

Draft Island Planning Strategy (IPS): Revisiting the site allocations approach**1.0 Introduction**

- 1.1 This briefing paper focuses on the revised approach to the housing number and site allocations within the Draft Island Planning Strategy (IPS). The new Draft IPS will contain a suite of policies focused on other key sectors such as the environment, economic development, the high street and health and wellbeing. The aim of all the policies within the Draft IPS will be to help achieve the outcomes within the IWC Corporate Plan.

What the first Draft Island Planning Strategy told us

- 1.2 The first Draft IPS was published for consultation in December 2018 and included the designation of housing allocations to enable the Government's standard methodology housing number for the island to be met, including proposals for two new garden settlements. The response from local stakeholders and the community was overwhelming in opposition to the number of houses to be built, with a primary focus on the lack of capacity of the island to firstly deliver and then support this level of development. The impact on the character of the island and subsequent impact on the tourism industry were also raised as key concerns.
- 1.3 The evidence from our Authority Monitoring Reports (AMRs) had also highlighted some of the key issues raised, including low levels of housing completions against planning permissions granted and severe shortages in the delivery of affordable housing. This apparent failure in the market to provide affordable housing and indeed sufficient market housing suggested that further evidence was needed to investigate the reasons why this was emerging and what possible solutions might be.

2.0 What the Isle of Wight Council has done since the first Draft IPS

- 2.1 The Isle of Wight Council (IWC) decided to investigate the issues identified above and whether a different, more island-specific approach to address our housing issues was possible that would remain in line with national planning policy.
- 2.2 IWC commissioned a number of independent studies to investigate the key characteristics of the island housing market and how these related to identified issues of affordability, the ability to deliver at scale and restricted operators within the market.
- 2.3 The additional evidence gathered provides a clear steer that the island has a reduced ability to deliver homes given the restrictions in the housing market generated by the island location, which itself is unique across all Local Authorities in England. This reduced ability to deliver has intensified distinct affordability issues associated with the demographic, migration and tenure patterns of island residents.
- 2.4 Gathering and assessing this evidence has informed a revised approach to providing future housing on the island, which was re-evaluated further to take account of the impacts of the Covid-19 pandemic. This heightened the focus on wellbeing, the environment and sustainable development and how planning can help to facilitate changing life patterns, for example considerable increases in levels of home working and increased requirements for open space.
- 2.5 Finally, the publication of the Planning White Paper in the Autumn of 2020 set the direction of travel from government for future planning reforms, the progress of which will need to be monitored as IPS plan preparation continues.
- 2.6 This overall process of recalibration has resulted in the IWC identifying an alternative route for the Draft IPS to take. The new Draft IPS proposes a revised approach to the planning and delivery of housing that is markedly different to the approach within the first Draft IPS - and considers a more

locally focused housing number. It offers a more sustainable and deliverable solution, one that is island focused and supplemented by a suite of policies supporting development where it has the best opportunity to succeed.

- 2.7 It is important to note that the IWC believes the right level of development is essential for the island to help with rebalancing the population demographic, increasing the working age population / wealth generators and addressing affordability issues and sees the Draft IPS as the tool to make this happen. Securing sustainable development of an appropriate scale in appropriate locations within the housing market that exists on the island will have a positive impact on residents and visitors alike and assist local people who are currently unable to afford a home on the island.
- 2.8 The generation of an 'island realistic' housing number is set out within the accompanying evidence paper entitled 'Approach to Housing in the Draft IPS' and is in line with paragraph 16 (b) of the National Planning Policy Framework (NPPF).
- 2.9 The outcome of this work is a housing number of **7,290** net additional dwellings over the 15-year plan period (2023-38), which averages **486 dwellings per year**. These numbers are reflective of both the evidence base on deliverability and the allocations approach outlined later in this paper and represents a positive, deliverable housing number in line with paragraphs 16 (b) and 35 (c) of the NPPF. To plan for higher numbers would be undeliverable, as evidenced by the independent studies and subsequent work summarised above, and therefore contrary to the NPPF and unsound.
- 2.10 The housing number in the new Draft IPS is a reduction of approximately 25% from the 9,615 net additional dwellings that were planned for in the first Draft IPS at an average of 641 per year. It also represents an approximate 27% reduction from the current standard methodology number of 668 dwellings per year (which would equate to 10,020 across the 15-year plan period).
- 2.11 Whilst the annual number of 486 per year is higher than the 10-year (365 per year) delivery average on the island, it is close to the 20-year (457 per year) average and the policies within the plan must work as a whole to help increase delivery. A more restrictive position on future sites coming forward (see bullet (v) of paragraph 4.4 below), must work in tandem with the plan allocating sufficient sites to ensure that the level of housing planned for helps to increase affordability by including a variety of locations and types of site.

3.0 Guiding principles that address key issues raised from the first IPS consultation

- 3.1 A set of guiding principles has been developed from the work carried out after the first IPS consultation to help steer the approach to the allocation of housing sites within the new Draft IPS. These principles will also help to deliver the vision for the island, as set out in the IWC Corporate Plan.
- a) Improve the delivery and affordability of new homes to best meet Island needs, in the most sustainable locations (reducing the reliance on private transport);
 - b) Prioritise the use of land within existing settlement boundaries, particularly where the land is brownfield and/or in public sector ownership;
 - c) Reflect the importance of a high quality built and natural environment and the associated positive impacts on wellbeing and contribution to UNESCO Biosphere Reserve status;
 - d) Create certainty through the adoption of a local plan over what is expected of development proposals and how places are likely to change as a result of the plan.

4.0 Revisiting the housing allocations for the new Draft IPS

4.1 In order to plan for the island realistic level of housing identified in the 'Approach to Housing in the Draft IPS' paper and paragraph 2.9 of this paper, IWC has revisited the housing allocations from the previous Draft IPS using the guiding principles from Section 3, undertaken a site classification exercise and then removed a number of proposed allocations based on the five 'reasons for removal' as listed below. The reasons for removal seek to ensure the Draft IPS is focused on planning for growth in the most sustainable locations with the fewest barriers to delivery.

	<i>Reason site removed from plan</i>
R1	Too small to allocate (under 10 units)
R2	Outside of any Primary, Secondary or Rural Service Centre boundary
R3	In or adjacent to a Rural Service Centre or at a Sustainable Rural Settlements so can be a Rural or First Homes exception site
R4	Operational commercial site, reduced or no certainty of delivery
R5	Adjacent greenfield site not forming a logical extension to the settlement boundary / less certainty of delivery / site specific issues

4.2 All of the previously allocated sites, and those promoted to the IWC as part of the previous consultation, were firstly considered in a basic site classification exercise that solely assessed the size/likely yield, the location in, out or adjacent to settlements and the type of site in relation to the brownfield or greenfield status. Sites that were too small to allocate (yield of under 10 units) were removed or not taken forward (reason **R1** - a total of 26 sites with a combined predicted yield of 145 dwellings) and these will instead form part of the identified (and conservative) windfall allowance of 100dpa. In the 4 years from 16/17 – 19/20, completions on sites between 5 and 9 dwellings totalled 108 dwellings, or 27 per annum. Coupled with completions from sites of 4 dwellings or less, and in line with paragraph 70 of the NPPF, these sites do provide a realistic source of supply. However as the IPS is planning for a lower housing number, there is a necessity to ensure that the planned growth provides as much affordable housing as possible. Sites of less than 10 units would not deliver any affordable housing, therefore will fall into 'windfall' rather than allocated supply.

4.3 In line with guiding principles (a) and (b), sites that were outside any Primary, Secondary or Rural Service Centre settlement boundaries were removed (reason **R2**) to ensure that planned growth is directed to the most sustainable locations. 98% of the allocated dwellings within the Draft IPS are now concentrated at the Primary and Secondary settlements. 87% are located in Primary settlements and 11% within Secondary settlements (with Wootton and Bembridge being upgraded to Secondary settlements due to population size and available services/facilities).

4.4 In line with paragraphs 77 and 78 of the NPPF, sites originally allocated in the first Draft IPS that were in or adjacent to the smaller Rural Service Centres or at the Sustainable Rural Settlements have been removed (reason **R3**). All of these sites could still come forward under the Rural & First Homes Exception Sites policy (H7) and deliver locally needed housing, or where relevant the Housing on Previously Developed Land policy (H9). Allocating these in the plan, with the majority being between 10 and 30 units, would reduce the amount of much needed affordable housing that would be delivered in these rural areas, as only 35% of the dwellings would have to be provided as affordable in line with the affordable housing policy.

4.5 Sites that are existing commercial operations with lower levels of certainty of delivery have also been removed (reason **R4**). A Housing on Previously Developed Land policy (H9) will provide support in principle for existing brownfield sites such as these to come forward should existing commercial operations cease or development represent a viable and appropriate option for the site.

- 4.6 Finally, a number of predominantly greenfield sites adjacent to settlement boundaries have been removed where they would not represent the most appropriate and sustainable extensions to the settlement boundary or where there are site specific issues that reduce the certainty of delivery (reason **R5**) or the site is no longer being promoted for housing.
- 4.7 It is important to note that of the 75 sites removed from the first Draft IPS, 51 could still come forward for development under the Rural / First Homes exception sites policy (34) or new brownfield sites policy (17). Of the 13 new sites suggested to IWC during and since the last IPS consultation that have not been taken forward as allocations, four can still come forward under the aforementioned policies. This position aligns with the housing number of 486 dwellings per annum within the Draft IPS not being a target to aim for in line with the NPPF. Windfall dwellings delivered through policies H7 and H9 would be in addition to the planned growth on allocated and permitted sites.
- 4.8 The major spatial strategy changes from the previous Draft IPS to the new Draft IPS can therefore be summarised as:
- i. the removal of the two proposed garden settlement areas of search and associated housing numbers attributable to these developments;
WHY? - there is no certainty of delivery within the plan period contrary to paragraph 72 (d) of the NPPF due to the substantial levels of work required to justify the viability, location and any delivery mechanisms of such settlements and associated long lead in times highlighted by paragraph 59 of Planning Practice Guidance;
 - ii. the removal of sites outside of settlement boundaries;
WHY? – with a lower, island realistic housing number allocated sites will be within extended settlement boundaries to deliver development in the most sustainable locations. This may also assist in maintaining realistic land values to ensure viable, policy compliant schemes can be delivered;
 - iii. settlement boundaries adjusted to include all allocated sites;
WHY? - setting clear settlement boundaries to include land allocated for development helps provide the community certainty for the future on how places will be shaped (see also bullet v relating to sites adjacent no longer being supported in principle);
 - iv. the removal of some greenfield sites adjacent to settlements that do not represent the most sustainable extensions to settlement boundaries or where site specific issues reduce the certainty of delivery;
WHY? - a deliverable and realistic island housing number requires some greenfield sites. However, those that do not form the most sustainable extensions to settlement boundaries or have site specific issues that reduce certainty should not form part of the planned growth
 - v. the removal of support in principle for sites outside, but adjacent to the settlement boundaries set within this plan, should they come forward for development;
WHY? - Prioritising the delivery of sites in the most sustainable locations through the use of settlement boundaries and allocations helps create certainty over where development will take place
 - vi. a stricter policy approach to ensure that planning permissions granted are built out to timescales set out as part of application information
WHY? - the level of housing within this plan meets an island realistic number therefore delivering the sites that have been allocated forms an essential part of the process

- 4.9 A balance has been taken to ensure that deliverable levels of housing are planned for across a variety of locations and types of site – this helps to increase affordability and access to a range of housing to meet all requirements and needs within the restricted housing market on the island. In line with paragraph 65 of the NPPF, the submission version of the Island Planning Strategy will also set out the housing requirement within any designated neighbourhood areas on the Island.
- 4.10 Alongside the Draft IPS and this paper, the IWC has published further evidence base papers related to both the implications of not planning for the standard method and also the delivery barriers that exist within the island housing market and whether they can be overcome or partly addressed through the implementation of the policies in a local plan.

Appendix 1 List of sites removed from previous Draft IPSReasons site removed:

R1	Too small to allocate (under 10 units)
R2	Outside of any Primary, Secondary or Rural Service Centre boundary
R3	In or adjacent to a Rural Service Centre or at a Sustainable Rural Settlements so can be a Rural or First Homes exception site
R4	Operational commercial site, reduced or no certainty of delivery
R5	Adjacent greenfield site not forming a logical extension to the settlement boundary / less certainty of delivery / site specific issues

Draft IPS policies that may be applicable to removed sites:

Policy H7: Rural & First Homes Exception Sites

Policy H9: Housing on Previously developed Land

Table of sites removed:

Site reference	Site address	Reason for removal	H7 applicable?	H9 applicable?
HA001	Land off Alum Bay, New Road	R1		
HA004	Land to the South of Clayton Road	R5		
HA007	School Ground, Regina Field and land NW of Regina Road, Copse Lane	R5		
HA009	The Apple Farm, Newport Road	R1, R2		
HA010	Land at Main Road, Wellow	R2	Y	
HA011	Manor Farm (West Field)	R2	Y	
HA012	Buildings at Lee Farm	R2	Y	Y
HA013	Land fronting Thorley Street	R2	Y	
HA014	Land at Warlands, Shalfleet	R2	Y	
HA015	Land at Elm Lane	R2	Y	
HA016	Merlins Farm, Elm Lane	R2	Y	Y
HA017	Land at Moor Lane	R1, R3	Y	
HA021	Land at Baring Road	R1		
HA023	Parklands Centre, Park Road	R1		Y
HA024	Land to west of Newport Road	R1		
HA027	Luton Farm (East of Wyatts Lane)	R5		
HA028	Kingswell Dairy, Newport Road	R5		
HA029	117 Medina Avenue	R4		Y
HA030	Test Centre site, 23 Medina Avenue	R1		Y
HA034	Land off Gunville Road (east)	R2		
HA040	Land at and adjacent to New Fairlee Farm	R5		
HA041	Barton School site, Green Street	R4		Y
HA042	Land east of St Georges Way and south of Asda, Newport	R1, R2		
HA043	Land at Landscape Lane	R5		
HA045	Land at Fairlee Road, Hillside	R4		Y
HA047	Merstone Valley Nurseries	R2	Y	Y
HA048	Highwood Nursery, Main Road	R3	Y	
HA049	Land to east of and at Rookley Green	R3	Y	
HA050	Land between The Spinney and The Linhay	R1		
HA052	Reynards Cattery, Palmers Road	R1		
HA054	Land to the rear of 34 High Street, Oakfield	R5		
HA056	6-8 George Street	R4		Y

HA057	St Thomas Street Car Park, Ryde	R4		Y
HA058	Land adjoining Puckpool Hill (The Archery Field)	R2		
HA059	Land to the west of Upton Road	R5		
HA061	Land at Binstead	R5		
HA063	Land at Puckpool Hill	R2		
HA066	Land near Brading Roman Villa / Land off Morton Road	R3	Y	
HA067	Land north of Quay Lane	R3	Y	
HA068	Wrax Farm, New Road	R3	Y	
HA069	The Builders Yard, Yarbridge	R1		Y
HA070	Coppid Hall Farm, Main Road	R2	Y	Y
HA071	Car sales area on the east side of Main Road Havenstreet	R1, R2	Y	Y
HA072	Former Flamingo Park, Oakhill Road	R2	Y	Y
HA073	Land at Seagrove Farm Road	R2		
HA074	Land west of Eddington Road	R2	Y	
HA075	Gibb Well Field, off Seaview Lane	R2	Y	
HA076	Guildford Park Caravan Site & Fakenham Farm	R3, R4	Y	Y
HA082	Chester Lodge Hotel, 7 Beachfield Road	R1		Y
HA083	Land adjacent Perowne Way	R5		
HA085	The Bayhouse Hotel, 8 Chine Avenue	R5		Y
HA086	Holme Farm, Church Road	R1, R2		Y
HA087	Land opposite Holme Farm	R1, R2		
HA088	Shanklin Esplanade Car Park	R4		Y
HA089	Fairfield Lodge, Priory Road	R1, R4		Y
HA090	Depot site at Lowtherville Road	R5		Y
HA091	Ventnor Youth Club, Victoria Street	R4		Y
HA092	Land off Chestnut Drive / Willow Close	R5		
HA093	Land to the east of Ventnor Road	R2	Y	
HA094	Land at 31 Ventnor Road	R1, R2	Y	
HA095	Land at Moor Farm	R5	Y	
HA097	Land at Deacons Nursery	R5	Y	
HA098	Land at Lower Branstone Farm	R2	Y	
HA099	Land at Tithe Barn Farm	R1, R2	Y	
HA100	Popes Farm, High Street	R2, R3	Y	
HA101	Westmeanth, Land at White Dymes, Main Road	R2, R3	Y	
HA102	Land off Chatfield (east), Niton	R3	Y	
HA103	Land off Chatfield Road	R3	Y	
HA104	Land at eastern end of Allotment Road	R1	Y	
HA105	Land rear of High Street	R2, R3	Y	
HA106	Land east of Alverstone Road	R2	Y	
HA107	Castle works and former bacon factory, Castle Road	R5		Y
HA108	Former Worsley Inn, High Street	R1		Y
HA109	Land at St Johns Road	R3	Y	
HA111	Folly Works	R2		Y