S1. Welcome to the public consultation on the New Forest District Local Plan Review for the area outside of the National Park. Local Plans set out policies for the use, development or protection of land and buildings.

S2. This is your chance to have your say at an early stage in the **Local Plan Review Part One**, our planning strategy, strategic policies and key development sites for the period 2016 to 2036. The main focus of this consultation is potential locations for new housing based on the evidence we have collected so far. We have some difficult choices to make, with potentially significant consequences if we fail to address these challenges positively. Our decisions must be based on evidence and this will be independently tested by the government. No decisions will be made until we have considered your views and completed our evidence gathering.

Why review the Local Plan?

S3. There is a broad consensus between the national political parties that England needs to build around 250,000 new homes per annum to meet its needs. Yet average housing delivery rates have been well short of this level for the last three decades. The government has significantly reformed the Planning system to help tackle this situation.

S4. Councils are legally required to produce a Local Plan for their area and to keep them up-to-date. Our current Local Plan Core Strategy was adopted in 2009 well before the recent and ongoing planning reforms.

S5. A central aim of the [National Planning Policy Framework](#) (2012) is to achieve a step change in housing delivery, and to meet housing and other development needs in full unless it is demonstrably unsustainable to do so. There is a stronger emphasis on the significant social and economic benefits of providing enough housing, to be weighed in the balance with environmental and landscape considerations to achieve sustainable development.

What does this mean for us?

S6. Most of southern England is facing the challenge of providing more housing, and we are no exception although our population dynamics are different. Our [Strategic Housing Market Assessment](#) (SHMA), a key part of our evidence, recommends that we provide 587-687 homes per annum. This equates to 11,740-13,740 homes in the Plan period 2016–2036, 3-4 times the current annual target of 196 homes.

S7. This figure is driven by a 22,000 projected increase in population 2016-2036. All of this projected growth is in the 65+ age groups, and the working age population is projected to decline by 2,200. The main contributor is internal migration within the UK e.g. for retirement. All net international in-migration is projected to contribute less than a fifth of the growth so the need for housing is **unlikely to be significantly affected by the recent decision to leave the European Union**.

Potentially sustainable locations for new housing

S8. We have carried out a comprehensive sustainability appraisal of all land in the district to identify all potentially suitable locations for new homes. We have taken into account a wide range of factors such as access to facilities, landscape sensitivity and constraints such as flood risk, coastal erosion, protected habitats and industrial hazards.

S9. Our sustainability appraisal takes a neutral position on the status of land as Green Belt in our judgement about whether a location is potentially sustainable for housing. It is important to understand why.

S10. Based on our knowledge of our rural District and its significant environmental and other constraints we anticipated that there would not be enough land in sustainable locations outside the Green Belt to meet our housing needs. So the possibility of development in the Green Belt was something we should at least investigate to weigh up the pros and cons.

Green Belt is a planning policy designation. It is different from ‘green field’ land, which is simply a generic description of land that has not been previously built on. Most green field land is not designated as Green Belt.

Green Belt is often misunderstood and it has nothing to do with the quality, attractiveness or ecological value of the land. Green Belts are locally made and their main purposes are to keep open countryside open, and to prevent urban sprawl including the merging of large urban areas. However, if settlements in Green Belt need to grow, some loss of undeveloped countryside is inevitable. There is an important difference between selective, planned land release and uncontrolled sprawl.

Within New Forest District, the South West Hampshire Green Belt covers the area south of Ringwood to Christchurch and between Christchurch and Lymington. Land in the New Forest National Park (a separate Local Plan area) is not Green Belt. National Parks and AONB boundaries are set by an Act of Parliament and cannot be changed by a Local Plan.

Whilst an important policy, Green Belt boundaries can be changed through a Local Plan review. Land can be released from the Green Belt for development in exceptional circumstances. Elsewhere the courts and planning inspectors have accepted that the lack of other suitable land to meet housing needs can be an exceptional circumstance. The extent of housing supply shortfall relative to need is a relevant consideration.

S11. Map S1 shows the initial results of our work to date assessment, all the potentially sustainable locations for 100 or more homes. There is further work to do before deciding whether they should be allocated for development in the Local Plan.

S12. Our initial estimate of the total housing capacity of the district including all these sites and existing commitments is 10,040 homes. This is 1,700-3,700 homes (14-27%) below the range of housing need identified by the SHMA, even if potentially sustainable sites in Green Belt are included. We will need to work with neighbouring areas to consider whether this shortfall can be addressed elsewhere in the housing market areas.

Considering development in the Green Belt

S13. To help with our consideration of the case for releasing land from the Green Belt for development we commissioned an independent study of the Green Belt. The study assesses the extent to which land in the Green Belt still serves its main purposes to preserve open countryside and prevent urban sprawl, taking into account development since the Green Belt was originally established.

S14. We then compared the performance of land in Green Belt to its performance in terms of sustainability. Other things being equal, the release of weakly performing Green Belt would be preferable to releasing strongly performing Green Belt. However there is no convenient correlation. Some of our more sustainable locations for potential development also perform strongly as Green Belt. This leaves us with a difficult choice to make: whether or not to release more “strongly” performing Green Belt land for development to better address housing needs in the most sustainable way.

S15. If we choose not to release land in the Green Belt we have two main options. Both significantly increase the risk that the Local Plan would not pass Government examination with potentially serious consequences.

S16. The first is to allocate more land for development outside the Green Belt despite the fact that based on our evidence so far that there are no more locations suitable for development without significantly harming the environment.

S17 The second option is to submit a Local Plan that falls very significantly short of meeting housing need because we consider protecting the Green Belt to be more important than housing our future population. If we rule out locations in Green Belt, we can only meet 47% of our housing need, a 6,700 homes shortfall. If we made full use of sustainable sites in Green Belt, we could meet 79% of our needs and accommodate 4,000 more of our future households.

What might happen if we fail to plan positively?

S18. Government has set a target that by early 2018 all councils should have published a Local Plan that is consistent with the National Planning Policy Framework (2012). We are well placed to achieve this. But if we did not, Government has the power to step in and produce a Local Plan for us.

S19. It is also important that we produce a Local Plan that meets the requirements of Government policy. The most common reasons for Local Plans to fail at independent Examination stage are not providing enough housing and failing to fully consider options to increase housing supply.

S20. Where a Local Plan fails at Examination, a new Plan has to be produced, and it is on public record that the previous Local Plan is out-of-date in terms of housing supply. In these circumstances developers can submit speculative planning applications that must be determined using more permissive national policies, where significant weight is given to the lack of housing supply in deciding whether development is sustainable.

S.21 There are other consequences if not enough new homes are provided. The affordability of housing is likely to worsen, which would disproportionately affect younger people wishing to remain in the area. Our projected decline in working age population could be made even worse, with consequences for local businesses and higher levels of inward commuting that could affect road congestion and the local environment.

S.22 The housing growth needed will be bought forward one way or another. Our view is that better outcomes will be achieved by planning positively, where we decide where growth will go, what form it will take and the facilities and infrastructure to be provided alongside new homes.

The benefits of growth

S23. Debates about housing development are often unduly negative, dominated by understandable concerns about change in a local area

perceived to affect individual quality of life. But we all live in homes on land that was once undeveloped. Good plan-making is also about creating attractive and good quality places to live with amenities and services all residents can benefit from. These will include significant new areas of public open space and land for recreation, and are likely to also include new community and commercial facilities and employment.

Next steps

S24. Your comments will help us to refine our initial proposals into detailed policies and development site allocations. This will include a full assessment of the infrastructure, facilities and services required to accommodate new homes in a sustainable way and to meet the needs of future residents.

S25. We will consult you again in the late Spring of 2017 on our final draft proposals. The draft Local Plan will then be submitted for public Examination by an independent planning inspector appointed by the Government. If the Local Plan is found sound it will be adopted by the Council. Once adopted it is the legal basis for deciding whether to approve planning applications for development.

Find our more and have your say

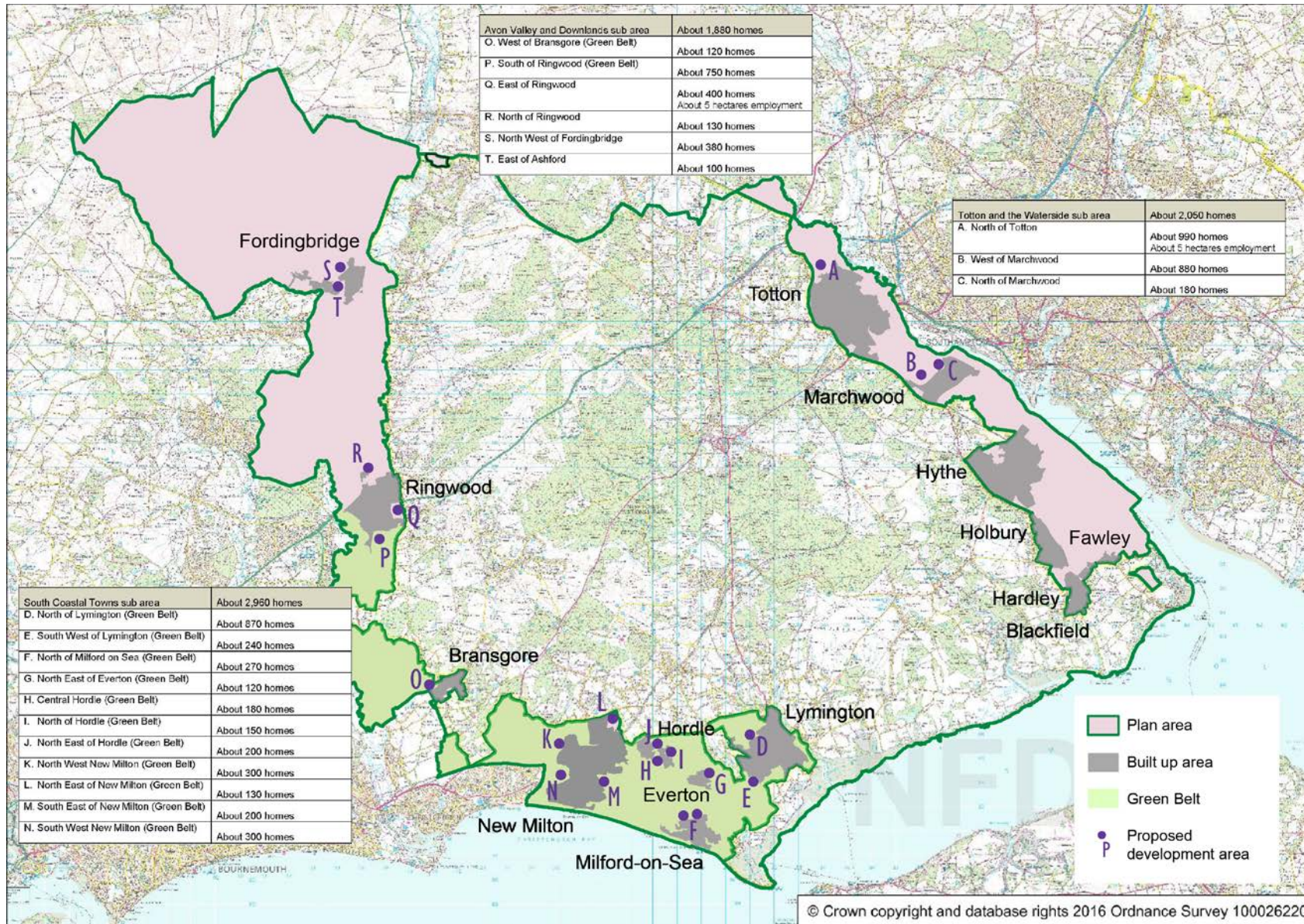
S26. Please take the time to read this summary and the full consultation document to understand what we are proposing, why and how to respond.

S27. Visit our [website](#) for more information about the Local Plan Review and this public consultation, including answers to Frequently Asked Questions.

S28. Attend any of our 4:00pm - 7:30pm drop-in sessions in Totton (25 July 2016), Fordingbridge (26 July 2016) and Lymington (27 July 2016) to talk with a planning officer, or contact the Planning Policy team.

Tel: 023 8028 xxxx

Email: xxx@nfdc.gov.uk



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1: Introduction

About the Local Plan consultation

1.1 Local Plans set out policies for the use, development or protection of land and buildings looking ahead at least fifteen years. One of the key roles of Local Plans is to identify how much new housing and commercial development is needed, where, and how it will be delivered. The main focus of this consultation is potential locations for new housing.

1.2 We are publishing this document as part of the Local Plan Review to give residents, businesses and other interested parties an early opportunity to help shape the future planning of the New Forest District Council area outside the National Park, for the period 2016 to 2036. The main focus of the consultation is on potential sites for future housing development. We also outline our initial thoughts on a number of other strategic policy matters. Your comments will help us to work these up into detailed policies in the next stage of plan preparation.

1.3 Throughout this document the phrase [the Plan Area](#) is used to refer to the parts of New Forest District outside the National Park (as shown in Map 3.1 on page 9). We are preparing this draft Local Plan in close consultation and cooperation with the New Forest National Park Authority, which is producing a replacement Local Plan for the New Forest National Park area. Our timetables are similar and key parts of our evidence base are shared or jointly produced.

A two stage process

1.4 We are undertaking the Local Plan Review in two parts. This consultation is about the [Local Plan Review 2016-2036 Part One](#). Part One is a strategic document that contains our proposed strategic policies and strategic development sites, in particular housing sites generally capable of accommodating 100 or more homes. It will replace and update the adopted 2009 Core Strategy, and a small number of the more strategic

policies in the Local Plan Part 2: Sites and Development Management adopted 2014.

1.5 After we have completed work on the Local Plan Review Part One, the [Local Plan Review 2016-2036 Part Two](#) will review the remainder of our planning policies in the adopted Local Plan Part Two 2014. The Local Plan Review Part Two 2 will focus mainly on matters of policy detail and allocations for smaller sites. Its policies and site allocations remain in force until they are replaced (unless they become out of date for other reasons, for example a change in national guidance or local circumstances).

Timetable and next steps

1.6 The key stages of the Local Plan Review Part One are as follows.

15 July – 16 Sept 2016	Public consultation on the draft Local Plan
Sept 2016 – April 2017	Preparing the Local Plan informed by consultation feedback and further evidence
May-July 2017	Public consultation on the final draft Local Plan then submit the Local Plan to government for independent examination
October 2017	Estimated Local Plan examination period
January 2018	Receive the Local Plan examination report
February - June 2018	Finalise and adopt the Local Plan. This typically takes 2-6 months depending on the extent of any changes recommended by the examiner. Any significant changes would require further public consultation.

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1.7 The timetable is indicative and will be updated as necessary on our website¹.

1.8 After this consultation we will prepare a full publication version of the Local Plan Part One taking account of consultation feedback. We aim to publish this version in the spring of 2017 for further consultation. The publication version and any consultation comments made are then submitted to the Government. The timetable after submission is dependent on the Planning Inspectorate.

1.9 Government appoint a planning inspector to hold an independent examination-in-public to test the soundness of the Local Plan proposals; this is likely to be late in 2017. Upon receipt of the inspector's report (assuming it is positive) the Local Plan will be finalised and adopted during 2018, incorporating any changes the inspector recommends.

Relationship to Neighbourhood Plans

1.10 One important reason why we are producing the Local Plan in two parts is to provide an opportunity for communities to prepare planning policies and site proposals for their own area in a Neighbourhood Plan. Where Neighbourhood Plans are being prepared the Local Plan 2016 Part Two will be tailored so as not to duplicate work communities have committed to undertake and are doing so, whilst ensuring that all necessary matters are addressed in a consistent and timely manner.

Supporting documents

1.11 We will be preparing a number of companion documents that will support the delivery of sites and the implementation of the policies set out in Local Plan 2016 Part One. Final or final draft versions of these documents will be published when the final draft Local Plan is published for pre-submission public consultation.

1.12 The **Infrastructure Delivery Plan** will set out the infrastructure, services and facilities including open space required to enable new development to take place, how it will be delivered and by whom. It is produced in consultation with infrastructure providers.

1.13 It is important to understand that planning rules do not allow us to seek infrastructure provision to resolve existing problems, only to mitigate the consequences of growth to a level that is 'acceptable' in planning terms.

1.14 'Acceptable' does not mean 'no worse'. For example, government generally deems some increases in journey times and road congestion to be acceptable when balanced against the social and economic benefits of meeting identified development needs.

1.15 The **Community Infrastructure Levy (CIL)** sets a charge per square meter on development to help pay for infrastructure and mitigation on a defined list of projects or categories of infrastructure. The current CIL will need to be updated.

1.16 A **Section 106 Supplementary Planning Document** will provide guidance on contributions from developers for infrastructure and services that will be sought in addition to CIL and not by CIL. These will usually be to address site specific issues that require resolution to enable development to take place on that site.

¹ <http://www.newforest.gov.uk/article/16541>

1: Introduction

1.17 A new [Design Guide Supplementary Planning Document](#) will help ensure that the district successfully assimilates larger housing sites and higher levels of housing growth.

1.18 The adopted [Mitigation Strategy for European Sites Supplementary Planning Document](#) (2014) will be updated to set out how we will manage or mitigate the effects of higher levels of planned housing on internationally designated habitats eg from recreational disturbance. This work is being progressed in close consultation with the New Forest National Park Authority, Natural England and other key wildlife and ecology interest groups.

1.19 The local plan review is informed by a comprehensive evidence base including a range of technical studies, all of which will be published by or when the final draft Local Plan is published for pre-submission public consultation. Those currently available and published are:

- [Sustainability Appraisal Scoping Report](#) 2015 including interim results of the assessment of all land in the district for potential development
- [Habitats Regulations Assessment Scoping Report](#) 2016
- [New Forest Strategic Housing Market Assessment](#) 2014, which is likely to be refreshed late 2016 / early 2017
- [Green Belt Study](#) 2016
- Desktop biodiversity study
- A high level transport capacity assessment of the strategic road network.

1.20 By the time the Local Plan is finalised we will also publish

- A [Strategic Flood Risk Assessment](#) to complement national assessments published by the Environment Agency, adding an

assessment of assessing flood risks from drainage and local water courses

- An [Appropriate Assessment](#) of any sites and policies that is likely to have a significant effect upon a European site
- A [Viability Assessment](#) of the policies and proposed development sites in the draft Local Plan
- A [Landscape Study](#) of the character, sensitivity and potential development capacity of land in the district
- Other technical studies as we may require.

1.21 We are also participating in sub-regional evidence base studies on matters such as business needs, travellers' accommodation and water supply and treatment.

1: Introduction

How to respond to this consultation

To follow

For enquiries contact:

Policy and Plans Team
New Forest District Council
Appletree Court,
Beaulieu Road,
Lyndhurst
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Email: @nfdc.gov.uk

Tel:

2: Requirements for Local Plan-making

Introduction

2.1 There is a broad consensus between the national political parties that England needs to build around 250,000 new homes per annum to meet its needs. Yet average housing delivery rates have been well short of this level for the last three decades, creating a ‘housing crisis’.

2.2 Government has identified that a sufficient and affordable supply of housing is an essential part of the recovery and performance of the national economy. The previous Government significantly reformed the planning system, starting with the introduction of the [National Planning Policy Framework](#) (2012) and accompanying [National Planning Policy Guidance](#). The reform process is ongoing and may affect the Local Plan Review both in terms of Local Plan content and in terms of plan-making processes.

2.3 This section outlines current and emerging National Policy that will impact upon the preparation and/or content of this Local Plan.

Planning for Sustainable Development including Meeting Housing Needs

2.4 At the heart of the National Planning Policy Framework is the [Presumption in favour of Sustainable Development](#). Local Authorities should positively seek opportunities to meet the development needs of their area.

2.5 Central to the Government’s reforms is the desire to boost housing supply, and the requirement for Local Plans to make every possible effort to meet their objectively assessed needs unless it can be demonstrated

that any adverse impacts of doing so would significantly and demonstrably outweigh the benefits. The key requirements of the National Planning Policy Framework¹ for housing policies in Local Plans are that they should:

- significantly boost the supply of new homes making every effort to meet the various forms of market and affordable housing need in full unless the harm in doing so outweighs the benefits or national policies restrict development;
- identify sufficient land to meet the need for new homes for around the next 15 years;
- maintaining a supply of deliverable sites to meet the Local Plan target for at least the next five years;
- set policies for housing mix (type, size and tenure) and density that reflect local needs and circumstances.

2.6 The imperatives for housing and economic growth should be understood in the context of the primary planning objective, to achieve sustainable development. Local Plans should seek to achieve improvements in all three dimensions of sustainable development: social, economic and environmental. The National Planning Policy Framework sets out objectives to achieve this and requires Local Plans to:

- conserve and enhance the natural environment by protecting and enhancing valued landscapes, geological conservation interests and soils. This includes recognising the wider benefits of ecosystem services, and minimising impacts on biodiversity.

¹ NPPF paragraphs 14, 17, 47, 48 and 50

2: Requirements for Local Plan-making

Allocations of land for development should prefer land of lesser or amenity environmental value (NPPF: 109-125);

- seek to positively and proactively encourage economic development by supporting existing business and retail sectors, and to set criteria, or identify strategic sites, for local and inward investment to match the strategy and to meet anticipated needs over the plan period (NPPF: 17, 21)
- seek to ensure provision of sufficient infrastructure for transport, telecommunications, waste management, water supply, wastewater, flood risk and coastal change management;
- seek to ensure provision of sufficient health, education, and community infrastructure and other local facilities to reflect local need;
- always seek to secure high quality design and a good standard of amenity for all existing and future occupants of land and buildings (NPPF: 57-61).

English planning authority may only grant planning permission for a residential development of a specified description if the starter homes requirement is met. The Government has set a requirement for at least 20% of dwellings to be starter homes on appropriate site (it appears likely but is not yet specified that this will be sites that can provide more than 10 homes).

Permission in Principle

2.8 This is in effect automatic planning permission for housing sites allocated in an adopted Local Plan, Neighbourhood Plan, or local Brownfield Register. It would be subject to the approval of technical details relating to the development.

2.9 The details of how permission in principle might work have not yet been specified. If for example all sites allocated in a Local Plan secure automatic permission in principle, then there would be significantly more work to do on the master planning of future housing sites within the local plan process.

Brownfield Sites Register

2.10 The Government has set out plans to introduce a statutory Brownfield Register. The government has legislated to grant automatic permission in principle on brownfield sites identified on those registers, subject to the approval of a limited number of technical details. If implemented there will be no need for Local Plans to allocate for development sites identified in their Brownfield Register, which could significantly reduce the work required for the Local Plan Review Part Two.

Housing and Planning Act

2.7 Reforms have continued apace under the current Government. The [Housing and Planning Act](#) (May 2016) paves the way in legislation for a range of significant changes to planning policy and the production of Local Plans. The technical details of these changes and how they will operate will be set out through a combination of all or any of new regulations and updates to the NPPF and accompanying Policy Guidance. Key measures within the Act that will significantly affect the preparation and/or content of this Local Plan are:

Starter Homes requirement

y.x Local Authorities have a duty to plan proactively for the delivery of starter homes. The Secretary of State may by regulations provide that an

2: Requirements for Local Plan-making

Other Legislation

2.11 Revised [Permitted Development Rights](#)² allow a range of minor household developments without the need for planning permission. They also allow some commercial, office, light industrial, storage/distribution and agricultural premises to be converted to housing without the need for planning permission.

2.12 The [Housing Standards Review](#) was a fundamental review, launched in October 2012, of the building regulations framework and voluntary housing standards. Following the review Building Regulations now set standards for most aspects of housing environmental performance, rather than the Planning System. There is an option for enhanced standards for water use efficiency where justified by local evidence. National Policy Guidance also gives an option to apply national internal residential space standards where their use can be justified³.

2.13 The consequence of the various planning reforms is that a lot of the more detailed policies that Local Plans have previously contained controlling particular types of use or change of use or other building standards will not and cannot be included in our revised Local Plan.

Planning positively

2.14 As outlined above the strong presumption in national policy is that housing and other development needs should be met in full wherever possible. In an area such as ours with extensive and significant constraints, environmental considerations must be carefully weighed in the balance against the significant social and economic benefits of fully meeting housing needs.

2.15 Making decisions about future locations for development involves some difficult choices and can arouse strong opinions especially from people living near to where growth is proposed. It is therefore important that decisions are based on evidence that can be reviewed and tested.

2.16 It is also important to understand the consequences of [failing to plan positively](#) and promptly to address identified needs for housing and other development:

- If we fail to bring forward sufficient housing sites when there is evidence that suitable development land is available, our Local Plan may be found unsound at Examination stage.
- If our Local Plan was found unsound there would be a significant delay whilst an updated Local Plan was prepared. During a period without an up-to-date Local Plan there would be a significant risk that house builders would be successful in getting unplanned development approved on an ad hoc basis through planning appeals.
- This would mean that our local ability to control the location, form and quality of development and to negotiate for other community benefits would be significantly weakened. The potentially suitable sites we had identified would likely be the first to come forward as speculative planning applications.

² As set out in the Town and Country Planning (General Permitted Development) (England) Order 2015 and the Town and Country Planning (General Permitted Development) (England) (Amendment) Order 2016.

³ [Technical housing standards – nationally described space standards](#) (2015)

2: Requirements for Local Plan-making

- Ultimately if we do not produce our own Local Plan, one will be produced for us by Government at our expense. Government has set a target date of March 2018 for up-to-date Local Plans to be published by local planning authorities.

2.17 Our firm view is that much better outcomes will be achieved if we decide where growth will go, what form it will take and the facilities and infrastructure that will need to be provided alongside new homes. This means approaching development in a positive and encouraging way and working with site promoters and land owners through the Local Plan process to make the best of all the opportunities available.

3: Local Plan area profile and context

New Forest District in strategic context

Introduction

3.1 The Plan Area (see map 3.1) comprises three separate sub-areas around the edges of the New Forest National Park on the south coast between the cities of Southampton and Bournemouth. It is characterised by a dispersed pattern of small to medium sized towns and villages an attractive countryside and coastal landscapes fringing the National Park.

Map 3.1: The Plan Area in relation to New Forest District and National Park



New Forest District, National Park and Park Authority

3.2 The central area of New Forest District is within the National Park. The New Forest National Park Authority is responsible for planning

including local plan preparation for the National Park area. The District Council is responsible for plan-making for the three areas of the District outside the National Park. Both authorities are cooperating closely, working to similar local plan timetables and jointly preparing parts of the evidence base.

3.3 The New Forest National Park is in close proximity to most of our main settlements and the areas where there is pressure for development. In planning for the District area outside the National Park we have a duty to take into account the statutory purposes of National Parks¹:

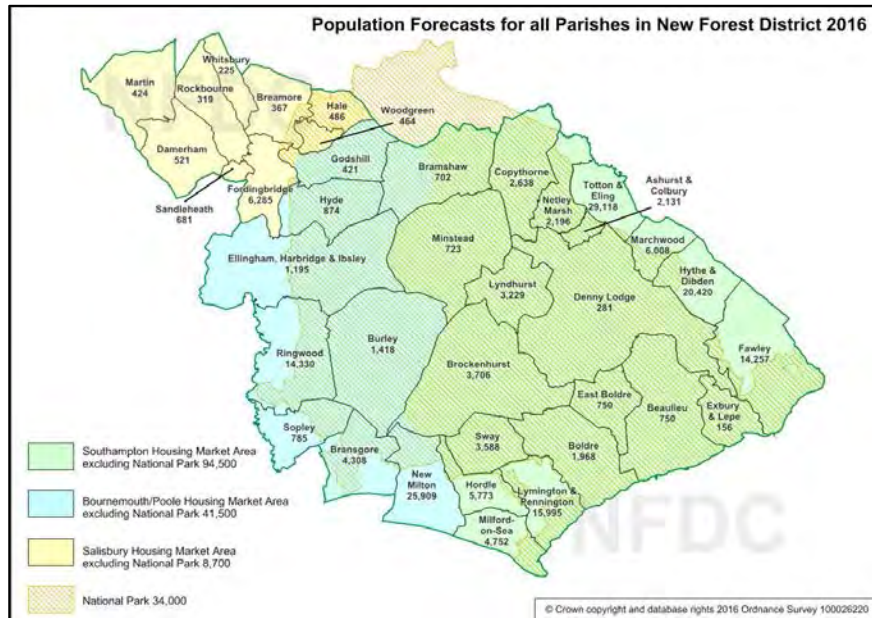
- to conserve and enhance the natural beauty, wildlife and cultural heritage of the National Park
- to promote opportunities for the understanding and enjoyment of the special qualities of the National Park by the public.

Housing Market and Travel to Work Areas

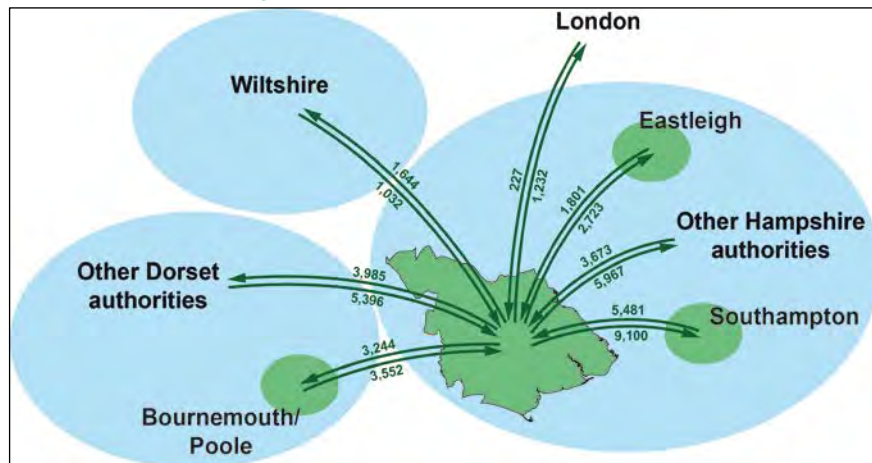
3.4 New Forest District is partly within three housing market and travel-to-work areas, which overlap to some extent: Southampton, Bournemouth and to a lesser extent Salisbury. In planning for our District we are working cooperatively with all three areas (see maps 3.2, 3.3).

¹ Section 62 of the Environment Act 1995

3: Local Plan area profile and context



Map 3.2: Map of housing market areas



Map 3.3: Commuter flows (2011 Census)

Local Enterprise Partnership areas.

3.5 Local Enterprise Partnerships (LEPs) are partnerships between local authorities and businesses to help determine local economic priorities and lead economic growth and job creation within their local areas. LEPs prepare Strategic Economic Plans which are an important part of the context for preparing Local Plans.

3.6 Totton and the Waterside is within the Solent LEP, which covers the Partnership for Urban South Hampshire (PUSH) area (map 3.4). The Solent LEP economic plan, 'Transforming Solent' promotes the area as the UK's leading growth hub for advanced manufacturing, marine and aerospace industries.

3.7 The rest of the Plan Area is within the Enterprise M3 LEP (map 3.5), focussing on the M3 corridor from the fringes of London to New Forest District excluding the Waterside area. Its economic strategy aims to create a region of complementary Growth Towns driven by innovation in science and technology combined with a vibrant rural economy, balanced with an excellent environment and quality of life.

3: Local Plan area profile and context

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Map 3.4: PUSH and Solent LEP area



Map 3.5: M3 LEP area

3: Local Plan area profile and context

Partnership for Urban South Hampshire (PUSH)

3.8 The Partnership for Urban South Hampshire (PUSH) brings together the local authorities in the South Hampshire sub-region, working cooperatively with the Solent LEP to coordinate strategic planning activities and support sustainable development and economic growth. Totton and the Waterside parishes in the eastern part of the District are in within the PUSH area.

3.9 Local authorities within the PUSH area have worked together for many years on strategic planning matters for the PUSH area (map 3.4). The latest strategic planning statement is the [PUSH Spatial Position Statement](#) (June 2016) which sets out a planning strategy for the area to 2034. It is a non-statutory framework to help co-ordinate growth and plan-making in this sub-region. It promotes a 'cities first' approach to locating development in and around urban areas whilst protecting and enhancing countryside gaps and the environment including the Solent coast and the New Forest National Park.

3.10 As part of a balanced approach to meeting needs across the sub-region as a whole, the PUSH Position Statement recognises the restricted supply of suitable land in New Forest District. The Position Statement envisages that 3,600 homes and land for 32,000 sqm of business floor space (equating to around 8-10 hectares of land) be provided in the PUSH part of New Forest District by 2034.

Dorset

3.11 The western parts of the plan area (particularly New Milton and the Avon Valley south of Fordingbridge) have a strong relationship with Dorset as well as Hampshire. Parts of New Forest District are within the eastern Dorset housing market area, and the Green Belt within New Forest District adjoins the South East Dorset Green Belt.

3.12 The local authorities in Dorset have established a Strategic Planning Forum to address strategic planning and the 'Duty to Cooperate' across the Dorset Local Enterprise Partnership (LEP) and Dorset Local Nature Partnership (LNP) area. The Forum was set up to consider the strategic planning and transport issues that affect cross boundary matter. It has no executive powers. New Forest District Council is involved in the work of the Forum in recognition of the cross-county boundary issues.

Wiltshire

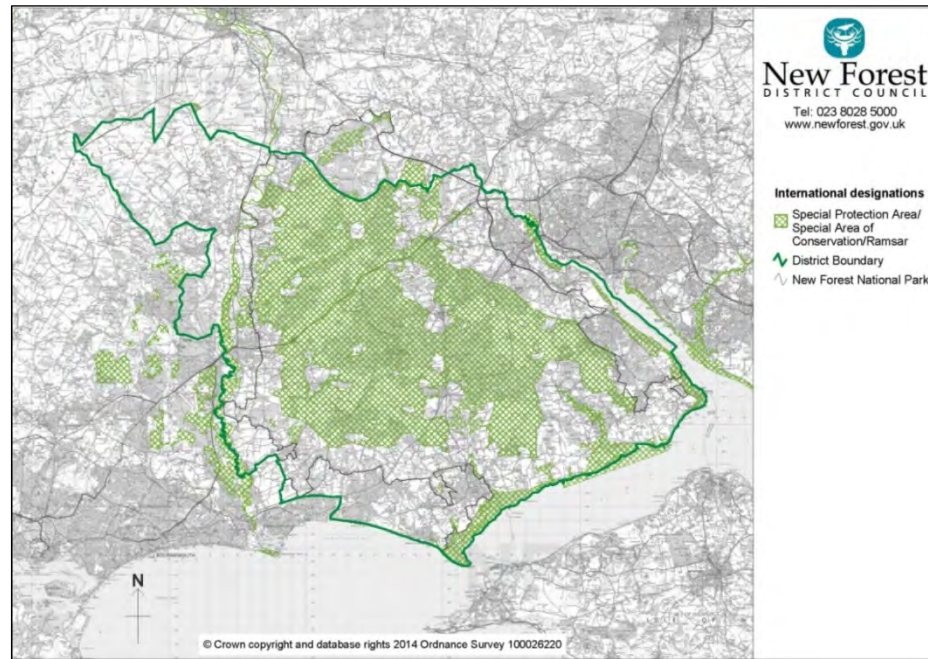
3.13 The north-west corner of the District, Fordingbridge and the western Downlands are close to the county boundary with Wiltshire, and fall within the Salisbury housing market area. The main strategic issues in this area relate to managing the impacts associated with development on the New Forest National Park, River Avon and the Cranborne Chase Area of Outstanding Natural Beauty.

3: Local Plan area profile and context

Local Plan area profile

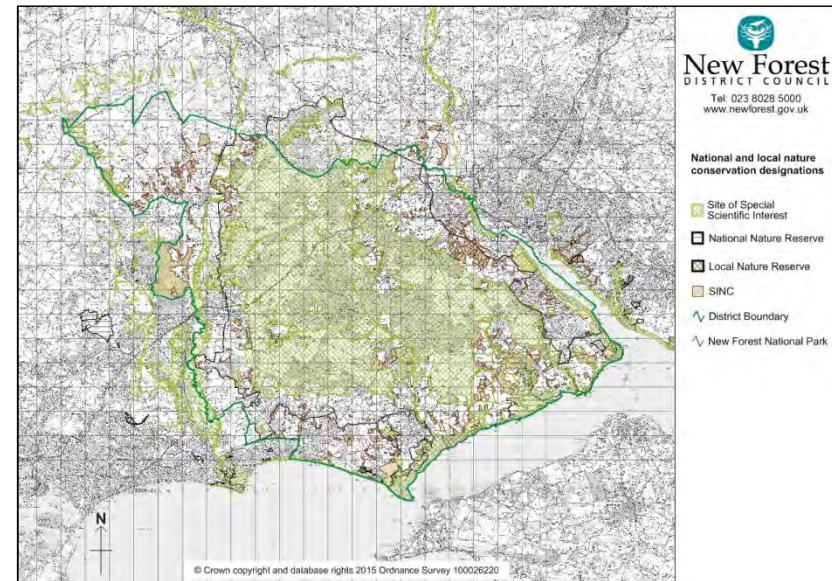
Environment

3.14 The Plan Area is located in a wider area that is particularly rich in terms of biodiversity including international RAMSAR sites, European Special Protection Areas (SPA) and Special Areas of Conservation (SAC), national Sites of Special Scientific Interest (SSSI), and locally designated Sites of Importance for Nature Conservation (SINC). These cover extensive parts of the New Forest, the Rivers Avon and Test Valleys and coastal habitats in Southampton Water and the Solent (maps 3.6, 3.7).



Map 3.6: International nature conservation designations

Map 3.7: National and local nature conservation designations

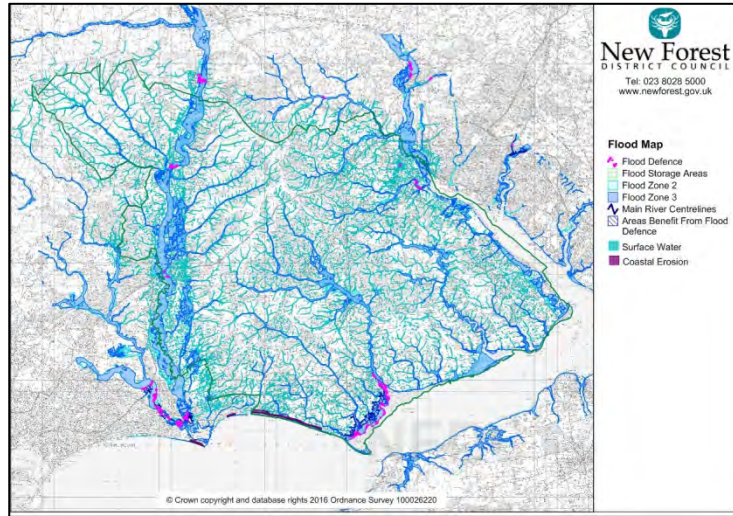


3.15 The importance of protecting these areas significantly affects and constrains the potential of land for future development. Other major constraints are illustrated in maps 3.8 – 3.11 and include that:

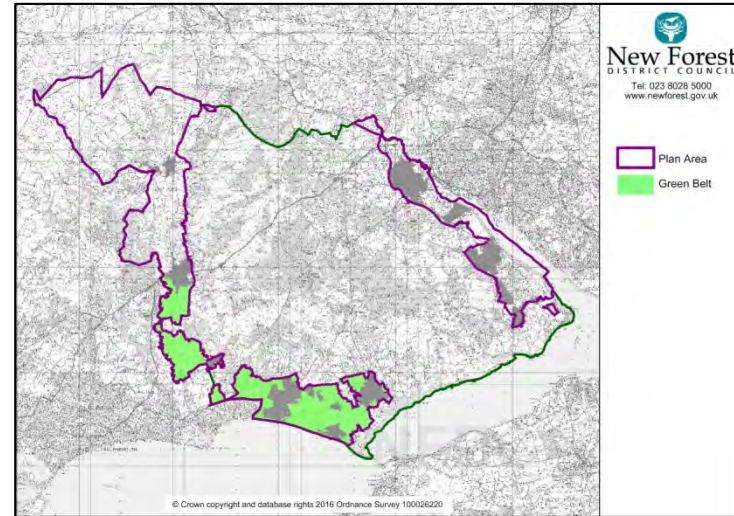
- Significant parts of the Plan Area are subject to risk of flooding or coastal erosion.
- There are Health and Safety Executive Hazard Zones around industrial or military installations.
- Landscape considerations including an Area of Outstanding National Beauty and that the New Forest National Park adjoins the Plan Area.
- South of Ringwood through to Lymington is Green Belt.

3: Local Plan area profile and context

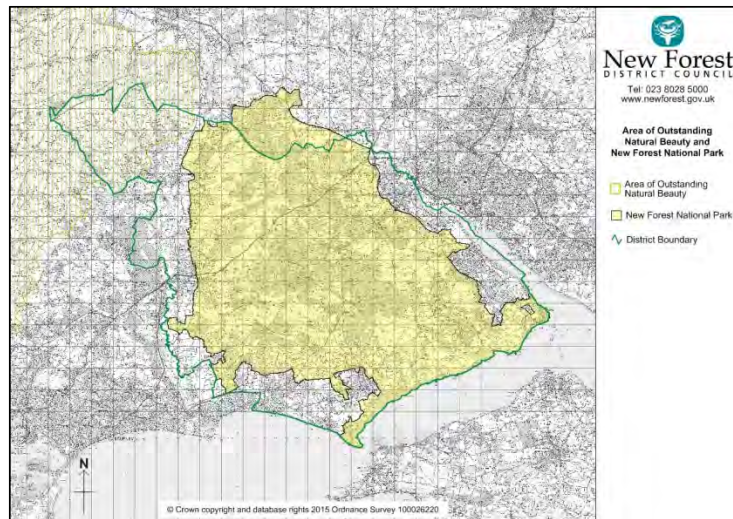
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Map 3.8: Locations at risk of flooding



Map 3.10: South West Hampshire Green Belt



Map 3.9: National landscape designations



Map 3.11: Hazard Consultation Zones

3: Local Plan area profile and context

3.16 Of the remaining land in locations that may be potentially suitable for development, much of it contains identified sand and gravel resources. Prior extraction of minerals may significantly delay or prevent the delivery of housing until such time as those important mineral reserves are worked. This potentially affects both specific sites and the overall profile and phasing of future housing supply in the District.

Demographic change

3.17 The Sustainability Appraisal Scoping Report² and New Forest Strategic Housing Market Assessment³ ('SHMA') provide an overview of the population and household characteristics of the District and how they are projected to change in the next twenty years.

3.18 Statistics are for the whole District unless stated. About 85 per cent of the whole District population reside in our Local Plan area, the District outside the National Park⁴. The key features and trends are:

- **Population size:** the population of the whole of the District is projected to rise from 180,700 to 207,700 in the plan period 2016-2036, by around 21,900 or 12 percent⁵.
- **Age structure:** the population of the District is generally older than national average in all three of the District sub areas. This is most marked in the South Coastal sub area where about 33% of the population is over 65 compared to 22% in the rest of the District⁶.

All (99%) of the projected net 21,900 population increase in the Plan Area in this period will be in the 65+ age groups, a 43% increase in these age cohorts⁵.

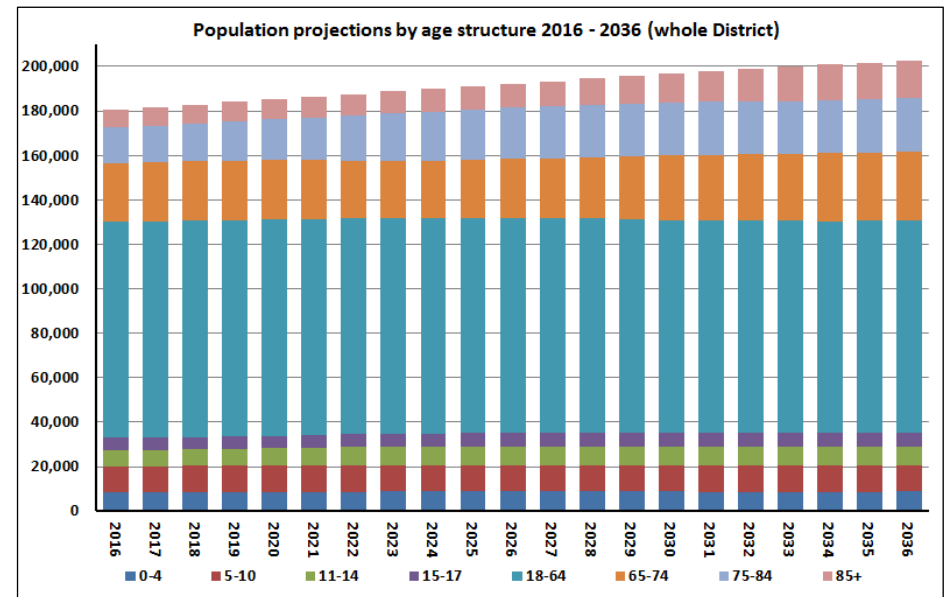


Chart 3.12: Population projections by age structure 2016 - 2036 (whole District)⁷

² New Forest Strategic Housing Market Assessment 2014 paras 4.20-4.29 (<http://www.newforest.gov.uk/CHttpHandler.ashx?id=30253&p=0>)

³ <http://www.newforest.gov.uk/article/16541>

⁴ Excludes those parts of the New Forest National Park in Wiltshire or Test Valley

⁵ [2014 based ONS Subnational Population Projections](#)

⁶ 2011 Census

⁷ [2014 based ONS Subnational Population Projections](#)

3: Local Plan area profile and context

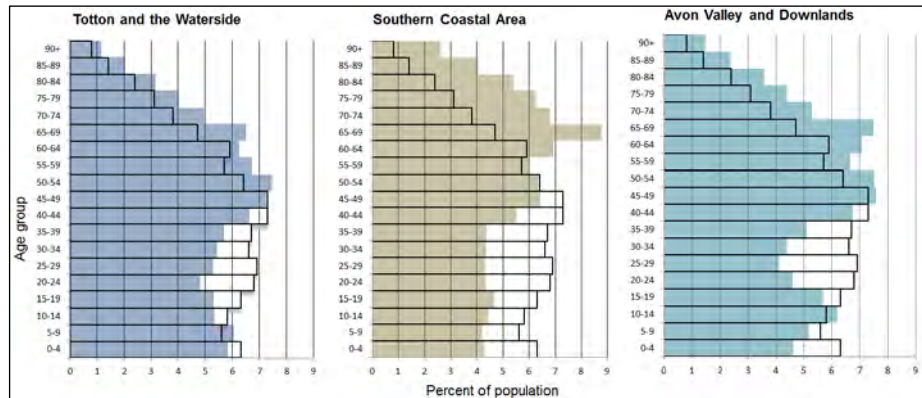


Chart 3.13: Current population structure for sub-areas (colour) compared with England (black line)⁸

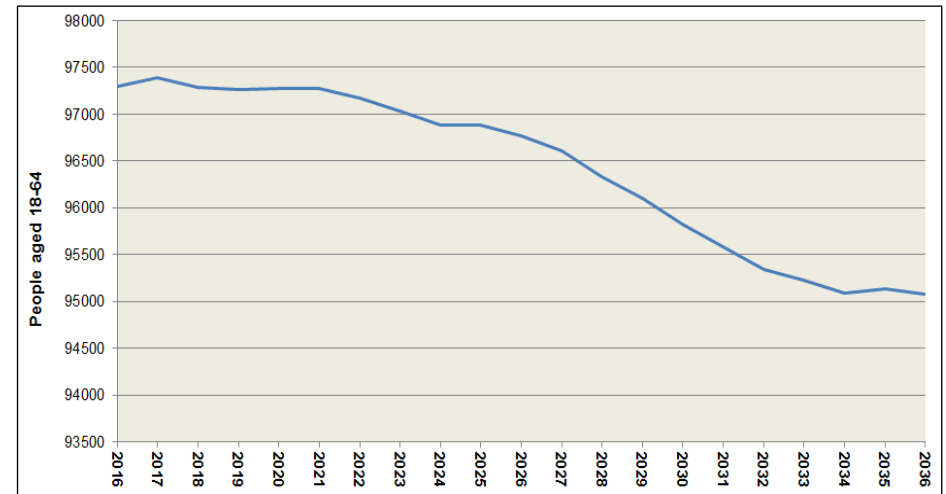


Chart 3.14: District working age population (aged 18-64)

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- **Ethnicity:** The District is much less diverse than England as a whole. About 95 per cent of the District population is ‘white British’ compared to 80% nationally. However the gypsy and traveller population is about twice the national average.
- **Economic activity:** Unemployment and other worklessness measures are lower than county and national rates (around 0.7%), but the overall activity rate is below regional and national rates reflecting the popularity of the area for retirement.
- **Working age population** is projected to decline by around 2,200 or 2.3 per cent by 2036, predominantly in the 45-59 age groups⁹.

- **Household composition:** the number of households recorded in the 2011 census was 76,839 and is projected to increase to 80,000 by 2016 and to 94,000 by 2036. Almost all of the forecast household growth will be older households. Relative to regional averages the District has more single person older and older family households and fewer families with dependent children.

	New Forest District		Hampshire	South East
	No	%		
Single Pensioner	12,423	16.2%	12.6%	12.7%
Single Non-Pensioner	9,787	12.7%	14.1%	16.1%
Family All Over 65	10,490	13.7%	10.3%	9.0%
Family : No Children	15,272	19.9%	20.4%	18.7%
Family with Dependent Children	17,662	23.0%	27.3%	27.1%
Family: All Children Non-Dependent	6,983	9.1%	9.3%	9.1%
Other Household Types	4,222	5.5%	6.1%	7.4%

Table 3.15: New Forest District household composition (2011)

⁸ Census 2011

⁹ [2014 based ONS Subnational Population Projections](#)

3: Local Plan area profile and context

Housing

Stock and tenure

3.19 Key characteristics of the current housing stock include:

- The whole District **housing stock** is characterised by a higher than average proportion of detached homes and semi-detached homes (almost 70 per cent of stock).
- In terms of **housing tenure**, 75 per cent of households are owner occupied, above national and Hampshire averages. Affordable and private sector renting accommodates 11 and 12 per cent of households respectively.

	Detached	Semi-detached	Terraced	Flat	Other
National Park Authority Area	66.6%	19.0%	6.3%	6.1%	2.0%
Totton & The Waterside	37.1%	28.4%	21.9%	11.4%	1.3%
Ringwood & The West	45.7%	27.1%	12.4%	13.2%	1.7%
Southern Coastal	45.4%	19.1%	14.9%	18.6%	2.0%
New Forest District	45.6%	23.8%	15.8%	13.1%	1.7%

Table 3.16: New Forest District housing type profile by sub-area (2011)

	1 bedroom	2 bedrooms	3 bedrooms	4 bedrooms	5 or more bedrooms
New Forest District	8.4%	26.8%	42.0%	17.9%	4.7%
Hampshire	9.3%	24.1%	41.3%	19.6%	5.6%
South East	11.6%	26.2%	38.9%	17.0%	6.0%
England	11.8%	27.9%	41.2%	14.4%	4.6%

Table 3.17: New Forest District homes by number of bedrooms (2011)

- **House prices** in the District are higher, increasing faster and are consistently less affordable than the Hampshire and South East England averages. The latest published ratio between lower quartile house prices and lower quartile incomes is 10.5¹⁰.

¹⁰ 2015, DCLG Housing Market Live Table 576

Housing needs

3.20 In terms of **future housing needs**, the Strategic Housing Market Assessment (SHMA)(2014) assessed a range of scenarios and its main recommendations are as follows.

- The District should address an 'objectively assessed housing need' (OAN) for 11,740–13,740 additional homes for the period 2011-2031 in the District council area outside the National Park (567-687 per annum).¹¹
- A very high proportion of the need is for affordable housing (525 households per annum), justifying seeking the maximum viable affordable housing contribution.¹²
- Housing mix should include providing more smaller properties especially 2-bed homes as well as family housing. Smaller homes should include well-specified properties suitable for downsizing by active older households.¹³
- A larger older population that is living longer is projected to lead to significantly increased numbers of people suffering mobility problems (65 per cent increase 2011-2031) and dementia (78 per cent increase by 2031). This translate to a need for additional spaces for registered care.

3.21 An assessment of need for gypsies, travellers and show people is in progress.

3.22 In accordance with methodology guidelines the SHMA ignores land supply, policy and other development constraints. A key role of the local

¹¹ SHMA Table 1

¹² SHMA p119

¹³ SHMA para 1.14

3: Local Plan area profile and context

plan process is to consider these factors and translate identified needs into achievable and sustainable housing targets.

Housing delivery

3.23 The District is meeting and exceeding the 2009 Core Strategy housing target of 196 homes per annum 2006-2026, delivering an average of 263 homes per annum 2006-2015. The District has a healthy five year land supply of 8.45 years for the period 2016-2021 against the Core Strategy housing target. Historically the District has delivered higher rates of housing development than is planned for in the current Local Plan.

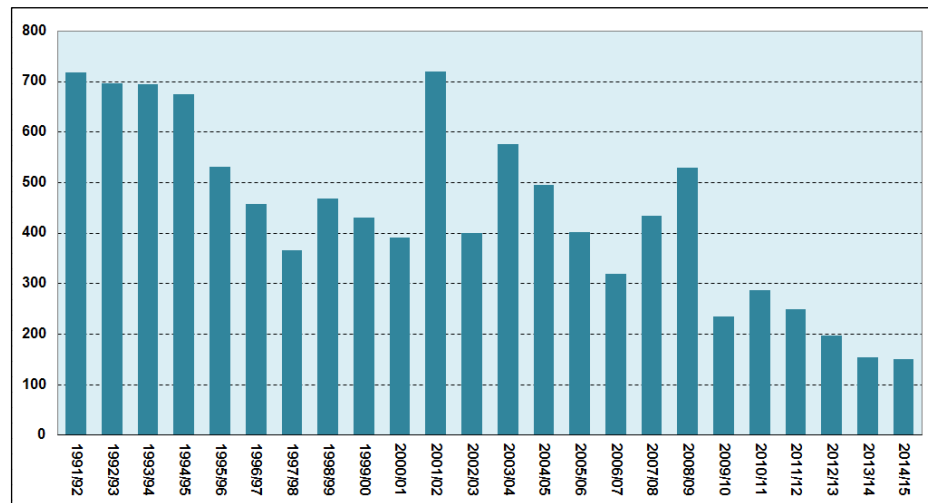


Chart 3.18: Net Dwelling Completions 1991-2015 (District including the National Park)

Future housing land supply

3.24 New Forest District is a predominantly rural area. Urban and brownfield sites will be part of future housing supply, but most new housing sites are likely to be green field sites in rural, settlement fringe locations.

3.25 Settlement and landscape character will significantly influence the forms and density of housing development that are appropriate. Larger sites may provide opportunities to create their own character and neighbourhood identity.

3.26 All new housing developments in the District will need to provide for accessible natural green space for recreation to mitigate their recreational impacts on protected European designated habitats (such as bird disturbance and predation from pets). Where mitigation is necessary this is a legal requirement not a policy choice. As a rule of thumb it increases the land required to achieve a given level of housing development by around 50%, compared to comparable areas which do not need to provide mitigation through provision of natural green space on-site.

The Economy

Existing business floorspace

3.27 The District has around 1.2 million square metres of commercial floorspace. About 23% of this is within retail premises, 10% offices and 53% industrial floorspace (see chart below). The most notable feature is the relatively small proportion of office floorspace in the District, which is well below the regional and national rates.

3: Local Plan area profile and context

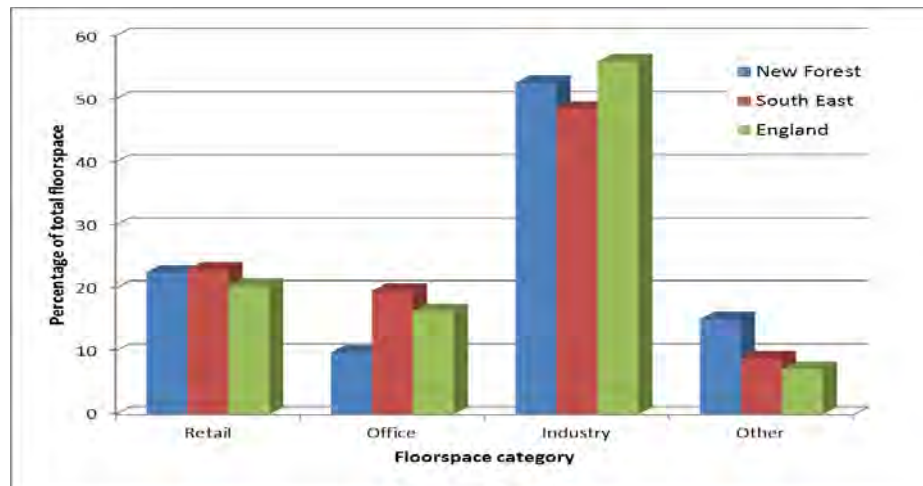


Chart 3.19: Commercial floorspace mix¹⁴

Supply of employment land

3.28 Most business activity takes place on existing employment sites. There are substantial employment sites in the eastern part of the District, in Totton, Marchwood and between Hythe and Fawley in particular, and smaller industrial estates in most of the other towns. Table 3.20 below shows land which is available (not currently in use) or allocated for employment development in each of the sub-areas.

3.29 In addition to the 43 hectares of identified general employment land there is

- around 25 hectares of open land within Marchwood Military Port (which has new commercial port operators); and

- around 30 hectares at Fawley Refinery available for petro-chemical industrial uses.

Economic sub-area	Total employment land identified ¹⁵
Totton and the Waterside	16.4 ha
Lymington and New Milton	16.6 ha
Ringwood and Fordingbridge	10.2 ha
Total	43.3 ha

Table 3.20: Identified general needs employment land 2015

3.30 In terms of additions to stock, commercial floorspace completion rates in the past decade have been consistent but modest. Ampress Park in Lymington is almost fully built out and occupied, and there is significant current development activity in Ringwood on a longstanding employment allocation site.

Employment needs

3.31 The **PUSH Spatial Position Statement** has identified a need for around 8-10 hectares of business land in Totton and the Waterside from 2011, of which 5 hectares was allocated in the previous Local Plan Part 2 (2014) leaving a residual need of about five hectares. The 2016 Enterprise M3 Commercial Property Market Study for the M3 LEP does not identify specific needs but characterises the New Forest area as having an efficient market with relatively low business demand and vacancy (3%).

3.32 The New Forest Business Needs Survey (2015) identified that the most important factors local businesses look for when relocating were

¹⁴ Valuation Office Agency 2012

¹⁵ Source HCC/NFDC Annual Monitoring Report. Includes sites with planning permission and allocations in the Local Plan Part 2. Excludes sites identified for specific businesses.

3: Local Plan area profile and context

superfast broadband and flexible forms of accommodation. Few of the respondents thought the quality of their site or location was poor. The response rate was too low to draw conclusions on potential future needs.

Business sectors and types

3.33 The main business sectors in the District are manufacturing, construction, retail, education and health, and accommodation and food services. Sectors such as information and communication, finance, professional, scientific and technical, and business administration are under-represented when compared with rates for the wider South East.

3.34 In seeking to maintain a vibrant and resilient local economy it is more important to support the needs of the existing business base which has specific strengths in the tourism, marine and engineering sector, rather than to pursue large scale inward investment.

3.35 The District has a high proportion of micro businesses, typically employing fewer than 10 employees. A key feature of the New Forest economy is the high level of local ownership of businesses, many of whom are home-based. There is also a strong network of local business to business connectivity.

3.36 The expansion of these businesses, often from start-up requires them to progress to short term office/light industrial accommodation typically under 100sqm of which there is currently an undersupply. Ongoing provision of some employment land and premises is needed to provide opportunities for company expansion and growth in the local area. By maximising the retention of local businesses in the District local supply chains are sustained and the range and quantity of local employment opportunities should be more resilient to wider economic fluctuations.

Retailing

3.37 Based on planning applications and enquiries there has been little demand for large scale retail development in the District for at least the preceding decade, reflecting the relatively close proximity to larger sub-regional shopping centres in Bournemouth, Salisbury and Southampton in a consolidating marketplace. The only substantive activity has been from smaller discount supermarket operators with new stores open in New Milton, approved in Ringwood and under discussion in Hythe.

3.38 Town centre vacancies average below 7%, the lowest level since before the 2008 recession. Fordingbridge has the highest vacancy rate at 13%. Some changes of use from shops to other uses have been taken out of planning control through the introduction of new Permitted Development rights, which in turn increase the flexibility of existing small shop units to meet market demand for other service uses.

4: Local Plan objectives and key issues

Local Plan Sustainability Objectives

4.1 We have identified ten objectives for the Local Plan review to support and achieve sustainable development. These are listed in table 4.1 below. The Sustainability Appraisal Scoping Report provides further details about how they have informed site selection and will inform policy making through more detailed appraisal questions.

Table 4.1: Local Plan Review Sustainability Appraisal objectives

<p>1. Meeting Housing Needs To provide for local housing needs.</p>
<p>2. Accessible Opportunities, Facilities and Services To provide a range of services, facilities and opportunities that are accessible to the local community and reduce the need to travel</p>
<p>3. Safe and Healthy Environments To provide safe, healthy and secure living environments including by preventing, avoiding or managing flooding, pollution, other significant hazards and the potential for crime.</p>
<p>4. A Thriving Economy Support a thriving, sustainable local economy making best use of local skills, assets and resources.</p>
<p>5. Protecting Biodiversity and Wildlife Protect and enhance biodiversity and safeguard wildlife and the integrity of nature conservation sites.</p>
<p>6. Accessible Green Space, Coast and Water Bodies Protect and where possible provide and enhance public open spaces, green infrastructure and access to the countryside, coast and water bodies</p>
<p>7. Protecting Landscape and Townscape To maintain, enhance and create high quality places.</p>
<p>8. Conserving Heritage To conserve, manage and enhance historic buildings and places</p>

<p>9. Sustainable Natural Resources To conserve or manage natural resources and their sustainable use within environmental limits.</p>
<p>10. Managing Climate Change To minimise contributions to climate change and mitigate and adapt to its effects.</p>

Key Issues for the Local Plan review

4.2 The sustainability objectives encompass a wide spectrum of important issues and more detailed questions that the Local Plan Review is considering and will address. Amongst these there are a smaller number of critical issues that present a particular challenge or will require a judgement to be made between potentially conflicting high priorities:

- **Issue 1 Housing target:** What is the right balance between the social and economic benefits of fully meeting housing needs within the Plan Area on the one hand, and on the other the requirements to avoid harm to nationally and internationally recognised areas of high ecological and landscape value including the New Forest National Park?
- **Issue 2 Ageing population:** How do we best address the accommodation, care and related needs of a 45% increase in population aged over 65 by 2036, making up all of the projected 22,000 population growth in this period?
- **Issue 3 Affordable housing:** What could or should be provided to address other forms of affordable housing need alongside the legal requirement to provide at least 20% of new housing as discounted starter homes for purchase by younger first-time buyers, whilst ensuring development remains viable and deliverable?

4: Local Plan objectives and key issues

- **Issue 4 Habitat mitigation:** Is the current approach¹ to mitigating impacts on the internally designated New Forest ecological areas within the New Forest still adequate and appropriate when planning for significantly higher levels of housing development?
- **Issue 5 Green Belt:** Are there special circumstances that might justify consideration of land in Green Belt for housing or other development and if so to what extent?
- **Issue 6: Flood risk:** Given other constraints on land supply are there any areas liable to flooding that can be made safe for strategic scale housing development both for residents on-site and without increasing future flood risk for properties nearby or downstream?

¹ The main element of the current mitigation approach is the provision of 8 hectares of suitable alternative recreational greenspace (SANG) per 1,000 additional population. See pages 41-42

5: Policy direction

Introduction

5.1 This is the main section of the consultation document. It outlines and seeks your views on our work so far on the Local Plan review. The main focus of the consultation is on potential sites for future housing development. We also outline our initial thoughts on a number of other strategic policy matters. Your comments will help us to work these up into detailed policies in the next stage of plan preparation.

Housing need and potential housing sites

Objectively Assessed Need for housing

5.2 The [New Forest Strategic Housing Market Assessment](#) (SHMA) (2014) provides the evidence base for housing needs. It was prepared in accordance with government guidelines about the factors to be considered. It reviews a range of population change scenarios and housing market indicators concluding that the objectively assessed need in the Plan Area is for 587 - 687 homes per annum for the period 2011-2031. This level of need is 3 - 3.5 times higher than our adopted Local Plan housing target of 196 homes per annum in the period 2006–2026.

5.3 For this consultation the 2014 SHMA provides a starting point for the Local Plan Review to plan for 11,740 - 13,740 homes in the Plan Period 2016-2036. The SHMA conclusions will be updated when new Government household growth projections are published later in 2016.

Identifying potential housing locations

5.4 When considering potential locations for new housing in a mainly rural area our starting point is to look at opportunities for new development ‘where it will enhance or maintain the vitality of rural communities¹’ and make use of existing infrastructure, facilities and services (adding capacity if required). There appear to us to be few opportunities for strategic scale housing development within built up areas, and the future contribution of smaller scale development within existing towns and villages is also likely to be modest. So given the scale of assessed housing need our technical work is focusing on land outside existing settlements, looking at everything but in particular at land around existing built up areas.

5.5 We focus on land that is not in locations where the National Planning Policy Framework² says development should be restricted. These include internationally protected Natura 2000 sites³, nationally designated Sites of Special Scientific Interest, Areas of Outstanding Natural Beauty, Heritage Coast or within a National Park; designated heritage assets such as ancient monuments; and locations at risk of flooding or coastal erosion.

¹ NPPF paragraph 55

² NPPF footnote 9 to paragraph 14.

³ Natura 2000 is a network of nature protection areas in the European Union. It is made up of Special Areas of Conservation (SACs) and Special Protection Areas (SPAs) designated respectively under the EU Habitats Directive and Birds Directive. SPAs include wetlands of international importance designated under the international Ramsar Convention.

5: Policy direction

5.6 In looking outside settlements we have also considered whether there are opportunities to create entirely new communities that are large enough to provide and sustain their own community and commercial facilities, employment and transport connections. There are no obvious candidates for sustainable new settlements.

5.7 Our site assessment process is progressing in stages. Table 5.1 outlines the stages completed so far. The proposals in this document are based on the preliminary results of this work. The results of the assessment process so far are the potentially sustainable housing locations shown in Map 5.2 overleaf and listed in Table 5.4 on page 27.

Some of these locations are within the Green Belt, this is an important issue in our consultation discussed further below.

Table 5.1: SA Site assessment stages and tasks completed

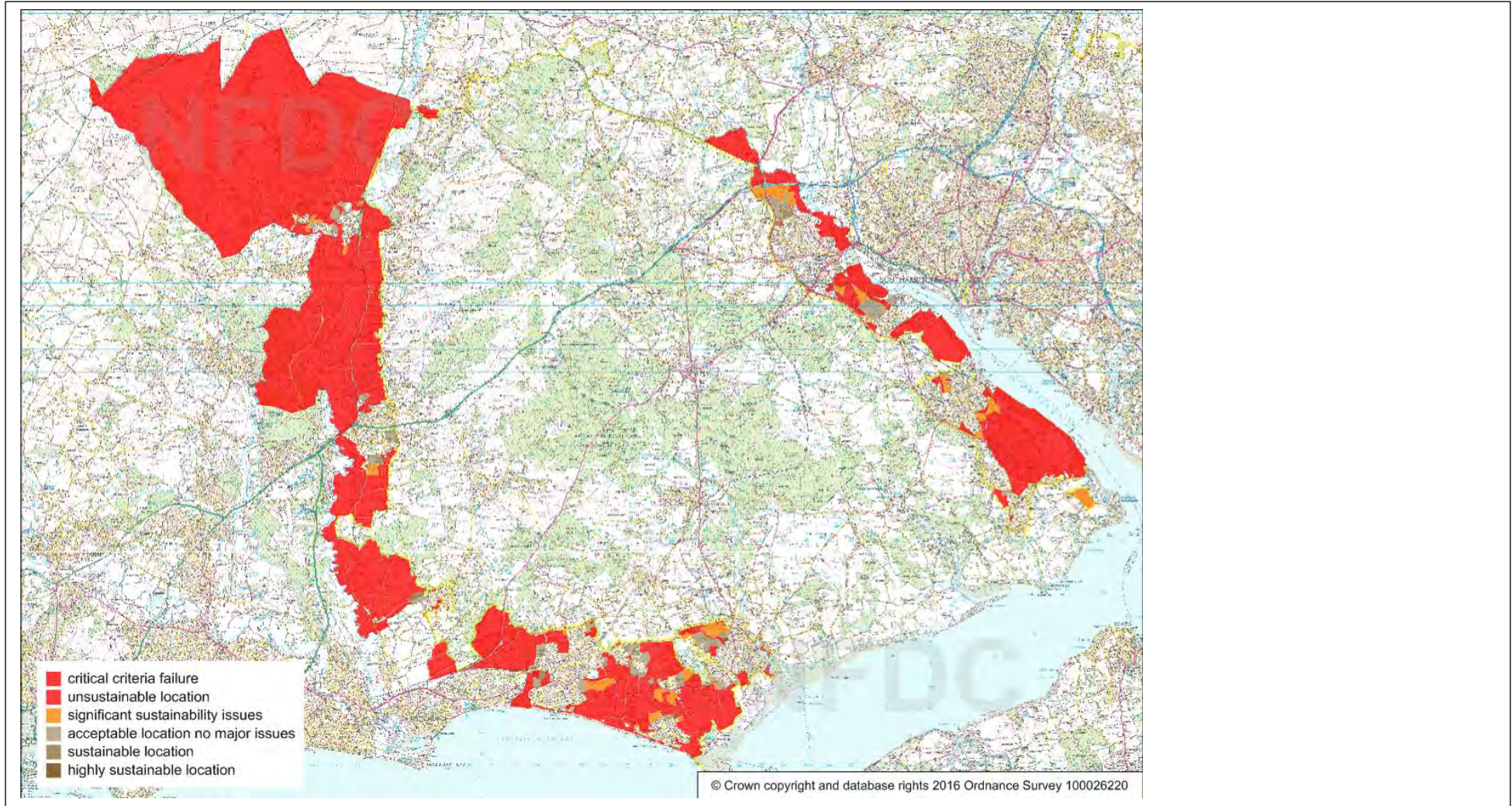
SA Site assessment stages		Status
1	Divide the full Plan Area outside defined settlements into coherent land parcels for sustainability assessment of potential for development, using natural boundaries and landscape features.	Completed
2	Critical criteria: identify land that is unsuitable in principle for development lying within: Flood risk zones 2 or 3 Areas at risk of coastal erosion Military / Health and Safety Executive exclusion zones Internationally significant ecological sites or national Site of Special Scientific Interest These land parcels are not assessed further.	Completed but see stage 11 (SFRA)
3	Public call for possible housing sites	Open ended

SA Site assessment stages		Status
4	Desktop assessment of all land parcels against the Local Plan sustainability objectives. Each objective has a number of specific assessment questions not all of which are relevant to site selection. Those most relevant to the suitability of a site for development in principle were given more weight in making an overall judgement, including but not limited to accessibility and proximity to facilities and services potential for significant ecological impact and scope to mitigate the impact of development including ability to provide accessible natural green space on suitable land on or adjoining the site.	Completed
5	Landscape capacity and landscape sensitivity assessment based on site visits and fieldwork	Completed
6	Green Belt review – independent review of land in Green Belt in terms of the purposes of Green Belt. The result is noted in the assessment but is not currently factored into the overall assessment conclusion about the potential sustainability of land in Green Belt for development whilst we consult you on this matter.	Completed
7	Sense check for existing land use as currently existing, allocated or permitted.	Completed
8	Informal preliminary consultation with providers on possible critical infrastructure constraints around main settlements	Completed

5.8 The Sustainability Appraisal Sites Assessment Annex of the Sustainability Appraisal Scoping Report provides further details of this process, which addresses the ten Local Plan sustainability objectives set out in section four of this document through a range of more specific assessment questions.

5: Policy direction

Map 5.2: Site Assessment Sustainability Appraisal Interim conclusions



5: Policy direction

5.9 The locations, scale and nature of any areas of housing potential will be refined through the remaining stages listed in Table 5.3, and through the site master planning process. The final assessment conclusions and site allocations may change once this work is completed.

Table 5.3: Remaining SA Site assessment stages

SA Site assessment Activity		Status
9	Incorporate relevant facts and evidence from public consultation feedback	To follow
10	Land availability confirmation (if not already confirmed at Stage 3 in the call for sites process)	To follow
11	Incorporate Strategic Flood Risk Assessment findings on any local level flood risks	To follow
12	More detailed assessments of infrastructure requirements incorporating feedback from public consultation including infrastructure providers	To follow
13	Open space (formal and informal) needs assessment (open space requirements may affect site capacity)	Underway
14	Viability appraisal	To follow
15	Findings from site specific technical studies by site promoters	To follow

Potentially sustainable locations for development

5.10 Our site assessment process in progress has so far identified that the areas listed on Table 5.4 and shown on Maps 5.4 – 5.11 on the following pages may be sustainable locations for strategic housing development. More detailed individual site maps are provided in Appendix A with commentary about the key issues affecting each site.

5.11 The status of these site is “proposals for the purposes of public consultation”, no more and no less. No final decisions will be made until we have consulted and carried out further work. They are proposed subject to the outcomes of the remaining assessment work and three important caveats:

- At this early stage we have assessed land in the Green Belt no differently from land not in Green Belt. Green Belt is an important national policy and highly valued. [The degree of protection we give to the Green Belt is an important issue in our consultation](#) and is discussed in more detail below.
- All sites will require Appropriate Assessment under the Habitats Regulations to establish whether the site alone or in combination with other proposals may adversely effect the integrity of a Natura 2000 site⁴. At this stage we assume that these effects can be adequately mitigated, primarily by providing accessible natural greenspace within or in the immediate vicinity of the site.
- In some locations we have not yet been able to identify or contact land owners to confirm whether or not the land would be made available for housing development. At this stage we assume the land would be made available. [We request that owners of proposed sites respond to the consultation](#) to confirm whether or not they are interested in making their land available for development, if allocated.

5.12 It is also important to bear in mind that the areas of development potential shown, if allocated, would not all be built upon. Some locations contain existing homes or other uses that owners may choose to retain. Areas of woodland or of ecological value we also expect to be retained

⁴ In the current adopted Local Plan all new residential development (in combination) was identified as having an adverse impact on the New Forest Natura 2000 sites that requires mitigation.

5: Policy direction

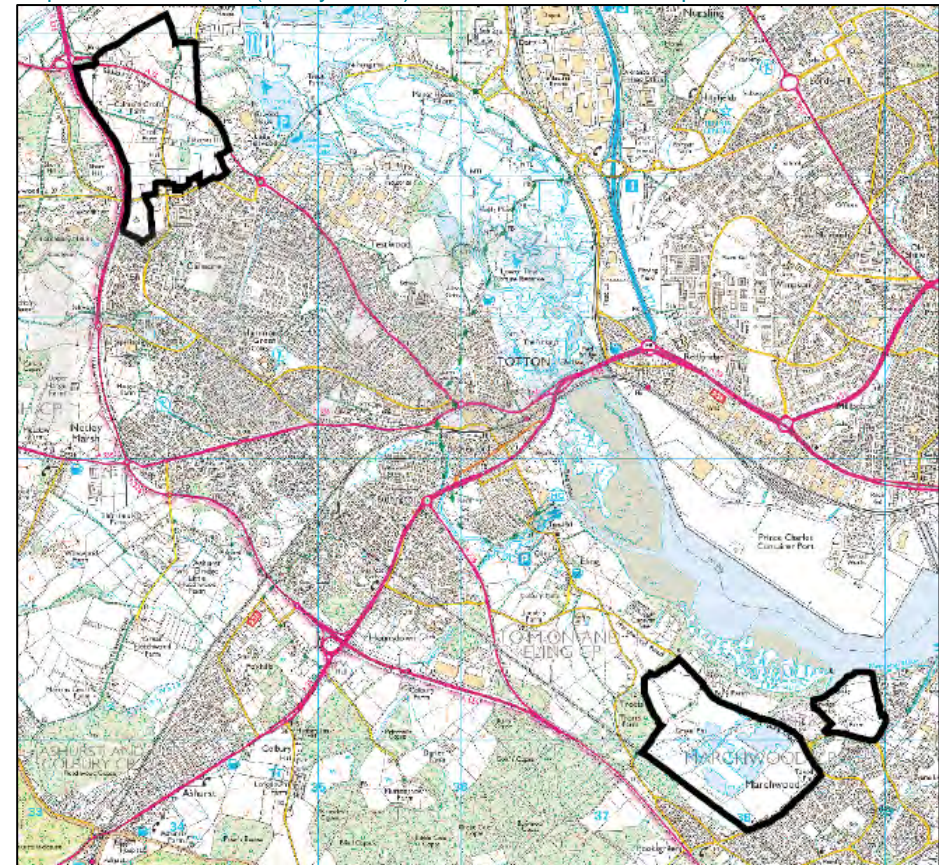
and enhanced. Urban extensions will include significant areas of public open space and recreational land, other new uses such as community facilities and on larger sites may include some land for business use or a new school as well as new homes.

Table 5.4: Potential strategic housing locations

Location	Initial estimate of potential
Totton and the Waterside sub area	About 2,050 homes
A. North of Totton	About 990 homes and about 5 hectares employment
B. West of Marchwood	About 880 homes
C. North of Marchwood	About 180 homes
South Coastal Towns sub area	About 2,960 homes
D. North of Lymington (Green Belt)	About 870 homes
E. South West of Lymington (Green Belt)	About 240 homes
F. North of Milford on Sea (Green Belt)	About 270 homes
G. North East of Everton (Green Belt)	About 120 homes
H. Central Hordle (Green Belt)	About 180 homes
I. North of Hordle (Green Belt)	About 150 homes
J. North East of Hordle (Green Belt)	About 200 homes
K. North West New Milton (Green Belt)	About 300 homes
L. North East of New Milton (Green Belt)	About 130 homes
M. South East of New Milton (Green Belt)	About 200 homes
N. South West New Milton (Green Belt)	About 300 homes
Avon Valley and Downlands sub area	About 1,880 homes
O. West of Bransgore (Green Belt)	About 120 homes
P. South of Ringwood (Green Belt)	About 750 homes
Q. East of Ringwood	About 400 homes and about 5 hectares employment

Location	Initial estimate of potential
R. North of Ringwood	About 130 homes
S. North West of Fordingbridge	About 380 homes
T. East of Ashford	About 100 homes
Estimated total potential on strategic sites District outside the National Park	About 6,890 homes on potential strategic sites

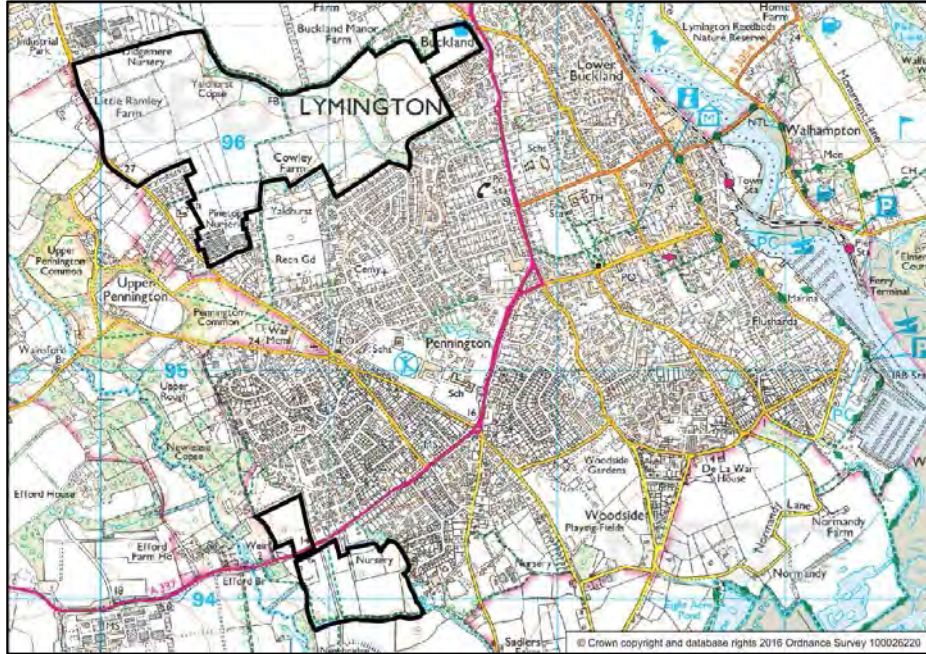
Map 5.5: North Totton (Netley Marsh) and Marchwood Site Proposals



See Appendix A for individual site maps

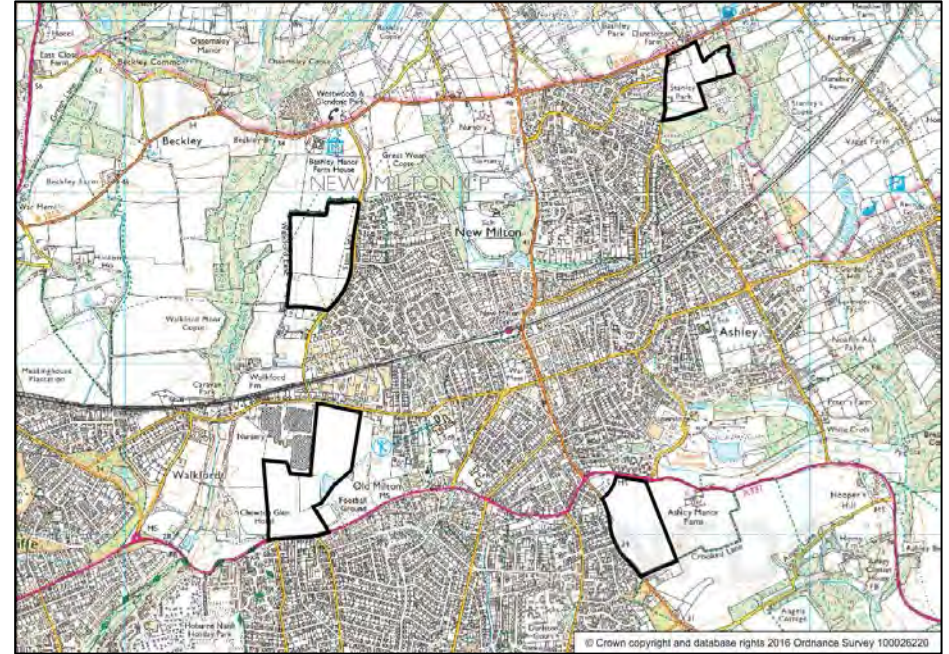
5: Policy direction

Map 5.6: Lymington Site Proposals



See Appendix A for individual site maps

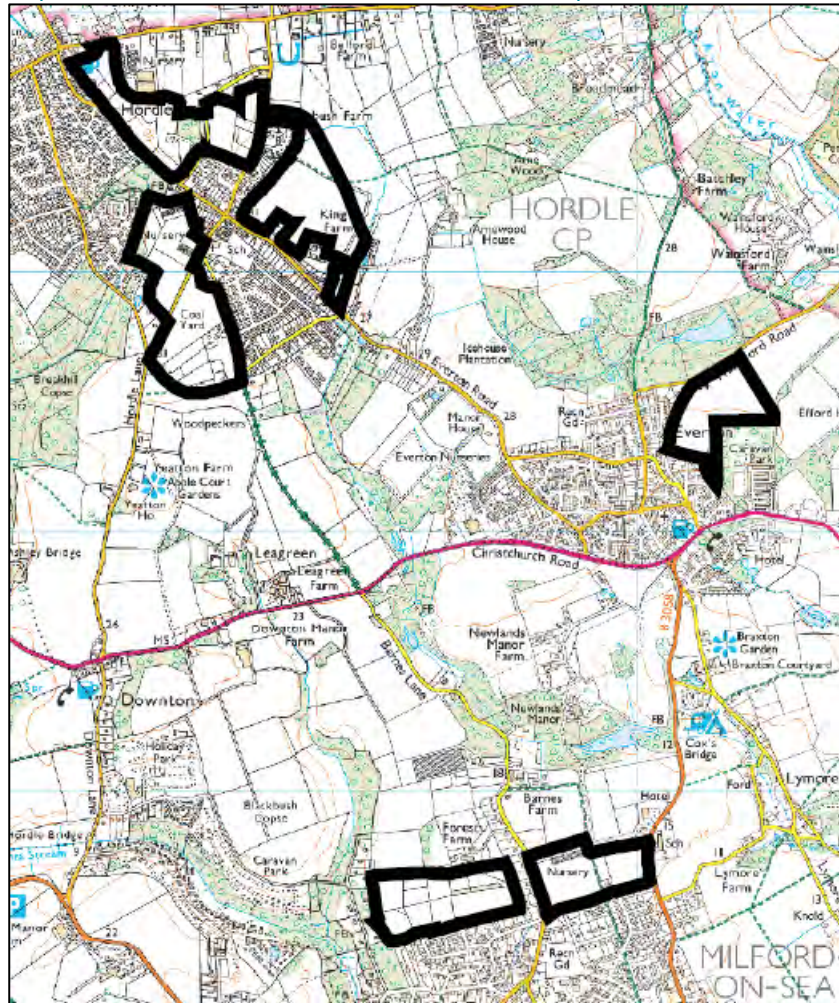
Map 5.7: New Milton Site Proposals



See Appendix A for individual site maps

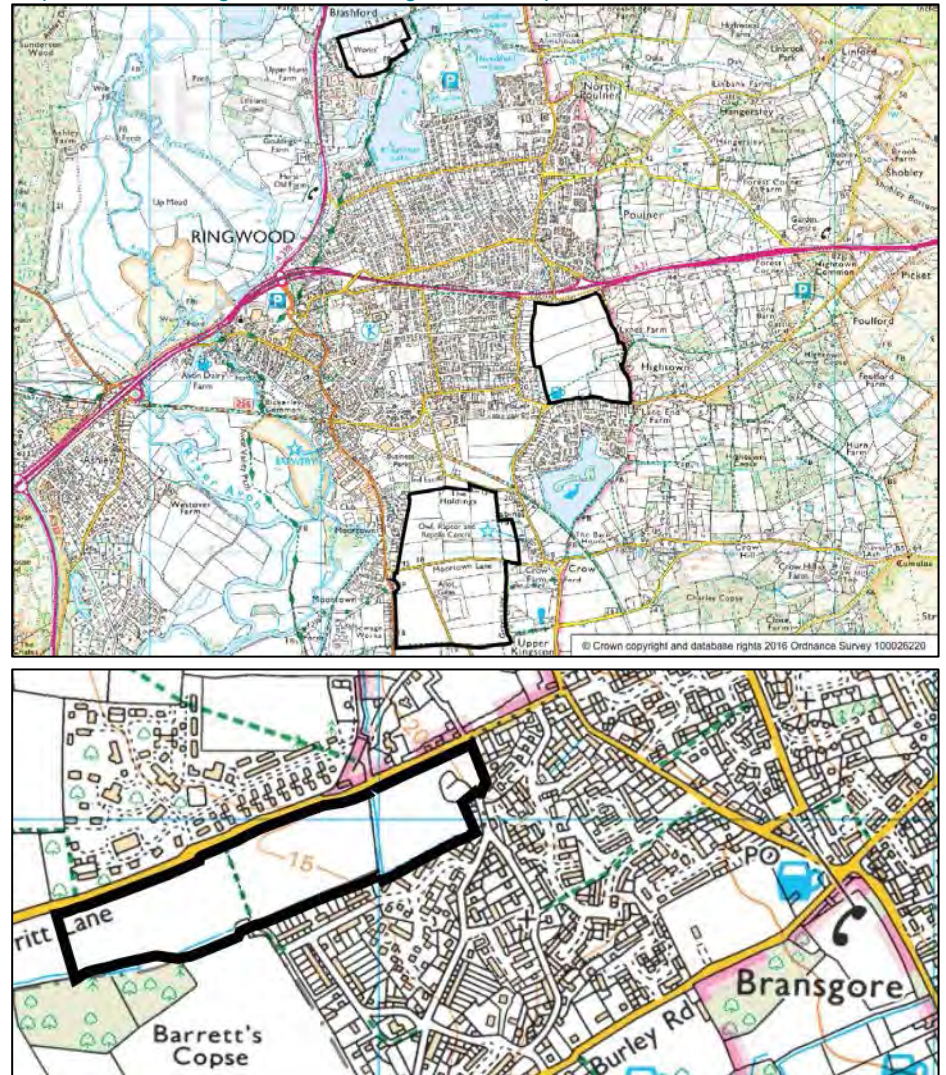
5: Policy direction

Map 5.8: Hordle, Everton and Milford-on-Sea Site Proposals



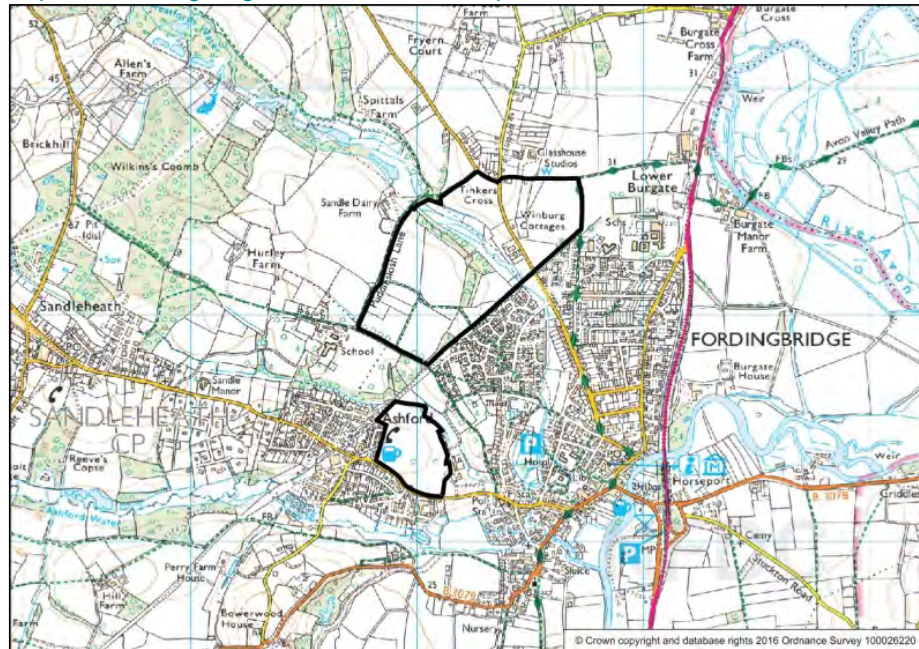
See Appendix A for individual site maps

Maps 5.9, 5.10: Ringwood and Bransgore Site Proposals



5: Policy direction

Map 5.11: Fordingbridge and Ashford Site Proposals



See Appendix A for individual site maps

5.13 The locations above include the following sites in the previous Local Plan Part 2 (adopted 2014) that adjoin larger areas of potential and have not yet been developed. These previously allocated sites have capacity for about 300 homes in addition to the figures provided above. They should be masterplanned to connect and integrate with the larger areas of identified potential they adjoin, if they are allocated for development.

- Lymington LYM1, LYM2
- Hordle HOR2
- Fordingbridge FORD1

5.14 We will also remove the previous Local Plan Part 2 housing allocation policy MAR2 for about 100 homes at Park's Farm in Marchwood. The land is no longer available as it has been developed as training grounds for Southampton Football Club. This is already factored into our calculations about existing housing commitments.

Housing potential on non-strategic sites (10-99 homes)

5.15 We will not investigate smaller site potential in any technical detail until we commence the Local Plan Review Part Two. However, based on our Sustainability Appraisal Sites Assessment the following locations may offer edge of settlement opportunities for non-strategic sites of 10-99 homes (capacity from very small sites under 10 homes is estimated using past trends).

- North and South of Hythe (very limited infill)
- Between Holbury and Blackfield (plus current allocation BLA1)
- Around Sandleheath

5.16 Subject to the decision to be made about potential development within the Green Belt there may be further limited edge of settlement opportunities on smaller sites in the following areas:

- North West and South of Hordle
- North of Everton
- South of Lymington

5.17 As an approximate guide these areas may have potential for around 350 homes in total based on the evidence we have considered so far.

5.18 We would anticipate that a more detailed assessment of smaller land sub-parcels within some of the larger parcels we have assessed as unsuitable for development may identify additional non-strategic site potential around settlement edges (thus potential for more than 350

5: Policy direction

homes from sites of 10-99 homes). This will be considered further in the Local Plan Review Part Two, where it is not already being addressed through a Neighbourhood Plan.

5.19 There may also be scope for limited and beneficial development in smaller villages to meet local needs including starter homes. We will consider policy approaches that could enable some homes to be bought forward through Neighbourhood Development Plans or in the Local Plan Review Part Two. Options include one or more of the following:

- An enabling, criteria-based policy.
- Small-scale site allocations.
- Defining settlement boundaries of smaller villages, to include some development opportunities.

Should we consider development in the Green Belt?

5.34 **This is an important policy choices that we face. New Forest District Council is consulting you on this matter and will make no decisions about whether or not to release land from the Green Belt for development until we have considered your views.**

The South West Hampshire Green Belt

5.20 The South West Hampshire Green Belt is shown on Map 3.10 (p14). It covers an area of 5,181 hectares, comprising parts of the River Avon Valley south of Ringwood and land to the south of the New Forest from New Milton to Lymington. It adjoins a larger swathe of Green Belt in Dorset around Bournemouth, Poole and Christchurch.

5.21 The origins of our Green Belt trace back to the late 1950's and its original purposes included preventing the coalescence of the south coastal cities of Southampton and Bournemouth. Much of the original Green Belt is now part of the New Forest National Park.

What is the Green Belt?

5.22 Green Belt is a local planning policy designation that can be altered through a Local Plan review. It has very specific purposes that are often misunderstood. For example:

- Not all undeveloped countryside is Green Belt. Undeveloped sites are sometimes referred to as 'greenfield' sites – this is a generic description and not a planning designation. Green Belts are only designated in certain areas and the vast majority of greenfield land is not Green Belt.
- Green Belt is of lower status than National Parks and Areas of Outstanding Natural Beauty, whose boundaries are defined by national legislation and cannot be changed by Local Plans.
- Green Belt designation does not mean that the land is important for nature conservation or that it is or ever was high quality landscape or countryside.

5: Policy direction

National policy

5.23 The National Planning Policy Framework does however state that the Government attaches great importance to the Green Belt. It sets out five purposes⁵ for Green Belt:

- To check the unrestricted sprawl of large built-up areas
- To prevent neighbouring towns merging into one another
- To assist in safeguarding the countryside from encroachment
- to preserve the setting and special character of historic towns; and
- To assist in urban regeneration, by encouraging the recycling of derelict and other urban land.

5.24 Government ministers⁶ have made it clear that it is for local councils to decide whether or not there are exceptional circumstances that justify a review of Green Belt boundaries in their Local Plans, and whether any such circumstances justify releasing land from the Green Belt for development. Planning inspectors and the courts⁷ have accepted that significant housing needs that cannot be met elsewhere may provide exceptional circumstances and that the scale of unmet need is a relevant consideration.

5.25 The NPPF requires changes to the Green Belt to be made through the Local Plan process. This should include:

- demonstration of exceptional circumstances, such as unmet housing needs that cannot be met elsewhere
- consideration of the need to promote sustainable patterns of development; and
- an assessment of Green Belt land in terms of the five Green Belt purposes.

New Forest District Green Belt study

5.26 The South West Hampshire Green Belt has not been fully reviewed since its designation. Given the changes in that period, the challenging scale of our housing needs and the extent to which the district is covered by more significant national and international protective designations the Council decided to commission an independent Green Belt study.

5.27 The main purpose of this study is to help the council set a robust, justified and defensible boundary for the South West Hampshire Green Belt for the long term, informed by a review of the extent to which land within the Green Belt contributes to the five purposes of Green Belt. A key output of the study is a consistent and comprehensive assessment of the whole Green Belt to identify whether any area of Green Belt no longer meet the purposes of the designation.

5.28 The study finds that over 90% of the Green Belt area continues to make a strong or relatively strong contribution to one or more Green Belt purpose, as shown on Map 5.12 on the following page. Detailed land parcel assessments are provided in the study report <add footnote link when finalised for publication>.

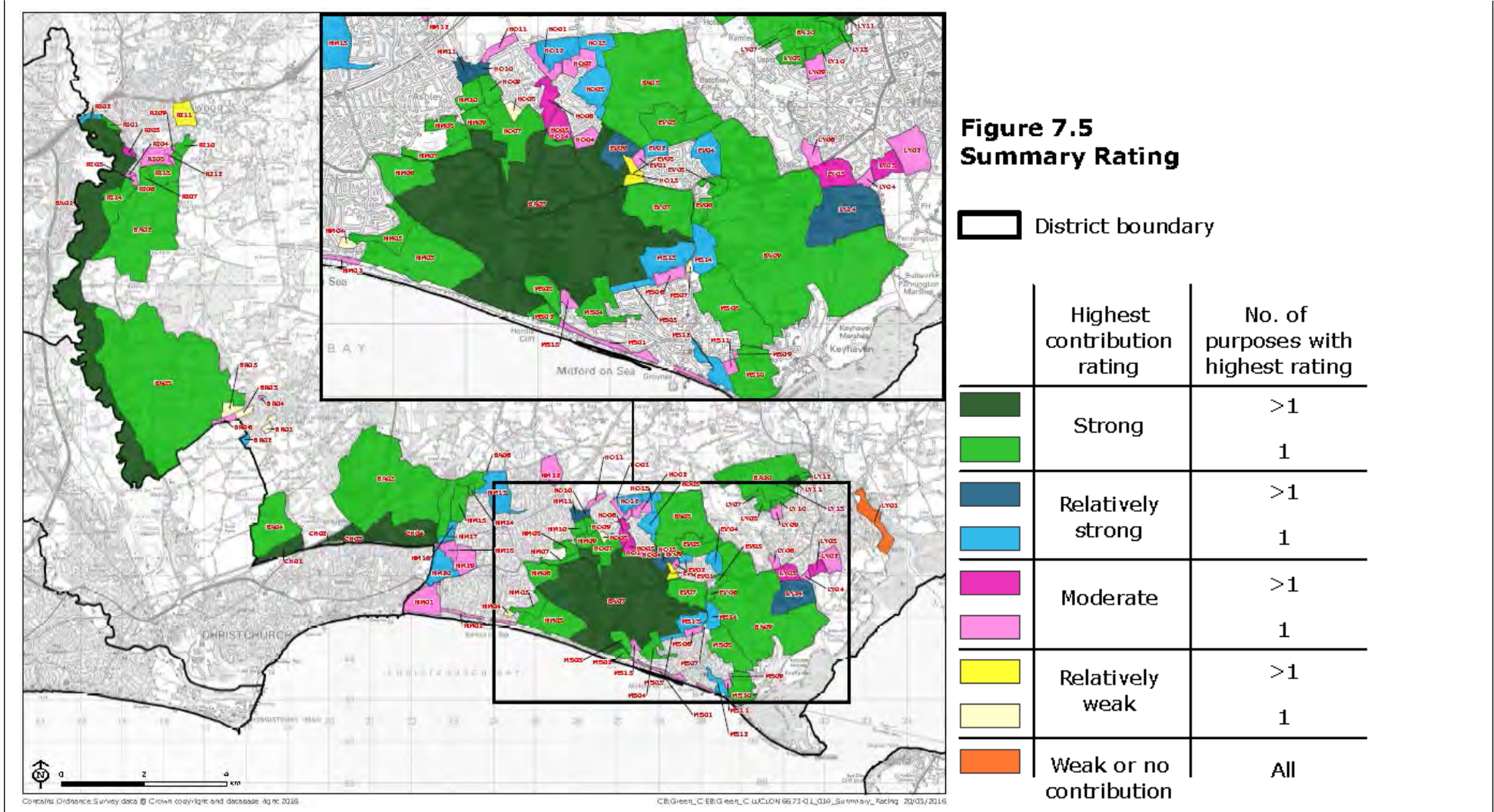
⁵ NPPF Paragraph 79-80

⁶ Nick Boles MP letter to Sir Michael Pitt of the Planning Inspectorate 3 April 2014.

⁷ For example R (Hunston Properties Ltd) v SSCLG and St Albans City & District Council

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Map 5.12: Overall conclusions on the performance of land in Green Belt assessed against the five purposes of Green Belt (Green Belt Study, LUC 2016)



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5.29 The Green Belt Study conclusions state as follows:

“A common interpretation of the [national planning] policy position is that, where necessitated by development requirements, plans should identify the most sustainable locations [for development], unless outweighed by adverse effects on the overall integrity of the Green Belt according to an assessment of the whole of the Green Belt based around the five purposes.”⁸

5.30 It is our view that the integrity of the South West Hampshire Greenbelt is based on the following essential elements. Together with sufficient open landscape setting these elements combine to:

- Preserve a general sense of open countryside.
- Prevent the coalescence of Christchurch and Ringwood.
- Prevent the coalescence of New Milton and Lymington with Christchurch and each other.
- Maintain visual openness and countryside connections between the New Forest National Park and the Solent coastline, supporting the statutory purposes of the National Park.
- In conjunction with the adjoining Dorset Green Belt and New Forest National Park, to maintain the overall separation of the main Southampton and Bournemouth conurbations

5.31 We consider that the essential elements of our Green Belt, from west to east, include:

- The open corridor of the lower River Avon valley plays an essential role separating Ringwood from Christchurch and Bournemouth
- The Walkford Brook including Chewton Glen and Chewton Bunny whilst not an extensive land area provides a strong visual and settlement gap between Highcliffe and New Milton
- A wider open swathe of countryside that separates the towns of New Milton and Lymington. This is made up of significant smaller gaps that are cumulatively important elements of the open landscape character of the overall gap.
- The Dane’s Stream corridor including Breakhill Copse between New Milton and Hordle
- The Avon Water corridor and adjoining woodland blocks between Lymington and Everton and Milford-on-Sea
- Open fields and woodland blocks and belts help to varying degrees to maintain openness by limiting physical and visual coalescence in particular between the villages of Hordle, Everton and Milford-on-Sea, and between these villages and New Milton and Lymington.

Green Belt Policy Choices

5.32 To better meet our housing needs, the Council could consider the release of land for development from the Green Belt if needs cannot reasonably be met elsewhere. Land that performs strongly as Green Belt can also be some of the more sustainable locations for potential new development, should sustainability considerations over-ride judgements relating solely to strength of performance against Green Belt purposes.

5.33 To achieve the most sustainable form development, the Council could choose to release land that performs more strongly as Green Belt

⁸ New Forest District Green Belt Study 2016 paragraph 8.3.

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for development, provided that the overall integrity of the Green Belt is maintained. That said if Green Belt land were to be released, it would be preferable to release land that performed less strongly as Green Belt.

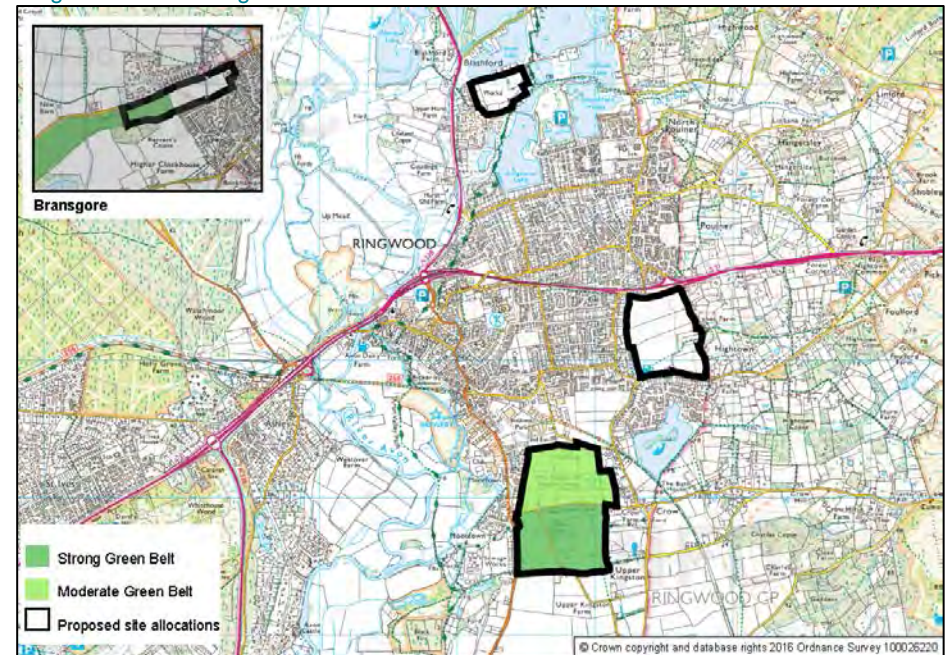
5.35 The consequences of any land release for the overall integrity of the Green Belt would need to be very carefully considered, and balanced against the very positive benefits of better meeting our housing needs.

5.36 It is also important to note the following.

- The relatively poor performance of some land areas against Green Belt purposes is not, of itself, an exceptional circumstance that would justify release of that land from the Green Belt.
- Development may create opportunities to strengthen and enhance the Green Belt and improve access to the countryside, for example by inclusion of public open space and recreational land for habitat mitigation.

5.37 The Sites Assessment Sustainability Appraisal (see overview map 5.2 on page 25) identifies the most sustainable locations for development based on the evidence we have collected so far, if Green Belt designation and performance is not taken into account. Maps 5.13 and 5.14 below shows how otherwise potentially sustainable locations for development perform in terms of the purposes of Green Belt.

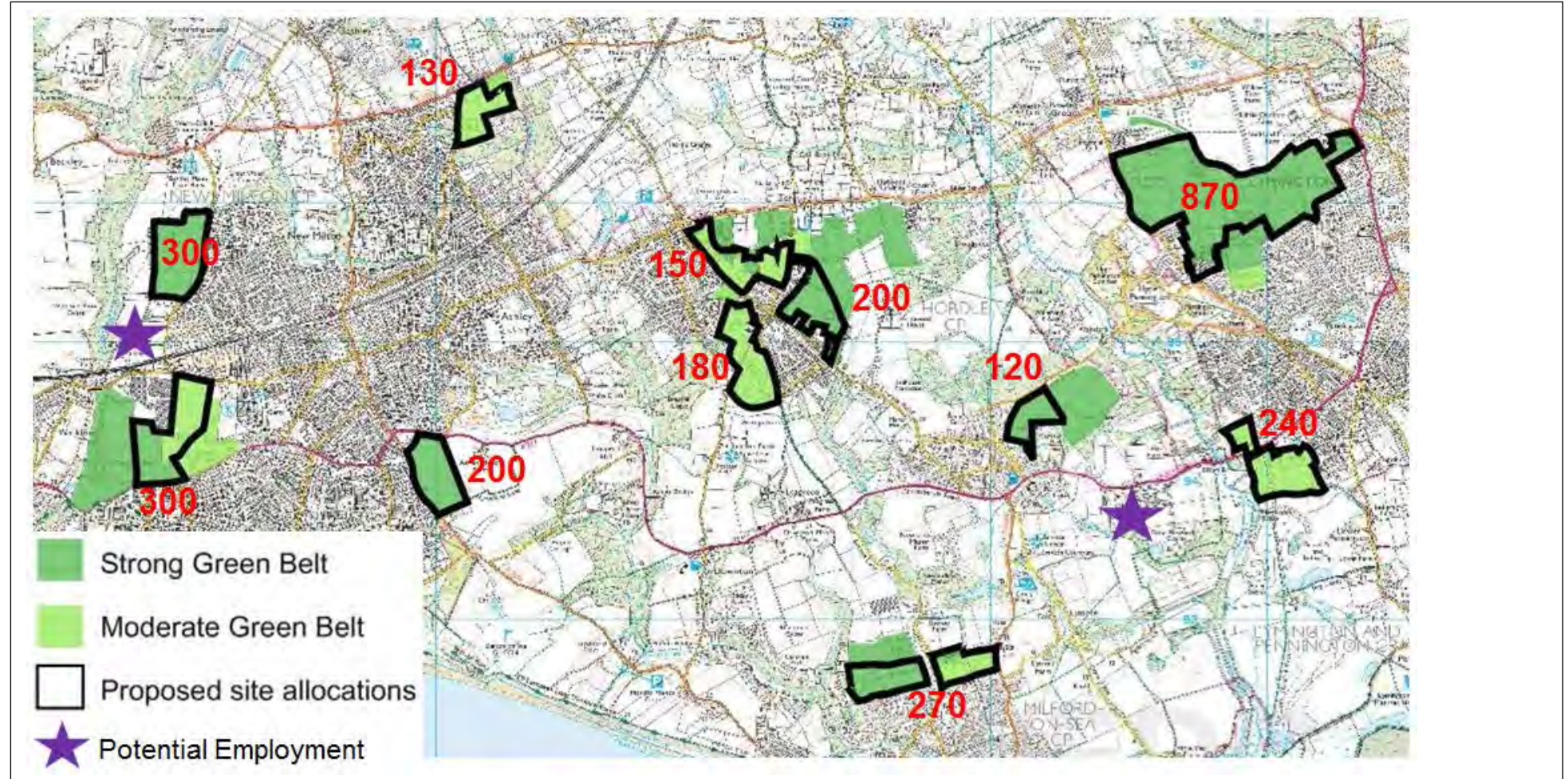
Map 5.13: Green Belt performance of potentially sustainable housing sites in Ringwood and Bransgore



Errata: The western part of the Bransgore site performs moderately against the Green Belt purposes. The eastern half performs weakly.

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Map 5.14: Green Belt performance of potentially sustainable housing sites in the South Coastal towns



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Towards a Local Plan housing target

5.38 Our working figure for “Objectively Assessed Housing Need” is 11,740-13,740 homes in the period 2016-2036, with a midpoint of 12,740 homes. This is not a de facto Local Plan housing target. The plan-making process sets a target taking into account sustainable development including constraints on the supply of suitable development land. But it is our responsibility to do everything we reasonably can to meet as much of this need as we can. However it is clear from our sustainability appraisal work to date that we appear unlikely to be able to achieve our full objectively assessed housing need in a sustainable manner (or to put it another way, without unacceptable harm to the environment in the Plan Area).

Potential housing supply

5.39 Table 5.15 summarises the sources of future housing supply including the potentially sustainable locations identified in table 5.4 (p27), many of which are in the Green Belt .

Table 5.15: Housing supply including all potentially sustainable locations

Source	Potential homes 2016-2036
Commitments (unimplemented site allocations and planning permissions)	2,000
All potentially sustainable strategic housing locations for 100+ homes	6,890
Indicative potential for non-strategic sites of 10-99 homes based on SA site assessment (preliminary estimate)	350
Potential from small sites under 10 homes (based on past trends)	800
Total*	10,040

*There may be additional housing potential on longer term opportunity sites at the former Fawley Power station and Eling Wharf, see page 39.

The impact of Green Belt choices on potential housing supply

5.40 Table 5.16 below illustrates the impact of the choice about whether or not to consider the release of land for development from the Green Belt. The more we choose to prioritise protection of the Green Belt, the further we fall short of the number of homes we should be seeking to provide. Even by including all potentially sustainable Green Belt locations we would be around 20% short of meeting our needs.

Table 5.16: Sources of potentially sustainable housing supply*

Sources	Potential Homes	% of total need met**	Estimated shortfall
Previous commitments including small site trends	2,800	22%	- 9,940
Add new site potential not in Green Belt	6,020 (adds 3,220)	47%	- 6,720
Include weak and moderately performing Green Belt sites	7,685 (adds 1,665)	60%	- 5,055
Include strongly performing Green Belt sites	10,040 (adds 2,355)	79%	- 2,700

* Includes proposed strategic and non-strategic site capacity estimates

** 12,740 homes, midpoint of the OAN range (11,740-13,740 homes)

5.41 The choice we make about the Green Belt will have other important effects and consequences. These are summarised briefly below.

5.42 The main benefits of strongly protecting the Green Belt are:

- Maintaining the importance and value of the Green Belt in its own right.

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- Maintaining a greater sense of open countryside and gaps between and around some settlements, although with appropriate design and landscaping the sense of openness and settlement gaps need not be significantly affected if some Green Belt land were developed.
- Less development means lower overall impact on internationally important ecological areas and on the New Forest National Park, although these impacts could be mitigated.

5.43 The main harmful consequences of strongly protecting the Green Belt would arise from falling more significantly short of the overall level housing identified as needed, including:

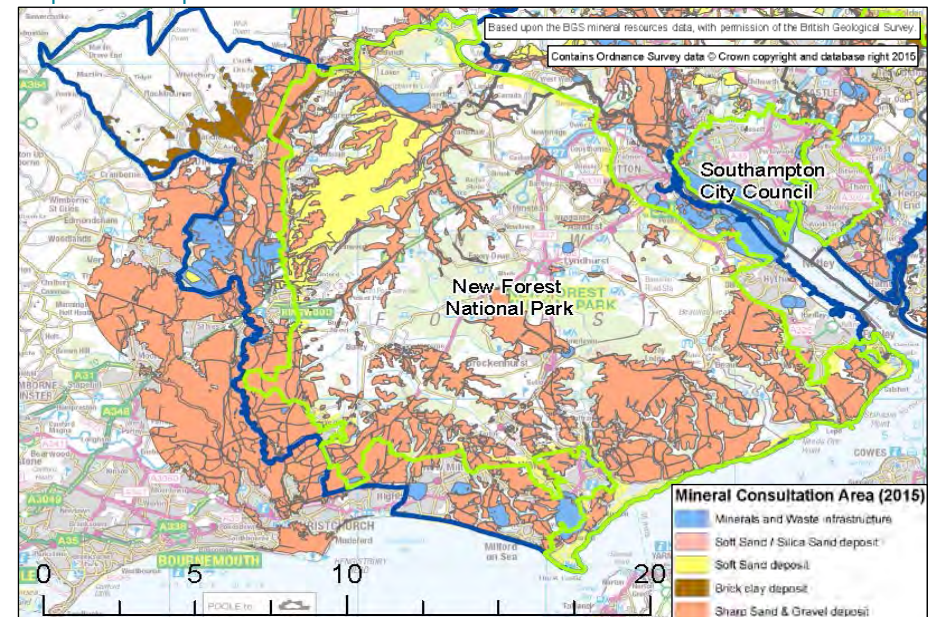
- Addressing less of the local need for new housing and putting increasing pressure on local house prices and worsening local housing affordability. This is likely to impact most on new and younger households wanting to stay in the area, made worse because fewer affordable and starter homes would be provided.
- In combination with an ageing population profile, the reduction in working age population already projected could be made even worse with consequences for local businesses. It would be more likely to adversely affect labour intensive and lower wage industries eg tourism, agriculture and the care sector.
- Labour demand may be met by increased inward commuting with implications for the road and transport network and the local environment.

Minerals resources and the phasing of housing delivery

5.44 Wherever possible councils should seek to meet their housing needs without significant delay. This is achieved by maintaining a sufficient supply of deliverable sites to meet housing needs for the next five years, plus an additional supply contingency buffer.

5.45 The section above shows that meeting the full requirement is a challenge. We face additional challenges delivering homes in the short term to maintain overall housing delivery momentum. Of particular significance, 21% of our identified potential strategic housing lies within a designated Mineral Safeguarding Area (MSA), and significantly more in the wider Mineral Consultation Area (Map 5.17). The prior extraction of minerals such as sand and gravel would delay the delivery of housing significantly. Where a site is allocated for future housing development its implementation is likely to be delayed until the later part of the Plan period to enable mineral resources to be worked first.

Map 5.17: Hampshire Minerals & Waste Plan Mineral Consultation Area 2015



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Other potential housing opportunity sites

5.46 There are two locations we have identified with potential for strategic scale housing or mixed use development which are on previously developed land so need to be considered differently: the former Fawley power station and Eling Wharf.

5.47 Both are complex sites with considerable uncertainty regarding the nature, quantity or delivery phasing of possible future development. At this stage it is unclear when and to what extent they might help in meeting housing need within the Local Plan period to 2036.

5.48 We therefore propose to use flexible, criteria-based policies to guide their future development. However both may, in time, make a significant contribution to new increase new housing and employment development in the area.

Fawley Power Station (Appendix A Map T)

5.49 The Fawley Power Station site closed in 2013. The site is dominated by the former power station building which contains disused generators. The structures present significant challenges in terms of the costs and approach to potential re-use and for site clearance. National Grid infrastructure at the northern end of the site will continue for at least 10-15 years

5.50 This site may have long term potential for a range of possible uses within a mixed development including housing as part of the mix. The policy would identify the key strategic issues the site promoters would need to address and resolve including:

- Parts of the site are in the highest zone 3 for flood risk so a sequential test and flood risk assessment would be required to confirm suitability for development and inform any appropriate site-based flood measures potentially including enhanced flood defences

- Suitable uses in the northern part of the site within a hazard risk zone for Fawley refinery
- Avoidance and/or mitigation of recreational and other impacts on birds including foreshore nesting habitat in the adjoining Solent and Southampton Water and New Forest Natura 2000 sites.
- Access to or provision of facilities and services for future residents to provide a degree of self containment in a relatively isolated location
- Access by sustainable transport modes including by public transport
- Potential for marine industry or maritime use of the dock and any consequential effects on the marine environment and safe navigation in the Solent
- Impact on the purposes of the New Forest National Park and the realistic scope of promoter aspirations for wider development encompassing adjoining land within the National Park, if deemed appropriate by the National Park Authority.

Eling Wharf (Appendix A Map U)

5.51 Eling Wharf is a 15 hectare site on Southampton Water and on the edge of Totton town centre. The site is mainly used for port-related storage. Policy TOT11 of the Local Plan Part 2 allocates Eling Wharf for employment-led mixed use development noting that it may also be suitable for an element of residential development (around 150 units) and town centre uses if provided as part of a comprehensive redevelopment.

5.52 We propose to maintain a flexible, mixed use policy approach to this site but also to acknowledge that there is scope for achieving more housing as part of a comprehensive redevelopment, while significantly improving the local environment and the appearance of the area, including around the historic Eling Tide Mill and Eling Conservation Area. Key

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strategic issues the site promoters would need address remain as set out in the Local Plan Part 2, including flood risk and pollution and recreational impacts on the Solent and Southampton Water Natura 2000 sites. The latter would require mitigation in the immediate vicinity.

5.53 In addition the site is heavily contaminated from previous industrial uses, and the river walls require significant repair before residential or other significant development could take place.

Housing sites and target - next steps

5.54 This consultation and the remaining technical work will inform the final selection of appropriate housing development sites to allocate in the Local Plan. In the year ahead we will work with land owners and site promoters to facilitate and guide their preparation of site masterplans informed by the necessary technical surveys and investigations they will produce. We expect and will encourage site promoters to undertake their own public consultation and engage with Town and Parish Councils as part of this process.

5.55 The final version of Local Plan Review 2016-2036 will be published for consultation before submission for Examination around mid-2017 and will:

- Define the site boundary and likely capacity of all strategic housing land allocations.
- Provide a robust estimate of the sustainable housing capacity of smaller sites based on the completed Sustainability Appraisal Sites Assessment, to inform work on Neighbourhood Plans and the Local Plan Review 2016-2036 Part Two; and
- Include detailed site allocation policies incorporating work on master planning and setting out how habitat mitigation and infrastructure requirements would be provided by developers.

If we cannot fully meet our housing needs

5.56 Based on the site appraisal evidence date it appears likely that the District will not be able to meet its housing needs in full. If that remains the case the final version of Local Plan Review 2016-2036 will need to consider how and where any residual housing need that cannot be met in the District area might be addressed.

5.57 This requires discussions under the legal Duty to Cooperate with neighbouring areas. National policy requires that 'Local planning authorities should work collaboratively with other bodies to ensure that strategic priorities across local boundaries are properly coordinated and clearly reflected in individual Local Plans. Joint working should enable local planning authorities to work together to meet development requirements which cannot wholly be met within their own areas – for instance, because of a lack of physical capacity or because to do so would cause significant harm to the principles and policies of this [*National Planning Policy*] Framework'.⁹

⁹ NPPF paragraph 179

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Other strategic housing policies matters

Mitigating impacts on protected European nature conservation sites

5.58 It is a legal requirement under the [Conservation of Habitats and Species Regulations 2010](#) to protect and avoid significant adverse effects on the integrity of a European nature conservation sites (collectively referred to as Natura 2000 sites).

5.59 The Local Plan Review will be informed by an independent Habitats Regulations Assessment (HRA). This assessment is very likely to reach similar conclusions to the previous one, that new development could have significant adverse effects on the New Forest, Solent and Southampton Water Natura 2000 sites. The main effects identified in the current Local Plan were from residential development having increasing and cumulative recreational pressure on sensitive sites eg disturbance of breeding birds and predation by household pets.

5.60 The Local Plan review will include policies to ensure its proposals do not adversely affect the integrity of Natura 2000 sites. We will also review our adopted [Mitigation Strategy for European Sites Supplementary Planning Document](#) (2014). We are working with partners including Natural England, the New Forest National Park, the Hampshire Wildlife Trust and the Royal Society for the Protection for Birds to formulate an appropriate and joined-up approach for the significantly higher levels of housing provision now needed.

5.61 Reflecting previous HRA work and the requirements of the 2010 Regulations the following assumptions and principles have been applied to identify potentially suitable sites for housing development, and are our starting point for preparing an updated approach to the mitigation of the adverse impacts of recreational pressures.

- Impacts should be avoided if possible and mitigated if necessary, preferably at source.
- Development anywhere in the district requires mitigation for recreational impacts on the New Forest Natura SPA and SAC.
- We apply a 400 metre new residential development exclusion zone around the land-based New Forest SPA and SAC. This standard is also applied in the Thames Basin and Dorset Heathlands Natura 2000 sites to help manage pet predation in particular. We make allowance for barriers to movement or where there is significant existing housing development between a site and the SPA or SAC. No buffer is applied to the Solent / Southampton Water coastal European sites.
- The aim of our mitigation strategy is to reduce (or at least not increase) disturbance in sensitive areas by managing the number of recreational visits, and by reducing the impact of those visits eg by educating visitors about potentially harmful behaviours.
- The main mechanism for mitigation is the provision in the immediate vicinity of new housing sites of accessible natural greenspace at the level of at least 8 hectares per 1,000 additional population (mitigation contributions also fund a ranger service to improve public understanding).
- The form and layout of accessible natural greenspace is critical to its effectiveness in providing an attractive and more convenient alternative to visiting the New Forest SPA or SAC for recreation. We consider that the strategic scale housing sites as proposed in this consultation are large enough to achieve this.
- To be successful as mitigation, accessible natural greenspace must provide attractive walking routes in a semi-natural environment that is sufficiently open and natural to create a sense or experience of countryside within a more urban setting. See also the Site

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Masterplanning section on pages 45-47, and we will take into account Natural England guidance¹⁰.

- The provision of public open space including playspace, playing pitches and informal open space within development is a separate and additional requirement (see page 49). As an indicative guideline about six hectares of land is required to deliver 100 homes at appropriate semi-rural or suburban densities together with public open space and accessible natural greenspace.

Accommodating an ageing population

5.62 Section 3 noted that all of our projected 22,000 population growth to 2036 is in the 65+ age groups. There is already a significant level of care home and sheltered housing provision in the District. However, the need will increase during the Plan period.

5.63 We will consider options for encouraging or requiring developers to help meet within new development areas the wide range of housing needs of older people from the active retired to those unable to care for themselves. Options include a combination of some or all of the following subject to viability assessment.

- Provision of a sufficient quantity and choice of market homes (by type, location and cost) that are suitable for older people who are able to meet their own housing needs. This should include and

low-maintenance homes suitable for households looking to downsize including bungalows and well-specified apartments where appropriate.

- Setting a policy requirement for some or all new homes, other than starter homes, to meet Building Regulations optional standard M4(2) Category 2, Accessible and Adaptable Dwellings (replacing the previous 'lifetimes homes' standard).
- Ensuring that a reasonable proportion of the homes provided are in the form of sheltered or extra care housing. There is a need-based case for seeking a proportion of these in affordable tenures suitable for low income older households if suitable delivery and management arrangements can be identified.
- A criteria-based policy for the provision of registered care homes in appropriate locations where additional provision can be justified on the basis of locally arising needs in the context of the scale of existing care home provision in the locality.

5.64 We will consider whether it is appropriate to exempt schemes designed to meet the needs of older people from the requirement to build starter homes.

Affordable housing

5.65 National policy seeks that identified housing needs, including for affordable housing, should be met in full wherever possible. However this requirement operates in the context where most affordable housing is provided in whole or part by cross subsidy from market housing development. There is no longer any government funding subsidy available to support the provision of new affordable homes to rent.

5.66 Our current SHMA evidence suggests we need to secure the maximum level of affordable housing that is viable. But with affordable housing need of at least 75% of total housing need, it will not be possible

¹⁰ [Natural England Accessible Natural Greenspace guidance](#)

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to provide enough affordable housing let alone to meet all types of need in full. Similarly high levels of affordable housing sought in our previous Local Plan have simply not been achieved with developers not bringing allocated sites forward to deliver the new homes needed in the timescales envisaged.

5.67 Government policy introduced in the Housing and Planning Act 2016 requires that at least 20%¹¹ of new homes should be provided as starter homes for purchase by younger first time buyers at a discount of at least 20% to market price, with the price capped at £250,000 outside London. All other forms of affordable housing sought would have to be funded from any remaining surplus in site value after the developer takes a fair profit. This is a limited resource that also funds the provision of infrastructure and community facilities.

5.68 Our current Local Plan policy requires most housing sites to contribute towards meeting local needs for affordable housing. However National Planning Policy Practice Guidance¹² states that affordable housing contributions should not be sought on sites of ten or less homes (subject to a maximum combined gross floor space of no more than 1,000 square metres). It adds that in designated rural areas local authorities may choose to implement a lower threshold and seek affordable housing contributions from sites of six or more homes. Most of our Plan Area outside of the built up area of settlements is designated as a rural area.

5.69 The factors we need to decide upon in setting our affordable housing policy include:

- The percentage target of affordable housing to be sought, to be based on a pending independent viability assessment to ensure the target is deliverable. This may be a district wide target or it may vary eg by area or type of site. Any requirement would need to be flexible in relation to site specific conditions and abnormal costs.
- Whether or not to seek affordable housing contributions on developments of 6-10 homes in eligible rural areas.
- Whether to seek the provision of any other tenures of affordable housing in addition to the compulsory requirement for starter homes. For example shared equity or affordable rented homes. The pending Local Plan viability assessment would establish whether there is scope to do this, and we also need to consider who would manage any rented affordable housing.

Self and custom build housing

5.70 The Self-build and Custom Housebuilding Act 2015 requires that from 1 April 2016 planning authorities keep a register of individuals and groups seeking to acquire serviced plots of land in the area in order to build their own homes to occupy as their main residence. The Housing and Planning Act 2016 amends the Self-build and Custom Housebuilding Act 2015 to include the provision that local planning authorities '...must

¹¹ No sites size threshold has been specified

¹² Paragraph 031

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give suitable development permission in respect of enough serviced plots of land to meet the demand for self-build and custom housebuilding in the authority's area'.¹³

5.71 The Local Plan Review Part One is focusing on strategic matters but we propose to consider a requirement for a proportion of each strategic housing allocation to be made available to individuals for self-build or custom-build development. The Local Plan Review Part Two and Neighbourhood Plans will provide further opportunities for providing self-build plots through enabling policies and/or site allocations.

Gypsies and Travellers

5.72 A study is underway to establish whether additional provision is required to meet the needs of gypsies, travellers and travelling show people. Subject to the conclusions of this study the Council will consider these matters in the Local Plan Review Part Two.

Creating successful new neighbourhoods

5.73 Through our Local Plan Review the Council has no option other than to respond positively to Government policy that seeks to achieve a step change in housing delivery. In putting forward proposals to deliver a significant increase in new homes in a highly sensitive environment it is therefore essential that the new neighbourhoods we create:

- Fit their local context and are attractive, complementing the settlements they will become part of.
- Sit comfortably in the landscape, without compromising the qualities of the existing rural and natural environment (although development inevitably brings change).
- Function well, both for the people who will live or work there and for the people who already do.

Achieving high quality design

5.74 The Local Plan Review provides the opportunity, and the responsibility, to create places that we can be proud of in the long term. National policy strongly emphasises the importance of high quality design¹⁴, which is indivisible from good planning and of fundamental importance to achieving sustainable development at the neighbourhood and site level.

¹³ New section 2a (2)

¹⁴ NPPF paragraphs 17 (bullet 4), 57 and 58.

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5.75 The Local Plan Part One will include strategic policies to support our vision for the design and master planning of successful new neighbourhoods that will mostly be on settlement edges within a rural context. Our vision is to create harmonious, distinctive and walkable neighbourhoods made up of:

- A legible hierarchy of streets, walking and cycle routes where the pedestrian is prioritised and routes lead to the places people want to go; including
- Clearly defined and accessible neighbourhood focal points providing space for people to meet and interact, such as a school, local park or local shop.
- A connected network of green and public spaces based around key features in the natural landscape, retaining and enhancing woodlands and other important wildlife habitats, mature trees and hedgerows and incorporating sustainable drainage systems based around existing water features and locations where water collects naturally.
- Well-crafted homes and buildings that respond to and respect local character and distinctiveness in terms of density, design and materials, and fit the needs of our future population.

The site master planning process

5.76 The Council expects development ideas to follow a process of assessment, analysis and response to the local environment to inform the design process and justify the decisions made. For larger projects including all strategic housing site proposals, this will take the form of a progressively evolving [Design and Access Statement](#).

5.77 The Design and Access Statement will draw out the defining elements and character of the location and set design objectives and principles for the site that respond to them. This will help to ensure that

these objectives and principles are adhered to in the detailed design and planning application stage, and follow through to implementation during construction.

5.78 The Council will provide further guidance on this process by updating and expanding the content and scope of the adopted [Housing Design Density and Character Supplementary Planning Document](#)¹⁵ to better address the greater scale and diversity of development and size of sites now envisaged. Our existing [Residential Design Guide for Rural Areas](#) and [Local Distinctiveness](#) guidance documents¹⁶ remain an important resource.

Green Infrastructure - habitat mitigation, open space and sustainable urban drainage

5.79 Pages 41-42 discuss the requirement for all residential developments to mitigate their impacts on the New Forest Natura 2000 sites by providing Accessible Natural Greenspace for recreation to divert, at source, some recreational visits that could disturb protected habitats and species in parts of the New Forest, noting that:

- The form and layout of accessible natural greenspace is critical to its effectiveness in providing an attractive and more convenient alternative to visiting the New Forest SPA or SAC for recreation.

¹⁵ Available here: <http://www.newforest.gov.uk/article/14288/>

¹⁶ IBID

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- To be successful as mitigation, accessible natural greenspace must provide attractive walking routes in a semi-natural environment that is sufficiently open and natural to create a sense or experience of countryside within a more urban setting.

5.80 To achieve these aims site master plans will need to embrace habitat mitigation requirements as an integral part of the design of new neighbourhoods. Mitigation arrangements will form the basis of new networks of green infrastructure and open space, which in turn will help to define and structure access arrangements and the parts of sites suitable for built development. Habitat mitigation areas bolted onto pre-conceived layouts will not work.

5.81 Habitat mitigation should also be designed to manage drainage in a sustainable way to minimise and slow down water discharge to drainage systems, taking the opportunity to provide and enhance species-rich habitats.

5.82 To achieve the level and quality of mitigation required, Site Master Plans and in due course planning applications must include a [Landscape Framework](#) to demonstrate how mitigation would be achieved. The Landscape Framework will have the added advantage that sustainable drainage, public open space, green infrastructure, play and visual amenity can be fully but conceptually described without having to provide full details at an early stage.

Getting the details right

5.83 In a rural area within a wider context of highly valued and protected landscapes and habitat projects based on numbers or pre-conceived designs as a starting point are likely to fail the test of good design.

5.84 The Council seeks to avoid developments that attempt to over-intensify sites or to introduce urbanised development forms inappropriate in a rural edge setting (although there will be some locations where a

more urbanised form may be appropriate). Appropriate development densities will be a function of the location and its character, and the capacities of proposed strategic housing sites are no more than an indicative starting point.

5.85 The following outcomes are typical of over-development and to be avoided.

- Layouts where pedestrian rights of way come second to vehicle movement, excessive areas of hard surface, parking arrangements that dominate streets and public spaces.
- Insufficient off-street parking, omission of front gardens in favour of car parking, use of parking courtyards which intrude on private gardens and amenity space.
- Creating artificial additional storeys that urbanise streets in non-urban places away from centres. Flats in inappropriate locations.
- Disproportionate building form in terms of bulk or plot coverage that is incongruous in their setting and ignores local character.
- Lack of setting for buildings, undersized gardens for family use, and a lack of space for trees and landscaping.

Next steps

5.86 In finalising the Local Plan Review Part One we will:

- Prepare strategic design and master planning policies
- Include more detailed design requirements in site specific policies where needed
- Work with strategic site promoters on a 'without prejudice' basis to guide their preparation of high quality site masterplans to deliver future neighbourhoods and sites in accordance with our vision, should their sites be allocated for development. This work starts now.

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Settlement identity, strategic gaps and green wedges

5.87 The discussion about the Green Belt earlier in this section identified a number of landscape and settlement gaps important to the integrity and openness of the overall Green Belt. They are equally important in terms of the integrity and separate identify of the towns and villages in the Green Belt.

5.88 Outside the Green Belt there are a number of other important settlement gaps, and other green wedges that connect settlements to the countryside. Some of these will be reduced in size by proposed site allocations, making it all the more important to make best use of the green gaps remaining, to reinforce their value as amenity and recreation areas, and to maintain views and wildlife corridors that connect the countryside to the coast.

5.89 We propose to include a policy to identify and protect important strategic gaps. Where gaps are affected or reduced by proposed development, the site policies will include requirements to retain and visually enhance these gaps through provision of open space and recreational areas for habitats mitigation, and through landscaping and planting.

5.90. The key settlement gaps and green wedges that will need to be enhanced to mitigate significant effects of site proposals in this Local Plan include but are not limited to the following.

- Totton-Marchwood gap
- Ashord-Fordingbridge gap
- Everton to Milford-on-Sea
- New Milton – Highcliffe gap

5.91 When considering smaller site potential the following green gaps are also important and will need to be protected. This does not rule out the possibility of small-scale development where sustainable opportunities

can be identified in less visually prominent locations without causing coalescence or the visual appearance of coalescence. It may be possible to adequately mitigate impacts on the settlements gaps by enhancing the gap that remains, but this entails significantly more than visual screening to 'hide' unacceptable development in visually prominent or sensitive landscapes.

- Marchwood to Hythe
- North Hythe green wedge
- South of Hythe to Holbury and Fawley refinery
- Holbury to Blackfield
- Lymington to Everton
- New Milton to Hordle

5: Policy direction

Providing new infrastructure and community facilities

Infrastructure

5.92 Infrastructure means the facilities, services, and installations needed to make development acceptable and sustainable, to support our communities and to enable the local economy to thrive. It includes:

- transportation: roads, bus routes, rail networks, footpaths and cycling routes
- education facilities: schools, adult learning centres and child care
- utilities: water supply, power grids, drains, sewers and treatment works
- telecommunications including broadband and mobile networks
- community facilities: sports and leisure facilities, community centres, libraries, places of worship, burial space
- health care: hospitals, local GP and dental surgeries
- emergency services: fire, police and ambulance facilities
- waste: facilities for collection, recovery, recycling and disposal
- green spaces: playing fields and sport pitches and wildlife areas.

5.93 Proposals for growth and development often raise understandable concerns about the capacity of existing infrastructure. It is important to have realistic expectations about what the planning system can achieve and to prioritise what is necessary rather than aspirational.

5.94 Provision of the basic infrastructure on site to enable development to take place and to meet the on-site needs of future occupiers is part of the normal development costs met by the developer. This typically includes but is not limited to site roads, drainage, telecoms and utilities

within the site; parking, footpaths, landscaping and amenity space within the site.

5.95 Where a development is shown to have wider than site-specific impacts, we can seek additional contributions (in cash or kind) provided that they meet three national policy tests¹⁷ of being:

- necessary to make the development acceptable in planning terms
- directly related to the development
- fairly and reasonably related in scale and kind to the development.
- Examples include providing or contributing to the provision of the additional school places the development is likely to generate demand for, and providing road or junction improvements near to the development site if it would create unacceptable congestion.

5.96 It is also important to be clear about what we cannot do:

- expect developers to fund solutions for existing infrastructure problems, these are the responsibility of the infrastructure provider
- seek provision of benefits and infrastructure over and above that necessary to make the impacts of planned development 'acceptable' and the development sustainable on balance.

5.97 What impact is 'acceptable' is a planning judgment and it does not necessarily mean the outcome would be 'better' or 'no worse' than existing

¹⁷ NPPF paragraph 204

5: Policy direction

conditions. For example, Government policy¹⁸ says that ‘development should only be prevented or refused on transport grounds where the residual cumulative impacts of development are severe’.

5.98 We are working with infrastructure providers and other partners to identify the infrastructure and facilities needed to support the development we propose, and this consultation forms part of the evidence gathering. The final version of the Local Plan Review Part One will include general policies on seeking sufficient infrastructure provision, plus detailed site policies that identify the infrastructure and community facilities required to support new development for each site. It will be supported by:

- An [Infrastructure Delivery Plan](#) setting out all the infrastructure required to accommodate the growth proposed in the Local Plan, its indicative cost, and when, how and by whom it will be provided. The requirements will be viability tested.
- An updated [Community Infrastructure Levy](#) (CIL) whereby all qualifying developments would pay a fixed sum per square metre towards a list of infrastructure projects identified to be necessary that are not specific to a single site or small number of sites.
- A [Developer Contributions Supplementary Planning Document](#) setting out additional contributions that are likely to be site or locality specific, including affordable housing, that would be secured by a

legal agreement with the developer. It will complement and not duplicate infrastructure contributions sought under CIL.

Public open space

5.99 Public open space is an essential part of creating sustainable new communities. Open space provides opportunities for leisure, play and social interaction, facilitates healthy lifestyles and provides wildlife habitat in built up areas. Open space contributes to a sense of place and to the quality of place and includes:

- Informal open space such as parks and public gardens
- Play spaces with play equipment
- Incidental green space within built up areas
- Formal open space - playing pitches and sports grounds.

5.100 All strategic and other housing developments would need to provide open space. We propose to continue to seek open space provision to our current policy standard of 3.5 hectares per 1,000 additional population (as an approximate guide about 0.75 hectares of public open space per 100 homes).

5.101 We are currently mapping all our open spaces to identify how well areas are served for the various forms of open space, and to map any areas of open space deficiency.

5.102 For strategic housing sites we propose to seek provision by the developer of the full open space requirement arising from the likely additional population from the development, preferably on-site. Where on-site provision is justified, the form of open space provided should take account of what exists already in the local area and any deficits in local provision. Provision on new sites cannot be expected to rectify all past deficiencies, only to meet its own needs.

¹⁸ NPPF paragraph 32

5: Policy direction

5.103 The provision of accessible natural greenspace to mitigate the impact of development on Natura 2000 sites is a separate and additional requirement (see pages 41-42).

Burial facilities

5.104 There is a need for additional burial space in the district. Provision in the following broad locations would best correspond with need relative to existing burial space capacity, although further technical work is required to establish whether these locations would be suitable. Cemeteries are in principle an acceptable use in the Green Belt.

- Around four hectares are required in the Totton area. Possible options include land to the south of Totton in the Marchwood gap, or to the north near or as part of the proposed strategic housing site
- Around two hectares are required in Lymington/Pennington. Possible options are near or as part of the proposed strategic housing sites to the north and south west of the town
- Around two hectares are required in New Milton. The most logical option appears to be expanding the existing cemetery to the south east of the town, potentially in conjunction with proposed housing development in this location.

5.105 A planning application has been submitted for a crematorium north of New Milton.

Business and employment

Offices and industrial premises

5.106 We note in **Section 4** that the recent studies by the Solent and Enterprise M3 Local Economic Partnerships have not identified a strategic need for significant economic development to be located within the Plan Area. The district has relatively low business demand for strategic employment development but there are needs for smaller and flexible premises for smaller local businesses to expand into. We intend to investigate local needs further to complement the strategic studies.

5.107 There are reasonable reserves of business land and premises available across the district with, for example, opportunities for take up or renewal of employment sites in the Waterside that have little potential for alternative uses.

5.108 We are not aware of a demand case for further large scale employment allocations. As the future working age population is projected to fall, there is no strong need-based case to promote significant employment growth by trying to attract inward investment. But we do need to allow for flexibility in the local market for employment land and premises and the replacement of older stock that may be lost to housing under new permitted development rights. We also need to enable local demand for flexible start up space to be addressed, and to be able to accommodate future operator-specific needs in an appropriate way.

5.109 We therefore propose to:

- Develop a criteria-based policy to guide any future interest for larger business developments
- Consider the following small employment land allocations for the provision of small business and starter units in particular

5: Policy direction

- around 5 hectares as part of the proposed North Totton urban extension, to address the requirement identified for the Waterside area in the [PUSH Spatial Position Statement](#)
- around 5 hectares at Walkford Farm west of the Stem Lane Industrial Park, west of New Milton
- around 5 hectares as part of the proposed East Ringwood urban extension near the A31 slip road
- Identify any other potential employment development opportunities within our site specific policies, for example on sites with mixed use potential. This could include part of the land at the former Fawley power station.

Potential business opportunity sites

Otter Nurseries near Lymington

5.110 Otter Nurseries occupies land that performs strongly as Green Belt forming part of the important gap between Lymington (Pennington) and Everton. The north west corner is densely and extensively covered by under-used green houses screened by a high hedge.

5.111 Our Site Assessment Sustainability Appraisal work does not support residential development in this relatively isolated location in open countryside, which could also significantly harm the openness and integrity of the Green Belt. However Green Belt policy does allow that the permanent office and business floor space on-site could in-principle be re-used or re-provided. These re-use rights do not extend to the footprint of temporary structures including porta-cabins and green houses.

5.112 We think that there is an opportunity to significantly improve the appearance and use of the site consistent with its current status as strongly performing Green Belt, and in doing so to reinforce rather than erode the countryside gap between Pennington and Everton and the role of the site within the Green Belt.

5.113 We are consulting on the concept of transforming the Otter Nurseries site into a 'parkland business campus' encompassing uses such as offices, flexible starter units, training and conferencing. A comprehensive landscape-based masterplan would be required for the entire site to improve its overall openness and integration of the proposed business campus into the landscape, breaking up the concentration of structures in the north west corner of the site.

5.114 Some enabling development would be needed to make this possible and fund the removal of surplus glasshouses. We propose that a modest increase in permanent business floor space would be acceptable in return for a substantial overall reduction of the current quantity of green houses to reduce the impact of the site on the openness of the Green Belt.

Retailing and town centres

Future retail development needs

5.115 Section 4 noted the apparent lack of demand or developer interest for new retail floor space in our area, other than from discount supermarkets. Most of the town centre and retail opportunities identified in the 2014 Local Plan Part Two¹⁹ remain unimplemented.

5.116 There does not appear to be a need to identify additional sites for retail development. We propose instead to:

- Continue to steer new retail development to existing town centres.

¹⁹ Policies TOT15, HYD4, LYM8, NMT10 and RING4.

5: Policy direction

- Develop a criteria-based policy to guide any future interest for larger retail developments.
- Recognise that small-scale retail development to serve the needs of new neighbourhoods may be appropriate as part of large residential development sites including urban extensions.

Managing existing shopping areas

5.117 Government reforms include the introduction of new Permitted Development Rights that allow considerable flexibility for the use of shops and other town centre premises for other defined purposes without the need for planning permission. We will simplify our existing policies to reflect these new rights.

Port activities

5.118 The Port of Southampton is a major international deep sea gateway port with significant global and economic importance. Whilst outside of the Plan Area its activities have influence beyond the City of Southampton and into parts of Totton and the Waterside.

Marchwood Military Port

5.119 Marchwood Military Port is an operational port site of about 100 hectares with three wharves served by rail. Significant areas of land within the port landholding are open or undeveloped. It is being transferred to commercial operators who will manage the port under a 35 year lease. Marchwood Military Port will then augment the commercial port capacity of Southampton alongside its longstanding role for the sea mounting of military expeditions.

5.120 We propose to identify the site in the Local Plan as an established port suitable for port-related business uses.

Dibden Bay

5.121 As and when the commercial capacity of Marchwood Military Port is fully utilised, the reclaimed land known as Dibden Bay would be the only major area of land on the western shores of Southampton Water that would be physically able to accommodate a significant expansion of the Port of Southampton.

5.122 The land at Dibden Bay is a Site of Special Scientific Interest (SSSI) and adjoins the New Forest National Park. The foreshore is of international importance, being designated as a Special Protection Area (SPA) and RAMSAR site, as well as an SSSI.

5.123 In 2004 the Secretary of State rejected previous proposals for port development at Dibden Bay principally because its environmental harm outweighed the economic benefits at that time. The previous examination considered three main issues:

- The extent to which any proposals are in the public interest taking into account need for additional port capacity
- Alternatives solutions in southern England to provide the capacity needed
- The impact of the proposed development.

5.124 Any future application for port use would likely be of a scale that would qualify as a [Nationally Significant Infrastructure Project](#) under the 2008 Planning Act. It would fall to the Planning Inspectorate rather than the District Council to consider and to make a recommendation to the Secretary of State whether a Development Consent Order should be issued. The Secretary of State would make the final decision.

5.125 As part of the examination of a nationally significant infrastructure project the Council would submit a [Local Impact Report](#) to the examiner giving details of the likely impact of the proposed development on the district. The Council would seek and expect to work through the relevant

5: Policy direction

issues with the applicant prior to submission of the application to agree common ground where possible.

5.126 The following principal matters considered by the examiner of the previous Dibden Bay proposal are a useful guide to matters a Local Impact Report would include and that any future application should address:

- The Conservation of Habitats and Species Regulations 2010 in terms of the likely effects of construction and operation of a port on Internationally designated Natura 2000 sites: the Solent and Southampton Water Ramsar Site and SPA, on the Solent Maritime SAC, and on the New Forest SPA and SAC.
- The extent to which the proposals are consistent with national and local planning policies
- Other likely positive or negative effects of construction and from the operation of a port on the following matters. Proposed mitigation, compensatory measures or potential planning conditions would be taken into account:
 - the amenity of local residents and communities including noise and light pollution
 - the marine environment and the foreshore including from ship wash
 - the local environment, wildlife and ecology
 - the local economy and employment including impacts on local businesses
 - the safe and efficient operation of the transport network including by road, rail, ferry, walking and cycling
 - infrastructure capacity including community facilities and services
 - landscape character including significant views

- flood risk and other climatic factors
- soil, air and water quality
- architectural and archaeological heritage
- tourism, recreation and open space including public access to the coast.

5: Policy direction

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A: Proposed strategic sites

Maps of proposed strategic housing sites

Location	Initial estimate of potential
Totton and the Waterside sub area	About 2,050 homes
A. North of Totton	About 990 homes About 5 hectares employment
B. West of Marchwood	About 880 homes
C. North of Marchwood	About 180 homes
South Coastal Towns sub area	About 2,960 homes
D. North of Lymington (Green Belt)	About 870 homes
E. South West of Lymington (Green Belt)	About 240 homes
F. North of Milford on Sea (Green Belt)	About 270 homes
G. North East of Everton (Green Belt)	About 120 homes
H. Central Hordle (Green Belt)	About 180 homes
I. North of Hordle (Green Belt)	About 150 homes
J. North East of Hordle (Green Belt)	About 200 homes
K. North West New Milton (Green Belt)	About 300 homes
L. North East of New Milton (Green Belt)	About 130 homes
M. South East of New Milton (Green Belt)	About 200 homes
N. South West New Milton (Green Belt)	About 300 homes
Avon Valley and Downlands sub area	About 1,880 homes
O. West of Bransgore (Green Belt)	About 120 homes
P. South of Ringwood (Green Belt)	About 750 homes
Q. East of Ringwood	About 400 homes About 5 hectares employment
R. North of Ringwood	About 130 homes
S. North West of Fordingbridge	About 380 homes
T. East of Ashford	About 100 homes

Maps of other potential opportunity areas

- U. The former Fawley Power Station (mixed use)
- V. Eling Wharf (mixed use)
- W. Otter Nurseries (parkland business campus)
- X. Stem Lane (employment)

A: Proposed strategic sites

Totton and the Waterside

A. North of Totton

Indicative uses

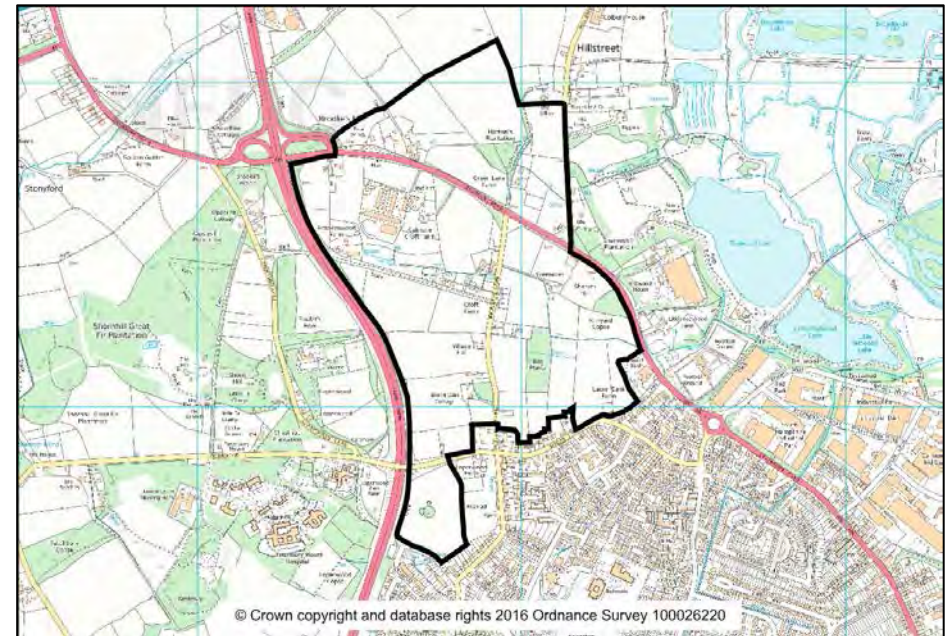
- Around 990 homes, a mix of types, sizes and tenures
- Accessible natural greenspace provision to mitigate impacts on the New Forest Natura 2000 sites of at least 8 hectares per 1,000 population
- Public open space - informal recreation, play space and playing pitches to a standard of 3.5ha per 1000 population
- A community focal point or points which may include facilities such as local convenience shopping, medical, childcare, a community centre. Primary school provision may be required.
- Around 5 hectares of additional local employment and small business space

Considerations and issues include:

- Existing homes and other uses may be retained or redeveloped in accordance with the preferences and rights of the current owners
- Localised surface water flood risk to be managed
- Retention of protected trees, woodlands and established hedgerows
- Retention of established Rights of Way
- Green Infrastructure and habitat mitigation opportunities linking Bog Plantation and Kilnyard Copse
- Retention of existing rural character of Pualetts Lane

- Requirement for a detailed assessment of local traffic impact and access considerations
- Potential requirement for junction improvements along the Totton Western Bypass to create additional capacity
- Potential school capacity issues
- Highways England have planned junction improvements near M271/A35 to assist traffic flow.

Site A North of Totton



A: Proposed strategic sites

B. West of Marchwood

Indicative uses

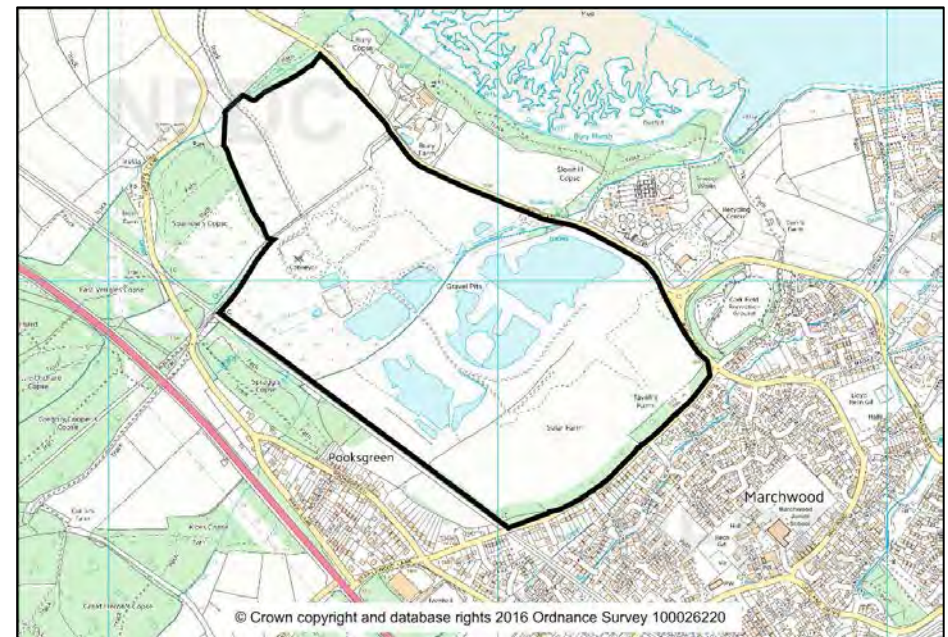
- Around 880 homes, a mix of types, sizes and tenures
- Accessible natural greenspace provision to mitigate impacts on the New Forest Natura 2000 sites of at least 8 hectares per 1,000 population
- Public open space - informal recreation, play space and playing pitches to a standard of 3.5ha per 1000 population
- A community focal point or points which may include facilities such as local convenience shopping, medical, childcare, a community centre. Primary school provision may be required.

Considerations and issues include:

- Phasing of housing delivery for the prior working of minerals and the economic life of the solar farm
- Restoration of worked land including potential for water features
- Creation of a well defined and landscaped settlement edge to frame and reinforce the strategic gap between Totton and Marchwood
- Parts of the site are within 400m of the Solent and Southampton Water Natura 2000 site and SSSI and areas on site have potential habitat value that could be enhanced
- Retain existing landscape structure of hedges and hedge trees, enhanced with significant new planting
- Requirement for a detailed assessment of local traffic impact and access considerations

- Potential school capacity issues
- Potential odour, noise and light pollution from Marchwood waste and recycling centre and Slowhill Copse Wastewater treatment works
- Minerals safeguarding area requiring survey of potential for extraction. May affect development phasing.

Site B West of Marchwood



A: Proposed strategic sites

C. North of Marchwood

Indicative uses

- Around 180 homes, a mix of types, sizes and tenures
- Accessible natural greenspace provision to mitigate impacts on the New Forest Natura 2000 sites of at least 8 hectares per 1,000 population
- Public open space - informal recreation, play space and playing pitches to a standard of 3.5ha per 1000 population
- Non-residential uses could be considered on the western side

Considerations and issues include:

- Managing potential odour from the sewerage treatment works
- Parts of the site fringe the Solent and Southampton Water Natura 2000 site and SSSI
- The site has some ecological value and the wooded strip on the northern boundary is a Site of Importance for Nature Conservation (SINC) with habitat value that could be enhanced and extended to provide suitable buffering to adjacent uses.
- Flood risk on the eastern perimeter
- Achieving connectivity with adjoining residential areas and respecting heritage assets
- Provide extended water-front recreational access route
- Requirement for a detailed assessment of local traffic impact and access considerations
- Potential school capacity issues

- Potential odour, noise, dust and light pollution from Marchwood waste and recycling centre and Slowhill Copse Wastewater treatment works and Bury Farm quarry.
- Minerals safeguarding area requiring survey of potential for extraction. May affect development phasing

Site C North of Marchwood



A: Proposed strategic sites

South Coastal Towns

D. North of Lymington

For consultation and consideration whether exceptional circumstances justify the release of land from the Green Belt for development

Indicative uses

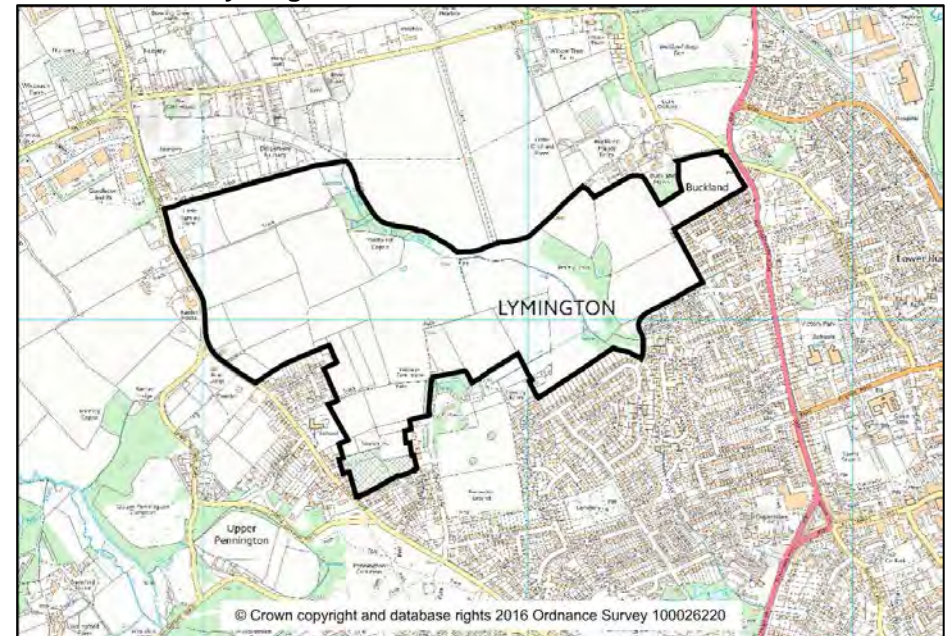
- Around 870 homes in addition to capacity on existing housing site allocations LYM1 and LYM2, a mix of types, sizes and tenures
- Accessible natural greenspace provision to mitigate impacts on the New Forest Natura 2000 sites of at least 8 hectares per 1,000 population
- Public open space - informal recreation, play space and playing pitches to a standard of 3.5ha per 1000 population
- Potential location for additional burial space for Lymington, within the site or on land adjoining.

Considerations and issues include:

- Integrated masterplanning and connectivity with sites LYM1/ LYM2
- Minerals consultation zone
- Groundwater protection zone and Conservation Area around Buckland Manor, which is a listed building
- Natural drainage and a potential green corridor running northwest to southeast including Yaldhurst Copse and Jimmy Bays.
- Land in the Green Belt that strongly meets the purposes of Green Belt. Important open expanse with long views from the National Park edge (Sway Road) to Yaldhurst listed building and its grounds.

- Existing groups and clumps of trees are an important local feature
- Requirement for a detailed assessment of local traffic impact and access considerations
- Potential school capacity issues
- Minerals consultation area. May affect development phasing.

Site D North of Lymington



A: Proposed strategic sites

E. South West of Lymington

For consultation and consideration whether exceptional circumstances justify the release of land from the Green Belt for development.

Indicative uses

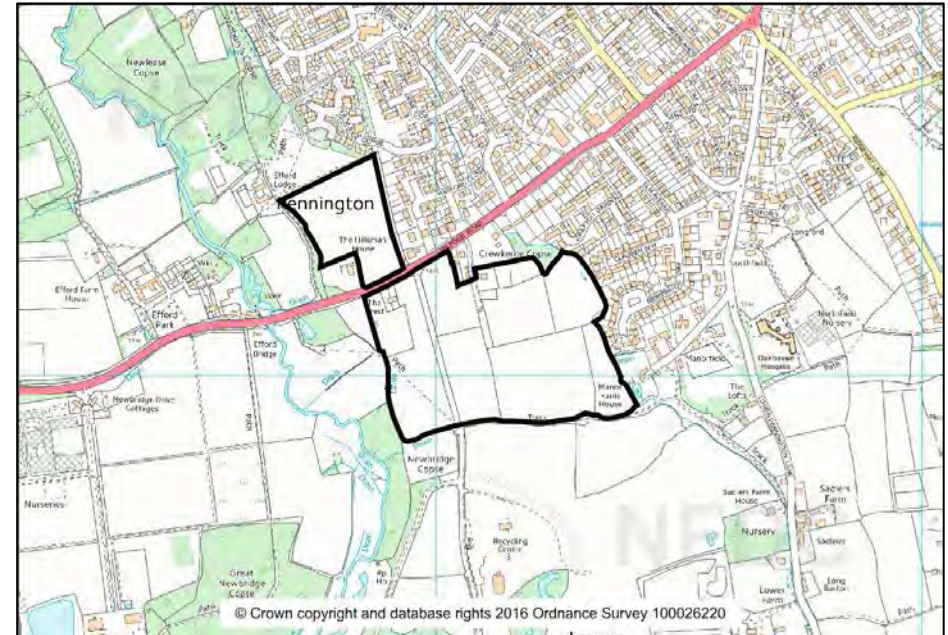
- Around 240 homes a mix of types, sizes and tenures
- Accessible natural greenspace provision to mitigate impacts on the New Forest Natura 2000 sites of at least 8 hectares per 1,000 population
- Public open space - informal recreation, play space and playing pitches to a standard of 3.5ha per 1000 population

Considerations and issues include:

- Address potential amenity impacts from the landfill site, minerals workings and sewerage works to the south west of the sites
- Minerals consultation zone
- Retain long views to the coast between buildings and respect lower density of adjacent development
- Land in the Green Belt that moderately meets the purposes of GB
- Flooding risk on the eastern perimeter
- Potential to reinforce Avon Water as a natural landscape boundary to the settlement and as habitat and an amenity area
- May affect the setting of Manor Farm house listed building
- Requirement for a detailed assessment of local traffic impact and access considerations
- Potential school capacity issues

- Part of site is in close proximity to Efford waste and recycling centre and in close proximity to Pennington Wastewater Treatment works may result in odour, noise and lighting impact on future residents.
- Possible location for additional burial space within/adjoining the site.
- Minerals safeguarding area requiring survey of potential for extraction. May affect development phasing.

Site E South West of Lymington



A: Proposed strategic sites

F. North of Milford-on-Sea

For consultation and consideration whether exceptional circumstances justify the release of land from the Green Belt for development.

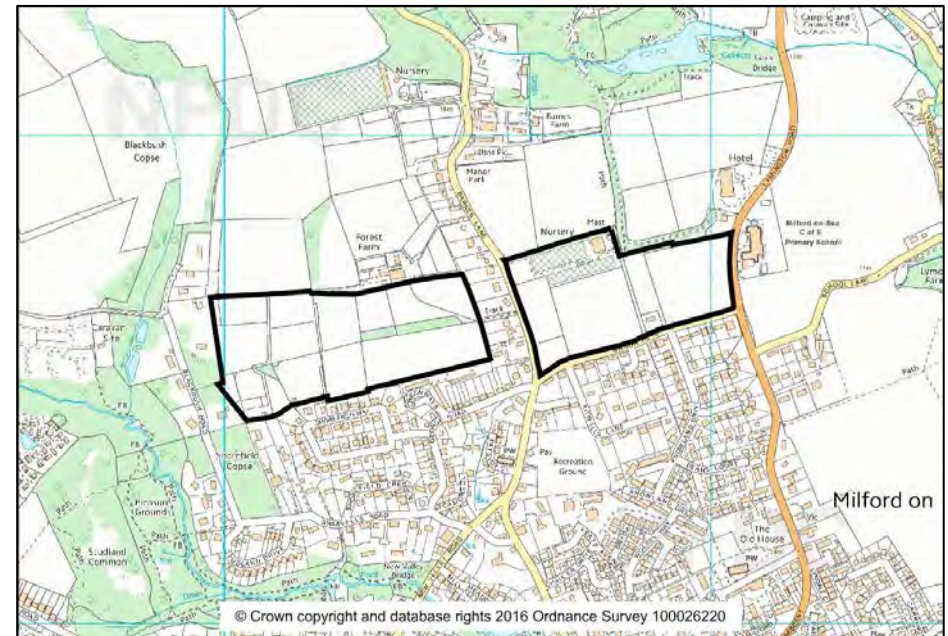
Indicative Uses

- Around 270 homes, a mix of types, sizes and tenures.
- Accessible natural greenspace provision to mitigate impacts on the New Forest Natura 2000 sites of at least 8 hectares per 1,000 population
- Public open space - informal recreation, play space and playing pitches to a standard of 3.5ha per 1000 population

Considerations and issues include:

- Tree Preservation Orders along northern perimeter.
- Retention of established Rights of Way.
- Land within Green Belt, areas that relatively strongly or moderately meets the purposes of Green Belt.
- Surface water drainage from this site will require further investigation (downstream systems where they exist are poor).
- Retain visual containment provided by robust typical vegetation to the north.
- Requirement for a detailed assessment of local traffic impact and access considerations
- Potential school capacity issues
- Part of site is in close proximity to Downton Manor Farm quarry which is a safeguarded minerals site. May affect development phasing

Site F North of Milford-on-Sea



A: Proposed strategic sites

G. North East of Everton

For consultation and consideration whether exceptional circumstances justify the release of land from the Green Belt for development.

Indicative uses

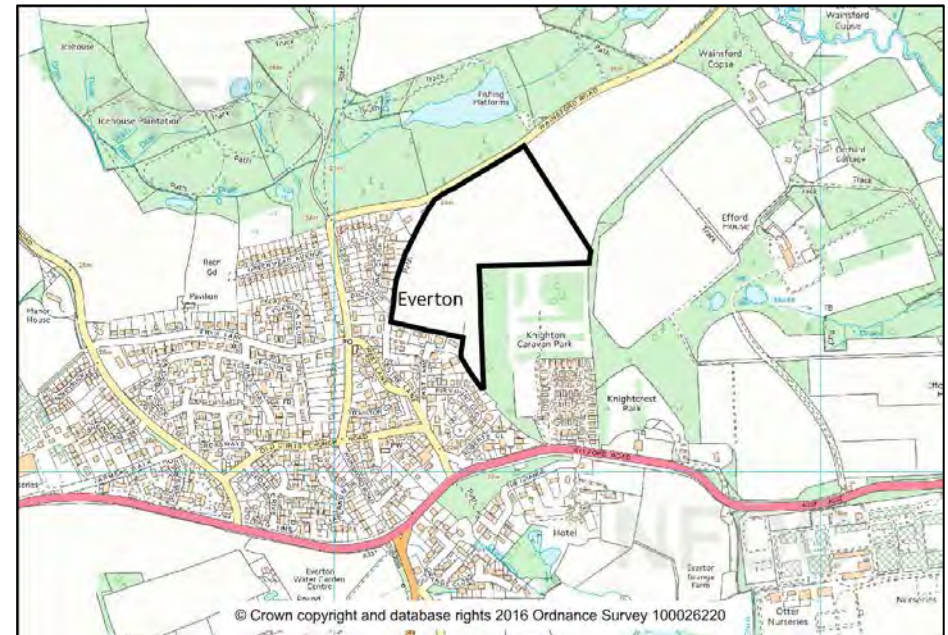
- Around 120 homes, a mix of types, sizes and tenures.
- Accessible natural greenspace provision to mitigate impacts on the New Forest Natura 2000 sites of at least 8 hectares per 1,000 population
- Public open space - informal recreation, play space and playing pitches to a standard of 3.5ha per 1000 population

Considerations and issues include:

- Creation of a well-defined and landscaped edge of settlement that rounds off the existing pattern of development.
- Site is surrounded on three sides by Priority Habitats with SINC to the north-west side. Any development would need to protect / enhance those areas and improve the wildlife corridors.
- TPO trees present on western boundary.
- Land in the Green Belt that relatively strongly meets the purposes of Green Belt.
- In relation to surface water drainage – this should be possible via a watercourse situated north of Wainsford Road.
- Requirement for a detailed assessment of local traffic impact and access considerations
- Potential school capacity issues

- Minerals consultation area requiring survey of potential for extraction. May affect development phasing.

Site G North East of Everton



A: Proposed strategic sites

H. Central Hordle

For consultation and consideration whether exceptional circumstances justify the release of land from the Green Belt for development.

Indicative uses

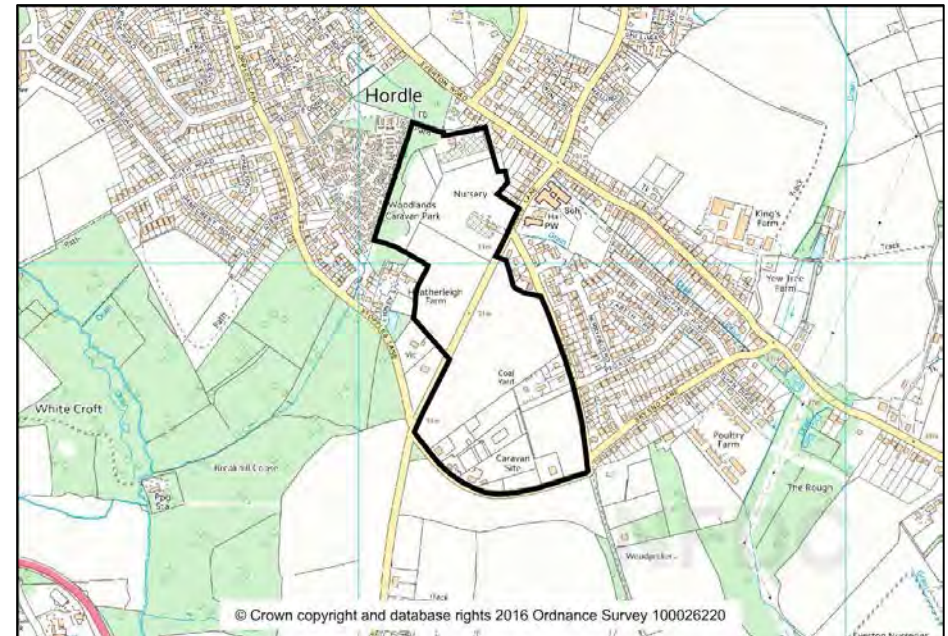
- Around 180 homes, a mix of types, sizes and tenures.
- Accessible natural greenspace provision to mitigate impacts on the New Forest Natura 2000 sites of at least 8 hectares per 1,000 population
- Public open space - informal recreation, play space and playing pitches to a standard of 3.5ha per 1000 population

Considerations and issues include:

- Small southern part of the site affected by surface water flood risk. Surface water drainage – unlikely that soakaways will work in this location. Potential watercourse through the site requires further investigation.
- Land in the Green Belt that moderately meets the purposes of Green Belt.
- Retain and enhance existing tree and hedge boundary features that reflect local landscape character, including the open ditch and bank in the southern section.
- Enhancement of public right of way and creation of a green (pedestrian) route through the settlement north to south
- Requirement for a detailed assessment of local traffic impact and access considerations
- Potential school capacity issues

- Minerals consultation area requiring survey of potential for extraction. May affect development phasing.

Site H Central Hordle



A: Proposed strategic sites

I. North of Hordle

For consultation and consideration whether exceptional circumstances justify the release of land from the Green Belt for development.

Indicative uses

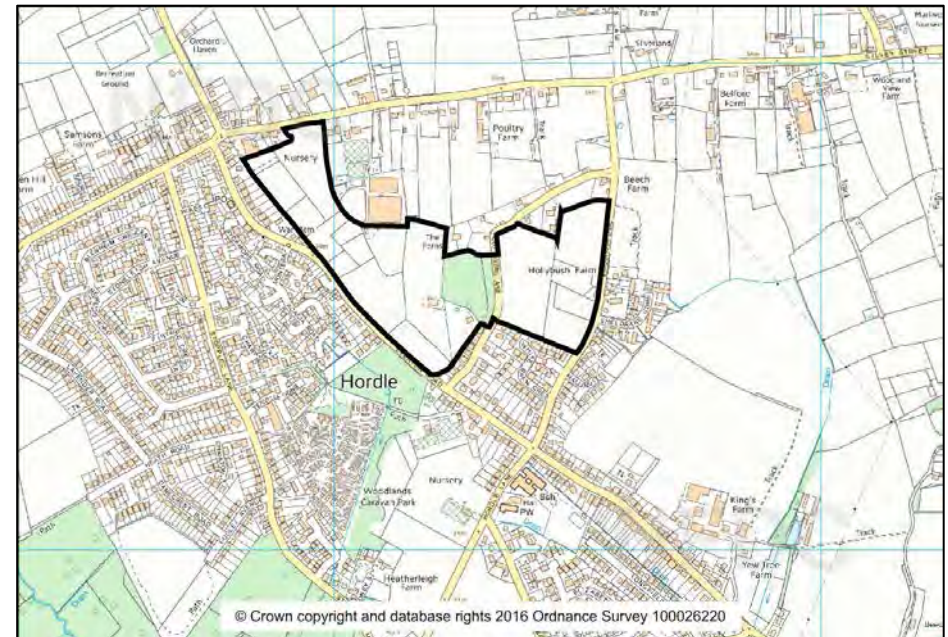
- Around 150 homes, a mix of types, sizes and tenures.
- Accessible natural greenspace provision to mitigate impacts on the New Forest Natura 2000 sites of at least 8 hectares per 1,000 population
- Public open space - informal recreation, play space and playing pitches to a standard of 3.5ha per 1000 population

Considerations and issues include:

- Retention of protected trees, woodlands and established hedgerows.
- Land in the Green Belt that moderately meets the purposes of Green Belt
- Surface water drainage – unlikely that Soakaways will work in this location. Potential watercourse through the site requires further investigation.
- Retain strong framework of hedges and trees that also describes historic field patterns.
- Seek opportunities to repair and enhance urbanising elements of existing settlement, especially streetscene boundaries.
- Extend existing informal recreational routes to link to countryside beyond, where possible, including a north-south route through the village

- Requirement for a detailed assessment of local traffic impact and access considerations
- Potential school capacity issues
- Minerals consultation area requiring survey of potential for extraction. May affect development phasing.

Site I North of Hordle



A: Proposed strategic sites

J. North East of Hordle

For consultation and consideration whether exceptional circumstances justify the release of land from the Green Belt for development.

Indicative uses

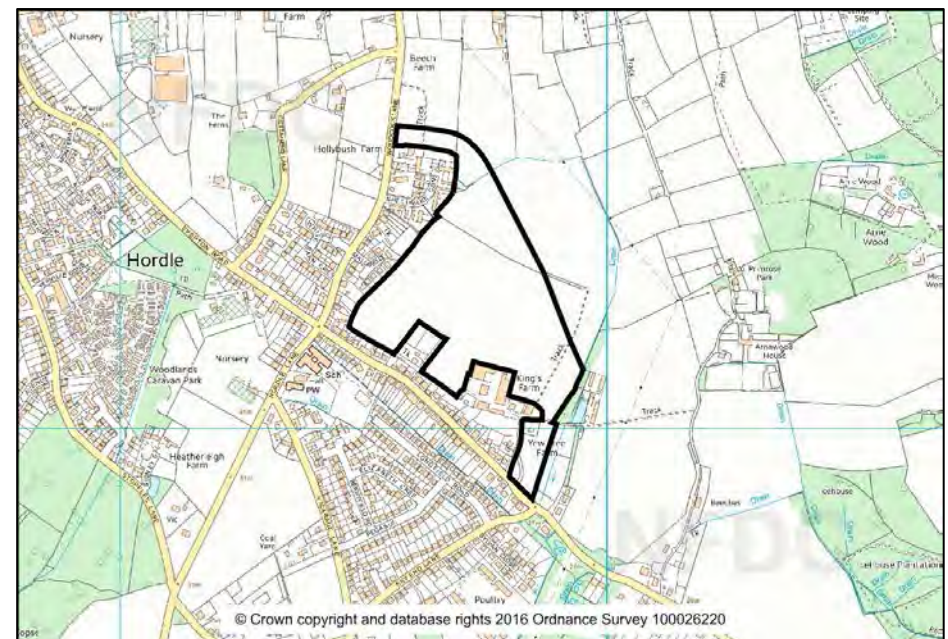
- Around 200 homes, a mix of types, sizes and tenures.
- Accessible natural greenspace provision to mitigate impacts on the New Forest Natura 2000 sites of at least 8 hectares per 1,000 population
- Public open space - informal recreation, play space and playing pitches to a standard of 3.5ha per 1000 population

Considerations and issues include:

- Define and landscape a robust new settlement edge to the north east.
- Land in the Green Belt that relatively strongly meets the purposes of Green Belt.
- Improve connections to existing settlement, retaining and linking existing public rights of way with new open space and habitat mitigation features
- Surface water drainage should be possible via a watercourse to the east of the site.
- Retain and enhance existing boundary features and individual mature trees including TPO trees on southern and western perimeter.
- Requirement for a detailed assessment of local traffic impact and access considerations

- Dual access points to Woodcock Lane and Everton Road likely to be required to achieve the potential housing capacity indicated
- Potential school capacity issues
- Minerals consultation area requiring survey of potential for extraction. May affect development phasing.

Site J North East of Hordle



A: Proposed strategic sites

K. North West New Milton

For consultation and consideration whether exceptional circumstances justify the release of land from the Green Belt for development.

Indicative uses

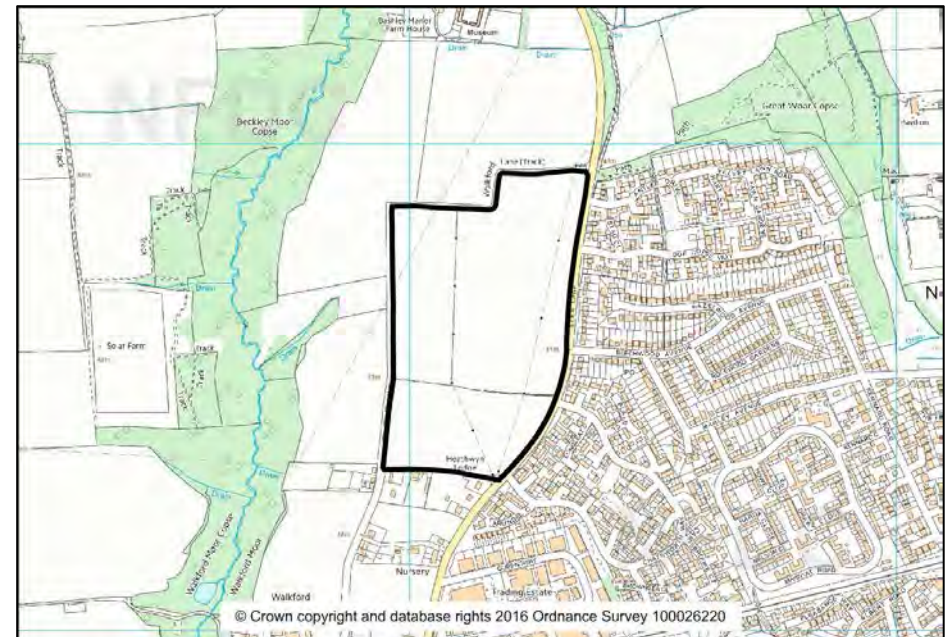
- Around 300 homes, a mix of types, sizes and tenures.
- Accessible natural greenspace provision to mitigate impacts on the New Forest Natura 2000 sites of at least 8 hectares per 1,000 population
- Public open space - informal recreation, play space and playing pitches to a standard of 3.5ha per 1000 population

Considerations and issues include:

- Overhead pylons run through the northern part of site.
- Right of Way on west and north boundary
- Majority of the land is in Green Belt that as strongly meets the purposes of Green Belt (southern end relatively strongly).
- Within the drainage catchment of a watercourse to the west of the site.
- Retain and enhance the strong hedged boundary features
- There are opportunities to soften the settlement boundary with significant new tree and hedge planting.
- Long views from the northern edges are important vistas
- Requirement for a detailed assessment of local traffic impact and access considerations
- Potential school capacity issues

- Minerals consultation area requiring survey of potential for extraction. May affect development phasing.

Site K North West New Milton



A: Proposed strategic sites

L. North East of New Milton

For consultation and consideration whether exceptional circumstances justify the release of land from the Green Belt for development.

Indicative uses

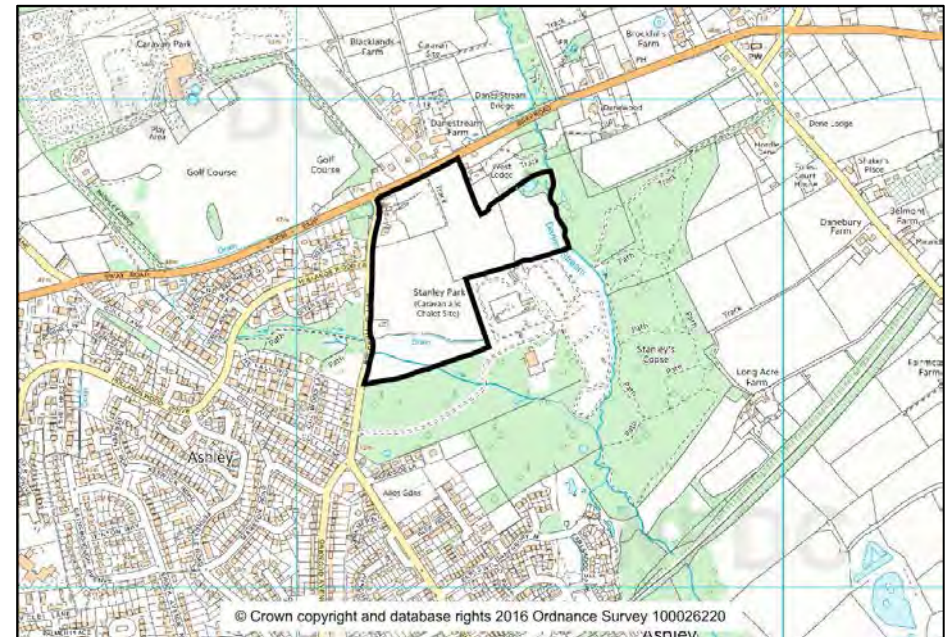
- Around 130 homes, a mix of types, sizes and tenures.
- Accessible natural greenspace provision to mitigate impacts on the New Forest Natura 2000 sites of at least 8 hectares per 1,000 population
- Public open space - informal recreation, play space and playing pitches to a standard of 3.5ha per 1000 population

Considerations and issues include:

- Adjoins National Park to north and east.
- Adjoining land to the south is SINC ancient woodland.
- TPOs on western & south west perimeter of site.
- Land in the Green Belt that moderately meets the purposes of Green Belt.
- Surface water drainage should be possible via a watercourse running through the site.
- Maintain sense of enclosure by allowing woodland to dominate skyline
- Boundary treatments need to reflect rural character
- Requirement for a detailed assessment of local traffic impact and access considerations
- Potential school capacity issues

- Minerals consultation area requiring survey of potential for extraction. May affect development phasing.

Site L North East of New Milton



A: Proposed strategic sites

M. South East of New Milton

For consultation and consideration whether exceptional circumstances justify the release of land from the Green Belt for development.

Indicative uses

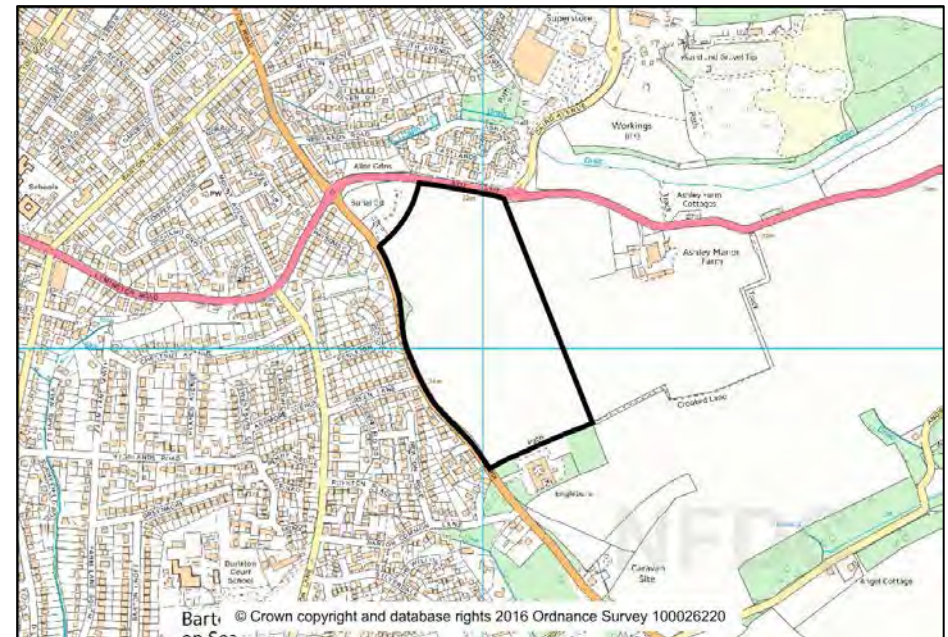
- Around 200 homes, a mix of types, sizes and tenures.
- Accessible natural greenspace provision to mitigate impacts on the New Forest Natura 2000 sites of at least 8 hectares per 1,000 population
- Public open space - informal recreation, play space and playing pitches to a standard of 3.5ha per 1000 population
- Extension to cemetery

Considerations and issues include:

- Land in the Green Belt that strongly meets the purposes of Green Belt.
- Possible surface water drainage links to the watercourse to the south along Angel Lane, requiring further investigation
- Add to the newly planted wooded boundary feature to create more significant woodland to the east and south, retaining protected trees along southern perimeter.
- Provide a robust frontage to Milford Road opposite Caird Avenue, to define an entrance to the town.
- Requirement for a detailed assessment of local traffic impact and access considerations
- Potential school capacity issues

- Part of the site is adjacent to the Caird Avenue aggregate recycling facility which is a safeguarded waste infrastructure site
- Minerals consultation area requiring survey of potential for extraction (and a small Minerals safeguarding area to the northern end). May affect development phasing.

Site M South East of New Milton



A: Proposed strategic sites

South West New Milton

For consultation and consideration whether exceptional circumstances justify the release of land from the Green Belt for development.

Indicative uses

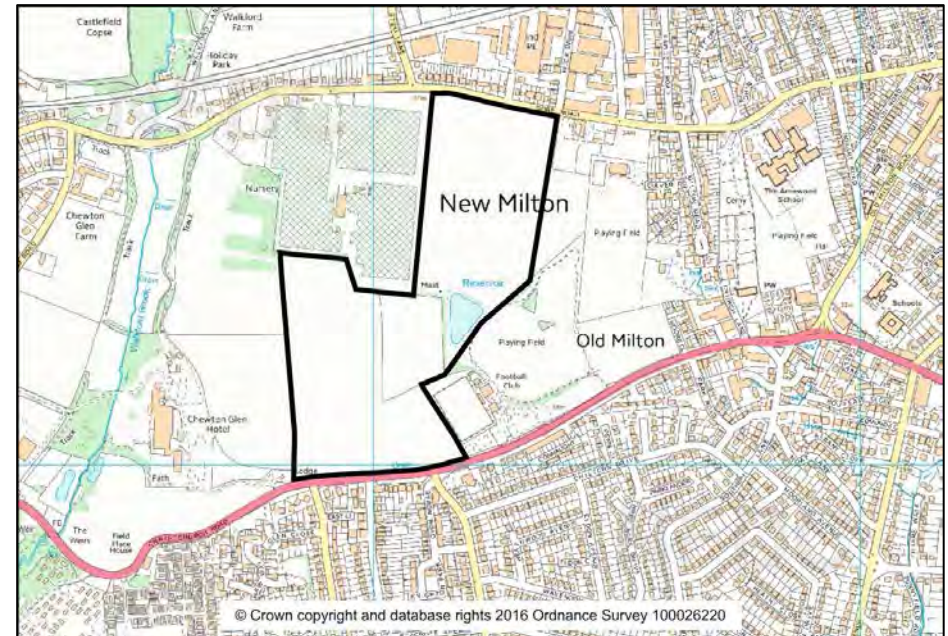
- Around 300 homes, a mix of types, sizes and tenures.
- Accessible natural greenspace provision to mitigate impacts on the New Forest Natura 2000 sites of at least 8 hectares per 1,000 population
- Public open space - informal recreation, play space and playing pitches to a standard of 3.5ha per 1000 population

Considerations and issues include:

- Western side is in Green Belt that relatively strongly meets the purposes of Green Belt (eastern side moderately).
- Opportunities to soften the settlement boundary with significant new tree and hedge planting to reinforce Chewton Glen and Chewton Bunny as strong boundaries that visually separate New Milton and Highcliffe
- Watercourse catchments for surface water drainage available both to the east and west of the site.
- Retain and enhance the strong hedged boundary features
- Requirement for a detailed assessment of local traffic impact and access considerations
- Potential school capacity issues
- Incinerator operates within Double H Nurseries

- Minerals safeguarding area requiring survey of potential for extraction. May affect development phasing.

Site N South West New Milton



A: Proposed strategic sites

Avon Valley and Downlands

N. West of Bransgore

For consultation and consideration whether exceptional circumstances justify the release of land from the Green Belt for development.

Indicative uses

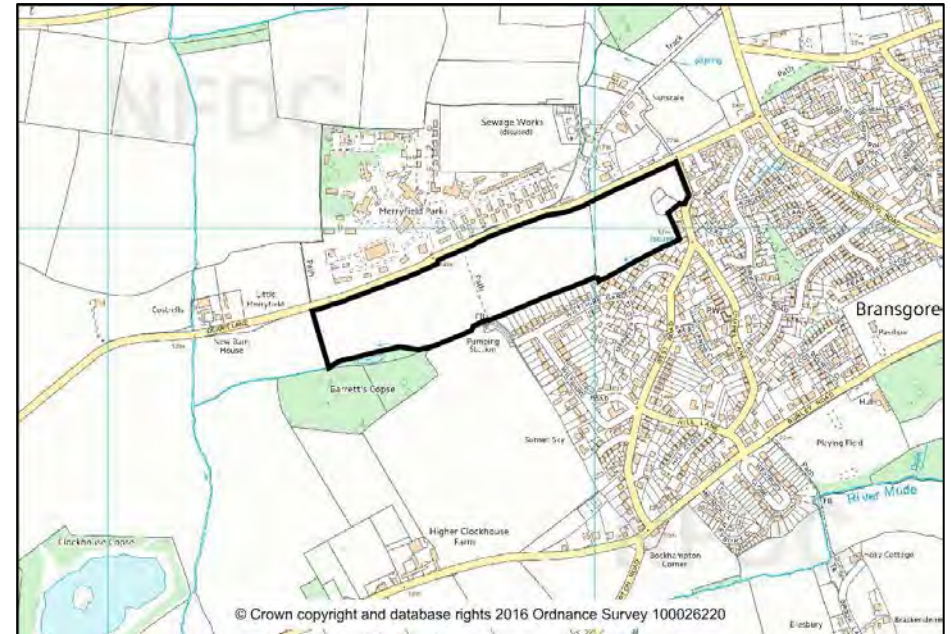
- Around 120 homes, a mix of types, sizes and tenures
- Accessible natural greenspace provision to mitigate impacts on the New Forest Natura 2000 sites of at least 8 hectares per 1,000 population
- Public open space - informal recreation, play space and playing pitches to a standard of 3.5ha per 1000 population

Considerations and issues include:

- Create a new robust settlement edge that also helps absorb Merryfield Park into the settlement boundary
- The site is Green Belt that moderately to weakly meets the purposes of Green belt
- Southern end of the site has known surface water flooding issues
- Requirement for a detailed assessment of local traffic impact and access considerations
- Retention of existing Public Rights of Way that passes through centre of the site to link to recreational provision on Merryfield Park. Retention of protected trees and protected hedgerows on present on southern perimeter
- A capacity appraisal of the sewage network is required

- Potential school capacity issues
- Minerals consultation area requiring survey of potential for extraction. May affect development phasing.

Site O West of Bransgore



A: Proposed strategic sites

O. South of Ringwood

For consultation and consideration whether exceptional circumstances justify the release of land for development from the Green Belt.

Indicative Uses

- Around 750 homes, a mix of types, sizes and tenures
- Accessible natural greenspace provision to mitigate impacts on the New Forest Natura 2000 sites of at least 8 hectares per 1,000 population
- Public open space - informal recreation, play space and playing pitches to a standard of 3.5ha per 1000 population
- A community focal point which may include facilities such as local convenience shopping, medical, childcare, a community centre. Primary school provision may be required

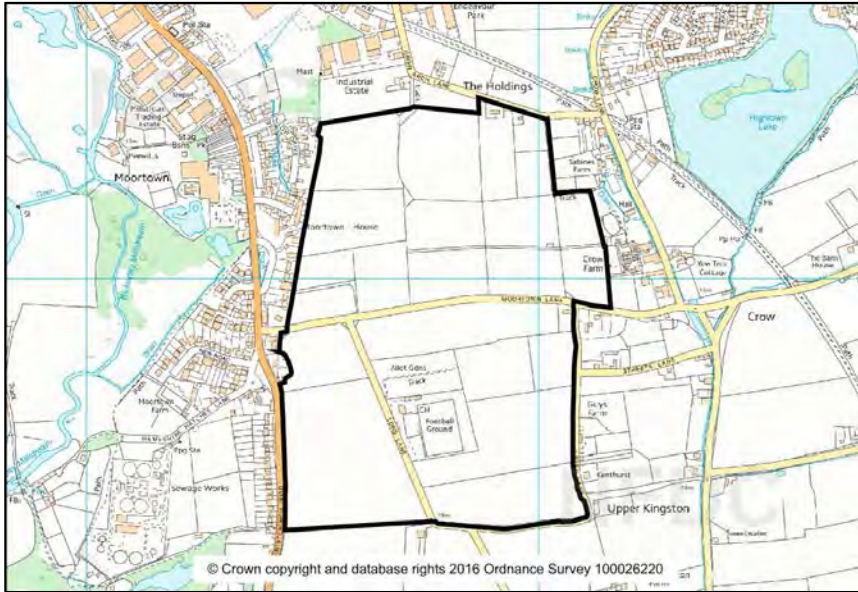
Considerations and issues include:

- Retain and supplement existing allotments and playing pitches
- Creation of a well-defined, robust and landscaped settlement edge to the south and east with development form and layout that respects the more rural feel of the eastern perimeter
- Landscape buffering of industrial premises to the north.
- Parts of the site are within 400m of the Avon Valley Natura 2000 Site and SSSI
- Land south of Moortown Lane strongly meets the purposes of the Green Belt. Land north of Moortown Lane moderately meets the purposes of the Green Belt.

- Site has high water table and localised areas of surface water flood risk
- Have due regard for the long and open views and large skies, and north/south linear orientation of the Avon Valley.
- Requirement for a detailed assessment of local traffic impact and access considerations
- Potential school capacity issues
- Will require a dedicated off site pumped connection to treatment works. Potential for capacity improvements to treatment works.
- Minerals consultation area requiring survey of potential for extraction. May affect development phasing.

A: Proposed strategic sites

Site P South of Ringwood



A: Proposed strategic sites

P. East of Ringwood

Indicative uses

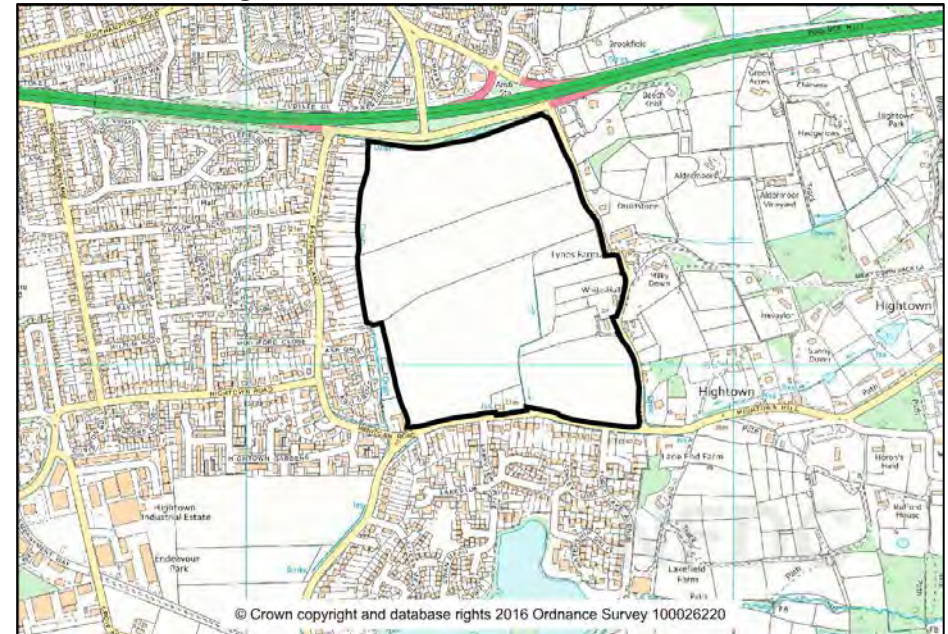
- Around 400 homes, a mix of types, sizes and tenures
- Accessible natural greenspace provision to mitigate impacts on the New Forest Natura 2000 sites of at least 8 hectares per 1,000 population
- Public open space - informal recreation, play space and playing pitches to a standard of 3.5ha per 1000 population
- About 5 hectares of land for employment and small business use near the A31 access

Considerations and issues include:

- Creation of a well-defined and landscaped settlement edge which protects the setting and purposes of the National Park adjoining the eastern boundary of this site
- Retention of existing Public Right of Way located in southern end of site
- Localised areas of surface water flood risk
- Enhance views towards Ringwood Conservation Area and reduce the impact of the A31 through careful planting design
- Respond to the distinct change in landscape character in the south east corner of the site
- Potential school capacity issues
- Requirement for a detailed assessment of local traffic impact and access considerations, with particular consideration of impact on A31.

- Likely to require capacity improvements to the existing public foul water sewer system and may require a foul water sewage strategy
- with a dedicated off site connecting sewer or pumped connection. Capacity can be linked with other potential development sites identified South of Ringwood.
- Minerals consultation area requiring survey of potential for extraction. May affect development phasing.

Site Q East of Ringwood



A: Proposed strategic sites

Q. North of Ringwood

Indicative uses

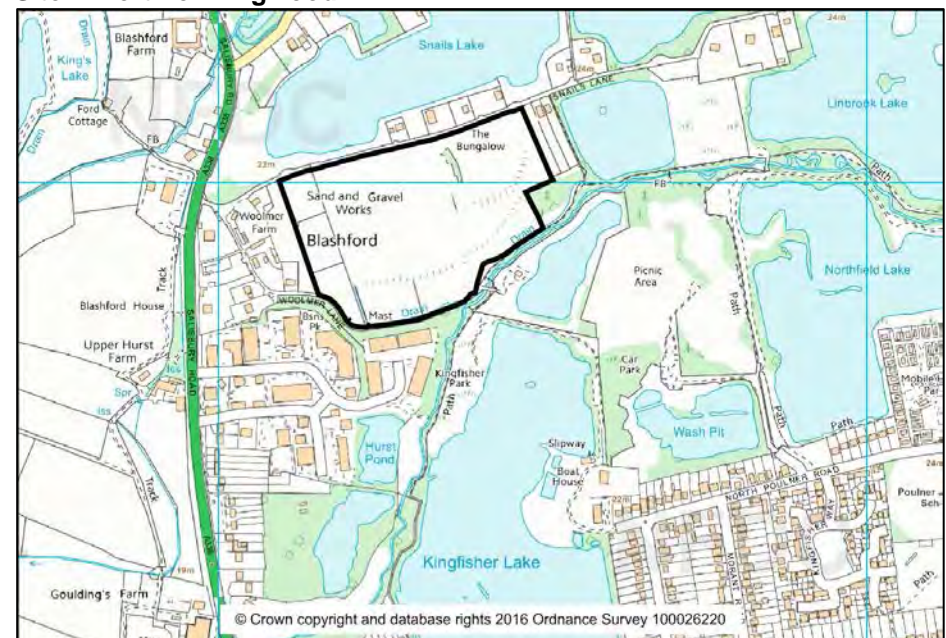
- Around 130 homes, a mix of types, sizes and tenures
- Accessible natural greenspace provision to mitigate impacts on the New Forest Natura 2000 sites of at least 8 hectares per 1,000 population
- Public open space - informal recreation, play space and playing pitches to a standard of 3.5ha per 1000 population

Considerations and issues include:

- Creation of a well-defined and landscaped development to respect and enhance the Blashford Lakes
- Parts of the site are within 400m of the Avon Valley Natura 2000 Site and SSSI. There are areas of habitat conservation value on the southern and eastern boundaries which could be enhanced
- Localised areas of flood risk, mainly confined to eastern end of site and to depression / pond in the centre of the site
- Existing Public Right of Way on southern perimeter of site should be retained
- Opportunity to enhance the village of Blashford by redefining nucleated settlement pattern
- Enhance woodland planting to maintain landscape character and contain Headlands Business Park
- Requirement for a detailed assessment of local traffic impact and access considerations
- Potential school capacity issues

- Part of the site is adjacent to Plumley Wood quarry and aggregate recycling facility which is a safeguarded waste infrastructure site.
- Likely to require capacity improvements to the local foul sewers system which will need to be assessed
- Partly a Minerals consultation area requiring survey of potential for extraction (and a small Minerals safeguarding area to the north west corner). May affect development phasing.

Site R North of Ringwood



A: Proposed strategic sites

R. North West of Fordingbridge

Indicative uses

- Around 380 homes, a mix of types, sizes and tenures
- Replace and upgrade existing employment use.
- Accessible natural greenspace provision to mitigate impacts on the New Forest Natura 2000 sites of at least 8 hectares per 1,000 population
- Public open space - informal recreation, play space and playing pitches to a standard of 3.5ha per 1000 population

Considerations and issues include:

- Creation of a well-defined, robust and landscaped settlement edge to Fordinbridge including along Puddlesplash Lane (reflecting the character of Marl Lane as a distinctive feature)
- Protect and enhance the Sweatford Water area of ecological and habitat value as a focal point for habitat mitigation and recreational open space provision
- Retention of existing Public Rights of Way that are present in the site. Retention of protected trees and protected hedgerows.
- Isolated areas of surface water flood risk on-site with a history of more significant surface water flooding on land to the north. Potential for downstream impacts will need to be assessed.
- Maintain and enhance distinction between landscape characters at Lower Burgate with new hedges and linear woodland planting.
- Increased capacity to water mains may be required.

- Requirement for a detailed assessment of local traffic impact and access considerations
- Potential school capacity issues
- A scheme of works to enhance process capacity for foul treatment will be required and programmed to match the rate of development. These works may require additional land and supporting planning consents.
- Minerals consultation area. May affect development phasing.

A: Proposed strategic sites

Site S North West of Fordingbridge



A: Proposed strategic sites

S. East of Ashford

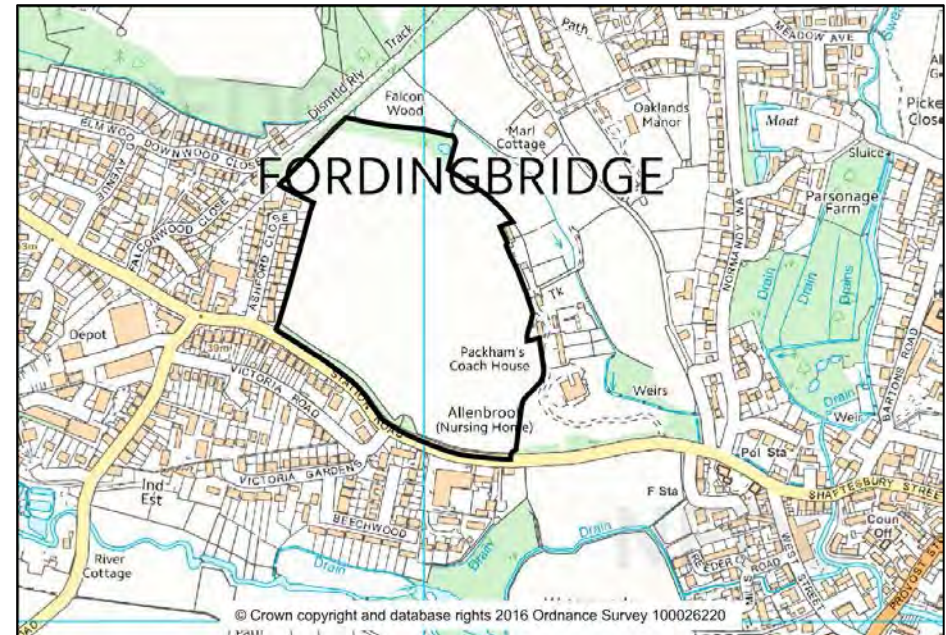
Indicative Uses

- Around 100 homes, a mix of types, sizes and tenures
- Accessible natural greenspace provision to mitigate impacts on the New Forest Natura 2000 sites of at least 8 hectares per 1,000 population
- Public open space - informal recreation, play space and playing pitches to a standard of 3.5ha per 1000 population

Considerations and issues include:

- Creation of a well-defined and appropriately landscaped settlement edge which maintains and strengthens the visual and physical gap between Ashford and Fordingbridge, albeit reduced in size
- Localised areas of surface water flood risk on northern fringe of site
- Increased capacity to water mains may be required
- Requirement for a detailed assessment of local traffic impact and access considerations
- Potential school capacity issues
- A scheme of works to enhance process capacity for foul treatment and surface water sewers will be required and programmed to match the rate of development. These works may require additional land and supporting planning consents
- Minerals consultation area requiring survey of potential for extraction. May affect development phasing.

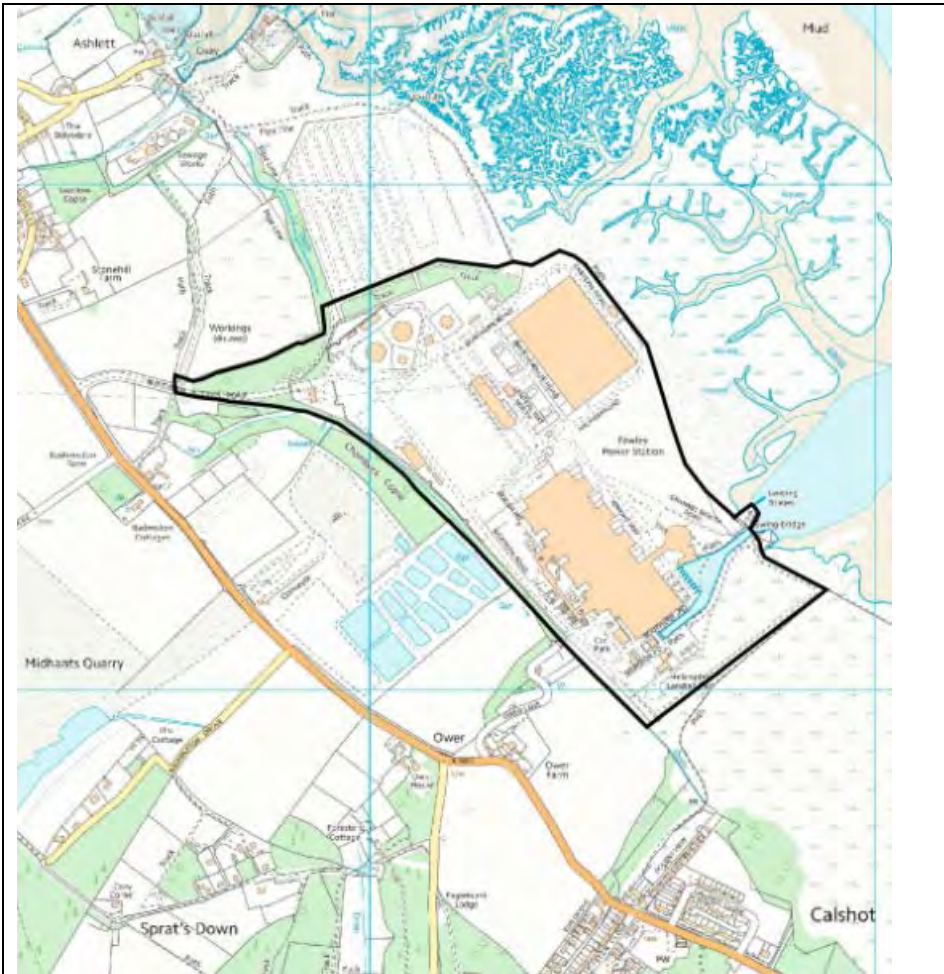
Site T East of Ashford



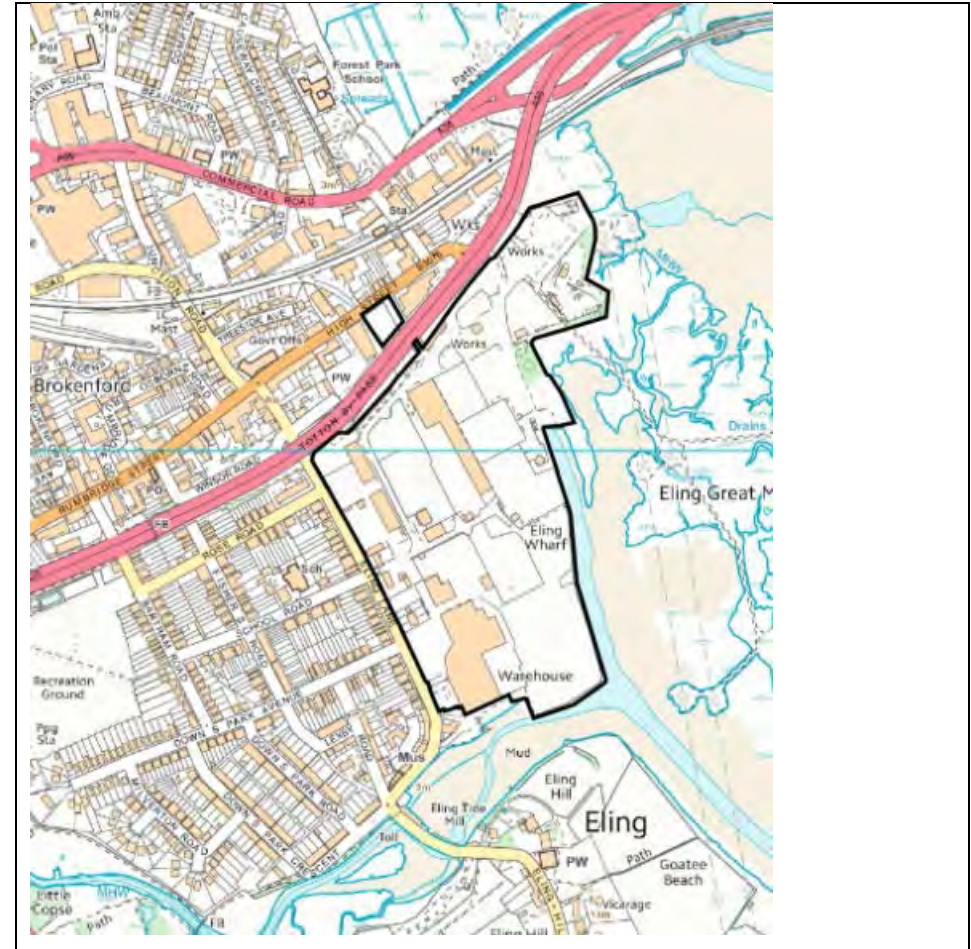
A: Proposed strategic sites

Maps of other potential opportunity areas

T. The former Fawley Power Station (mixed use)



U. Eling Wharf (mixed use)



A: Proposed strategic sites

V. Otter Nurseries, Efford (parkland business campus)



W. Stem Lane (employment)



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CABINET 6 JULY 2016
COUNCIL 11 JULY 2016

PORTFOLIO: FINANCE & EFFICIENCY/ALL

TREASURY MANAGEMENT ANNUAL OUTTURN REPORT 2015/16

1. PURPOSE

- 1.1. New Forest District Council adopts the key recommendations of the Chartered Institute of Public Finance and Accountancy (CIPFA) Treasury Management in the Public Services: Code of Practice, which includes an annual report on the treasury management strategy after the end of each financial year.

2. SUMMARY

- 2.1. Treasury management in the context of this report is defined as:

“The management of the organisation’s investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.”
- 2.2. This annual report sets out the performance of the treasury management function during 2015/16, to include the effects of the decisions taken and the transactions executed in the past year.
- 2.3. Hampshire County Council’s Investments & Borrowing Team has been contracted to manage the Council’s treasury management balances since March 2014 but overall responsibility for treasury management remains with the Council. No treasury management activity is without risk; the effective identification and management of risk are integral to the Council’s treasury management objectives.
- 2.4. All treasury activity has complied with the Council’s Treasury Management Strategy and Investment Strategy for 2015/16, and all relevant statute, guidance and accounting standards. In addition the Council’s treasury advisers, Arlingclose, provide support in undertaking treasury management activities.
- 2.5. The Council has complied with all of the prudential indicators set in its Treasury Management Strategy; these are detailed fully in Appendix 1.

3. EXTERNAL CONTEXT

- 3.1. The following sections outline the key economic themes currently in the UK against which investment and borrowing decisions were made in 2015/16.

Growth, Inflation, Employment

- 3.2. The UK economy slowed in 2015 with GDP growth falling to 2.3% from a robust 3.0% the year before. CPI inflation hovered around 0.0% through 2015 with deflationary spells in April, September and October. The prolonged spell of low inflation was attributed to the continued collapse in the price of oil from \$67 a barrel in May 2015 to just under \$28 a barrel in January 2016, the appreciation of sterling since 2013 pushing down import prices and weaker than anticipated wage growth resulting in subdued unit labour costs. CPI picked up to 0.3% year on year in February, but this was still well below the Bank of England's 2% inflation target. The labour market continued to improve through 2015 and in Quarter 1 of 2016, the latest figures (January 2016) showing the employment rate at 74.1% (the highest rate since comparable records began in 1971) and the unemployment rate at a 12 year low of 5.1%. Wage growth has however remained modest at around 2.2% excluding bonuses, but after a long period of negative real wage growth (i.e. after inflation) real earnings were positive and growing at their fastest rate in eight years, boosting consumers' spending power.

UK Monetary Policy

- 3.3. The Bank of England's MPC (Monetary Policy Committee) made no change to policy, maintaining the Bank Rate at 0.5% (in March it entered its eighth year at 0.5%) and asset purchases (Quantitative Easing) at £375bn. In its Inflation Reports and monthly monetary policy meeting minutes, the Bank was at pains to stress and reiterate that when interest rates do begin to rise they were expected to do so more gradually and to a lower level than in recent cycles.

4. LOCAL CONTEXT

- 4.1. At 31/03/2016 the Council's underlying need to borrow for capital purposes as measured by the Capital Financing Requirement (CFR) was £147.8m, while usable reserves and working capital which are the underlying resources available for investment were £55.8m (principal invested plus gains on investments with a variable net asset value).
- 4.2. At 31/03/2016, the Council had £144.3m of borrowing and £55.3m of principal invested. The Council's current strategy is to maintain borrowing and investments below their underlying levels, referred to as internal borrowing.
- 4.3. The Council's CFR is forecast to remain relatively stable over the coming years but its HRA CFR is currently expected to reduce by £4.1m per year from 2017/18, as instalments of the HRA settlement become due for repayment. The Council's capital expenditure plans do not currently imply any need to borrow over the forecast period.

5. BORROWING STRATEGY

- 5.1. As at 31/03/16 the Council held £144.3m of loans (a decrease of £0.2m from 31/03/15), with the vast majority relating to the funding of the Housing Revenue Account self-financing settlement from March 2012.
- 5.2. The Council's chief objective when borrowing has been to strike an appropriately low risk balance between securing low interest costs and achieving cost certainty over the period for which funds are required, with flexibility to renegotiate loans should the Council's long-term plans change being a secondary objective.
- 5.3. Affordability and the "cost of carry" remained important influences on the Council's borrowing strategy alongside the consideration that, for any borrowing undertaken ahead of need, the proceeds would have to be invested in the money markets at rates of interest significantly lower than the cost of borrowing.
- 5.4. The Council's portfolio of long-term debt is in the form of loans from the Public Works Loan Board (PWLB). A cautious approach has been applied in terms of take-up of new borrowing to minimise debt interest payments without compromising the long-term stability of the portfolio. No new borrowing took place during 2015/16. Internal resources in lieu of external borrowing have been used to lower overall treasury risk by reducing both external debt and temporary investments.

Table 1: Borrowing Activity in 2015/16

	Balance on 01/04/2015 £m	Net New Borrowing £m	Balance on 31/03/2016 £m
CFR	148.3		147.8
Short Term Borrowing ¹	0.2	-	0.2
Long Term Borrowing	144.3	(0.2)	144.1
TOTAL BORROWING	144.5	(0.2)	144.3
TOTAL EXTERNAL DEBT	144.5	(0.2)	144.3
Increase/ (Decrease) in Borrowing £m			(0.2)

Debt Rescheduling

¹ Loans with maturities less than 1 year.

- 5.5. The premium charge for early repayment of PWLB debt remained relatively expensive for the loans in the Council's portfolio and therefore unattractive for debt rescheduling activity. No rescheduling activity was undertaken as a consequence.

6. INVESTMENT ACTIVITY

- 6.1. The European Parliament approved the EU Bank Recovery and Resolution Directive (BRRD) on 15 April 2014. The combined effect of the BRRD and the UK's Deposit Guarantee Scheme Directive is to promote deposits of individuals and SMEs above those of public authorities, large corporates and financial institutions. Other EU countries, and eventually all other developed countries, are expected to adopt similar approaches in due course.
- 6.2. The outlawing of bail-outs, the introduction of bail-ins, and the preference being given to large numbers of depositors other than local authorities, means that the risk of making unsecured deposits rose relative to other investment options. The Council therefore increasingly favoured secured investment options or diversified alternatives such as covered bonds, non-bank investments and pooled funds over unsecured bank and building society deposits.
- 6.3. The Council has held invested funds representing income received in advance of expenditure plus balances and reserves held. During 2015/16 the Council's investment balances have ranged between £53.4 and £87.4 million.
- 6.4. The Guidance on Local Government Investments in England gives priority to security and liquidity and the Council's aim is to achieve a yield commensurate with these principles.

Table 2: Investment Activity in 2015/16

Investments	Balance on 01/04/2015 £m	Balance on 31/03/2016 £m	Average Rate/Yield on 31/03/16 %	Average Life on 31/03/16 years
Short term Investments				
- Banks and Building Societies:				
- Unsecured	21.6	8.3	0.61	0.12
- Secured	4.0	4.8	0.83	0.75
- Money Market Funds	14.5	11.0	0.51	0.00
- Local Authorities	1.0	8.0	0.59	0.48
- Corporate Bonds	3.1	1.0	0.86	0.85
- Government Bonds	-	3.0	0.76	0.71
Long term Investments				
- Banks and Building Societies:				
- Secured	-	9.5	0.97	2.00
- Local Authorities	4.0	7.0	1.46	1.87
- Pooled Funds	2.0	3.2	4.98 ²	N/A
TOTAL INVESTMENTS	50.2	55.8	1.03	0.78
Increase/ (Decrease) in Investments £m		5.6		

6.5. During 2014/15 the Council diversified its range of investments in order to reduce the risk of loss of funds. This process has continued in 2015/16. Over the year the Council reduced its exposure to unsecured bank and building society investments by increasing its exposure to secured bank and building society investments, government bonds, other local authorities, and pooled property funds.

6.6. The property fund investments allow the Council to diversify into asset classes other than cash without the need to own and manage the underlying investments. The funds which are operated on a variable net asset value (VNAV) basis offer diversification of investment risk, coupled with the services of a professional fund manager; they also offer enhanced returns over the longer term. The Council's pooled fund investments are in the funds' distributing share classes which pay out the income generated.

6.7. Although money can be redeemed from the pooled funds at short notice, the Council's intention is to hold this for the medium term. Their performance and suitability in meeting the Council's investment objectives are monitored regularly and discussed with Arlingclose.

6.8. Security of capital has remained the Council's main investment objective. This has been maintained by following the Council's counterparty policy as set out in its Treasury Management Strategy Statement for 2015/16.

6.9. Counterparty credit quality was assessed and monitored with reference to credit ratings, for financial institutions analysis of funding structure and

² Income return at 31/03/2016

susceptibility to bail-in, credit default swap prices, financial statements, information on potential government support and reports in the quality financial press.

6.10. The Council will also consider the use of secured investments products that provide collateral in the event that the counterparty cannot meet its obligations for repayment.

6.11. The Council maintained a sufficient level of liquidity through the use of call accounts and money market funds. The Council sought to optimise returns commensurate with its objectives of security and liquidity. The UK Bank Rate has been maintained at 0.5% since March 2009 and short-term money market rates have remained at relatively low levels which continued to have a significant impact on cash investment income.

6.12. The Council's average cash balances were £69.4m during the year and interest earned for the year was £0.677m, giving a yield of 0.98%.

7. COMPLIANCE WITH PRUDENTIAL INDICATORS

7.1. The Council confirms compliance with its Prudential Indicators for 2015/16, which were set in February 2015 and amended in September 2015 within the Treasury Management Mid-Year Monitoring Report.

8. TREASURY MANAGEMENT INDICATORS

8.1. The Council measures and manages its exposures to treasury management risks using the following indicators.

Interest Rate Exposures

8.2. This indicator is set to control the Council's exposure to interest rate risk. The upper limits on fixed and variable rate interest rate exposures, expressed as the amount of net principal borrowed will be:

Table 3: Interest Rate Exposures

	Approved limits for 2015/16	Maximum during 2015/16	Compliance with limits:
Upper limit on fixed interest rate investment exposure	£25.0m	£14.0m	Yes
Upper limit on variable interest rate investment exposure	£80.0m	£76.3m	Yes
Upper limit on fixed interest rate borrowing exposure	£163.4m	£144.5m	Yes
Upper limit on variable interest rate borrowing exposure	£163.4m	£1.0m	Yes

- 8.3. Fixed rate investments and borrowings are those where the rate of interest is fixed for the whole financial year. Instruments that mature during the financial year are classed as variable rate.

Maturity Structure of Borrowing

- 8.4. This indicator is set to control the Council's exposure to refinancing risk. The upper and lower limits on the maturity structure of fixed rate borrowing will be:

Table 4: Maturity Structure of Borrowing

	Upper	Lower	Actual
Under 12 months	25%	0%	0.1%
12 months and within 24 months	25%	0%	3.0%
24 months and within 5 years	25%	0%	8.9%
5 years and within 10 years	25%	0%	14.6%
10 years and above	100%	0%	73.4%

Principal Sums Invested for Periods Longer than 364 days

- 8.5. The purpose of this indicator is to control the Council's exposure to the risk of incurring losses by seeking early repayment of its investments. The limits on the total principal sum invested to final maturities beyond the period end will be:

	2015/16	2016/17	2017/18
Limit on principal invested beyond year end	£25m	£25m	£25m
Actual	£20m		

9. CRIME AND DISORDER AND ENVIRONMENTAL IMPLICATIONS

- 9.1. None arising directly from this report.

10. RECOMMENDATIONS

Members are recommended to consider the performance of the treasury function detailed in this report.

Further information	Background papers
Please contact Andrew Boutflower (HCC), or Bob Jackson (Chief Executive)	The Prudential Code, CIPFA Guidance Notes and ODPM Investment Guidance
	Local Government Act 2003
email: andrew.boutflower@hants.gov.uk bob.jackson@nfdc.gov.uk	SI 2003/3146 Local Authorities (Capital Finance and Accounting) (England) Regulations 2003
	<p>Treasury Management Strategy Report 2015/16 Audit Committee – 23 January 2015 Council - 4 February 2015</p> <p>Treasury Management Mid-Year Monitoring Report 2015/16 Audit Committee – 25 September 2015</p> <p>Treasury Management Annual Outturn Report 2014/15 Audit Committee – 26 June 2015 Cabinet – 1 July 2015 Council – 13 July 2015</p>
	Published Papers

PRUDENTIAL INDICATORS 2015/16

The Local Government Act 2003 requires the Council to have regard to CIPFA's Prudential Code for Capital Finance in Local Authorities (the Prudential Code) when determining how much money it can afford to borrow. The objectives of the Prudential Code are to ensure, within a clear framework, that the capital investment plans of local authorities are affordable, prudent and sustainable and that treasury management decisions are taken in accordance with good professional practice. To demonstrate that the Council has fulfilled these objectives, the Prudential Code sets out the following indicators that must be set and monitored each year.

Estimates of Capital Expenditure

The Council's planned capital expenditure and financing may be summarised as follows.

Capital Expenditure and Financing	2015/16 Approved £m	2015/16 Revised £m	2015/16 Actual £m	2016/17 Estimate £m	2017/18 Estimate £m
General Fund	8.3	4.8	3.0	4.8	3.2
HRA	12.7	13.7	13.1	16.6	10.4
Total Expenditure	21.0	18.5	16.1	21.4	13.6
Capital Receipts	0.3	1.6	1.8	1.3	1.3
Grants	2.3	1.8	0.9	1.8	0.8
Reserves	0.9	0.9	0.3	2.8	1.1
Revenue	12.7	11.2	10.2	13.7	8.4
Developers Contributions	3.6	2.4	2.4	0.9	-
Borrowing	1.2	0.6	0.5	0.9	2.0
Total Financing	21.0	18.5	16.1	21.4	13.6

Estimates of Capital Financing Requirement

The Capital Financing Requirement (CFR) measures the Council's underlying need to borrow for a capital purpose.

Capital Financing Requirement	31.03.16 Approved £m	31.03.16 Revised £m	31.03.16 Actual £m	31.03.17 Estimate £m	31.03.18 Estimate £m
General Fund	3.9	3.9	3.2	3.6	4.4
HRA	144.6	144.6	144.6	144.6	140.5
Total CFR	148.5	148.5	147.8	148.2	144.9

The General Fund CFR is forecast to rise by £1.2m over the next two years as capital expenditure financed by debt outweighs resources put aside for debt management, but the HRA CFR will fall by £4.1m as the first instalment of the Self Financing Settlement borrowing is repaid.

Gross Debt and the Capital Financing Requirement

In order to ensure that over the medium term debt will only be for a capital purpose, the Council should ensure that debt does not, except in the short term, exceed the total of capital financing requirement in the preceding year plus the estimates of any additional capital financing requirement for the current and next two financial years. This is a key indicator of prudence.

Debt	31.03.16 Approved £m	31.03.16 Revised £m	31.03.16 Actual £m	31.03.17 Estimate £m	31.03.18 Estimate £m
Borrowing	144.3	144.3	144.3	144.1	139.8

Total debt is expected to remain below the CFR during the forecast period.

The actual debt levels are monitored against the Operational Boundary and Authorised Limit for External Debt, below.

Operational Boundary for External Debt

The operational boundary is based on the Council's estimate of most likely, i.e. prudent, but not worst case scenario for external debt.

Operational Boundary	2015/16 Approved £m	2015/16 Revised £m	2015/16 Actual £m	2016/17 Estimate £m	2017/18 Estimate £m
Borrowing	163.4	163.5	144.3	163.1	159.9

Authorised Limit for External Debt

The authorised limit is the affordable borrowing limit determined in compliance with the Local Government Act 2003. It is the maximum

amount of debt that the Council can legally owe. The authorised limit provides headroom over and above the operational boundary for unusual cash movements.

Authorised Limit	2015/16 Approved £m	2015/16 Revised £m	2015/16 Actual £m	2016/17 Estimate £m	2017/18 Estimate £m
Borrowing	178.4	178.5	144.3	174.9	170.2

Ratio of Financing Costs to Net Revenue Stream

This is an indicator of affordability and highlights the revenue implications of existing and proposed capital expenditure by identifying the proportion of the revenue budget required to meet financing costs, net of investment income.

Ratio of Financing Costs to Net Revenue Stream	2015/16 Approved %	2015/16 Revised %	2015/16 Actual %	2016/17 Estimate %	2017/18 Estimate %
General Fund	0.2	-	(0.2)	0.8	0.2
HRA	-	-	-	-	-

During 2015/16 the ratio of financing costs to Net Revenue Stream for the General Fund was -0.2%. This figure reflects a lower voluntary MRP in 2015/16 than 2014/15 due to re-phasing of the vehicle and plant programme into 2016/17.

Adoption of the CIPFA Treasury Management Code

The Council adopted the Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice 2011 Edition in February 2002 and complies with all revisions of the Code.

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MEDIUM TERM FINANCIAL PLAN 2016 ONWARDS

1. Purpose of Report

- 1.1 To consider the development of the Medium Term Financial Plan 2016 onwards and to consider the factors that will influence its delivery and that of the annual budget strategy 2017/18.

2. Background

- 2.1 Over the previous medium term the Council has seen a significant reduction in funding grants (£1.994m (20.5%) comparing 2013/14 to 2016/17) and is forecast to receive further decreased funding going forward. The Council to date has been able to consistently produce a balanced budget, protecting front line services, doing so with only one increase to Council Tax in the past 5 years (1.67% in 2016/17, the first increase since 2% applied in 2010/11).
- 2.2 The Council has had to adapt and change in order to reduce the General Fund expenditure accordingly over the same period. A significant and recent demonstration of this has been the implementation of the new Senior Management structure, set to save the Council in the region of £800k per annum from 2016/17 onwards (with the majority already built into the 2016/17 budget).
- 2.3 Actions need to commence on the development of future years' budgets. To support this work it is necessary that an assessment is made of the likely financial scenario based upon available information. This future outlook is set out (Appendix 1) to help support the work of Portfolio Holders and officers in developing future plans.
- 2.4 Central Government has given councils the option of agreeing their settlement funding up to and including 2019/20, based on the figures received in February 2016. It is in the interests of this Council to accept this offer, and give increased certainty around its level of funding support going forward. The main condition of acceptance is that the Council must publish an efficiency plan. This report will act as the background to that plan, which is included as Appendix 1.
- 2.5 The standard approach for previous Medium Term Financial Plans has been to assess the on-coming 4 year period. In light of the significant changes ahead due to the Business Rate Retention scheme and the ability for this Council to guarantee its funding to 2020, as outlined above, this plan has been drafted covering a shorter 3 year period.

3. Budget Requirements and Assumptions over the Medium Term

- 3.1 Increases in costs are expected to total c£2.4m over the next 3 year period, based on current activity and latest figures received.

3.2 The Medium Term Financial Plan assumptions include:

- Annual Pay Award of 1% per annum
- An increase to the national living wage to £9.00 per hour by 2019/20
- Pension Increase Cost
- Apprentice Levy from 2017/18
- Fuel and Energy Cost Increases
- All other increases to be absorbed within existing overall Portfolio budgets, except where they are agreed policy or strategy developments
- A general fund reserve of £3m over the period as set out in the Annual Financial Report 2015/16
- No likely impact on funding as a result of the EU referendum

3.3 A 2% annual increase in Council Tax had been allowed for in the previous Medium Term Financial Plan to 2019/20. This new plan includes annual Council Tax increases at £5 per band D, in line with information received from Government, based on allowable increases for 2016/17, making the assumption that this allowable level will continue.

4. Forward Look – Part 1

4.1 The table below depicts the estimated budget deficit, starting from the position as reported to Council in February 2016, allowing for known changes (combination of late February changes and updates since), for the period to 2019/20 (shown in more detail within Appendix 1);

	2016/17	2017/18	2018/19	2019/20	Total to 2020
Estimated Budget Deficit(-) / Surplus (£'000)	300	-1,132	-2,035	-1,207	-4,074

4.2 The figures shown above are made up of a combination of increased costs, increased Council Tax and reduced grant funding and, in their totality, represent a difficult financial challenge to the Council.

5. Forward Look – Part 2

5.1 As mentioned earlier on in the report, the Council has undergone a significant restructure in recent months, and that restructure gave rise to an opportunity to implement a Budget Stabilisation Strategy, with the objective of offsetting the cost increases over the period to 2020.

5.2 Each newly appointed Service Manager has been issued with a target, which represents their share of the estimated cost increases (according to their Service's budget requirements), amounting to £2.438m in total:

	2017/18	2018/19	2019/20	Total to 2020
Budget Stabilisation Strategy (£'000)	1,000	719	719	2,438

5.3 The items identified by the Service Managers in order to reach the £2.438m are intended to be management decisions (supported by their Portfolio Holders and presented to EMT by each Service Manager), and represent the officers' management contribution towards the overall budget deficit.

5.4 Although the Budget Stabilisation Strategy makes a significant contribution towards the required savings, further efficiency reviews are also to be expected from the Service Managers, with input from EMT, with a view to yielding further savings over the period of £500k.

	2017/18	2018/19	2019/20	Total to 2020
Service Manager Efficiency (£'000)	-	250	250	500

5.5 It is likely that the 2017/18 deficit will be closed, principally as a result of the Stabilisation Strategy, giving the Council a little more time to implement the more major reviews as necessary to close the remaining budget deficit.

6. Forward Look – Part 3

6.1 The budget deficit outstanding, after allowing for the items as included in the sections above, is £1.136m to 2020.

6.2 In February 2016 the Cabinet was presented with the Delivery Plan, linked to the Corporate Plan. The Delivery Plan outlined 26 service reviews, some of which will be included within the work undertaken by the Service Managers and others that are more fundamental and will therefore require significant member input, ultimately contributing towards the £1.136m.

6.3 The major service reviews identified included:

- Building Control
- Tourism Service
- Waste & Recycling
- Health & Leisure Centres
- Enforcement Activity (Streetscene / Parking)
- Building Works
- Property Services
- Accommodation Strategy
- Other

6.4 Although no financial targets have been placed on these individual reviews, their outcome and potential use of reserves needs to close the remaining budget deficit over the medium term period to 2020.

7. Reporting Timeline

7.1 It is important that the Medium Term Financial Plan supports the ambition of the Council and remains driven by the objectives as set out in the Corporate Plan. The organisation must be able to support both and must remain vigilant and susceptible to change. A timeline is set out below for Cabinet which supports the development of the MTFP, through to the final setting of the 2017/18 budget;

	Cabinet Meeting	Report
1	October	Medium Term Financial Plan to 2020
2	December	Setting the Council Tax Base
3	January	Updated progress on MTFP
4	February	MTFP to 2020 and setting of 2017/18 budget

8. Crime and Disorder / Equality and Diversity / Environmental Implications

8.1 There are no direct implications as a result of this report.

9. Portfolio Holder Comments

9.1 The report outlines the financial forecast for this Council up 2020 and highlights the challenges ahead. As a prudent Council we have already started to address what has become the new landscape for Local Government and this report provides clear objectives for all involved; the real challenge is how our new Corporate Management Team, supported by all at New Forest, deliver these efficiencies while continuing to deliver on the front line services that our residents expect.

10. Recommended

Cabinet are asked to recommend to Council:

- a) That the revised Medium Term Financial Plan and efficiency plan, as outlined within the report and Appendix 1, be adopted;
- b) That the Government's offer of guaranteed funding levels up until 2020, through the publishing of the efficiency plan as laid out as Appendix 1 to this report, should be accepted;
- c) That the reporting timeline as set out in section 7 be agreed; and
- d) That the actions and development of plans for options to support the Medium Term Financial Plan, as set out in the report, be supported.

For Further Information Please Contact:

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MEDIUM TERM FINANCIAL PLAN - EFFICIENCY PLAN TO 2019/20

	2016/17 Updated £'000's	2017/18 Estimate £'000's	2018/19 Estimate £'000's	2019/20 Estimate £'000's	Total to 2020 £'000's
Part 1					
Estimated Budget Deficit (February 2016 Cabinet*)	- -	1,190 -	1,958 -	1,177 -	4,325
*includes an assumed 2% Council Tax increase					
Changes to Estimates February 2016					
Additional New Homes Bonus	8	20 -	7	36	57
Additional Transition Grant	111	111			222
Reduced Business Rates Surplus	- 300 -	200 -	200 -	200 -	900
Revised Estimated Budget Deficit (February 2016 Council)	- 181 -	1,259 -	2,165 -	1,341 -	4,946
Changes to Estimates Since February 2016	181				181
Changes to Estimates Reflecting Outturn 2015/16	300				300
Estimated Budget Deficit(-) / Surplus (July 2016)	300 -	1,259 -	2,165 -	1,341 -	4,465
Part 2 - Efficiency Plan; Management					
Budget Stabilisation Strategy		1,000	719	719	2,438
Service Management On-going Efficiency Target			250	250	500
Estimated Budget Deficit (July 2016)	300 -	259 -	1,196 -	372 -	1,527
Part 3 - Efficiency Plan; Major					
Update Council Tax Increase to £5 (difference between £5 & 2%)		127	130	134	391
Major Service Reviews					
• Building Control					
• Tourism Service					
• Waste & Recycling					
• Health & Leisure Centres					
• Enforcement Activity (Streetscene / Parking)					
• Building Works					
• Property Services					
• Accommodation Strategy					
• Other					
	- 300	132	1,066	238	1,136
Cumulative	-	168	898	1,136	

	2016/17 Updated £'000's	2017/18 Estimate £'000's	2018/19 Estimate £'000's	2019/20 Estimate £'000's	
Reserves Supporting the Medium Term Financial Plan					
General Fund Reserve	2,036	2,036	2,036	2,036	
Deficit Protection Reserve (generated from 2015/16 savings)	964	964	964	964	
	3,000	3,000	3,000	3,000	

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